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**GENERAL PURPOSE STANDING COMMITTEE No. 3**

**Tuesday 14 September 2010**

**Examination of proposed expenditure for the portfolio areas**

**LOCAL GOVERNMENT, JUVENILE JUSTICE, MENTAL  
HEALTH**

**The Committee met at 9.15 a.m.**

**MEMBERS**

The Hon. J. G. Ajaka (Chair)

The Hon. R. Borsak  
The Hon. M. A. Ficarra  
The Hon. S. Moselmane

Mr D. Shoebridge  
The Hon. L. J. Voltz  
The Hon. H. M. Westwood

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**PRESENT**

**The Hon. B. M. A. Perry**, *Minister for Local Government, Minister for Juvenile Justice, Minister Assisting the Minister for Planning, and Minister Assisting the Minister for Health (Mental Health)*

**Department of Premier and Cabinet**

**Mr R. Woodward**, *Chief Executive, Division of Local Government*

**Mr G. Gibbs**, *Director, Performance Management and Compliance, Division of Local Government*

**Department of Human Services, Juvenile Justice**

**Mr P. J. Muir**, *Chief Executive*

**Ms V. Ruisis**, *Deputy Chief Executive, Operations*

**Mr J. A. Hubby**, *Deputy Chief Executive, Management Services*

**NSW Health**

**Dr R. Matthews**, *Deputy Director General, Strategic Development*

**Mr J. Roach**, *Chief Financial Officer*

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**CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**

**CHAIR:** I declare this hearing for the inquiry into budget estimates 2010-2011 open to the public. I welcome Minister Perry and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Local Government, Juvenile Justice and Mental Health. Before we commence I will make some comments about procedural matters. In accordance with the Legislative Council's *Guidelines for the Broadcast of Proceedings*, only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photos.

In reporting the proceedings of this Committee, you must take responsibility for what you publish and the interpretation you place on anything that is said before the Committee. The *Guidelines for the Broadcast of Proceedings* are available on the table by the door. Any messages from attendees in the public gallery should be delivered through the Chamber and support staff, or the Committee Clerks. Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers while at the table. I remind everyone to please turn off their mobile phones. Simply having them on silent will interfere with the recording.

The Committee has agreed that one hour will be allocated for questioning of Local Government, Juvenile Justice and Mental Health portfolios in that order, so that is one hour each. The House has resolved that answers to questions on notice must be provided within 21 days, or as otherwise determined by the Committee. The Committee has not varied the 21-day time frame. Transcripts of the hearing will be available on the web from tomorrow morning. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. I remind the Minister that she does not need to be sworn as she has already sworn an oath to her office as a member of Parliament. All other witnesses will be asked to state their full name, job title and agency, and whether they wish either to swear an oath or to make an affirmation.

**ROSS KEITH WOODWARD**, Chief Executive, Division of Local Government, Department of Premier and Cabinet, and

**GRAHAME RUSSELL GIBBS**, Director, Performance Management and Compliance, Division of Local Government, Department of Premier and Cabinet, sworn and examined:

**CHAIR:** I declare the proposed expenditure for the portfolios of Local Government, Juvenile Justice and Mental Health open for examination. The Committee has resolved that each portfolio will have one hour, and there will be 20 minutes Opposition, 20 minutes for the crossbench and 20 minutes for the Government, in that order. As there is no provision for the Minister to make an opening statement before the Committee commences, we will now begin with questions from the Opposition.

**The Hon. MARIE FICARRA:** I will start with code of conduct investigations. When did the new internal code of conduct investigation process and internal code of conduct committees come into place?

**Mrs BARBARA PERRY:** As to what date that happened, I think it was in 2005, from memory. Am I right about that?

**Mr WOODWARD:** Yes, 2005.

**Mrs BARBARA PERRY:** It was 2005.

**The Hon. MARIE FICARRA:** Why did it take the Division of Local Government until 24 June this year, 2010, in response to a question on notice from the Opposition, to advise councils and investigators of the evidence standards to be applied by the investigators in code of conduct investigations? Why did it take that long to formally advise councils?

**Mrs BARBARA PERRY:** I might refer that to the director general. Before I do so, I will say this. I think the evidence standards have always been clear in the code of conduct. That question on notice, if anything, continued to clarify the matter. I recall that question on notice very well. I will ask the director general to indicate that.

**Mr WOODWARD:** I can confirm that the standard of evidence is in the guidelines that came with the code of conduct back in 2005. The reason for the recent clarification was because there were some reasons for us to basically put it out there again to clarify exactly what that means. So it has always been there, but it was a matter of clarifying it so that everybody could see it. Over time, there has been experience in the way some of the independent reviewers have been interpreting evidence, so that was a way of us clarifying it for everybody.

**The Hon. MARIE FICARRA:** Have there been any formal workshops to train councillors and council officers as to what evidence standards are and the whole purpose of code of conduct investigations, and indeed standards expected in codes of conduct by councillors and officers?

**Mrs BARBARA PERRY:** I will ask the chief executive to answer that.

**Mr WOODWARD:** Yes, there have been over time. Specifically after the last local government election we had training for councillors and general managers, and one of the topics was code of conduct and how the code of conduct system works. In terms of the specifics of the independent reviewers, no, we have not done that. The Local Government and Shires Associations have the training role around that, but when we are aware that there is an issue that comes to us from time to time we will go out to the council and work through with the council how the code of conduct works and what sort of evidence is required and detail about that. We do that on a fairly regular basis, in fact, and we are looking at expanding that.

**The Hon. MARIE FICARRA:** The Division of Local Government already exercises an oversight role with respect to the correct application of council's code of conduct. On how many occasions has the Minister or the Division of Local Government intervened in code of conduct investigations into councillors?

**Mrs BARBARA PERRY:** Initially we need to make a couple of things very clear as to the roles. My role in relation to the code of conduct is to review and make sure that the code continues to assist councillors, council staff and council delegates in acting honestly, ethically, responsibly and with accountability. I do not

have a role in the prosecution or the investigation of the alleged breaches of the code. As you would be aware, councils themselves are primarily responsible for managing complaints made under the code. If a complaint is about a councillor, including the mayor, it should be directed clearly to the general manager. If the complaint is about the general manager, it should be sent to the mayor. In circumstances where a complaint is about pecuniary interest or a political donation, it is required to go directly to the chief executive of the division. Sometimes councils do misunderstand the role of the chief executive in particular, whereas the role of the chief executive really is to look if the process has been followed properly.

**The Hon. MARIE FICARRA:** Would you come back to the Committee with instances where you have intervened? I do not expect the Minister to know that off the top of her head.

**Mr WOODWARD:** Yes, I can certainly take it on notice. I need to clarify what you mean by "intervene" because we review process on a fairly regular basis but we do not intervene if a council is going through the process correctly. The reason for that is if the council decides to take action, say, against a councillor over time, it could be referred to me under the misbehaviour provisions. If I have, in fact, intervened along the way, I have already prejudged the case and therefore I cannot make the decision at the end of the day. So that is one of the reasons why I must stand back from the merits of the case. But we certainly do review the process, and I am happy to come back with how many times we have done that.

**Mrs BARBARA PERRY:** Over what period?

**The Hon. MARIE FICARRA:** Since it has been in operation, if that is not too onerous. It would be interesting to know how the division is handling code of conduct investigations. My personal reflection is that there is still a lot of ambiguity in who has what role and what is expected, and particularly a lot of community concern with behaviour and the code of conduct of some of the councillors and their conduct during council meetings. Clause 4.8 of the code of conduct states:

You must treat others with respect at all times. This means not using derogatory terms towards others, observing the rights of other people, treating people with courtesy and recognising the different roles others play in local government decision-making.

Section 6.1 (e) of the code prevents conduct which causes, comprises or involves intimidation, harassment or verbal abuse. Do you agree with the statement by an officer of your department, Miss Lyn Brown, to a council briefing on the code of conduct on 17 August 2010 when encouraging councillors not to complain about abusive behaviour that, "Well if someone calls me a tart, that's politics." Is that the correct standard which your divisional officers should be expressing?

**Mrs BARBARA PERRY:** I will attempt to reflect on a couple of issues. Firstly neither myself nor the chief executive were at that briefing. I know generally in my time as Minister that there have in some instances been an abuse by councillors of the code of conduct. I recognise that and we are very aware and are constantly looking at that. Intimidatory comments, or those in other ways offensive, should be dealt with by the chair immediately and complaint should be made to the chair immediately about them. In those instances that is something that we are not seeing a lot of and it does reflect what we do need to do regarding training. I will now pass over to the chief executive.

**Mr WOODWARD:** That instance was a case where that particular council was struggling with how the code of conduct works so I requested two of my staff, including Lyn Brown, to attend that meeting. When that comment came back to me I asked her whether she made that comment. She denied making that comment but she did say there was a fairly robust session and her message was: Sometimes it needs to be dealt with on the spot, and the code of conduct is not always the way, every time some comment is made, to deal with it. Maybe it is better, as the Minister said, if the chair reins in that behaviour. But there are times when robust debate means that some comments are made and sometimes they should be dealt with on the spot. That is what Ms Brown said to me was the context of that, but she denies using those actual words.

**The Hon. MARIE FICARRA:** I believe Ms Brown is not a lawyer. What qualifications do your investigative officers need to have? What is the prerequisite?

**Mr WOODWARD:** They have a variety of prerequisites but they are certainly not lawyers. Most of them are not lawyers; not intended to be lawyers. In fact, the code of conduct was never intended to be about lawyers; it is about conduct of councillors in a framework of behaviour. So most of my investigators are not lawyers. Some do have legal degrees but it is certainly not a prerequisite. It is about their investigation skills.

**The Hon. MARIE FICARRA:** Will you supply the committee on notice the qualification requirements?

**Mr WOODWARD:** Yes, certainly.

**The Hon. MARIE FICARRA:** Minister, in your division, general managers of councils are informing councillors that if they wish to complain about the code of conduct investigation and disciplinary process they should refer it to the NSW Ombudsman. Is the Minister aware that the Ombudsman, Mr Barber, wrote to complainants and advised:

It is the responsibility of the Division of Local Government of the Department of Premier and Cabinet to provide a model code and monitor how it is being implemented and that due to limited resources we are unable to investigate each of the approximately 8,000 matters we receive each year.

Minister, in view of that, do you think it is fair that councillors have a perception that you and your department are passing the buck to the NSW Ombudsman and vice versa? Exactly where do we go if the public and councillors want justice?

**Mrs BARBARA PERRY:** I refer firstly to the comments which I made earlier about how the code of conduct works. I think it is fair to say that it can often be abused in instances and misunderstood in some other instances. We need to be clear about what our roles are. In relation to the Ombudsman, I might just ask the chief executive to make some clear comments. I want to point out that my role, as I stated earlier, is not a prosecutorial role under the code of conduct.

**Mr WOODWARD:** We work very closely with the Ombudsman to make sure that we are clearly separating our functions. We look at substantial waste and the Ombudsman looks at maladministration, so at times some of our referrals are made because they sit squarely under the Ombudsman's area of expertise and responsibility. There are other times when we have reviewed matters and the person is not satisfied with that, and sometimes we also, under an agreement with the Ombudsman, refer those matters as a second set of eyes to make sure that we have it right. That is under agreement with the Ombudsman. So we do not sort of flick-pass things to each other willy-nilly, it is actually a properly structured way of making sure that we devote each of our resources to what we are supposed to be doing.

**The Hon. MARIE FICARRA:** Where do people go—the number is now into the thousands—with complaints that your division is not willing to investigate, and clearly the New South Wales Ombudsman does not have the resources to do so?

**Mr WOODWARD:** Specifically what complaints are you referring to?

**The Hon. MARIE FICARRA:** We could resubmit a lot that we have on hand, but the Ombudsman has already stated that he has rejected investigation of many of them. Where do they go? Do they just go into the cosmos or into limbo?

**Mrs BARBARA PERRY:** Are you suggesting some further appeal where someone may not be happy with the answer once a matter has been looked at?

**The Hon. MARIE FICARRA:** I think that people expect your division to investigate these and clearly there seems to be a problem because these complaints are increasing. There is misunderstanding and clearly, as you noted before, there is a need for training.

**Mrs BARBARA PERRY:** There is always the need for training in a number of matters relating to councillors and council practices and council business, but to say that there is perhaps some systemic problem around the use of the code of conduct, I do not agree with that, and there is no evidence coming to the department that supports that in my view. I think where responses have been given, and bearing in mind what the chief executive has said about the processes, where the department can intervene around processes, clearly there have been times when processes have been incorrect and the department has said so. But the chief executive and the department cannot determine matters based on merit issues that are before the code of conduct reviewer or the council. That is my understanding of it. Am I correct in that regard or am I wrong in that regard?

**Mr WOODWARD:** No, that is correct, but I am a bit confused—

**The Hon. MARIE FICARRA:** Where do people go if they are not happy? If the Ombudsman is not prepared to investigate—or he can't—where do they go?

**Mr WOODWARD:** It depends on what it is. I am not quite clear about what issues you are raising.

**The Hon. MARIE FICARRA:** An appeal in relation to the way that, perhaps, your division has handled a complaint. There is no real appeal process.

**Mr WOODWARD:** That is when we refer them to the Ombudsman as a sort of, as I said, second set of eyes. Are you talking about people from the public or councillors or—

**The Hon. MARIE FICARRA:** Both the community and councillors. The code of conduct investigation has often been used as a petty political tool to hit each other over the head instead of getting on with the business of governance for the community.

**Mr WOODWARD:** In some cases that is correct and that is where we step in and speak to the councillors involved in a session to sort some of those things out. And we have had a fair bit of success with that in some councils where that has been the behaviour pattern. In fact by us intervening early, our intention is that we help that council because councils should be getting on with service to communities, not slanging off at each other, in my view.

**CHAIR:** I am happy for you to take this question on notice, but looking at it from a different angle, are there more than a number of situations—in other words, too many situations—where you find that complaints to your department by councillors are clearly unwarranted complaints, that is, they ultimately lead to a waste of your time and resources? Is there an over-amount of that, so that something needs to be looked at, or is that not really occurring?

**Mrs BARBARA PERRY:** If I could answer that first. I think we come back to what our role is, and that is to look at the process. I think that every person has a right, if they have an issue, to refer an issue to the department and from there the department can work out what its role is in relation to that issue. That is the first thing. I do not think anything is unwarranted. We learn from that sometimes and we can actually change things for better practice. That has been my view as the local government Minister over the last two and a half or three years, so I do not think anything is unwarranted and I am sure that my chief executive does not think that way either.

**Mr WOODWARD:** No, I absolutely agree with that.

**CHAIR:** It was not a question to trick you in any way. The second part of the question was do you find that you have sufficient resources to deal with all the complaints coming in or are you finding, as I used to in the old court days, that so much time is being spent on some complaints that should never have been made and limiting the resources to those really serious, genuine complaints? I am asking more from a resources point of view than anything else.

**Mr WOODWARD:** It is always a balancing act and a juggling act, but certainly we prioritise and our system means that we go straight to the ones of a more serious nature, I think. In terms of resources we certainly manage our resources very well in that regard.

**Mrs BARBARA PERRY:** Could I make one final point? Councillors need to take responsibility for their behaviour. I always make the point that laws and codes are there. It is almost sad that we have to have codes that manage behaviour. I honestly believe that in part of this discussion that we are having we need to put the onus back on councillors to take some responsibility. The community elects them and, seriously, at the end of the day it is the community that these councillors are accountable to.

**The Hon. MARIE FICARRA:** And the chair of the meeting at the time.

**Mrs BARBARA PERRY:** Yes.

**The Hon. MARIE FICARRA:** Are you aware that the Department of Premier and Cabinet has issued comprehensive and strict procedural guidelines through chapter 9 of the personnel handbook, "Management of Conduct and Performance", regarding the disciplinary investigation process for public servants including the

need for timeliness, procedural fairness, factors of decision making, how allegations should properly be put to alleged offenders, how investigators should conduct reviews and what reports should contain as to findings, disciplinary options and the like. Why have you and the Division of Local Government failed to issue similar comprehensive guidelines to ensure procedural fairness, consistency and natural justice for councillors? Surely this would be a step forward.

**Mr WOODWARD:** Our guidelines, which came out in 2005, have attempted to do that, but we are currently reviewing the way the code of conduct works and if there is anything we can pick up on to strengthen that, including training of the independent investigators and so forth, we will absolutely do it because we are very keen to make sure the code works, which is about better-run meetings so that councillors can focus on communities.

**The Hon. MARIE FICARRA:** At the shires association conference in June this year you stated that the rate-pegging regime had been successful in encouraging councils to achieve efficiencies. With that statement in mind, why were special rate variations exceeding 5 per cent approved for six councils?

