

# TRANSCRIPTS

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into 2016–17 Financial and Performance Outcomes

Melbourne — 13 February 2018

#### Members

Mr Danny Pearson — Chair

Ms Sue Pennicuik

Mr David Morris — Deputy Chair

Ms Harriet Shing

Mr Steve Dimopoulos

Mr Tim Smith

Mr Danny O'Brien

Ms Vicki Ward

Ms Fiona Patten

#### Witnesses

Mr Greg Wilson, Secretary,

Ms Kate Houghton, Deputy Secretary, Police and Crime Prevention,

Ms Jodi Henderson, Acting Deputy Secretary, Youth Justice,

Mr Rod Wise, Acting Commissioner for Corrections,

Ms Marisa De Cicco, Acting Deputy Secretary, Emergency Management,

Mr Donald Speagle, Deputy Secretary, Civil Justice,

Mr Simon Cohen, Deputy Secretary, Regulation and Director, Consumer Affairs Victoria,

Ms Cate Carr, Executive Director, Gaming and Racing, and

Mr Ryan Phillips, Deputy Secretary, Criminal Law Policy and Operations, Department of Justice and Regulation;

Mr Graham Ashton, Chief Commissioner of Police, and

Mr Karl Kent, Deputy Secretary, Corporate and Regulatory Services, Victoria Police.

**The CHAIR** — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2016–17 Financial and Performance Outcomes. All mobile telephones should now be turned to silent.

I would like to welcome Mr Greg Wilson, Secretary of the Department of Justice and Regulation; Mr Graham Ashton, Chief Commissioner of Police; Mr Karl Kent, Deputy Secretary, Corporate and Regulatory Services, Victoria Police; Ms Kate Houghton, Deputy Secretary, Police and Crime Prevention; Ms Jodi Henderson, Acting Deputy Secretary, Youth Justice, Department of Justice and Regulation.

Additional witnesses in the gallery are Mr Rod Wise, Acting Commissioner for Corrections; Mr Shaun Condron, Deputy Secretary, Finance, Infrastructure and Governance; Ms Marisa De Cicco, Acting Deputy Secretary, Emergency Management; Mr Donald Speagle, Deputy Secretary, Civil Justice; Mr Simon Cohen, Deputy Secretary, Regulation, and Director of Consumer Affairs Victoria; Ms Cate Carr, Executive Director, Liquor, Gaming and Racing; Ms Carolyn Gale, Deputy Secretary, Service Strategy Reform; Ms Kylie Kilgour, Deputy Secretary, Criminal Justice Strategy and Coordination; Mr Ryan Phillips, Deputy Secretary, Criminal Law Policy and Operations; and Mr Christopher Breitkreuz, Chief Finance Officer.

I would also like to welcome all witnesses sitting in the gallery. Any witness who is called from the gallery during this hearing must clearly state their name, position and relevant department for the record.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the hearing, including on social media, are not afforded such privilege. The committee does not require witnesses to be sworn, but questions must be answered fully, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded by Hansard. You will be provided with proof versions of the transcript for verification as soon as available. Verified transcripts and any PowerPoint presentations and handouts will be placed on the committee's website as soon as possible.

Witness advisers may approach the table during the hearing to provide information to the witnesses if requested, by leave of myself. However, written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee's proceedings in any way.

Members of the media must remain focused only on the persons speaking. Any filming and recording must cease immediately at the completion of the hearing.

I now give the witness the opportunity to make a very brief opening statement of no more than 10 minutes. This will be followed by questions from the committee.

At the outset I would like to also declare that my wife is the chair of the Business Licensing Authority.

### **Visual presentation.**

**Mr WILSON** — Thank you, Chair. I have a brief presentation that provides a summary of the department's budget and performance outcomes for the 16–17 financial year. If we go to the first slide, you can see, in terms of the performance of the overall department, that the aggregate budget outcome was an actual expenditure of 6337.8 million against a target of 6204.3 million, which is a variance of 2 per cent. The department has seven objectives, 27 objective indicators and 141 performance measures. Of those 141 measures, which relate to quality, quantity and timeliness, 103, or 76 per cent, were either met or exceeded or within 5 per cent of target.

I will now just simply go through each of the seven objectives which pick up our 14 output areas, starting with effective management of prisoners and offenders, and provision of opportunities for rehabilitation and reparation. Those are essentially our corrections functions in the department, and you will see the actual expenditure for 16–17 was 1297 million against a budget of 1305 million, a variance of just on 0.5 per cent. In terms of performance measures, of the 16 measures relating to this objective, six were met, exceeded or within 5 per cent, which means 10 were outside that 5 per cent range. I think it is fair to say that the pressures on the prison system from an increased remand population, with significant prisoner turnover and movements, have impacted on the prison performance against their service delivery outcomes. Less people getting bail and more people being remanded into custody has also had an impact on recidivism rates, and changes to sentencing laws

and practices have had some impact on performance measures in community corrections, so no doubt we will discuss that further during the hearing.

I turn now to the second objective — effective supervision of young offenders through the provision of youth justice services promoting rehabilitation — which relates to the youth justice responsibilities, which of course we inherited on 3 April 2017. The budget outcome for the custodial side of youth justice was an overspend of 14 per cent. This was due to Treasurer’s advances for the use of Grevillea unit, the Parkville recovery and additional funding to strengthen the workforce response in youth justice precincts.

On the community supervision side, you will see that the actual expenditure was just over 30 per cent lower than budget, but this reflects an amount of 11.6 million held by DHHS for functions not transferred, including Refugee Minor, Finding Solutions and adolescent support programs, and a further 8.7 was retained for corporate costs and depreciation. In terms of the performance measures, six of the 10 were either met, exceeded or within 5 per cent of target. Similar to the adult system, the growth in remand numbers has had an impact on the performance measures here, particularly things like participation in reintegration activities because of the ineligibility of remanded young people in custody.

If I move then to the next objective — ensuring community safety through policing, law enforcement and prevention activities — which is obviously the Victoria Police component of the budget as well as our crime prevention funds, the actual expenditure there was 2796.7 million against a budget of 2728.8 million, an overspend of just on 2.5 per cent. In terms of the performance measures, 15 of the 19 were met, exceeded or within 5 per cent of the applicable targets. There were a couple of measures related to higher than anticipated reported crime, one related to the road toll and another related to community satisfaction.

The fourth objective is a fair and accessible Victorian justice system that supports a just society based on the rule of law, so this relates to our criminal law policy and operations. This includes infringements, warrants, victim support and statutory bodies like the Office of Public Prosecutions, legal aid, the Victorian Institute of Forensic Medicine and the Sentencing Advisory Council. The actual expenditure of this group in total is 576 million, which is just right on budget. Of course there is a range of overs and unders within those line items, as you would expect. The largest variance was 21.5 per cent, which is the criminal law support and reform output, and that was due in large part to the costs associated with the Attorney-General’s first law officer role, work on the state’s response to the royal commission into child sexual abuse, additional funding for the Victorian Institute of Forensic Medicine and of course some funding for the immediate response to the Bourke Street tragedy for victim support and setting up the night court. In terms of performance measures in this objective, all 32 were either met, exceeded or within the 5 per cent range.

The next objective, a just and supportive society with increased confidence and equality in the Victorian community, relates to the civil law side of the department. It covers things like births, deaths and marriages, the Dispute Settlement Centre of Victoria and agencies including the Office of the Public Advocate, the Victorian Equal Opportunity and Human Rights Commission and the Appeal Costs Board. The actual expenditure for the combined outputs to this objective were approximately 10 million over budget. That was due to a range of factors, including greater than anticipated costs for the Appeal Costs Board, a native title payment, demand impacts on births, deaths and marriages and the VGSO and the funding for the Victorian Equal Opportunity and Human Rights Commission’s reviews into the fire services. In terms of performance measures, 14 of the 21 applying to these outputs were met, exceeded or within 5 per cent. Four of the seven related to quantity measures, like numbers of complaints and inquiries received, and three relate to timeliness in terms of finalising complaints and litigation of disputes.

The next one is reducing the impacts and consequences from natural disasters and other emergencies on people, infrastructure, the economy and environment. This of course relates to emergency management functions and funds the various agencies like EMV, MFB, CFA, SES and so on. The actual expenditure for 16–17 was 1157.7 million against the budget of 1095 million, an additional expenditure of 5.7 per cent. The additional 62.7 million is due mainly to the \$46 million Treasurer’s advance, most of which went to emergency services, volunteers and sustainability grants programs, and around 10 million or 15 million was for operational purposes, for additional firefighters and the wage increases that flowed from the EBA, or the discussions around the EBA. There was an accounting transaction of 50 million relating to CFA depreciation and then the other things were offset by a \$34 million carryover into 17–18 for emergency management operational and communication plans.

In terms of performance measures, nine of the 10 were met, exceeded or within 5 per cent. The one that was not was the volunteer numbers, but there has been a concerted campaign to recruit more volunteers since then.

The final objective is a fair marketplace for Victorian consumers and businesses, with responsible and sustainable liquor, gambling and racing sectors. This covers consumer affairs as well as gambling, liquor and racing. The actual expenditure was slightly above budget, but there was a 6.5 per cent increase in consumer affairs. That was due to a \$3 million variance as a result of consumer claims against the Victorian Property Fund. You may be familiar with the L. J. Hooker case in Mount Waverley. There was \$2 million for 83 claimants against that and another \$1 million paid out to consumers following the closure of L. J. Love at Cairnlea. There is \$3 million to help with the set-up of Domestic Building Dispute Resolution Victoria and another \$1 million for various things that went to VCAT. In terms of the performance measures, in this space there were, I think, five out of the 19 that were not met. Those typically relate to things like less phone calls and emails and more use of the digital services, so there are some movements in the quantities there that we can talk about later.

And just finally, Chair, there are a couple of things that cut across our outputs that I just wanted to mention — family violence and Aboriginal justice. The family violence and justice portfolio commenced work in 16–17 on 111 of the 227 recommendations that relate to the department, Victoria Police and the courts. This includes legislative reforms, additional legal assistance services, Aboriginal dispute resolution and financial counsellors. Then with Aboriginal justice, of course, tackling over-representation remains a key priority for us and the Aboriginal community. Together we have worked on a significant number of initiatives in 16–17, including frontline youth grants, the Koori women's diversion program and the local justice worker program.

So that is a quick summary of all of the various objectives and outputs in terms of budget and performance. I am happy to hand over to questions.

**The CHAIR** — Thank you, Secretary. I might commence, if I may. I have a question to the chief commissioner. Chief Commissioner, I note in the 16–17 Victoria Police annual report there is some information there about crime statistics. Can you unpack for the committee's benefit a little bit of information around the trend of the crime statistics for the 16–17 financial year, please.

**Chief Comm. ASHTON** — Yes, certainly. I will just have to get some stats on that, if you just give me a minute. The question was about the 16–17 year?

**The CHAIR** — That is right.

**Chief Comm. ASHTON** — Sure. We had increases in crimes against the person that financial year: family violence was up 0.6 per cent and non-family violence crimes against the person — that is assaults et cetera that are not connected to family violence — were up 6.2 per cent. Property offences for non-family violence matters were down 1.6; family violence matters in 16–17 — that is property crime associated with family violence — were up 4.1 per cent. We tend to break these up so we can measure family violence effectively, following the royal commission. Non-family violence drug offences were up 0.1 per cent, and family violence drug offences were up 11.5 per cent. Public order and security offences: family violence-related — we do not tend to get a lot of those, but they were up 1.2 per cent, and non-family violence-related were down 2.4 per cent.

Most justice procedures relate to us enforcing family violence orders. Justice procedures for family violence-related matters were up 6.4 per cent and non-family violence was down 9.5 per cent. Overall around crime we had, through the early part of the financial year, significant increases across the board in crime, and our overall reporting position both in total crime and crime per 100 000 was up. It reached a bit of a high-water mark in the September quarter, so the second quarter of the financial year, and then we started to pull that back through the remaining three-quarters of the financial year. So certainly that first quarter was showing a very high level and then we started to progressively bring it back from there through the following three-quarters.

**Ms SHING** — I do not think you referenced sexual offences. I think we moved from property offences onto drug offences, for family violence and non-family violence. If you could just read those onto the record.

**Chief Comm. ASHTON** — That is included in the crimes against a person, but I can break that down further for you, if you like, in relation to sex offending. Mr Kent might look for that, if you like, while I take another question, that will provide more clarification on those numbers.

**Ms SHING** — Thank you, yes.

**The CHAIR** — Basically, as a consequence of the increasing investments over the course of the 16–17 financial year, you started to see a reduction, a fall, in the rate or the number of offences in the back part of that financial year; is that it?

**Chief Comm. ASHTON** — Some of that might be, perhaps, but probably the biggest thing we did through that period was start to re-focus on recidivist crime. We had a recidivist crime model which was looking at targeting specific offenders that were causing the most harm, so we had a big focus on that through that period and that was, I think, the biggest thing that started to make a difference for us. We were saying right through that time that we needed more police, so we got additional police numbers, which certainly since they have been hitting the ground have been of benefit to us, particularly in family violence as I have talked about. Certainly that recidivist crime focus has had for us, from where we sit looking at the numbers, one of the biggest impacts.

Another impact has been the family violence focus that we brought following the royal commission. So we have had dedicated specialist family violence units again working on recidivist family violence offenders. So for us having that focus has led to more reporting of family violence, which added to the overall crime levels in terms of statistical reporting, but we think of that as good cholesterol rather than bad cholesterol. It adds to the crime stats, but we like to see more of it because it is more reporting, so we can get on top of it. Then that pretty much continued through the financial year 16–17 and started to plateau a little bit towards the end of the financial year as well.

