

GENERAL PURPOSE STANDING COMMITTEE NO. 3

14 September 2004

Examination of proposed expenditure for the portfolio area

JUSTICE

The Committee met at 8.00 p.m.

MEMBERS

The Hon. A. R. Fazio (Chair)

The Hon. P. J. Breen
The Hon. E. M. Obeid
The Hon. M. J. Pavey

The Hon. G. S. Pearce
The Hon. J. S. Tingle
The Hon. I. W. West

PRESENT

The Hon. John Hatzistergos, *Minister for Justice*

Department of Corrective Services

Mr R. Woodham, *Commissioner*

Mr I. McLean, *Senior Assistant Commissioner, Inmate and Custodial Services*

Mr L. Grant, *Assistant Commissioner, Offender Management*

Mr G. Schipp, *Executive Director, Finance and Asset Management*

CHAIR: I declare this meeting open to the public. I welcome you to this public hearing of General Purpose Standing Committee No. 3. First, I thank the Minister and the departmental officers for attending tonight. At this meeting the Committee will examine the proposed expenditure from the Consolidated Fund for the portfolio area of Justice.

Before questions commence some procedural matters need to be dealt with. First, in terms of the broadcasting of proceedings, I point out that in accordance with the Legislative Council's guidelines for the broadcast of proceedings, which are available from the attendants and the clerks, only members of the Committee and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. 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.

In relation to the delivery of messages, there is no provision for members to refer directly to their own staff while at the table. Members and their staff are advised that any messages should be delivered through the attendant on duty or the Committee clerks.

For the benefit of members and Hansard, I ask the departmental officials to identify themselves by name, position and department or agency before answering a question referred to them.

The Committee has agreed to the following time allocation format for this hearing. We will take questions in 20-minute blocks starting with the Opposition, followed by the crossbench, and then the Government. Any unused segments of time will be allocated equitably.

I declare the proposed expenditure open for examination. Minister, do you wish to make a brief opening statement?

The Hon. JOHN HATZISTERGOS: Yes. The budget papers necessarily focus on financial matters. It is not very easy, merely from reading the budget papers, to grasp the full range of activities carried on by a large government department such as the Department of Corrective Services. The budget papers state that in the 2004-05 financial year the total expenses of the Department of Corrective Services will amount to \$703.7 million and that, in addition, the department will make asset acquisitions of \$110.5 million. But how does all that money translate into the services provided every day of the year by the Department of Corrective Services?

The department manages offenders in 29 correctional centres, 11 periodic detention centres, and two transitional centres. It also manages offenders held in police and court cells pending trial. On Sunday 29 August 2004 there were 8,668 inmates in full-time custody and 38 inmates held in transitional centres. There were 46 persons held in police cells and court cells administered by the department. Moreover, in the seven days ending 29 August 2004, 631 periodic detainees attended periodic detention. Each inmate held by the department must be properly fed and clothed and provided with a bed. Beyond the provision of these basic necessities, the department must also ensure that if an inmate is to appear in court the inmate is safely transported to that court on time. The department must also ensure that families of inmates are able to visit inmates in a controlled and secure environment.

Each inmate is classified according to his or her security rating, and is placed, so far as possible, in a correctional centre near his or her family. Vulnerable inmates must be placed on protection, and inmates who are a threat to others must be segregated from the mainstream. The department develops a case plan for each inmate. To fulfil a case plan, an inmate will be required, in most cases, to undertake educational, developmental and rehabilitative programs. The overall aim of the department in requiring inmates to participate in programs is to reduce the risk that inmates will reoffend after release.

So when you consider all these possible permutations and combinations of services needed—lengths of sentences need to be monitored, classification and segregation of inmates to be adhered to, development and implementation of programs for a wide variety of offences, transportation to varying court appearance dates—the operation of a full-time correctional system is logistically extremely complicated. The department's work is not isolated to inmates in custody. The department also manages thousands of offenders in the community who have community-based orders. The most

common community-based orders are home detention orders, community service orders, good behaviour bonds, and parole orders.

In the month of July 2004 the total number of offenders with community-based orders who were managed by the department was 17,165. The department manages these offenders through 59 district offices throughout the State. The department also provides in-depth advice to sentencing and releasing authorities. During the month of July 2004 the department provided 2,037 pre-sentence reports, 39 post-release reports and 316 pre-release or parole reports. The statistics show that the sentenced inmate population and the remand inmate population are rising. The Government's legislative reforms, particularly the Bail Amendment (Repeat Offenders) Act 2002, have significantly contributed to this increase. The department is responding quickly to the demands for additional accommodation and additional staff to cope with this increase in population.

Two new facilities have been opened recently: the new 500-bed mid North Coast correctional centre at Kempsey, and the new 200-bed women's facility at Dillwynia. Some \$20.9 million has been allocated in the 2004-05 State budget for the 500-bed multi-classification centre for male and female inmates at Wellington, with an estimated total cost of \$122.5 million. Preliminary work is under way, and when completed the Wellington centre will employ up to 200 staff and inject about \$10 million into salaries and about \$4 million in operational costs into the local economy.

Parklea Correctional Centre has been selected as the site for Australia's first compulsory drug treatment correctional centre, as promised under Labor's compulsory drug treatment plan. The Department of Corrective Services has allocated some \$3.5 million—\$2 million in 2004-05—to upgrade an existing building at Parklea for use as the compulsory drug treatment correctional centre. Inmate custody management is not the only area where the department's work is increasing. In July 2003 the department's parole reforms created a presumption in favour of parole supervision. This reform has resulted in hundreds of additional offenders being subject to supervision—many requiring urinalysis—each year.

The number of parolees registering with the Probation and Parole Service has increased from 2,145 in the six-month period from January to June 2003 to 2,729 in the six-month period from January to June 2004. I hope these details will give you some insight into the varied and vast work that the Department of Corrective Services undertakes, and that this insight sheds some light on the real value of the budget figures. I thank you for the opportunity of making these introductory remarks.

The Hon. MELINDA PAVEY: I would not expect you to know everybody who works in the Department of Corrective Services, but have you heard of a John Campbell?

The Hon. JOHN HATZISTERGOS: Yes, I have.

The Hon. MELINDA PAVEY: What do you understand his position to be?

The Hon. JOHN HATZISTERGOS: The commissioner can answer questions about the details of his position. I do know Mr Campbell through his union activities, and I have met him on several occasions.

Mr WOODHAM: He is a correctional officer attached to Goulburn gaol.

The Hon. MELINDA PAVEY: So his job would be as a correctional employee at Goulburn gaol, is that right?

Mr WOODHAM: Yes. He is also the chairman of the prison officers vocational branch or prison officers union in New South Wales.

The Hon. MELINDA PAVEY: So he is head of the prison officers union in New South Wales. What sort of roster would Mr Campbell be operating on out of Goulburn gaol?

Mr WOODHAM: Lately, because of the workplace reform package that we are about to roll out, he has been involved in negotiations on a fairly continual basis with management and preparing their case with the Public Service Association [PSA].

The Hon. MELINDA PAVEY: Not so successfully, as evidenced today with the strike at Long Bay Gaol.

The Hon. JOHN HATZISTERGOS: No. That has nothing to do with it.

The Hon. MELINDA PAVEY: Nothing to do with it?

The Hon. JOHN HATZISTERGOS: No.

The Hon. MELINDA PAVEY: Does Mr Campbell live at Goulburn?

Mr WOODHAM: That is where his home is, yes.

The Hon. MELINDA PAVEY: Would you be able to provide to the Committee the roster for Mr Campbell, showing how many hours of work he is putting in at Goulburn gaol?

The Hon. JOHN HATZISTERGOS: We will take that question on notice.

The Hon. MELINDA PAVEY: Would you be able to provide to the Committee the costs paid by the department to have Mr Campbell travel around New South Wales in his car?

Mr WOODHAM: The PSA pays most of those costs, not us.

The Hon. MELINDA PAVEY: Most of those costs?

Mr WOODHAM: Yes.

The Hon. MELINDA PAVEY: Can you provide to the Committee the details of the costs that are picked up by the Department of Corrective Services?

Mr WOODHAM: Yes.

The Hon. MELINDA PAVEY: Can you also provide any details, if it is applicable—we believe it is—for a housing allowance for Mr Campbell that is picked up by the Department of Corrective Services?

Mr WOODHAM: I am not aware of one but we will take that on notice.

The Hon. MELINDA PAVEY: And any telephone costs reimbursed to Mr Campbell, whether they be mobile phones or home phones.

The Hon. JOHN HATZISTERGOS: We will take these questions on notice. What you are asking for is the allowances and salary—

The Hon. MELINDA PAVEY: I am asking for what I am asking for. And any meal allowances or travelling away from home allowances that Mr Campbell receives through the Department of Corrective Services.

Mr WOODHAM: Yes.

The Hon. CHARLIE LYNN: Mr Woodham, how many prison wings have been or are being closed due to the overestimation in the growth in the prison population and the new building program?

Mr WOODHAM: At this stage we have closed No. 7 wing and No. 9 wing at Long Bay. That was always on the agenda as we commissioned the 200 new cells at Parklea and the 500-bed gaol at Kempsey. We are closing down and mothballing really old building stock.

The Hon. CHARLIE LYNN: Has this resulted in job cuts and partial closures at Goulburn, Grafton, Cessnock and Silverwater correctional centres?

Mr WOODHAM: As I said, we have a workplace reform package about to roll out. What has happened is that every correctional centre has been visited by the Senior Assistant Commissioner. We have had videos, and I have written to every single employee on two occasions about the third one. Each gaol has put a focus group together and put in a submission about how they think we can modernise the work practices at every correctional centre, which may lead to some positions being deleted. However, no-one will lose their job. They might have to move to another correctional centre.

The Hon. CHARLIE LYNN: There have been some disclosures by the member for Bathurst, Gerard Martin, that you in fact propose to close the Parramatta and Cooma prisons.

The Hon. JOHN HATZISTERGOS: No. First, that is a policy issue. It is not a matter for the commissioner to decide if he is going to close a prison, so you direct the question to me.

The Hon. CHARLIE LYNN: I will direct it to Mr Woodham and then you can work out who will answer it. Mr Martin has indicated that you propose to close the Parramatta and Cooma prisons. My question is: Why are you deferring the closures until after the Federal election, particularly Cooma? Does that have anything to do with the Eden-Monaro seat, which is a very marginal seat?

The Hon. JOHN HATZISTERGOS: This is rubbish.

The Hon. CHARLIE LYNN: So you are not closing Cooma?

The Hon. JOHN HATZISTERGOS: No, we are not, and we are not going to close Bathurst.

The Hon. CHARLIE LYNN: You never will?

The Hon. JOHN HATZISTERGOS: No. The only people who close prisons in this place—

The Hon. CHARLIE LYNN: Pardon?

The Hon. JOHN HATZISTERGOS: You are the people who close them.

The Hon. CHARLIE LYNN: No, the question is to you.

CHAIR: Order! The Minister will be allowed to answer the question.

The Hon. JOHN HATZISTERGOS: We are not going to close Bathurst and we will not close Cooma. I made that point quite clear. We reopened Cooma, and we are not going to close Bathurst. Bathurst was closed because at one point when you were in government there was a riot which destroyed the gaol. It had to be rebuilt, and then it was reopened, and it will be reoperated. There is no proposal to close correctional facilities. The only person who is on record as saying that they want to close prisons is John Brogden. He said so at your State council meeting. He said he wants to close prisons. Remember: Open schools, close prisons. I have no problem with his opening schools; I do have a problem with his closing prisons.