**Mrs BARBARA PERRY:** As you would know, special rate variations are very much looked at by having a proper business case being put to me and, secondly, meeting broad community support. I can tell you that, checking out those variations or looking at those variations, there was very much a proper assessment done—a very strong and vigorous assessment—of those two elements, and, as you would know, the Independent Pricing and Regulatory Tribunal [IPART] will be, as of next year, taking over the special rate variation process.

**Mr DAVID SHOEBRIDGE:** Still on the code of conduct—I can tell you enjoy it, Minister—in the last year we have seen a number of councils face code of conduct inquiries that appear to have been entirely political in nature. Councillor Osborne in Newcastle comes to mind. He had a code of conduct complaint lodged against him for an act of civil disobedience relating to protesting against coal exports. That clearly had no connection with his duties as a councillor. What steps is your department taking to stamp out those kinds of political, vexatious complaints?

**Mr WOODWARD:** Those matters are dealt with by the council in the first instance. Therefore, if the process is being misused, a councillor is able to come to us directly and ask about that process and we will review the process. I am not familiar with the particular case but certainly our view is—and our guidelines reinforce this—that the code of conduct is not to be used for political purposes. It is simply about decent behaviour.

**Mr DAVID SHOEBRIDGE:** Will you consider amending the code of conduct to make it a breach for a frivolous or vexatious complaint to be made under the code?

**Mr WOODWARD:** A frivolous or vexatious matter can already be dismissed by the council itself or by the general manager in the first instance. If it goes to an investigator, an independent reviewer, that reviewer can decide if it is vexatious and not proceed.

**Mrs BARBARA PERRY:** That has happened in a number of instances. Let us remember that the code at first instance is about the council itself determining these matters. I think you will find that the guidelines outline the issue of vexatious complaints, if I remember correctly, or it is in the code itself.

**Mr WOODWARD:** We will have to check. I think it is in the guidelines. If we need to strengthen that as part of the review we are doing, we certainly will.

**Mr DAVID SHOEBRIDGE:** Surely you recognise that in many councils the role of a general manager is essentially political and he or she can often side with the majority of councillors. Therefore, having the general manager as the gatekeeper, particularly before forwarding a complaint, is an inherent problem in councils and often leads to victimisation of minority councillors. Do you accept that?

**Mrs BARBARA PERRY:** I refer to my earlier comments. I do not believe there is a systemic issue with the code of conduct. There may be a small minority of councils where the process is not being used appropriately. I think it is fair to say that. I discourage the use of the code of conduct for political reasons. I accept the general manager may sometimes feel that he or she is in a difficult position but the code of conduct clearly sets out a process that I think all councils should respect.



**Mr DAVID SHOEBRIDGE:** Have you considered having an independent person as the gatekeeper rather than the general manager, who in reality often has quite political considerations and requires the support of a majority of councillors to maintain the position as general manager? Have you considered that that creates a conflict in the model code of conduct that should be addressed?

**Mr WOODWARD:** It is an area that I often discuss with general managers and they make that point. I make the point to them that they are not being asked to make a merit decision. All they have to do is look up—

**Mr DAVID SHOEBRIDGE:** But the question of whether something is frivolous or vexatious is a merit decision right at the start of the process. Often if they make the decision to forward that matter, it leads to a whole lot of hurt for the councillors, who go through a fairly unmeritorious review process.

**Mr WOODWARD:** Except that there is another gatekeeper, if you like, because if the general manager decides it falls within the code, it gets referred to an independent person who also looks at whether the matter is vexatious or frivolous. There are two sets of eyes on it. My strong advice to general managers is that if they are in any way fearful of that being the case, that it is vexatious or they feel compromised, they should not make any decision but immediately refer it to the independent reviewer.

**Mr DAVID SHOEBRIDGE:** Do you think that the model code of conduct should be amended to require councils to publish apologies, retractions and/or clarifications where a complaint has been made, investigated by the Ombudsman and found to have no standing and a recommendation is made to council to apologise? Do you think councils should be required to apologise and make a public retraction in those circumstances? Hurstville Council is a case in point. Councillor Wagstaff had a complaint investigated by the Ombudsman and a recommendation was made that the council apologise but the council has refused to act. Do you think that is inappropriate and should the code be strengthened?

**Mr WOODWARD:** That is certainly something we could include in our review. Our view is that councils are responsible for their behaviour and for dealing with their members.

**Mr DAVID SHOEBRIDGE:** But where they act badly and the majority has instigated a complaint and had it forwarded through their general manager and even the independent umpire says it is unfounded, surely that is where you in your role as chief executive should be compelling councils to do the right thing.

**Mrs BARBARA PERRY:** If you take the basis of the Act and the autonomy of councillors and councils you cannot say it is autonomous for some things and not others. The model code of conduct is about councils themselves making these decisions, and you would hope that councils acted appropriately in doing that. Hurstville Council decided to act in the way it did. We need to be mindful that you cannot on the one hand say councils should have autonomy and on the other hand they should not.

**Mr DAVID SHOEBRIDGE:** Will you consider amending the code of conduct to put in mandatory maximum time frames for the conduct inquiries to occur because there are many examples where the complaint stretches over months, sometimes years, and councillors are left in a state of anxiety while the complaint is unresolved? One example that comes to mind is Councillor Laugesen of Warringah Council, who has now had a complaint outstanding for more than six months, cannot get resolution and is left in a state of uncertainty. Do you accept that is inappropriate and that we should have maximum mandatory time frames?

**Mrs BARBARA PERRY:** I would have thought that councils would be sensible about dealing with these things and should deal with them as soon as possible. My understanding about Warringah Council is that there are a number of complaints. I do not know what the reason is for not dealing with that matter quicker than it has been dealt with. I do not know whether or not it has been dealt with already. Certainly we can make some inquiries of the general manager about that.

**The Hon. ROBERT BORSAK:** Given that councils from across the State are complaining that the internal code of conduct investigative review process with fellow councillors presiding over the disciplinary decision-making is an inherent conflict of interest, a failure, a cost-shifting exercise by your Government and has amounted to being used as a political tool by councils against rival councillors, will you consider abolishing the system and introducing an independent investigation and decision-making process? If not, why not?

**Mrs BARBARA PERRY:** I think we answered that question earlier, Mr Borsak, with the greatest respect. I made some comments that clearly indicated that councils are autonomous and the model code of conduct is set up to manage issues of conflict and behaviour—albeit it is sad that we have to set up a model code of conduct to do that. The processes as to how things should happen are clear under the model code of conduct. I think I said earlier a number of times that there may be some issues in a small number of councils but this is not a systemic issue. The model seems to work well in many other councils where they can get their act together.

**Mr WOODWARD:** Where the code of conduct is not working we tend to find there are more underlying issues. That is when we tend to step in to see what those issues are. A council meeting is where the decisions are made and business is conducted, and if they are not working smoothly, it is the community that misses out. We are concerned about that and we step in on a regular basis where that dysfunction appears to be occurring.

**Mrs BARBARA PERRY:** It is appropriate that the department has that role and it is very clear that the department does a good job when it steps in. We see the issues ironed out and the same mistakes are not made again. If the same mistakes are being made again and again, we need to look at it even more closely and perhaps take some other action.

**Mr DAVID SHOEBRIDGE:** Minister, are you aware that following some allegations regarding the involvement of the Hon. Eddie Obeid in Mid-Western Regional Council at Mudgee the council moved to immediately cease recording its meetings following the recording of the meeting being published in the local media? Will you consider making it a requirement that all councils in New South Wales make recordings of their meetings freely available to the public on request?

**Mrs BARBARA PERRY:** I always encourage openness and transparency in councils. Of course, that decision was made by the council itself. There has been some legal argument about recordings, the quality of recordings and legal issues around that, about which councils have had discussions. I think that council meetings, like all other aspects of council business, should be as open and as transparent as possible. Currently, it is still a decision for councils as to whether they record their meetings or otherwise. At the end of the day I think that members of the community will make a decision about a council's view on that.

**Mr DAVID SHOEBRIDGE:** Minister, it is in your power, is it not? If you genuinely believed in transparency you would move right now to mandate that the recording of council meetings be made available on a council's website. If you did that those members of the community who could not attend council meetings would be able to listen to the goings-on of their council and hold it to account, as you have been saying they should.

**Mrs BARBARA PERRY:** The recording of minutes is done by councils, those minutes are put on the council's website and they are published. There is openness and transparency by councils. As I said, the decision not to record is a matter for each council. Ultimately that council should be held accountable by the community at the next election.

**Mr DAVID SHOEBRIDGE:** If members of the community do not know it happened how can they hold a council accountable?

**Mrs BARBARA PERRY:** I am sure that the matter was raised in the local papers.

**Mr DAVID SHOEBRIDGE:** But the local paper could not get a recording of the meeting.

**Mrs BARBARA PERRY:** I think that representatives from the local paper are often present at many council meetings.

**Mr DAVID SHOEBRIDGE:** Minister, when will you restore democracy in Wollongong and Shellharbour councils, or do you believe the Illawarra does not deserve elected representatives?

**Mrs BARBARA PERRY:** Let us go back to what happened in Wollongong. Let us not forget what happened—

**Mr DAVID SHOEBRIDGE:** More than two years ago.

**Mrs BARBARA PERRY:** This was the first council in this State in which the Independent Commission Against Corruption found systemic corruption. That council is under administration because the Independent Commission Against Corruption said so. Clearly, the administrators have been hard at work with council staff, putting in place systems and processes—and they still have to do this job—that are corruption resistant. At the end of the day this was about a culture in this council. Until the administrators tell me otherwise I am not of a mind to restore that council. The administrators tell me that they need more time because of the work they have to do. We need to be mindful of that.

**Mr DAVID SHOEBRIDGE:** Minister, do you agree that that culture was allowed to be fostered in those councils essentially because of the undemocratic election system of two-member wards, which provides for an absolute dominance in councils and where you get 50 per cent plus one of the votes in those wards. Do you agree that the two-member ward system is part of the problem and that it should be fixed at a statewide level?

**Mrs BARBARA PERRY:** That is not what the Independent Commission Against Corruption found. Quite clearly the Independent Commission Against Corruption found that there were many other issues—issues that we do not need to traverse right now—that have filled three volumes of reports. Ultimately I believe we need to ensure that a council's organisational culture is appropriate before an elected body can be returned.

**Mr DAVID SHOEBRIDGE:** The report from the administrator in Shellharbour recommended that, when further elections are held, we get rid of the two-member wards and we put in place multi-member wards of at least three members. Will you accept that recommendation in relation to Shellharbour?

**Mrs BARBARA PERRY:** That recommendation was made as a result of a section 740 inquiry, and we will be looking at it. That is something the administrator was asked to look at as part of that inquiry and as part of the recommendations. There are other reasons relating to ward systems. We have a proportional voting system for councils. At the end of the day, corruption is not about whether it is a ward system or otherwise; it is about other issues. Clearly, at Wollongong it was about other issues.

**The Hon. ROBERT BORSAK:** I wish to deal with the forced amalgamation of councils. The Government has a stated policy of voluntary local government amalgamations. Why did the Minister recommend the forced amalgamation of the Armidale, Dumaresq, Guyra and Uralla councils?

**Mrs BARBARA PERRY:** I have not recommended any forced amalgamation of those councils. At the moment that matter is before the Boundaries Commission. Recently the Boundaries Commission took some evidence so the member might know the history in relation to this matter. Some time ago these councils formed an alliance and they spent a lot of money doing that. However, that alliance broke down. As a result, I commissioned a review that recommended amalgamation. I have not formed any view about that but a proper process is taking place.

**The Hon. ROBERT BORSAK:** Why did the Minister ignore the wishes of the majority of the residents of Guyra and Uralla and the fact that amalgamation would result in a substantial loss of economic viability at Guyra and Uralla councils?

**Mrs BARBARA PERRY:** The community has raised those issues and its submissions have gone to the Boundaries Commission to look at as part of the evidence that it will take into account in making a determination about the review that was conducted and the recommendations I forwarded to it.

**Mr DAVID SHOEBRIDGE:** Minister, when you make a recommendation in relation to a future New England council will you commit to not putting two-member wards in that new council and to set it up for failure like Wollongong and Shellharbour?

**Mrs BARBARA PERRY:** At this stage I will not pre-empt the decision and the advice that comes to me from the Boundaries Commission. I think it would be inappropriate to do so.

**Mr DAVID SHOEBRIDGE:** This Government is moving to put commercial enterprises in national parks as one arm of your Government. To the extent that there may well be commercial enterprises in national parks, will there be moves afoot to ensure that those commercial enterprises pay rates to their local council that are based upon the same rates that the balance of businesses in that local government area pay?

**The Hon. LYNDA VOLTZ:** Point of order: That question should be asked of the relevant portfolio Minister.

**Mr DAVID SHOEBRIDGE:** They are rates.

**The Hon. LYNDA VOLTZ:** It is about the operation of the National Parks and Wildlife Service.

**Mr DAVID SHOEBRIDGE:** It is about rates.

**The Hon. LYNDA VOLTZ:** No, it is not; it is about the National Parks and Wildlife Service.

**Mr DAVID SHOEBRIDGE:** It is about rates.

**CHAIR:** Order! In what way is it about rates?

**Mr DAVID SHOEBRIDGE:** It is about ensuring that commercial businesses in national parks pay rates to the local council.

**The Hon. LYNDA VOLTZ:** You are making presumptions about the National Parks and Wildlife Service, which is currently covered by the Act and which comes under the portfolio of another Minister. This Minister cannot answer questions about matters that relate to another Minister's portfolio.

**Mr DAVID SHOEBRIDGE:** The Minister can make a determination as to whether these commercial enterprises that are competing with other rate-paying businesses should be paying rates.

**The Hon. LYNDA VOLTZ:** Further to the point of order—

**CHAIR:** Order! The Hon. Lynda Voltz will allow Mr David Shoebridge to finish making his point.

**Mr DAVID SHOEBRIDGE:** This Minister can make a determination as to whether these commercial enterprises, which will be competing with other businesses that pay rates and contribute to their local facilities and infrastructure, should pay rates.

**CHAIR:** Order! I have made a determination. I will not allow the question. The member should move on to another question as he is running out of time.

**The Hon. ROBERT BORSAK:** Is the Minister aware that, in a matter at Warringah, David Clarke, chair of the code of conduct committee, stated that significant delays had been caused due to him renovating his house. Most recently he stated that the delay in the Councillor Laugesen matter that has been ongoing since October is because his computer is broken.

**Mrs BARBARA PERRY:** As I said earlier, I have asked the chief executive to make some inquiries about that.

**The Hon. LYNDA VOLTZ:** The Minister has taken your question on notice and she will get back to you with an answer.

**Mrs BARBARA PERRY:** I am looking into the matter.

**Mr DAVID SHOEBRIDGE:** The construction of Ocean View Apartments in Princess Street, Brighton-Le-Sands, was approved by Rockdale City Council. Although the building exceeded a height of 25 metres, it had no automatic fire sprinkler system and inadequate safety measures. Will the Minister require Rockdale council to offer residents assistance through the provision of fire sprinklers in the building and complete fire insurance protection?

**Mrs BARBARA PERRY:** Obviously I do not know about the specific matter or the specific approval.

**Mr DAVID SHOEBRIDGE:** Will you take that question on notice?

**Mrs BARBARA PERRY:** No. As Minister for Local Government I often find that people misunderstand my role under the Act. My Act has 740 or more sections in it, but not one relates to planning issues. I think members need to be mindful of that. There are other processes relating to planning matters, and fires and building safety form but one part of those processes. I think members need to bear that in mind.

**The Hon. SHAOQUETT MOSELMANE:** It has been almost two years since the revised model code of conduct commenced operation. What issues has the Division of Local Government identified in the implementation of the revised model code of conduct by councils? What is the division doing to address these issues?

**Mrs BARBARA PERRY:** So it is clear, I will reiterate the role of the Division of Local Government in relation to the implementation by councils of their adopted codes of conduct. The division would normally intervene in a code of conduct matter in only two circumstances—namely, when it is apparent that a council has failed to correctly apply its code of conduct or when the division is exercising its power under the misbehaviour provisions of the Act. In the absence of these circumstances the division normally would not comment on the merits of a complaint or a determination under the code for two reasons. My chief executive indicated earlier one of those reasons. First, by commenting on the merits of the matter considered under a council's code of conduct, the chief executive potentially may be precluded from exercising his power to suspend a councillor under the misbehaving provisions of the Act. Also under the model code of conduct, it is a matter for councils at first instance to determine whether the action of councillors and staff constitutes a breach of the council's adopted code of conduct and to impose an appropriate sanction in cases of a breach of those standards.