**The CHAIR** — By way of a brief supplementary, my electorate is home to the police air wing and I have been out there on a number of occasions. Can you outline to the committee the role that the police air wing plays in terms of supporting your operations?

**Chief Comm. ASHTON** — The air wing has a really critical role across the board. It has its traditional role in terms of search and rescue, which it still has particularly through the winter months and the snow season, but also across the year. It has a significant role there, and in recent years we have been using it much more in relation to urban offending. In recent times, particularly following things like stolen motor vehicles and providing aerial coverage of stolen motor vehicles, that has been pretty effective there as well.

We can also use it in our beach areas through the summer months, which we have been doing as well, working on providing a good visible patrol and having that helicopter work those areas has been good as well. It has been highly visible for us.

Again, the bushfires — it works extensively through the bushfire periods as well on supporting the emergency management area for that. But certainly for us it is an increasingly critical capability. I have been keen for some time to extend that to 24-hour coverage, which for the period of that financial year we were not able to do. We had to constantly go back for refuelling and then going up, so that is an inhibitor for us. We have been working towards having a 24-hour coverage, which we see as critical.

**Ms SHING** — I am happy for that other information to be provided on notice too, if that is quicker.

**Chief Comm. ASHTON** — We will take that on notice.

**Mr MORRIS** — Good afternoon, Mr Wilson. How are you?

**Mr WILSON** — Good, thanks.

**Mr MORRIS** — Pages 68 and 69 of the annual report refer to the review of the Residential Tenancies Act. A proposal called rent fair was announced following the review. Is it true that that proposal would reduce a landlord's ability to end a tenancy, remove the default refusal of pets, reduce the need for consent to property modifications, reduce the need to restore the property and lower bonds?

**Mr WILSON** — Deputy Chair, I might ask Simon Cohen, the director of consumer affairs, to respond to that, if I may.

**Mr COHEN** — The review of the Residential Tenancies Act commenced in 2015 and has been a holistic review of the entire legislation, including in relation to individual properties, rooming houses and caravan and

residential parks. The review has looked at a whole range of areas, including matters such as security of tenure, rents, bonds and property conditions, and at this stage only parts of the reforms that have resulted from the review have been announced. Some of those focus on long-term tenancies, so arrangements to ensure that tenancies beyond five years are protected under the Residential Tenancies Act. There is currently legislation before Parliament in respect of those.

In addition the government had announced a package of reforms focused on advancing tenants' rights in October 2017, including matters such as restricting rent increases to once a year, restricting rental bidding and removal of 'no reason' notices to terminate tenancies. However, the full package of reforms is awaiting final government decision, and legislation introducing the reforms is expected to be introduced into Parliament this year.

**Mr MORRIS** — Just a quick supplementary on that and then we might move to something else. Has the department done any modelling with regard to the likely effect of the proposed reforms, which you obviously cannot talk about in full? Has the department done any modelling in terms of the impact on rentals that the introduction of these changes might bring about?

**Mr COHEN** — The department has done a range of market research in the first instance as part of the review to understand what was important to tenants and landlords in the context of residential tenancies or in respect of a number of the specific reforms that were being tested in the market, and also it is undertaking some cost-benefit analysis in respect of a number of aspects of the reforms as well.

**Mr MORRIS** — Can you make that information available to us?

**Mr COHEN** — I need to take that on notice.

**Mr MORRIS** — If I can move on, Secretary, to the Sex Work Ministerial Advisory Committee —

**Mr WILSON** — That is another one for consumer affairs.

**Mr MORRIS** — Page 157 of the annual report obviously identifies that there is a Sex Work Ministerial Advisory Committee. We have also seen a spate of massage parlours operating as illegal brothels. I understand that the advisory committee is currently not operating and that the membership positions are essentially vacant. How long have they been vacant?

**Ms WARD** — Is that the 16–17 financial year that you are referring to?

**Mr MORRIS** — Yes. How long have they been vacant?

**Ms WARD** — During the 16–17 year.

**The CHAIR** — Order!

**Mr COHEN** — I would have to take on notice the precise periods for each of the vacancies on the committee, but certainly there were no appointments to the committee during the 16–17 year.

**Mr MORRIS** — Given that we have this surge in the number of illegal brothels, can I ask you why the positions have not been advertised and why the committee is not operational?

**Mr COHEN** — The role of Consumer Affairs Victoria in the context of sex work regulation focuses specifically on the legal part of the sector rather than the part that is operating unlawfully, where the primary policing responsibility falls on Victoria Police. In terms of the committee itself, the government has not seen it as necessary to have the committee formed to provide advice on specific matters, and hence the committee has not been in operation over the past several years.

**Mr MORRIS** — I accept the jurisdictional split, but in a more global sense is it really sensible to say, 'Well, we only deal with the legal side of the industry, so we are not concerned about a surge on the illegal side'? From a consumer sense the distinction is meaningless, essentially.

**Mr COHEN** — I think the purpose of the Sex Work Act primarily has at its centre the protection of workers rather than consumer protection legislation per se, and certainly the purpose of the legislation is to provide for

arrangements that relate to the regulation of legal brothels, people who work in those brothels and also people who operate alone to allow them to be exempt from the requirements of the legislation.

**Mr MORRIS** — Yes. This is an observation, I guess, but I would have thought that there were a significant number of workers in illegal brothels whose interests need to be protected as well and that the existence of this committee might in fact assist in that regard.

**Mr COHEN** — I must say that is something I am not in a position to be able to comment on.

**Mr MORRIS** — Yes, fair enough.

**Ms WARD** — I just wanted to follow on from the Chair's comments and questions regarding crime statistics and so on. I know in the 16–17 year there is an increased allocation of police numbers for recruitment. Can you talk to us about how that is reflected in the crime stats that you talk about? We have got some crimes that are up and some crimes that are down. How are those changes that you see in 16–17 being implemented, and are they reflected in the crime statistics that you have mentioned?

**Chief Comm. ASHTON** — They are not really reflected in the crime stats for 16–17 as the numbers really did not start to flow to frontline policing and other areas through that financial year. Certainly in the following financial year that is much more demonstrable, but certainly for 16–17 we were doing the recruiting — starting the recruiting, starting the training, to get the police, in particular the first group of police, heading out to the high-growth areas where we were getting significant pressure.

**Ms WARD** — So I understand the police station in Mernda is opening soon; is that right?

**Chief Comm. ASHTON** — Tomorrow, yes.

**Ms WARD** — There you go, very soon.

**Mr D. O'BRIEN** — What a coincidence!

**Ms WARD** — Deidre Chambers! So how does the staff allocation model work, then, and how was that implemented in the 16–17 year?

**Chief Comm. ASHTON** — That was implemented in relation to where the first 300 started to go and then from then on. So that was developed through that year, the staff allocation model, and —

**Ms WARD** — So how did that work?

**Chief Comm. ASHTON** — Well, it is based on a whole range of inputs. We have previously been using what we call basic inputs around where we would send our police. Obviously calls for service is the biggest one, but it was not a really sophisticated model, and what we were seeing in other jurisdictions was they were starting to put a lot of work into models that were more complex — so associated economic data, population growth was more accurately measured and a whole range of other inputs that I could go into in terms of what the current inputs are. They currently include, obviously, calls for service, crime —

**Ms WARD** — I am sorry, Commissioner, I am finding it hard to hear you over the conversation of my colleagues. Could you please speak up?

**Chief Comm. ASHTON** — The current demand metrics that go into the staff allocation model are the CAD events, so call for service; data that sits in LEAP currently; reportable deaths; breach management —

**Ms SHING** — Point of order, sorry. Guys, I actually cannot hear because of the acoustics. Please, I am finding it difficult here.

**Ms WARD** — I was being serious, I was not being smart.

**Ms PENNICUIK** — I cannot hear either.

**The CHAIR** — Perhaps, Chief Commissioner, if I could possibly ask you just to move the microphone maybe a little bit closer, that may assist.

**Ms SHING** — Thanks.

**Chief Comm. ASHTON** — It is almost touching me now.

**Ms WARD** — I know. We have all got the same problem.

**Chief Comm. ASHTON** — So also included are brief management, because we all spend a lot of time obviously putting briefs together, and event management, because we handle a lot of big events in terms of overlooking events that are happening, whether it is grand finals or other big events. In emergency management this is the first time we started quantifying how much time we put into emergency management, particularly across summer, with the heat. In rural areas we are trying to measure travel time, so how much time is spent travelling to events, because rural areas were disadvantaged in terms of having to travel distances to get to events or to call-outs. The road policing operations within highway patrol, we have started to measure that, which we had not previously done — time spent at traffic incidents.

Vehicle impounds — since we have been impounding vehicles those intercepts take a lot more time to effect because we have to wait for the tows and that sort of stuff; measuring the time for implementation of infringement notices; information report completion for Interpose, our information database; intel products; sex offender management work; mental health transfers, which occupies a lot of time; police emergency event command; travel time for training; hospital guards — and there are other metrics as well that are going into that. That is trying to provide a more complex model to understand where we need to be putting our police in the future.

We always had a historic view that it was very much a wet finger in the air approach to where we were sending people. We wanted to have a model that we could work with the police association on so that we all knew where the demand was and where we could send the police. The staff allocation model we hope over time as we continue to develop will be a very transparent model so people can see the inputs and we can work with the community. If the community feel that we are not getting enough police to a certain geographic area, then we can work with the community on understanding where the model is — and perhaps they might have ideas that we are not measuring that pick things up — and also help to explain to the community the rationale for why we base police where we place them. That is the longer term view of it. That model was developed through the financial year.

**Mr D. O'BRIEN** — Good afternoon, all. I have got a few questions on police, Chief Commissioner, beginning with the automatic numberplate recognition rollout, which has been basically a bipartisan project. Can you update the committee on how many police vehicles have now got the BlueNet ANPR technology fitted, and is it operating within its original \$43.8 million budget?

**The CHAIR** — As of June 2017.

**Chief Comm. ASHTON** — So for that budget year?

**The CHAIR** — Yes.

**Chief Comm. ASHTON** — The initial funding received was the 15 million, which was then furthered with a grant received of 2.7 million from the TAC to maintain the random drug tests. But in relation to ANPR, the data I have got there really relates to more recent data in 18.

**Mr D. O'BRIEN** — I am happy to have that, Chief Commissioner, if you want to give us that.

**Ms WARD** — Not quite within our purview, I think, Mr O'Brien.

**Mr D. O'BRIEN** — It would save us time next year, wouldn't it?

**Chief Comm. ASHTON** — The total infringements, 17 December infringement numbers I have as a result of the BlueNet operations with the funding with additional BlueNet operations —

**Mr D. O'BRIEN** — Chief Commissioner, I am just wanting to know how many cars it has actually been rolled out to —



**Chief Comm. ASHTON** — Yes, certainly.

**Mr D. O'BRIEN** — if you have got that.

**Chief Comm. ASHTON** — I am told that I currently have six BlueNet vehicles in relation to the funding.

**Mr D. O'BRIEN** — Okay. That was the original pilot, I understand.

**Mr KENT** — Correct.

**Mr D. O'BRIEN** — So it has not expanded beyond that?

**Chief Comm. ASHTON** — No, because we have had to go to tender for a tender process with the additional funding, and I think the tender process was just completed last month.

**Mr D. O'BRIEN** — If I could move on to police numbers, in 2016–17 of course there was a commitment for 406 extra police. Could you advise how many of those extra police were delivered in 2016–17 and also if you have got the attrition rate in percentage terms in actual police numbers for that year — for sworn officers, I am talking here?

**Chief Comm. ASHTON** — Yes. I will start with the attrition rate. We on average work through about 400 departures a year from Victoria Police, and that is an attrition rate of about 2.7 per cent, but of those 400 around about 300 of those are retirements. In terms of officers leaving outside of retirement, the number is about 100 a year of the 13 500 police, which equates to an attrition rate of 0.7 per cent in terms of those staff that are not retiring but are leaving. But over all in terms of recruiting we have to recruit around an additional 400 police every year. That has not tended to change for some time now. It has tended to be about the same attrition rate.

**Mr D. O'BRIEN** — So the 406 that were promised for 2016–17 — they were over and above attrition — how many of those were actually delivered in 16–17 — actually on the ground, I mean?

**Chief Comm. ASHTON** — I would have to check this, but I am pretty sure they were not on the ground in 16–17, those additional 400. They were still in the recruit training process. I guess they count for our numbers because they are in the academy, but they were not hitting the front line.

**Mr D. O'BRIEN** — Do you know when they would be expected to be on —

**Chief Comm. ASHTON** — That has already started after that financial year. They have started to roll out to locations. That 400 is to be completed by April of this year in terms of when they start rolling out.

**Mr D. O'BRIEN** — Right. The subsequent numbers that were also announced in December 2016, the additional 2729 —

**Chief Comm. ASHTON** — Yes.

**Mr D. O'BRIEN** — when will they start to hit the road?

**Chief Comm. ASHTON** — They will hit the road this year, the first of those.

**Mr D. O'BRIEN** — This financial year?

**Chief Comm. ASHTON** — Later this calendar year. I am planning to release the allocation of those officers within the next week or two. I am just trying to finalise the numbers over this week in fact in order to give forewarning to our deployment and infrastructure staff and to the community, just to talk about where they are going, so I will be able to release that hopefully under the staff allocation model very, very soon; I think within about the next week.