We are not going to close a prison. The only prison that I have indicated on the public record that we would like to close down the track would be Parramatta. In fact, the Coalition closed that prison, but we had to reopen it because of the inmate numbers. But we do not have any firm proposals to close it in the immediate future.

The Hon. CHARLIE LYNN: Have you chastised the member for Bathurst for making that disclosure?

The Hon. JOHN HATZISTERGOS: Making what disclosure?

The Hon. CHARLIE LYNN: That you propose to close Parramatta and Cooma prisons.

The Hon. JOHN HATZISTERGOS: I am not aware of the comments that you have made. Parramatta is one that we are on record as saying we would like to close when circumstances permit, but the circumstances do not permit at present. It is a very old prison—

The Hon. CHARLIE LYNN: Particularly with a Federal election coming up.

The Hon. JOHN HATZISTERGOS: Cooma is not going to close. It has a very specialised function in the correctional system.

The Hon. MELINDA PAVEY: Will it be downgraded?

The Hon. JOHN HATZISTERGOS: No.

The Hon. MELINDA PAVEY: So the level of staff—

The Hon. JOHN HATZISTERGOS: Can I ask a question?

The Hon. MELINDA PAVEY: No. It is our job to ask you questions.

The Hon. JOHN HATZISTERGOS: Do you know what function Cooma performs in the system?

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The Hon. MELINDA PAVEY: This is not a time for the Minister to be asking us questions, Madam Chair. I ask you to call him to order.

CHAIR: No, there is no point of order.

The Hon. JOHN HATZISTERGOS: If you knew the function Cooma performs, you would not be asking such a silly question and embarrassing yourself. I know a lot of these questions come from the shadow Minister and he puts you up to asking them, but you have to be a little bit discerning with the questions you ask and exercise some judgment before you allow yourself to be made to look so silly by putting a proposition of that kind. We reopened Cooma.

The Hon. CHARLIE LYNN: You just claimed in your opening statement, Minister, that the prison population is growing. Yet the budget papers say the average daily prison population in 2003-04 was 8,300, and in 2004-05 it is also 8,300. This would indicate that the prison population has levelled off.

The Hon. JOHN HATZISTERGOS: No. The prison population, as I indicated—if you listened to what I said—is 8,668 as at 29 August. If you read the budget papers appropriately you will see it did not have an appropriate marking which would indicate what the estimate was because when the papers went to print it was not possible to give that estimate. So the same figure from last year was translated, and that is specifically able to be read into the budget papers if you read them appropriately. All the other figures that are left there for 2004-05 have indicated they are estimate figures. So, again, you have not read the budget papers properly, and we have already exceeded the 8,300. That probably answers your query about closing gaols.

The Hon. MELINDA PAVEY: So, Cooma will not be changing its status or changing its position under your watch, is that what you are saying?

The Hon. JOHN HATZISTERGOS: Cooma has a specialised function. Its function is essentially as a protection prison, and there is no proposal to change its function and there is certainly no proposal to close it. As a matter of fact, I think we increased the size of Cooma by 30 in the past 12 months. I think that is an answer to that sort of nonsense that the shadow Minister has rattled off. Ms Pavey, you are a very intelligent woman and you are a person I have a very high regard for. You really should not be regurgitating questions that I have already—

The Hon. MELINDA PAVEY: I am damned with faint praise. Minister, on a more serious issue, why do women leave the department at a rate approximately five times the rate of male employees, as evidenced in the last annual report, for 2002-03, with more than half of the 491 staff departures being women?

The Hon. JOHN HATZISTERGOS: I do not know about—

The Hon. MELINDA PAVEY: Commissioner?

Mr WOODHAM: Can I just say we are opening Dillwynia gaol, and the next training school we have in is all women; there are no men. There are 35 women coming in, followed by another 20, and there is not a male person in the training school. So, it is not that people are not interested in joining our job; there can be a whole range of reasons why women leave the work force, as you would be quite well aware. It could be family—

The Hon. MELINDA PAVEY: At five times the rate?

Mr WOODHAM: There is a whole range of issues with women that could cause them to separate from the work force.

The Hon. CHARLIE LYNN: Is bullying one of those issues?

The Hon. MELINDA PAVEY: Is bullying or harassment one of those issues within the Department of Corrective Services?

Mr WOODHAM: Bullying and harassment is something we take very seriously, and as soon as we find out about it or get told about any episodes, we move straight into it.

The Hon. MELINDA PAVEY: What sort of action have you taken to stamp out bullying and harassment?

The Hon. JOHN HATZISTERGOS: Hold on, we are not conceding in the answer the commissioner has given that bullying and harassment is the cause of all these departures you are referring to.

The Hon. MELINDA PAVEY: Would you concede, Commissioner, that there have been instances of bullying and harassment within the department that have resulted in women leaving the department?

Mr WOODHAM: That could be the case.

The Hon. MELINDA PAVEY: What action have you taken against the Acting Deputy Governor of Parramatta Correctional Centre for multiple allegations of bullying of female staff, including Ms Cassandra Gavin, whose case was ignored by the department and the union but which was upheld by WorkCover, who issued a notice to improve on bullying and harassment procedures?

The Hon. JOHN HATZISTERGOS: These are the sorts of questions that John Ryan was a specialist at providing, and no doubt they have come from this sort of source. We have processes in the department that allow for the investigation of complaints of this nature. We take them fairly seriously, and those matters can be dealt with appropriately. This is not the appropriate venue for those sorts of issues to be ventilated concerning individuals, besmirching names. It is a case I am not aware of. From time to time I get briefings on cases of some notoriety in the department. The commissioner is not aware of it either. If you want to talk to us about general issues, we are quite happy to do so. But you said 491 employees and you are alleging that one person has been the subject of bullying and harassment, and I do not know whether she has left the department or not. I think it is an inappropriate use of this estimates hearing to be ventilating cases concerning individuals in a forum such as this.

The Hon. MELINDA PAVEY: I do not think it is an inappropriate venue to raise issues of sexual harassment within the Department of Corrective Services when there is clearly a problem given that women are leaving that department five times more than men.

The Hon. JOHN HATZISTERGOS: It is not due to the—

The Hon. MELINDA PAVEY: How many cases of sexual harassment and bullying have you had lodged with the Department of Corrective Services in the past year?

Mr WOODHAM: I cannot tell you exactly, but there have been some and they have been managed. Mr McLean, the Senior Assistant Commissioner, can tell you about the one you have raised. It has been dealt with.

Mr McLEAN: The matter you are talking about at Parramatta was dealt with properly in the grievance procedure. It was dealt with by the commander, Dave Farrell. The complainant at the time was not satisfied with that, and asked through an appeal process to be seen by me, which we did. I was satisfied that the procedures had been dealt with in the proper manner.

The Hon. MELINDA PAVEY: Are you saying there was a case of bullying and harassment found?

The Hon. JOHN HATZISTERGOS: No.

The Hon. MELINDA PAVEY: Why did WorkCover issue a notice to improve on bullying and harassment procedures?

The Hon. JOHN HATZISTERGOS: It does not—

The Hon. MELINDA PAVEY: Clearly, Minister, there is a problem within the department when you have five times the—

CHAIR: Order! You will allow the Minister to answer the question.

The Hon. JOHN HATZISTERGOS: Again, you are a very intelligent woman, but you do not seem to be following the chain of events. You are saying there is five times the rate of increase. You have not established that those persons, or even the majority of them or a substantial number of them, have left due to the cause you have identified. You have raised one incident and you have put on public record individuals' names. In a case—

The Hon. MELINDA PAVEY: The individual concerned was very happy to—

CHAIR: Order! The Hon. Melinda Pavey will be silent while the Minister answers the question.

The Hon. JOHN HATZISTERGOS: The individual against whom the allegation was made may not have had the same view and was dissatisfied with the outcome. There are processes. We have tribunals in New South Wales where people can ventilate their rights and their cases. These sorts of questions were raised last year by John Ryan, and I will reiterate. I think the payout for claims relating to antidiscrimination was about \$57,000 last year, which, for a department of our size, is very low given that we have 5,500 employees. The antidiscrimination commissioner has not come to me, or as far as I am aware to the commissioner, indicating that we have this bullying and harassment dilemma that you have identified. I have no evidence that women are leaving the work force for that reason. If you want to do a survey of why people leave, do so by all means. But we were told to come here to prepare to answer certain questions that your shadow Minister had prepared for us, and so far none of the questions you have identified has come from that list.

The Hon. CHARLIE LYNN: Minister, would it be a fair question to ask that if the number of women is five times the amount, you would have expected a survey to find out why it is five times the amount?

The Hon. JOHN HATZISTERGOS: I do not know what is in other departments. Does it vary in other departments?

The Hon. CHARLIE LYNN: Five times the amount is a fairly large amount.

The Hon. JOHN HATZISTERGOS: I have not had one woman, obviously, come to me to complain about the policies and procedures that we have in place. But I will do this. I will be happy to give you policies that we have in the department to deal with these sorts of issues and processes.

Mr WOODHAM: We believe the answer is in the annual report, where 74 men and 22 women separated from the department in the custodial ranks last year. So, I do not know where you get five times the rate. It is in the annual report on page 133.

CHAIR: Before we proceed any further, I remind all members of the Committee about Legislative Council legislative briefing note No. 32 concerning adverse reflections about people made at Committee hearings. That refers, in the instance we have just had, both to the person making the complaint and the person about whom the complaint was made. The general advice from the Clerks is that care should be taken before people, either individuals or positions held by individuals, are named in an adverse way. I caution all members to bear that in mind in future questioning.

The Hon. MELINDA PAVEY: Commissioner Woodham, you just quoted figures from the annual report, 22 women and 74 men, is that right?

Mr WOODHAM: Yes.

The Hon. MELINDA PAVEY: On a per ratio basis of men and women in the Department of Corrective Services it still works out at five times the rate.

Mr WOODHAM: Those 22 women did not all leave because of sexual harassment.

The Hon. MELINDA PAVEY: How many did leave because of sexual harassment?

Mr WOODHAM: You would have to go and interview them. I can go to every individual file and see what they did in their final interview, in their exit interview.

The Hon. MELINDA PAVEY: You will take that on notice?

Mr WOODHAM: In their exit interview you have to find what their reasons were.

The Hon. MELINDA PAVEY: I take it you will provide documentation to the Committee as to why the 22 women have left, to see how many left because of bullying and harassment?

Mr WOODHAM: It would be very low.

The Hon. JOHN HATZISTERGOS: That was in the last annual report.

The Hon. MELINDA PAVEY: I take it on notice you will provide that information to the Committee?

Mr WOODHAM: Yes.

The Hon. CHARLIE LYNN: Commissioner Woodham, do you do stocktakes of demountable classrooms at Cessnock Correctional Centre? How many have gone missing in the past year, and have there been any investigation claims that staff have sold the buildings at personal profit? If so, what action has been taken?

Mr WOODHAM: I have no knowledge—

The Hon. JOHN HATZISTERGOS: We will send someone out to count them tomorrow.

The Hon. MELINDA PAVEY: That would be a very good idea, Minister, because they are very valuable. You would not want a situation where demountables worth a lot of money to the taxpayers of New South Wales are just disappearing.

