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## GENERAL PURPOSE STANDING COMMITTEE No. 3

Friday 17 September 2010

Examination of proposed expenditure for the portfolio area

### POLICE, FINANCE

The Committee met at 9.15 a.m.

#### MEMBERS

The Hon. J. G. Ajaka (Chair)

The Hon. R. Borsak  
The Hon. G. J. Donnelly  
The Hon. M. J. Gallacher  
The Hon. S. Moselmane

The Hon. G. S. Pearce  
The Hon. D. Shoebridge  
The Hon. M. S. Veitch  
The Hon. L. J. Voltz

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#### PRESENT

**The Hon. M. J. Daley**, *Minister for Police, and Minister for Finance*

**NSW Police Integrity Commission**  
**Mr J. Pritchard**, *Commissioner*

**NSW Crime Commission**  
**Mr P. Bradley**, *Commissioner*

**NSW Police Force**  
**Mr A. Scipione**, *Commissioner*  
**Ms C. Burn**, *Deputy Commissioner*

**Department of Premier and Cabinet**  
**Mr L. Tree**, *Deputy Director General*

**WorkCover NSW**  
**Ms L. Hunt**, *Chief Executive Officer, Compensation Authorities Staff Division*  
**Mr J. Watson**, *General Manager, Occupational Health and Safety Division*  
**Ms M. Hawkins**, *Acting General Manager, Workers Compensation Division*

**Motor Accidents Authority**  
**Ms Carmel Donnelly**, *General Manager*

**Lifetime Care and Support Authority**  
**Mr D. Bowen**, *Director*

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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 Daley and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Police and Finance. Before we commence I will make some comments about procedural matters. In accordance with the Legislative Council 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. For this hearing the Committee has resolved that the NSW Crime Commissioner's image will not be broadcast and I ask members of the media to abide by this resolution.

In reporting the proceedings of this Committee you must take responsibility for what you publish or what 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 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.

The Committee has agreed to the following format for the hearing: two hours will be allocated for questions to the Police portfolio and one hour will be allocated for questions to Finance portfolio, and the portfolios will be examined in that order. The Committee also agreed that the New South Wales Crime Commission and the New South Wales Police Integrity Commission would be examined at the beginning of the hearing. The Committee resolved that that will be a component of 10 minutes for the Opposition, 10 minutes for the crossbench and 10 minutes for the Government. Then we will proceed to the Police portfolio, which will be 20 minutes, 20 minutes and 20 minutes in the same order.

Minister, the House has resolved that answers to questions on notice must be provided within 21 days or otherwise as determined by the Committee. The Committee has not varied the 21-day time frame. Transcripts of this hearing will be available on the website from tomorrow morning. All witnesses from departments, statutory bodies and corporations will be sworn prior to giving evidence. Minister, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament.

**JOHN WILLIAM PRITCHARD**, Commissioner, New South Wales Police Integrity Commission, and

**PHILIP ALEXANDER BRADLEY**, Commissioner, New South Wales Crime Commission, affirmed and examined:

**LESLIE THOMAS TREE**, Deputy Director General, Department of Premier and Cabinet, sworn and examined:

**CHAIR:** I now declare the proposed expenditure for the portfolios of Police and Finance open for examination. As there is no provision for the Minister to make an opening statement before the Committee commences questioning, we will now begin with questions from the Opposition.

**The Hon. MICHAEL GALLACHER:** Mr Bradley, could you indicate to the Committee what you see are the future challenges for your organisation?

**Mr BRADLEY:** Of course, we are concerned with the identification and investigation of organised crime and the confiscation of the proceeds of all serious crime including organised crime. The continuing challenge, I suppose, is to meet the problems associated with drug trafficking in that there is a very large amount of that going on. It is very damaging to the community. There is a lot of associated crime, particularly money-laundering, and much of the effort that we put in at the Crime Commission is concerned with other serious crime such as murder, which often has a drug component. To the extent to which we are expected to deter, collect evidence of and in some way favourably impact on drug trafficking, that is the single biggest challenge.

**The Hon. MICHAEL GALLACHER:** Mr Bradley, I have heard in recent times that the real concerns that a lot of front-line senior detectives have is in relation to identity fraud and ATM fraud—areas of crime where there is not necessarily an automatic relationship with violence but most certainly a significant financial return for those involved in the activity. Is that one of your priorities?

**Mr BRADLEY:** Yes. Identity fraud is a very significant issue. It mainly manifests itself in the form of online fraud these days because it is fairly easy to conceal your identity, your location, even the computer that you were using through botnets and other practices. The effect that that has on a whole range of activity, not just the concealment of criminal perpetrators but also of ordinary commercial transactions—banking and a whole range of things—is very large, not to say enormous. We see that as a challenge and, as you say, a priority and we have devoted substantial resources to that. As you are probably aware, an identity crime strike team has been established by the Federal police and New South Wales police contribute to it.

A computer crime unit has been established within the fraud squad; it was originally established in our building. Those subjects get a lot of attention, but it is a very difficult area. In other jurisdictions, particularly in the United States of America, it is being treated as one of the most important matters to address. We are no different to the United States, and in some ways some crime that occurs overseas gives us an indication of what is coming our way. But in the case of online fraud, in particular, because of the nature of transactions and the way it is perpetrated, anybody anywhere with a computer is vulnerable.

**The Hon. MICHAEL GALLACHER:** I am told by some people I speak to in the banking industry that they believe this area of crime is like a tsunami that is yet to hit us domestically in the same way it has in the United States and Europe. Is that a fair assessment?

**Mr BRADLEY:** I hesitate to use the word "tsunami" because I am not normally given to hyperbole in this area. It is certainly a growing problem and one that requires a particular approach. Our approach is to identify it as a crime where the perpetrators are so numerous that we would be unable even to count them or to identify them. The answer to this type of crime lies in defence of systems, continuing vigilance towards collection of evidence and prosecution so that the normal deterrent factors apply. If the perpetrator is in the Middle East or Russia, which seem to be the source of these attacks, the likelihood of their ever being prosecuted is fairly remote. The ease with which those crimes can be perpetrated is very concerning.

You would be aware that these crimes are extremely numerous when you count the attempts as well as the successes. For example, this morning you would probably have received half a dozen spam emails. If you open an executable file then you are immediately exposed to that sort of fraud. In your case, those attempts probably would not succeed, but some person who is less sophisticated or less careful would be vulnerable.

**The Hon. MICHAEL GALLACHER:** I note that for the record.

**Mr BRADLEY:** Millions of these attempts are going on all the time and some are successful. The numbers that are successful are having a very significant impact such that ordinary people like you and I hesitate to do our business other than on highly protected equipment.

**The Hon. MICHAEL GALLACHER:** Do you believe that a large portion of our community is simply unaware of the threat that is coming through their computers into their homes?

**Mr BRADLEY:** There are degrees of awareness depending upon sophistication. I do not think anyone would be completely blind to their vulnerability. Some of the methods by which these attacks arrive are quite clever. I am aware of highly sophisticated and highly suspicious people who have been caught out. For example, you might get an email masquerading as your Norton security update when it is due. You immediately open it, provide your credit card details and assume you are protected, but you have actually gone in the other direction.

**The Hon. MICHAEL GALLACHER:** Are you in a position given your expertise in this area, which is far greater than that of most people in this room, to provide an estimate of the financial impact of this crime on New South Wales every year?

**Mr BRADLEY:** No, I have no idea. The Fraud Squad, which is more involved in this and more expert than I am, has some ideas based on its contact with the banking industry. I am aware of anecdotal evidence. A major credit card provider that is aggressively promoting the sale of its credit cards estimates that it rejects 70 per cent of all applications based on suspected fraud. That means it has a workforce of perhaps thousands of people, 70 per cent of whom are wasting their time because of the proportion of rejections due to suspected fraud. A great deal of effort is being put into the defence side of things, as I have called it, and that is very expensive. It also inhibits free commerce in the sense that I would not, for example, do an ordinary banking transaction, which most people now do online, pay a bill using BPay or PayPal or do all the usual things people do if I did not own a computer in which I was completely confident.

**The Hon. MICHAEL GALLACHER:** Mr Pritchard, can you indicate to the Committee your response to the Inspector of the Police Integrity Commission's recommendation in relation to your organisation, particularly with regard to the public apology to Inspector Wood?

**Mr PRITCHARD:** We engaged in a rather voluminous amount of correspondence with the inspector in relation to that matter. He made three recommendations in that report to which we gave very careful consideration. One of those was an apology in relation to Inspector Wood and two or three other officers. We were of the view that in the circumstances, and for reasons we went into quite a bit of detail about, an apology was not required.

**The Hon. MICHAEL GALLACHER:** Do you accept any of the recommendations made by the inspector?

**Mr PRITCHARD:** In relation to that report?

**The Hon. MICHAEL GALLACHER:** Yes, the latest report.

**Mr PRITCHARD:** There was one report in relation to recordkeeping of telephone intercept product that had been played as an exhibit in a public hearing in relation to tracking or keeping more detailed records of to whom those exhibits had been given. We had already taken steps to do that even before that matter had come to light.

**The Hon. MICHAEL GALLACHER:** Minister, what is the Government's response to the inspector's report in relation to the Police Integrity Commission, particularly these matters?

**Mr MICHAEL DALEY:** I view the report with concern. However, I note the Act is being reviewed and that the commissioner is directly answerable to a standing committee of this Parliament. We do not have an official response, but the Act is being reviewed. Without overstating it, I think the Crime Commission's capabilities have been enhanced through the passage of the unexplained wealth legislation, which, I note, went through both houses of Parliament almost unanimously. I take this opportunity to thank Opposition and

crossbench members, as well as members of the Government of course, for the speedy passage of that very important legislation.

**Mr DAVID SHOEBRIDGE:** Mr Bradley, with respect to identity and protection of identity, does the New South Wales Crime Commission make any recommendations about the security of New South Wales identity documents? I am thinking here of drivers licences and Registry of Births, Deaths and Marriages certificates in particular?

**Mr BRADLEY:** The answer is yes.

**Mr DAVID SHOEBRIDGE:** I have heard reports that the cost of a forged driver's licence in the market for these kinds of things is less than \$50. Is that about right?

**Mr BRADLEY:** It depends on the sophistication. I could make you a cheap licence for \$50 using some very basic desktop publishing systems but it is possible to get licences that are not detectable by the Roads and Traffic Authority and which are false. Whether they are issued officially—and there has been some of that in the past—or they have been manufactured using imported equipment, they are of such a level of sophistication, the counterfeiting is so good, that they cannot be detected by officials. The problem with all identity crime is that at the teller level we have a high degree of vulnerability. So when you go to wherever it is that you want to demonstrate your identity, whether it is a bank teller or a person issuing another document that you can use for identity, the ability of the document to persuade the teller as to its genuineness is critical. Therefore, it does not have to be of a particularly high standard.

There are now very sophisticated documents, including Roads and Traffic Authority drivers licences, which have deeply embedded verification mechanisms. But, once again, they are not always usable at the teller level because the teller does not always have machine-readable equipment. So if you go to the local council and say, "I am Bill Bloggs," and seek a document from the council that you can use to gain your 100 points, if that is what you are after, the likelihood is that that fairly low level counterfeiting will be sufficient.

**Mr DAVID SHOEBRIDGE:** Are you in a position to make any recommendations to government as to how to improve its security?

**Mr BRADLEY:** Yes, I have done a lot of work on that.

**Mr DAVID SHOEBRIDGE:** Have those recommendations been picked up by the Government?

**Mr BRADLEY:** By and large, yes.

**Mr DAVID SHOEBRIDGE:** Are there any recommendations you have made that have not been addressed by the Government?

**Mr BRADLEY:** I would say the answer to that is no. The way we normally work is to say this is a problem—such as the Roads and Traffic Authority and the Registry of Births, Deaths and Marriages, the two agencies you have mentioned—and then we work with those agencies to put in place mechanisms that will refine the dependability of their systems.

**Mr DAVID SHOEBRIDGE:** In terms of the capacity of people who have a forged drivers licence to use it to accrue the 100 points, it is normally only a visual inspection, is that right?

**Mr BRADLEY:** It depends on who you are presenting it to. If you go to the Roads and Traffic Authority, for example, there is a higher level of verification.

**Mr DAVID SHOEBRIDGE:** I was thinking of banks and local councils. Is it normally just a visual inspection?

**Mr BRADLEY:** Yes, what I referred to as the teller-level inspection.

**Mr DAVID SHOEBRIDGE:** It is that level that is enormously vulnerable to identity theft, is that right?

**Mr BRADLEY:** That is an area of vulnerability, yes.

**Mr DAVID SHOEBRIDGE:** Are there any recommendations you can make to improve the security of the New South Wales drivers licences, in particular, at that level?

**Mr BRADLEY:** We have made recommendations about that, and some of the things that have occurred are things like vectograms, where there is an etched image on the face of the document that is hard to forge and you need fairly expensive equipment to do it. That image is comparable or examinable at the teller level. There are limits to what you can do there.

**Mr DAVID SHOEBRIDGE:** But we are seeing forged versions of those in New South Wales as well, are we not, with the more sophisticated equipment available?

**Mr BRADLEY:** There is almost nothing that is not forgeable.

**Mr MICHAEL DALEY:** The Roads and Traffic Authority enhanced its capabilities a year or so ago, by including facial recognition technology. So when a person walks into the Roads and Traffic Authority and asks for a photo licence, a digital photograph is taken of that person. That image is then run against every image held in the Roads and Traffic Authority's drivers database. If a match comes up or a similar facial recognition based on algorithms is detected, that is then viewed by a person to make sure someone is not trying to get a licence under a second name. That is something that police forces and crime commissions all round Australia have recommended, and we took that up a couple of years ago.

**Mr BRADLEY:** To add to that, a number of other things have been done by the Roads and Traffic Authority, not just facial recognition—which is becoming one of the more universal database protection systems—but a number of other techniques are being applied.

**Mr MICHAEL DALEY:** Like giving New South Wales police access to the Roads and Traffic Authority's database, which is then uploaded into the boots of every patrol car and highway patrol car so they can see the person who is presenting the licence to the police officer and match the face and names.

**Mr DAVID SHOEBRIDGE:** Mr Bradley, what proportion of your resourcing is directed to organised crime?

**Mr BRADLEY:** It is fairly fluid. We are a small organisation with just a few dozen operational staff in the criminal investigation area and a couple of dozen in the financial investigation area leading to money laundering and confiscation proceedings. It moves about a lot. I would like to give you a more precise figure but I would say in the order of two-thirds of the staff would be working on organised crime, which is mainly drugs and murders, but there is a money-laundering component in that and some of it flows into financial investigations, where the other third reside.

**Mr DAVID SHOEBRIDGE:** Organised crime, drugs and murders are often linked together—there are similar organisations—is that right?

**Mr BRADLEY:** Yes.

**Mr MICHAEL DALEY:** It is not simply the staff of the Crime Commission who are actively working on a particular investigation that gives an indication of their value. They share considerable intelligence with the Australian Crime Commission and police throughout Australia. If your question is how much of their efforts are applied to a certain activity, it is not simply what is happening down at the Crime Commission. It is the information they share and the cooperation between other agencies across Australia that adds particular value to their work.

**Mr BRADLEY:** The great bulk of our work is done by the New South Wales police generally. There are specific arrangements under section 27A of our Act for task forces to be formed around every reference that we get, and substantial numbers of police are applied to those matters.

**Mr DAVID SHOEBRIDGE:** As to the efforts of the Crime Commission and the efforts of the New South Wales police, do you have any statistics to show that they are reducing the level of drug-related organised crime in New South Wales?

**Mr BRADLEY:** No.

**Mr DAVID SHOEBRIDGE:** Would it be fair to say that drug-related organised crime is on the rise?

**Mr BRADLEY:** I do not know if it is fair to say that.

**Mr DAVID SHOEBRIDGE:** Do you have any understanding of what is the overall market—if I can call it that—and the total number of dollars involved in drug-related organised crime in New South Wales?

**Mr BRADLEY:** There are estimates. If you look at some statistics that have been put out by various agencies, they usually relate to money laundering because drugs, fraud and some other crime—particularly revenue fraud—generate most of the money laundering figures. Estimates vary widely. Just a few years ago the estimate was in the order of three point something billion dollars in Australia. You can apportion some of that to New South Wales based on population and the fact that New South Wales has more than its fair share of crime because criminals, like businesses and other things, are more numerous here. Applying the money laundering figures, you can come up with some sort of idea. Current estimates are that annually there is about \$12 billion worth of money laundering going on. My personal suspicion, unsupported by any really solid evidence, is that it is significantly higher than that. I cannot answer your question about growth.

**Mr DAVID SHOEBRIDGE:** They obviously do not report to the tax office. The fight between crime agencies such as yours and those you deal with and organised, drug-related crime is a greatly uneven battle in terms of resources, would that be fair to say?

**Mr BRADLEY:** When you add up the amount of resources of the police agencies in particular and the ones that we deal with, principally, New South Wales where the budget is more than \$2 billion, the Federal Police where the budget is more than \$1 billion and a range of other agencies with whom we deal, and you look at the fact that a significant proportion of the work is drug related, there are very, very substantial resources applied to that problem. The drug offenders and the drug crimes far exceed the detections, apprehensions and prosecutions. That has always been the case and it has never been a realistic aspiration to lock up every drug dealer, and detect and resolve every crime.

**CHAIR:** We will now move to Government members.

**The Hon. LYNDIA VOLTZ:** The Government has no questions at this time.

**CHAIR:** That, gentlemen, concludes the Police Integrity Commission and Crime Commission component. I thank you for your attendance and assistance to the Committee. We will now move to the Police portfolio.

**(The witnesses withdrew)**



**LESLIE THOMAS TREE**, Deputy Director General, Department of Premier and Cabinet, on former oath, and

**ANDREW PHILLIP SCIPIONE**, Commissioner of Police, New South Wales Police Force, and

**CATHERINE JUDITH BURN**, Deputy Commissioner of Police, New South Wales Police Force, sworn and examined:

**CHAIR:** I will not repeat what was said earlier in the opening statement as I note you were present during that time. We will commence with intervals of 20 minutes for the Opposition, 20 minutes for the crossbench and 20 minutes for the Government.