**Mr D. O'BRIEN** — I have a couple of extras in terms of —

**The CHAIR** — We might come back to that, Mr O'Brien. Mr Dimopoulos.

**Mr DIMOPOULOS** — Welcome, Mr Wilson, Chief Commissioner and officers. Chief Commissioner — or it could be Mr Wilson — the government made some investments in the 16–17 year budget, including \$8.5 million for youth crime prevention grants, funding for youth summits and 19.4 million, I understand, for a community crime prevention program run by the department. I recall, Chief Commissioner, last year at the same hearings you said something to the effect of Victoria has the lowest youth crime rate in Australia after the ACT. I note that the *Age* revealed the stats from the Australian Bureau of Statistics last week which had the same statistics. I just want to get a sense of, in that 16–17 year, two things: where we sat as a state in relation to youth crime across Australia — I know they are going to be similar statistics to what you presented the year before in this hearing — and number two, in relation to the 2016 youth summit, on page 36 of your annual report, if you could tell us what were some of the headline findings or issues that came out of that youth summit. So it is where we sat in that year Australia wide and what came out of the summit.

**Chief Comm. ASHTON** — The 2017 summit, are you talking about, or the 2016 summit?

**Mr DIMOPOULOS** — The one that was in the 16–17 financial year — 2016.

**Chief Comm. ASHTON** — I guess firstly for youth offending through that year of 16–17 in terms of youth offenders — that is, the number of offenders, which I think your question related to — we were the second lowest in Australia outside of the ACT according to the Australian Bureau of Statistics data that was recently released. We were just under 1500, and New South Wales I think here is 2700 or around about, and similar with Queensland — about 2500. We were about 1400. This is the ABS data. They measure persons between 10 and 17 as youth. We have a broader measure of age group that we talk about with youth, but the ABS data refers to youth across the country as that age limit. Did you want to know about actual offender incidents or just offenders?

**Mr DIMOPOULOS** — As far as it relates to your earlier comment to another member — I cannot remember who — in relation to the recidivists, I get the sense from what you are saying that we have a smaller number than any other state, so the rate is lower.

**Chief Comm. ASHTON** — Yes.

**Mr DIMOPOULOS** — Those individuals seem to be continual offenders, as it relates to that.

**Chief Comm. ASHTON** — Yes, absolutely. We have got a high level of recidivism with youth crime and what we regard as youth. We have a high level of recidivism, which is why we have had to really focus on our recidivist or repeat offender crime model in terms of dealing with it. That is certainly true. We do have a lot of high-level offending in that cohort as well, so you can get your high-harm offences in that group as well.

In relation to the youth summit in 2016 there were a range of outcomes, particularly for us in the policing area, around high supervision, bail and working with magistrates in relation to placing a lot more controls around bail and bail infringements — you know, on people breaching bail. But also a big one out of that was employment for young people being a critical issue — underemployment and unemployment with young people — particularly in some emerging communities. That led to us then having the second summit last year, which was focused on youth unemployment.

**Mr DIMOPOULOS** — Lastly, as a supplementary, there is obviously a link between the outcomes of the summit and the issues you talked about before about recidivism. I imagine you are looking for ways to continue to bring that down, including by way of employment programs. Given the work you did in 16–17 — and I know you have done a whole year's work after that — do you have confidence about the future, going forward, in terms of the rate of youth offending?

**Chief Comm. ASHTON** — There are plenty of challenges in it, and it is going to rely on community involvement significantly to try to turn that around.

**Mr MORRIS** — Chair, just a quick point of clarification before Mr Smith. Chief Commissioner, my understanding is that New South Wales and Queensland, for the youth figures that you are quoting, actually include things like traffic infringements. I may be wrong, but that is my understanding. So I am just wondering whether it is actually a fair comparison.

**Chief Comm. ASHTON** — Yes, there are always apples and oranges with the stuff on crime statistics, because we always measure our crime statistics slightly differently. It is very hard to build these sorts of charts and to say they are exact replicas.

**Mr MORRIS** — If traffic infringements are in there, that would obviously —

**Chief Comm. ASHTON** — I would have to check on whether traffic is in there. I had not heard that. But certainly just generally, say with stolen motor cars, we measure attempted thefts as thefts and New South Wales do not — that sort of stuff. So it is hard to compare exactly. I think the ABS do their best to sort of distil that out, but I think your point is right about, you know, whether it is a precise mirror image of statistics.

**Mr MORRIS** — Thanks for that.

**Mr T. SMITH** — Welcome, Secretary and Chief Commissioner. In your 2016 community safety statement you stated that only 10 existing police stations will be rebuilt, with no new police stations besides the one now completed, as you said earlier, at Mernda. I am just interested to get an understanding about resourcing these new police stations. Are we going to have all these new police that are coming on in these stations serving communities or in town in office blocks, so to speak?

**Ms WARD** — Are you talking about police stations being built and staffed in 16–17 or in the future?

**Chief Comm. ASHTON** — I would prefer to have as few police as possible in terms of working inside police stations just to get them operating. It takes quite a number of police just to keep doors open at a police station, and at times you are running property, running counter and involved with custody. You will often have other specialist positions that form part of that police station, such as firearms inspection and other things. I am keen to keep that as minimal as possible.

We are looking at areas in terms of replacements — replacing existing stations — and Mernda is an example of one that we felt was certainly in a growth corridor. There is significant growth out to the north and north-east there, and we thought that would be well serviced by Mernda from what we were seeing. That was the reason we were supportive of that one going forward. I could run through specific stations, if you want, that we are going to refurbish.

**Mr T. SMITH** — That would be helpful.

**Chief Comm. ASHTON** — Currently we have got Alexandra, which is a replacement station due for completion in 2018. The Altona North replacement, which is out a bit for us — it is only a new one — was proposed for August 2020. We have got a Bright replacement station due in March 2018. The Colac replacement, which is now well underway, is due in August of this year, 2018.

Funded in the 16–17 year: the Corryong replacement, completion for next month, March 18; Cowes replacement station, which was again funded in 16–17, proposed for completion in March 18. We completed the Echuca replacement station, which opened December 16, but that was funded in 14–15 — sorry. Funded in 2016–17 was the Mallacoota replacement, and we are currently still trying to get a May completion date. That is under some pressure, that May date. It might be a bit later than May, but we are trying to get that done. Also in 16–17 Murtoa replacement was to be completed in December last year, but I understand that is not quite done; it is another month or so for that one. Also in 16–17 — I am just trying to find the 16–17s — Warburton replacement. That is to be finished next month, March 18.

In terms of refurbishments, Benalla was funded in 2016–17 and was completed in August last year. Also completed in August last year was Rosebud, which again was funded in that financial year. Bacchus Marsh and Bairnsdale refurbishments completed in August last year. Also August last year were the refurbishments for Portland and Warrnambool. December 2017 was scheduled for Mount Buller. We still have not finished that in terms of refurbishment, because we are talking with the alpine management authority about that site. They are doing a lot of work up at Mount Buller in terms of totally redoing the site, so that has been put on hold while that happens. There are a whole series of more minor refurbishments at Churchill, Cobden, some works at Geelong, Lakes Entrance, Maffra, Moe, Sorrento and Warragul, all funded in 16–17, and all of those have been completed as well.

**Mr T. SMITH** — What about Cowes? Did you mention Cowes?

**Ms WARD** — He mentioned Cowes — funded 16–17 budget.

**Mr T. SMITH** — You mentioned Cowes; thank you.

**Chief Comm. ASHTON** — Yes, Cowes.

**Mr T. SMITH** — Thank you very much; very helpful.

**Chief Comm. ASHTON** — Pleasure.

**Ms SHING** — Chief Commissioner, I might stay with you if I may. I would like to take you to discussions in relation to organised crime, and in particular to talk about the work-related impost and the operational impost caused by organised crime, whether that is outlaw motorcycle gangs, whether we have got organised crime networks and drugs syndicates as they relate to large-scale illegal activity, and I would like to take you to your annual report and pages 16 and 20. We know that there is a proliferation of firearms and illicit drugs within organised crime networks. What during the relevant reporting period has been done to target major organised crime syndicates, particularly around the importation and distribution of both illicit drugs and firearms within the state?

**Chief Comm. ASHTON** — That is primarily dealt with at our crime command under Assistant Commissioner Steve Fontana, and we certainly, through that period, put additional resources into the gangs aspects of organised crime, particularly around outlaw motorcycle gangs. Certainly in our view ice trafficking in particular but also other amphetamine trafficking is something in which outlaw motorcycle gangs play a significant role, and certainly the primary role in the trafficking, in our view, in relation to that. So we put additional resources into the gangs area to try and deal with that. The other thing we have done in the crime command is work much more closely with the commonwealth agencies on organised crime. We now have officers sitting side by side able to tap into the national or international intelligence picture for organised crime and also how that plays out on the ground, so with our local ability to recruit sources and operate on the ground with the commonwealth's better picture internationally of what is coming in, where it is coming from and who some of those bigger targets are. So in terms of seizures it has led to a massive increase in the amount of drugs that we have seized. I am certainly happy to get you some of that data, but it is a very significant increase in the amount of seizures, and we have been able to break up significant organised crime networks through that 12-month period and since in relation to drug trafficking and particularly with its rural reach as well.

**Ms SHING** — Thank you. I would be grateful for any of that information that you can provide on notice around the volume of illicit substances that has been seized during that relevant reporting period and the number of firearms. I would like to get some further information on firearm prohibition orders and the extent to which online organised crime has also been the subject of your attention and/or the collaborative attentions with the AFP.

**Chief Comm. ASHTON** — Yes. Certainly we have had significant work done around the proposals that we have wanted for firearm protection orders, because we think that will play a significant role in assisting us. Certainly the crime command have been very keen for that for some time in terms of accessing that. We will certainly get that data for you on the seizure rates as well.

**Ms SHING** — Thank you.

**Chief Comm. ASHTON** — Did you want some data on the firearm crime?

**Ms SHING** — Yes, please.

**Chief Comm. ASHTON** — In terms of the number of firearms, there are probably two different aspects — offences where firearms are stolen as opposed to the number of firearms stolen. Is that the sort of stuff that you wanted?

**Ms SHING** — Thank you. Yes, please.

**Chief Comm. ASHTON** — In relation to the difference between 15–16 and 16–17, total number of firearms stolen through 15–16 was 863; in 16–17 it was 701. Offences recorded where firearms were stolen, so adjunct to other offending a firearm was stolen — it is not the specific purpose of the theft — in 15–16 it was

318 firearms and in 16–17 it was 249. That includes traditional long arms and pistols but also air rifles. Imitations are also included; replicas are also included in that.

**Ms SHING** — Just quickly as a supplementary, I refer to the online organised crime element to this, the dark web and the trading and trafficking that occurs in not just drugs but firearms and other illegal activity, and the work I assume that has been undertaken in conjunction with the AFP designed to target this area. How has that actually been undertaken at a state level to maximise the resources that you have available to you and to stem the flow of what appears to be a pretty significant area of burgeoning offences?

**Chief Comm. ASHTON** — In relation to drug crime, certainly it is the fastest growing means of accessing drugs from overseas. There is no doubt about that. Again that is something that we are now doing jointly with the Australian Federal Police, so we have been working with them on that in relation to the dark web. We have a certain level of capability in relation to disrupting that activity, but it is something that we are now working on with our capability plan on building that capability up so that we can do a lot more of that because it is so fast growing.

**Ms SHING** — Anything that you can provide on notice in relation to the specifics of what that looks like on dark web activity and how you intercept that I would be grateful for.

**Chief Comm. ASHTON** — Okay.

**Ms PENNICUIK** — Welcome, Secretary, Chief Commissioner and everybody else who is here. If I could talk a little bit about legal aid, using the DJR Datavic snapshot of Victoria Legal Aid — and I will talk about Datavic a bit later — on that snapshot, it revealed there was a 10 per cent increase from 14–15 to 15–16 on grants of legal aid. Nevertheless, the following budget still kept the original target but the outcome was expected to be over the target. And if you look at page 39 of the DJR annual report, it says there have been approximately 10 000 more services provided by private practitioners and duty lawyers in 16–17, and this was put down to changes in the bail system as a result of the Coghlan review. Most of those have not actually come into play yet; they are due to come in mid this year.

But also on page 48 of the same report it says under ‘Public prosecutions and legal assistance’ there was a 19 per cent increase in grants of legal aid or an additional 2000 grants of legal aid, and this was put down to summary crime and increases in family violence intervention orders et cetera. There seems to be a discrepancy amongst the figures there. The other thing is about the intensity of the cases that are being handled. I wonder — it is a sort of a longwinded question, but I am just putting the picture there — if you could comment on the increases in grants of legal aid over the period, for what purposes and why.

**Mr WILSON** — Yes. I can make a few general comments, and I might ask the deputy secretary with that responsibility to go into the detail around the budget and the performance pressures and so on. I think generally, as I mentioned in the opening, there is a lot of pressure on the criminal justice system with the changes to sentencing laws, sentencing practice, bail, the remand numbers and so on. Then there is our interaction with the commonwealth on the partnership agreement relating to legal aid. They are an organisation under a lot of pressure, as is the whole system, but there has been additional funding provided for things like family violence and so on. But I might ask Mr Phillips to respond to the specifics of your question, and if we do not have time, I am happy to take it on notice.

**Mr PHILLIPS** — Thanks very much for your question. In 2016–17 legal aid provided services to 90 649 unique clients, which is an increase of 4.4 per cent on the previous financial year. It provided 41 638 grants of legal assistance in 16–17, which is an increase of 8.6 per cent on the previous financial year. The demand for grants of legal assistance, as the secretary indicated, is largely due to strong demand growth in the areas of summary crime, family violence, child protection and indictable crime. VLA also experienced an increase of 7.5 per cent on the previous financial year in relation to its duty lawyer services.

**Ms PENNICUIK** — I am sorry; I did not hear that.

**Mr PHILLIPS** — In relation to duty lawyer services. I think it is fair to say that, as the secretary indicated, across the board we are seeing and are likely to continue to see pressure on legal aid, and they are the key areas and the key reasons why that is the case.