The Hon. JOHN HATZISTERGOS: It is not the sort of thing you can put in your back pocket and just take off with.

CHAIR: Order! We are not having an argument here. We are having questions on budget estimates. Only one person should be speaking at a time. Please do not interrupt the Minister when he is answering.

The Hon. JOHN HATZISTERGOS: I do not know about demountable classrooms, but they are not exactly the sorts of things you put in your back pocket and walk out of gaol with.

The Hon. MELINDA PAVEY: No, you put them on the back of a truck in the middle of the night and you can sell them and make some money. Is that happening at Cessnock?

Mr WOODHAM: I have no knowledge of it.

The Hon. MELINDA PAVEY: You are going to count them tonight or tomorrow, did you say, Minister?

The Hon. JOHN HATZISTERGOS: I have more important things to do than answer spurious issues like that. If you thought my priorities as Minister are to go around a correctional centre and count the number of demountable classrooms, I think you would have something to say about my priorities. That is why we have people who do those sorts of things.

The Hon. MELINDA PAVEY: You just said that, Minister.

The Hon. JOHN HATZISTERGOS: I am just being facetious.

The Hon. MELINDA PAVEY: But will we take that question on notice and you will investigate the situation with demountables at Cessnock?

Mr WOODHAM: Yes. It will not be hard to count what should be there.

The Hon. MELINDA PAVEY: Has the occupational health and safety issue at Silverwater gaol, in relation to toxic vapour vents, been addressed?

Mr McLEAN: We have a program which has been developed in the Silverwater complex in relation to what is being evaluated to see whether or not it is toxic waste on that site. Exhaust fans were placed in the construction of that facility, and that was considered adequate in all areas. At the end of the day, as we have just said, we are prepared to look at that again in relation to what has been alleged is toxic waste or fumes from toxic waste.

The Hon. MELINDA PAVEY: So, as I understand it, some sprinklers kept going off, is that right?

Mr WOODHAM: Yes, there was some gas leakage, and we brought in the proper authorities. I forget the authority—WorkCover came in. We have not had any complaints recently.

The Hon. MELINDA PAVEY: So the sprinkler systems just turned off? Or is it still operating; is it all back to normal? Have you been able to identify the problem?

The Hon. JOHN HATZISTERGOS: We will take this on notice and we will give you some information. This is so critical to the Opposition's inquiry into this matter.

CHAIR: The time for this segment of Opposition questions has expired. We will now have 10 minutes of questioning by the Hon. Peter Breen.

The Hon. PETER BREEN: Minister, in your opening statement you made a comment about certain measures that are in place to reduce the risk that inmates will reoffend after release. Is it the case that New South Wales has the highest prisoner recidivism rate in Australia?

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The Hon. JOHN HATZISTERGOS: There are a number of things to say to you, Mr Breen. The first is that when you talk about recidivism rates—and you are only discussing prisoners, you are not talking about people in community corrections—the Productivity Commission makes it perfectly plain that the figures are not comparable. The reason they are not comparable is that we are the only jurisdiction that has a Drug Court. The Drug Court uses the correctional system, as you would be aware, as a method of punishing individuals who transgress its orders. And you know what the nature of recidivism is like amongst drug offenders. They go in and out, according to various violations of Drug Court orders, and each one of those registers as a statistic. The issue there is that no other State has that. We do, and that inflates the figures in New South Wales compared to other jurisdictions.

In any event, as the Auditor-General and the Productivity Commission has made clear, recidivism is not a measure of the success solely of the correctional system, for a number of reasons. Firstly, it does not take into account the profile of offenders in custody. In New South Wales we have more of everything than other States: more people who are drug affected and subject to mental illness, in some cases with dual diagnoses, and a lot more serious and violent offenders in custody. So the profile is not taken into account in the other systems. The other factor that is quite significant so far as recidivism is concerned is the nature of policing.

The nature of policing has a very big impact on recidivism. If you have a more effective police force that brings people into custody much more regularly upon their transgressions, that, of course, inflates the figures for recidivism. Whereas if you have a police force that is ill-equipped and standing back, the statistics fall back because those people are not coming back into custody. They are factors that affect the recidivism figures. I should also make it quite clear to you that about 70 per cent, I think—it may even be higher—of the offenders who come into custody come into custody for very short periods, six months or less.

Many of those offenders are people who have underlying health issues. They may have come into custody because of a property offence but have underlying drug habits which cannot be dealt with by a correctional system in six months. This has been identified in the Legislative Council committee report on the increase in prisoner population, where there was a suggestion that we look at abolishing sentences of under six months because they are not effective. Andrew Humpherson said the same thing in his dissertation after his 42-day overseas trip. He came back and said that he did not believe six-month sentences should exist. You can see that there is a view around the place that short-term sentences should not exist and that, therefore, those people who get those sentences and might reoffend because of their underlying health issues are not the product of the correctional system.

The Hon. PETER BREEN: Do you agree with abolishing short-term sentences?

The Hon. JOHN HATZISTERGOS: My job is to administer the orders set down by the courts and to administer them faithfully. The issue in relation to short-term sentences is a matter before the Sentencing Council. They are formulating all of the views and will come to a view and the Government will consider that in due course. What I get irritated about is not so much the short-term sentences; I can accept the fact that someone is punished for committing an offence and therefore ought to go to prison and may get a short-term sentence. If it is the view around the place that these people should be punished and put into custody that is fine. You are punishing them.

But if you take the view that a sentence ought to be not just about punishment but also about rehabilitation, I have to agree with the views expressed by the Opposition, that is, that a short-term sentence is ineffective in achieving that outcome. I will do whatever the courts tell me. If the courts say to send a person to gaol for six months we will do that and we will do our best for that offender. But realistically, I agree with what the Opposition has put forward from the 42-day overseas study tour and also in John Ryan's report on the Select Committee on the Increase in Prisoner Population that there are limits as to what a correctional system can do.

The Hon. PETER BREEN: The reason I asked the question about recidivism is there appears to be a budget cut of \$9.5 million from specialised rehabilitation services. Are you aware of that and can you explain it to the Committee?

The Hon. JOHN HATZISTERGOS: I am not aware of that. I do not think it is correct, actually. Mr Grant will clarify that.

Mr GRANT: I have not got the budget papers in front of me so I cannot quote from the figures. I am very aware that the Government in this financial year has made a commitment to its repeat offender strategy to increase the allocation of funds for programs addressing the reduction in reoffending. In this current financial year we will be expending an additional \$2 million on those programs targeted at reducing reoffending beyond what we have had. There have been no cuts that I am aware of. In addition, a further \$1 million has been provided to improve the capacity of the correctional system to do appropriate assessments on the risk of reoffending, so that those resources that do exist can be more appropriately targeted.

The Hon. PETER BREEN: You are not aware of any proposed cut?

Mr GRANT: If it is in the budget papers I believe it is an artefact of some error.

Mr SCHIPP: I think you might be referring to Budget Paper No. 3, Program 44.2, Assessment, Classification and Development of Inmates, which indicates four lines from the bottom that the depreciation and amortisation budget was reduced in 2003-04 from \$6.7 million to \$2.57 million in 2004-05. Therefore, there is a \$4 million reduction in the depreciation cost. That is an accounting entry because of the reclassification of some of our assets. In terms of the amount of money that is being put into programs, as Mr Grant indicated, in the budget this year there was about \$5.8 million enhanced money going towards programs, as well as an extra \$3.2 million towards the operation of the mental health screening unit at the Metropolitan Remand and Reception Centre [MRRC]. Of the \$5.8 million enhancement, about \$3 million was related specifically to the care and containment of inmates, \$2 million for programs and an extra \$1 million for the implementation of the risk assessments.

The Hon. PETER BREEN: Commissioner Woodham, you indicated that wings 7 and 9 would be closed. Are there any proposals to close other wings at Long Bay gaol?

Mr WOODHAM: No.

The Hon. PETER BREEN: Is it the case that one of the bases for the current strike by correctional officers is the prospect of other wings being closed at Long Bay gaol?

Mr WOODHAM: No.

The Hon. JOHN HATZISTERGOS: Wings 7 and 9 were staffed on overtime; the existing officers staffed 7 and 9 wings on overtime. When the wings were closed, obviously that overtime went. They wanted the equivalent positions of, in effect, overtime reallocated to the remaining two wings that they staffed. That was what the dispute was about. It was not as if anyone was going to lose their job.

Mr WOODHAM: It was agreed in the Industrial Commission today that we were quite right taking 17 positions by closing those two wings. The judge has directed that we enter into further negotiations with the unions on another 8 positions.

The Hon. PETER BREEN: The reason I asked the question is it appears from a layperson's point of view that there are other wings at Long Bay gaol that are in the same condition as wings 7 and 9 and they also ought to be closed.

Mr WOODHAM: The old wings have been modified for specialised programs. They are of the same vintage but they have been retrofitted for special care programs, violence prevention programs, disability programs and sex offender programs. There is no intention of closing those wings that have been retrofitted for those specialised programs.

The Hon. JOHN HATZISTERGOS: I should indicate that we have closed down sections at Mulawa.

CHAIR: The Hon. John Tingle?

The Hon. JOHN TINGLE: Minister, there has been discussion about the increase in prisoner population. It appears from the budget papers there has been a net increase of something in excess of 70 per cent between 1990-91 and now. I know it might be outside your portfolio. Has any study been done or consideration been given to the main cause of this increase? Is more crime being committed, are more offenders being caught or are the courts imposing more custodial sentences? If the trend continues of increases of such magnitude in the prisoner population, could we see the time when the Justice budget starts to catch up with budgets like Health, Education and Police? Is Corrective Services a growth industry?

The Hon. JOHN HATZISTERGOS: I can only look at the information that has been captured by organisations like the Bureau of Crime Statistics and Research. You will recall in more recent studies by Dr Wetherburn the two factors he identified were, first, longer sentences and, second, the Government's policy on repeat offenders and the bail laws. They have impacted, and particularly the latter one in more recent times has impacted substantially. To give you an idea, when I became the Minister in April last year the inmate population was 8,100. It has gone up 600 in just over a year. We are planning for 10,000 places in custody within the next two years.

As I indicated to Mr Breen earlier, my job is to faithfully administer the orders of the court. I do not express opinions about whether a sentence is appropriate or inappropriate. That is not my job. I occasionally get inmates writing to me asking can I do something about an injustice they feel they have had. My reply stock standard is that I administer the orders of the court faithfully; they are the orders that have been imposed by the courts and we do not question them. If there has been an injustice it is a matter for the courts to rectify through the appropriate processes.

The Hon. JOHN TINGLE: If we have a crime blow-out, we cannot contain a cost blow-out in Corrective Services, can we?

The Hon. JOHN HATZISTERGOS: We are looking at ways of increasing our effectiveness and efficiencies in the department. We outlined that to the estimates committee last year in The Way Forward proposal, which we have not actually implemented except in two correctional centres, that is, Dilwynnia and Kempsey, where the union has agreed—in discussions, I might add, that Mr Campbell participated in and was quite useful—to a staffing arrangement which allowed us to run those as publicly operated facilities. We are continuing on with our construction program. We will open Wellington Correctional Centre before the next election, and also in this budget we are committed to establishing a second-chance centre, along the lines of the Brewarrina Correctional Centre, on the North Coast of New South Wales for 50 mainly Aboriginal inmates.