**The Hon. MICHAEL GALLACHER:** Commissioner, I start by congratulating you and your personnel yesterday on a very professional and very emotional ceremony. I think it is fair to say that the city and the State were united in their grief and their respect for police. On behalf of my colleagues in the Legislative Council and I am sure the entire New South Wales Parliament I pass on our heartfelt thanks to all involved in the organisation of that ceremony yesterday.

**Mr SCIPIONE:** Thank you, Mr Gallacher. It might be useful if I had a chance to respond to that because it is good that you have raised it. Yesterday I stood before a very large gathering of police and community members. As police commissioner I was proud, but I was even more proud to be one of those officers and to have had a 30-year career with an organisation that has a lot of history. Yesterday we farewelled a young officer who was the 250th police officer to be lost in the history of our organisation of almost 150 years, with our roots going back to 1862.

Whilst I was proud to be there as a commissioner and a police officer, I was even more proud to be there as an Australian because I saw the behaviours of community getting in and supporting our police that, I have to say, I have never seen before. There was a general outpouring of sympathy for families and friends—certainly the Crews family and the wider family—but more importantly there was a feeling of ongoing support for the work that our police officers do. Every man and woman who makes up our New South Wales Police Force goes to work not knowing whether they will come home. Unfortunately on 9 September Will Crews did not come home. He died a hero; he gave his life protecting us, keeping us from danger. I say thank you to the men, women and children of New South Wales and, more importantly, Australia for their support. It means a lot to us as an organisation—thank you very much.

**Mr MICHAEL DALEY:** Mr Chairman, might I be permitted to add something in that vein?

**CHAIR:** Certainly, Minister.

**Mr MICHAEL DALEY:** Life is funny sometimes and it does take a tragedy to bring out feelings in you that are always there but are not quite so readily apparent. I was standing in the guard of honour yesterday in George Street thinking that this is the proudest day I have had, certainly as Minister for Police but probably in my public life. The Premier, who was standing next to me, read my mind, leant over and whispered to me—and I do not think she would mind me giving away this confidence—"You know, I don't think I've had a prouder day in my time as Premier of New South Wales". I think that echoes the sentiment of all people yesterday. We were proud of our troops yesterday.

**CHAIR:** Thank you, Minister.

**The Hon. MICHAEL GALLACHER:** Minister, I continue with the theme of families looking for answers. Are you aware of calls by family members of alleged victims of Malcolm Naden, who is wanted on a \$50,000 reward for some fairly serious matters—murders and sexual assault—and given that he is one of the most wanted in New South Wales, that the Government give consideration to increasing the reward from \$50,000?

**Mr MICHAEL DALEY:** The mechanism for rewards is that we act on recommendations from the police. I do not remember a time when we have not acceded to a recommendation to increase rewards if the police were of a mind to ask for an increase in that reward. I would view it in the same way as I view all other applications for increases of awards.

**The Hon. MICHAEL GALLACHER:** To give you an idea, the reward for James Dalamangos, who is wanted and is on the list, is \$200,000, yet Mr Naden is currently on \$50,000. He is allegedly held up in the Upper Hunter somewhere and is a significant risk factor for police.

**Mr MICHAEL DALEY:** Yes.

**The Hon. MICHAEL GALLACHER:** I think it is fair that we have to lift the reward on this fellow.

**Mr MICHAEL DALEY:** Mr Gallacher, I do not know that one should draw from your questioning the fact that police do not view him as an extremely prized suspect. Often rewards—and I would invite the commissioner to add to my answer if he feels it necessary—are beefed up at a time when the police have hit a dead end and often we have that with longstanding, unsolved murders. On those occasions a reward is offered to jog the memory of people in the community to encourage them to come forth. Often we know there is a person out there who is sitting on information who thinks it is irrelevant when often it is not—it is the last piece in a jigsaw puzzle that the police need—or they do not have sufficient motivation to come forward. The commissioner can add to my answer. It might be that although he is proving remarkably elusive at the moment, the police may not yet feel the need to increase the reward because they are confident they will find him in due course.

**Mr SCIPIONE:** I do not know that I could add much to that, other than that I have not received from homicide or the local police who have carriage of this investigation any request for an increase. Clearly should I receive that, I would make that known to government with a view to looking for an increase. To date I have not received one.

**The Hon. MICHAEL GALLACHER:** Minister, have you had cause to ask the Police Force why there is no reward at this stage in relation to some of the more recent high-profile murders, for example, for the Lin murders?

**Mr MICHAEL DALEY:** I do not want to say too much about the Lin murders: there are substantial investigations going on with that. The indication I have had from the police commissioner in relation to those murders is that he has some of his top investigators onto them and that the police will request a reward if and when they feel it is necessary.

**The Hon. MICHAEL GALLACHER:** Is that same methodology being used in relation to the McGurk murder, which I think fundamentally appears to be different?

**Mr MICHAEL DALEY:** I do not know why you say that fundamentally it is different; it is an ongoing investigation. Again, I have put the question to the commissioner and he has told me in express terms that in respect of that murder he has the A-team on that as well. The police in New South Wales have an excellent record in solving murders. They never close a file; they will pursue it forever. The police put together an unsolved homicide team a few years ago, and they have had success in reinvestigating and solving longstanding murders. They will never give up.

**The Hon. MICHAEL GALLACHER:** Minister, could you indicate to the Committee what is the methodology that is used to determine the rewards? We have Mr Naden at \$50,000. At this stage we have no rewards offered in relation to the two murders I have just mentioned, the Lin family murders and the McGurk murder. Yet up to \$500,000 has been offered in relation to the murder of Michelle Bright, which I think was at Gulgong.

**Mr MICHAEL DALEY:** I should take you back to my first answer in respect of this question. The Government receives recommendations from the police. They determine when an application is sought, and invariably their requests are acceded to. I cannot add any more than that in relation to why and when the police feel it is necessary to ask for a reward other than what I have told you already.

**The Hon. MICHAEL GALLACHER:** Minister, I will move on to another issue. Could you indicate to the Committee what the position is with the Government in relation to the presentation in the budget regarding moneys for the replacement of Polair 3, which I understand is to be replaced?

**Mr MICHAEL DALEY:** I will have to take that question on notice.

**The Hon. MICHAEL GALLACHER:** Minister, are you aware that Polair 3, from what I understand, does not meet future Civil Aviation Safety Authority [CASA] regulations?

**Mr MICHAEL DALEY:** I will take that on notice. But in respect of that I would say that the police have no intention of putting in the sky helicopters that are not the most suitable technology for the work they need to do. In respect of those regulations, the Civil Aviation Safety Authority is expected, as I understand it, to change the regulations. But it is expected to change the regulations so that single-engine aircraft can no longer fly over medium-density areas. Those anticipated changes will have implications for the current fleet of police helicopters. I am advised at this stage that CASA has provided the New South Wales Police Force with new advice that the regulations will not take effect until 2012 at the earliest, so the police have some time to build in those capabilities.

**The Hon. MICHAEL GALLACHER:** Is it therefore the case that by 2012 we will have to see the replacement in New South Wales of Polair 3, Polair 2 and Polair 4? Polair 2 and Polair 4 are single engine, and Polair 3 has to be replaced, as I mentioned earlier.

**Mr MICHAEL DALEY:** I have said what I have said in respect of that. I cannot add to that in respect of the current budget.

**The Hon. MICHAEL GALLACHER:** Minister, we see in the current budget police stations being forecast for some years to come, in terms of the preparation of the plans, the buying of the land and the building of the police stations themselves. Why is it that the Government has not taken a position regarding an issue that will see three out of five helicopters potentially grounded by 2012?

**Mr MICHAEL DALEY:** In the last 15 years of this Government there is not a piece of legislation, or power, or piece of equipment—whether it is Glocks, tasers, load-bearing vests, the automatic number plate recognition [ANPR] system, forensic systems, or infrared vision in helicopters—that the police have asked for

and have not received from this Government. We will continue to work with the police in respect of Polair's capabilities, and we will deal with those requests in the same way that we have dealt with every other request over the last 15 years—and that is with a mind to making sure that police capabilities are as good as they can be.

**The Hon. MICHAEL GALLACHER:** Minister, thank you for that answer. Therefore I take it that the New South Wales Police Force has not made any application to the New South Wales Government with regard to the replacement of those three helicopters?

**Mr MICHAEL DALEY:** I will have to take that question on notice. But discussions between Treasury and government departments, whether they be the Police Force or other departments, happen all the time, and long-term plans are put in place, even though they may not be embodied in the present budget.

**The Hon. MICHAEL GALLACHER:** Minister, therefore you are not aware as to whether the Police Force has made an application for moneys to purchase three new helicopters?

**Mr MICHAEL DALEY:** I will have to take that question on notice.

**The Hon. MICHAEL GALLACHER:** Minister, earlier you mentioned the automatic number plate recognition system. How many Highway Patrols will be without automated number plate recognition at the end of the program?

**Mr MICHAEL DALEY:** I would have to go back and check up on the actual figures. But our plan is, I think, unless I am mistaken, to roll out 120 of them at a cost of \$3.8 million. I note that the commissioner has some figures with him about the effectiveness of automated number plate recognition. They have been absolutely outstanding, both in the trial of eight units and since that time—

**The Hon. MICHAEL GALLACHER:** I believe 5,750 charges?

**Mr MICHAEL DALEY:** There are more.

**The Hon. MICHAEL GALLACHER:** The figures have increased since then, have they?

**Mr MICHAEL DALEY:** Yes, they have. Unregistered infringements total 3,527, whilst other infringements and charges total 7,361. So this is an incredible enhancement to the capabilities of the Highway Patrol.

**The Hon. MICHAEL GALLACHER:** Has any application been made to you by the Roads and Traffic Authority [RTA] to have a greater involvement in the day-to-day running of automated number plate recognition?

**Mr MICHAEL DALEY:** I am not sure what your question goes to, Mr Gallacher.

**The Hon. MICHAEL GALLACHER:** In relation to offences such as unregistered and uninsured vehicles. Has the RTA made application to you for the authority to have greater access to the use of automated number plate recognition?

**Mr MICHAEL DALEY:** Not directly to me, but discussions are always ongoing between, for example, Assistant Commissioner John Hartley and the Centre for Road Safety, and often they have discussions about the ongoing evolution of policy. When they come to arrangements about what could be a good idea then they are escalated to the Minister. But no request has been made to me by the RTA. But that is not to say that discussions are not continuing between the policy bosses, if you like.

**The Hon. MICHAEL GALLACHER:** What is your attitude towards automated number plate recognition being used by the RTA?

**Mr MICHAEL DALEY:** By the RTA, or being used by the police for other RTA measures?

**The Hon. MICHAEL GALLACHER:** Being used by the RTA?

**Mr MICHAEL DALEY:** For what purposes?

**The Hon. MICHAEL GALLACHER:** For the purposes of infringement notices in relation to, say, unregistered or uninsured vehicle offences?

**Mr MICHAEL DALEY:** I would have to receive some detail on that, as to how it might be used. But again, the purpose of estimates is not for me to sit here and imagine what might be; it is for me to be examined on the proposed expenditure and the outcome here.

**The Hon. MICHAEL GALLACHER:** The only reason I ask that, Minister, is that the RTA now runs its covert speed cameras—arguably independently of the Highway Patrol, although there is some debate in terms of how much involvement is there. I am wondering whether, under your current Government, we are going to see a continuing move towards the RTA moving into other areas, such as the use of automated number plate recognition, separate from the police.

**Mr MICHAEL DALEY:** You will note that the police used to have the responsibility for the administration and maintenance of fixed speed cameras. We had a situation where we literally had sworn police officers climbing up a ladder and taking the film out of wet-film cameras. I was very strongly of the view when I was Minister for Roads—and I am even more strongly of the view now—that I did not want police officers fulfilling those sorts of technical roles.

So we had a Road Safety Summit in mid-2009. One of the recommendations that came out of that summit was for an examination of the introduction of mobile speed technology. We discussed the possibility of introducing mobile speed cameras of the type you were referring to a moment ago, and the police were very strongly of the view then, and remain strongly of the view, that they do not want officers sitting in a car babysitting a camera. I want police officers out and about. I do not want them babysitting a camera. That role can be undertaken by anybody. The role of the Roads and Traffic Authority is effectively one of contract management and I think it is appropriate that they own that program. The police do not want it and I do not want the police to have it.

**The Hon. MICHAEL GALLACHER:** Returning to automated number plate recognition for a moment, in April 2010 you indicated there were eight trial units. How many do we currently have?

**Mr MICHAEL DALEY:** How many trial units?

**The Hon. MICHAEL GALLACHER:** Yes.

**Mr MICHAEL DALEY:** There was a prototype running around in Assistant Commissioner Hartley's car, as I understood it, and we were going to add seven additional trial units. I think that is the case.

**The Hon. MICHAEL GALLACHER:** I take it therefore that we still have the same number of automated number plate recognition units now that we had in April this year when you made the announcement in relation to their success?

**Mr MICHAEL DALEY:** That was a trial. The budget provided for the number I referred to a minute ago from 1 July, and they are currently being rolled out. As of today we are rolling two out a week. I do not know how many are out on the road now but I can get that information for you. I will take that question on notice.

**The Hon. MICHAEL GALLACHER:** You spoke a moment ago about the Roads and Traffic Authority running the covert speed cameras.

**Mr MICHAEL DALEY:** They are not entirely covert; their locations are on the website, they are marked, and there is signage after them. It is semi-covert perhaps.

**The Hon. MICHAEL GALLACHER:** Is their ability for the operator, if they feel threatened, to actually go to covert mode?

**Mr MICHAEL DALEY:** That is a question for the Minister for Roads, but not as I understand it.

**The Hon. MICHAEL GALLACHER:** Because of your fortunate situation of formerly being the Minister for Roads and now being the Minister for Police, and therefore having an intricate understanding of both portfolios, will you explain what protections there are for the continuing offence of someone who gets picked up by a speed camera run by the Roads and Traffic Authority?

**Mr MICHAEL DALEY:** I do not understand your question.

**The Hon. MICHAEL GALLACHER:** A continuing offence is where, for example, someone is travelling on a road, they get unwittingly picked up by a covert speed camera, they travel another two or three kilometres down the road—they may have cruise control on—and they get picked up by the highway patrol. They do not know they have just been booked three kilometres beforehand. What processes do you have in place to ensure that that person is not being booked twice for the same offence if they have not changed their speed and they have continued to commit a speeding offence over a period of two or three kilometres?

**Mr MICHAEL DALEY:** That is a question for the Minister for Roads, but really nothing has changed in relation to fixed speed cameras. You can drive through a fixed speed camera on multiple occasions on any given day and be booked on multiple occasions without knowing it now.

**The Hon. MICHAEL GALLACHER:** But, of course, the difference with that is that the Highway Patrol knows that the fixed speed camera is there and they know that it is on 24 hours a day seven days per week. There are very strict operating procedures in relation to how close they can use their highway patrol cameras to the fixed speed camera. I am interested to find out what protections are in place when the Highway Patrol person does not know that the covert camera is only a short distance away because they are not told on a daily basis and therefore someone may get booked twice.

**Mr MICHAEL DALEY:** I do not know the answer to that. I will have to take that question on notice. That is a procedural issue for Highway Patrol—for the Traffic Services Branch effectively.

**The Hon. MICHAEL GALLACHER:** Is it a procedural matter for the Highway Patrol? I ask that question because if someone was to be booked in that situation I want to know which infringement notice would take precedence. Would it be the one that the civil company has a contract to run, or the one that the Highway Patrol has just booked the person for?

**Mr MICHAEL DALEY:** From a legislative framework they have equal force and effect.

**The Hon. MICHAEL GALLACHER:** But what if it is the same offence? If the person has, for example, continued at the same speed over a period of one kilometre, which of the two tickets would take precedence?

**Mr MICHAEL DALEY:** I do not know that it is fair to talk about precedence. They have the same legislative force and effect. What procedures are in place? I go back to my earlier answer and I will take your question on notice in relation to whether procedures are in place for Highway Patrol or police officers in the vicinity of locations where mobile speed cameras are operating.

**The Hon. MICHAEL GALLACHER:** My concern, when you are taking that question on notice, is that you cannot be booked twice for the same offence; if you could look at that in conjunction with your answer that would be excellent.

**Mr MICHAEL DALEY:** Certainly.

**The Hon. MICHAEL GALLACHER:** Will you indicate to the Committee what the progress of the transferring of the State's transit officers over to the NSW Police Force is?

**Mr MICHAEL DALEY:** I will have to take that question on notice.

**The Hon. MICHAEL GALLACHER:** Is that currently a matter that you are considering?

**Mr MICHAEL DALEY:** In what sense?

**The Hon. MICHAEL GALLACHER:** The transferring of the transit officers over to the control of the NSW Police Force?

**Mr MICHAEL DALEY:** I will take that question on notice.

**The Hon. MICHAEL GALLACHER:** Is that a matter that has been raised with you, Minister?

**Mr MICHAEL DALEY:** By whom?

**The Hon. MICHAEL GALLACHER:** By any person within the NSW Police Force or, indeed, even within the control of the transit officers?

**Mr MICHAEL DALEY:** There have been ongoing discussions about the most effective way to police the transport network, and police currently do operations with the transit police. We have Operation Vision, for example. I think we are up to Operation Vision 5. I think the latest Bureau of Crime Statistics and Research report shows that offences on our transport systems have reduced. Questions about the ongoing arrangements are a matter for the government.

**The Hon. MICHAEL GALLACHER:** And therefore it is a matter you are currently considering.

**Mr MICHAEL DALEY:** I do not know that I can answer that. That is a matter for the Government.

**The Hon. MICHAEL GALLACHER:** Are you not a member of the Government, sir?

**Mr MICHAEL DALEY:** I have given you my answer on that, Mr Gallacher. Decisions about that, if they were being considered, are a matter for Cabinet and Cabinet has made no announcement about that.

**The Hon. MICHAEL GALLACHER:** How many transit officers are there in New South Wales?

**Mr MICHAEL DALEY:** That is a question for the Minister for Transport.

**The Hon. MICHAEL GALLACHER:** You said that this proposal has been an ongoing one; the discussion has been an ongoing one. Will you indicate to the Committee—?