**Ms PENNICUIK** — So will you be thereby increasing your expected outcomes and targets for legal aid assistance in the coming year?

**Mr WILSON** — I guess those things will be looked at in the budget process, but I think there is a recognition across the system that being tougher on bail and those various, as the commissioner mentioned, what we call procedural offences and so on will create more demand on the system, and obviously that will be taken into account in terms of budgets and output measures going forward.

**Ms PENNICUIK** — Also in the questionnaire, I think it is on page 3, there was a Treasurer's advance, again attributed to bail increases and the night court. Some of that I think went to the night court. Could you outline how much of that Treasurer's advance went to the night court and how the night court is functioning? Do you have any figures on what is going on there?

**Mr WILSON** — Yes, I do. I will get the specific amounts; they are somewhere in my notes. In the night court we had a magistrate sitting from 4 February every night until 9.00 p.m. This does go beyond the year. Until the end of the year or January 2018, 1013 remanded, 209 bailed and they dealt with eight guilty pleas. I guess it is going beyond the financial year, but there is some work to be done to look at expanding its operations and providing more in terms of logistical support and security and so on to get more people using that night court. But I will get the exact figure for you before the end of the hearing today.

**Ms PENNICUIK** — Thank you. That would be great.

**Ms PATTEN** — Thank you, Secretary and Commissioner. I wanted to ask a couple of questions around the gambling portfolio initially, particularly in reference to page 5 of the questionnaire regarding the Intralot issue. I saw that there was a Treasurer's advance for \$10 million for legal costs associated with the Supreme Court matter. I am just wondering if someone could provide me with further information about the progression of that matter and whether the \$10 million was allocated.

**Mr WILSON** — We could do that. We might do that on notice. With the way our budget works, we do not get explicit funding for legal matters that arise. Presumably that would have been the reason it was a Treasurer's advance. Executive director Cate Carr may have some more detail on that, or I am happy to take that on notice.

**Ms PATTEN** — Did you say you do not get —

**Ms SHING** — It is a specific legal cost.

**Ms PATTEN** — Because it says, 'Legal cost associated with the matter'.

**Mr WILSON** — It is a Treasurer's advance. Litigation comes up during the year, and then that is the sort of stuff the Treasurer's advances are used for because you cannot predict in advance what legal matters you are going to have to deal with. They are the typical things that Treasurer's advances are used for. But we can get you an update — or the committee an update — on where that is at if you like.

**Ms PATTEN** — Thanks very much. That would be great. Just following on with gambling and liquor regulation, in the annual report there is the talk about the inspections that are done and that the inspections were quite below target in 16–17. There seemed to be mandatory training, secondments, the introduction of a new database et cetera. I guess the question is: is that likely to resolve itself and will the inspection targets easily be met in the future? And if not, has there been any modelling as to extra costs for inspections going forward?

**Mr WILSON** — Yes, I notice certainly the mandatory training and an IT system, and there is also a bigger emphasis on more of their effort going to higher risk activities, but I might ask Cate Carr to respond with more information on that.

**Ms CARR** — Yes, the secretary is correct. It was a mixture, as I am advised, of staff in the compliance area being offline due to a training program that the VCGLR implemented to try and improve the capabilities of the inspection workforce, the introduction of a new IT system and also increased focus on inspections that are not just going out into a venue and making sure that they have got the right signage on the wall. It was really about trying to focus the inspections on high-risk activities. Those tend to be venues that operate late at night, serving alcohol. Those necessarily require inspections to be conducted two-up, if I can use that term. They also are

trying to have an increased focus on inspections not just in metropolitan Melbourne but in regional and rural Victoria. So there has been that impact on achieving the target.

Whether it will resolve itself over time I guess is something that remains to be seen, but my understanding is that the commission is very much focused on continuing to develop its risk-based approach to compliance activities and focusing its inspection workforce on those activities that are more likely to cause harm.

**Ms PATTEN** — Thank you. Just quickly to follow up on that, I appreciate the more in-depth inspections that are not just a tick on signs on doors and appropriate lighting et cetera. Given the inspections are moving, I guess I ask again: has there been modelling to say that you are going to require more resources to do those more in-depth inspections?

**Ms CARR** — The advice that I have got from the commission is that they expect to come in on target this year.

**Mr T. SMITH** — To the acting commissioner for corrections, if I may: in the 16–17 financial year, how many unlawful releases were there from Victorian prisons and/or the custody of Corrections Victoria?

**Mr WISE** — Sorry, could you repeat the second part of the question?

**Mr T. SMITH** — From Victorian prisons — unlawful releases — and/or from the custody of Corrections Victoria.

**Mr WISE** — I think from memory there were about five unlawful releases, and that is not all that dissimilar to previous years.

**Mr T. SMITH** — So about five per year going back over the —

**Mr WISE** — I can check and —

**Mr WILSON** — It is a calendar year figure of five in 2017.

**Mr T. SMITH** — Okay. What about 2016?

**Mr WILSON** — Four; 2015, six; 2014, four; and 2013, five. Just to add, that is from around 10 000 releases a year. We did do a review, under the former government from memory, on why these things happen. It is essentially the complexities of sentencing, the reliance on faxes and the way we communicate with courts. We have done a lot to improve that, but essentially — correct me if I am wrong, Mr Wise — it really requires, to be 100 per cent accurate 100 per cent of the time, an investment in an IT system that will do that between us and the courts. It has been a persistent issue for us. As Mr Wise said, it is four, five or six it seems out of that 10 000 or so a year that basically are just errors, miscalculations of sentences and so on. We have also had some where they have been unlawfully detained beyond their sentence because we have got it a day wrong or something like that, so it is something that we are focused on.

**Mr T. SMITH** — Were there any sex offenders that were unlawfully released?

**Mr WILSON** — No, not to my knowledge, but I might ask Mr Wise if that were the case.

**Mr WISE** — No, not from memory.

**Mr SMITH** — And did any of these individuals that were released offend whilst they were unlawfully released?

**Mr WILSON** — Not to my knowledge. Obviously we contact Victoria Police straightaway, and in most cases — well, a number of cases that I am aware of — once they have realised they have just waited. There is a mistake made and they have got to come back. I think we may have changed some legislation to enable VicPol to do that, from memory.

**Mr WISE** — It is now easier for Victoria Police and corrections staff to apprehend people and —

**Mr WILSON** — And take them straight back.

**Mr T. SMITH** — How long were these people out for?

**Mr WISE** — Many of them just for a day or overnight. Some of them have stayed out longer than that, clearly. We are hopeful that changes to our computer systems will give us better integration with core data and that will reduce the error rate.

**Mr T. SMITH** — For the 16–17 year could you come back with specifics about how long these people were —

**Mr WISE** — I could do that.

**Mr T. SMITH** — I am happy for you to take that on notice.

**Mr WILSON** — Yes.

**Mr WISE** — I can do that.

**Mr T. SMITH** — That will be great. Thank you, Mr Wilson. With reference to the continued rebuilding and repair of damage to the Metropolitan Remand Centre during 2016–17 following a prisoner riot, the government pleaded guilty to a workplace charge laid by WorkSafe for not providing a safe workplace as a result of the riot. Can you advise when exactly did the government decide to plead guilty?

**Mr WILSON** — I can find out for you, as the person instructing our lawyers, but I cannot remember the exact date. It is a complicated process of weighing up the various factors as a model litigant — the impact on staff and witnesses, and going through the work with our lawyers and WorkSafe lawyers on the various charges, three of which were withdrawn — so there was a lot to weigh up over that period of time. As I say, at the front of my mind was not retraumatising staff through a lengthy, or what could be a lengthy, trial process, so that is always a consideration. As a model litigant you need to weigh these things up as well as the other factors like prospects and costs and those sorts of things, but I cannot remember the exact dates unless someone can furnish you with them today.

**Mr T. SMITH** — In terms of some of your learnings from this incident, could you indicate to the committee what you have changed?

**Mr WILSON** — Well, the changes were that Minister Noonan at the time commissioned Kieran Walshe to do a review of how the incident was managed and to make recommendations on what we could do to improve things going forward.

I do not know, Mr Wise, if you have a list of the things: availability of SESG staff; certainly the strengthening of the prison. It was designed for 600 people and we had close to 1000 prisoners in there, given essentially the reforms of the previous government and the ongoing challenges and pressures on the system, so certainly rebuilding it and strengthening the prison was one of the outcomes. I do not know if there are extras that Mr Wise has at hand.

**Mr WISE** — In terms of the WorkSafe prosecution, it is probably worth noting that the charge to which the department pleaded guilty was not related to the riot. It was related to Corrections Victoria's failure to adequately prepare for an event of that nature, and it was acknowledged by the court that the failure to have more security and emergency services group staff on site or nearby would not have prevented the riot or been able to quell it. So in terms of our preparedness for such an event in the future, we have learned a great deal. We have certainly bolstered our security and emergency services group and our emergency response group personnel so that we are better able to respond to such an incident in the future. We have also had great learnings, I think, in relation to our emergency management coordination and the way in which we work with Victoria Police and other emergency agencies to jointly address an incident of that magnitude.

The Walsh report, as the secretary has indicated, was very, very clear in saying that there was overcrowding at the remand centre and a failure of certain parts of the infrastructure of the MRC to keep pace with the increased accommodation that we provided. That has been a major learning as well, and we are now in a position — now we have put all the walls in place and are just putting the finishing touches to central movement control and some of the hardening and strengthening of parts in the prison — and are now much better able to keep the staff and prisoners safe in such an environment.



**Ms WARD** — Chief Commissioner, I want to go back to your comments that you made to the Chair in his first question to you regarding family violence and the focus that Victoria Police has got in that space. You mentioned that family violence is up, including attacks upon the person, property and so on. You also mentioned working on recidivist offenders. Could you please talk us through what that work is?

**Chief Comm. ASHTON** — The recidivist offender work?

**Ms WARD** — Yes.

**Chief Comm. ASHTON** — Yes. Through that particular financial year the offending was up. Overall we responded to 76 500 offences through that financial year.

**Ms WARD** — And what was that increase from the year before?

**Chief Comm. ASHTON** — On the year before? I did put that number out earlier.

**Ms WARD** — Sorry.

**Chief Comm. ASHTON** — I guess where I was going with that number was that, in dissecting those numbers, we found that recidivism was very evident in that reporting. We were getting a lot of repeat offenders and repeat victims, unfortunately. Certainly our work with the sector was all about, ‘Look, if we focus on some of these big offending numbers in terms of repeat offenders, we’re going to reduce harm obviously because they can be some of the most — not always — harmful’.

But also we would impact in terms of community benefits. So the work that we have done in establishing the specialist family violence units is properly understanding that offending and what that looks like and then getting a specialist model. So it is not just police responding. We are able to access the sector more quickly and also do things like psych support, sociological understanding and profiling of offenders and look at how we might impact to reduce the offending. For the specialist family violence units specific focus has been on repeat offenders and trying to drive that 76 000 number down.

Certainly what we have seen since 16–17 — it started a little bit during that period — is more people are now going direct to the sector. We know that in police terms a victim of family violence will wait until the sixth or seventh occasion sometimes before they call police, but we want them to go much earlier to the sector to get prevention support and advice. Sometimes that is relocation or temporary respite housing, but often it is about advice. That has been happening, and the advice from the sector is that really their numbers are lifting significantly. As ours are starting to level, theirs are going up, which is a positive because that is what we want — people to get assistance much earlier. Again having that recidivist focus has enabled us to deepen those relationships with the sector so they have been able to get earlier support. So it seems to be so far working pretty well.

**Ms WARD** — So with the staffing allocation model that we spoke about earlier that you responded to, how is that working in terms of family violence and this recidivism model that you are implementing?

**Chief Comm. ASHTON** — It certainly measures family violence in there because it is our biggest attended event. We still attend a family violence incident call-out about every 7 minutes.

**Ms WARD** — Every 7 minutes?

**Chief Comm. ASHTON** — Yes. It used to be about every 6 minutes and now it is on average every 7, so that is a good thing, but still way, way too many.

**Ms WARD** — So that is every 7 minutes over 24 hours?

**Chief Comm. ASHTON** — It averages out to, yes. So for us getting to those events has meant that from an allocation point of view we have to measure how long that takes. It takes a lot longer to be present at a family violence event than it does a lot of other events, so we have had to measure that in terms of staffing allocation. We plan to allocate additional numbers into family violence specialist units, but we have also as part of our staffing allocation model had to do a backfill, because initially we had to take members from the front line to

staff those units. Now we have started the rollout of additional numbers back to the front line that were taken originally for that specialist family violence function, so there is —

**Ms WARD** — Because of the extra staff that have been brought on?

**Chief Comm. ASHTON** — Yes. So there are two elements to that allocation under the SAM, the staff allocation model.

**Mr T. SMITH** — Just a quick question to you, Acting Commissioner, with regard to WorkSafe and the County Court. Can you confirm that WorkSafe visited the County Court complex following allegations of ongoing unsafe work practices during 2016–17 in the custody cells and during the transportation of prisoners to the court by Corrections Victoria? Can you advise what is the current status of that WorkSafe investigation?

**Mr WISE** — No, I am afraid I cannot give you any update. I am aware that WorkSafe were called in, but I thought that all the matters were resolved. I am aware that WorkSafe attended the County Court cells, but I am not aware of where that investigation got to. But I have not heard that it has not been resolved.

**Mr WILSON** — We can take that on notice and just confirm that, but we would normally get advised that it is an outstanding WorkSafe matter. If there was a provisional improvement notice or something like that, we would know. But we can chase that up for the committee.