Mr WOODHAM: And 20 women.

The Hon. JOHN HATZISTERGOS: We will also take some steps to establish a transitional centre for men. It is all in the budget papers. Either way, I have just been told that the 10,000 estimate was for the year 2008. I just want to clarify one thing, Mr Tingle, about the situation of facilities. We are not going to go down the track that the previous Government went down. It was just a disaster. It introduced truth in sentencing, which increased the length of sentences that inmates were getting and they did not have the appropriate facilities. There was a three-pronged strategy by the Government of the day between 1988 and 1995 to deal with the blow-out in the numbers that came into custody.

The first strategy was to run around and tell the judges to send more people to periodic detention instead of full-time custody. That is what Michael Yabsley did. The second thing he did was to downgrade security classifications from maximum security to medium and minimum to get people out because he did not have enough maximum security facilities. The third thing not he but his predecessor did was to try to get the Premier of the day to reopen Katingal. The fourth strategy he had

was to go out and look for shipping containers where he could put inmates. They are not strategies we regard as appropriate.

The Hon. MELINDA PAVEY: You missed one—private gaols.

The Hon. JOHN HATZISTERGOS: They built one only private facility and that was at Junee, which is a story in itself. Of course, they closed Parramatta around the same time as they opened Junee. We are not going down that track. We want to ensure that we have adequate facilities to be able to cope with whatever changes in policy occur—and I am talking about judicial policies as much as anything else—that may lead to more people coming into custody.

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The Hon. JOHN TINGLE: How many additional field staff have been employed to provide supervision and programs for offenders in the community on court-based parole? I know there was an increase in funding.

The Hon. JOHN HATZISTERGOS: I have to take that question on notice. I have a figure in my mind, but I do not want to quote it in case it is wrong. These are the people who would be supervised under orders who previously were not supervised.

The Hon. JOHN TINGLE: You appear to need additional staff to supervise.

The Hon. JOHN HATZISTERGOS: We needed additional probation officers.

Mr SCHIPP: An extra 10 staff members were employed last year and another 12 have been employed this year. The additional funding for the parolees under community service orders was \$500,000 last year, and an additional 10 supervising staff were employed. The budget increased to \$1.5 million this year and an additional 20 officers are coming on line.

The Hon. JOHN TINGLE: What amount is being allocated to set up halfway houses for parolees and where will they be established?

The Hon. JOHN HATZISTERGOS: We do not run halfway houses; we fund them.

The Hon. JOHN TINGLE: Is that the responsibility of the Department of Community Services?

The Hon. JOHN HATZISTERGOS: We have a funding program that allows us to fund halfway houses, and the funding is detailed in the annual report.

The Hon. JOHN TINGLE: How much is being allocated? Is the money available to do it?

The Hon. JOHN HATZISTERGOS: Organisations must apply for funding from the department, which has a grants program. We fund those organisations through a competitive process, but we do not run halfway houses.

The Hon. JOHN TINGLE: Has any funding been budgeted for special programs to help integrate inmates back into society?

The Hon. JOHN HATZISTERGOS: The department does many things to help inmates to integrate back into the community. It is one of the most troubling aspects that I have had to confront as Minister. We must all be realistic. People who have been in custody for a long period come out into a different world. We hear all sorts of stories about what happens when they come out. Some of the shocking stories that I have heard are not reported. I am referring to people on day release after having been in custody for a long time and who are taken to shopping centres and collapse because of the lights and technology that they have never seen. They ask the custodial officers to take them back to the correctional centre. Some parolees are encouraged to apply for and are granted parole but reoffend because they cannot cope in the community.

This is a difficult issue. It is more difficult for people who have been in custody for a long time. That is one of the reasons for the establishment of transitional centres at Parramatta and Bolwara

at Emu Plains. The Parramatta centre has been particularly good for women. As they approach their parole date they can integrate back into the community by accessing the service but still be at the transitional centre. The latest recidivism figures I have seen indicate that the rate is about 4 per cent, which is very low. However, the staff have told me that some women who have moved to the centre have requested that they be returned to the corrections system.

The Hon. JOHN TINGLE: Can they go back?

The Hon. JOHN HATZISTERGOS: We have had to take them back because they could not cope. Other women have had to be strongly encouraged to go into the program. Life in a correctional environment is very structured. Inmates do not have to make decisions for themselves. Their work, meals and bedtime are organised for them. They do not face budgeting problems and their visitors come to them. Many inmates in long-term custody can accept that institutionalisation and breaking that down is a challenge. Parole and supervision are important because we can provide guidance as people leave the system. Those who argue that we should abolish parole and churn people straight out into the community at the end of their sentence are committing them to return to the system. The recidivism figures would explode.

The Hon. JOHN TINGLE: Is that because it is too abrupt?

The Hon. JOHN HATZISTERGOS: Yes. They have no accommodation or work organised. Some do not know how to operate automatic teller machines and other new technology. They do not know how to write job applications. We must prepare them for release. Parole staff work intensively with inmates before they reach the parole stage. Not all of those approaches work for everyone, but we must try where we can.

The Hon. EDDIE OBEID: What is the latest information on efforts to prevent inmates using mobile phones?

The Hon. JOHN HATZISTERGOS: I appreciate that question. Honourable members are aware that I have launched a campaign regarding mobile phone use in corrections institutions. No-one should underestimate the serious threat posed by mobile phones to security, good order and discipline in our system. An inmate can use a mobile phone to contact and intimidate correctional staff, their families and prosecution witnesses and to organise escape from custody. I understand that the bomb explosion in Spain was triggered by a mobile phone signal. It is also suspected that that method was used in Bali. These instruments are a major problem.

In addition to correctional centre related concerns, we are aware of overseas developments in this technology. Mobile phones are becoming smaller and now contain very little metal. Some are the size of a credit card. We are also aware of the existence of disposable mobile phones in America. It is foreseeable that as time goes by we will be required to accommodate a growing number of very dangerous inmates, and the thought of them having access to such equipment seriously troubles us because of the risks that that poses to the system. It is not as simple as saying that we must initiate an effective search regime because we already have one. I assure honourable members that corrections authorities have been continuously improving search practices in respect of mobile phones and other contraband.

The department also has a zero-tolerance approach to staff corruption and we work closely with the Independent Commission Against Corruption [ICAC] to prevent it. We have complied with previous ICAC recommendations and will seriously consider further recommendations that have been presented in the latest reports. However, the challenge is also growing as technological advances are made. Intercepting contraband is not made easy by the number of movements in and out of correctional centres. On any given day the equivalent of the entire population of a correctional centre is on the road travelling between correctional centres and courts, between correctional centres and between correctional centres and hospitals. There are approximately one million movements of inmates and visitors into and out of correctional centres every year.

Members must realise that it would be impossible to conduct full body cavity searches of every gaol visitor, as has been suggested by the Opposition. That is what would be required to ensure absolute security. One of the officers found trafficking contraband had it stuck in his groin. These are

not easy issues and that is why I have proposed a trial of jamming equipment at the Lithgow Correctional Centre. On 21 August 2004, in response to my proposal, Andrew Humpherson was reported in the *Lithgow Mercury* as follows:

The Government's proposal to trial mobile phone jamming technology is flawed on so many fronts. All mobile phones being used within a four kilometre radius from the jamming device could be jammed.

However, when he returned from overseas he produced a report in which he stated:

There is a technology available that is one the California Department of Corrections would like to apply...this would 'garble' signals and therefore render mobile phones within a small area unusable...In California...there is also the greatest level of initiative in seeking applying new technology.

This Government has also demonstrated initiative in seeking to trial this technology, but it has been hamstrung by the Federal Government's obstruction. The shadow Minister should share his insights about California with his Federal colleagues.

Legislation passed in New South Wales makes it a criminal offence for an inmate to possess a mobile phone. The State Government's tough new laws provide that any inmate found with a mobile phone, any part of a mobile phone, a SIM card or a charger for a mobile phone can have his or her sentence increased by up to two years. They can also lose various privileges and have their classification reviewed. We are already seeing some of the benefits of that legislation. Three inmates have been charged and two of them have been convicted. On 11 August 2004 the first inmate was sentenced to a further 12 months in prison with an 8-month non-parole period. He was just about to be released when he was found with a mobile phone. On 18 August the second inmate's sentence was increased by four months.

I reiterate that the difficulty in detecting mobile phones is exacerbated by the increasingly small parts, such as SIM cards and, indeed, the decreasing size of the mobile phones themselves. To make matters worse, because mobile phones and SIM cards can be separated, a single unit can be used by several inmates with several different SIM cards. Methods of concealment vary, but a number of inmates have hidden mobile phones in their rectums. The most disturbing aspect of this situation is the Commonwealth Government's failure to work with the State Government. I will spend some time detailing the key dates.

On 22 March 2002 the Australian Communications Authority [ACA] established a working party with the Department of Corrective Services as the lead agency. The working party comprised representatives of correctional jurisdictions, telecommunications carriers, police services and various crime agencies. Its role was to investigate technological or other solutions to this problem. The group met on three occasions but failed to find a solution, for a number of reasons: First, the commercial interests of the carriers; secondly, the potential high cost of the technical studies; and, thirdly, the legislative barriers relating to licensing, supply of service and non-interference with the signal. It appears that the carriers won the day.

The State Government is simply asking for a trial. The Federal legislation allows the military and the police to apply to the ACA for a jamming permit, but it does not allow correctional authorities to apply for a permit. If this whole process is so flawed that it cannot be done and all the technological arguments presented by the Federal Government are valid, why does the legislation allow for two other law enforcement bodies to apply for permits to use jamming equipment but correctional authorities cannot even get in the door? The reason is simple: The carriers have been agitating and are opposed to our case being heard. They would not even allow the Federal Government to commission the technical studies that we say would support our argument.

On 29 November the working group reported that it could not resolve the issue. The ACA clearly indicated its leaning towards the carriers' interests. On 13 May 2003 a conference of all State correctional departments recommended that the States' corrective services Ministers endorse the proposal and approach the Federal Government recommending legislative amendments to allow jamming of illegal mobile phone signals from within the perimeter of correctional complexes. On 16 June the *Australian* reported the serious risk to security posed by inmates having access to mobile phones. The article particularly mentioned instances overseas involving escapes and riots organised by inmates using mobile phones.

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On 17 June 2003 the chair of the corrective services Ministers conference wrote to Senator Alston, who was then the Minister, extending an invitation to attend a conference with corrective services Ministers to discuss this important issue. On 1 July the State and Territory corrective services Ministers carried a resolution to approach the relevant Commonwealth Minister recommending an amendment to the Radio Communications Act to enable legal jamming of mobile phone signals emanating from within correctional complexes throughout Australia. The Ministers also proposed to include an offer from the New South Wales State Government to run a pilot program.

On 1 July, at a press conference, the State corrective services Ministers outlined their agreement to seek the Commonwealth's assistance in this area and the offer of a trial at Lithgow. On 1 July 2003, the very same day, Minister Ellison indicated that the appropriate course was for us to go to the national working group established under the Australian Communications Authority's Law Enforcement Advisory Committee and to have the issues ventilated there. But, of course, that body had already made its decision in November of the previous year and decided to disband. So we were obfuscated. We were just given a little thought to keep us quiet, to pretend that the whole issue would be resolved through a committee process that had already disbanded some six months earlier.