**Mr MICHAEL DALEY:** I did not say the discussion has been an ongoing one. I said that from time to time there are various considerations about the best way to administer policing and law enforcement on the transport network. But until an announcement is made you assume that the arrangements that are in place remain in place.

**The Hon. ROBERT BORSAK:** Constituents who own legally held and licensed rifles and calibres, such as a .338 Lapua Magnum or .50 BMG, are complaining to me that they are being targeted by the police and are being required to provide justification for possession of these firearms. Can you please explain why the police are targeting these firearms instead of pursuing those who trade in illegal or unregistered firearms? Further—

**Mr MICHAEL DALEY:** Sorry, I do not accept the premise of that question.

**The Hon. ROBERT BORSAK:** I am still asking the question. You do not accept the premise that they are out there talking to people about these firearms?

**Mr MICHAEL DALEY:** You are saying they have been targeted at the expense of other crimes, and I do not accept that.

**The Hon. ROBERT BORSAK:** Further, was the topic of imposing further controls on either the importation or the possession of these calibres such as .338 Lapua Magnum or .50 BMG's raised at any gathering or meeting of State and Federal Police Ministers or senior officers held over the last 12 months? And what is the position of the NSW Police ministry on the continued use of these target and hunting calibres?

**Mr MICHAEL DALEY:** Questions about the importation are a matter for the Federal Government. I cannot tell you what was discussed at senior officers meetings because I was not there. Can I commence by

saying that I am at pains whenever I am asked publicly about the question of firearms to mark a distinction between those who possess and own registered firearms, who I accept are overwhelmingly law-abiding people who respect and uphold the laws as they apply to their firearms, and those who possess and use unregistered firearms. I am at pains to point out that the overwhelming majority of the decreasing, but still too numerous, firearm-related crimes in New South Wales are committed by persons who are disrespectful of the law and do not register their firearms. So let me commence by saying that.

As you may be aware, the NSW Police Force is currently undertaking a four-year program of safe storage audits of every address in New South Wales where firearms are registered. This is being undertaken in line with the provisions of the Firearms Act 1996, which, amongst other things, provides that a police officer must seize any firearm or ammunition that the officer has reasonable grounds to believe is not being kept in accordance with legislative requirements. The safe storage audits also provide an opportunity for police to assess the accuracy of the Register of Firearms. Inadequate storage arrangements have been determined by the Australian Institute of Criminology as being a major factor behind firearm theft across Australia.

It is important that all firearms are safely and securely stored. This includes high-calibre military style rifles, such as the ones you referred to a minute ago, the .338 Lapua Magnum and the .50 BMG. The conduct of the program of safe storage audits is an operational matter being managed by the Commissioner of Police. I note that police are required to carry out these safe storage audits in a manner that provides reasonable notice to the licensee. If any issues arise in relation to the manner in which these audits are carried out, these should be raised with the Commissioner of Police as a customer service issue. I also take this opportunity to note, as I have indicated to your colleague Mr Robert Brown, that there are no plans at this point to change the law as it stands in relation to these high-calibre firearms.

**The Hon. ROBERT BORSAK:** Further to that, is it the case that the New South Wales Firearms Registry is progressively reviewing the range approvals issued to shooting ranges in New South Wales, and has this review resulted in a dramatic reduction in the number of ranges on which the .338 Lapua and .50 BMG rifles can be used?

**Mr MICHAEL DALEY:** I am not sure. I can take that on notice.

**The Hon. ROBERT BORSAK:** Minister, would you advise what the budget for the Firearms Registry is, how much it was last year, how much it actually cost to run last year, how many errors were found in the Register of Firearms during the audit of data conducted in conjunction with last year's amnesty and what percentage of records were found to be erroneous?

**Mr MICHAEL DALEY:** I am sure you will not mind if I take that on notice.

**The Hon. ROBERT BORSAK:** I thought you would have it all at your fingertips. No?

**Mr DAVID SHOEBRIDGE:** Minister, are you aware what the total cost of the police water cannon has been, including staff, maintenance, garaging and fuel for each of the last two financial years?

**Mr MICHAEL DALEY:** I will take that on notice.

**Mr DAVID SHOEBRIDGE:** Are you aware of how many staff are attached to it?

**Mr MICHAEL DALEY:** The Commissioner may be able to elucidate on that, but I do not know.

**Mr SCIPIONE:** It is part of the riot squad. It is attached as a permanent asset at the riot squad. The riot squad totals some 100 people, but certainly in terms of those dedicated specifically to the water cannon, I would need to take advice. I do not think we have people dedicated explicitly.

**Mr DAVID SHOEBRIDGE:** What was the purchase price of the water cannon?

**Mr SCIPIONE:** I will have to take that on notice. I would not want to mislead you.

**Mr DAVID SHOEBRIDGE:** It was the better part of \$1 million. Would that be right?



**Mr SCIPIONE:** Again, I would need to take that on notice.

**Mr DAVID SHOEBRIDGE:** How many times has the water cannon actually been fired in the course of active service?

**Mr SCIPIONE:** In anger?

**Mr DAVID SHOEBRIDGE:** Yes.

**Mr SCIPIONE:** It has not, thank goodness.

**Mr DAVID SHOEBRIDGE:** Do you accept that it is essentially a white elephant, soaking up police resources that would be better used on front line police duties?

**Mr SCIPIONE:** If we can stay with the notion of managing risk, it is a bit like having a fire engine sitting in a country fire station—it is always good to have one there because when the fire starts, it is too late to go and draw up the purchase order and try to get one built. We need to be ready to deal with whatever we have to deal with. Fortunately, we have not had to use this in anger. I hope that that remains the case, but just in case we do, we need to have some capability and that capability is a wonderful enhancement to an already strong capability we have now with a permanent—

**Mr DAVID SHOEBRIDGE:** When you purchased the water cannon, was it your expectation that it would not be used?

**Mr SCIPIONE:** No, but it was our hope.

**Mr DAVID SHOEBRIDGE:** In terms of the costs of maintaining, staffing, fuelling and training in relation to the water cannon, which has never yet been fired in anger, are you doing an ongoing assessment of whether that is actually the best use of taxpayers' resources?

**Mr SCIPIONE:** As I said, we maintain a capability for the day that we may in fact need to use it. The costs associated with using that particular item would not necessarily be high, simply because we have not had to use it. It is not as if it has been damaged or it has been overused. It is more the case that we would simply keep it primed ready to go, and that in itself would probably be more associated with training and the ongoing soft dollar costs, as it is known.

**Mr DAVID SHOEBRIDGE:** Will you get back to the Committee on those ongoing soft costs?

**Mr SCIPIONE:** You have asked for those details and we can provide those, yes.

**Mr DAVID SHOEBRIDGE:** The reason it has been less expensive than you first thought is that you have used it far less or never, is that right?

**Mr SCIPIONE:** Correct. Certainly, if there is something that brings some joy to my time as a commissioner, it is that we have never had to use the water cannon in a riot.

**Mr DAVID SHOEBRIDGE:** Does it bring you some regret that you spent all of that taxpayers' money in purchasing it, maintaining it and having it ready for operation, all to no avail?

**Mr SCIPIONE:** I do not know that it is to no avail. You must recall we went through a period during September 2007 when we had 25 world leaders in this country. In terms of likely protest activity, if we were to look back in history and see what has happened around the world, APEC is the sort of event that results in towns and major cities being trashed. Sydney was not trashed on this occasion. In fact, we did pre-position the water cannon strategically to deal with any event like that, and I think it might have had a deterrent effect. I continue to say that I am very pleased that we have never had to use it in anger, but it is always nice to have one there just in case.

**Mr DAVID SHOEBRIDGE:** The prime event you bought it for you did not use it in either, is that right?

**Mr SCIPIONE:** No, it was not the prime event we bought it for. In fact, we purchased it to make sure that this State and the citizens of this State had some assurance that should we need to draw down on such a device, there was one there and it was available.

**Mr DAVID SHOEBRIDGE:** All the citizens of this State have got from the water cannon is an ongoing expense, cost and waste of money. That is true, is it not?

**Mr SCIPIONE:** Not from my perspective, not at all.

**Mr MICHAEL DALEY:** I suggest that if we did not have a water cannon and a riot arose and we needed a water cannon, you would be asking him, "Why didn't you have a water cannon to quell that riot".

**The Hon. LYNDA VOLTZ:** I am not sure Mr Shoebridge would be asking that.

**CHAIR:** Order! It is Mr Shoebridge's time.

**Mr DAVID SHOEBRIDGE:** Minister, do you have any plans to set up an investigation or an assessment of the risks involved in police pursuits when the driver does not stop on police orders, and especially considering there have been 31 deaths from police pursuits in the past decade?

**Mr MICHAEL DALEY:** I did not catch the first bit. Do I have any plans to do what?

**Mr DAVID SHOEBRIDGE:** To review the protocol in relation to police pursuits in New South Wales?

**Mr MICHAEL DALEY:** No, I do not. The Ombudsman did an extensive investigation, if I am not wrong, in 2008 into the protocols of police pursuits, and the police adopted those recommendations. Police pursuits are inherently dangerous things, and we have very strict guidelines around police involvement in those. You have to be an officer with requisite training, you have to be in a class of vehicle that has been pre-approved for pursuits, you have to get radio approval from a commander on Police VKG to do it, you have to update the police commander on radio throughout the course of the pursuit, and public safety is the paramount concern at all times during police pursuits.

To review them to the extent that they do not happen is simply an invitation to crooks who do something wrong to jump in their car and flee with impunity, and we do not intend ever to send that sort of message. Public safety is paramount during police pursuits. If you have a look at the millions of kilometres travelled each year by the Highway Patrol and general duties vehicles in pursuit, there are a very small number of incidents that end in an event. Unless I am mistaken, the Assistant Commissioner reviews every pursuit certainly when there is a fatality, but even when there is an incident. I am absolutely satisfied, as I sit here, that we have the balance right.

**Mr DAVID SHOEBRIDGE:** Are you aware of the substantial changes to protocol in relation to police pursuits adopted by the Tasmanian Government?

**Mr MICHAEL DALEY:** No, I am not.

**Mr DAVID SHOEBRIDGE:** Would it surprise you to learn that the Tasmanian police policy of not engaging in police pursuits unless the offender is suspected of a serious crime has been described by the Tasmanian police as a great success, and additionally the Tasmanian police minister has said that police pursuits for lesser crimes are recipes for disaster? Would you, Minister, consider reviewing the Tasmanian experience in relation to New South Wales?

**Mr MICHAEL DALEY:** No, I would not. I think the precursor to your comment was when the offender has been involved in a serious crime. Let us say, for example, we have a highway patrol officer or a general duties officer sitting by the side of the road doing a random breath test, and when someone is flagged down, instead of stopping, they take off. How do you know they do not have ten kilograms of heroin in the boot, or a body? How do you know that they have not been involved in a serious offence? How do you know they do not have a firearm hidden in the car?

These are the discretions that a constable of the Police Force carries with him at common law and he has to decide in a split-second what the correct response is. I do not know that you can translate the experiences of crime from a place like Tasmania to New South Wales—certainly not to Sydney. In Tasmania they would not face some of the things that our officers see as a bread-and-butter exercise every day in New South Wales.

**Mr DAVID SHOEBRIDGE:** So, Minister, you support high-speed police chases in Sydney based upon a guess of a police officer in those circumstances?

**The Hon. GREG DONNELLY:** Point of order: I appreciate the member is a new member to the House, so this is his first budget estimates hearing, but this is not a time when you take an answer given by a Minister then twist it and contort it to suit yourself and put it back. That is verballing the Minister and that is out of order.

**CHAIR:** Mr Shoebridge, I ask you to reword the question as a specific question.

**Mr DAVID SHOEBRIDGE:** Minister, you support police pursuits on the basis of mere suspicion—high-speed police chases through the streets of Sydney and across New South Wales just based on mere suspicion by the police. Do you think that is a fair weighing up of the risks of possible injury and death from a high-speed police chase as against the bare suspicion of a police officer?

**Mr MICHAEL DALEY:** I support the capability of the exercise of discretion by the police and wrapping that discretion and a decision to involve the officer himself or herself in a police pursuit in appropriate guidelines, the paramount consideration of which is the safety of the public.

**Mr DAVID SHOEBRIDGE:** Minister, if you are not convinced by the studies in relation to Tasmania because you say they may not have the same level of crime or similar levels of crime, would you consider the same evidence that has come out of Florida, which has drastically reduced its level of police pursuits and seen no increase in crime?

**Mr MICHAEL DALEY:** I am not sure that is the case. But, again, with the greatest of respect, this is an estimates hearing; it is not about what we think the perfect world of policing might be.

**Mr DAVID SHOEBRIDGE:** It is about the use of police resources on this. Do you understand that?

**Mr MICHAEL DALEY:** You and I, it would appear, have a fundamental disagreement and I have given you my answer in relation to police pursuits.

**Mr DAVID SHOEBRIDGE:** Does the Government support proposed changes to firearms legislation that will allow the waiting period for a firearm licence and a permit to acquire a firearm to run concurrently? Or do you support the existing situation?

**Mr MICHAEL DALEY:** Could you say that question again?

**Mr DAVID SHOEBRIDGE:** Do you support proposed changes to firearms legislation that allows the waiting period for a firearm licence—

**Mr MICHAEL DALEY:** Which proposed changes are you referring to?

**Mr DAVID SHOEBRIDGE:** There have been proposed changes, I think brought by people associated with my colleague Mr Borsak, to have the waiting periods run concurrently. Do you support the existing situation?

**Mr MICHAEL DALEY:** We will deal with that situation when the bill arrives before the House.

**Mr DAVID SHOEBRIDGE:** Do you support the existing laws?

**Mr MICHAEL DALEY:** I am not sure you are entitled to ask me what I support or what I do not support.

**The Hon. LYNDA VOLTZ:** Point of order: I understand there is legislation currently before the House. Is it appropriate for us to be asking questions regarding legislation that is currently before the House?

**CHAIR:** Questions can be asked but it is a matter for the Minister if he wants to answer the question.

**Mr MICHAEL DALEY:** I am not sure this is the appropriate forum for me to be asked whether I support legislation or whether I do not support legislation in my individual capacity as a Minister. This is about the expenditure of the Police budget. The Government will deal with that bill at the appropriate time. New South Wales is signatory to the National Firearms Agreement and the National Handguns Agreement. We have some of the toughest firearms legislation in the nation and it is paying dividends. You will see the latest Bureau of Crime Statistics and Research statistics show that there has been a marked decrease in firearm-related crime in the last decade.

**CHAIR:** I will take that as your answer, Minister.

**The Hon. ROBERT BORSAK:** The New South Wales Firearm Act currently prevents the police Commissioner from issuing a licence to a person who has been the subject of an apprehended violence order within the last 10 years. However, Queensland, Victoria, Western Australia and the Northern Territory have only a five-year disqualification period. This was also the period recommended at the Australasian Police Ministers Council. The Law Reform Commission of New South Wales prepared a report on apprehended violence orders in 2003, report No. 103. Recommendation 43 was that firearms licences only be suspended for the duration of an apprehended violence order. Why is New South Wales out of step with the other States on supposedly national firearms legislation and why would the Government not implement the abovementioned recommendation?

**Mr MICHAEL DALEY:** Again, this is probably outside the scope of the estimates because you are asking me will the Government change its policy, and I do not know that this is the correct forum for that. The current legislation in New South Wales ensures that police can prevent anyone who is or has been the subject of an apprehended violence order in the last 10 years from lawfully gaining access to firearms; the exception being where the apprehended violence order has been revoked. Our legislation empowers police to suspend a firearm licence and to seize firearms held on the making of an interim apprehended violence order. The Government does not support any weakening of these provisions.

**The Hon. ROBERT BORSAK:** How many firearms does the New South Wales Police Force have for its members, including specialist units? Has the New South Wales Police Force ever conducted an audit of its firearms? If so when was the last one carried out and how many were unable to be located? Are you aware that in Victoria in its first such audit in 20 years it was found that nearly 200 guns could not be located? If there has been no recent audit will you undertake to have one done and the results provided to this Committee?

**Mr MICHAEL DALEY:** I will take that question on notice

**The Hon. ROBERT BORSAK:** What uses are planned for the land adjacent to the Anzac range at Malabar that the Federal Government recently handed over to the New South Wales Government and how will this affect the continued use of the Anzac range?

**Mr MICHAEL DALEY:** I would love to talk about that all day; it happens to be situated within my electorate. I am not sure that that is a matter for estimates. However, for the record, I was very pleased to see the Commonwealth Government commit to the handover of lots 2 and 4 of the Malabar headland—not lot 1, which is used by the shooters. They will become national parks and the shooting range and the shooters will remain as tenants of the Commonwealth for as long as the Commonwealth sees fit.

**The Hon. LYNDA VOLTZ:** Minister, could you update the Committee on the benefits of the Government's investment in police personnel, as outlined in Budget Paper 3, Volume 2 page 10-39.

**Mr MICHAEL DALEY:** I am pleased to advise that, along with the commissioner and the Premier and others who froze to death at Goulburn a couple of Fridays ago, I witnessed 377 recruits attested as probationary constables of the Police Force on Friday 27 August 2010. That is 286 men and 91 women who have chosen to dedicate their working lives to the service and protection of the community of New South Wales. It was historic because the attestation took the total number of recruits who have attested from the college since

March 2007 to more than 3,000. These newest officers will be employed to commands right across the State, from Tweed-Byron to Monaro and the eastern beaches to Barwon.

I will single out a few of those recruits for honourable mention and congratulations. Probationary Constable Jennifer Ward was the recipient of the Robert Brotherson Award for the highest achievement in session 2; Probationary constables Andrew Greenup and Susan Bray were the highest male and female physical training achievers, receiving the Roser Award; Probationary Constable Daniel Opdam was recipient of the Hernandez Award for best shooter; and Probationary Constable Peter Parker received the Simulated Policing Acquired Competence, or SPAC, Award for the highest level of performance during simulated role-plays. It is quite sophisticated training.