**Mr T. SMITH** — That would be helpful. Thank you, Mr Wilson. This question is to you. On 27 March 2017 the corrections minister told the Legislative Council that she, as a new minister, would be implementing a new policy of love and care for prisoners. Could you advise exactly how your department is implementing this new doctrine, and can you provide some examples of this policy in operation?

**Ms SHING** — On a point of order, do you have the full quote there, Mr Smith? That is an extract.

**Mr T. SMITH** — It is from *Hansard* of 22 March 2017.

**Ms SHING** — And can we have the full quote?

**Mr T. SMITH** — Yes:

I am very concerned to see that we demonstrate great love and care for those that are in our care, and therefore I am quite concerned about the temper of this discussion today.

She is talking about prisoners in the prison system under the auspices of your department.

**Ms SHING** — We do not have a context or a source for this. You are providing the answer to a question that we do not actually have.

**Mr MORRIS** — Legislative Council, 22 March 2017.

**Ms SHING** — I understand the source because I was in the Council at the time.

**Mr T. SMITH** — The question is not to you; it is to him.

**The CHAIR** — I am happy for the witness to provide some advice in terms of the way in which the department is attending to people within its care.

**Mr WILSON** — I did not catch whether it was youth justice or the adult system.

**Mr T. SMITH** — The adult system.

**Mr WILSON** — The adult system. We are guided by legislation on the way we treat prisoners and the things that they have a right to. That is what guides us first and foremost — the statutory requirements and various other standards that apply. I do not know, Mr Wise, if you can add to that. To the extent that you are talking about a general comment about caring for prisoners as distinct from a particular program that has just been launched, we just have this underlying statutory responsibility to take care of the people in our facilities. Mr Wise?

**Mr WISE** — No, the duty of care makes sense. With the rest of the comment I would probably need the context, I think.

**Mr DIMOPOULOS** — Secretary, I refer you to page 99 of budget paper 3, of the 16–17 budget of course, and the line item, ‘Management of serious sex offenders’, in particular the establishment of the 20-bed secure facility. I just wanted to ask you if you could address what the driver for that was. It seems obvious, but was it the Harper review or was it the experience of the lack of having a facility like that? Also I ask how the development of the Harper review, which was conducted in the same year, progressed in that year — so what did you implement?

**Mr WILSON** — I might make a few general comments, and perhaps Mr Wise might add to them. The Harper review by Justice David Harper commenced after the tragic murder of Masa Vukotic in I think it was March 2015. He did a thorough review of that scheme and concluded that there was a category of offenders for which there would be benefit in having a step-up facility from a residential facility like Corella Place but not quite full-on being detained in prison under a detention order. So the motivation for that was to really have something in between supervision in the community and detention in a prison. Then there is a general growth in those numbers, like most of the offenders across the system with population growth and these other things. So that was my understanding of the motivation of it, Mr Wise. It was reviewing that particular case — not that I can get into the specifics of that — but a sense there are sex offenders with unmet treatment demands who would be better managed in that type of facility, and that would give us the ability to step up into a facility like that in the event of breaches or problems with treatment programs and that sort of thing, and vice versa: to step back down into the community once these people are doing well. I might ask Mr Wise if he has got further things to add there.

**Mr WISE** — I think the other issue is that there is a cohort of offenders who have a greater propensity for violence than sexual offending, and some of them have both. In relation to the Price incident, his predisposition was more violent than sexually oriented. The step-down, step-up sort of facility allows us to manage some of those more difficult people who might not meet the threshold for detention in a prison environment, and indeed the Harper recommendations have led to the extension of the post-sentence supervision scheme to violent offenders as well. With that facility outside of Ararat, in the 16–17 year there was a lot of planning and design work that kicked off not long after that financial year, and it is now halfway through construction. So we will have that in place by the end of this year and it will be of significant benefit to the community.

**Mr DIMOPOULOS** — And is that an element of the Harper review? What were the main elements of that review that were conducted in that year?

**Mr WISE** — There are a range of recommendations — I think 35 recommendations — that Justice Harper made. I think in 16–17 we had knocked over seven of those, and a lot of those were related to things such as training and doing audits of the sex offender cohort, and having a look at the impacts that proposals that he put forward might have on that group of offenders. We are still working through the others, clearly, and we are going through them very carefully, as the report suggests that we do. We are obliged to treat them carefully because there are difficult legislative and operational issues that are identified, so we are working through those carefully. We are making sure as well that a facility such as the 20-bed intermediate facility does not offend our constitutional obligations and does not run up against our charter obligations as well. So it has been a complex bit of work. All of those streams of work are now approaching some conclusion, and we are making very, very good progress.

**Mr DIMOPOULOS** — Thank you. Finally, is it fair to say that the Harper review — this is a genuine question; I am not leading you to this — found gaps in both the legal framework and the facility accommodation format that we have had in Victoria for serious sex offenders?

**Mr WISE** — That is true, and in the treatment delivery area as well.

**Ms SHING** — I have a point of order, Chair. Mr Smith referred earlier to a reference from *Hansard* by the Minister for Corrections, where he quoted one part of a response given in the chamber. Just for the purposes of context, and I do get quite stropy about this, because when you look at *Hansard* the question which the minister answered —

**Mr D. O'BRIEN** — What is your point of order?

**Ms SHING** — It is misleading the committee pursuant to the standing orders, and I would like to be able to put this on the record. The question that was put to Minister Tierney was:

Minister, given the important issues at stake here, what specifically are you doing to ensure this groundbreaking project — meaning the Gathering Place —

designed to reduce Indigenous incarceration and recidivism, is maintained?

To which the minister responded in full:

We are very much committed to working very closely with our Indigenous community organisations. It is absolutely crucial that we have a very, very close relationship because of the challenges that we face in terms of the number of Indigenous people in our prisons. I am very concerned to see that we demonstrate great love and care for those that are in our care, and therefore I am quite concerned about the temper of this discussion today. What I can tell you in terms of the new Ravenhall contract is that the work we are doing there is with Aboriginal community-controlled organisations, and I am assured that the work that we will do in that space will be groundbreaking and will drive recidivism down in this state.

On that basis I would seek that Mr Smith either rephrase his question or withdraw the inference that the comment was made in relation to Aboriginal populations.

**The CHAIR** — The witness did indicate that he was going to check the context of the quote, and I appreciate Ms Shing finding that quote.

**Mr D. O'BRIEN** — Can I continue on the Harper review recommendations, Assistant Commissioner? You talked about the legislative issues. Why the delay? We are now more than two years since that was handed down for the post-sentence scheme legislative element of that. Where is that at the moment? Why has it taken so long?

**Mr WISE** — As I indicated, these are very difficult and complex issues, and a whole heap of legislation has to be drafted. That drafting has taken a significant amount of time. Some of the legislation has already passed through Parliament and is due to commence imminently. Other bits of it are still being worked on, and —

**Mr D. O'BRIEN** — Do you know when we are likely to see that post-sentence scheme legislation?

**Mr WISE** — By the end of the year. Certainly some of the legislation is likely to commence shortly, I would hope.

**Mr D. O'BRIEN** — Okay. On the 20-bed facility, what happens if you get more than 20 participants, shall call them. Is 20 going to be enough?

**Mr WISE** — Well, at the moment we expect it will be able to accommodate the demand. It may be down the track that we need more, but certainly in the short term it should be sufficient to hold the required number.

**Mr D. O'BRIEN** — I understand the cost per bed of the new facility is about \$400 000 per year. Can you break down what that cost involves?

**Mr WISE** — I cannot, but these are very difficult facilities to run. They are labour intensive, and because there are significant restrictions on movement outside of the facility, all of those have to be under escort to ensure that the community is kept safe. There is a large staffing contingent with them and also a commitment to ongoing clinical treatment of these people so they can return to the community in a safe manner.

**Mr D. O'BRIEN** — Do you have a breakdown available that you could provide on notice?

**Mr WISE** — Absolutely; we can provide that.

**Mr D. O'BRIEN** — Great. Just moving on to contraventions of court orders, could you tell us how many orders were made by the courts against Corrections Victoria during 2016–17 for failure to present a prisoner in contravention of a court order?

**Mr WISE** — I cannot give you the number of those, I am afraid.

**Mr D. O'BRIEN** — Could you take it on notice perhaps?

**Mr WISE** — I can do that.

**Mr WILSON** — Sorry, did you ask for the dollars, Mr O'Brien?

**Mr D. O'BRIEN** — No, it was for the number of actual orders, and then if you could also give us a figure on the cost of prisoner transport in 16–17. Again, I would be happy for you to take that on notice if you do not have it there.

**Mr WISE** — I am able to give you the cost of prisoner transport.

**Mr D. O'BRIEN** — Yes.

**Mr WISE** — The overall contract that we have for prisoner transport is worth \$95.7 million over five years.

**Mr D. O'BRIEN** — You do not have a broken down figure for 16–17 — an outcome?

**Mr WISE** — I have not got it broken down to 16–17.

**Mr D. O'BRIEN** — If you could take that on notice, Acting Commissioner, that would be great.

**The CHAIR** — Order! Mr O'Brien has got a quick point of order, I believe.

**Mr D. O'BRIEN** — Mr Wilson, just previously we were talking about the contraventions of court orders and you asked if I was asking about the value. Could I get that as well, the quantum for 2016–17? You were going to take it on notice.

**Mr WILSON** — If you like, I can do that now.

**The CHAIR** — Okay, briefly.

**Mr WILSON** — Costs awarded against Corrections Victoria in 2016, \$214 363.50. I assume that is a financial year. I might just check whether that is calendar or financial.

**Ms SHING** — Commissioner, I would like to — actually, this may be most appropriately directed to Mr Wilson. Mr Wilson, I would like to talk about VCAT and the way in which the allocation of \$4 million over four years has been positioned to assist with streamlining Victorians' access to this particular tribunal. In this sense I would like to take you to budget paper 3, page 114, and the output initiative which is for a modern and sustainable delivery model for VCAT, and what the update is in relation to what 'modern and sustainable' means in the context of a growing court list, the growth of alternative dispute resolution within that framework and the measures of success as far as client/party engagement with this particular tribunal given the challenges that it has faced in years up to the 16–17 period.

**Mr WILSON** — The actual funding for that is not part of our portfolio. It is part of the broader justice portfolio but not our budget, but of course we do work closely with our colleagues at VCAT and Court Services Victoria and the other jurisdictions. So my understanding of that particular initiative — and VCAT, like most other portfolio agencies in the Justice space, faces growing pressures as well. There is not just the quantity of matters that it needs to deal with but also to deal with them — as you suggest in the question — more efficiently and in a more streamlined way, as well as looking at innovations like alternative dispute resolution and so on. So I might ask Deputy Secretary Speagle if he has anything to add.

**Mr SPEAGLE** — Yes, I can add something to what the secretary has said.

**Ms SHING** — Thank you.

**Mr SPEAGLE** — First I just reiterate the point that actually Court Services Victoria and the administration of VCAT have the responsibility for the allocation of that money and the expenditure of it. My understanding is that that money has been used primarily for VCAT's customer service improvement program. This is a multiyear program that has quite a number of different dimensions. The objective of the program is to make VCAT as accessible as possible to the people who use it. The context is that VCAT is what you might call the engine room of the civil justice system in this state. It has many people in the residential tenancies jurisdiction

and in other jurisdictions who are not competent court users. In fact the expectation is that people will go to VCAT and be unrepresented. It is quite unlike the courts in that regard.

**Ms SHING** — It is a true tribunal in that sense, in the context of often it is self-advocacy, yes.

**Mr SPEAGLE** — That is right. It is designed to be low cost and informal. That means that people not only have to contend with the law themselves but they also have to contend with processes and procedures, so VCAT is trying to make itself much more customer friendly. One of the things I am aware of that VCAT has done is to reduce a whole series of different telephone numbers that have been there since its inception in 1998 — it has consolidated those to a single 1300 telephone number. It has also, I think, appointed someone with principal responsibility for making VCAT as customer friendly as possible, so there is a new designated position there. There has also been some consolidation, as I understand it, of the customer service teams so that people get a much more consistent customer service experience. Probably the final thing that I would mention, but I think it is very important, is that VCAT has introduced some customer experience surveys. I think it has now run two of those surveys, and it is really using the results of those surveys to improve yet further its own procedures.

**Ms SHING** — And to the extent that you are able to answer this question, how have customer experience surveys been used to improve the interface that consumers have with this tribunal? Often it is a very alien environment, often you have claimants who are culturally or linguistically diverse or are from regional or remote communities or who have limited literacy or special needs as far as the process is concerned. How does that survey in fact identify these issues and to what extent can it enable the tribunal to be more dexterous in the way that it makes itself accessible to Victorians?

**Mr SPEAGLE** — I do not have in front of me the particular questions that the survey asks — I am sure that we can seek those from VCAT and provide those to the committee — but in general terms it is quite a detailed survey. It does not just ask about overall experience, it asks about different dimensions of the customer experience, and so VCAT is looking at the answers to those different dimensions.

**Ms SHING** — So if I could perhaps get that taken on notice by reference to the way in which distance, literacy and language special requirements are considered by reference to the types of consumers who may seek access to the jurisdiction and the way in which the tribunal is seeking to evolve by reference to that survey and/or any other mechanisms to be more accessible and responsive to Victorians, that would be appreciated. Thank you.