The very same day the chair wrote to the Commonwealth communications Minister seeking assistance to enable jamming of mobile phone signals emanating from within the complexes. On 6 July, a few days after that letter was sent, the Commonwealth Government asked the Australian Communications Authority [ACA] to investigate the feasibility of allowing mobile phone jamming devices in prisons.

On 11 July the ACA released a report opposing mobile phone jammers in correctional centres and recommending that corrective services explore other options. In other words, five days after the request was made, the ACA issued a report. We even had the spectacle of one of the officers of the ACA ringing an officer of my department saying, "Look, I am writing up this report. I am just going to let you know, I am going to tell you the same thing I told you back in November 2003." This process was a farce. We were treated like idiots and fools by the Federal government. We thought this process was going to be constructive, but we were simply treated with derision; we were treated like a joke, in the face of a very serious problem.

On 13 August, after I received a report, I wrote to Alston and I pointed out the ongoing problems. I indicated that we wanted a trial, that we wanted co-operation. On 18 September the Premier also wrote to the Prime Minister concerning the use of mobile phone jamming technology in prisons, pointing out in particular the dangers they pose because of the dangerous nature of inmates that are now coming into custody.

On 23 September 2003 I received a reply from the Minister's office. But it was not from the Minister; it was from a Mr Richard Windeyer, who is, I am told, a telecommunications adviser from the office of the Federal Minister for Communications, Senator Alston. In his letter Mr Windeyer said that the Minister saw little role for the Commonwealth on this issue. He further said that the issue of a proposed trial of jamming in prisons had been referred to the ACA's report and had been rejected. I suggested we conduct a tour of other correctional facilities around the world that have such jamming equipment installed, of which there is a number, and have a look at the equipment. I asked Mr Windeyer to participate in that. He said that he would not be nominating any official to participate in these types of visits. You get an impression of the obfuscation we have had.

The Premier again raised the issue this year. On 21 April he wrote to the Prime Minister. I noted with interest that the Prime Minister at the time, on 22 April, said that he would consider the issue. He said, "I'll have a look at it. I don't know how technically feasible it is." He ought to know how technically feasible it was, because on 21 April 2004 Steve Price interviewed the Premier on 2UE and this issue was ventilated. Steve Price said that he was in Bali with the Prime Minister. He said, "Interesting that the Prime Minister is not in favour of it, given that I was with him in Bali and he used the very same equipment to jam everybody's mobile phone whenever he arrived at a location." So the Prime Minister used jamming equipment to jam everybody else's mobile phone when he was wandering around in Bali, but all these other people are saying, "It's not technically feasible; it's too difficult to do." As I said, on 22 April the Prime Minister said he would have another look at the issue,

but that he does not know how technically feasible it is. He ought to know how technically feasible it was, because he was using the equipment in Bali.

I welcome the Prime Minister's commitment to this matter. I do not have to talk about how stupid the shadow Minister's comments were in Lithgow; I think the Prime Minister has responded appropriately through his intervention. We believe that this is an important issue. We intend to keep up the pressure on the Federal Government to ensure that the issue is not taken off the agenda. The Ministers met again, and we asked them to consider this issue. The alternatives that are being raised by the Federal Government have all been explored. One of them was to put Faraday shields over correctional centres, which is outrageous. The other alternative was to have cell-based stations. The carriers will not agree to share them. If they were placed at the Metropolitan Remand and Reception Centre, you would need about six of them for each carrier, at a cost of US\$150,000 per cell station. That is simply ridiculous as well. The Federal Government even told us about getting mobile phone detection equipment. We have such equipment; indeed, I think our correctional system is the only correctional system in Australia that uses them. In fact, Victoria wanted a loan of them at one stage. We have also implemented the two-year penalty for people who are in possession of such equipment. The only other State that has a similar arrangement is Queensland. So we are doing what we can on this issue, and we will not let go. I hope that answers your question comprehensively.

The Hon. MELINDA PAVEY: Minister, I hope you can answer this question with the same depth of knowledge, passion and commitment. How much was spent in compensation payments to inmates in 2003-04?

The Hon. JOHN HATZISTERGOS: Is this the question on notice?

The Hon. MELINDA PAVEY: No.

The Hon. JOHN HATZISTERGOS: The shadow Minister sent us some questions. The question we were given was: How many compensation payments were made to inmates on claims made in 2003-04?

The Hon. MELINDA PAVEY: It is the same question.

The Hon. JOHN HATZISTERGOS: It is not actually; it is a slightly different question. Is that the question you are asking?

The Hon. MELINDA PAVEY: I asked: How much was spent in compensation payments to inmates in 2003-04?

The Hon. JOHN HATZISTERGOS: That is a different question from the one that we were provided by the shadow Minister.

The Hon. MELINDA PAVEY: So you do not have the answer to my question?

The Hon. JOHN HATZISTERGOS: I have the answers to both questions, but I want to know which one you want the answer to.

The Hon. MELINDA PAVEY: I want the answer to this question: How much was spent in compensation payments to inmates in 2003-04?

The Hon. JOHN HATZISTERGOS: The payments that were made, I understand, were around \$700,000. They were for claims made from 1994, when the Coalition was in government, until the present time. I think the payments are a substantial decrease on what was paid last year. I should indicate that they were paid out of the insurance. Our insurance is about \$6.7 million. We paid a premium of \$6.7 million and there was a payout of \$700,000, down from \$1.7 million last year.

The Hon. MELINDA PAVEY: Why the improvement in payout of compensation? Why has it fallen?

The Hon. JOHN HATZISTERGOS: These things cannot be looked at on a year-by-year basis, because some of these claims take a long period before they get to court. Firstly, the number of claims has decreased compared with the previous year. I think 17 claims were actually determined this year, as compared with the previous year. So the number of claims has gone down, but probably also the severity of the claims has gone down. Apart from all that, I have made a point of ensuring that all claims are fully investigated, as far as possible, and that wherever we have legal advice that indicates there are reasonable prospects of success, the case will be litigated.

The Hon. MELINDA PAVEY: A tougher position in terms of investigation?

The Hon. JOHN HATZISTERGOS: Some of these cases are very old. But some of the fruits of what I have just indicated will not be seen for years to come.

The Hon. MELINDA PAVEY: Do you hope to see this trend continuing?

The Hon. JOHN HATZISTERGOS: A person in the system may be brain-damaged, for example, and that can be a multimillion-dollar claim if it was as a consequence of negligence by someone. For example, a death may occur because of the fault of someone. These are not easy issues, but we are on top of the problem, I believe, as far as we can be. We also have to do a lot of work in terms of prevention and ongoing claims. But there has been a significant drop this year. As I said, we paid out a premium of about \$6.7 million and the payouts on the policy totalled about \$700,000. I should indicate that our policy premium also went down compared with the previous year. The previous year our policy premium was about \$1 million more. Of course, the insurers take a long-term view of these things. They do not look at simply what happens in one particular year; they look at the long-term trends. The fact that we got a reduction of about \$1 million indicates that they have some satisfaction in terms of the way we are going.

There is another interesting figure that I want to share with you, because you want in-depth answers. That is the figure in relation to workers compensation claims. You would be interested in this. In the last year the Coalition was in office, the workers compensation payout figure for the department was in the order of \$11 million. This year the department's workers compensation payout figure has gone down to about \$3 million. Just about every year we have been in office, the figure has been declining. It declined again this year, compared with previous years. I am glad you are happy with that.

The Hon. MELINDA PAVEY: Minister, are you aware of the purchase of a new boiler for the commercial laundry at Long Bay prison?

The Hon. JOHN HATZISTERGOS: I do not do these things—

The Hon. MELINDA PAVEY: Commissioner, are you aware of the purchase of a new boiler for the corrective services industry? You should be aware of it, Minister; it is where you make some money, because the inmates do a lot of work through the corrective services—

The Hon. JOHN HATZISTERGOS: I am aware of corrective services industries, and I understand that it offsets the other expenses that the department has. I think we make about \$38 million a year out of corrective services industries. So when you say I should be aware, I am aware of that. But I do not go around buying boilers. I do not look up the *Trading Post* or the *Yellow Pages*. I do not do these things, it might stagger you to hear. I know you have not closely studied, perhaps as much as you should have, what the Minister actually does. But I do not actually look up the *Yellow Pages*, ring the suppliers of boilers, and get quotes in. We actually pay people in the department to do that sort of thing.

The Hon. MELINDA PAVEY: I was, just as a courtesy, putting the question through you, Minister. You have not had any knowledge or understanding of the purchase of a new boiler at Long Bay prison?

The Hon. JOHN HATZISTERGOS: The last boiler I can recall is the one my mother used to have when she had her old laundry. That was about 30 years ago.

The Hon. MELINDA PAVEY: It would have been a kerosene one, would it not?

The Hon. JOHN HATZISTERGOS: I remember we used to have an old one that you used to light underneath and turn it around. That is all I know about boilers.

CHAIR: An old woodchip heater.

The Hon. MELINDA PAVEY: Commissioner, are you aware of the purchase—?

The Hon. JOHN HATZISTERGOS: We might get the appropriate boiler person to take the question on notice.

The Hon. MELINDA PAVEY: It is a serious issue that I am about to lead into.

The Hon. JOHN HATZISTERGOS: I am sure it is. I am sure there is an expert in boilers in the department who can answer your question.

The Hon. MELINDA PAVEY: Minister, I would appreciate your allowing me to continue my line of questioning. Mr Woodham or Mr Schipp, are you aware of the purchase of a new boiler at Long Bay prison?

Mr SCHIPP: I am not aware of the specifics, but certainly in terms of the Long Bay redevelopment we are replacing the existing boiler with alternative arrangements for providing hot water to the site.

The Hon. MELINDA PAVEY: I understand that the purchase of the boiler was funded by a \$125,000 grant from Treasury, is that right?

Mr SCHIPP: The Long Bay redevelopment is a \$35 million redevelopment of that facility. The actual component of that designated for the replacement of the boiler system, from my memory, was closer to \$0.5 million. But there was a combination of solutions to that situation, including the provision of hot water for showers through individual instant hot water services, as well as the provision of high-temperature hot water for the laundry service.

The Hon. MELINDA PAVEY: I understand there was a grant from Treasury for the purchase of the boiler. However, there was a shortfall in funding of around \$200,000 for the installation of the boiler. To fund that shortfall, was there any change to a contract price to fit out the fire systems within Long Bay prison?

Mr SCHIPP: Once again, the upgrading of the fire systems at Long Bay was another part of the redevelopment, which obviously included repiping the site for the delivery of water across the site, for hot water or fire purposes. As I said, I am not aware of the detail.

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If there is a specific issue you would like us to investigate, I am sure we will be quite happy to do that, but I do not have the detail of how much money may have been short on the tender for one particular project and another particular project used to offset that.

The Hon. JOHN HATZISTERGOS: Could I just get this question clear in my own mind? You are saying that the Treasury gave us \$120,000 to buy a new boiler and then we needed \$320,000 to buy this—

The Hon. MELINDA PAVEY: No, another \$200,000 to install it.

The Hon. JOHN HATZISTERGOS: Yes, \$320,000 to buy this boiler, or boilers.

The Hon. MELINDA PAVEY: No. The boiler cost \$120,000, but then I believe it was going to cost another \$200,000 to install the boiler.

The Hon. JOHN HATZISTERGOS: Which Treasury was not going to give us.