It is the people of New South Wales who will continue to reap the benefits of the outstanding education and training provided to the Police Force in this State. This State Government has overseen some of the biggest changes in police education in the country. New South Wales leads the way in recognising that policing is an increasingly sophisticated profession. Ours is the only jurisdiction in Australia in which the police recruitment education program awards students with an associate degree in policing practice. It is a rigorous course with a mix of academic and practical subjects, including on-campus components and study during the officers' probationary year after leaving Goulburn. The model has attracted worldwide interest and has recently received strong endorsement in Charles Sturt University's 2009 Australian University Quality Agency Audit.

Those recruits who attested will join the biggest police force in the country. As promised, the Government is delivering a record number of police officers to New South Wales. The State's authorised police strength is 15,556, which is an increase of more than 20.5 per cent since 1995, or 2,650 officers. I stand to be corrected, but that has occurred over a period during which I believe the State's population increased by about 6 per cent. Another 400 authorised police positions will be filled by December 2011, bringing the contingent to nearly 16,000 officers. This year's Police budget set aside an additional \$34.9 million to fund the extra 250 authorised strength positions that will come on line in January.

Our newest recruits are entering upon a new and challenging career. They have also joined the Force at a time when policing as a profession is more popular than ever before, despite some recent wayward comments to the contrary. Some might attribute this to the ratings success of *The Recruits*, which is currently screening on Channel 10. The program demonstrates that entry into the NSW Police Force is highly competitive. Policing is attracting many of the State's brightest students. A strong contingent of recruits with varied life skills can make all the difference in the tough life they face on the streets. In fact, 55 of the last attesting constables were over the age of 30. There was a very good mix. Some of those constables had chosen to leave other professions to become police officers and they brought with them varied life experiences and backgrounds, which are valuable assets when working with members of the broader community. Why would they not be attracted to a career in policing?

This Government has provided the New South Wales Police Force with record funding for police numbers backed up by new legislation, and the best technology and equipment to get the job done. As I said, in the past 15 years I do not recall a request made by the police that this Government has not acceded to. I am also proud of the fact that our officers are extremely well paid. In fact, with the pay increases awarded on 9 July this year, police salaries have more than doubled since the Labor Government came to power in 1995.

Policing in New South Wales is a challenging front-line career that requires officers to use their initiative in a rapidly changing world. It is a career that is challenging at all times. As we saw yesterday, sometimes those challenges bring tragedy. However, overall it is a rewarding career and our officers work with the knowledge that they are making the community a better place, and the community acknowledges that. I have no doubt that our latest recruits will be worthy and proud members of the New South Wales Police Force. All of them can be assured that throughout their career, provided they act professionally and with integrity, they will have our full support and the lasting gratitude of both the Government and the people of New South Wales. As a government we will continue to do all we can in providing equipment, resources and legislative support to assist police officers in carrying out their role of making New South Wales a safer and more pleasant place in which to live and work.

**The Hon. GREG DONNELLY:** Minister, I draw your attention to Budget Paper No. 3, Volume 2 page 10-41. What are the benefits of the police capital works budget for the community of New South Wales?

**Mr MICHAEL DALEY:** The hardworking men and women of the New South Wales Police Force do an outstanding job protecting the communities in which they serve. Therefore, it is only fair that the Government ensure that our front-line police officers are given the tough powers, equipment, resources and support they need to keep our community safe. That is exactly what this Government has done with the 2010-11 budget. It is providing our officers with modern and safe police stations in which to work. This Government has an ongoing plan to improve the standard of police accommodation. It is building and upgrading 37 stations across the State to ensure that our police are working in world-class facilities with access to the latest technology. I recently opened Windsor police station and visited the Narellan police station and the Warilla police station, which is under construction. These new stations are amazing, state-of-the-art facilities and police personnel cannot wait to move in.

This Government is committed to improving the accommodation of our police personnel wherever they serve, in metropolitan, regional or rural areas. In this financial year alone, \$166 million has been allocated to police capital projects. Almost \$70 million has been allocated to commence and continue the planning and construction of 20 new police stations across the State. In fact, we are on track to deliver 15 more new or refurbished stations in the next two years, with seven projects already underway at Burwood, Granville, Kempsey, Lake Illawarra, Narellan, Raymond Terrace and Wyong. I am more than happy to share details of some of these projects with the Committee.

At a cost of more than \$17 million, the new police station at Burwood will serve as the local area command headquarters and will accommodate 172 staff, including front-line uniformed officers, Highway Patrol officers, prosecutors and detectives. In addition to the direct policing benefits that will obviously be derived, I am advised that this project has created up to 132 local jobs on site and almost 350 indirect jobs. The New South Wales Government has more than \$60 billion of capital works, infrastructure and stimulus spending underway across the State. Construction is almost complete on the new headquarters for Rosehill Local Area Command at Granville. The new facilities will house front-line uniformed officers, Highway Patrol officers and detectives. At an estimated cost of just over \$15 million, the new Granville police station demonstrates this Government's support for local officers and local jobs. This project alone has created up to 360 local jobs on site, another 350 indirect jobs and one new apprenticeship.

I have saved the best for last. The budget also includes \$2.9 million for the completion of works on a new police station at Kempsey. My father's family comes from that area and I am looking forward to cutting the ribbon on that project. The total budget for that new build is just under \$12 million and it will accommodate 84 police officers and support staff, including general duties officers, a crime management unit, detectives, Highway Patrol officers, anti-theft officers and, importantly, a local Aboriginal liaison team. The facility is being built by a local Kempsey company—Lahey Constructions. This is a great outcome for rural people. It is also a prime example of the New South Wales Government supporting local businesses and the local economy. This is all great news for the community. The facility directly supports 132 jobs on site, 349 jobs off site, and 25 apprentice and trainee positions. With research showing that more than 90 per cent of apprentices achieve long-term, full-time employment and, in many cases, go on to earn more money than those who have undertaken tertiary education, this is great news for young people on the mid North Coast.

This Government's capital works program is delivering the modern, custom-built police stations that local officers have been waiting for and deserve. While our record capital investment in police is not simply about bricks and mortar, I have been advised that the Police portfolio alone will support up to 3,000 construction jobs across New South Wales to 2015. The 2010-11 capital works program is there in bricks and mortar for all to see how this Government is supporting our police officers with the resources that they need to continue to drive down crime and to make our community a safer and better place in which to live and work.

**The Hon. GREG DONNELLY:** Minister, I draw your attention to the seizures made by the New South Wales Crime Commission, which are reflected in Budget Paper No. 3. How will the passage of the Government's new unexplained wealth legislation assist the New South Wales Crime Commission in targeting criminals?

**Mr MICHAEL DALEY:** We have the first and most successful crime commission in the nation. I thanked members of both Houses at the outset of today's proceedings for their support in the passage of that very important Government bill. The bill was developed following a series of national meetings on organised crime involving both law enforcement and justice agencies. The Criminal Assets Recovery Amendment (Unexplained Wealth) Bill 2010 will overcome significant challenges that law enforcement agencies—particularly the Crime Commission—have previously faced when investigating major crimes in New South

Wales. We know there are major crime suspects known to police who have accumulated wealth far in excess of their legitimate occupations and declared income. The bill means that the New South Wales Crime Commission will no longer have to prove the money and assets are the proceeds of criminal activity. The onus will now be on suspects to prove they obtained their wealth legitimately.

The New South Wales Crime Commission will now be able to apply for an unexplained wealth order if it can show the Supreme Court there is a reasonable suspicion a person is engaged in serious criminal activity. Under this law, the commission would place before the court evidence as to the person's assets, expenditure and lifestyle compared with their known lawful sources of income or wealth. The person will then have to satisfy the court that there are in fact lawful sources of his or her wealth. Whatever cannot lawfully be accounted for may be forfeited to the Crown through an unexplained wealth order. The bill also provides for the assets already purchased or money already gained to be included in the calculation and the scope to apply for an order in respect of a person's wealth that the Crime Commission suspects was derived from another person's serious crime-related activity. It is no use putting your cash or assets in someone else's account or in someone else's name. We will be getting after them as well. This means that a serious criminal's assets can still be confiscated, even if they are held in the names of his wife or children.

Another important aspect of this amendment is the removal of the previous six-year time limit on unexplained wealth orders. Conducting a forensic accounting investigation into a suspect's unexplained wealth is severely hindered by imposing a six-year time limit. Officers will now be able to investigate wealth acquired by the suspect over an unlimited period. This is very powerful legislation. This is an extremely important reform because these are often complex and ongoing cases. These reforms are not solely about giving the New South Wales Crime Commission the resources and powers that it needs to target the most serious criminals in our society. Importantly, 50 per cent of money obtained through these orders will be directed towards providing compensation to victims of crime. That is very important. It is estimated the new laws could see an additional \$120 million for victims of crime over the next decade.

Criminal assets confiscated last year included real estate, large sums of cash, prestige vehicles motorcycles, boats, jewellery, spa baths, plasma televisions—even casino chips. Converting sports cars and luxury homes that are obtained through criminal activity into compensation to help victims heal and put their lives back together is one of the most important things this law will achieve. The Government will continue to support our crime-fighting organisations with the resources and powers they need and will also continue to support the people who are unfortunate enough to be the victims of those who would do us harm.

**The Hon. MICHAEL VEITCH:** Minister, will you update the Committee on the additional expenditure in this year's budget on tasers, as the Hon. Mike Gallacher just mentioned, as outlined in Budget Paper No. 3, Volume 2 page 10-39?

**Mr MICHAEL DALEY:** Tasers have been used by specialised police commands in New South Wales since 2002. From 1 October 2008 they have been progressively rolled out to front-line police across all local area commands as a use of force option, an escalation option, in addition to firearms and OC spray. Currently, operational police have 1,602 tasers in their hands. These are all equipped with taser cams to enable evidence of their use to be recorded. That is a very important safeguard. It also protects the police. The rollout of tasers since 2008 represents a significant investment by our Government. In the 2009-10 budget \$10 million was provided to fund the purchase of tasers and load-bearing vests, and in the 2010-11 budget we have invested a further \$3.1 million in the continued rollout of tasers.

Tasers are allocated to police on the basis of one taser to two officers up to the rank of Sergeant. Officers of the ranks of Sergeant up to Inspector perform supervisory roles, and are permitted to carry and use tasers individually. Specific training is provided to all New South Wales police officers on taser use as part of the annual training calendar. The training comprises both theoretical and practical components and annual re-certification is required. I am advised that the number of front-line officers trained in taser use was 10,895 or 73 per cent as at 31 July 2010. It is anticipated that the vast majority of operational officers will be trained by the end of the 2010-11 financial year.

In addition, detailed operating procedures have been drafted to provide guidance on the appropriate standards and protocols for taser use. For example, the operating procedures provide four situations in which tasers may be used. These are to protect human life, self or others from imminent violent confrontation or resistance, self or other officers in danger of being overpowered or to protect self or another person from injury from animals. This does not mean that police will always reach for a taser in situations like this, just that tasers

provide another option that may assist police in quickly de-escalating a dangerous or violent situation. Quick de-escalation of dangerous or violent situations is also likely to greatly decrease any additional risk of injury to members of the public and police officers.

Tasers can also provide an effective deterrent in such situations even without being activated. It is important that front-line police have discretion to determine the best use-of-force option relative to the circumstances they may be facing. However, tasers are not and should never be used in place of effective conflict resolution and negotiation skills. I know that point is drummed home ad nauseam to police in their training, particularly to new recruits at Goulburn. We cannot say how many people's lives have been saved or police protected from injury through the provision of tasers to help police deal with high-risk, violent confrontations. The fact is we have had a 24 per cent drop in the number of police assaulted in the past year from 744 to 563. That is 181 fewer officers being punched, kicked or bitten while trying to serve the community. It is 181 more police going home to their families in one piece, and coming back to work the next day instead of being off work nursing injuries.

I am advised that more than half of the incidents involving tasers last year were defused simply by the taser being drawn but not used by police. No barbs were deployed. The police pulled them out and the offender had realised the folly of his actions, if I can put it that way, and the barbs were not deployed—simply drawn and covered. The taser is proving to be an effective, less than lethal option for police to defuse dangerous or violent situations. I take comfort in the fact that at the end of the day New South Wales police officers can now reach for a taser instead of their Glock. With respect to oversight of taser, use I am advised that region taser committees comprising the Region Commander, Region Professional Standards Manager and others review all taser deployments within their respective regions. The regions then report monthly to the Taser Executive Committee, which makes recommendations to the Deputy Commissioner, Field Operations on taser-related issues. The Deputy Commissioner, Field Operations continues to have access to all taser cam footage as do other relevant senior officers including the Commander, Major Events and Incidents Group.

There are three recognised modes of taser use: draw and cover, as I referred to a moment ago, that is, it is not deployed; probes discharged; and drive stun. The drive stun mode, where the taser is deployed in direct contact with someone and probes are not discharged, may cause pain and does not achieve neuro-muscular incapacitation. This being the case, the use of drive stun mode is heavily restricted to extreme situations. For example, where probes have been discharged but missed the target and the person representing a threat continues to advance on an officer thereby compromising their safety and meaning that probes can no longer be discharged due to the close proximity.

As members may be aware, tasers are currently used by police in many Australian jurisdictions as well as overseas. In addition to learning from operational experience, the New South Wales Police Force continues to learn from experience of taser use in other jurisdictions, and from their own use, and ensures that the training provided to our officers reflects this. I am very proud, as police Minister, to say that the taser is now an integral part of the equipment provided to front-line police in New South Wales. It is yet another example of the Government providing equipment to the police that they have requested and that they need.

[Short adjournment]

**The Hon. MICHAEL GALLACHER:** Deputy Commissioner Burn, I ask some questions that I understand falls under your responsibility, the CBD emergency warning system?

**Ms BURN:** It does not fall under my responsibility.

**The Hon. MICHAEL GALLACHER:** It does not?

**Ms BURN:** No, it comes under Field Operations.

**Mr SCIPIONE:** It comes under the State emergency operations control, which is at the moment, Deputy Commissioner, Field Operations.

**The Hon. MICHAEL GALLACHER:** Do any of you have detailed understanding of the system as it currently stands?

**Mr MICHAEL DALEY:** Any detailed understandings of the system?



**The Hon. MICHAEL GALLACHER:** I want to discuss the failure rate of the system?

**Mr MICHAEL DALEY:** We do not have that information. I would have to take that on notice. It is operated by the Roads and Traffic Authority. The Minister for Roads technically is the correct person to ask that question.

**The Hon. MICHAEL GALLACHER:** I understand that but it falls within the purview of the Police. I am interested to find out the current failure rate of the 93 that are there?

**Mr MICHAEL DALEY:** We will take that on notice.

**The Hon. MICHAEL GALLACHER:** Commissioner, the Minister has taken that on notice. Are you in a position to add anything further?

**Mr SCIPIONE:** Only that it does fall under the all-hazards approach when it comes to dealing with emergencies. Therefore, it comes under the standard State emergency arrangements. As police, we fulfil the role of State emergency operations controller and therefore the State emergency operations control does have responsibility in terms of its usage during the course of an event or in fact for exercises, but it does sit within the State emergency management area and it is operated on an RTA platform. So whilst we have operational control over it should it ever need to be used, in terms of its functionality, its upkeep and the like, I have not got any of those details here. Certainly I would be happy to get them, but I just do not have that here with me.

**The Hon. MICHAEL GALLACHER:** Have questions or concerns been raised with you by other police in relation to the failure rate of the central business district emergency system?

**Mr SCIPIONE:** Directly, no, and all I have knowledge of is what has been reported in the media. I have had some advice from the Deputy Commissioner, Field Operations that certainly indicates that, like any piece of technology, bits and pieces from time to time will breakdown. We need to make sure that we exercise regularly to ensure that that does not happen or, if it does, that we try to correct and fix those items that are not working. But there has been no specific advice provided to me suggesting that we have half of the system not working or any other suggestion that there was any major problem. Again I will need to take that advice from the deputy.

**The Hon. MICHAEL GALLACHER:** Minister, you mentioned earlier the current class at the New South Wales Police Academy, the December class we would call it, the one graduating. Was I correct in hearing that you mentioned that they would come online in January?

**Mr MICHAEL DALEY:** No. The Government promised at the last election to fund 750 new positions by December 2011. We have brought online 350 already and there are another 250 positions to come online on 1 January 2011. The funding for those additional positions has been provided for in this budget. In relation to class sizes, class sizes are determined well in advance by the police, not by the Government or the Minister. They take into account various things such as the position numbers that are coming online. A large class will be graduating in December of around 800 officers. I will take the question on notice and get the exact numbers for you.

**Mr SCIPIONE:** There are about 630 but it will depend on pass-failure rates and, of course, there will be some that will not make the grade.

**Mr MICHAEL DALEY:** Some of those graduates will be to fill the new position numbers coming online and others will be to replace officers who are separating or leaving the Police Force. I should note at this juncture, that the separation rate for the Police Force is about half that of the public service. The public service general retention rate, as I understand, is about 9 per cent; it varies between 9 and 10. At the moment I think the separation rate for the Police Force in New South Wales is about half that, at 4.4 or 4.5 per cent. So the bottom line is that they are joining the Police Force in record numbers and they are staying in record numbers. But that class to be graduating in December is set by the police. Deputy Commissioner Burn has a lot to do with those numbers and it is set many, many, many months in advance, in accordance with the agreement that we have with Charles Sturt University.

**The Hon. MICHAEL GALLACHER:** Commissioner, what date is that class set down to actually attest?

**Mr SCIPIONE:** I think it is set down to attest at the end of December, but understand that in terms of our funding for new establishment, that commences on 1 January, so we are in a six month break. I am told the attestation parade is set down for 17 December. Those who do attest will then take some leave, generally speaking, because they have studied hard and worked hard; they deserve to have a break. Then they will be funded from 1 January, which is when, generally speaking, we get a lift in authorised strength.

**The Hon. MICHAEL GALLACHER:** Commissioner, you have indicated they are going to have some leave. Will they have a graduating ceremony, therefore, in January?

**Mr SCIPIONE:** No, on 17 December.

**The Hon. MICHAEL GALLACHER:** Last December, did the graduating class of 2009 also have leave?

**Mr SCIPIONE:** Some did, and some did not. As the Minister has indicated, our attrition rate has fallen. Currently we are carrying extra positions, extra officers. That creates somewhat of an issue for us in terms of the funding surrounding their salaries. There will be some that will take leave. Some, in fact, may start duty on the day after. But generally there will be some small period of downtime for them, then they will commence their roll-out; they will go in as probationary constables, to wherever they are allocated. But the funding for them commences on 1 January.