**Ms PENNICUIK** — I have a question for Consumer Affairs Victoria. I am referring to the annual report of consumer affairs with regards to rooming houses, and on page 24 and 25 it says:

Rooming houses often attract the most vulnerable Victorians who are unable to obtain any other form of accommodation, including the long-term homeless and people in need of crisis housing ... include single people on low incomes and a growing number of older women, international students and recently arrived migrants ...

which I think we all understand. There is a table on page 23 — table 5 — which says ‘Compliance’. It says there that in 2016 there were only 621 rooming house inspections compared to 1200 the previous year, so a halving of the number of inspections. Could you explain that differentiation? And also that there are 1184 rooming houses and there were only 99 licences approved by 30 June that year following the legislation?

**Mr COHEN** — Thank you for the question. In the 2015–16 year we had a particular focus in our rooming house inspections on ensuring that every single rooming house had an appropriate gas certificate and an appropriate electrical certificate to verify the safety of those frameworks within those rooming houses. Those certificates usually have a three-year time frame, so we went through and ensured that that was the case. In 2016–17 we really focused our efforts on where we thought they would have the most impact, so new rooming houses, rooming houses where we might not have found full compliance on previous inspections and the like. So our inspection programs will vary depending on the purpose, the intelligence, the risk we are identifying in relation to them.

In relation to rooming house licences, so in addition to the requirement that each rooming house be registered with a local council, since April 2017 there has been a requirement that rooming house operators are also licensed and pass what we call a bright-line fit and proper person test about past history, particularly criminal history or history of non-compliance with rooming house laws. That gave a period I think of approximately four

months for rooming house operators to lodge their licences. Some got in very early in relation to that. There are at the moment around 880 licence applications that have been received. More than 750 of those licences have been granted. We are still working through the remainder of those licence applications ensuring they meet the bright-line test that has been set down by the legislation.

**Ms PENNICUIK** — Thank you for that. Do you have an expected time when you will have gone through them all?

**Mr COHEN** — That function is carried out by the Business Licensing Authority. There was a requirement that all of those licence applications be in by the end of August, and there was a significant lump of matters that arrived towards the end of that time frame. We are just working through those in a very detailed manner to make sure they meet the bright-line test. I cannot give you a precise date. I do know that a number of them raise some complexities that are required to be examined very carefully, and we are going through that process.

**Ms PENNICUIK** — Thank you very much for that information. If I could quickly go on to another item — it is not consumer affairs; it is back to the secretary — regarding the department's use of DataVic access. I do not know if anyone else found this, but DJR, in terms of its information to this committee, has given us a link to the DataVic dataset.

**Mr WILSON** — Yes.

**Ms PENNICUIK** — I found it quite time consuming to go through and quite a few of the links were not working — I will just say that — but it prompted me to look at the department's response to question 36 in the questionnaire. One of those was the second dot point with regard to challenges identified in implementing it. One of the challenges identified by DJR is:

The process of preparing data for release and maintaining current versions of data which has been released, imposes additional resource requirements on business areas. This overhead is currently limiting the amount of data which is being released by the department.

I just wondered if you had any broad statements to say in terms of how the department is handling this data, because there are a couple of other risks there about inadvertent release of data and data being shared without quality statements et cetera, which I thought was all quite interesting and in some cases a bit concerning.

**Mr WILSON** — I guess they are highlighting, or we are highlighting, some of the practical issues of making sure that when people rely on data that it is up to date and therefore there are resources dedicated to keeping data up to date for that reason. I would have characterised that as highlighting some of the issues, not in any way suggesting that we are not committed to data access policy and open data. There are always privacy considerations, there are confidentiality considerations, particularly in relation to offenders and so on, but we are really committed to doing it. I can only take those comments as some of the practical challenges with it as distinct from any suggestion that we are not fully on board with the data access commitments.

**Ms PENNICUIK** — In terms of the increased overheads, is that creating a staffing burden or do you need to —

**Mr WILSON** — I am sure there are people in my department that are feeling the burden of having to do more of that work.

**Ms PENNICUIK** — I will not tell you if there are any nodding heads behind you or anything like that.

**Mr WILSON** — I will keep looking forward. It does require extra effort but, as I say, it is important. We have got a lot of useful data. There are researchers that use it and various other people, and it is important to get that out there notwithstanding those challenges.

**Ms PENNICUIK** — Yes. Thanks for that. It is interesting just read through all the stuff in there.

**Ms PATTEN** — Thank you, Secretary and Commissioner. Just following on from one of the questions from Mr Morris earlier around the lack of appointments to the Sex Work Ministerial Advisory Committee and the obvious movement of illegal brothels in Victoria. I am just wondering if I could get some information around the level of inspections around legal brothels and hopefully illegal ones as well.

**Chief Comm. ASHTON** — May if I jump in first over and above what the secretary might have there. I have got the data for the sex industry coordination unit activities. This is the December 16 to December 17 data, so half of it is within the financial year, but it is how we capture the data.

In that period of time we visited 20 of the 90 licensed brothels. We visited 126 illegal brothels, although our intel suggests that at any one time there can be up to 400 illegal brothels operating. From the result of those inspections we charged seven offenders with a total of 53 offences, mostly relating to illegal sex work; five search warrants were executed; five operations were shut down; and we have got a current further three applications pending through, I guess, VCAT. We also conducted a further 11 operations where we felt that there might have been illegal operations where we have done joint activity, so it is with department officials and others.

In terms of trend, the biggest trend we are seeing is what we are calling, for want of a better term, pop-up operations — here today and gone tomorrow-type operations — which is proving to be quite challenging for our staff in terms of particularly the welfare of people that are working in those places, because it is very hard to know when they are going to pop up and go. We do rely on a lot of intel about that, so that is proving to be quite a challenge. Greg, did you have anything further on that?

**Mr WILSON** — Perhaps I would ask Simon in terms of the other activities that we might be able to provide.

**Mr COHEN** — I would need to take on notice the number of inspections of legal brothels that we undertook to provide those to the committee.

**Ms PATTEN** — Thank you. Just a quick follow-up, Commissioner. With the 126 inspections or investigations —

**Chief Comm. ASHTON** — Of illegal brothels, yes.

**Ms PATTEN** — Yes, that you did. It would seem that the outcome was not a great deal of prosecutions. Is there anything that you could tell me about why that might be the case?

**Chief Comm. ASHTON** — It is just in terms of having enough evidence to prosecute, because while we suspect that they are an illegal operation and we can put pressure on the operation, actually having evidence to go to court requires to be able to prove that there is an illegal operation as opposed to just a massage-type operation going on. That is a real challenge for us. To get that evidence we would either have direct evidence of someone — a member of the public that may have been there, for example, and given evidence. That is hard to get as well, because of the nature of the evidence. That tends to be our biggest sticking problem.

**Ms PATTEN** — Thank you. If I could just ask a quick one around youth justice targets, certainly Jesuit Social Services has called for setting targets on reducing the rates and reducing youth reoffending. I know you have covered this in some of the earlier questions, but the CEO stated that \$288 million was being spent on 224 beds for the youth justice facility at Cherry Creek. As you say, we have had some breaks on youth crime, but at the moment we are building a new prison, and we will inevitably fill that prison unless we have some clear targets. Does the department have plans to introduce performance targets around offending and reoffending in youth justice, and is there any data available to support that type of reporting?

**Mr WILSON** — It is certainly something that we have focused on as an objective. I will have to check. I thought there were some performance measures there like we have for the adult system. The new facility at Cherry Creek has been announced. As the chief commissioner may have mentioned, we do have a small cohort of repeat offenders. I think the Crime Statistics Agency had a statistic on youth offending where just over 20 per cent of the offences were committed by 1.6 per cent of the youth offenders. So it is something that we pursue as an objective when we do have offenders, young or old for that matter, in our facilities. We want to rehabilitate them and do the things that help them transition back to the community and not commit further offences. I am sure that will be in an act somewhere as an objective, but it is certainly something we would pursue. Whether that extends to choosing particular targets, we are happy to consider that if it is not already in our BP 3 measures.



**Mr MORRIS** — Just one quick one, Chair. Secretary, programs in your department for which funding concluded in 2016–17, can you give us that information or on notice? I am happy either way.

**Mr WILSON** — It wasn't in the questionnaire? I thought we would get that one every year.

**Mr MORRIS** — I just want to confirm that. I am aware it was in the questionnaire, but also programs for which funding concluded in 2016–17 —

**Mr WILSON** — Yes, I am happy to get that.

**Mr MORRIS** — and were renewed, and in that case the extent to which funding was renewed and for how long — how many years.

**Mr WILSON** — Yes, we can do that.

**Mr MORRIS** — Thank you.

**Mr D. O'BRIEN** — I have got a question for the acting commissioner. I am just referring to the Callinan review and recommendation 1, which was to establish a new case management system. I referred to the former corrections minister's statement in April 2015 that the implementation would be completed by the end of 2015, but now it is not expected until the end of this year, as I understand it. Could you please advise us why there has been the time delay and what has gone wrong with the implementation of this new system?

**Mr WISE** — It has ultimately proved a lot more difficult than we initially anticipated. The project has been broken up into three parts. Two of those have been completed. The first part of that was to get rid of the paper-based files and to substitute electronic files for the use of the parole board members. That was completed, and then a lot of the processes have also been digitised. The bit that is remaining — and it is a far more complex and expensive process than we originally thought — is to institute a case-flow management system. That is now being worked on and hopefully will be in place by the end of the year.

**Mr D. O'BRIEN** — So the end of the year is the expected completion date?

**Mr WISE** — It is expected, yes.

**Mr D. O'BRIEN** — Can I just ask, then, with respect to measure 13 of the Callinan review, as we know with the Brighton siege, do you agree with the proposition that, had recommendation 13 been implemented, Yacqub Khayre would not have been free at the time, because he had set fire to a prison in the second half of his sentence?

**The CHAIR** — I am not sure you can ask the witness to provide an opinion. I am happy if the witness wants to provide any context around that particular issue, but I do not think you can ask a witness for an opinion.

**Mr WISE** — It certainly was not my decision, clearly, as it was the decision of the adult parole board. These are very, very difficult decisions, weighing up what is ultimately going to place the community in the best place — what is going to reduce the risk to the community ultimately. The board does have to weigh up sometimes whether it is more sensible to release somebody for a short period on parole, even if some of the other criteria are not met, so that the person can be transitioned more successfully back into the community. Those are the complex issues that the parole boards have to grapple with on a daily basis.

**Mr D. O'BRIEN** — Perhaps this is a better way of asking it, Chair: since the Brighton siege have you reviewed how recommendation 13 is being implemented, and are you aware of any other prisoners who have been released who would not have been had 13 been implemented?

**Mr WISE** — I am aware of a number of cases where that has been an issue. Certainly Corrections Victoria staff who do the assessments are very, very mindful of Callinan's recommendation and are unlikely to recommend parole under those circumstances to be consistent with Mr Callinan's recommendations.

**Mr D. O'BRIEN** — Do you know how Yacqub Khayre was able to purchase two guns while on parole in breach of his parole conditions?

**Mr WISE** — That is a matter for Victoria Police, I would have thought, rather than for corrections.

**Mr D. O'BRIEN** — Chief Commissioner, are you able to grab that one on the way through? I understand obviously it was in breach of his parole.

**Chief Comm. ASHTON** — Yes, he sourced some firearms. Those firearms — this tests my memory — were from a burglary at a home. A whole range of firearms were stolen in that burglary. The firearm he accessed for the offending down at Brighton was from that robbery. I am not even sure — the person he got it off was not the person who stole it, so it was making its way through the criminal community, and he has accessed it from someone he knew that had access to that firearm.

**Ms WARD** — I suppose this is an open one. It could be to anyone. I wanted to talk about the drug courts. In the annual report on page 21 there is a table, table 5, 'Victim-Centric — stronger focus on victims, prevention and reduction of harm'. In the illicit drugs section it has got 'Support the expansion of the Drug Court of Victoria to the Melbourne Magistrates court as part of the *Ice Action Plan*'. Can you please talk us through how that is working and what the victim-centric focus is there as well as how it is working in terms of the prevention and reduction of crime?

**Mr WILSON** — Again this is another one that is actually funded through the courts. My understanding is I think it was over \$30 million that was provided for a drug court in Melbourne, and that was built on what is regarded as a quite successful drug court in Dandenong — again, one of the ones evaluated by Treasury that actually seems to be —

**Ms WARD** — So how are drug courts different from normal courts? How does the process work? Are you able to talk us through that?

**Mr WILSON** — There are two courts in Melbourne set up for this purpose. As I understand it — and Mr Speagle may correct me if I am wrong — essentially it is having the support services and the clinical people and what have you around addictions and so on to enable the court to refer offenders to those people. But perhaps, Donald, you can add to that — the relation of the courts and how they work.

**Mr SPEAGLE** — Sure. The money that was allocated in the 16–17 budget was, as the secretary has said, for two drug courts in Melbourne. That more than doubled the capacity of the original Drug Court at Dandenong. The way that the Drug Court works revolves around a drug treatment order. So a person is sentenced to a drug treatment order, which is then very carefully managed by the Drug Court magistrate and a team of supporting people. Those people comprise a case manager, a clinician, a specialist community corrections officer, a police prosecutor and a defence lawyer. Under the order the offender receives clinical drug treatment, which could include residential rehab treatment or community-based pharmacotherapy. It could include individual or group counselling. So the group of people, led by the magistrate, monitors for up to two years the progress of the offender under this order. At any time the magistrate can cancel the order and essentially return the offender to the original sentence, or they can adjust the order along the way. So it is this very close supervision that is the key to the Drug Court idea.

**Ms WARD** — We have heard a bit today about recidivism and how recidivism makes up a fair bit of the numbers of our actual crimes. How are the drug courts reducing recidivism? Is it working?