The Hon. MELINDA PAVEY: That is right.

The Hon. JOHN HATZISTERGOS: So we then go around and pilfer money off some other contract to pay for this boiler's installation?

The Hon. MELINDA PAVEY: You actually do not pilfer the money off a contract, you actually, allegedly, bump up the cost of the contract without going out to tender, which breaches the Public Finance and Audit Act.

The Hon. JOHN HATZISTERGOS: That is your allegation?

The Hon. MELINDA PAVEY: Yes.

Mr SCHIPP: We would need to investigate that. In terms of the boiler, if we are talking about industries for the provision of commercial laundry, we do allocate project money through our minor works program in addition to the money that is allocated through the major works program, such as the Long Bay redevelopment.

The Hon. JOHN HATZISTERGOS: Treasury does not give you \$120,000 to buy a boiler.

Mr SCHIPP: They give us \$10 million in minor works. We have a process for allocating that money across the projects that bid, and there is a process internally. Typically we get more bids for minor works dollars than we have available. We prioritise our allocation and a part of that allocation is to set aside for the provision of equipment for running commercial operations. Now if there is a concern that a tender has been inappropriately modified to incorporate work, I advise that most of our tendering—if not all of our tendering; certainly for major works—is done through the Department of Commerce and through the State Contracts Control Board with the appropriate use of probity auditors, and if something has gotten around that process, it is certainly needs to be investigated.

The Hon. JOHN HATZISTERGOS: Have you referred this allegation to the ICAC?

The Hon. MELINDA PAVEY: I am referring it to you now, Minister. Have you got a pen and paper? Your Government is not very good at writing down allegations of corruption.

The Hon. JOHN HATZISTERGOS: I have investigated a lot of things that have been put to me by the Opposition and I have found they have had no substance.

The Hon. MELINDA PAVEY: I thought it was the appropriate time to bring the issue to the attention of the department and the Minister.

The Hon. JOHN HATZISTERGOS: I am a little bit troubled by, firstly, the opening allegation that Treasury gives me \$120,000 to buy a boiler. That is just ridiculous. I do not micro-manage those matters, and you know that—or you ought to know that. We will take the question on notice.

The Hon. MELINDA PAVEY: You will take it on notice and have a look at the issue of the original \$3.8 million fire service installation contract being upped by \$300,000 to install this new boiler.

Mr SCHIPP: Yes.

The Hon. CHARLIE LYNN: Minister, there was a promise or a commitment made in February 2003 in regard to the question of 100 jobs being transferred to Goulburn. It does not seem that any action has been taken on that to date. When it was pursued by the *Goulburn Post* it was said that it was not clear when those 100 jobs were going to come. It appears that in the answer it received they claimed there were delays in finding accommodation, but it does not seem that any real action has been taken and no clear timeframe exists at this stage. Would you like to enlighten us on that commitment?

The Hon. JOHN HATZISTERGOS: The situation is there is money in the budget for that. What there is not money in the budget—and I am going to be quite clear about this—to build a building. The Government has made it quite clear that we need to provide appropriate accommodation. We cannot put people in tents. We need to find appropriate office space that will enable that to occur. I have discussed this matter with the department. As you would be aware, the department is currently looking at its accommodation arrangements. Our lease on Roden Cutler House expires next year and we are looking at accommodation for the department itself and, as part of that, we will look at what is available in Goulburn.

I have asked the department to enter into discussions with the Department of Commerce, particularly in relation to the availability of appropriate office accommodation that is available there to fulfil our requirements. I am waiting for the outcome of those discussions. Some of the space that the council has identified, which I think is the Mulwaree Shire Council building, is inadequate. I have not seen it but my officers have been down to have a look at it. Its condition is not the best, to say the least, and the amount of space that is available there is inadequate. We have done some preliminary work in relation to transferring staff down to Goulburn. It is not correct to say we have not done anything. In fact, I think we have got seven officers down there at the moment.

The Hon. MELINDA PAVEY: Ninety-three to go!

The Hon. JOHN HATZISTERGOS: We have got seven officers down there at the moment who have been part of, I suppose, for want of a better word, an advance party to see what we can do. But the dilemma that we have is the lack of available accommodation. At this point we are waiting on the Department of Commerce to see what other space may be available.

The Hon. MELINDA PAVEY: When did you start discussions with the Department of Commerce to investigate accommodation down in Goulburn?

The Hon. JOHN HATZISTERGOS: They have been going on for some time, I have to say. But, as you would be aware, some of the other agencies in Goulburn no longer have use for space. If there is any vacant space that we can occupy within any of those buildings, we are certainly keen to do so, so that we are not wasting any government resources in office accommodation that is left vacant. So that is the first inquiry I have asked to be made, and we will progress the matter from there. I also have to ensure that the units that go down there are units that can be appropriately accommodated in Goulburn, and that the skills base that is available in Goulburn can service the department.

The Hon. MELINDA PAVEY: You would have had some knowledge of the skills base in the departments that you wanted to move down before you made the announcement that you were going to send 100 staff down there.

The Hon. JOHN HATZISTERGOS: The Government made the announcement before I took this position. I cannot take the position any further than that. We have been investigating. So far we have not identified an appropriate building. The only building that the council has put forward to us, I think the main one, is the Mulwaree Shire Council building; I am told that that is unsuitable. Our lease expires at the end of next year. We will be doing something, hopefully, before then in terms of advancing the issue. But I cannot be more definite at this point than that. There is about \$17 million, I think, for this year.

The Hon. MELINDA PAVEY: For?

The Hon. JOHN HATZISTERGOS: For relocation over two years. So there has been money budgeted. But what we do not have is money to build a building, and we are not going to build a building.

The Hon. MELINDA PAVEY: No, but I am sure the private sector would be interested in building the building for you.

The Hon. JOHN HATZISTERGOS: That has not been the indication that we have had. That issue has, in fact, been explored.

The Hon. MELINDA PAVEY: But you plan on honouring that commitment over the next couple of years?

The Hon. JOHN HATZISTERGOS: I will be making an announcement about that in due course. We will have some discussions with the Department of Commerce as to what accommodation is available down there, but there is a practical issue, and that is I have to find a space to put these people.

The Hon. MELINDA PAVEY: I gather from the answer that you inherited this commitment and there are some areas of it that you are not comfortable with. Could it be likely that you cannot see your way through moving sections of the department down there to fulfil that commitment and keeping them together in the fashion that you want?

The Hon. JOHN HATZISTERGOS: What I will do is what I can with the resources that I have. That is the commitment that I am making. I will do what I can with the resources that I have, but it is also the resources that the City of Goulburn has. Having made that point, I advise that we have been spending enormous amounts of money in Goulburn. You would be aware that there has been a major redevelopment of the correctional facility down there and significant amounts of money have gone to local contractors, builders and other people in payment for work that has been done there. So we have a significant investment in the City of Goulburn. I might add that—I have been on public record about this—I think we have a very good relationship with the people of Goulburn generally, and I have no hesitation in putting that on the public record. So I will do the best I can with the resources that I have.

The Hon. MELINDA PAVEY: Minister, through you to Commissioner Woodham, has the department paid a financial settlement to former corrective services employee Barry Cumberland?

Mr WOODHAM: I am not aware of any payment as you call a settlement.

The Hon. MELINDA PAVEY: He is no longer with the department, as I understand?

Mr WOODHAM: That is true.

The Hon. JOHN HATZISTERGOS: Again, this is raising personal circumstances. I do know something about this individual; he was someone close to John Ryan in some respects. But I do not think that this is an appropriate venue to discuss his personal position.

The Hon. MELINDA PAVEY: I am just trying to get some information on why he left the department. Is it because he was a friend of John Ryan?

The Hon. JOHN HATZISTERGOS: Go and ask him. We have no difficulty in you asking him.

Mr WOODHAM: Or ask John Ryan.

The Hon. JOHN HATZISTERGOS: Or ask John Ryan. He might tell you.

The Hon. MELINDA PAVEY: How much was spent on overtime through the department in 2003-04?

The Hon. JOHN HATZISTERGOS: About \$29 million.

The Hon. MELINDA PAVEY: How does that compare with the previous year?

The Hon. JOHN HATZISTERGOS: About \$1 million more.

The Hon. MELINDA PAVEY: So is it on track or is it increasing?

The Hon. JOHN HATZISTERGOS: We have made the position quite clear in the Department of Corrective Services. When you say it is on track, it is more than we would like, and that was part of what happened today in the dispute at Long Bay: two wings were closed down, which were filled through overtime, and the officers were anxious to keep that arrangement. I know you are interested in these issues. You might care to look at last year's estimates debate because in the discussion that we had with John Ryan we identified the program that we have in place to bring that figure down. [*Time expired.*]

The Hon. JOHN TINGLE: Minister, I cannot resist taking you back to the mobile phone issue. I know we heard a lot about it, but there is just one factor that did not come through to me in the Commonwealth Government's very real reluctance to allow scanning. Why? On what rationale?

The Hon. JOHN HATZISTERGOS: Because the carriers are objecting to it. You can draw your own conclusions as to why the Federal Government feels it has to do the bidding of the carriers, but that is all it is about. It is the same in every country that has not had it. These are global giants, they invest everywhere, and they have an interest in ensuring that their signals are not interfered with. They are worried if it is corrections, police or fire brigades. In America, where jamming is not allowed, we know there are hotels around the place that jam the perimeters of their premises so that people have to use more expensive call systems rather than use their cell phones. That is what happens.

The Hon. JOHN TINGLE: Are the carriers saying that the traffic out of the prisons would be so great that their revenue would be affected? How many phones are in there?

The Hon. JOHN HATZISTERGOS: I am sure the carriers would give them all call cards if it meant an extra buck in it for them. But that is what it is about. It is as pure and simple as that.

The Hon. JOHN TINGLE: Absolutely astonishing. You have touched on this also in your discussion about mobile phones and so on, but what rate of success do you have in discovering contraband through strip-searches of prisoners? Do you have any way of knowing if you are getting most of it?

The Hon. JOHN HATZISTERGOS: Prisoners are strip-searched in maximum and medium security after visits and also, randomly, in minimum security. I have seen videos of it. It is a particularly—I cannot think of the word—

The Hon. PETER BREEN: Intrusive?

The Hon. JOHN HATZISTERGOS: It is quite an intrusive process and, quite frankly, I think someone would regard it as dehumanising. I would prefer it if we did not have to do it, but the fact of the matter is that we have to do it.

The Hon. JOHN TINGLE: It is demeaning.

The Hon. JOHN HATZISTERGOS: It is demeaning to individuals, particularly for individuals who do the right thing. I can recall Pauline Hanson on radio saying that she would not have visitors come to her in prison because she had to be strip-searched before and after each visit. All those who came to see her when she went to prison knew that she would have to be strip-searched when she went into the visiting facility and strip searched again when she left. She said that she could not live with herself with her visitors knowing that she had to go through that process, so she refused to see visitors.

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I am aware of that, but the reality is that cavities are where a lot of contraband is actually put. Just to give you an idea, we have people who swallow condoms of narcotics, which get through the detection dogs because they are internal. They go into the toilets, excrete the item, then take the item and pass it through an inmate through a kissing motion. We have just had to ban people going to the toilet during visits. If you go to the toilet the visit is over—kaput.