The division does not have the power to impose a sanction under a council's code of conduct or the power to compel a council to do so. Most councils have successfully implemented their codes of conduct. The division has had to intervene in some cases when a council has failed to comply with procedural requirements of the model code or has incorrectly applied the prescribed standards of conduct. Broadly speaking, the division has identified the following concerns about the implementation of the code. For some time we have identified the performance of certain conduct reviewers, costs incurred by some councils arising from the referral of matters to conduct reviewers or conduct review committees, and the misuse of the code of conduct by certain councillors and members of the community for political purposes.

Examples of specific issues the division has encountered include a general manager or mayor—in one case a group of councillors—making inquiries into the matter. Under the model code, where inquiries into a matter are warranted, the matter shall be referred to an independent conduct reviewer or conduct review committee. The division has encountered issues arising from a failure to comply with procedural fairness requirements of the code, failure by a conduct reviewer or conduct review committee to make sufficient inquiries into a matter to ascertain the facts, failure to report a conduct reviewer's or conduct review committee's findings to council as required under the model code, and failure by a conduct reviewer or conduct review committee to include sufficient information in their report to enable council to make an informed decision on a matter. The division has also encountered issues with a conduct reviewer or a conduct review committee reporting a determination to council not to make inquiries into a matter—in those cases, such determinations are required to be given in writing to the complainant only and should not be reported to council meetings—and, further, the application of the code to conduct that clearly does not relate to the exercise by a councillor of their official functions.

A further matter the division has encountered relates to councils dealing with pecuniary interests and political donation matters under their codes of conduct. Such matters need to be referred to the Division of Local Government. The division has undertaken a limited review of the model code. We constantly examine all our guidelines and other codes to address these and other issues that have been identified in the implementation of the code, to address other recommendations of the Independent Commission Against Corruption and to ensure consistency with subsequent legislative amendments. Key issues to be addressed as a result of the review include clarifying and expanding the provisions relating to the use of council property, prohibiting councillors whose conduct forms the subject of the report of a conduct review committee or a conduct reviewer from participating in a vote on that matter, and expanding the number of options available to a council when it determines that a breach has occurred to include a requirement for training.

The division is also currently exploring options for more substantial amendments to the model code. Mr Woodward indicated some of these options earlier, but they are worth reiterating. They include establishing a central panel of conduct reviewers to be used by all councils, to be administered directly by the division; establishing an independent appeal or review process, as indicated earlier, in respect of a determination that a

councillor has breached the code; and establishing a process whereby a council can request that a person be declared a vexatious complainant and thereby require future code of conduct complaints by that person to be independently assessed to determine whether the matter warrants referral to a conduct review committee or a conduct review. These options were referred to earlier, and the work is ongoing.

**The Hon. SHAOQUETT MOSELMANE:** What steps have been taken to improve governance in local councils across New South Wales?

**Mrs BARBARA PERRY:** If anything, I would like to be remembered for issues around governance and for trying to promote strong governance in councils.

**The Hon. SHAOQUETT MOSELMANE:** You are not going anywhere, are you?

**Mrs BARBARA PERRY:** No, I am certainly not going anywhere, and I would like to think that I have implemented and strengthened a number of projects aimed at improving the governance of local councils. In the main, I have found councils to be taking this on board. I congratulate my department and the councils on their strong embracement of these initiatives. Of course, we have had as a governance tool the Promoting Better Practice Program, which is a major review process for councils. The program has a number of clear objectives, which I will not reiterate. It is important to emphasise that those reviews involve officers closely evaluating the effectiveness and efficiency of key aspects of council operations and providing feedback. This process examines a council's overall strategic direction, checks compliance, examines appropriate practices and ensures that councils have frameworks in place to monitor performance.

The division budgets to complete at least 12 reviews each financial year. As at 30 June, the division had completed 89 reviews in various parts of the State, and nine reviews are underway. For some time these reviews found that councils lacked strategic planning and integration of planning responsibilities. This included poor financial planning and asset management. Generally, human resource activities were sound. However, they lacked strategic overview and were not linked to council strategic direction. Partly in response to these concerns, a new planning and reporting system for New South Wales local government has been introduced to improve local councils' long-term community planning and asset management processes as well as streamline reporting to the community.

The Integrated Planning and Reporting Framework seeks to address the strategic elements that were found lacking through the Promoting Better Practice reviews. The successful implementation of a council's strategic intent will need to be underpinned by an effective governance framework. Corporate governance is important because it enhances organisational performance, manages and minimises risks, increases the confidence of the community and the local government sector in the organisation, ensures that an organisation is meeting its legal and ethical obligations, and assists in the prevention and detection of dishonest or unethical behaviour. Governance is one of five modules contained in the Promoting Better Practice review program checklist, which is based on relevant standards and identified good-practice documents.

The review program also is one of our monitoring tools as it is a mechanism by which the division can review and monitor governance standards in councils. Most councils have in place the basic elements of good governance framework. However, there have been some notable high-risk gaps, such as the absence of internal audits, risk management and a complaints-handling system. In response to this, albeit another governance tool on which I have been quite strong and as has the department, we have developed and implemented internal audit guidelines to assist councils in developing their internal audit frameworks. Guidelines were issued in October 2008. The guidelines outlined a framework for the oversight of council systems and processes through the establishment of an internal audit function and an audit committee. The guidelines have been published pursuant to section 23A of the Local Government Act. That much more strict requirement is designed to persuade councils to take the guidelines more seriously. Following a survey of councils and further work being done on this important issue, revised guidelines were issued earlier this month. I expect councils to adhere to those guidelines.

In July 2009 the division released practice note No. 9 in relation to complaints management in councils. Complaints management is another form of oversight and monitoring. This publication was prepared by both the division and the NSW Ombudsman to assist councils in the management and handling of complaints. It has been designed for use by councils to develop and implement effective complaints management systems. In my view, an effective complaints management system is an essential part of the provision of quality service in local government. It is one method of measuring community satisfaction and provides a useful source of information

and feedback for improving council services. Complaints handling is also a key component of sound corporate governance and is fundamental to ensuring an appropriate level of accountability in the exercise of council functions.

Overall the standard of operations in reviewed councils is fairly good. Generally we found a direct correlation between the strength of a council's governance framework and its capacity to deliver services effectively. Councils without this framework for the most part have been the poorer performers. The division is aware that many councils are themselves beginning to use the promoting better practice checklist as a way of testing their governance practices. With the availability of the review tools now on the division's website, councils are using the program tools to re-evaluate their own practices and processes. This seems to show that councils want to do better and build on a culture of self-assessment and continuous improvement, not just for the individual organisations but for the sector as a whole.

Two of the key components of any council's governance framework are their code of conduct and the code of meeting practice. We have discussed the model code of conduct. As I said, it is currently being reviewed to include some improvements that have been suggested by councils as well as to ensure management of conduct complaints is carried out using consistent processes. But, importantly, council meeting codes are also being reviewed with a view to streamlining the process by producing a standard code of meeting practice. This will be available for adoption by councils. It will assist councils to comply with the provisions of the Local Government Act and I think it will save councils time in developing their own codes. Importantly, having a model code of conduct and the proposed standard code of meeting practice for adoption by councils will give communities confidence that decisions are made using consistent, good-practice processes across the State.

Each of these initiatives will contribute towards better governance of councils and will assist councillors and council staff to perform to the high standards that the community expects. Better governance will help to improve local government performance and ensure the success of councils into the future so that our local communities get the services they need into the future.

**The Hon. HELEN WESTWOOD:** Minister, what is the Government doing to increase the number of women in decision-making roles in local government?

**Mrs BARBARA PERRY:** As the Hon. Helen Westwood knows, this is the Year of Women in Local Government. I think it is fair to say that while women comprise approximately 50 per cent of the population in New South Wales, we know that in local government women constitute only 22 per cent of mayors and 27 per cent of councillors. Furthermore, women account for only 5 per cent of general managers and 24 per cent of senior staff in New South Wales councils. In recognition of these imbalances, my predecessor, the Hon. Paul Lynch, and the former Minister for Women, the Hon. Verity Firth, announced the establishment in 2008 of the Joint Ministerial Advisory Council on Women in Local Government.

The primary role of the advisory council has been to oversee the implementation of two action plans: one focuses on increasing the representation of women among elected representatives and the other focuses on increasing the representation of women among senior staff. The advisory council comprises representatives from seven local government sector organisations as well as two council representatives, two senior council staff representatives and one women's organisation representative. The appointed representatives are drawn from both rural and urban areas. The council has held three meetings to date. In that time the council has contributed to key achievements, including a review of the Division of Local Government's guidelines on councillor expenses and facilities policies, in particular to address financial barriers faced by female candidates and councillors. The council has also contributed to the division's Promoting Diversity in Local Government webpage, including content regarding family friendly and flexible work practices and to the division's guide for councillors on the recruitment and oversight of general managers, in particular meeting equal employment opportunity requirements.

The advisory council has also made a significant contribution to the production of a booklet on women in local government as part of the Year of Women in Local Government. The booklet contains inspirational stories from a diverse range of local government women employees, managers and elected representatives. The booklet, which will be printed and made available on the division's website, is expected to be released shortly—hopefully, in early November. The advisory council is scheduled to hold its next meeting in November when it will consider the findings of the division's inaugural local government staff census, which took place in July this year. The census provides a snapshot of the demographic characteristics of local government employees and the initiatives being implemented by councils to increase diversity in decision-making roles. Having a census is

very important, and having carried out a census is also very important. The advisory council will review those findings and will identify further possible strategies to increase the representation of women in senior staff positions.

We need to encourage women, and one way I have been doing that is through the Ministers Awards for Women in Local Government. The awards were established in 2008, prior to my appointment as Minister, but were established to recognise outstanding contributions made by women in local government in New South Wales. We should celebrate those contributions. The awards are about encouraging more women to take leadership roles in local government and increase public awareness of the contribution that women make to the local government sector. Minister McKay and I hosted our third annual awards as part of the International Women's Day celebrations in March this year. This year's award also celebrated the Year of Women in Local Government. Two of the six awards are for elected representatives and two are for senior staff.

This year we introduced a new category of two awards for non-senior staff to recognise women making positive contributions to local government in various and different roles, other than senior roles, and to encourage them to continue working in local government and perhaps aspire to more senior positions. In each of those three categories, one award is set aside for a rural council and the other is for a metropolitan council. It is intended that the awards will continue as an annual event. I will be calling for nominations for 2011 shortly. That means, Shaoquett, I am going nowhere.

The Government has also implemented other initiatives and is progressing a number of other initiatives to increase representation by women in local government. I have already mentioned the councillor expenses and facilities policy guidelines. The guidelines have a number of provisions that aim to attract and retain women councillors. For example, policy should encourage members of the community, particularly those in under-represented groups such as primary care-giver roles, to seek election to council by ensuring they would not be financially or otherwise disadvantaged in undertaking their civic duties. The guidelines also strongly encourage councils to allow for the reimbursement of reasonable cost of care arrangements, including child care and the care of other dependants.

One of the key principles underpinning the model code of conduct sets out the minimum requirements for councillor conduct when carrying out their civic duties—treating others with respect at all times—which we discussed earlier today. General conduct obligations include not harassing and not discriminating against people or supporting others to do that. They preclude harassment and discrimination on the grounds of sex, pregnancy and responsibilities as a carer. The requirements were reinforced at information seminars run by the Division of Local Government for councillors following the elections held in September 2008. The other area is workforce planning.

**CHAIR:** Minister, can you repeat what the other area is?

**Mrs BARBARA PERRY:** Workforce planning. Councils are required to prepare a workforce management strategy as part of the introduced integrated planning and reporting reform. The division has produced a web-based resource to assist councils, which includes information on promoting workplace equity and diversity. That web page also provides information about how councils can promote family friendly workplaces as a way of encouraging the employment and retention of women in senior staff positions. I believe that promoting diversity, especially in leadership positions, will improve local representation and communication, and promote greater understanding of the issues affecting local communities. I hope these important initiatives being implemented by the New South Wales Government will increase the number of women in local government decision-making roles. As a community we all have a responsibility in that regard, not just governments. [*Time expired.*]

**(The witnesses withdrew)**

[*Short adjournment.*]

**CHAIR:** We will now proceed with Juvenile Justice. I remind the Minister and officers accompanying her that they are free to pass notes and refer directly to their advisers while at the table. One hour has been allocated for this portfolio: 20 minutes for the Opposition, 20 minutes for the crossbench and 20 minutes for the Government. The House has resolved that answers to questions on notice must be provided within 21 days or otherwise determined by the Committee, and we have determined at this stage not to vary the 21 days. Transcripts of the hearing will be available on the web tomorrow morning.



**PETER JAMES MUIR**, Chief Executive, Juvenile Justice, Department of Human Services, sworn and examined, and

**VALDA JUDITH RUSIS**, Deputy Chief Executive, Operations, Juvenile Justice, Department of Human Services, and

**JOHN ANDREW HUBBY**, Deputy Chief Executive, Management Services, Juvenile Justice, Department of Human Services, affirmed and examined:

**CHAIR:** As indicated earlier, there is no provision for the Minister to make an opening statement so we will commence with questions from the Opposition.

**The Hon. MARIE FICARRA:** Perhaps this might be directed to the Chief Executive, only because the Minister has been there for only a short time. Do you think it is acceptable that the former Minister for Juvenile Justice, Mr Graham West, found out that a significant project within his portfolio—the bail houses project—had been rejected by the Department of Commerce, not through official channels but by a phone call from Father Chris Riley?

**Mrs BARBARA PERRY:** I just want to correct the record and make this very clear. There was never any such thing called the bail house project. When the chief executive gives his response I will ask him to talk about bail houses. There was a project for the bail assistance line which had been budgeted for and a tender process had been occurring. I am happy to talk to the distinction later, but I will allow the chief executive now to answer your question.

**The Hon. MARIE FICARRA:** Why was the decision that the project had been rejected not conveyed through government channels but through Father Chris Riley?

**Mr MUIR:** The Minister is correct. There was no project cancelled. Father Chris Riley does great work for the community. He was a tenderer for a range of services under the bail assistance line. The department put out an expression of interest to provide a range of accommodation and support services for the bail assistance line. We never did advertise for bail houses. In fact, bail houses are a project that do not really work much in Australia. We have done them before and we are not keen to go down that path again. We deliberately put out for a range of services that included case management support, educational support and transport services. So that package of services was put out. Due to some technical reasons about the way that tender was being handled, a letter was sent to the tenderers saying that the project had, in fact, been cancelled. That was incorrect.

The letter should have contained a further paragraph that Juvenile Justice was continuing with the process and when Father Chris Riley received that letter he approached the Minister. The fact is that the project never was cancelled. There was an unfortunate wording of the letter in relation to the handling of the tender. In fact, those services have now been given. They have gone to Catholic Care, Life without Barriers and to an Aboriginal service in western Sydney called Link-Up. So they never were cancelled and those services are now in operation.

**The Hon. MARIE FICARRA:** Is the Minister prepared to table the letter that was sent to Father Chris Riley?

**Mrs BARBARA PERRY:** I do not think that letter is ours. It is not a letter we have. It is a letter that belongs to another agency that was conducting the tender so it is not for us to say that we can table it. That is our understanding of what happened.

**The Hon. MARIE FICARRA:** Will Mr Muir provide more information about who wrote the letter to Father Chris Riley? You seem to be very aware of its contents.

**Mr MUIR:** The letter was written by the Department of Services, Technology and Administration that was managing the expression of interest process on behalf of Juvenile Justice.

**The Hon. MARIE FICARRA:** So why cannot that letter be tabled?

**Mrs BARBARA PERRY:** It is not something that we have in our possession. We are aware of it through other conversations.

**CHAIR:** Mr Muir, do you have that letter in your possession?

**Mr MUIR:** No, I do not, Mr Chair.

**The Hon. MARIE FICARRA:** When we refer to the bail houses project that you claim is not an accurate reflection your bail services package includes accommodation?

**Mr MUIR:** That is correct.

**The Hon. MARIE FICARRA:** We are playing on semantics.

**Mrs BARBARA PERRY:** No, we are not playing on semantics. I am going to ask the department that has had a lot of experience as we have had a similar issue with bail houses. I am going to talk about mixed models of accommodation are better than bail houses.

**The Hon. MARIE FICARRA:** Thank you, Minister, but that is not what my question was about. Why was former Minister, Graham West, not informed about key budget decisions in his portfolio prior to the decision that a letter be sent out? Why was he not informed of an obvious portfolio decision prior to communications going out to key stakeholders? Why was there not good, respectful communication with the former Minister about this project for which everyone knew he had great passion?