**The Hon. MICHAEL GALLACHER:** With regard to the class that has just gone through, they have done the same degree of study and passed the same requirements as the current class that will graduate in December, is that correct?

**Mr SCIPIONE:** Yes, they will.

**The Hon. MICHAEL GALLACHER:** How many of those officers took leave in September or August?

**Mr SCIPIONE:** When I say take leave, leave can be short term. That is, they are not being sworn in on the Friday and then walking up necessarily into a station on the Saturday morning and signing on for duty. They may be off for a day, or they may be off for a week. Again, that depends on what the local rostering arrangements are. It may well be that the team they are going to be allocated to is on a five-day or six-day break. There is a whole range of things that will impact on that, but it is primarily a matter of what they will negotiate with their stations prior to their arrival there.

**The Hon. MICHAEL GALLACHER:** What will therefore be the longest period of leave that graduates from the December 2010 class could expect to have?

**Mr SCIPIONE:** It is difficult to say. They should not be booking a three-week holiday in Europe, put it that way. We would like to get them out there as soon as we can. It is a busy time for us, as you would know. That Christmas-New Year period is one in which we would like to get them out there.

**The Hon. MICHAEL GALLACHER:** Is it fair to say that the December class, like other December classes that have been of a significant size, continues to pose a difficulty for local area commands to provide a sufficient number of field training officers to deal with the influx of probationary constables? Coincidentally, these larger classes occur in a four-year cycle.

**Mr SCIPIONE:** The issue of field training officers that you have raised has been something that I have certainly been in discussion with the deputy commissioner about, to ensure that we have adequate facilities, adequate resources and adequate support when it comes to those field training officers, which are vital particularly in that early period, as you have correctly identified. In terms of this current group, I am advised that we have more than sufficient. I have certainly talked to a number of command areas. As recently as last weekend at a function I highlighted the fact that there will be large numbers coming out, and I was assured that there would be sufficient. In that regard, if you want some more detail I am happy to hand it over to Deputy Burn. I am sure she will give you more information with regard to that.

**The Hon. MICHAEL GALLACHER:** Commissioner, I am aware that this concept of leave, as opposed to rest days, first reared itself in December 2006. The December 2006 graduating class, coincidentally, did not attest until January 2007. That was a class of 799 on the parade ground. Since then, the largest class in those four years was 388. Coincidentally, we have this unusual cycle where the December 2010 class appears to be one that is close to 700 again, with this concept of leave. Commissioner, when was the policy decision taken to introduce this concept of leave for probationary constables prior to attestation?

**Mr SCIPIONE:** I may be misleading you in some respects. It is not leave in the sense of annual leave, because at that stage they are not even employed by the New South Wales Police Force. They are still students of Charles Sturt University until they are sworn in and then made an offer. And it is not this notion of leave as in their taking weeks and weeks of leave. They will fit into a roster cycle. From time to time, teams may be off roster and they could be the subject of four, five or six days off, so they will fit into that roster cycle.

With regard to the issue of when classes come on, if I can go back to the class you spoke about, the December 2006 class. That was a very, very big class. In fact, it was so big that we had to make some special arrangements with regard to how we could accommodate the number of students we had in order to meet the needs of what was projected for that particular class in order to ensure we have the numbers out on the street that would be expected from that attestation parade. On that occasion the whole program was put back one month, but it was put back by a month some six or seven months earlier, until we could make arrangements for accommodation. We like to accommodate them on site. Some building work needed to be done, and a whole range of things needed to happen. That has not been the case on this occasion. We have been able to expand the facility, and certainly a lot more accommodation has been built on the grounds at Goulburn, so we will not have that delay, which is good.

In terms of the increases in authorised strength, they are defined by government. Certainly the priority that is set by government is linked to funding for positions. We recruit right up to the authorised strength, and we would like to stay there and never fall below. Certainly, when we are given an increase by government, we will work to that date. That was certainly set out as part of an election commitment that was provided to us by government when these decisions were made. We are working to an election commitment; that is cyclical. Certainly on this occasion the larger numbers have come towards the end of the cycle.

**The Hon. MICHAEL GALLACHER:** In the lead-up to an election campaign?

**Mr SCIPIONE:** Certainly towards the end of the current cycle.

**The Hon. MICHAEL GALLACHER:** Ms Burn, how many are in the academy of what we would call the December class? I recognise you say 630 are expected to attest. How many are in that class?

**Ms BURN:** I cannot say off the top of my head; I do not know the accurate figure, but I am happy to get that for you. There could be up to 800 that we enrolled, that started from the first day. Some of them obviously do not get through. The number we have at the end obviously will be less than that. At the moment, with current attrition going through the university part of the course and the college part of the course, we would be predicting about 630.

**The Hon. MICHAEL GALLACHER:** You have looked at the graduating classes for the last four years. You recognise, I take it, that there is a pattern in relation to the lead-up to an election campaign that shows classes at the academy of close to 800 in the months prior to an election?

**The Hon. GREG DONNELLY:** Point of order: I am wondering whether the member is stretching this a little too far, assuming that the witness is drawing the same assumption that he is drawing out of a correlation. I think we should be very clear that that is your position but that it may not be the witness's position.

**CHAIR:** I believe the witness can answer the question. Clearly these are budgetary matters. I will allow the question.

**The Hon. MICHAEL GALLACHER:** Ms Burn, what difficulties do large classes such as this present to your frontline police in the lead-up to an election campaign, in their being able to manage classes of up to 800 people going out onto the street?

**Ms BURN:** There are a couple of issues there. To answer that one first, we would not have the numbers coming through, or the numbers that we would predict would be passing out of their attestation, if we did not have the confidence or knowledge that we had the support capability once they were attached to a station, they were attached to a field training officer, and that the education and development officer in the command had the capability of ensuring that they would then get through the rest of their program. That is all factored in to how we try to anticipate the numbers we need to put in each time and then the numbers that actually come out.

The numbers can sometimes be a bit difficult to predict. In fact, I think one of the reasons that the numbers are probably a bit higher than we predicted is because we look at all factors, such as the attrition rate and separations, and they actually have not been as high as what we predicted they would have been at this particular time of the year. So there have been fewer people exiting the organisation, which means we put the numbers that we expect to go through on the table a lot earlier than the class coming in. It can be up to 18 months when we actually start to look at this process. So if attrition drops we have already locked in a number of people to come into the college, we will have higher numbers.

**The Hon. MICHAEL GALLACHER:** The commissioner earlier indicated he would not be expecting anyone to take a three-week trip to Europe. I ask you the question: Is there a maximum amount of time from the point of attestation on 17 December until those probationary constables turn up at their stations for work that they will be expected or entitled to take off as leave?

**Ms BURN:** As the commissioner has said, it would depend entirely on the roster for the station to which they have been attached. Bearing in mind that until the day they actually attest they are not paid employees of the organisation; they actually have not started to accrue annual leave entitlements, as my understanding would be. But it would be a part of the roster cycle. That might mean that they might start four days later. They might start two days later. It would be very unusual, I would think, as the commissioner said, for somebody then to take three weeks leave unless there were some exceptional circumstances.

**The Hon. MICHAEL GALLACHER:** Given the attestations are on 17 December, and every available police officer will be on the road from Boxing Day onwards for the road toll and the other associated difficulties police have at Christmas time, I take it that every one of those who graduate would be on the street at their stations during the Christmas-New Year period?

**Ms BURN:** Depending on what the roster cycle is and if they have leave. But there is potentially that possibility.

**The Hon. MICHAEL GALLACHER:** How can you give somebody leave when they turn up for their first day of work, given that you have said that they do not actually go on the payroll until the day of attestation? I have never heard of anyone getting annual leave as you walk into a station and say, "Hi, do not come back in the morning—".

**Mr MICHAEL DALEY:** She has just explained that.

**Ms BURN:** It is rostered leave. It is rostered days off in the six-week roster cycle. They may have, because of the six-week roster cycle, four or five days off in a row and then they might come back to work. Because they work 12-hour shifts, they might work three 12-hour shifts and then have another couple of days off. So within that cycle there would be a time when they might not have to turn up for work on Monday. If they attest on the Friday, they will not all turn up to work on the Monday.

**The Hon. MICHAEL GALLACHER:** But they would all be on the street. At least at some stage they would have turned up for duty at their stations before Christmas Day?

**Ms BURN:** I do not know if they have exceptional circumstances, but I would expect so.

**The Hon. MICHAEL GALLACHER:** What constitutes exceptional circumstances?

**Ms BURN:** They may already have had something booked in or they may have got some approval already from a commander but, again, that would be an exceptional circumstance.

**The Hon. MICHAEL GALLACHER:** Can I quickly ask a question? This is something I think the Minister would probably want to have a bit of a say. Dr John Kaye made some very interesting comments about the Death and Disability Scheme, talking about its unviability, during the debate that we recently had on confiscation of assets legislation. Minister, will you indicate to the Committee members who are all concerned, as we were during the debate in the House, about the viability of this scheme and whether such transference is required?

**Mr MICHAEL DALEY:** Such transference?

**The Hon. MICHAEL GALLACHER:** Transference of money, as proposed by Mr Coe.

**Mr MICHAEL DALEY:** The Death and Disability Scheme is negotiated with the NSW Police Force and the association at the time of the industrial agreement. At the moment, the industrial agreement provides for the Government to fully fund the scheme. It has a provision that the association and the NSW Police Force are to be in discussion at this time on ways to make the scheme more efficient, and if they fail to reach agreement on that proposition, then they are scheduled, as at 11 July 2011, to go to the Industrial Relations Commission for the settlement of that question. That is where we are up to.

**The Hon. ROBERT BORSAK:** This question relates to another issue with the time in which it takes the Firearms Registry—

**Mr MICHAEL DALEY:** I am sorry, Mr Borsak, in answer to that question I said 11 July 2011; it is actually 1 July 2011.

**The Hon. ROBERT BORSAK:** This question relates to another issue with the time in which it takes the Firearms Registry for a permit to acquire [PTA] involving credit card payments. I have been told that the registry is now telling people that because of a new accounting system just put in place, that an application paid for by a credit card cannot be processed immediately, as is the case in shops, restaurants, the Roads and Traffic Authority and any number of other places. Why is that the case? Or is it, as some shooters are suggesting to me, yet another attempt to slow things down?

**Mr MICHAEL DALEY:** I will take that question on notice.

**The Hon. ROBERT BORSAK:** The following questions are in relation to the prohibition under the Firearms Act 1996 of sound moderators on firearms, specifically long-arms used for conservation hunting in New South Wales. First, what statistics and international studies are or were used to justify the prohibition on the use by licensed, responsible conservation hunters of long-arm firearms fitted with moderators on public safety grounds in New South Wales? Second, how does this compare with other countries, such as New Zealand, South Africa and the United Kingdom, where moderators can be fitted and used on long-arms for hunting? Third, what is the health impact on New South Wales citizens and the cost to the New South Wales health system because of the prohibition on moderators on long-arm firearms? Fourth, if no such study had been done before the recent review of the regulations, why was it not undertaken?

**Mr MICHAEL DALEY:** I will take that on notice too. You certainly like long questions, Mr Borsak.

**The Hon. ROBERT BORSAK:** I obviously do not expect you to answer them on the spot.

**Mr MICHAEL DALEY:** Thank you.

**The Hon. ROBERT BORSAK:** We understand in New South Wales that moderators are, of course, banned but in other places, especially in relation to what we could be doing with them on conservation hunting for controlling feral animals, there are good grounds for, we believe, the Government considering the legalisation of them in certain circumstances. They could easily be stamped with a number and they could be easily registered. It would be a great tool for conservation hunting in New South Wales if we could get them into the hands of conservation hunters.

The following questions are in relation to clause 59 of the Firearms Regulation 2006, which requires safari operators to apply to the commissioner to operate safari tours involving firearms, and to possess and use those firearms for the purpose of any such organised safaris. There are seven of these and I do not expect you to remember them all.

**Mr MICHAEL DALEY:** I do not know any of them.

**The Hon. ROBERT BORSAK:** First, how many applications and permits have been issued by the commissioner each year since 2004? Second, how many applications and permits have been rejected by the commissioner each year since 2004? Third, what has been the cost each year since 2004 of processing these applications and permits? Fourth, what has been the cost to NSW Police each year in dollars and man-hours since 2004 in policing, investigating and enforcing clause 59 of the Firearms Regulation 2006? Fifth, how many incidents related to safari operators have police investigated each year since 2004? Sixth, how many prosecutions have been successfully completed each year since 2004? Seventh, is this just not needless red tape and contrary to the State Plan given the requirements licensed under the Game and Feral Animal Act and the requirements for visitor firearm permits for international visitors?

**Mr MICHAEL DALEY:** I will take that on notice.

**The Hon. ROBERT BORSAK:** During the previous 12 months how many of the applications for a permit to acquire a firearm were received from licensees who did not already have a firearm registered to them? For the same period, how many permits to acquire were for a second or subsequent firearm?

**Mr MICHAEL DALEY:** I will take that on notice.

**The Hon. ROBERT BORSAK:** Thank you. From the records of the New South Wales Firearms Registry what are the most recent figures for the number of firearms held by licence holders in New South Wales and what are the current figures in relation to registered handguns and long-arms?

**Mr MICHAEL DALEY:** I will take that on notice.

**Mr DAVID SHOEBRIDGE:** Commissioner, have you had any formal reporting or other communication with the Newcastle Local Area Command following the restriction in pub trading hours with the 3.00 a.m. early close?

**Mr SCIPIONE:** There has been an enormous amount of reporting and research done on this. Certainly, the Bureau of Crime Statistics and Research, Don Weatherburn in his own right as the State statistician, has reported. There has been much commentary and certainly, from my perspective, the advice that I have received has been, I would suggest, full and wholesome in terms of what effect we have seen from this.

**Mr DAVID SHOEBRIDGE:** In summary, what is that effect?

**Mr SCIPIONE:** If you were to rely on Don Weatherburn's material, clearly you have seen a reduction in violence in and around licensed premises, particularly in regard to some premises that were named in the determination that was made by the courts in Newcastle that imposed the restrictions. There has been a reduction in the number of officers who have been injured.

**Mr DAVID SHOEBRIDGE:** Just stopping you there—and I do not mean to interrupt—but in terms of reduction in the number of officers injured, do you have any statistics in terms of the numbers of officers who have been saved from injury as a result of the changes?

**Mr SCIPIONE:** That is very difficult to forecast in terms of how many did not get assaulted because there were some trading restrictions. That is impossible for me to forecast.

**Mr DAVID SHOEBRIDGE:** What about comparisons before and after?

**Mr SCIPIONE:** I have not got those numbers with me. I can certainly get that information. Again, in itself, that may be probably a little bit too rudimentary to determine whether there has been an improvement, for a whole host of reasons. It may well be that particularly of recent times when we have tasers on the ground, people may not in fact decide to take on the police simply because there has been a draw cover or some event. But in terms of the statistics that you are after, I can provide those to you.

**Mr MICHAEL DALEY:** The quarterly report update of Bureau of Crime Statistics and Research dated June 2010, which was recently released, has a table 2.2, Number and trends in the court of criminal

incidents for all offences over 24 months to June 2010. The Bureau of Crime Statistics and Research uses a two-year period to show trends. Under the offence category of "Assault", assault police has decreased in the two-year period by about 400 offences, almost an 11.5 per cent decrease.

**Mr DAVID SHOEBRIDGE:** Commissioner, you will give us the statistics on notice?

**Mr SCIPIONE:** Certainly.

**Mr DAVID SHOEBRIDGE:** Have there been any reductions in the costs of operations of local area commands as a result of that?

**Mr SCIPIONE:** Certainly in terms of the impact on having fewer injured officers, we have factored that in. That has been part of the industrial agreement that we have struck, because clearly the more officers we have at the front line, the better the availability of the service. It does not necessarily mean that we would not have as many officers rostered for duty. It is simply about them being more available. Certainly, in terms of injured officers and having people back on the front line, I think the benefit is not necessarily one that is measured by dollars; it is measured by satisfaction in the community. People want to see police and they want them on the streets and available to serve them.

**Mr DAVID SHOEBRIDGE:** Commissioner, would you support in broad terms the roll out of those early closing times across the State?

**Mr SCIPIONE:** Again, the reason that those premises were identified was because they were problematic. There is much research around—some of it I am sure you would be aware of—that says there are three key drivers when it comes to reducing alcohol-related crime in and around licensed premises. Included amongst them is the notion of reduction in trading hours. There is also reduction in the density of licences and the strength and the volume of alcohol that is sold through those premises. Any one of those that you alter will, in fact, according to the research, reduce the number of incidents that you have.

The restrictions that were placed around the premises in Newcastle were certainly pretty wide and pretty varied. There was an increase in terms of lockouts, so there were lockout provisions. There were certainly restrictions on the type of alcohol that could be served after a certain period, right through to the drinking receptacle. We moved away from glass in certain locations so that we could reduce the incidence of the terrible crime that we identify as glassing. There were many provisions that have made this a success.

**Mr MICHAEL DALEY:** Can I just add to that: The Government has had great success since 1 September 2008 through a combination of enforcement, increased police activity and also working with the hospitality industry and local communities, local councils, transport bodies. We have had a marked decrease in assaults in and around licensed premises. Our approach has been to not take a one-size-fits-all approach and to do as the Commissioner has just indicated: an analysis of hot spots in entertainment precincts. The power resides within the New South Wales Police, as it does within Communities NSW now, to make applications to the court to vary hours of operation for problem areas. Dr Don Weatherburn said on ABC Radio yesterday morning, when asked the very question Mr Shoebridge has just put to the Commissioner:

My feeling is that if managers of licensed premises can run their premises without violence or incidents, then there shouldn't be restrictions placed upon them. I wouldn't want to see draconian measures placed on people who run their businesses well and manage to avoid serving alcohol to intoxicated people.

That is a sentiment that I agree with.

**Mr DAVID SHOEBRIDGE:** Commissioner, in answers earlier, I think to Mr Gallacher, you said that there are regional taser committees set up across the State. How many of them are there?