However, people have complained to us about it, such as old ladies who go to correctional facilities, who have taken the day off and who say, "I can't have my all-day visit." These are the extremes we have to go to in order to prevent this sort of activity. It is not easy. I do not know what Opposition members are calling for. If they want me to strip search every person who goes in and out of a correctional centre, including chaplains, the ICAC, the Ombudsman, the diplomatic corp, and everyone else, they should explain that and point out that that is the issue they want to ventilate. We are devoting significant resources to trying to detect contraband and bring it to account.

I want to make this point: I have been the first Minister to actually release figures on contraband detection. I did it recently, publicly, and I did it last year as well. The commissioner and I have had discussions from time to time, and in agreement with him I have also released from time to time video evidence of some of the people we have caught, not to humiliate them in any way—although I do not have much sympathy for them if they are trying to traffic in contraband—but simply to show the lengths that officers of the department have to go to to intercept contraband. Some of them we have not been able to show because they have been too gruesome—not so much gruesome but they are not the sort of thing I would like people to see on television at night.

We had an inmate who swallowed razor blades in a visiting centre. He was caught by the officers and he was then forced to excrete them before the razor blades were taken away. That is the sort of thing that our officers have to do, but a lot of people here would not be aware of it. They have to check these sorts of movements on a daily basis. We have one million movements in and out of correctional centres every year. We effectively have a maximum security prison on the road every day.

The Hon. JOHN TINGLE: That is why I asked the question. Thank you, Minister.

The Hon. PETER BREEN: Could I ask a further question arising out of that? Some visitors are complaining about this new policy, as you can imagine, of having to abandon a visit if they have to go to the toilet. There are cases of visitors coming long distances and bringing young children. The children want to go to the toilet and the parent has to take the child to the toilet and that is the end of the visit. A lot of those visitors have expressed the wish to actually be searched themselves, and their children, after going to the toilet in order to continue the visit.

The Hon. JOHN HATZISTERGOS: We have indicated that at the end of six months of trialling this policy we will look at that. In relation to the question of children, Mr Breen, I have to say to you that some people have actually used children to traffic material into prison.

The Hon. PETER BREEN: I am fully aware of that.

The Hon. JOHN HATZISTERGOS: It places us in a difficult position of potentially having to ban the child, not because we do not want the child to come to the prison but because the child can be used as an instrument for trafficking contraband. I have had these issues raised with me. I am sympathetic to people who do the right thing, and I am certainly sympathetic to the individual plight of children, who are innocent parties in many of these cases, but we cannot allow them to be used in this way. We will revise the policy at the end of six months.

By and large, I have to say that the policy has been accepted reasonably well. I think people understand it and accept it. There have been a number of small instances where people have written to me along the lines that you have suggested, but I think the policy has gone down reasonably well. In any event, we will look at it again at the end of the six months.

CHAIR: Do either of the crossbench members have any other questions at this stage? If not Government members can ask questions.

The Hon. IAN WEST: Minister, could you say what progress has been made to implement the Government's election commitment to break the drug crime cycle by setting up a specially designed compulsory drug treatment correctional centre?

The Hon. JOHN HATZISTERGOS: Yes. The department estimates that 70 to 80 per cent of offenders are serving sentences for drug-related offences. The Government employs a range of

strategies to rid correctional facilities of illicit drugs. We do not resile from what is a difficult task, which is not made easier, as I have indicated, by the number of movements. On 25 February 2004 I accompanied the Premier and the Special Minister of State to the Parklea Correctional Centre, where the Premier announced that this would be the site for Australia's first compulsory drug treatment correctional centre.

The Department of Corrective Services has allocated some \$3.5 million to upgrade an existing building at Parklea for use as such. Under the direction of the Special Minister of State, the Hon. John Della Bosca, MLC, the legislative basis for this commitment is now in place. On 23 June 2004 Parliament passed the Compulsory Drug Treatment Correctional Centre Act 2004. This Act provides for the establishment of a compulsory drug treatment program for offenders who have a long-term drug dependency and have been convicted of an offence related to an offender's drug dependency and lifestyle, sentenced to imprisonment with an unexpired non-parole period of at least 18 months but no more than three years, and convicted of other offences at least three times in the previous five years.

The treatment program is still being developed but it will be compulsory and abstinence-based. It will involve a rehabilitation program of judicial care, stabilisation, case management, supervision, and education to encourage personal responsibility and social functioning as a new way to break the drug-crime cycle. Since the treatment program will be abstinence-based, it is imperative that the correctional centre at Parklea is secure and that strict control measures are used to overcome the many techniques that inmates and others will use to traffic drugs into the correctional centre. The design features of the centre will play a key role in thwarting attempts to traffic drugs. By way of example, perimeter security will be tight, and a five-metre high fence will be constructed outside the existing four-metre fence to create a sterile zone between the two fences. Inmate access to this area will be restricted, and floodlighting will be used to allow proper visual supervision.

Compulsory drug treatment detention will consist of three stages. Stage one, closed detention, where inmates will be incarcerated in the compulsory drug treatment correctional centre for intensive drug treatment and rehabilitation; stage two, semi-open detention, where offenders will live at the centre but spend time outside in employment, training and other approved programs; and stage three, community custody, which is similar to home detention. During this stage the offender will move to semi-open independent living but remain under intensive supervision, including electronic monitoring. Periodic, random and targeted drug tests will be conducted on all offenders in the program during the three stages of the program.

The frequency of drug testing will be more intensive than for regular inmates. The testing regime will vary for each offender depending on his particular circumstances and compliance with the program. An appropriate level of testing will be identified during the comprehensive individual assessments that will be conducted when an offender enters the program. The drug tests will primarily involve urinalysis. The urinalysis test is able to detect a wide range of prohibited and therapeutic drugs, including cannabis, cocaine, methadone, barbiturates and amphetamines. I do note that the Opposition's response is varied on this particular issue. John Ryan said in the debate on marijuana:

I suggest the way to deal with the problem ... that people are being sent to prison for use and other minor crimes, is to reform the justice system in such a way that it will result in diversions.

Mr Humpherson, in his report of his overseas trip, said:

The UK prison system is a perfect case of proof, where they have effectively eliminated the ready availability of drugs.

He then went on to tell us in his findings that despite having eliminated the ready availability of drugs, "positive drug testing rates in the UK are approximately 11% ... many drug-addicted inmates ... maintain their use one way or the other." So they have eliminated drugs but they have a positive rate of 11 per cent, and many inmates maintain the use one way or the other. Work that one out!

Of course, he criticised our proposal for this drug-free centre, even though before the election the Opposition issued a press release saying that the Coalition would trial a drug-free prison, with the headline for the press release being "Reducing Drug Use In Prison". Even they did not believe their proposal would work, Andrew Humpherson said on 28 October 2003, "You can't have drug-free

prisons." That was his quote. He has also called repeatedly for all people who enter correctional centres to be the subject of pat-down searches. I do not know what the pat-down searches he is proposing would involve, but if you have contraband in women's breasts, down men's groins or up rectums, which is where we usually find contraband, perhaps he ought to articulate his proposal a little more clearly than he has so far.

He has also called for all visitors to get "fully searched". As I said to you earlier, that would include chaplains, nuns, consular diplomatic staff, visiting justices and judges, medical professionals, lawyers, the Ombudsman, ICAC staff, and even members of parliamentary committees and official visitors. We would have to strip search all of those on entry to a correctional centre. I would like to emphasise that the compulsory drug treatment program that the Government is introducing through this correctional centre does represent a tough option for offenders. It is a new approach that will link the incarceration of offenders to court-ordered treatment. It will complement the significant efforts that are already being made to deal with offenders' drug problems through the New South Wales justice and correctional system.

CHAIR: Are there any more Government questions? If not, at this stage I propose that we go on to 10 minutes of Opposition questioning. I will then check if anyone else has any questions. If not, the Opposition can have the remaining time.

The Hon. MELINDA PAVEY: Minister, further to your earlier answer about \$753,000 in compensation payments to inmates—

The Hon. JOHN HATZISTERGOS: I said \$700,000, actually.

The Hon. MELINDA PAVEY: In 2003-04 how many claims for compensation were made by inmates and how many were actually paid out?

The Hon. JOHN HATZISTERGOS: I think I answered that question.

The Hon. MELINDA PAVEY: You did not give the numbers.

The Hon. JOHN HATZISTERGOS: Well I did.

The Hon. MELINDA PAVEY: I must not have heard you.

The Hon. JOHN HATZISTERGOS: You obviously did not. Do you want me to repeat it? I said that there were 17 claims that were paid out for that \$700,000.

The Hon. MELINDA PAVEY: How many claims were made?

The Hon. JOHN HATZISTERGOS: New claims?

The Hon. MELINDA PAVEY: No, how many claims were not successful?

The Hon. JOHN HATZISTERGOS: Well, we do not pay money if a claim is not successful.

The Hon. MELINDA PAVEY: How many allegations or how many were investigated and not paid?

Mr SCHIPP: There were 27—

The Hon. MELINDA PAVEY: Investigated but not reported [IBNRs]?

The Hon. JOHN HATZISTERGOS: No, just repeat the question. I need to be clear on what you are asking for.

The Hon. MELINDA PAVEY: You said 17 compensation payments were made in 2003-04.

The Hon. EDDIE OBEID: Were successful.

The Hon. MELINDA PAVEY: Were successful.

The Hon. JOHN HATZISTERGOS: Yes. Were they all successful?

The Hon. MELINDA PAVEY: How many were unsuccessful?

The Hon. IAN WEST: Investigated but not reported.

The Hon. JOHN HATZISTERGOS: How many claims were made but were not successful, is that what you are saying?

The Hon. MELINDA PAVEY: IBNRs, and I just heard Gerry Schipp say there were 23.

The Hon. JOHN HATZISTERGOS: No, are you talking about claims that were made in 2003-04, which have not been paid? Is that with you are saying?

The Hon. MELINDA PAVEY: No. Mr Schipp understood.

The Hon. JOHN HATZISTERGOS: Repeat the question, because I need to understand it too.

The Hon. MELINDA PAVEY: IBNRs, is that right?

The Hon. EDDIE OBEID: That is the terminology.

The Hon. JOHN HATZISTERGOS: Could you repeat the question?

The Hon. MELINDA PAVEY: How many claims were put before you but were not successful?

The Hon. JOHN HATZISTERGOS: That is different to what you asked before, but I understand that there were 27 claims made in 2003-04 of which only one was paid.

The Hon. MELINDA PAVEY: So one person received—

The Hon. JOHN HATZISTERGOS: No, only one person was paid in relation to claims made in 2003-04. That is the question you asked. That is the precise answer. There are 26 that have not been paid.

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The Hon. MELINDA PAVEY: I turn to the questions that were sent to you yesterday.

The Hon. JOHN HATZISTERGOS: I want you to be clear on that because the previous question that you asked was not about the claims made in 2003-04; it was about the claims that were paid in 2003-04, which is a different question. I am sure you appreciate that there is a difference between the claims that are paid in 2003-04 and the claims that are made in 2003-04.

The Hon. MELINDA PAVEY: Was there any overseas travel by Commissioner Woodham in 2003-04? If so, to where?

The Hon. JOHN HATZISTERGOS: No.

The Hon. MELINDA PAVEY: Nothing?

The Hon. JOHN HATZISTERGOS: No.

The Hon. MELINDA PAVEY: In 2003-04 how many media or public relations advisors did the department or the Minister's office employ, contract, or second, and at what cost?