**Mr MUIR:** There has been a story running, particularly in the Fairfax press, that somehow this program had been cancelled. That is just factually incorrect, and it has been factually incorrect all along. In fact, I have written to the Fairfax press correcting the record that there was no project cancellation, there was no change to the Minister's budget allocation. This bail assistance line project has been in the budget papers for the past two years. It is, indeed, in this year's Budget Paper No. 3 again under the Department of Human Services. So there was no change to the budget allocation. There was no cancellation of the program. I cannot answer for the assumptions that others have made. I can, before this Committee, say that the program was never changed, varied, altered or cancelled.

**Mrs BARBARA PERRY:** The fact that it is in the budget papers confirms all of that. I cannot understand, and what concerns me greatly, is how that message that we have repeated over and over again is not heard. It does concern me because I want the community to know that this Government is very much committed to good diversionary programs and support programs for young people who are very marginalised in most instances.

**The Hon. MARIE FICARRA:** Former Minister West was so passionate about the bail house program and in an article of 30 September in the *Australian* he said:

A bail house could supply accommodation for people who might otherwise be denied bail because they have nowhere to live. We don't decide who gets released on bail, the court makes a judgement call on whether people should be released back into the community based on a number of factors, including accommodation and safety.

Why did the Government reject former Minister West's proposal?

**Mrs BARBARA PERRY:** The tender was always for a bail assistance line with supported accommodation. We run the line, as the department. That is a tender implemented by the Minister himself through direction to the department. I cannot answer for the use of the words "bail houses" in that article by the former Minister but certainly what the tender has always been for, implemented by the former Minister, was that we would run services which was the actual line, and we went one step further in seeking further support through accommodation, education and counselling and support through regional organisations. That has happened. That is up and running. That is what I sought to finish off from Minister West immediately as the first action I took when I came into this portfolio in June.

**The Hon. MARIE FICARRA:** The Minister announced that an after-hours bail assistance line program was to proceed as planned a mere three days after former Minister West's resignation. Who decided that this program would proceed? Do you not think it odd that this occurred on the same day that Father Chris

Riley resigned from the Government Advisory Council that you announced that this after-hours bail program would go ahead? It was all very convenient. Who decided that the program would proceed rather than the former Minister's program?

**Mrs BARBARA PERRY:** No, there is no difference between the former Minister's program and this program. Let us remember, a proper process was undertaken and the package was ready to be announced. We announced, so that we could get some things ironed out if need be, an interim decision that the program would run in Dubbo and that the organisation there would be Life without Barriers running that program. I want to make this very clear. There is no conspiracy here; there is no difference in the processes that Minister West undertook and that I completed. It is as simple as that. This process had been running for some time.

**The Hon. MARIE FICARRA:** In the former Minister Graham West's resignation speech on 4 June this year he stated:

Half the population in New South Wales Juvenile Justice detention centres is Aboriginal, 45 per cent of whom have an IQ below 79 and most of whom come from areas of poverty. How we rescue our vulnerable young people from this fate and from a cycle of poverty is one of the key challenges facing us today.

Mr West did not think it was possible to effectively tackle this challenge within the constraints of partisan politics. He made this quite clear. As Minister for Juvenile Justice, how do you intend to achieve what he could not?

**Mrs BARBARA PERRY:** Aboriginal over-representation has been an issue for many years in both the system that I am Minister for and the corrective system, the adult correctional system, and there is no doubt about that. I think we need to talk about a whole-of-government approach, which we have been doing for some time now, around these particular issues. It is true that last financial year the proportion of young people in detention in New South Wales who were of Aboriginal or Torres Strait Island background was actually 49.8 per cent. We would all agree that that is far too high given indigenous young people aged 10 to 18 make up only 3 per cent of the population in New South Wales.

We, as a department, have developed the Aboriginal Strategic Plan. The initiatives that we have initiated pursuant to that plan include the development of the Aboriginal Cultural Respect Framework. We have actively recruited and retained Aboriginal staff; we have programs and interventions to reduce the risk, severity and frequency of reoffending of Aboriginal young men and women; we are supporting Aboriginal young people whilst they are on bail to help them reintegrate into the community and extending the referral of Aboriginal young people to youth justice conferencing where appropriate. We are ensuring that Juvenile Justice community office staff provide support to local Aboriginal communities, because this is about engaging the local Aboriginal community as well as agencies, and encouraging Aboriginal young offenders to take responsibility for their own lives and steering them away from a life of crime.

Juvenile Justice recognises that key justice and human services agency partnerships are fundamental to addressing the over-representation of indigenous young people within the system and we are committed to working closely with other agencies to assist in addressing the needs of young offenders and the community. These agencies, as you would be aware, include Aboriginal Affairs, which produced the Two Ways Together policy and the New South Wales Closing the Gap strategy, and the New South Wales Department of Justice and Attorney General, which developed the Aboriginal Justice Plan and the community justice groups. We continue, can I say, to be a leading employer of Aboriginal people in New South Wales and we have also developed the Intensive Supervision Program [ISP], which is a groundbreaking program in this State. Can I just tell you some of the successes—

**The Hon. MARIE FICARRA:** Minister, we are running out of time and, with all due respect, you are diverging from the question now. I want to be more specific about bail accommodation. You do not call them bail houses, but do you agree with the concept of bail accommodation? Can you point to other jurisdictions in which they have been effective and what have been the experiences with bail houses or bail accommodation in other parts of the world?

**Mr MUIR:** Thank you for the question. Looking firstly at our own experience on this, the department ran a bail accommodation service or a bail house in western Sydney for some years. It had a number of problems. One of the problems you get if these services are not run properly is that you get a number of offenders, you place them together in one location in an environment that does not have the constraints and controls of a detention centre, and you can actually be mimicking all of those negative aspects of custodial

environments in a less controlled way, which is why when we set about this project we wanted to avoid the pitfalls.

Myself and Ms Ruis talked to all of the jurisdictions nationally. The two services that came closest to what we ended up doing were, firstly, the Victorians who run an after-hours bail assistance line—I will not give the initials for the sake of Hansard—but they do not have the range of support services attached to it. We talked to the Western Australians, who run a similar service, and their strong advice to us when we were setting up this program was to make sure that we broadened the range of support services. So we actually now have a mix of accommodation types in the three areas where we are running the program, that is, in western Sydney, Dubbo and Newcastle. We have an Aboriginal-specific service through Link-Up and we are quite proud of that association with Link-Up, which is a very longstanding Aboriginal agency in western Sydney that specialises in placing Aboriginal young people particularly in kinship ties and finding and tracking their families.

We have dedicated over \$2 million to this project in the department's budget this year. We believe that our efforts around bail have been instrumental in bringing down the numbers of young people being held in detention this calendar year, so we are investing a really substantial portion of our time, energy and budget into dealing with this issue and we believe that the mix is important. For some people there is small residential accommodation through Catholic Care; some of it will be in individual foster care. If I can give you a very quick example, we had a 12-year-old boy who, with his sister, nursed his father until he died. That young person was then placed with his mother. Obviously during a period like that young people go through really large periods of instability. He got into a bad group in the town he was in and started offending, and the placement broke down. We were able to place that young person in a placement with Life Without Barriers and he did not enter the custodial system. We got him back into school. So it is about having the type and mix of accommodation to match the needs of the young people who are coming into our system.

**The Hon. MARIE FICARRA:** That means you have secured \$2 million of funding from Treasury. Is that secure?

**Mr MUIR:** It is \$1.7 million of new funding and around \$350,000 of existing funding.

**The Hon. MARIE FICARRA:** I imagine that Juvenile Justice has now developed a policy around bail accommodation and support services. If so, when was it drafted and introduced, and what issues does it cover?

**Mr MUIR:** Ms Ruis has carriage of this project, so I will let Ms Ruis answer this.

**Ms RUSIS:** The Bail Assistance Line came out of one of the recommendations of the Keeping Them Safe strategy from the Wood inquiry. As soon as that was announced and we were informed that there would be \$1.7 million initially for the first year, straight away I came to my section and I had one of our senior staff members go offline with a project officer who commenced straight away working out how this would best work in the Juvenile Justice setting in New South Wales. So our project commenced as soon as the money was announced in the Keeping Them Safe strategy. I had a project officer managing it. That was when, as Mr Muir was saying earlier, we surveyed nationally to see what is the best thing. So really the project commenced from its announcement and has never stopped. The person who went offline originally to write it now still has direct control of it because we have now actually recruited and commenced operations. We are waiting for Newcastle to come online. So there has been continuity throughout from the announcement.

**The Hon. MARIE FICARRA:** Has New South Wales Juvenile Justice applied for additional funding from Treasury to respond to other recommendations of the Noetic report into Juvenile Justice?

**Mrs BARBARA PERRY:** I am not sure what you are referring to in that regard in particular. Can you just explain?

**The Hon. MARIE FICARRA:** The recommendations of the Noetic report should be known.

**Mrs BARBARA PERRY:** Many of the recommendations have been accepted and we are working through those recommendations. We are very clear about that. That is a very transparent thing and it is up on our website.

**The Hon. MARIE FICARRA:** So the question is really additional funding from Treasury. That is a pretty specific question.

**The Hon. LYNDA VOLTZ:** Point of order: If this is a decision about budget Cabinet-in-confidence, the Minister cannot disclose—

**The Hon. MARIE FICARRA:** How would you know?

**The Hon. LYNDA VOLTZ:** If it is an application for additional funding under the budget process, then it is a Cabinet decision and the Minister cannot discuss—

**The Hon. MARIE FICARRA:** How do you know that?

**CHAIR:** Order! I remind members that when I call for order they should take notice. The Minister is in a position to clearly advise if this matter is Cabinet in confidence. I do not believe the Minister needs assistance from any member to remind her of that. I will allow her to answer the question.

**Mrs BARBARA PERRY:** Let us be clear about what we have implemented straightaway and the money available for that. We have taken immediate steps to implement the improvement to youth justice conferencing, and there was \$1.8 million for that. The new resources will help reduce the time lag between referral and conferencing by 25 per cent in our estimation. Additionally, there has been money for the bail assistance line. There are many recommendations in that report and some of them do not relate to us. They are the major recommendations for immediate action, and the money has been available for those. I am not sure what else the Hon. Marie Ficarra is referring to. Which particular recommendations—

**The Hon. MARIE FICARRA:** The recommendations in the report.

**Mrs BARBARA PERRY:** Which recommendations?

**The Hon. MARIE FICARRA:** The ones that relate to Juvenile Justice that you would have to find funding for from Treasury.

**Mrs BARBARA PERRY:** There were 77 recommendations and not all of those related specifically to us. If you could be more specific about which recommendations—

**The Hon. MARIE FICARRA:** The question can be taken on notice.

**CHAIR:** We will put it on notice.

**Mrs BARBARA PERRY:** I do not think it needs to be taken on notice. I think I have answered the immediate matters.

**The Hon. MARIE FICARRA:** Not really, with all due respect, Minister.

**Mr DAVID SHOEBRIDGE:** Minister, can you please explain what is so different about New South Wales, particularly our children, that your Government jails our children at more than four times the rate than they do just across the border in Victoria?

**Mrs BARBARA PERRY:** I want to make some things clear. Victoria and other States are very different from us; in particular, Victoria is very different in its demographic make-up. I think it is fair to say that, having just talked about Aboriginal overrepresentation in our system, we know we have more Aboriginal young people in New South Wales and this is a much vaster State. It is unfair to talk about how the two systems work because the demographics are very different in that regard. We are trying to reduce the numbers coming into custody, bearing in mind many of those numbers relate to remand. In relation to control numbers, ultimately a court makes a decision and a custodial sentence is given. We work with those young people in custody to try to help them reintegrate in the community and to give them skills.

At the front end—remember we are a downstream agency—we are trying to stop young people coming into custody to begin with. That includes remand. Clearly some programs are working very well in that regard. The Intensive Supervision Program, which is a pilot program, is working very well. All the indicators show that reoffending has been reduced where we are working holistically with the family. Our intensive work around bail

is helping kids to meet bail conditions so they do not come into the system. These are some of the things we are doing that are working and that we need to continue to do and implement.

**Mr DAVID SHOEBRIDGE:** Your changes to the bail laws, particularly in relation to the number of juvenile offenders put on remand, have been an absolute failure because far and away the great majority of juveniles going in on remand end up getting non-custodial sentences. They are going into detention totally inappropriately. Do you agree that the Bail Act needs to be changed or at least needs to be made subservient to the juvenile justice legislation?

**Mrs BARBARA PERRY:** The decision about whether to give bail in the first instance is made by police. What we did immediately post the Noetic report was to beef up youth justice conferencing as an option for diversion. We need to work in partnership in relation to that, hence the \$1.8 million beefing up of that program. Secondly, with bail issues, the Bail Act is the Attorney General's responsibility and it should be remembered that he changed section 22A of that Act to clarify—he would argue you can always make a second bail application—that subsequent bail applications could be made for young people. I think that is what you were referring to. As I understand it, the Attorney General is about to release an exposure draft of a new bail Act, so perhaps you could talk to him about that. However, we understand that we need to put resources in at the front end. The formation of the Department of Human Services enhances that, as does the money from Keeping Them Safe. There are clear programs and correlations of programs that we can bring together under the human services agencies, which are resource intensive, to work with these young people and their families. There is no doubt that the front end is where it has to be.

**Mr DAVID SHOEBRIDGE:** Minister, the only reason I heard you give to explain the difference in detention rates between New South Wales and Victoria was the difference in indigenous populations. Are you aware that indigenous Australians make up only 2.5 per cent of the population in New South Wales? That is surely not an explanation for that stark failure.

**Mrs BARBARA PERRY:** I have acknowledged the overrepresentation of young Aboriginal people. We all have a responsibility in relation to this—Government and the community. I do not accept your saying or implying that we are shirking our responsibility in that regard. We are working hard to try to reduce those numbers and I have referred to some of the programs, particularly the Intensive Supervision Program, in which many of the participants have been Aboriginal young people and their families. I will ask the chief executive to make some comments in relation to that.

**Mr MUIR:** In terms of this department's responsibilities, we do not make the decisions around arrest or bail determinations. We are trying to look at what we can do to affect this equation, given that we are not responsible for the key decisions. We are focusing on the work that our department does. One of the programs that the Minister launched a couple of years ago is Dthina Yuwali, which involves us taking some of the best research evidence on drug and alcohol use and applying it to an indigenous context. We are using the Intensive Supervision Program. As Ms Ruis said, we are doing a lot of work around bail. We can see from our work that we are having a real impact on the amount of time young people are spending in custody. In terms of what the Minister and I can answer for, it is what happens when young people hit our system: We resolve the issues that get them into custody as quickly as possible.

**Mrs BARBARA PERRY:** Mr Shoebridge, we are talking about reoffending rates and kids coming into custody, but do you realise we are the only State in this country that publishes reoffending rates in the way we do? The Australian Capital Territory does it in a very qualified way. What are we comparing? You referred to Victoria and asked me to compare ourselves with Victoria, a State that does not—

**Mr DAVID SHOEBRIDGE:** I am talking about raw detention rates, not reoffending rates—the number of kids in jail.

**Mrs BARBARA PERRY:** When you talk about detention rates you also have to look at the reoffending rate as well.

**Mr DAVID SHOEBRIDGE:** Your answers today confirm that we are going backwards in terms of indigenous overrepresentation in jails in New South Wales. According to your own response to the Noetic review the proportion of indigenous inmates in juvenile detention was 45 per cent of the population in 2007-08 and according to your answers in evidence today it has risen to more than 49 per cent of the population in juvenile detention. How do you explain that utter failure?

**Mrs BARBARA PERRY:** We have to have a system that is balanced—

**Mr DAVID SHOEBRIDGE:** It has to work though. It is not.

**Mrs BARBARA PERRY:** That is what we are doing. At this time last year the detention rates were much higher. As of last night, there were 410 young people in detention. Having one young person in detention is terrible, but we need to continue to work to bring down that rate. That is both for remand and controlled young people. We need to get the balance right. We must remember that, unfortunately, some young people will receive sentences, which is why a juvenile justice system has to exist. We must work with those young people at the front end to try to keep them away from the system. I will ask the director general to add to that.

**Mr MUIR:** Indigenous overrepresentation is a complex issue that does not involve only the justice system. Under the formation of the Department of Human Services, which has brought together this agency, Community Services, Housing, and Ageing, Disability and Home Care, these things are taking primacy in our planning. We are not looking only at one small part of the equation; we are putting plans in place to address prevention and early intervention in the years going forward. The department is in its infancy but steps are being taken to try to change our direction in intervening with Aboriginal people.