**Mr SCIPIONE:** No, that was the Minister.

**Mr DAVID SHOEBRIDGE:** I might ask you, Commissioner: How many of those regional taser committees are there across the State?

**Mr SCIPIONE:** We have one in each region. We have six regions in New South Wales.

**Mr DAVID SHOEBRIDGE:** They produce monthly reports that go to the Deputy Commissioner of

Field Operations, is that right?

**Mr SCIPIONE:** Yes, that is right.

**Mr DAVID SHOEBRIDGE:** Are they then compiled into a single report?

**Mr SCIPIONE:** They are stored in a central location, being the office of the Deputy Commissioner. He is informed and therefore can draw down on all of the detail as published by the regions which would roll up into a single State position for him.

**Mr DAVID SHOEBRIDGE:** Do they deal with every time a taser is drawn in the course of duty?

**Mr SCIPIONE:** The notion of "draw cover" probably needs to be explained a little. Every time a taser is drawn, as you say, before you get to the point where it is recorded as a draw and cover, which is when we turn the device on, because it is a pile of plastic until you turn it on, but in New South Wales—in fact I believe it is almost unique—the minute you turn on the taser, the recording starts to happen.

**Mr DAVID SHOEBRIDGE:** And it is that that generates the need for the report?

**Mr SCIPIONE:** That is when the report is generated.

**Mr DAVID SHOEBRIDGE:** Since the incident of the unlawful arrest and tasing of Ali Alkan on Oxford Street in March 2009, have there been any other cases of a taser where the officer has obscured the video or audio recording device in the course of its operation?

**Mr SCIPIONE:** There are a couple of things there. First and foremost, I do not know if anyone has reported an alleged misuse because I do not get all of the complaints. We have a Police Integrity Commission. It may take complaints. We have an Office of the Ombudsman. It may take complaints. They do not necessarily advise me, so I cannot tell you what is out there by way of complaints. In terms of the audio or the video device, unfortunately, often these devices are used when there is a real risk of injury to not only the police officer, but potentially the person they are engaging in a mental health situation, where there is a self-harm situation.

From time to time you may well find that the officer has the taser and, in fact, may cover up the camera. That is why we did not just insist on a camera; we also insisted on an audio recording. So we, in fact, get a recording of an image and the audio, and it lasts for one and a half hours, not from the time the device is used, but from the time it is turned on once it is taken out of the holster. I cannot give you that advice in relation to the number of complaints,

**Mr DAVID SHOEBRIDGE:** It was not about complaints though; it was about the number of incidents where the officer has obscured the video or the audio recording device. I am not talking about complaints; I am talking about the number of times it has happened.

**Mr SCIPIONE:** I have not got those figures here with me.

**Mr DAVID SHOEBRIDGE:** Could you review those reports and produce the figures?

**Mr SCIPIONE:** Yes.

**Mr MICHAEL DALEY:** Could I just add to that? We have to be careful when we are talking about these incidents not to allow an argument to ferment that police deliberately obscured the video. About six weeks ago there was a widely publicised incident of a highway patrol officer who pulled over a lady in a car who made certain complaints about the officer. That incident was videotaped and audiotaped and that material proved exculpatory to the officer. Police officers welcome the fact that video and audio evidence is taken of their activities because it protects them and that is why the commissioner and senior police were at pains to insist that those recordings were made a policy initiative in terms of the use of tasers in New South Wales.

**Mr SCIPIONE:** And we are the only State in Australia that is doing that.

**Mr DAVID SHOEBRIDGE:** You will still give me the answers, just the sheer numbers, to see if there is a problem there for either the police or for the general citizens of New South Wales?



**Mr SCIPIONE:** I will take it on notice.

**Mr DAVID SHOEBRIDGE:** Commissioner, do you know how many standard issue police Glock handguns were lost, stolen or otherwise misplaced in 2008-09 and 2009-10?

**Mr SCIPIONE:** In terms of the inspection of firearms, certainly here in New South Wales we treat the safe handling and the holding of firearms very, very seriously. Over the past 5½ years in New South Wales there have been two firearms that have been reported stolen, one of which we have subsequently recovered. That is in 5 ½ years, that is not in the last year.

**Mr DAVID SHOEBRIDGE:** But also lost or otherwise misplaced?

**Mr SCIPIONE:** Similarly, I think we have been asked that question by Mr Borsak and we are going to provide the information, particularly with regards to the current state of the audit. I can also assure you that in New South Wales, contrary to what may have happened in Victoria—although I am not well versed in what happened in Victoria—we have a very different process in the storage and safekeeping of firearms. I will just explain it. In Victoria, firearms are not issued to individual officers; they are put into a general pool and they are drawn down on when an officer comes on shift.

In New South Wales we individually assign them to officers; that is, from the day you are sworn in until the day you leave the organisation you have a firearm that is your responsibility. That is a firearm that you are entirely accountable for. They are inspected weekly at a local level and we run larger audits collectively across the State from time to time. But I can assure you that in terms of accountability we know where those firearms are and we will not go down the same path as the Victorians for that very reason.

**Mr DAVID SHOEBRIDGE:** Could you also provide the statistics for tasers and the OC spray kits as well?

**Mr SCIPIONE:** In terms of what statistics?

**Mr DAVID SHOEBRIDGE:** The numbers that have been lost, stolen or otherwise misplaced in the last two financial years?

**Mr SCIPIONE:** We will take that on notice.

**Mr DAVID SHOEBRIDGE:** Does the New South Wales Police Force keep any statistics on losses or theft of firearms used by the New South Wales security industry?

**Mr SCIPIONE:** Certainly we would record them. If a firearm is reported to us as lost or stolen we would record that. I can tell you what we do in New South Wales which, again, is unique to New South Wales: Every firearm that is in service within the security industry is uniquely ballistically identified; that is, we take a ballistic fingerprint of every firearm that is in use within the security industry. Not only do we know about stolen firearms but we also know if they have come up and they have been used illegally—discharged at a crime scene—because we have the unique fingerprint that we record through what is called IBIS, our Integrated Ballistic Identification System.

**Mr DAVID SHOEBRIDGE:** That seems very useful. Could you provide statistics on the number of occasions firearms that have been originally sourced through the New South Wales security industry have been identified for use in crimes in the last two financial years?

**Mr SCIPIONE:** Certainly I can take that on notice.

**Mr DAVID SHOEBRIDGE:** Again, could you provide the figures in relation to the number of firearms lost, stolen or otherwise misplaced from your records and from the New South Wales security industry for the last two financial years?

**Mr SCIPIONE:** Certainly we can take that on notice.

**CHAIR:** We will now move to Government members. The Hon. Michael Veitch?

**The Hon. MICHAEL VEITCH:** Minister, as you know I have a particular interest in rural crime.

**Mr MICHAEL DALEY:** I would be disappointed if you did not.

**The Hon. MICHAEL VEITCH:** I draw your attention to Budget Paper 3, Volume 2 page 10-39. I note that the New South Wales Police Force budget this year stands at a record \$2.7 billion. Could the Minister update the Committee on what the Government is doing to target crime in rural and regional areas of New South Wales?

**Mr MICHAEL DALEY:** The latest Bureau of Crime Statistics and Research figures indicate that for the 17 major crime categories in New South Wales recorded, 10 years ago each of those crime categories were either stable or rising and we have a situation in New South Wales now where all 17 of them, as at the last quarterly report, are stable or have fallen. That includes crime rates importunities not only in the city but in rural and regional areas of New South Wales.

I am pleased to report that amongst the 11 rural and regional statistical divisions in that Bureau of Crime Statistics and Research report, out of a total of 187 offences, 166 were stable, 16 were trending down and five were trending upward. So for the major crime categories, 17 out of 17 are stable or falling. The Bureau of Crime Statistics and Research then breaks them down into subcategories, and they are as I have just pointed out. A large part of this success can be attributed to a constant and vigilant police presence in rural and regional communities across the State as well as the Pastoral and Agricultural Crime Working Party, established last year, which I attended recently in Armidale with the member for Bathurst, Gerard Martin.

**The Hon. MICHAEL VEITCH:** The hardworking member for Bathurst.

**Mr MICHAEL DALEY:** He is a very hardworking, fanatical member for Bathurst. The Pastoral and Agricultural Crime Working Party brings together key stakeholders to focus on, explore and make recommendations on pastoral and agricultural crime and the policing of this important sector of the New South Wales economy. This working party is made up of representatives from the NSW Police Force, including the Corporate Spokesperson on Rural Crime; Industry and Investment NSW; the New South Wales Farmers Association, who provide very valuable input; the Livestock Health and Pest Authority; the Game Council of New South Wales; and the Office for the Minister for Primary Industries.

The group is responsible for working with local communities and police to identify where we can conduct successful investigations of pastoral and agricultural crime. It can also identify any gaps in legislation pertinent to rural crime—it has been very valuable to us in that area—and, if required, make recommendations for legislative change. Meetings of the working party are held in rural locations across the State and I am pleased to say that they are often well attended, particularly by local members of Parliament. Along with the member for Bathurst, the member for New England and Speaker of the House, Richard Torbay, was also in attendance at that meeting. The most recent meeting held in Wagga Wagga on 19 July was very successful.

The meeting identified a number of local rural crime issues, such as the continued success of the multiagency initiative investigating horse shootings, and discussed ways to better target sheep and goat theft in the region as well as diesel and other commodity theft. The working party also addressed emerging issues that rural areas will face in the coming years, such as the mining boom leading to more heavy vehicles on roads; natural hazards such as severe storms or drought; and exotic diseases outbreaks. I was particularly pleased to hear of the work of the Wagga Wagga Local Area Command rural crime investigators. Detective Senior Constables Brenton Harris and Scott Blanchard provided the working party with a presentation on Operation Brushwood—the successful arrest and prosecution of illegal hunters and trespassers. I would like to take this opportunity to acknowledge the work of Assistant Commissioner Steve Bradshaw, the New South Wales Police Force Corporate Spokesperson on Rural Crime, who has been a vital member of the working arty.

I understand that Assistant Commissioner Bradshaw, who is widely respected, will be retiring this year and the next meeting proposed for Dubbo will be his last in that role. Assistant Commissioner Bradshaw has provided consistent and helpful input into the working party and has gained the respect of the stakeholders through his commitment to reducing rural crime and to serving country communities in New South Wales. I wish him well in his retirement. I also acknowledge the efforts of the member for Bathurst, Gerard Martin, who has been doing an admirable job of chairing the working party meetings. Of course, I also thank the police officers, who play an integral role.

**The Hon. MICHAEL VEITCH:** Earlier in response to a question about tasers you mentioned load-bearing vests. I draw your attention to Budget Paper No. 3, Volume 2, page 10-48. Can you update the Committee about the rollout of load-bearing vests and their expected impact on injury costs?

**Mr MICHAEL DALEY:** The introduction of load-bearing vests is seen as a big shift not only in the appearance of police officers but also in injury prevention. The New South Wales Government recently invested \$1.58 million for the initial rollout of vests in 2009-10. Police officers in New South Wales carry various appointments and front-line officers carry appointments on their belt such as capsicum spray, handcuffs, a firearm, an extendable baton, a radio and in some cases tasers and cartridges. The typical weight of appointments carried by a New South Wales police officer around the waist is approximately 5.3 kilograms. Regularly carrying that weight on their hips, particularly as they get in and out of cars, can place a physical stress on them and not only cause injury but also prevent those with hip, back and upper leg injuries from returning to work.

In 2008 the New South Wales Police Force began to research alternative or supplementary options for carrying appointments. The impetus for this was to counteract an identified increasing trend of injuries attributable to the standard issue appointment belt. After a development process undertaken by police officers for police officers, a range of officers from across the State trialed a number of prototypes during 2009. Trial participants were asked to rate the vests across specific performance areas, including safety, general fit, ease of movement, access to appointments and, very importantly, public perception. We would not want officers to wear a vest or any other component of their uniform that detracted from the openness that the current uniform presents. Survey results have indicated that police officers are seen as approachable and we wanted to ensure that these load-bearing vests did not detract from that public perception, particularly that of young people.

Based on feedback, a customised vest model was developed for the New South Wales Police Force. The model was subjected to rigorous testing by police officers, in particular senior weapons instructors. This involved simulating a wide range of activities performed by operational police, including driving and entering and exiting vehicles, running, negotiating obstacles and grappling. Appointment belts will still be worn by all officers to carry at a minimum their firearm and a spare magazine.

The introduction of these state-of-the-art load-bearing vests will provide officers with an alternative. The load-bearing vests are available in a range of sizes and in right-hand and left-hand configurations. New South Wales Police Force weapons instructors commenced training with vests in June this year and focused on injured officers with a belt-related injury, operational safety instructors and an initial group of operational front-line police. Load-bearing vest training will also form part of the mandatory training package from the 2010-11 financial year onwards.

We do not need to be reminded that our police do a tough and sometimes unpredictable job. That is why we need to support them with the best equipment to suit the circumstances that they face on the street. These vests are designed to prevent injuries, to get injured officers back to work and to reduce injury costs. I imagine that the officers from WorkCover in the gallery are nodding in furious agreement. Allianz has estimated the total cost of insurance claims related to appointment belt injuries since 2001 to be more than \$5 million. The introduction of the load-bearing vests should see a reduction in these types of injuries. On a personal note, whenever I see an officer wearing a load-bearing vest I make a point of asking for his or her opinion of it. So far, every officer has voiced total support.

**The Hon. ROBERT BORSAK:** Both of them!

**Mr MICHAEL DALEY:** No, many officers. What a cynical interjection.

**The Hon. GREG DONNELLY:** Will the Minister update the Committee on how the New South Wales Government is providing frontline police officers with access to the mobile fingerprint technology specifically referred to in Budget Paper No. 3, Volume 2, page 10-41?

**Mr MICHAEL DALEY:** I am pleased to report that this Government has already spent \$5.1 million on 500 mobile electronic fingerprint scanners for front-line police. These devices were rolled out in early 2009. This new hand-held tool—which has received 100 per cent approval—allows police officers to identify persons of interest in the field when issuing criminal infringement notices and field court attendance notices. Police officers already have electronic fingerprinting in police stations through the fixed Livescan machines. However,

these new mobile scanners bring electronic fingerprinting capacity and technology out of the police station and into the field and greatly enhance police officers' flexibility of police and reach into the field. The device is a massive time saver. I have spoken to front-line officers and many of them tell me that mobile fingerprint devices are the most valuable tool they have available to them in the field.

As part of this year's budget the Government has funded an additional 100 mobile fingerprint devices for front-line officers as part of a \$12.4 million investment in the latest forensic and DNA technology. These devices work by capturing a digital fingerprint of the offender and matching it against the national fingerprints database, which contains more than four million fingerprints. Within a couple of minutes, details from the database are sent back to the device. It is incredible technology. It does not matter where the device is being used, it can hook up to the national database. Where there is a hit or a match on the database, very valuable details about the offender are returned to police, including the person's name, date of birth, age, gender, address, the latest charge photograph, if there is one, and a summary of warnings against the person, such as whether they have an outstanding arrest warrant or apprehended violence order.

At the risk of indulging in hyperbole, these devices could save lives. If a police officer scans a fingerprint and it is established that the person has a violent history, the officer is forewarned and can exercise appropriate discretion. Importantly, it enables police to know who they are dealing with at any point in time. They can also be confident in the offender's identity when issuing on-the-spot fines or notices to attend court. They will also know whether the offender is who they say they are and whether they are dealing with a first-time offender or a recidivist criminal. The devices also make it more difficult for offenders to avoid detection through providing false or misleading identification.

I will share with the Committee some examples of how these devices have helped front-line police. A driver testing positive to a roadside drug test was issued with a court attendance notice. A fingerprint scan revealed that the offender provided a false name and had two further licences, both disqualified. The driver was also charged with fraud offences as a result. Another example is a driver testing positive to a breath test and issued with a court attendance notice. The fingerprint taken at the time was later matched to an armed robbery.

Again, a man at a railway station was stopped for a minor offence and provided false details to police. A fingerprint scan revealed his true identity and that he was wanted for breach of an apprehended violence order and a prohibition order. These scanners are delivering real and tangible benefits for police, again, in continuation of a recurring theme, not only from this morning but for the past 15 years, and I am proud to be part of a government that is rolling out this sort of equipment to police across New South Wales.

**The Hon. LYNDIA VOLTZ:** Earlier you touched on the \$3.8 million vehicle numberplate recognition program and some of the fines that had been issued. Would you elaborate on the overall benefits of that program?

**Mr MICHAEL DALEY:** We touched on road safety earlier this morning. The starting point for road safety is personal responsibility. We cannot have a police officer in the car with every driver. If you are speeding it is because you are either doing it intentionally or making a mistake. The three biggest killers on our roads are speeding, fatigue and alcohol. Personal responsibility is always the beginning point of all discussions about road safety. What we have tried to do is invest in and implement a range of measures to ensure we have the latest technology available to police to access tools and resources so they can continue to do their jobs in reducing the road toll by enforcement, by encouraging good driving and keeping road users safe.

The highway patrol unit is an important component of our police force's commitment to traffic law enforcement and road safety. Its officers are out day and night working hard to take dangerous and reckless drivers off our roads. There has been a bit of misinformation of late about highway patrol officers, peddled by—dare I say it—the Opposition. I want to set the record straight. In July 1994 there were 952 highway patrol officers. In March 2010 there were 1,057 officers. I am pleased to report that we have also committed to increasing the authorised strength of the highway patrol unit by an additional 50 highway patrol officers in this term of government, and we are well on the way to achieving that. We also support our highway patrol officers with a state-of-the-art fleet of 435 vehicles, 395 sedans and 58 motorcycles, and we augment those with up-to-date and effective technology.

The New South Wales Government has invested in items such as in-car videos and mobile data terminals in highway patrol cars right across the State so that officers can record and capture information, also enabling the officers to access the national database quickly, and I have just spoken about one of those

capabilities. One of the very valuable capabilities that was actively sought by the police was the installation of mobile automatic numberplate recognition systems in highway patrol vehicles, and we are rolling out, as I mentioned earlier, 120 of those to patrol vehicle to catch drivers of unregistered and stolen vehicles. We have allocated \$6 million to the installation of this cutting-edge technology in the 2010-11 and 2011-12 financial years. Mobile automatic numberplate recognition is embedded in police in-car computer systems. Through cameras fitted to police vehicles, it scans for and alerts police to unregistered or stolen vehicles. Police can then take appropriate action when the vehicle is identified.