The Hon. JOHN HATZISTERGOS: I am not going to tell you that. It is good that we are getting on to the questions that you actually told us you would ask.

The Hon. MELINDA PAVEY: It is No. 4.

The Hon. JOHN HATZISTERGOS: The media and public relations unit employs seven staff as media and community relations advisors. They do the liaison with community groups, the openings, the bulletin for the department.

The Hon. MELINDA PAVEY: Are they all located in Sydney?

The Hon. JOHN HATZISTERGOS: Yes, they are located in Sydney. The salaries cost for this unit is \$489,000 per annum. My office has only one media officer. Some of the others help him.

The Hon. MELINDA PAVEY: Are any contracts for public relations work contracted out?

The Hon. JOHN HATZISTERGOS: No.

The Hon. CHARLIE LYNN: How many assaults occurred in the correctional system in 2003-04?

The Hon. JOHN HATZISTERGOS: They are in the budget papers.

The Hon. CHARLIE LYNN: Would you like to identify how many were inmates against staff and how many were inmate on inmate?

The Hon. JOHN HATZISTERGOS: They are also in the budget papers. They are also in the annual report.

The Hon. CHARLIE LYNN: Can you tell us?

The Hon. JOHN HATZISTERGOS: No, they are in there. I am not here to do research; I am here to answer questions that are not obvious. They are in the annual report. They are also in the budget papers, and they are clearly identified.

The Hon. CHARLIE LYNN: Is it in the budget papers how many of the complaints were—

The Hon. JOHN HATZISTERGOS: After this is finished I will show you where they are.

The Hon. CHARLIE LYNN: Thank you but I will ask a question anyway. How many complaints were there by inmates of staff assaulting or abusing inmates? Is that in the budget papers?

The Hon. JOHN HATZISTERGOS: Staff assaults?

The Hon. CHARLIE LYNN: Yes. How many complaints were there by inmates of staff assaulting or abusing inmates?

The Hon. JOHN HATZISTERGOS: I do not know about that.

The Hon. CHARLIE LYNN: Pardon?

The Hon. JOHN HATZISTERGOS: That is not in the budget papers. Any claim of assault is referred to the police and they investigate.

The Hon. CHARLIE LYNN: No, I am asking how many there were.

The Hon. JOHN HATZISTERGOS: I do not know.

The Hon. CHARLIE LYNN: Can you find out?

The Hon. JOHN HATZISTERGOS: Do you want me to ask every inmate who was in the correctional system how many people—

The Hon. CHARLIE LYNN: No, how many complaints were there. Do you have a complaints system, a registration of complaints system?

The Hon. JOHN HATZISTERGOS: We refer them to the police. We have a corrective services investigation unit attached to the Department of Corrective Services and it automatically gets involved in those situations.

The Hon. CHARLIE LYNN: How many did you refer to the police?

The Hon. JOHN HATZISTERGOS: I do not know. I would have to ask the police.

The Hon. CHARLIE LYNN: Would you ask them and find out for us and advise us?

The Hon. JOHN HATZISTERGOS: It is not my department. I suppose I could try.

The Hon. CHARLIE LYNN: They are your people.

The Hon. JOHN HATZISTERGOS: I will do what I can. I will take it on notice, and I will see what I can do, only because I am trying to be helpful.

The Hon. CHARLIE LYNN: Do you have any idea of how many of those complaints were upheld and what action, if any, was taken against any of your staff involved?

The Hon. JOHN HATZISTERGOS: Upheld by whom? The courts?

The Hon. CHARLIE LYNN: Upheld by whoever hears the complaints. I imagine it would be the courts if it was that serious.

The Hon. JOHN HATZISTERGOS: Do you want me to ask the Attorney General how many?

The Hon. CHARLIE LYNN: If you would.

The Hon. JOHN HATZISTERGOS: I will ask him. Is there anyone else you would like me to ask?

The Hon. MELINDA PAVEY: How much did the department spend on taxi fares, including Cabcharge, in 2003-04?

The Hon. JOHN HATZISTERGOS: This is an important questions. I know you have been frothing at the mouth waiting for it to be answered.

The Hon. MELINDA PAVEY: Get on with it!

The Hon. JOHN HATZISTERGOS: Some \$63,000, I am told.

The Hon. MELINDA PAVEY: You referred earlier to—

The Hon. JOHN HATZISTERGOS: Is this by the department?

The Hon. MELINDA PAVEY: Yes. What about by your ministerial office?

The Hon. JOHN HATZISTERGOS: I do not know. I do not pay them.

The Hon. MELINDA PAVEY: I just said ministerial office.

The Hon. JOHN HATZISTERGOS: What about it?

The Hon. MELINDA PAVEY: Cabcharge and taxi fares?

The Hon. JOHN HATZISTERGOS: I have no idea.

The Hon. MELINDA PAVEY: Could you take that on notice?

The Hon. JOHN HATZISTERGOS: It is the Premier's Department. Ask them! They pay it.

The Hon. MELINDA PAVEY: Earlier you referred to Junee gaol. The Auditor-General regularly looks at the costs comparisons on a prisoner ratio, the cost of maintaining prisoners at Junee gaol. I think it is about \$34,000 per annum per inmate. In comparison, for a similar minimum to medium-security gaol such as Bathurst it would be about \$60,000 per annum to keep an inmate in that facility. Can you explain why there is such a cost difference?

The Hon. JOHN HATZISTERGOS: Yes, I am happy to. The costs of the Junee contract and the cost of maintaining prisoners in public facilities varies. One reason, particularly in relation to the two institutions that have you identified, is the fact that one is a facility which was, I think, built about 15 years ago, and the other one was built at the end of the nineteenth century, and they are not comparable in terms of design. The Opposition frequently goes on about costs, and I welcome the fact that you do that because you will no doubt be supporting us on our Way Forward strategy, which is aimed at bringing down the costs of public facility incarceration.

But there are a number of strategies you can employ to reduce costs. The first thing you can do is close country correctional centres, particularly the smaller ones that we have around the State, such as Ivanhoe and Brewarrina. You can close them down but we believe it is good to have these facilities spread around the State at places like Tamworth and Cooma, because inmates can be appropriately accommodated close to their family and friends. The second thing you can do to bring down the costs is to do what you did when you were in government, and that is basically warehousing. You had three or four inmates to a cell in some public institutions. When you ran out of room you just threw them all in. You slashed staff numbers. At Emu Plains in the visitors' section inmates were romping on the floor having intercourse in one incident.

You can cut staff numbers. You can pack inmates in like sardines. These are the sorts of strategies your Government was responsible for when it was in office. Another thing you can do is not worry about your other performance indicators. Let escapes plummet away, as they did when you were in Government. It was becoming a turnstile—people were just walking out. Suicide rates were astonishing, and so on. So there is a series of strategies you can employ to reduce costs. Apart from privatisation, which is the one you have identified, I am not aware of any that you have particularly put your name to and said you wanted to embrace.

The Hon. MELINDA PAVEY: But you clearly embrace Commissioner Woodham's comments in the document "The Way Forward" that many current work practices are outdated and do not meet the requirements of modern correctional philosophies, and that operational arrangements have become restrictive and inflexible, and prohibit effective and efficient use of resources.

Mr WOODHAM: Yes, that is exactly true.

The Hon. JOHN HATZISTERGOS: Yes. I have said that, and I said it last year.

The Hon. MELINDA PAVEY: And you talk about Junee in disparaging terms, yet it provides—

The Hon. JOHN HATZISTERGOS: No, I have not spoken about Junee in disparaging terms. I have simply talked about systems. If you are talking about the private system and the public system, there are considerable differences between what each of them do. I have not criticised the Junee contractor.

Mr WOODHAM: With Dillwynia and Kempsey, we have annualised salaries on a new award agreement above senior correctional officer. We pay overtime at a flat rate for the first time

ever, and we will be able to run a maximum and medium, not a medium and minimum, for \$36,000 a year per inmate.

The Hon. JOHN HATZISTERGOS: That is the strategy that we wish to roll out across the correctional system. It will meet some resistance. The commissioner made that clear during the estimates hearings last year. At that stage we did not have agreements on Dillwynia and Kempsey; we since have. The union signed off on a consent award to allow us to operate those facilities under "The Way Forward". That is now the law. As a consequence of that, the Government agreed that those two facilities will be run as public institutions.

The Hon. MELINDA PAVEY: How long will it take to get those workplace agreements or workplace improvements in place?

Mr WOODHAM: We are aiming at the end of March 2005.

The Hon. MELINDA PAVEY: By the end of March 2005. What is your goal in 2005?

Mr WOODHAM: To have an agreed version of "The Way Forward" rolled out to every correctional centre. Some actually want to sign up now.

The Hon. JOHN HATZISTERGOS: It has to vary from centre to centre. Every centre is different. Some of them are very old, and therefore it has to be negotiated on an institution-by-institution basis, and that is what is currently being done.

The Hon. MELINDA PAVEY: What was spent by the department on consultants in 2003-04?

The Hon. JOHN HATZISTERGOS: That will be in the annual report.

The Hon. MELINDA PAVEY: What about contractors? That is not in the annual report.

The Hon. JOHN HATZISTERGOS: That is in the annual report. It is in last year's report, and it will be in this year's report. I could read them if you want me to, but it will take up the rest of your question time. I will show it to you.

The Hon. MELINDA PAVEY: Mr Schipp, you can read them out, if you please.

The Hon. JOHN HATZISTERGOS: That is 2002-03. You asked for 2003-04. It will be in the annual report, which is currently being finalised.

The Hon. MELINDA PAVEY: So you are not prepared to give us the answer here at this estimates hearing.

The Hon. JOHN HATZISTERGOS: I do not have it, but it will be in the annual report.

The Hon. MELINDA PAVEY: When will the annual report be produced?

The Hon. JOHN HATZISTERGOS: In accordance with the law. There is a deadline of, I think, the end of next month.

Mr WOODHAM: The end of October.

The Hon. JOHN HATZISTERGOS: The end of October, and it will be published by then, as it has been every other year. I do not know why you keep asking me questions about things that are in the annual report.

The Hon. MELINDA PAVEY: Because the annual report is not out yet, and we are trying to get an idea—

The Hon. JOHN HATZISTERGOS: We go to great expense to compile all this information so that you and the public and everyone else who is interested can read it.

The Hon. MELINDA PAVEY: If it is compiled what is wrong with you producing it here at the Committee before the annual report is finalised at the end of October?

The Hon. JOHN HATZISTERGOS: Because I am not a research service for the Opposition. I am happy to answer questions.

The Hon. MELINDA PAVEY: You are accountable to the taxpayers of New South Wales—

The Hon. JOHN HATZISTERGOS: That is right, and this Parliament, of which you are a member, has legislated that I should provide this information in an annual report, and that is what I will do.

The Hon. MELINDA PAVEY: In 2003-04 how much was collected from drink and food dispensing machines in prison areas?

The Hon. JOHN HATZISTERGOS: This is another very important question. By the department, \$82,715 of income, and the expenditure was \$72,549.

CHAIR: The time for questions on the Justice portfolio has expired. No documents have been tendered with evidence. I advise the Minister and his staff that the Committee has resolved to seek the return of answers to questions taken on notice at tonight's hearing within 35 calendar days.

The Committee proceeded to deliberate.