**Mr DAVID SHOEBRIDGE:** I accept that and I have read Government's response to the Noetic review. However, the one major recommendation that this Government has failed to adopt from the strategic review in the Noetic report is what is described at the start of that report as option 3—that is, a \$348 million reinvestment over six years to address the underlying causes of crime by justice reinvestment. That is the fundamental underpinning of the Noetic report, which has not been accepted by this Government. When will the \$348 million be redirected from jailing kids to helping kids by not putting them in jail?

**Mrs BARBARA PERRY:** I will refer in a moment to that amount of \$350 million.

**Mr DAVID SHOEBRIDGE:** It is in your own report.

**Mrs BARBARA PERRY:** The member should wait a moment. He is talking about the outcomes envisaged by the Noetic group in proposing justice, which is option 3. That is already being achieved by a number of government initiatives, which is what is indicated in our response. If the member had read the Government's response he would have seen that. That \$350 million was projected on a snapshot of numbers, but we have seen those numbers going down. Over the next five years none of the \$350 million in forward planning will be used to build any further detention centres—certainly not \$350 million worth of buildings—so I am not sure where the member gets that figure of \$350 million. I think it should be acknowledged that justice reinvestment is the justice investment we are doing currently at the front end.

**Mr DAVID SHOEBRIDGE:** Going back to indigenous overrepresentation, do you accept that the best way forward is to adopt, without qualification, recommendations 75 and 52 of the Noetic review and to roll out those preventive and early intervention strategies, funded at a local community level and based on that principle of justice reinvestment? I have not seen a wholehearted acceptance of those key recommendations.

**Mrs BARBARA PERRY:** We certainly have had a wholehearted acceptance of those recommendations. To some extent the formation of the Department of Human Services has overtaken the Noetic review, which is all about early intervention and prevention. Through the formation of the Department of Human Services, Keep them Safe and the allocation of \$750 million, those resources will be put up front, as suggested by Noetic, in early intervention and prevention. Currently we are doing that but we will be able to expand it.

**Mr DAVID SHOEBRIDGE:** Minister, what do you think is a reasonable rate of jailing our kids in New South Wales?

**Mrs BARBARA PERRY:** What a ridiculous question!

**Mr DAVID SHOEBRIDGE:** Let me put some basic statistics before you. According to the Noetic review we jail 38 children for every 100,000 in the New South Wales population, but across the border in Victoria it is only nine per 100,000. International comparisons are even more telling. In France and Spain the rates are six and two per 100,000, and in Finland it is less than that. What do you say is a reasonable rate?

**The Hon. LYNDA VOLTZ:** Point of order: The Minister and the director general have already said that policing and the court system do not come under her portfolio. This Committee will be examining later the expenditure for the Attorney General's Department. Those questions appropriately should be asked of the Attorney General; it is not appropriate to direct them to a Minister who is at the back end of the system.

**Mr DAVID SHOEBRIDGE:** With respect, my question is about the rate of juvenile detention and this is the Minister for Juvenile Justice.

**CHAIR:** Order! I will allow the question.

**Mrs BARBARA PERRY:** I think that question is outside the parameters of my portfolio. As I have explained, Juvenile Justice, a downstream agency, is batting as an upstream agency. I am not sure what the member would do with young people who commit serious offences. Is he suggesting that, when the court convicts a young person, he or she will not go to any detention centre? What is the member suggesting?

**Mr DAVID SHOEBRIDGE:** I am suggesting that children in New South Wales are not four times as criminal as they are in Victoria. It is a problem for the Minister for Juvenile Justice that she is seeing children jailed at four times the rate that they are being jailed in Victoria.

**Mrs BARBARA PERRY:** I think it is a whole-of-community responsibility. This Government has taken steps to address this issue and is committed to it. When a court makes a decision the community expects those young people to be incarcerated. Whilst they are incarcerated it is my role to ensure that we have the best rehabilitative programs to integrate them into the community. We are also shifting our resources upfront. It is a two-pronged and balanced approach that has to happen to reduce the numbers in incarceration. It is important for members to recognise that this Government is working across agencies to achieve that. This is a whole-of-government and whole-of-community responsibility.

**Mr DAVID SHOEBRIDGE:** We will go into your role in relation to detaining children. Surely you accept that children in detention deserve and require different management and treatment than adults. Therefore, it is totally inappropriate for juvenile detention centres to be operated by the Department of Corrective Services.

**Mrs BARBARA PERRY:** I do not detain them; the court makes that decision. In my role it is my responsibility to look after their care and rehabilitation. It should be noted that my department is located in the Department of Human Services.

**Mr DAVID SHOEBRIDGE:** Would you answer my question? In your role as Minister for Juvenile Justice you must have a view about whether it is appropriate for juveniles to be detained under the care of Corrective Services, which deals with adult prisoners rather than juvenile justice? I am thinking about the Kariong Juvenile Correctional Centre and recommendation 54 of the Noetic review.

**Mrs BARBARA PERRY:** Kariong detains A1 classified young offenders, who are serious young offenders. We need to be clear about who is in that detention centre. I will ask the director general to make some comments about that.

**Mr MUIR:** Kariong houses a very small group of young people. On any given day it accommodates about 36 young people who are there for the most serious category of offences. Typically, they are there for murder, manslaughter and serious sexual offences. Our objective classification system deems those young people to be high-risk detainees. Of the 410 young people in custody today only 34 young people over the age of 16 are in custody at Kariong. As I said, they are the most serious categories of offenders that we have.

**Mr DAVID SHOEBRIDGE:** Why will the Minister and the Government not accept recommendation 54 of the Noetic review, conduct an urgent review into the management and operation of Kariong Juvenile Correctional Centre, and consider whether it is proper for these young people to be under the care of Corrective Services?

**Mrs BARBARA PERRY:** The Government has responded to that issue.

**Mr DAVID SHOEBRIDGE:** You have rejected that recommendation.



**Mrs BARBARA PERRY:** The Government has responded to that issue and the reasons for rejection are clearly noted in its response.

**Mr DAVID SHOEBRIDGE:** I could not see the reasons in the response other than a bare statement that you were not going to do it.

**Mrs BARBARA PERRY:** Yes.

**Mr DAVID SHOEBRIDGE:** That is not a reason; that is a statement.

**Mrs BARBARA PERRY:** That is correct.

**The Hon. HELEN WESTWOOD:** Point of order: The member who is asking questions is interjecting and debating the issue. When he asks questions he should allow the Minister and officers to answer those questions without constantly interjecting.

**CHAIR:** Order! The Hon. David Shoebridge will give the Minister a reasonable opportunity to answer his questions.

**Mrs BARBARA PERRY:** The Government rejected that recommendation but it should be remembered that there is open scrutiny of this centre, as there is at all other centres. The Ombudsman's staff visit, there are official visitors and there is external oversight of this place. Members should be clear about that.

**Mr DAVID SHOEBRIDGE:** Do you accept that almost 80 per cent of juveniles in remand end up getting non-custodial sentences? Do you accept that? If you cannot answer that question—

**Mrs BARBARA PERRY:** I think that is correct; it is in our annual report. It is about 78 per cent of juveniles.

**Mr DAVID SHOEBRIDGE:** As the Minister responsible for detaining these vulnerable young children, have you made representations to the Attorney General to change the Bail Act to stop that?

**Mr MUIR:** A group of people across government called the bail working party comprises representatives from the Attorney General, Justice, the New South Wales Police Force and this agency. The aim of the bail working party is to examine issues relating to young people and to remand. I have been reminded that the Department of Premier and Cabinet, Legal Aid and Treasury are part of the bail working party. This department has given a \$50,000 grant to Charles Sturt University to look at some of the issues. The report from Charles Sturt University is due to come down in December.

The issues the member raises are being taken seriously. It is not a simple question. Some young people have to be in custody. The repeat offending nature of some young people is so critical that giving them some time out from the community is actually beneficial for both them and the community. It is the young people who come for short periods that we want to look at. Can the system operate better? Yes. Are all agencies working cooperatively and it is hard to improve on that? The answer is yes. We will continue to do that. We will wait for the next piece of research from Charles Sturt University to try to give us clear answers because we know a problem exists. The hardest thing is to find the right set of solutions to apply to that problem. That is what the bail working party is applying itself to at the moment.

**The Hon. ROBERT BORSAK:** Since the closure of the Keelong Detention Centre several media reports have referred to overcrowding in juvenile justice detention centres in recent months. Have those numbers increased since the closure of Keelong?

**Mrs BARBARA PERRY:** No. In fact, last night there were 410 young people in detention centres, which is a reduction.

**Mr MUIR:** If I can provide some more detail, the department has a bed capacity of 479 beds. We are bringing an additional 25 beds online this calendar year. This financial year average numbers of young people in custody has dropped so far to 408 each night, down from an average of 434 last financial year. As the Minister has correctly pointed out, last night there were 410. That leaves us with quite a deal of bed capacity. Our

agreement with New South Wales police is that they need only bring them as far as our centre at Reiby, which is just a further 45 minutes on from Wollongong.

**The Hon. HELEN WESTWOOD:** What programs does Juvenile Justice have that reduce reoffending and promote reintegration into the community?

**Mrs BARBARA PERRY:** We talked about some of the programs earlier. We are committed to providing services to young offenders to decrease their reoffending and increase their capacity to successfully reintegrate into their communities. Research-based evidence has demonstrated that programs focused on offending behaviour and based on effective practice principles have the greatest impact on reducing reoffending. Framework for Programming reflects effective practice principles and prioritises the provision of evidence-based offending behaviour programs. We have a wide range of program initiatives that address the agency's State Plan and other priorities, including alcohol and other drugs programs, sex offending programs, violent offending programs, the Dthina Yuwali and Our Journey to Respect programs—which are Aboriginal-specific cultural programs—and the Intensive Supervision Program, as well as Changing Habits and Reaching Targets and the evidence-based and other programs I will detail shortly.

I shall make some important points around the alcohol and other drug treatment pathway. It is a structured three-staged treatment process that is designed for young people with offending behaviour directly related to their substance misuse. It aims to promote pro-social reasoning towards making informed and constructive life decisions, such as desisting from criminal activity and substance misuse. Committee members would appreciate that reading and writing skills are not required for participation in this program; it is accessible for young people with low literacy skills and low English-language skill levels. Stage 1 provides information on harm minimisation skills, including drug education as it relates to young people, health and the law. Stage 2 is a motivational program entitled PRO-FILE—Personal Review of Offences File—which aims to motivate young people to seek more constructive approaches to life decisions and to address the long-term consequences of antisocial behaviour.

The National Drug and Alcohol Research Centre is developing stage 3 of the program, which is a high-intensity, longer-term intervention based on the cognitive approach to therapy, in collaboration with my department. The program aims to help young people to avoid relapse into substance misuse and offending behaviour. The program will be implemented late in 2010. The Sex Offending Program has also been comprehensively redeveloped and piloted at a number of sites around New South Wales. It takes into consideration the recommendations from the 2006 review of that program, as well as the recommendations of the Aboriginal Child Sexual Assault Taskforce, the "What Works" literature and best-practice interventions.

The program is being developed to be readily adaptable to meet the risk, needs and responsivity issues of other offending behaviour, and the needs of a wider range of offending characteristics such as gender, repeat offending, high-risk offenders, family work and peer group work. As a result of the review of the violent offending program and of current research, the department is currently piloting the cognitive self-change program. This group-based program teaches participants to monitor their own thinking, identify the thinking that underpins their violence and crime, and develop alternative thinking that allows them to feel good about themselves—that is, self-esteem—while avoiding crime, and to practise this new thinking until they can use it in real-life situations, where it counts. This program was developed for a correctional setting in the United States of America more than 20 years ago and has been subject to a range of refinements over that time as a result of research outcomes. It has been implemented in numerous locations throughout the US, the United Kingdom, Canada and Australia.

The initial pilot commenced in Fairfield in the first half of this year and additional pilots will begin later this year. The program will be evaluated by comparing reoffending rates with an equivalent group that did not receive the program, and through pre-post changes on a measure of antisocial thinking. It is also planned to test the program on non-violent offenders, as the process is applicable to a range of high-risk, not just violent, offenders. We have talked already about Dthina Yuwali, which is an Aboriginal-specific staged alcohol and other drugs group work program that is based on the relationship between substance use and pathways to offending. Dthina Yuwali is based on cultural learning. It uses cultural representations of concepts to facilitate learning in a co-facilitation model with an Aboriginal co-facilitator. The program also involves Elders and respected community members.

Through that program we are building on the core alcohol and drug program, stage 1, via exploration of the change process; managing emotions related to change, stage 2; and focusing on relapse prevention and

maintenance, stage 3. The program can be presented in its entirety or as individual stages as is practicable. The program is being delivered in most juvenile justice centres and an initial community location in the northern region. Further, Dthina Yuwali training and group work programs are being planned for delivery in this financial year. As part of the National Law and Justice Framework, Dthina Yuwali will be evaluated as a promising practice approach in providing interventions to Aboriginal young people that focus on substance use, offending, reoffending and safety. That opportunity will extend Juvenile Justice's evaluation framework and provide valuable information on evidence-based practice.

The Our Journey to Respect program was developed in partnership by the department and the Gilgai Aboriginal Centre in 2002. It is a 12-session group work program targeting Aboriginal males aged 14 to 18 years who are currently charged with, or at risk of being charged with, violent offences. Our Journey to Respect aims to reduce the incidence of intergenerational violence. It focuses on attitudes and behaviour related to family relationships and masculinity, and seeks to facilitate participants' movements from relationships based on power and control towards relationships based on respect. The programs branch finalised a review of that program last year. The program is currently being rewritten to reflect current research and to provide an intervention package that can address violent offending more broadly. It will include an evaluation framework to build evidence-based practice and will be piloted and trained again in this financial year.

In respect of personal safety, protected behaviours, information and programming, we are the lead agency for action—item 68—on the Interagency Plan to Tackle Child Sexual Assault in Aboriginal Communities 2006-2011. That is about introducing management of personal safety and protective behaviour courses in juvenile detention centres' programming with an Aboriginal component. The Aboriginal Child Sexual Assault Taskforce recommended that all young people in juvenile justice centres be provided with information of this nature. In 2009-10 Juvenile Justice developed personal safety and protective behaviours information for use during a person's induction process to a juvenile justice centre. We also have adapted the Love Bites Program from the National Association for the Prevention of Child Abuse and Neglect and have piloted the program in two juvenile justice centres. Training in this program will be further rolled out during this financial year and an evaluation framework will be included in the development of the program.

I have referred to the Intensive Supervision Program, which is something I implemented during a previous period as Minister for Juvenile Justice. That has been in operation for a couple of years. It is based on the multi-systemic therapy model that has delivered significant reductions in the long-term rates of reoffending in Australia and overseas. The program in New South Wales currently is being evaluated by the Bureau of Crime Statistics and Research [BOCSAR]. The program is aimed at juveniles who commit serious and/or repeat offences. A range of issues is addressed, including aggression, substance abuse, financial problems, housing needs, family conflict and negative peer pressure. The program not only targets behavioural problems that are specific to a young offender but also seeks to empower caregivers to develop relationships within their family and the wider community, which will enhance their ability to facilitate positive change with the young person.

The program has been established in two locations, Newcastle and western Sydney. An Intensive Supervision Program team consists of trained clinicians, a clinical supervisor and an Aboriginal team adviser who work systematically with each young person at an individual, family and community level. The team meets with young offenders and their families to provide parents with the skills and resources to independently address antisocial behaviour and provide juveniles with the skills to successfully adjust to family, peer, school and neighbourhood demands. That team works with school teachers, principals and the New South Wales Police Force to develop positive interagency links that help families and juveniles to access appropriate services.

I also refer to the Changing Habits and Reaching Targets [CHART] program that was introduced to New South Wales Juvenile Justice in 2009, which also is an evidence-based offending behaviour program that is designed specifically for young people who are out in the community and who are on supervised orders. The Changing Habits and Reaching Targets program is a structured and sequential psycho-educational program of six core and six sequential modules. The core modules are delivered in full over a four-month period and are followed by the delivery of discretionary models as appropriate for the young offenders to address particular offence-related needs. The program promotes the contemplation of change and seeks to develop new understandings and skills, such as problem solving. It is designed to support consistency and improve effectiveness in interventions with young offenders, thereby reducing a client's contact with the criminal justice system and reducing recidivism. It should be used in conjunction with assessment, case reviews and supervision in a way that is responsive to a young offender's needs, motivations and learning style.