This technology is very impressive. It can read six numberplates a second at a cumulative speed of 200 kilometres an hour in the dark and in the fog through infrared scanning. A few months ago I was holding a press conference at the Sydney Police Centre with the commissioner and others. A highway patrol officer from the Fairfield Local Area Command was joining us. On his way from Fairfield to the Sydney Police Centre in Surrey Hills he detected 20 unregistered and two stolen vehicles—on that short trip. So, we support this technology very strongly. It is another example of our support for the police.

**(The witnesses withdrew)**

**(Short adjournment)**

**MARY HAWKINS**, Acting General Manager, Workers Compensation Division, WorkCover Authority,

**JOHN STUART WATSON**, General Manager, Occupational Health and Safety Division, WorkCover Authority, and

**LISA HUNT**, Chief Executive Officer, Compensation Authority Staff Division, and Chief Executive Officer WorkCover Authority, sworn and examined:

**CARMEL MARY DONNELLY**, General Manager Motor Accidents Authority, and

**DAVID BOWEN**, Executive Director, Lifetime Care and Support Authority, affirmed and examined:

**CHAIR:** There is no provision for an opening statement so we will commence with questions from the Opposition?

**The Hon. GREG PEARCE:** Minister, what is the current program for passage of the harmonisation legislation?

**Mr MICHAEL DALEY:** The current program? I am sorry, there was background noise and I could not hear?

**The Hon. GREG PEARCE:** When will the legislation be introduced?

**Mr MICHAEL DALEY:** When the Government decides to bring it before the House. The switch-on date for the harmonised legislation is 1 January 2012. The Federal Government has not dictated any milestones so we are currently in the process of considering that and consulting with various stakeholders on the harmonised regulations as well.

**The Hon. GREG PEARCE:** Is it your intention to introduce the legislation before Parliament rises in December?

**Mr MICHAEL DALEY:** I cannot give you that information: I do not know.

**The Hon. GREG PEARCE:** So it is not your intention?

**The Hon. GREG PEARCE:** I do not know the answer to that question. I should more accurately say it will be introduced when the Government decides to introduce it.

**The Hon. GREG PEARCE:** Has the parliamentary draftsman been instructed to prepare the legislation at this stage?

**Mr MICHAEL DALEY:** I will have to take that question on notice.

**The Hon. GREG PEARCE:** What is the most recent deficit for the Workers Compensation Fund Scheme?

**Mr MICHAEL DALEY:** I will defer to the chief executive officer for that.

**Ms HUNT:** The Workers Compensation Scheme has \$11 billion under funds management and the deficit is still going through the actuarial process but we think it will be around about—

**Ms HAWKINS:** At December 2009—

**The Hon. GREG PEARCE:** June?

**Ms HAWKINS:** We have not quite finalised the June one but in December 2009 it was \$1.2 billion and we are doing the final work now.

**The Hon. GREG PEARCE:** For June?

**Ms HUNT:** For June, yes, that is correct.

**The Hon. GREG PEARCE:** When will that be completed?

**Ms HUNT:** It will be completed by the end of this month.

**The Hon. GREG PEARCE:** I ask about the Compensation Authorities Staff Division. I notice that the budget for 2009-10 was revised down from \$182 million to \$145 million for revenue. What is the explanation for that?

**Ms HUNT:** The Compensation Authorities Staff Division budget is for staff salaries and the budget in projections there are based on a staff freeze staying in place and, therefore, that accounts for the reduction.

**The Hon. GREG PEARCE:** A staff freeze?

**Ms HUNT:** Yes, the public sector staff freeze has an impact on the forecasting for the agency.

**The Hon. GREG PEARCE:** I do not understand that because the budget for 2010-11 has gone back up above the original budget figure for last year.

**Ms HUNT:** Could you refer me to that?

**The Hon. GREG PEARCE:** Go to Budget Paper No. 3, Volume 3, page 14-37, the operating statement for the division.

**Ms HUNT:** I will take that on notice.

**The Hon. GREG PEARCE:** The division combines the staffing for seven authorities. Can you give us a breakdown of the staffing costs for those authorities prior to the creation of the division? Is there a saving?

**Ms HUNT:** It is just the staff salaries combined into one allocation. We will take it on notice in terms of the breakdown.

**The Hon. GREG PEARCE:** The breakdown from what they were before and the current figure?

**Ms HUNT:** Yes.

**The Hon. GREG PEARCE:** Can you tell me off the top of your head, though, whether there has been a saving as a result of that combination?

**Ms HUNT:** I could not answer that question. It includes five agencies plus the Compensation Commission, which is independent. We have responsibility for the staffing funding.

**The Hon. GREG PEARCE:** Minister, have you considered whether it is equitable in New South Wales to have up to four different compensation systems with different thresholds and different methods of assessment depending on how you look at it?

**Mr MICHAEL DALEY:** Well, they all do different jobs, Mr Pearce. Your question was: Do I think it is equitable?

**The Hon. GREG PEARCE:** Yes?

**Mr MICHAEL DALEY:** I am not sure if "equitable" is the right term there. What I want to see is each of those agencies fulfilling their very worthy objectives. The mission statement of WorkCover is to make sure mum and dad go to work every day and come home safely and they are therefore fulfilling that. The Motor Accidents Authority and the Lifetime Care and Support Authority deal with schemes designed to deal with people efficiently who have been injured in motor vehicle accidents and they are doing that so, yes, I do consider that they are performing equitably.

**The Hon. GREG PEARCE:** In relation to WorkCover premiums, there is some disquiet about the industry-based premium model, particularly for employers who say that they have a very good record, virtually no claims, and feel that they are, in effect, subsidising other employers by the industry standard. Have you considered an individual premium base for those sorts of businesses or some other incentive for those sorts of businesses?

**Mr MICHAEL DALEY:** Mr Pearce, there is no perfect model here but what WorkCover does is to continually review the effectiveness, fairness and equitably of the scheme in line with the objectives of the Government, as reflected in things like our \$60 billion-odd capital works program to foment as much business activity in New South Wales as possible. To support employers, during 2009-10, during the GFC, the Government kept premium rates at the same level as those gazetted in June 2008. This year there is a cut of up to 2.5 per cent in workers compensation premium rates that have been delivered to employers in New South Wales. It is the sixth premium rate reduction for New South Wales employers since 2005 and brings the target premium collection rate to 1.66 per cent, which is its lowest level in more than a decade. Businesses operating in more than 240 industry classes will benefit from this cut while premium rates for all other industry will be maintained at the same level as last year.

To give you some examples of the size of this, this reduction will benefit more than 161,000 employers or 55 per cent of employers covered by the WorkCover Scheme across the State. It takes effect for policies that start or were renewed on or after 30 June 2010 and will deliver real savings. To give you an example of some of those savings on the ground, a clothing wholesaler in Sydney paying wages of \$750,000 will save about \$247 a year, and an egg farmer in country New South Wales who pays wages of over \$5 million will save \$22,786 a year. That is an average 33 per cent reduction in the WorkCover scheme rates over the last five years and a total savings to businesses of around \$1 billion a year.

In specific answer to your question, the WorkCover scheme involves a pool of employers' premiums. In effect, it is an insurance scheme that provides protection to injured workers, whilst limiting the financial exposure of employers. The industry classifications are always being reviewed to provide the fairest scheme. If you are an employer that performs well you are rewarded; if you are an employer that is a little bit flippant about work safety that will be reflected in your premium. And that is as it should be.

**The Hon. GREG PEARCE:** You just touched on the issue I was getting to. What incentives are there? You said that the employer would be rewarded for good practice. But what is the incentive if their premium is based not on their own experience but simply on an industry-wide assessment?

**Mr MICHAEL DALEY:** It is not true to say that their premium is not based on their own experience. If they have a negative experience their premium will in certain circumstances rise, and that is the way it should be. What WorkCover is doing is not simply working as an enforcement body; what we are very focused on now, and increasingly so, is working in partnership with industries. So, whilst we have a number of inspectors who go out and enforce occupational health and safety laws, we do not want to see prosecutions if we can avoid them. As I said at the outset of this session, we would prefer to see mum and dad go to work and come home safely. What WorkCover is doing is providing information and assistance to employers, to help them do their jobs better and to help them structure their industries and their workplaces to put in systems and structures to make sure that workplace safety is not an afterthought or some side salad, that it is an integral part of their business.

When I became the Minister for Finance in December last year, within a fortnight of assuming that role I was at an industry forum where we executed a formal partnership between WorkCover and the hospitality industry. Despite the fact that workplace injuries and deaths have fallen, and are falling, there are still industry groups that defy those trends. The hospitality industry was one with which we executed a partnership. The meat packing industry was another earlier this year, and recently Minister Steve Whan and I executed a partnership on behalf of WorkCover for the forestry industry. So we are not simply cutting these employers loose and saying, "Here is the law. Do your best"; we are helping them to do their work better. This means that the whole scheme—not just safe industries but all industries—will benefit from an overall reduction in premium rates.

**The Hon. GREG PEARCE:** I take you back to the beginning of that answer. You said that an employer would be penalised for their poor performance. On the other hand, there is no incentive for good performance. That is my concern.

**Mr MICHAEL DALEY:** There is. As I said minutes ago, there has been a general reduction in premium rates in New South Wales, and all employers benefit from that, particularly those in better industries.



As is the case, people often do not realise it or appreciate it or, even more rarely, say thank you for premium reductions or the fact that their premiums have not increased in real terms. All they see is that when they have an injury or a negative incident in their workplace their premium rises. But in real terms premiums now have been reducing.

**Ms HUNT:** Could I add to that? All employers pay a basic tariff premium rate, and that is calculated by multiplying their industry premium rate by their wages. Employers with a basic tariff premium exceeding \$10,000 and wages greater than \$300,000 have their premiums adjusted according to their individual claims experience. That comes to the point you are just talking about.

**The Hon. GREG PEARCE:** Adjusted downwards?

**Ms HUNT:** Adjusted according to their experience. If they have a poor claims experience it would go up; if they have a good claims experience it would go down.

**The Hon. GREG PEARCE:** Up from the base; not down from the base?

**Ms HUNT:** It goes either way depending on their experience. If they have a poor claims experience it would go up.

**The Hon. GREG PEARCE:** If they have a good claims experience?

**Ms HUNT:** It would go down. The 2.5 per cent premium reduction we introduced this year went to those who had a good claims experience. So there is an incentive there.

**The Hon. GREG PEARCE:** Is that a permanent feature or is that simply this year?

**Ms HUNT:** That is how the scheme is designed in terms of rewarding their experience.

**The Hon. GREG PEARCE:** In relation to the Motor Accidents Authority, I note that total expenses are budgeted to increase by 8.3 per cent this budget year. Do you have an explanation as to that increase, which seems to be out of line with the rest of the budget?

**Ms DONNELLY:** There has been some increase in expenses related to increased bulk billing payments to Health and a small increase in assessor fees.

**The Hon. GREG PEARCE:** The Auditor-General in his 2009 report raised the issue of sponsorship arrangements. He recommended that the authority implement better practice policies to address risks arising from benefits attached to advertising and sponsorship arrangements. What action has been taken in relation to that?

**Ms DONNELLY:** There has been a substantial review of sponsorship policies and procedures within the Motor Accidents Authority. There were some specific cases where the arrangements were changed to reduce the amount of benefits or to change them so that they would fit in with the revised policy. In general, the authority has moved away from allocating resources towards the sorts of sponsorships it was involved in.

**The Hon. GREG PEARCE:** What does that mean, specifically?

**Ms DONNELLY:** We have moved more to a process of prioritising grants, to improve research and to improve injury management services and health services in recovery. In previous years there was some sponsorship of sporting clubs and so on to promote safety messages, which we now see is more the domain of the Centre for Road Safety in any case.

**The Hon. GREG PEARCE:** What progress has been made in relation to motorcycle green slip prices?

**Mr MICHAEL DALEY:** The starting point for that is that about 55 per cent of motorcyclists will see a reduction in their registration costs. About another 10 to 12 per cent will see no change. The green slip premiums for different types of vehicles reflect the cost in frequency of claims against that vehicle category. That is fair: that is the way it should be. The premium prices are then set by insurers, who participate in that scheme based on guidelines that are approved by the Motor Accidents Authority.

In early June 2000 the Motorcycle Council and motorcyclists raised concerns with the Motor Accidents Authority that some classes of motorcycles were subsidising others. If we take as a bald proposition that the capacity classes of motorcycles that not only are involved in the greatest number of accidents but also are involved in accidents that reflect the greatest cost to the scheme should pay more—and I do not think any of us would disagree with that—we found that some of the smaller capacity motorcycle classes, particularly, were paying the same amount as larger capacity motorcycle classes but were responsible for far less call on the scheme. So we sat down with the Motorcycle Council and came up with a fairer and more equitable scheme that reflects the number and severity of accidents and injuries as reflected in its cost and call on the green slip scheme. We streamlined it so that if you are riding a capacity of motorcycle that costs the community more you will pay more. That is the basic insurance proposition that applies to other motor vehicles. Now it applies to motorcyclists, and 55 per cent of them are paying less.

In Macquarie Street the other day we probably saw representatives from the one-third who will be paying more. Some motorcyclists are paying substantially more and some motorcyclists are paying substantially less, but it is a fairer scheme. That is the first thing to note. I had a very good meeting with the Motorcycle Council in my office upstairs. We offered them a permanent seat, where they did not have one, on the Motor Accidents Council, and they were pleased to take up that role. They also sought from me an indication that I would be open and frank with them, as would the Motor Accidents Authority, about the actuarial basis upon which the cost to the motorcycle scheme, the green slip scheme and the medical care and injury services levy are based. I told them I would request the Motor Accidents Authority to sit down with them and to appoint an independent actuary to go through those figures again to show them how the calculations were based. They walked out the door pretty happy I would have to say. It was a pretty good outcome.

**The Hon. GREG PEARCE:** I refer you to some of the WorkCover Authority capital expenditures. The ones I have been looking at are the information technology hardware package, which supposedly began in 2004 and is now pushed out to 2014, with a \$2 million overrun; the upgrade of the business system technology, which supposedly started in 2005 and is now pushed out to 2014, with a \$4.5 million overrun; and the WorkCover licensing scheme from 2005 now up to 2013, with a \$300,000 overrun. How can you have information technology projects running for eight, nine or 10 years and blowouts of \$2 million and \$4.5 million? What is happening there?

**Ms HUNT:** I think the first project you referred to is our corporate data repository, which is the centralised system for collecting all the claims data from the scheme's agents. The project there was delayed while we did some review of the scoping of works. We are still intending to complete those works but it has been delayed in terms of its delivery time. I will have to take on notice the business improvement project that you have raised. We have been doing an upgrade of our licensing system, as we issue large numbers of licences for construction and high-risk activities, but I will come back and give you some more detail, if I may, on that program in terms of delivery timeframe.

**The Hon. GREG PEARCE:** So you are clear on the three programs I have mentioned? [*Time expired.*]

**Mr DAVID SHOEBRIDGE:** The systems for compensating injured people in New South Wales vary on whether they are driving a car, walking, driving to work, working in a factory, working at a coalmine, injured at a hospital, injured in a car park or injured in prison. Each of those situations has a different threshold, different administrative arrangements and different entitlements to compensation. Surely you would accept that that is a complete mess in terms of a rational way of compensating injury in New South Wales?

**Mr MICHAEL DALEY:** It is an improvement on the common law system that was more of a mess. I think if you did an analysis of each of those you would see there has been an evolution, and that it is a far better and fairer system now than we have ever had before.

**Mr DAVID SHOEBRIDGE:** The interaction of those schemes though produces somewhat arbitrary outcomes. I will give you an example. If you are a worker and you are injured driving a motor vehicle at work, you may have an entitlement to lump sum recovery under the workers compensation scheme if you have whole-person impairment. If your whole-person impairment is less than 10 per cent you will recover some lump sum compensation as an injured worker for general damages. But if that same worker then goes and brings a motor accident claim, and again falls under the 10 per cent threshold using a different scheme under a different administrative process, they have got no entitlement to general damages. So they do not get compensated for

general damages under the Motor Accidents Scheme, but then they have to pay back to the WorkCover Authority the modest amount of compensation they got for general damages under the WorkCover scheme. Do you not agree that is an unfairness?

**Mr MICHAEL DALEY:** There are anomalies, and I am not going to pretend for one moment that we have the perfect system of compensation. The law has always been inadequate in terms of compensating people for injuries in that the only remedy it recognises is to give them money. But, again, I take you back to the point that it is a huge improvement on the common law system. It is continually evolving. Where there are anomalies like that we discuss them and parliamentary inquiries over the years, as recently as 2006, examine them. It is one of the reasons why we wanted to bring the compensation authorities under the one umbrella under the watchful eye of a single chief executive officer who can go through those anomalies in due course and recommend to the Government ways to improve them. I will always welcome suggestions on how to improve schemes and make them fairer.

**Mr DAVID SHOEBRIDGE:** Will you undertake to have a look at that particular anomaly and see the cost of getting rid of it. What would that cost be to the WorkCover scheme—?

**Mr MICHAEL DALEY:** If we can do that examination within 21 days we will, unless the chief executive officer wants to say something.

**Ms HUNT:** Mary from Workers Compensation and Carmel from the Motor Accidents Authority can answer that. There is actually not an anomaly there but there are differences between the schemes because they are set up to do different things. So dust diseases, which relate to the workplace, are quite different. The claimants are older, they have retired by the time the disease has become apparent, there is a differential in the lump sum funds under workers compensation compared with dust diseases. It is a very old piece of legislation. There are differences, and that is a good point. They are different schemes in terms of what they are set up to do and there are anomalies. But in terms of your particular example I will ask Mary to respond because the example you gave is not correct in terms of how it works.