**Mr SPEAGLE** — As the secretary said, there was an evaluation of the Drug Court conducted by KPMG. It was published, I think, in March 2015. The evaluation was managed by or commissioned by the Magistrates' Court. It found a number of important and positive things. The Drug Court cohort served almost 4500 fewer imprisonment days compared to a matched control cohort. Using a daily imprisonment cost of \$270, that is a reduction of about 1.2 million over a two-year period.

**Ms WARD** — So it is quite cost-effective?

**Mr SPEAGLE** — I should be clear that my understanding of the evaluation is that it did not actually do a full benefit-cost analysis. What it did find, though, was that there was a clear benefit for the Drug Court cohort compared to the matched control cohort. In fact the rate of reoffending was 34 per cent lower for the Drug Court cohort compared to the control cohort within 24 months.

**Ms WARD** — So sometimes it is better to work with people rather than lock them up and throw the key away and forget about them?

**Mr SPEAGLE** — I am not sure that I can respond to that, Chair.

**Ms WARD** — Thank you.

**Mr T. SMITH** — Secretary, I refer to the most recent annual report of the Magistrates Court and the 2016–17 annual report of the Office of Public Prosecutions. Page 76 of the Magistrates Court annual report indicates that the number of cases listed for a breach of a sentencing order increased by 21 per cent in that year. In light of this concerning statistic, is the government giving any consideration to a reversal of its 2015 change to Victoria’s bail laws, which saw the breaching of bail decriminalised for youth offenders?

**Mr WILSON** — Well, anything the government wants to do is a matter for the government.

**The CHAIR** — Order! I think if the secretary wishes to confine his response in relation to the 2016–17 financial year, in relation to the substance of Mr Smith’s question, that is fine, but I think going beyond 16–17 would be out of the scope of the hearings.

**Mr WILSON** — To the extent that your question is, ‘Will it reverse something in 15–16?’, that is a matter for the government, not for me to speculate on, with respect.

**Mr T. SMITH** — The report also reveals that the offence of committing an indictable offence whilst released on bail increased by 68 per cent in the same year, making it the 15th most common offence. Given this serious threat to community safety, when will the government bring forward the reforms of Victoria’s bail laws that the minister promised to deliver when he appeared before the committee in May?

**The CHAIR** — Again, Mr Smith, there are a couple of points I would like to make. The secretary really cannot reveal conversations that he may or may not have had with the minister.

**Mr T. Smith interjected.**

**Ms WARD** — How about you just hear the Chair out, Mr Smith?

**The CHAIR** — Order, Ms Ward! And we are talking about 16–17, which is the previous financial year, so when you are asking the question, ‘When will the government bring forward reforms?’, it is outside the scope of the inquiry. I am very happy, though, if you wish, for you to rephrase your question, Mr Smith.

**Mr T. SMITH** — Given the incidents that we saw in 2016–17 that I have just referred to, were there discussions at the time with regard to tightening Victoria’s bail laws?

**Mr WILSON** — Well, there was the Coghlan review that was appointed after the Bourke Street tragedy — I think it was 23 January — and he submitted two pieces of work to the government, the first dealing with some recommendations around legislative reform, in April, and the second in May dealing with broader reforms to bail. There was within the 16–17 year a first tranche of legislation that was passed by Parliament, I think just in June 2017. That has a date of 1 July 2018 — ‘no later than’ is my understanding of the way that act works. The rest of your question is really about matters for the government as to whether and when. I would have to be talking about the things we are doing in 17–18, which am happy to do, but it is a 16–17 inquiry.

**The CHAIR** — Maybe save that for May.

**Mr T. SMITH** — With regard to plea bargaining, the Office of Public Prosecutions annual report for 16–17 on page 12 reveals that guilty pleas accounted for 78.9 per cent of all matters finalised in 16–17, well above the five-year average. There has been a significant amount of public and media scrutiny of the Office of Public Prosecutions’ handling of plea-bargains over the last 12 months and indeed in 16–17. Are you satisfied that this increase in guilty pleas is not being driven by an overuse of plea-bargaining for 16–17?

**Mr WILSON** — Again the Office of Public Prosecutions is an independent office, so it would be inappropriate for me to express a view about its operations and the issues it deals with. I could take it on notice and ask them their opinions about how they work through cases.

**Mr T. SMITH** — That would be helpful.

**Mr WILSON** — I just do not know whether it is appropriate for me to do that and what their response might be as an independent office from the department. I do not know if you have a view on that, Chief Commissioner, as well. You have much more to do with prosecutions than I do, but I suspect I could not answer that to be honest, Mr Smith.

**Mr D. O'BRIEN** — Could I just perhaps ask, though, is it something that the department has noticed and is concerned about from a policy perspective?

**Ms SHING** — Does the department have concerns? The department's job is to implement.

**Mr D. O'BRIEN** — Well, the department considers facts around public policy and what is happening in areas of justice, so presumably it makes decisions on these sorts of things.

**Mr WILSON** — We do not decide on these things specifically. There will be policy officers that liaise with various portfolio agencies in the criminal justice space, and we do take a view of what is going on in the criminal justice system and we are mindful of issues as they arise, like anybody else, and what is being reported in the media and data and facts and figures and various other things. But I am not aware of a particular piece of work in relation to the OPP, other than the things that we do in budget bids and so on around the pressures they are facing and the usual kinds of things that we would do for the Attorney-General as the coordinating minister. But I am not aware of policy matters. Yes, in the Harper review and so on — there are the changes and reforms in that space that affect prosecutions. Because the department has a role in relation to applications for serious sex offenders, we are kind of in that space, but I am not aware of any particular policy work of the type that you have described.

**Mr DIMOPOULOS** — Secretary, moving on from my questions about corrections earlier to community corrections, I draw your attention to page 99 of budget paper 3 and the line item 'Enforcing and managing correctional orders'. I think Mr O'Brien talked about case management IT systems. I am interested specifically in case management — not necessarily just IT but in terms of staffing. The Auditor-General's report into the system, which was in the same reporting year, talked about the growth in the number of offenders and that case management has not kept up with the growth in offender numbers, or something to that effect. I just wanted to get a sense from you first about what was the state of play in that financial year that the Auditor-General reflected on the system. How do you measure the state of play then? And secondly, what activity in relation to the government's investment of \$230 million in 16–17 and the recruitment of 300 additional staff happened in that year and what difference did it make?

**Mr WILSON** — Going back to that period or just before then, I think it was the actual abolition of suspended sentences that removed the option. I remember work on doing the modelling, and with the abolition of that option how many people were going to go to prison versus how many people were going to be on orders. My recollection of back then was that we were obviously more concerned with the prospect of growth in prisoner numbers, because it takes a long time to construct more prison beds and so on relative to more demands on the community corrections side, which is more staff and more offices and so on. As it turned out, following those reforms it appeared that there was a big growth in the community correction and the supervised orders. I cannot remember the exact figures, but in five years or so it has grown by 60 to 70 per cent; it is quite significant to try and absorb that. So the 16–17 budget provided around 230 million — I will get Mr Wise to comment more specifically on this — which is essentially to get 300 extra staff and some capital works for more offices and locations as we need to see more people as they report in.

But I guess at that period of time we also recognised, and I guess this follows on from the parole reforms as well, that it was important to have more of a graduated career structure for community corrections staff so that you had more specialisations for more serious offenders and so on, so there was quite a bit of reform going on to the workforce as well as just additions to the number of people in that field. Then I guess changes to our case management models and risk assessment and so on, but I might hand to you, Mr Wise, to just provide some more detail on that package of investments.

**Mr WISE** — You are right, community correctional services has gone through massive change over the last couple of financial years. Some of that started with the Callinan review, which was very critical of the parole system clearly and led to a whole heap of changes in the way that we manage parole. We split community corrections into a parole stream and a stream that looks after orders issued by the courts. What happened after we did that and presupposed that the more difficult offenders were being managed by the parole stream is that

we saw a bit of a shift. The numbers on parole dropped significantly, and courts started issuing fewer maximum and minimum sentences to allow people to potentially go on parole, and we saw a significant growth then in offenders who were going before the courts and getting a combined term of imprisonment followed by a community correction order. So those people who are getting those combined orders were then being managed by the court stream, where we had less experienced and less skilled staff than in the parole stream.

So in response to that there were a number of things done. The previous budget I think allowed for 147 additional staff to go into the court stream, and then the 16–17 budget allowed for another 160. So we have added over 300 staff over a couple of years — two and half years or thereabouts. Not only are there more staff, which has allowed staff to manage the growth significantly but there were something like 5000 suspended sentences handed down every year, so most of those, if not all of those, have come to community corrections. On top of that there was a guideline judgement in December of 2014 where the Court of Appeal indicated that community correction orders could be used for fairly serious offences, and so a number of people were arguably diverted from prison onto community-based options, so the growth in the number of people coming into community corrections was enormous.

**Mr WILSON** — Sorry, if I could just add, when we talk about 5000 suspended sentences, I think from memory, the numbers at the time of those supervising community corrections were like 7000 or 8000.

**Mr WISE** — That is right.

**Mr WILSON** — So we are talking about an option that dealt with 5000 offenders that disappears. I think we have gone from 7000 to 11 000, 12 000, 13 000.

**Mr WISE** — That is correct. The reforms have not just been additional numbers, but they have also attracted more skilled and more experienced people from outside of corrections into doing those more difficult case management jobs, particularly with sex offenders who are on community correction orders and particularly with those who have got combined imprisonment and community correction orders. We bolstered our court advice systems. We injected more programs and treatment options. We did a range of those things, and they have all been important.

**Mr DIMOPOULOS** — A quick supplementary —

**The CHAIR** — Briefly, Mr Dimopoulos.

**Mr DIMOPOULOS** — My understanding of 300 extra staff that the budget invested in was basically getting the offenders away from the less experienced court staff to more experienced correctional staff, and I imagine the corrections staff had less of a case load; would that be accurate?

**Mr WISE** — There are case loads that are much smaller than they were at that time, but it is just getting a better mix so that we can have our more experienced and skilled staff dealing with the higher risk offenders in the community, and the lower risk people can be managed by people who are less experienced and less skilled.

**Mr DIMOPOULOS** — That is an important investment. Thanks very much.

**Mr MORRIS** — First of all a quick one, which I am pretty sure will be on notice, Secretary, but with regard to youth justice and the numbers at Parkville and Malmsbury. I am wondering — and, as I say, on notice is fine — if you could provide a breakdown of the number of offenders on a quarterly basis throughout 2016–17 in each of the following units: Eastern Hill unit, Southbank unit, Westgate unit, Oakview unit, Remand North unit, Remand South unit, Barnett unit, Cularity unit and Parkview unit. And similarly with Malmsbury — again September, December, March and June quarters — in Lauriston unit, Campaspe unit, Coliban unit, Ulabara unit, Monash unit, La Trobe unit and Deakin unit. So a headcount —

**Mr WILSON** — As at the end of each quarter?

**Mr MORRIS** — Yes, headcount at the end of each quarter in each of those units.

**Mr WILSON** — In individual units as well as Malmsbury.

**Mr MORRIS** — Yes, so the nine at Parkville and seven at Malmsbury.

**Mr WILSON** — Yes, we can do that.

**Mr MORRIS** — Okay. Thanks. Can I move on to youth diversion programs. The Minister for Families and Children, in response to an issue that was raised during the committee stage of a bill last year, indicated to a member of the opposition that 298 young people had received transition sessions and group programs under the youth diversion programs. I am just wondering if you can tell us — again, either now or on notice — how many of those 298 were from Parkville and how many were from Malmsbury, what sort of programs were undertaken, what the attendance rate was like and particularly what type of drug use was the most prevalent?

**Mr WILSON** — These are diversion programs run by the Children's Court?

**Mr MORRIS** — The letter I have here is very faint, but I understand there is a reference in budget paper 3, page 15, for the year we are considering and the 3.4 million allocated to youth diversion programs.

**Mr WILSON** — Yes, we can do that.

**Mr MORRIS** — Terrific.

**Ms SHING** — I would like to refer to court safety and security in the context of a greater court list and a list that, following the Royal Commission into Family Violence, has identified through a series of recommendations the need to improve the court environment, including entrances and exits, and including the opportunity to engage with technology to minimise the impact upon victims and survivors of family violence and the allocation in the 2016–17 budget of \$58.1 million to improve court safety and security. I would like to get a breakdown of this in a context of not just metropolitan courts but also regional court buildings, a number of which are very old and have therefore quite confined and specific footprints, please.

**Mr WILSON** — Again this is an allocation of funding to courts. We can chase up that detail. I recall the incident at Sunshine court, and I was fortunate enough to visit Heidelberg court with the Chief Magistrate and a range of other stakeholders just to highlight the importance of the design and the layout from a family violence point of view — just different entry, exit, separation and that kind of thing — and also not just those design features but the importance of consulting broadly on those matters with relevant stakeholders, which I understand the Chief Magistrate and the court services have done in that process. I might ask Mr Speagle to provide some detail on that initiative, which I know, as you say, included various security equipment and additional security staff and so on, not just Melbourne but in regions as well. Mr Speagle?

**Mr SPEAGLE** — I think the important point I would make is that this budget allocation came with a completely new model of court security that was designed by Court Services Victoria. Obviously I cannot give you all of the detail now. We will ask CSV for that. But that model did include a new contract. I think the new contract was finalised and entered into just after the end of the 2016–17 financial year. The contract has seen, with the budget allocation, a very substantial increase in what are now called court security officers. There was also some legislation that was introduced by government and passed by the Parliament that has defined and I think enhanced the powers of those court security officers.

**Ms SHING** — Thank you, and if you can provide any further information on notice as to the way in which environmental design has improved court security and a sense of safety for victims and survivors who may be required to attend a court for family violence or family violence-related proceedings, that would be appreciated.