Earlier we had a discussion about our role. One of our roles as the department is to provide supervision to young people in the community. At this point I wish to indicate how many young people, had we not been there to provide help and support, may have ended up in detention. In the last financial year we supervised and had supervision orders for 4,521 young people. We were also involved in 6,177 remand interventions in the last financial year and bail supervisions totalled 1,098. In relation to the up-front work and community work that we are involved in, together with some of the programs we are about making change to young people's lives and we are trying to assist them. I also point out that this is important from another aspect. We can have all the programs in the world but we need to evaluate and make sure that they work. Evaluation is a critical component in ensuring best practice programs. Program evaluations produce many long-lasting benefits by ensuring, maximising and improving the effectiveness, efficiency and appropriateness of the programs that are delivered to young people.

Evaluations provide objective evidence to assist in our planning and everyday decision making as well as the capacity to ensure that Juvenile Justice is achieving its State Plan priorities. Data collection for program evaluations commenced statewide with the rollout of the programs to which I have referred, such as Changing Habits and Reaching Targets, Pro-File, the Sex Offender Program [SOP], and Dthina Yuwali. The data is gradually accumulating. Pre-program data soon will be ready for collection and analysis. This information will assist the monitoring of program implementation to ensure maximum benefits are produced for young people as the programs become more widely implemented. Specifically in relation to some of the programs, in Dthina Yuwali a total of 35 young people commenced the program during 2009-10, 28 of whom successfully completed at least one stage. Of the seven who did not complete any stages, four declined to continue the program, two were released from custody before completing, and one completed a community order before finishing a stage.

In the Intensive Supervision Program 38 families out of 40, or 95 per cent, successfully completed the program. The two families that did not complete the program have moved out of the service delivery area. Twelve of those families were Aboriginal and Torres Strait Islander people and all 12 successfully completed the Intensive Supervision Program. Our internal review of the outcomes for the families indicated that 87 per cent of caregivers had the parenting skills necessary to handle future problems, 78 per cent had improved family relations and 70 per cent had an improved network of support. These are just some of the programs that we are implementing and evaluating in an effort to break the cycle of offending.

**The Hon. HELEN WESTWOOD:** Minister, what is the status of the plan to have Whitelion provide skills, employment and vocational experience for Juvenile Justice clients?

**Mrs BARBARA PERRY:** Whitelion is a community organisation that currently is working out of Victoria, Tasmania and South Australia. It has been operating since 1999. It works with highly vulnerable young people involved with, or who are at risk of involvement with, the juvenile justice system or out-of-home care. Whitelion programs draw upon international research into best practice evidence-based models for working with criminal justice clients. Its programs have been extensively evaluated and, can I say, the evaluations show they achieved positive results.

The Whitelion Employment Program is working with young people to determine a vocational path and to gradually build confidence through job-ready skill development, work experience, short-term placement and supported ongoing employment. The level of support offered continues for a period of at least 12 months and, in some cases, up to four years. The employment program recruits business partners from high-growth industries that have inherent labour shortages and continuing vacancies, such as hospitality, transport or logistics, administration, construction, trade and manufacturing.

It is pleasing that businesses such as Australia Post, the ANZ Bank, the Fifteen Foundation, KFC, Medibank and Lend Lease, as well as an array of small businesses, have an affiliation with Whitelion. We have provided more than \$400,000 to Whitelion to bring its employment program to the State and to create long-term job opportunities for young offenders. Whitelion has vast experience in making a real difference to the lives of young people. It will be working closely with Juvenile Justice staff to provide the young offenders in New South Wales with real jobs and real wages.

Juvenile Justice is now calling on New South Wales businesses to get on board with the Whitelion Employment Program. Already the Toll Group and Grocon have committed to the program in New South Wales. I am so pleased to see private sector enthusiasm for this worthwhile and important project. Both Toll and Grocon are dedicated to ensuring that young offenders are given the opportunity to have a reliable job, make a

decent wage, and stay on the right track in life. There have been some endorsements of this program from the providers themselves, such as Toll Group, whose managing director, Paul Little, stated:

We have worked with Whitelion for several years. The preparation and support that they provide for their candidates of our Second Step employment program is excellent. With the right kind of encouragement and support, Whitelion and Toll are able to help young offenders change the direction of their life.

Grocon Chief Executive Officer Daniel Grollo said:

Grocon is proud to be associated with Whitelion, and to contribute to its Employment Program in NSW. As an employer, you can be the critical element in changing a young person's life and helping them get back on their feet.

Whitelion Chief Executive Officer Mark Watt added:

Whitelion is excited to partner with the NSW Government and local industry to provide positive outcomes for young offenders in NSW.

The Whitelion Employment Program is about changing the lives of troubled young people.

Connecting a young person with an employer can create a life changing situation. The major aim is to keep the young people involved out of trouble as a direct result of the opportunity.

The Whitelion team is appealing to employers in this State, as is the Government, to put up their hands, get involved and help reduce incidences of reoffending. Whitelion's employment program in New South Wales will begin in October this year, and it will focus on young offenders aged 16 years and over from western Sydney.

**The Hon. LYNDA VOLTZ:** You have already spoken about reoffending and the Whitelion project. What other early intervention and diversion programs do you have running for young offenders?

**Mrs BARBARA PERRY:** As a Government we have invested heavily in early intervention and diversionary schemes, such as youth justice conferencing, the antisocial behaviour pilot project, youth conduct orders and the Intensive Supervision Program. These initiatives are all about helping young people to remain in the community and to address their offending behaviour. The Young Offenders Act came into effect in the lifetime of this State Labor Government. It came into effect on 6 April 1998 as a way to divert young people from the formal juvenile justice system. It is still an efficient and direct response to offending. How a young person is dealt with depends on the type of offence, its seriousness, the amount of violence involved, the harm caused to the victim and the young person's previous offending history.

Police are the primary decision-makers under the Act. Before commencing criminal proceedings, the police must decide whether a young person should be dealt with under the Act. The Act sets out an integrated hierarchy of responses to offending by children and young people. Police can use warnings or cautions, refer the young offender for a youth justice conference or, in the last resort, charge. Records are kept of the outcome in all cases. Warnings and cautions are administered by the New South Wales police, while youth justice conferences are administered by Juvenile Justice. Most offences can be dealt with under the Young Offenders Act, with some exceptions such as strictly indictable offences, offences of a sexual nature, breaches of apprehended violence orders and most drug matters.

The young person must also make a legal admission and consent to the process. If criminal proceedings are commenced, a Children's Court magistrate may still refer the matter to conferencing if it is considered to be appropriate. Youth justice conferences are available in all areas of New South Wales and they are an alternative process to court proceedings for dealing with young people who commit certain offences. It is a community-based negotiated response to offences that allows all the affected parties to participate in the outcome. The scheme promotes the acceptance by young offenders of responsibility for their own behaviour and enhances the rights and place of victims in the juvenile justice process.

Research by the New South Wales Bureau of Crime Statistics and Research indicates that the beneficial effects of conference participation over court appearance are larger for violent crime. Aboriginal juveniles are also less likely to reappear in court or conference following participation in a conference. As I said, we have added \$1.8 million this financial year to funding for youth justice conferencing. That will provide additional resources to help divert young people from custody and from reoffending. The antisocial behaviour pilot project was launched in September 2006. That project is a multi-agency early intervention program designed to work with children and young people under 25 who are identified as at risk of causing harm to themselves and/or others.

The target group is children and young people who have complex issues that require a multi-agency case-coordination approach and where previous single-agency interventions have not been successful. At the moment client participation in the pilot is voluntary, but a referral to the project can be made by any of the agencies involved in the project, including Juvenile Justice, Police, Health, Housing, Community Services and Aboriginal Affairs. Due to the wide age range of the antisocial behaviour pilot, Juvenile Justice clients do not represent a large proportion of the target group. As a result Juvenile Justice refers, and is involved in the case management of, only a very limited number of the children and young people participating in the pilot program.

The project is being piloted in 17 police local area commands, including areas in the central and far west, Hunter, New England, far North Coast, Riverina, Campbelltown and the Sydney metropolitan area. In the Mt Druitt, Campbelltown and Armidale local area commands, antisocial behaviour pilots are coordinated through the same interagency management structure as the youth conduct order pilot projects located in the same local area commands. Earlier we talked about the Intensive Supervision Program. The chief executive referred earlier to research into antisocial behaviour. The New South Wales Government provided a grant of \$100,000 to the University of Wollongong to fund an Australian-first longitudinal research project investigating the causes behind antisocial behaviour among adolescents, and to help inform early intervention and rehabilitation projects. Many of these early intervention and diversion programs, of which I have just named a few, are significant in the work that we are doing to address many of the issues raised rightly by Committee members. [*Time expired.*]

**(The witnesses withdrew)**

[*Short adjournment*]

**RICHARD MATTHEWS**, Deputy Director General, NSW Health, affirmed and examined; and

**DAVID McGRATH**, Director, Mental Health, Drug and Alcohol Office, NSW Health, sworn and examined:

**CHAIR:** I will not repeat all of the opening statement but simply advise that one hour has been apportioned as follows: 20 minutes, Opposition; 20 minutes, crossbench; and 20 minutes, Government. Answers to questions on notice must be provided within 21 days. Transcripts of the hearing will be available on the web from tomorrow morning.

**The Hon. MARIE FICARRA:** As a preamble to my question to put it into context, Justin Berkhout, aged 29, hanged himself in a cubicle in Wagga Wagga Base Hospital emergency department in July 2007 after waiting nearly 21 hours for a bed in the mental health unit. Deputy State Coroner Paul McMahon told his inquest in November 2009, "the lack of mental health beds contributed to Mr Berkhout's death". He said that the Greater Southern Area Health Service has just over half the mental health beds it needs, according to clinical guidelines, and recommended that the Government substantially increase funding for more beds across the area. Since Justin's death I believe only two acute beds have been added to the hospital and 30 beds are planned in a hospital redevelopment but there seems to be no time frame for that project. Has the Government announced funding? Is there a time frame? Exactly where are we at?

**Mrs BARBARA PERRY:** Before I ask the deputy director general to add to my answer, I say that all deaths are tragic and Justin's death was particularly tragic. I feel very much, and have great sympathy, for his family. Over the past five to six years we have embarked on two things. First, we now have 2,600 beds in this State, and all types of different beds from acute to rehabilitative beds, non-acute beds. At the same time as we have been doing that we have been comprehensively working to enhance community-based services. We have been taking a two-pronged approach. The 2010-2011 budget this year included money in relation to Wagga Wagga Base Hospital to finalise planning and commence stage one of that redevelopment. The redevelopment is going to include new and upgraded areas for mental health and include the mental health beds that you rightly referred to. I will ask the director general to add to that.

**Dr MATTHEWS:** It is a four-fingered problem. You are correct, and we would acknowledge, that every area health service now is at or close to its so-called muck-up requirements for acute beds, except for the Greater Southern Area Health Service. We acknowledge this problem and we are working hard to fix it. We have funded an interim unit in Bega Hospital to cover that corner of the area and, as the Minister said, the Government has appropriated \$90 million for the first stage of the Wagga Wagga hospital redevelopment. I am pleased to say that that \$90 million will include complete rebuild and additional beds for the mental health component. The exact number of beds I might have to take on notice and supply to the Committee but I know there is a considerable increase. I have personally met with Health Infrastructure to plan where the beds should be and how the functional relationship should work, and I am particularly pleased that not only are we getting those additional beds but the existing unit will be completely rebuilt so that the current beds will be, if you like, new as well.

**The Hon. MARIE FICARRA:** Will you provide a time frame for the project?

**Dr MATTHEWS:** Health Infrastructure—which is the building arm, if you like, of the Health Administration Corporation—is currently scoping the works. There will be a tender let soon. I will get advice from Robert Rust, who is the chief executive, and provide the Committee with the current time line.

**The Hon. MARIE FICARRA:** Have there been any internal documents developed by the New South Wales Government specifically to canvass options regarding the future of drug, alcohol and mental health services under the new National Health and Hospitals Network Agreements?

**Mrs BARBARA PERRY:** I might ask Mr McGrath, who is the Director of the Mental Health Drug and Alcohol Office, to reply.

**Mr McGRATH:** As part of the process of developing a discussion paper for NSW Health in response to the Council of Australian Governments agreements, the Mental Health Drug and Alcohol Office went into consultation with all the area health services about the best configurations for mental health and drug and alcohol services within the new local hospital networks [LHN] arrangements and developed some discussion

papers internal to NSW Health to look at those various options to inform the health discussion paper that was distributed to the general public.

**The Hon. MARIE FICARRA:** As part of that process do you intend consulting with mental health consumers and carers, and the general community? What will be the process?

**Mr McGRATH:** We have a consumer subcommittee of our general board of governance of the Mental Health Program, which is the Mental Health Program Council. That consumer subcommittee is made up of more than a dozen consumers from different representative agencies across New South Wales. Those consumers were incorporated in the consultation process. We spent half a day with them working through the various options for configurations of local hospital networks and took their advice in the development of those discussion papers. They are also involved, I would say, in all our policy development and program development. We run all of our new policy initiatives through that particular group and we expect that that particular group will go back to their various constituencies, speak to their constituencies about the options that have been developed and then provide consolidated advice to us.

**The Hon. MARIE FICARRA:** To be specific, what is the representation of consumers and carers on that group because there is a concern that we are not hearing specifically from carers and health consumers? Can you focus on that aspect?

**Mrs BARBARA PERRY:** Before doing that, I make it clear that the co-chair of the group is the head of a very prominent carers organisation in this State, Laraine Toms, so that is how important we have seen the advocacy of that group.

**Mr McGRATH:** And we have a range of different consultation mechanisms as well. It is important to focus not just on one particular consultation mechanism, so the Minister has a health priority task force on mental health that, as she has pointed out, is co-chaired by Laraine Toms, who is the President of Carers NSW. Also represented on that particular group is New South Wales Consumer Advisory Group executive officer Karen Oakley. NSW Health obviously funds the New South Wales Consumer Advisory Group, so it is its core funding agency. As I said before, we have our consumer subcommittee of the Mental Health Program Council, which provides specific advice from various representative consumer agencies across New South Wales, and we are setting up a similar arrangement for carers under that particular framework.

**The Hon. MARIE FICARRA:** Traeman Eggleton, an 11-year-old mental health patient, was temporarily placed in an adult mental health institution by NSW Health because of the lack of facilities available in Wagga Wagga. To date, his mother, Karene Eggleton, has not been able to source the appropriate care for her son through NSW Health and instead has sought treatment through the Brahminy Group in the Northern Territory, which, although effective, is of course expensive for her and her son and is not subsidised by the New South Wales Government because it classifies the centre as a recreational activity centre. Given Traeman's positive progress with the Brahminy Group, what steps has your Government made to reclassify the Brahminy program to make it more affordable for mothers and carers, such as Karene?

**Mrs BARBARA PERRY:** It would be inappropriate to comment on the specific nature of that child's care, and of course mum has clearly made a decision to put him in a program that is not based here in New South Wales—and that is really a decision for the mother. I know that the family was engaged with a range of child and adolescent services in New South Wales and I am advised that the area health service worked extensively with the mum to address her concerns. But, to be honest with you, as a Government, it is really inappropriate for us to fund activities run by private companies outside New South Wales. There were services offered here. Of course, I respect the mother's wishes to make a personal choice in what she sought for her child.

**The Hon. MARIE FICARRA:** Is it true that you said on a 2GB radio program that you would consider reclassifying this particular Brahminy program and look at its effectiveness?

**Mrs BARBARA PERRY:** No, what I said was that here in New South Wales we have an across-agency approach to intensive support for some of our most at-risk young people and their families. I said that there were in other agencies here programs of a similar nature with similar ideas and outcomes, and I got asked whether we have similar programs. We do. Some of the Brighter Futures programming stuff, which is coordinated by the Department of Community Services and 14 non-government organisations, is about providing family and parenting support and building resilience of all members of the family, including the young person. The Intensive Supervision Program that I spoke about in my earlier evidence is about working



with the family and working holistically, not just with the child but with the family. They are some of the things that are about getting outcomes like the Brahminy program, getting outcomes for young people who have mental health issues and other ranges of issues, sometimes even offending issues.

**The Hon. MARIE FICARRA:** Do you believe it was appropriate for Traeman to be housed at the age of 11 in an adult mental health facility?

**Mrs BARBARA PERRY:** I might ask the deputy director to answer that.

**Dr MATTHEWS:** The issue of adolescents and admission is a difficult one. It is different from adults. Admission for young people is a last resort. There is a need in rural communities to balance the available beds close to the family with the fact that often an admission means travelling a considerable distance. That is a clinical decision to be made by clinicians. When we started this endeavour we had only one child and adolescent unit in New South Wales. We have worked hard to give each area health service one, and they have been opened or are being built in almost every area health service in the State to reduce those trips.