**Mr DAVID SHOEBRIDGE:** It was not about dust diseases.

**Ms HUNT:** No, she is going to talk about workers compensation.

**Ms HAWKINS:** I will start with the original part of your question where you described injuries happening in different places. Basically for all workers who are injured in a work-related incident the compensation is exactly the same. There is no difference if they are covered by the New South Wales workers compensation system. That is whether they are a public servant or whether they are employed in private enterprise; they are all exactly the same. Motor accidents are slightly different. But in terms of workers compensation entitlements, they are all statutory entitlements that you describe. So we have income support through the weekly benefits system. We have all medical and related expenses. We have rehabilitation and assistance to return to work. We also have a permanent impairment sum of money if the injury results in a permanent impairment.

It is not a general damages amount of money; it is just one of the statutory entitlements to which a worker is entitled. If they also happen to be injured in a motor vehicle accident and there is an at-fault driver that they can take action against, and they are under that 10 per cent threshold, yes, certainly if they did elect—and I would find it unusual—to take some kind of economic loss they could claim their economic loss but they could not claim non-economic loss. I do not imagine there would be any disadvantage to them and they would probably be more advantaged being in the workers compensation system.

**Mr DAVID SHOEBRIDGE:** Not all workers are treated the same, are they? Because you get quite a different set of benefits if you are injured in a coalmine than if you are injured in any other workplace under the statutory scheme, do you not?

**Ms HAWKINS:** They start with the statutory scheme but coalminers have been excluded in terms of some of the more recent amendments that were made over the years. But basically the statutory entitlement start is all the same.

**Mr DAVID SHOEBRIDGE:** Substantially superior benefits if you are injured in a coalmine rather than anywhere else, would you agree with that?

**Ms HAWKINS:** I do not think I could agree or disagree with that, no.

**Mr DAVID SHOEBRIDGE:** I refer to the example I gave you earlier about being injured at work and by reason of the fault of another driver. If you have received your lump sum claim for non-economic loss under the workers compensation system and you do not exceed the 10 per cent threshold for the Motor Accidents Scheme, you have to pay back the non-economic loss sum from the workers compensation scheme but you do not get any benefit at all from the Motor Accidents Scheme. That is correct, is it not?

**Ms HAWKINS:** I would have to really go and look at that. I am not aware of any examples. Maybe Carmel could answer.

**Ms DONNELLY:** One thing I would say is that that issue has actually been raised recently at the Motor Accidents Authority, which is our authority group, and what I have undertaken is to have a look at that situation and see whether it can arise and to work with WorkCover to see whether there is some advice that we can give to Government about those cases. So we are looking at that area but it is not very clear-cut that that would arise.

**Mr DAVID SHOEBRIDGE:** Could you answer it with some more reflection on notice, including if you have any details of the numbers of cases?

**Ms DONNELLY:** I would be happy to do that.

**Mr DAVID SHOEBRIDGE:** In terms of the workers going back to the workers compensation scheme, since 2002 there has been a very restricted capacity to get an exit payment out of the statutory scheme. Can you, Minister, or perhaps Ms Hawkins from the WorkCover Authority, give details of the number of workers who were in receipt of ongoing weekly payments for two years or more in the last full financial year before 2002, so for 2001 and 2002 the number of workers who were in receipt of ongoing weekly benefits for two years or more?

**Ms HUNT:** Yes.

**Mr DAVID SHOEBRIDGE:** And can you compare that and provide the same figures of the number of workers who were in receipt of ongoing weekly benefits for two years or more in the 2009-2010 financial year?

**Mr MICHAEL DALEY:** We will take it on notice.

**Mr DAVID SHOEBRIDGE:** Could you also provide, if you can, what the actual cost to the current scheme is of that class of workers, including the extent to which it is contributing to the deficit?

**Ms HUNT:** Yes, we will take it on notice.

**Mr DAVID SHOEBRIDGE:** Are there any plans to review the scheme to determine whether allowing for an increased capacity to get an exit payment might reduce that ongoing deficit?

**Mr MICHAEL DALEY:** We will take that on notice.

**Mr DAVID SHOEBRIDGE:** Are there any plans to review it?

**Mr MICHAEL DALEY:** It would require us to do an analysis on whether the assumptions you are using are correct, and I am not sure they are today. So we will take that on notice.

**The Hon. LYNDA VOLTZ:** Minister, what does WorkCover do to assist volunteers who are injured?

**Mr MICHAEL DALEY:** The Government is mindful of the valuable work undertaken by volunteers every day to assist members of the community in need. Indeed, their important contribution makes society a better place for all of us to live in. Around 1.7 million people are involved in formal volunteering in New South Wales and at least another million are involved in informal volunteering, assisting relatives, friends, neighbours and other members of the community. Whilst it is not financially viable for the Government to provide workers

compensation coverage for all of these volunteers, the New South Wales Government provides grants and other support to a wide range of organisations involved in volunteer and community-based activities.

Bushfire, emergency and rescue services volunteers who are injured while performing volunteering activities are able to claim workers compensation. WorkCover manages the claims for volunteer associations such as New South Wales Surf Life Saving—who are very dear to my heart, as you would expect—Marine Rescue NSW, State Emergency Service, Rural Fire Service and the New South Wales Volunteer Rescue Association. WorkCover provides assistance with injury management and facilitates return to paid employment and volunteering activities. The workers compensation system provides benefits and assistance to help volunteers recover and return to their volunteering duties and/or work safely and as soon as possible.

When a volunteer firefighter, for example, was trapped under a one tonne boulder for an hour and surrounded by flames, he wondered if he would ever make it out alive—not surprisingly. Freed by the New South Wales Fire Brigades' rescue crew, the volunteer spent five days in hospital with substantial injuries that included leg and wrist fractures, soft tissue and nerve damage. Two months later, with the help of WorkCover, he has been able to overcome his injuries and make a successful return to work. He said:

Initially I was concerned about how long I would be off work from my paid job as a bush regenerator with Manly Council, but my fears were alleviated after talking to my employer and WorkCover, who were both very supportive.

Another example involves a freak accident whilst competing in a Surf Life Saving competition that had far-reaching consequences for a fit and active surf lifesaver. The result was a long process of working with medical specialists and physiotherapists to deal with the pain and get back functional movement. He said:

WorkCover was in contact with me very early on following the accident to talk me through the process and provide reassurance that my medical bills and income would be paid while I was off work.

I couldn't believe that WorkCover not only covered the medical, physiotherapy and gym costs, but also expenses like training aids and travel to and from my medical appointments. Now I have returned to work full time and thanks to the gym program I feel fitter and stronger than ever before. I'm very happy to be back.

These are just two examples of experiences of volunteers injured during the course of their duties. WorkCover has two specific funds—the Bush Fire Fighters Compensation Fund and the Emergency and Rescue Workers Compensation Fund—to ensure the needs of bushfire, emergency and rescue volunteers are provided for. In 2009-10 there were 374 claims registered by volunteers from the Emergency Rescue Service, with payments totalling \$2 million. There were 273 claims registered from the Rural Fire Service, with payments totalling approximately \$685,000.

In addition, grants were provided to Surf Life Saving Australia in 2008 and 2009 through the WorkCover Assist program for the Safer Surf Clubs Training, a program that aims to increase work place health and safety awareness and knowledge, reduce injuries and costs to the community and improve reporting frameworks and processes. It has been achieved through the rollout of a number of seminars, conferences and resource material, combined with the introduction of the Occupational Health and Safety Safer Surf Clubs Training program. There is the Peer Support program, which is focussed on the development of peer support to ensure members are supported following a major incident. General peer support information and workshop resources were developed by Surf Life Saving New South Wales peer support project team and an external peer support consultant. The program includes such things as 24/7 counselling support for members, peer support awareness and education material, and identification of support group members experienced in peer support. We all value the volunteers in our society. This is another way in which the Government is assisting them.

**The Hon. LYNDA VOLTZ:** Minister, how is the Government meeting its obligations with regard to work place safety, workers compensation and injury management?

**Mr MICHAEL DALEY:** To assist all businesses in New South Wales develop and maintain safe and secure work places, WorkCover has become more proactive in its advisory function. I alluded to that earlier in respect to the question from Mr Pearce. I will give you some more detail though. During 2009-10 WorkCover engaged Sweeney Research to measure the effectiveness of specific interactions between WorkCover, employers and others across the State. Sweeney conducted 2,772 telephone interviews and six focus groups, which responded to and engaged with WorkCover during various compliance and advisory interactions over the 2009-10 period. A high response rate of 41 per cent was achieved, with cross-representation of work places reached based on size, industry and geographical location.

At the end of 2009-10, the survey results showed that 93 per cent of businesses surveyed considered their interaction with WorkCover as fair and reasonable, and I should say that survey response exceeded the target of 90 per cent. A figure of 78 per cent of businesses surveyed had greater knowledge and skills in managing occupational health and safety as a result of their interaction with WorkCover. The target there of 75 per cent was exceeded. A figure of 92 per cent of businesses surveyed felt their efforts in managing occupational health and safety are acknowledged by WorkCover. The target there was 75 per cent; it reached 92 per cent so the target was exceeded. A figure of 79 per cent of businesses surveyed reported they received consistent messages about what compliance looks like. Consistent messaging is very important. We set ourselves a target there of 75 per cent. We achieved 79 per cent.

Eighty-three per cent of surveyed businesses indicate that products and services meet their needs. Being honest, the target was 90 per cent and we achieved 83 per cent, so we have to work on that a little bit more. These results show that businesses believe WorkCover's approaches and services are fair, consistent and relevant, and assist to build their capacity to manage workplace safety. WorkCover is continuing to deliver initiatives to help business make their workplaces safer and meet their workers compensation obligations.

One way WorkCover is assisting business is through the development of several formal agreements called Partnership Agreements. The Partnership Agreements have been signed between WorkCover and employer associations. The purpose of the agreements is to advance the development of practical and effective approaches to workplace safety and injury management at an industry-wide level, not just at a workplace level. I mentioned some before, but, to date, the industries with a Partnership Agreement include the Printing Industry Association of Australia, the Waste Contractors and Recyclers Association New South Wales, the Restaurant and Caterers Association, the Boating Industry Association, the Housing Industry Association, the Master Builders Association, the Service Station Association, the Motor Traders Association, and Clubs NSW.

In addition, significant activity is underway in New South Wales to deliver on the Federal Government's Building the Education Revolution and the State's own education capital works program. Under the program more than 3,000 schools have become construction sites. More than 15,000 construction workers are involved in the projects and many more members of schools and local communities come into close proximity to the construction in their schools every day—it is not just children in the playground, it is teachers, visitors to the schools, and mums and dads as they drop kids off and pick them up at the end of the day. A construction site within a school precinct increases the risk of injury to all those people, as well as to construction workers.

Given the number of schools and workers involved in the projects, WorkCover has taken proactive steps to ensure workplace safety is a priority on every site. I genuinely want to congratulate WorkCover on this. It saw the scope and the magnitude of the Building the Education Revolution works; it did not sit and wait, it got out ahead of the game. WorkCover has made over 750 visits to school construction sites to ensure all aspects of workplace safety are addressed. Impressively, before the works started, WorkCover negotiated proactive and sustainable alliances with the head contractors. WorkCover called them in at the outset of the scheme and told them they wanted to build alliances with them to have safety as a paramount consideration before the site was cleared, a nail was hammered or a sod was turned.

The head contractors involved in the alliance are Reed Constructions, Bovis Lend Lease, Richard Crookes, Laing O'Rourke, AbiGroup, Brookfield Multiplex and Hansen Yuncken. The alliances ensure immediate responses to occupational health and safety concerns raised by workers, the school communities or their neighbours during the construction process. Since the alliances commenced late last year, WorkCover has visited multiple school sites and provided advice and assistance regarding a range of safety matters. These unique alliances highlight the Government's focus on effective and sustained occupational health and safety, and injury management outcomes across the construction sector.

The alliances feature a Statement of Intent that includes a commitment to effective communication and consultation between WorkCover and the head contractor, and focuses on improved occupational health and safety and injury management outcomes. They also encourage leadership at all levels of each organisation and the importance of effective workplace consultation. By working together with head contractors, New South Wales schools and the community, genuine cooperation can exist to help develop practical, cost-effective solutions that deliver sustainable outcomes for everyone, and they are doing just that.

**The Hon. LYNDIA VOLTZ:** Minister, obviously young people in the workplace are of special concern. What is WorkCover doing to assist young people in the workplace and employers of young people?

**Mr MICHAEL DALEY:** Those of us who are getting more grey hair than we would like realise that it takes us longer to recover from the stresses and strains of life than it did when we were younger. WorkCover data indicates that young workers are 75 per cent more likely to get hurt at work than older workers. We recover more quickly when we are young but we are more likely to get hurt at work than older workers. It is a sad reality that workers aged between 15 and 25 are one of the high-risk groups more likely to be injured at work, and each day in New South Wales 14 young workers are injured on the job

Around 12 per cent of all major employment injuries and occupational diseases occur among the State's 558,000 young workers. Workers aged under 25 years may be more vulnerable to workplace safety risks because of their youth and inexperience, their lack of on-the-job training and supervision, their reluctance to speak up about safety concerns or simply because young people sometimes think they are invincible. This higher risk is not necessarily occurring through carelessness but more likely through their lack of workplace experience. Under the law, employers have an obligation to provide a safe workplace for all of their workers. Employers need to pay particular attention to properly training and supervising young workers and providing them with sufficient information to ensure they can work safely.

The most common type of injury among young workers is muscular stress while lifting, whilst 20 per cent of injuries last year resulted from carrying or putting down objects. Other common hazards include slips, trips and falls, machines and equipment and the use of chemicals. WorkCover has a range of free guidance material to help young workers and employers meet their workplace safety obligations. It has also implemented a number of workplace safety initiatives focusing on young workers. Funding has been provided to eligible organisations under the WorkCover Assist Grants Program since 2001. A number of resources targeting young workers have been funded, and I will go through a few.

One is an educational program for high school students to increase awareness of occupational health and safety. The aim of the program is to develop knowledge, values and skills that increase workplace safety awareness, and to promote understanding of a safe work culture and the importance of preventing injury and illness in the workplace. The award-winning resource is a multi-strategic intervention tool available to students, teachers, employers and parents of young workers. Another resource is a web-based occupational health and safety resource for employers and supervisors of young workers. The primary objective is to assist employers and supervisors to communicate and consult effectively with young workers so they participate and are included within a workplace safety culture. Another resource is an occupational health and safety training program for young apprentices and trainees employed by Group Training Organisations. The program aims to provide a more holistic approach to young workers' safety through increasing knowledge of workplace safety specific to young workers.

Under the WorkCover Assist Applied Research program the Master Builders Association, with Youthsafe and the University of Sydney, are undertaking a study to investigate factors that support or undermine the appropriate use of personal protective equipment by young workers on construction sites. The project will provide a better understanding of how to encourage young workers to use safety equipment. Since 2005, WorkCover has provided funding for the Building Trades Group of Unions Drug and Alcohol Committee's Apprentice Training Program. The program specifically targets young workers in the building and construction industry. The aim of the program is to improve safety, reduce drug and alcohol consumption on building sites, and raise awareness of the availability of drug and alcohol referral, assessment and treatment services. That is a very, very worthy program indeed. The program also includes a component of life-care skills addressing issues such as depression and suicide. It is a terrific program.

WorkCover has provided funding for the implementation of yPack, a program developed by Youthsafe and the Group Training Association, aimed at providing a holistic approach to young workers' safety in the group training industry by increasing their knowledge of workplace safety. The resources contained in yPack are aimed at field officers, employers, young workers and their parents. The program helps them identify how certain characteristics in young people may impact on safety and how to effectively deal with them. It covers issues such as how young people manage risks and make decisions based on their physical and emotional maturity.

The member for The Entrance, Grant McBride, launched the yPack at the Erina Shopping Centre on 14 September 2010. WorkCover has also developed Hazard a Guess, a specialised interactive online tool for employers, trainers, young workers and students in New South Wales. This free tool is available online at [youngworkers.com.au](http://youngworkers.com.au). It is also available in CD-ROM and printed format for easy use in the classroom. The

tool is designed to assist young people to improve their workplace safety knowledge, to identify risks and to better manage hazards that relate to particular industries.

I launched Hazard a Guess with the member for Parramatta, Tanya Gadiel, at Westmead McDonald's in March this year. Since the program's launch, WorkCover has distributed 1,546 Hazard a Guess kits to employers and workers in New South Wales. That included 500 general kits, 148 geared towards the transport and storage industry, 200 to the rural industry, 233 to retail, 124 to manufacturing, 91 to the construction industry, and 250 to the accommodation and food industry. Site data for [www.youngworkers.com.au](http://www.youngworkers.com.au) shows there have been 12,286 unique visitors to the website to 18 August this year. That equates to almost 25,000 visits to the website. I again congratulate WorkCover on that initiative. As I said, we launched that program at a McDonald's outlet. I did not know that it is the largest employer of young people in Australia. I think it employs about 78,000 young people. We should have more launches at McDonald's because I enjoyed the lunch. It was very good.

**The Hon. GREG PEARCE:** Did you declare that lunch?

**Mr MICHAEL DALEY:** I do not think I could eat \$250 worth of McDonald's meals. I have tried, but I could not quite achieve it.

**The Hon. ROBERT BORSAK:** Was it a Happy Meal?

**Mr MICHAEL DALEY:** It was an ecstatic meal after that launch. During the same period there were 9,374 unique visitors to the online Hazard a Guess e-tool, equating to 17,291 visits to the site. The WorkCover website also provides young worker fact sheets on personal protective equipment, alcohol and drugs in the workplace, working at heights, workplace bullying and violence in the workplace. It is a great program.

**The Hon. GREG DONNELLY:** I put on the record my thanks to WorkCover for the work it did with the Building the Education Revolution program. In my role as a duty member of the Legislative Council I went to a dozen or more sod turnings for schools, ranging from large public high schools to two-room primary schools in villages in the bush. On every occasion I was required to go through a thorough induction process before stepping on the site. That demonstrated a consistent application of the standard that has resulted in minimal accidents on Building the Education Revolution projects in New South Wales.

**Mr MICHAEL DALEY:** Thank for your congratulations.

**CHAIR:** That concludes the examination of the Finance portfolio. I thank the Minister and officers for attending. I remind you that answers to any questions taken on notice must be returned within 21 days. Members may wish to ask further questions and the secretariat will contact you in that regard.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**

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