But you have a very difficult decision with an 11-year-old who requires inpatient care as to whether it should be best and safely provided locally—either in an adult unit with specialising by nurses or in a general ward—or whether that child should have to travel, in this case to Canberra or potentially to Campbelltown. So that is a decision that clinicians have to make. Our role is to build the networks so that there are more and more clinicians going out to patients and fewer patients having to travel long distances. But the Greater Western Area Health Service has a population density of one person per square kilometre and clearly these rural issues are always going to be difficult to resolve.

**The Hon. MARIE FICARRA:** Minister, in your capacity, are you aware of quarantined funds for mental health having been pulled into the greater health system for uses other than mental health?

**Mrs BARBARA PERRY:** I might ask the deputy director to explain how the mental health quarantining of funds works, and vice versa.

**Dr MATTHEWS:** The mental health budget is quarantined to mental health. We have an agreement with each chief executive of the area health services about what the funding is and what that purchases in terms of admissions, FTEs and activity. The chief executives report to us—in a very comprehensive milestone tracking report that drives them crazy—on a regular basis about how they are expending the money. There are legitimate area overheads. The mental health staff get paid centrally. The food and linen for the inpatient units is delivered from elsewhere. So there are legitimate costs that the area health services have that are attributed to the mental health budget for things that come from elsewhere. We have interesting discussions with chief executives about what those costs legitimately should be, but we track this extremely carefully.

**The Hon. MARIE FICARRA:** Are you aware of community public mental health positions that have not been filled because of budgetary constraints?

**Mrs BARBARA PERRY:** Certainly a number of area health services have recruited actively in the last financial year in the mental health sector. I will ask the deputy director general if he wants to add to that.

**Dr MATTHEWS:** We are aware of a number of vacant positions. Because of very significantly increased funding for mental health that commenced when Morris Iemma was Minister for Health and continued over a number of years, including when he was Premier, we have had circumstances where the funds have been greater than the workforce. We have had to work very hard on a range of initiatives. We have a very large number of nursing scholarships for nurses to come back into the workforce and participate in mental health activities and for nurses to convert from the general ward to mental health. We have developed a certificate IV for mental health non-clinical to support the non-government workforce, because the funding for programs like the Housing and Accommodation Support Initiative [HASI] was so successful it outstripped the capacity of the non-government organisations to provide workforce. We had to stop, develop a course and fund it, and now we are starting to get a significant number of graduates. So, yes, there are positions unfilled. When the milestone reports show they are unfilled and chief executives come into the department for reviews it is David's job to grill them about the vacancies and make certain they make every effort to fill them. We have some very significant workforce shortages.

**CHAIR:** I will put a very simple question to you. With all the concerns we have about mental health, do you have sufficient funding to fill all the required positions, having particular regard to the fact that we have heard that some mental health funding is now being transferred to general purposes? Do you have sufficient funding to meet all the positions you need?

**Mrs BARBARA PERRY:** I would like to make a comment first. I want to look at the expansion of the mental health budget. When we look back in history to when the Coalition was in power—this is not a criticism—

**The Hon. MARIE FICARRA:** It is 16 years ago.

**Mrs BARBARA PERRY:** It is not a criticism. The budget then was \$356 million. Today it is \$1.231 billion. In real terms that is a significant expansion over those years. That needs to be borne in mind when we look at this.

**CHAIR:** Minister, it was a simple question.

**Mrs BARBARA PERRY:** I think you have incorrectly put words into the deputy director general's mouth—

**CHAIR:** I am not putting words in his mouth. It is a question.

**Mrs BARBARA PERRY:** —or you have misinterpreted what he said, because you said money was coming from the health budget, or whatever. That is definitely not what he said. I might get him to clarify that.

**CHAIR:** Let me just repeat the question, Dr Matthews, so it is very clear. It is a simple question. Are there sufficient funds in your budget to fill all the positions that need to be filled?

**Mrs BARBARA PERRY:** Budgets against positions; that is what budgets are all about.

**The Hon. LYNDA VOLTZ:** Point of order: You are asking a deputy director general a question about a Government policy decision that should be directed to the Minister. Public servants cannot answer Government policy questions.

**CHAIR:** I will rule on the point of order even though it was my question! It is a budgetary question. I am happy for Dr Matthews to take the question on notice, but it is a simple question.

**Mrs BARBARA PERRY:** That is what budgets are all about. It is about making sure you have the money to support what you are doing. You cannot strip out the workforce issues that were referred to earlier.

**CHAIR:** Dr Matthews, do you want to answer the question?

**Mrs BARBARA PERRY:** If you want to answer the question, go ahead.

**CHAIR:** Let the doctor decide.

**Dr MATTHEWS:** Mental health, however defined, is a bottomless pit of endless need. We take significant responsibility for acute serious mental illness, the so-called low-prevalence disorders. The GP and private sector is largely responsible for high-prevalence disorders. There is a whole area of personality disorder that is generally avoided by everyone. I must say that the question is up there with "When did you stop beating your wife?" There is not a head of a mental health service anywhere on this planet who could honestly say that they had enough resources to deal with mental health problems. How do we rate? Obviously we are fairly well ahead of vast areas of the planet, miles ahead of most OECD countries, and our record in terms of services delivered is up there with the best.

**Mr DAVID SHOEBRIDGE:** Dr Matthews, you gave some answers earlier about the reports you get from the chief executive officers on a monthly basis about vacancies in area health services. Have those vacancy rates increased or decreased over the past 12 months?

**Dr MATTHEWS:** There has been active recruitment, and it varies from place to place. I would need to take the question on notice to give a precise answer because I do not hold those figures in my head. David might have some.

**Mr McGRATH:** When there is growth in a program obviously the vacancy rate for that program will be greater in any given month if there is sudden growth. Over the five years of the New Directions package it has remained relatively constant. As new money has come in, vacancies in the program for the new bits are greater than those for the older bits, but it has remained relatively constant.

**Mr DAVID SHOEBRIDGE:** Is that your observation, Dr Matthews, that they have remained essentially constant according to your monthly reports?

**Dr MATTHEWS:** Yes, that is correct, although I would say that on a year-to-year basis they have gone up very considerably over the past five years because of the very large increase in funding we have had, the large number of additional acute units, subacute units and beds we have opened, and the increased number of a broad range of services from court liaison services to various community services.

**Mr DAVID SHOEBRIDGE:** Could you give a more detailed breakdown of those yearly vacancies on notice?

**Dr MATTHEWS:** We can, and we can give a yearly breakdown of the full-time equivalents, which will show a considerable rise.

**Mr DAVID SHOEBRIDGE:** What are the current occupancy rates for acute mental healthcare beds in New South Wales?

**Mr McGRATH:** Again, it varies from unit to unit depending on the location and the distribution of beds in a particular facility and the types of beds that might be co-located with that facility. I would have to take that question on notice to give the specific details.

**Mr DAVID SHOEBRIDGE:** Could you do that and perhaps look at the various units?

**Mrs BARBARA PERRY:** Over what time?

**Mr DAVID SHOEBRIDGE:** Over the last 12 months or 24 months would be sufficient. Could you also take on notice what the department's view is as to the optimal occupancy rates in order to provide best care for patients?

**Mr McGRATH:** Sure.

**Mr DAVID SHOEBRIDGE:** Could you answer that second question now or do you need to take it on notice?

**Dr MATTHEWS:** We need to point out that occupancy rates are a little more difficult to interpret with mental health units because of the number of patients who have leave. Sometimes you will get a reported occupancy rate of 104 per cent, which looks as though there are people in the corridor, whereas in fact a number of those inpatients are on periods of leave. It requires a little interpretation but we will attempt to do that.

**Mr DAVID SHOEBRIDGE:** Front-line staff members have reported a move across New South Wales to send mental health patients into GP care at the discharge end rather than creating management plans before discharge with non-government organisations and community service providers. Is this a change in how you are dealing with mental health patients at the discharge end?

**Mrs BARBARA PERRY:** No, but I will ask the deputy director general to answer that question.

**Dr MATTHEWS:** Speaking as a broken-down old GP—

**Mr DAVID SHOEBRIDGE:** Recently reinvigorated.

**Dr MATTHEWS:**—I think it is entirely appropriate that general practitioners are involved in after care because, as we know, people with serious mental illness have very poor access to primary care services. We work with the divisions and with general practitioners to ensure that they get that care. That does not mean we are abrogating our responsibility to provide the specialist care that they require, or the support services through housing and support such as the Housing and Accommodation Support Initiative [HASI]. It is a partnership.

**Mr DAVID SHOEBRIDGE:** Has there been an increase in GP involvement in the post-discharge care of mental health patients? Is that a policy?

**Dr MATTHEWS:** That is something on which we are working. I do not know whether we have a performance indicator that tests it, but it is certainly something on which we are working.

**Mr McGRATH:** Obviously, we measure seven-day community follow-up. We do not specify whether that is GP or NGO in our performance indicators. It is worthwhile pointing out that the HASI program is designed specifically to avoid readmission to hospital facilities. It is a post-discharge program specifically funded through the NGO sector, whether or not that service delivery is provided by the NGO sector. Are you looking at the differentiation between our follow-up rates on the GP side of things and the NGO side of things?

**Mr DAVID SHOEBRIDGE:** Yes, I am.

**Mr McGRATH:** It would be fair to say that we are expanding on both fronts. Our aim overall is to improve community follow-up, irrespective of whether it is provided by GPs or NGOs, depending on what is more appropriate within that particular framework.

**Dr MATTHEWS:** We would be happy to table the evaluation of HASI, which shows that patients involved in that program have high-level attendance rates at GP surgeries and high-level follow-up rates from community mental health. The evaluation of that program clearly shows that both those things are happening. We are happy to table that evaluation.

**Mr DAVID SHOEBRIDGE:** Has there been any formal consultation between the department and GPs about the department's plans to increase the role of GPs at that discharge end?

**Dr MATTHEWS:** Yes. Part of my portfolio responsibility is primary health and community partnerships. We have a second month of GP council, which has representatives from the many disparate general practice groups—and there are many. We put all our initiatives that are relevant to general practice before that council to get its feedback. From time to time, when there are mental health initiatives, David has attended as head of the Mental Health and Drug and Alcohol Office [MHDAO]. We seek its support and we consult with it. We use specific general practitioners, such as Dr Michael Fasher from western Sydney, who has a strong interest in adolescent mental health, to give us advice on those specific initiatives.

**Mr DAVID SHOEBRIDGE:** Has there been a move towards package funding for GPs?

**Mrs BARBARA PERRY:** I would like to add to that answer. The Federal initiatives, with which the deputy director general is au fait at an operational level, support GPs in this process and there is funding for that. This State Government must work in with that process. I might ask the deputy director general to comment on that issue.

**Dr MATTHEWS:** The recent Council of Australian Governments process funded a number of mental health initiatives—not through NSW Health but through NGOs and others. A really good example of how that works is the Headspace Community Awareness Program. If you go to Gosford you will see a facility where the NGO is seeing the high-prevalence disorders and the community mental health team is concentrating on the more serious disorders. General practitioners work there and, once a week, Centrelink and the Department of Community Services come in to provide a service to the team. It is a truly integrated approach to that group. We are working on those models.

**Mr DAVID SHOEBRIDGE:** Apart from the headspace program what mechanisms have been put in place to pick up chronically ill patients who have become unwell once they have been discharged into the community and who do not attend their local GP surgery if they have been discharged into the GP scheme? If they are not reporting to their GPs what mechanisms are in place to provide follow-up care for discharged patients?

**Dr MATTHEWS:** When you refer to chronic disease do you mean chronic mental illness?

**Mr DAVID SHOEBRIDGE:** Yes, I mean chronic mental illness.

**Dr MATTHEWS:** There is the normal follow up by the community health team—a very important key performance indicator. We are working on what is called a mental health State Unique Patient Identifier [SUPI]—a single identifier, because this group of patients is a very mobile group. We have many patients who have admissions to units and contact with services all over the State. We are working on a mechanism to link all those patients.

**Mrs BARBARA PERRY:** There is follow up through the HASI programs. There are a number of different discharge plans. It is not just about GPs; it could be a coordinated approach through the HASI programs or through other non-government organisations. Am I right in saying that?

**Dr MATTHEWS:** Yes.

**Mr DAVID SHOEBRIDGE:** Has there been a proposal to have package funding for that post-discharge care service rather than a fee for service?

**Dr MATTHEWS:** Do you mean package funding by the State?

**Mr DAVID SHOEBRIDGE:** Yes.

**Dr MATTHEWS:** It is not current policy for the State to fund general practice services; they are funded through the Medical Benefits Schedule rebate and the patient co-payment. It is an interesting concept, but potentially it opens up a huge area. We have the policy position that primary care is the responsibility of the Commonwealth Government. Our responsibility is to provide specialist community health care to complement primary care.

**The Hon. ROBERT BORSAK:** My question, which is directed to the Minister, relates to suicide. Why does this Government not commit to funding much-needed suicide prevention infrastructure at suicide hotspots such as The Gap in Sydney? Do you not think that saving lives is a priority for the people of New South Wales?

**Mrs BARBARA PERRY:** Every level of government is concerned about protecting the safety of its citizens when they are in public places. I am sure that Woollahra council, supporters and families have sought funding from the Commonwealth and New South Wales governments to support environmental safety measures to reduce suicides at The Gap. I understand that the new Commonwealth Government made some commitment during the recent Federal election. It was in the interests of public safety for the Roads and Traffic Authority to take action to restrict access to the Long Tree Gully Bridge in response to the Coroner's recommendation. Having said all that, the approach taken by the New South Wales Department of Health is focused more on taking action and investing in the early identification and prevention of suicide and the risk of suicide.

I am sure that the member appreciates this is more in line with the department's charter to protect the health of our community. The protection of public safety per se is more appropriately the responsibility of other government agencies—in particular, those that have a responsibility for infrastructure that can place individuals at risk. The Department of Health will work with those agencies to try to avoid the risk of suicide arising in relation to bridges and other pieces of public infrastructure. We are already coordinating across-government work, including with RailCorp and the Roads and Traffic Authority, to identify common frameworks for responding to these issues. That is a clear commitment in the new strategy that we are already actioning.

I point out also that these are serious questions. I encourage all members to address this issue in a bipartisan way. Meaningful solutions are not always simple. While there is evidence that limiting physical access to means can stop a person from trying to take his or her life at a particular point in time, it is also possible that substitution of means can occur. Blocking access to one location can shift suicide attempts to other locations or to other pieces of infrastructure. That is why the Department of Health gives priority to identification and prevention as well as providing its expertise to support the actions of those agencies responsible for public safety.

**Mr DAVID SHOEBRIDGE:** I wish to ask a follow-up question. Will you agree to meet with representatives from Woollahra council to find ways to fund the suicide prevention works at The Gap, where police are reporting of the order of 50 self-harm incidents a year?

**Mrs BARBARA PERRY:** I think I have made clear our role and I have made clear that our role, as a health provider, is to address early intervention and prevention. I make it clear also that this State has the lowest rate of suicides nationally—something about which we should not be complacent by any means. We are down to 7.8 per 100,000, from recollection coming down in 1997 from 14 per 100,000. That suggests to me that the health approach to this issue is working. We will continue to work to bring those rates down. Last Friday I released our suicide prevention strategy on World Suicide Prevention Day. This strategy is about being a whole-of-community approach to reducing statistics even further.

**Mr DAVID SHOEBRIDGE:** I agree, Minister, but if it was a road safety black spot, the Roads and Traffic Authority would find it and do the works. It is a mental health black spot. It seems to me to be failing to recognise that the suicide prevention works is part of the mental health package. All I am asking is if you would commit to a meeting with representatives from Woollahra council to find ways to fund it?

**Dr MATTHEWS:** It bears further comment because, yes, The Gap has been a black spot over the years, but there is any number of black spots. In fact, there is one successful and one attempted suicide on the railways each week and there is an awful lot of railway track in New South Wales. Fencing off a black spot simply creates another black spot. Again, the coastline of Sydney is such that there are endless miles of cliffs. Our emphasis in health, as the Minister has said, has been to work on community awareness and to work on a strategy to get families and people into early treatment. That strategy is working. As the Minister said, we cannot be complacent but we have the lowest rate in the nation and one of the lowest rates internationally. The rates in places such as Switzerland, Canada and France are around 17 to 20. They are more than double our rate. So there is some success in the strategy we are doing. The risk of building a fence at The Gap is that the black spot simply moves 200 yards down the coast and you end up with an entirely fenced coastline.

**Mr DAVID SHOEBRIDGE:** So you do not support the suicide prevention works at The Gap? Is that the position I am getting from you?

**Dr MATTHEWS:** No, that that is not what I am saying. I am saying that we have to carefully consider the strategies we put in place.

**The Hon. ROBERT BORSAK:** You are talking about early intervention—

**Mrs BARBARA PERRY:** Prevention and promotion.

**The Hon. ROBERT BORSAK:** And prevention, trying to avoid the problems, including the proposed mental health facility at Griffith hospital. In February 2008 the then Minister for Health announced in Griffith that a \$3.9 million 20-bed mental health facility would be built at Griffith Base Hospital with construction to start mid 2009. Why has the project been delayed? When do you anticipate construction commencing?

**Mrs BARBARA PERRY:** Firstly, we were talking about promotion, community awareness and early intervention. You are now talking about hospitalisation and a delay at Griffith. As a Government we remain committed to that redevelopment. Might I add, the announcement was of a non-acute mental health unit. Of course, planning of that redevelopment is well progressed. The Government will be in a position to deliver that facility as soon as funds become available. We have embarked on a very big capital program, particularly over the past five years, building facilities across the State, multipurpose-type facilities and specialist facilities, including those for older and younger people. When we came to government in 1995 Westmead had one specialised health facility for children and adolescents; today we have seven. We need to bear in mind that we have embarked on a big capital program. I confirm again that in the great southern area, of which Griffith is part, we have built the Bega intra-mental health unit and also committed to building more mental health beds at Wagga Wagga.

**The Hon. ROBERT BORSAK:** What is the current time frame for this project?

**Mrs BARBARA PERRY:** As I indicated, planning is well progressed. As I stated earlier, as soon as funds become available we will be able to deliver that facility. That is where it is at.

**The Hon. ROBERT BORSAK:** Are tenders about to be announced for the project or are we still in the planning process?

**Mrs BARBARA PERRY:** No. I think I have made it clear twice now about the need for funds to become available.

**The Hon. ROBERT BORSAK:** Are you saying that we have not got the money?

**Mrs BARBARA PERRY:** I have indicated already that we have embarked on a big capital program. Do not forget that we have to work this properly around priorities. All governments have to do that, no matter who they are. We have embarked on a very capital-intensive program of building works across this State in the past five years. Let us be clear: mental health is not just about delivering beds; it is also about providing community-based services. The treatment of mental health has to be seen holistically.

**The Hon. ROBERT BORSAK:** Do you have a current updated cost for that project? Has it been reviewed or is it still sitting at \$3.9 million?

**Dr MATTHEWS:** I will take that question on notice. Costs escalate in all building works by somewhere between 5 per cent and 6 per cent per year. The final cost of a facility depends on its starting and end points. There is an opportunity to put this project forward for funding under the COAG special acute beds funding. I cannot pre-empt the outcome, but those implementation plans for the out years have to be to the Commonwealth by the end of October. There is an opportunity to put it forward and get it approved in that process.

**The Hon. LYNDA VOLTZ:** Minister, what are you doing to forge partnerships with the academic and research community to get better outcomes for mental health?

**Mrs BARBARA PERRY:** This commitment is shared by the whole of the New South Wales Government and is one marked by strong partnerships with the non-government organisation sector, the community, and the research and academic fraternity. It gives me great pleasure to update the Committee on a new partnership with the University of Sydney and its Brain and Mind Research Institute. Recently I joined the Minister for Health for the signing of a memorandum of understanding with the university that will see a brand-new, purpose-built Missenden Mental Health Unit at Royal Prince Alfred Hospital replacing the existing 40-bed unit. It includes also a seven-bed unit utilised by the university's Brain and Mind Research Institute. That partnership will be underpinned by a \$30 million investment by this Government and \$10 million by the University of Sydney.

This project is the culmination of a massive \$46 million partnership with the university to develop and benefit from the co-location of mental health research, clinical and community-based services in the Camperdown area. This included the opening last year of the new Youth Mental Health Facility run by the Brain and Mind Research Institute. Designed for young people aged 12 to 25 years, this centre brings together support groups, carers, scientists and mental-health clinicians offering comprehensive clinical services and research to young people with mental health problems, particularly those in the early phases of psychotic and mood disorders. The expansion of this collaborative environment will help to ensure clinicians and mental health workers are exposed to some of the latest research and evidence-based information to help in the treatment of those living with a mental illness. Just as importantly, researchers will be able to see the fruits of their research in practice.

The partnership is just one way we are working to improve the mental health and wellbeing of some of the most vulnerable members of our community. This will help in the delivery of a best-practice model of care whilst allowing staff of the Missenden unit to work in a brand-new, state-of-the-art facility. Construction will commence in 2011 and will be completed within two years. It will involve the relocation of the university's Centre for Obesity, Diabetes and Cardiovascular Disease, which is funded in part by a contribution from the Commonwealth Government.

A little over a week ago I had the pleasure of meeting again with world-leading researcher, Professor Cyndi Shannon Weickert, a truly amazing woman. Professor Weickert is the current Macquarie Group Foundation Chair of Schizophrenia Research. I am very proud to say the position of chair is the first position of its kind in Australia and is undertaking groundbreaking research into the effectiveness of new medications in the

treatment of schizophrenia. I am really pleased to report that Professor Weickert believes that they are poised to become the number one schizophrenia research laboratory in the country.

The Government has been very proud to support her role and this potentially life-changing research. We supported the chair's position with more than \$2.5 million funding since 2007 and we will be providing another \$1 million for 2011. New South Wales already has five of the world's top 10 leading mental health researchers working in our universities and research institutes. I think it is not an underestimation to say that we are world leaders in mental health research and service delivery. Our continued investment will ensure that that continues.

**The Hon. LYNDA VOLTZ:** Minister, in December 2009 you announced the personality disorder project. As you know, I have a specific interest in that area. Could you update the Committee on how the project is going?

**Mrs BARBARA PERRY:** I am aware of the member's personal interest in those issues. I am pleased to inform the Committee that the tender for the personality disorder project, valued at \$2.5 million, has been awarded to the Illawarra Health and Medical Research Institute in partnership with South Eastern Sydney Illawarra Area Health Service and Justice Health. It is an innovative project, the first of its kind in New South Wales, and will combine world-class clinical practice with first-rate research to develop the most effective treatment options for people with personality disorders. The project commenced in July of this year and will run over three years.

To appreciate the significance of the project, it is important to understand personality disorder and its impact on individuals, families, services and communities. Personality disorders reflect disrupted personality development, often arising from childhood trauma such as neglect or abuse. Their flawed perceptions and interpretations of people and events frequently cause high levels of distress and overwhelming feelings of rejection and emotional pain. This can lead to impulsive, difficult and challenging behaviour, and disturbances in social, interpersonal and vocational circumstances.

People with a personality disorder are often affected by substance misuse, depression, self-harm, unemployment, unstable housing, family disruption and imprisonment. People with this disorder frequently have contact with, and pose difficult management issues for, a number of agencies including Police, Corrections, Housing and Health. The current New South Wales Chief Health Officers Report 2008 indicates that personality disorders accounted for 5.6 per cent of female and 1.8 per cent of male hospital admissions for the treatment of mental disease. That is actually 3,694 people.

Because personality disorder often co-occurs with other diagnoses, the principal diagnosis on admission may not be recorded as personality disorder. This means that the admission figures are likely to underrepresent the extent of the condition. I am advised that British Department of Health data indicates a lifetime prevalence of between 5 per cent and 13 per cent for personality disorder. It also states that personality disorders are thought to be present in 40 per cent to 50 per cent of psychiatric patients, 20 per cent to 50 per cent of drug and alcohol service attendees, 50 per cent to 78 per cent of prisoners, and 47 per cent to 77 per cent of people who commit suicide.

Although this range of disorders is relatively common, treatment is very difficult and, until recently, outcomes have been poor. Most people diagnosed with this condition receive brief treatment in emergency departments or psychiatric units, often after a suicide attempt. People often present or re-present in crisis and distress and do not routinely receive ongoing care to address the deeper issues underlying their condition. According to the English National Institute for Mental Health:

Many clinicians and mental health practitioners are reluctant to work with people with personality disorder because they believe that they have neither the skills, training or resources to provide an adequate service ... and because many believe there is nothing that mental health services can offer.

Clearly, personality disorder is a significant health issue that requires new models of care to assist recovery and promote a more stable lifestyle. Mental health researchers associated with the Illawarra Health and Medical Research Institute have a long history of treatment and research into personality disorder. They are ideally placed to conduct this important new project. Two expert consultants, Associate Professor Brin Grenyer and Dr Andrew Chanen, will provide training in several treatment modalities, consultation and supervision to mental health and drug and alcohol clinicians in community and in-patient services. The clinicians will then develop



evidence-based collaborative care plans based on these tools to treat adults with personality disorder and provide early intervention to adolescents with early signs of the condition.

The education package will be supported by a website with treatment guidelines, teaching, clinical, referral and professional resources and will integrate a network of expert clinicians across the State. Importantly, the project will also explore effective early intervention for young people, which carries the promise of helping prevent the lifetime trajectories of social dislocation so often experienced by adults with personality disorder. The project also involves an 18-month study to compare the effectiveness and relative cost of treatment modalities for personality disorder. Although the project is piloted in the South Eastern Sydney Illawarra Area Health Service and Justice Health facilities, clinicians and patients throughout New South Wales will benefit during its second phase. Evidence-based clinical guidelines will be developed and they will be disseminated for use throughout New South Wales. This new initiative is the latest addition to the Government's growing network of specialist mental health programs.

**The Hon. HELEN WESTWOOD:** Minister, what is the Government doing to support young people with a mental illness in western Sydney?

**Mrs BARBARA PERRY:** I thank the member for her question. I know the member has a strong interest in the wellbeing of young people in western Sydney, in particular, in the Bankstown, south-western area, where she was the mayor not that long ago and had a great commitment to supporting young people. The New South Wales Government is determined to play its part in improving the mental health and wellbeing of young people, recognising that early intervention is the key to helping them live prosperous and independent lives. International research indicates that the majority of adults with mental disorders had recognisable symptoms by the age of 15. The earlier we can intervene, providing education and support for young people to understand and manage their illness, the greater their chances of living full and productive lives.

That is why we are investing more than \$130 million on child and adolescent mental health this financial year and why we are investing an additional \$430,000 to extend the Young People's Outreach Program, better known as Y-Pop. For the past 12 months Y-Pop has been running in the Penrith and Blacktown local government areas. It has been providing practical support for young people aged between 16 and 25 who have or are at risk of developing functional disability because of their mental health problems. Following remarkable improvements in current participants and growing demand for such a valuable service, the pilot project has now been expanded to cover the Parramatta local government area.

The success of the program is anchored by a strong partnership between Sydney West Area Health Service, headspace Mount Druitt and the Richmond Fellowship of New South Wales. It is a remarkable collaboration. Every week, staff deliver specialist care to aid in the recovery of young people, including developing living skills, such as cooking, homework, housework, travel and budgeting. Not long ago in Penrith I met one of the young people involved in that program. He was a remarkable young man with severe and complex mental health issues. Prior to entering the program he was finding it difficult to go to school. Now he is a remarkably self-confident young man, who delivered a speech about how the program had profoundly impacted upon his life. Some of the other things that the staff are doing to assist people in recovering are helping to build or re-establish relationships with family and friends, reconnecting young people to education and training opportunities, and linking them to other services, such as accommodation and employment, drug and alcohol and other health services, and income support.

Each young person receives an average of seven hours support a week. Young people who are already connected to clinical child and youth mental health services are referred to Y-Pop by their mental health clinician and have been identified as needing more intensive and targeted non-technical support to achieve their recovery goals. Importantly, this involves a strong collaboration with families and carers. This program is having a tremendous impact on young people and their families. Its success is testament to the dedication and compassion of everyone involved, especially the workers whom I met in the Penrith area and who mentor young people and journey with them through every step of the recovery process.

Before entering the program one participant, James who is aged 21, had been hospitalised on numerous occasions including having had several lengthy admissions to a mental health unit, and was on the verge of homelessness. James was not taking his medication and was using alcohol and illicit drugs. Since joining the Y-Pop program, James is now medication compliant, undertakes regular physical health checks and has had no significant drug or alcohol relapses. On top of that, James is about to move into new permanent accommodation. He is studying and he is linked with an employment service. Through this program the Government is helping to

deliver better outcomes for young people in western Sydney who are living with a chronic mental illness. It is a holistic approach to the way in which we care for people who have a mental illness. It is helping to support some of the most vulnerable people in our community.

**The Hon. SHAOQUETT MOSELMANE:** Minister, what is the Government doing for people with a mental illness who come into contact with the justice system?

**Mrs BARBARA PERRY:** Thank you for that important question, given the overlap of Juvenile Justice with justice issues. In 2009-10, \$57.284 million was invested in mental health services provided by Justice Health. The funds are invested not only in the highly skilled mental health workforce in Justice Health but also in the delivery of specialist mental healthcare in our forensic mental health system and our adult and juvenile justice system. Mental health services provide an array of preventative, palliative and rehabilitation services. It is important to remember that Justice Health's involvement in mental health services extends beyond simply providing care and support once a person enters the justice system, or is found not guilty by reason of mental illness.

Forensic mental health services are made up of four components that provide specialist service across the community, court, custody and inpatient settings. The statewide Forensic Mental Health Service in New South Wales comprises the statewide Community and Court Liaison Service, the Community Correctional Mental Health Service, the Community Forensic Mental Health Service and the Forensic and Long Bay Hospitals. The high prevalence of mental illness among people who are brought before the local courts and the difficulty encountered by magistrates, court personnel, consumers and carers in accessing mental health services have led to the establishment by the New South Wales Government of a court-based diversionary service for those who are mentally ill.

The Mental Health Court Liaison Service engages with individuals who have severe mental health problems and disorders. It diverts them from the criminal justice system towards appropriate mental health treatments. The court liaison service, as one part of our statewide Forensic Mental Health Service, operates in 21 local courts across New South Wales, 12 of those being metropolitan and nine being rural local courts. However, diversion does not necessarily equate with discontinuation of criminal justice proceedings. Instead it allows both systems to coexist in a collaborative manner, facilitating immediate access to mental health services rather than each system working alone.

Diversion involves, firstly, the screening and identification of candidates with suspected severe mental health problems by court liaison nursing staff; secondly, psychiatric assessment by court liaison medical and nursing staff; thirdly, information and treatment options that are presented to the magistrate; and, fourthly, the integration of the individual into the care of appropriate mental health services in hospitals, community, and correctional services. Since its inception in 2001, following a two-year pilot, the court liaison service has grown as a result of continued investment in what is proving to be a very successful program. Between 2006 and 2009, 44,677 people were screened by the service. Of those screened, 6,251 received psychiatric assessment and 5,272, or 84 per cent, were assessed as having a mental illness, and 3,672 were diverted to the community for treatment and follow-up. In my view, they are amazing statistics.

Statewide community and court liaison has diverted 63 per cent of all clients seen in the New South Wales Local Court to mental health community services and inpatient facilities. The remaining 37 per cent entered custody and received ongoing treatment and follow-up through Justice Health's statewide Forensic Mental Health Service, which is a correctional centre based mental health service. The New South Wales Bureau of Crime Statistics and Research [BOCSAR] conducted a quantitative review of the service in 2009, with very positive results. The bureau's findings showed that the statewide Community and Court Liaison Service has had a positive impact on reducing the frequency of clients coming into contact with the justice system. I will take some time to cite the following results. There was a decreased reoffending rate, as compared with a control group who received merely a good behaviour bond. Results showed a 77 per cent improvement in patient attendance at medical appointments, 75 per cent improvement in medication compliance, 68 per cent improvement in the severity of symptoms and a 60 per cent reduction in substance misuse. Furthermore, case managers reported improvements in socio-vocational outcomes and a reduction in rehospitalisation.

Fundamental to the success of the service is building partnerships between the health and the judicial systems working in collaboration. We are very much committed to the provision of international best-practice mental healthcare to the people of New South Wales. For this reason we have continued to invest in the development of an integrated specialist Forensic Mental Health Service. The way a society cares for those who

are most disadvantaged is a measure of how compassionate and developed the society is. For this reason, we are committed to all aspects of the statewide Forensic Mental Health Service across court, community, custody and inpatient settings.

**CHAIR:** Thank you, Minister. That concludes the hearing of all three portfolios. I thank you and your officers for attending today. The Committee may hold additional supplementary hearings after 19 November 2010, if required. If that is the case, you will be informed in due course. I remind you and your officers that any answers to questions taken on notice must be provided within 21 days. The secretariat and members may forward to you other questions on notice within the prescribed period, and they also require answers within 21 days. Again, thank you very much for your time.

**Mrs BARBARA PERRY:** I would like to thank all the Committee members for the great deal of respect shown.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**

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