The supplementary that I have relates to security at courts, which had previously been undertaken by a mix of sworn and unsworn staff, and that had evolved depending on which location you were at. To you, Commissioner, I would ask: how has the additional allocation of police numbers been used to resource improved court security, whether through protective custody officers, through unsworn staff or through sworn staff, and the way in which they are deployed?

**Chief Comm. ASHTON** — It is done through PSOs in terms of those that we provide security to, particularly in the city courts — at County Court and at Melbourne Magistrates Court — and some suburban courts; at some of the busier suburban courts we also have some PSOs working in support. We are trying to sort of transition a bit there in relation to court services bids for security staff, because ultimately I think mostly court services will provide that support, but certainly, for us, we have been able to deploy PSOs at those sites, and they do provide a good security presence when they are there, particularly for family violence matters, as I think

you pointed out, and the fear for victims coming to court. To come face-to-face with offenders, it does help to have a uniform presence there. Sometimes, when I meet with the Chief Magistrate, I still have to raise some issues around some of the suburban courts and rural courts where our general duties officers are sometimes having to do guarding functions and court security functions, wandering people and things like that. So if that comes up, I raise that with the Chief Magistrate around what other arrangements could be put in place in that court or in those places, and he has certainly been, I guess, open to those conversations when we have had them.

**Ms SHING** — Is that a matter about which you are generally aware in the context of regional and rural courts and circuit work where it does involve family violence-related matters, because that is a big part of the list across Victoria?

**Chief Comm. ASHTON** — Yes, it does. It comes up, for sure. As I say, it is part of the conversations. Greg and I meet regularly with the Chief Magistrate, and it is usually one that does come up.

**Ms SHING** — And part of your resourcing decisions around that?

**Chief Comm. ASHTON** — Yes.

**Ms PENNICUIK** — I have some questions on correctional facilities. Thanks, Mr Wise. If I could draw your attention to the general questionnaire, pages 8 to 9, with regard to ‘Corrections system expansion (statewide)’, and it says there that \$25.9 million was ‘recashflowed’ and that ‘the project was reduced with funding redirected to the corrections remand’ and that that would be returned to the market, so can you tell me what is happening there?

**Mr WISE** — I have not got the document in front of me.

**Mr WILSON** — I have, but I may not have the answers, so we can share. What page was it?

**Ms PENNICUIK** — Only that the corrections remand upgrade has been returned to the market and a construction contractor could not be found. It is a bit vague, so perhaps you could tell us what that is actually about.

**Mr WILSON** — Have you got the questionnaire page reference?

**Ms PENNICUIK** — Yes, it is page 8, and it flows over into page 9, which is another reason why it is actually hard to read it, because it goes down the column. It is the last row on page 8 and it is called ‘Corrections system expansion (statewide)’.

**Mr WILSON** — So 35.2, estimated expenditure; actual, 8.2?

**Ms PENNICUIK** — Yes. If you could have a look there —

**Mr WISE** — We diverted some money towards the restoration of the Metropolitan Remand Centre and did have some expansion plans for one of our private prisons. That was probably from the 15–16 year, I think, and they were unable to find a builder to construct the unit that we wanted within the price that we had allocated. So there have been some delays in getting that project up and running.

**Ms PENNICUIK** — Okay. So that is at the current remand centre or a new remand centre?

**Mr WISE** — That is the only remand centre, the Metropolitan Remand Centre.

**Ms PENNICUIK** — Okay. On the same line there is reference to the Dame Phyllis Frost Centre and some delays there. Could you provide an update on how that is going, because I think I asked about that last year too?

**Mr WISE** — There were some overlapping projects. ERSC had provided funding for a range of different projects, including 132 additional beds, then a 70-bed unit, including 44 mental health beds, and a gatehouse and then some expansion of other infrastructure. The delays were caused by operational needs, essentially. In order to build all of those things over a reasonable period we needed to do so in a fashion that allowed the prison to continue to operate as a functioning prison. So some of the works were rescheduled, and one of those projects — for example, the gatehouse, which was supposed to be delivered much earlier — has been put back, and so it is being delivered much later.

**Ms PENNICUIK** — Do we know when it will be delivered, because it has been an ongoing project?

**Mr WISE** — That is right. We still have not finished some of the other work that is currently being done. It is being staged, and it will commence after the completion of the 70-bed unit, which is in the process of being constructed at the moment.

**Ms PENNICUIK** — Also, the same questionnaire, at pages 26 and 27, with regard to PPP expenditure and line items, refers to interest expenses and other operating expenses of the Marngoneet and Fulham correctional centres and the Metropolitan Remand Centre. There are quite large figures there — nearly 20 million for interest and 73 million for other operating expenses. That totals almost \$100 million. What are those expenses and how do they compare with non-private prisons in terms of operating expenses?

**Mr WILSON** — That is the interest component built into the actual payments. For those projects to proceed they need to get through what is called a public sector comparator. I cannot recall the specifics and the timing of when that particular PPP was entered into, but the Treasury processes, and the cabinet processes for that matter, require any PPPs to outperform a public sector comparator. So you can assume that the net effect of that is that it would have been better value for money. But I am happy to follow that up and take that on notice rather than assume things. But that is typically how it works. We have got to put these cases up. They go through various gateway reviews and so on, and then we have what is called a public sector comparator. They need to weigh up favourably against that, and then the details are finally published in summary in accordance with Partnership Victoria requirements of Treasury. But I can track that one down for you and give you the background on that particular PPP.

**Ms PENNICUIK** — Thanks, Mr Wilson. I am familiar with the public sector comparator idea. It is just that here it is talking about suppliers who provide services to the prisons, which I do not think is entirely to do with that particular issue. But perhaps you could clarify what services they are.

**Mr WILSON** — Or perhaps Mr Wise could. That would be, I assume, things like food, chemicals, laundry, gas et cetera.

**Ms PENNICUIK** — And hence my question: how does that compare with non-private prisons and the costs for their services?

**Mr WILSON** — Correct me if I am wrong, Mr Wise; we have done a lot of work on procurement in Corrections, basically to help us become more efficient with the savings requirements of successive governments. It is over a \$1 billion spend in Corrections, so we do look at things like food, gas, laundry and all those various items that we buy in, to make sure we get better value for money. But I just need to check, and I will take on notice what are the arrangements of the private prisons and how that compares —

**Ms PENNICUIK** — That is quite a high figure there compared to your \$1 billion. That is nearly 100 million.

**Ms PATTEN** — I would like to ask about the new fancy booze and drug buses that we are waiting on. I note in the questionnaire that there have been some delays due to the testing of the prototype. That has meant there have been delays and they will not be out until 2018. But of course you go on to say that that has not affected the police's current operational capabilities. I guess my first question is: why do we need a prototype for our new buses, and what sort of additional costs are there for commissioning a bespoke unit? Given that not having these new units has not affected our current operations, I am wondering what is deficient in the current buses we are using.

**Chief Comm. ASHTON** — I might have the first chop at that. For us the current operating model as far as the buses go relies on these big buses. I do not know whether you have seen them —

**Ms PATTEN** — Yes, I have. They are hard to miss.

**Chief Comm. ASHTON** — but they are massive things. What the intel has been telling us for some time is we need to augment that with a smaller fleet, stuff that does not have to be on a massive highway and freeway — to get off the freeways and be able to deliver those services off the freeways. Because of the size of the bus there are only certain places you can put them, even on the freeways. So for us it is having a smaller



fleet. We did look at, in terms of what you said, bespoke, but it is a smaller fitted-out bus. It will get the same job done but it is about one-third of the size of the current buses.

**Ms PATTEN** — Aren't the New South Wales ones quite small?

**Chief Comm. ASHTON** — They have got different ones as well. I have seen some of theirs that are a lot smaller than our big buses, yes, when I have been up there. We are expecting the first bus to arrive later this month, so we are looking forward to the arrival of that. Part of the delay, and I am not sure what Greg has to add on this, was around the procurement. I think there were some issues with their procurement arrangements and with the contractor and the company. The company changed structure or there was an issue with the company originally, so that meant that we had to renegotiate the contract. That was one of the reasons. It was not all about the design of them, but that was one of the reasons for the delay. As I say, we are expecting them on 28 February, the first one should arrive with us. So I was told yesterday.

**Ms PATTEN** — From what you have said it sounds like you wanted a smaller unit so you would be able to be more agile and situate yourself in a wider range of areas. As I mentioned, I am certain New South Wales has got relatively small units. I am curious as to what kinds of specialities our buses will have in Victoria that are unique, which has caused the need for us to develop prototypes and therefore move to our own specialised vehicle?

**Chief Comm. ASHTON** — Yes, it is all about the speciality of the service and being able to provide it, so it is fitted out in the right way and safe for people when they are in there, and it is safe for our officers. One of the issues, for example, with our current buses is there is no toilet facility for our members. Particularly our female officers have got to duck off to the Hungry Jacks down the road to use the public toilets at Hungry Jacks, and come off the line when they are doing that. It is just issues around how they are fitted out for best purpose really; it is really about that. Doug Fryer — our great safety assistant commissioner — can talk under water about this. I would be happy to get a briefing for you.

**Ms PATTEN** — Come the 28th, I will contact you about that. To carry on, on a different matter, it is about the VET training in the prisons and the extra training that was brought on board and was mentioned in the questionnaire, that the grants have increased from 54 million to 69 million. I was wondering if you could give me a bit more detail about what additional programs were provided because of this increased funding, and how was the need evaluated and are you seeing a greater completion rate in those courses?

**Mr WISE** — Our participation rates have stayed pretty much the same, at about 34 per cent. We want it to be higher — it is above the national average — but we think we can do better. We now have three TAFE providers delivering services into our prisons — Box Hill TAFE, Kangan Institute and Federation University — and they tailor the programs to the cohort. We are very interested, clearly, in the sorts of employment prospects that their training will lead to, so where we can we combine the work that prisoners are doing inside the prison with training delivered through VET, and hopefully that will give the prisoners a certificate to take with them to an outside employer. So if you are working in the kitchen, we would expect that you would be doing a hospitality certificate; if you are working in the factory doing welding, then you would get an engineering certificate, and so on. Some of that is driven by demand, so if the prisoners are really keen to engage in horticulture, for example, and there are enough prisoners who are keen to do it, and we think that it leads to a viable employment option on the outside, then we will encourage the TAFE college to run that course. Some of it is stuff that we think needs to be done. We still have significant literacy and numeracy issues amongst our prisoner population, so that is a mandatory thing that we expect, irrespective of whether the prisoners are interested in doing it or not.

**Ms PATTEN** — So when you were evaluating the need for more services, was this largely around that notion that when a prisoner is working within the prison, that they should be also getting a qualification while they are undertaking that work?

**Mr WISE** — Absolutely.

**Mr D. O'BRIEN** — Secretary, a couple of questions about fire services. Was any money expended in 2016–17 or employees employed with respect to Fire Rescue Victoria?

**Mr WILSON** — Not to my knowledge because the entity was not established. I can confirm that on notice. Because the bill did not get through there is not a Fire Rescue Victoria, and therefore by deduction we could not have spent money on staff at Fire Rescue Victoria.

**Mr D. O'BRIEN** — There were jobs advertised with respect to CFA with respect to the reforms, and obviously the announcement was made by the Premier in May last year. So if you could take that on notice and check whether there was any expenditure on Fire Rescue Victoria, that would be appreciated.

**Mr WILSON** — On preparation for it, as distinct from expenditure by Fire Rescue Victoria, there would have been time, effort and resources in preparation should the reforms get up, but I can take that one on notice.

**Mr D. O'BRIEN** — That would be appreciated. The annual reports for the CFA and MFB indicate an increase in spending on legal fees — CFA up 1.62 million or 82 per cent on the previous year, and the MFB, an additional 2.59 million for legal costs. Can you explain what the reason for those increases was?

**Mr WILSON** — No, I would have to go back to the MFB and CFA, which I am happy to do.

**Mr D. O'BRIEN** — I would be interested in a breakdown as to what it was. I am concerned that we might just get a generic answer, but I would appreciate what indeed the breakdown of the legal spending was because it is a significant increase on previous years.

**Mr WILSON** — Do you have the total expenditure?

**Mr D. O'BRIEN** — The total — this is in the annual reports — so 3.57 million spent on the CFA and 6.16 million on the MFB, I think it is.

**Mr WILSON** — Compared to, say, two or three the year before, or four or five the year before — that sort of thing?

**Mr D. O'BRIEN** — Yes.

**Mr WILSON** — I will chase that up.

**Mr D. O'BRIEN** — That would be appreciated. Continuing with respect to the fire services, the annual report showed that salaries and benefits for the CFA grew by 21.5 per cent in 16–17 and 15.3 per cent in the MFB, when the MFB staffing numbers, for instance, only rose 10 per cent. What is the explanation for that?

**Mr WILSON** — Again, I would have to go back to both those organisations, but obviously the recruitment of additional firefighters and then there was payment of wage rises and allowances through that year. But I would have to go back and get the numbers from the CFA and the MFB. I do not have their data with me.

**Mr D. O'BRIEN** — Likewise then this may also need to be on notice, but were there any termination payments to staff of the CFA or MFB in 2016–17, including, for example, the former CEO, Lucinda Nolan, and whether you can provide those to us as well?

**Mr WILSON** — If there were, that would be a matter for the board and that would be presumably subject to the disclosure requirements of annual reports to Parliament, but I am happy to take that on notice.

**Mr D. O'BRIEN** — Okay. Thank you. And again, I expect I will get the same answer, but the CFA annual report lists \$4.7 million being spent on contractors and consultants in 16–17. I am seeking to find out what concrete outcomes were actually delivered by those consultancies. Again, if we could have that on notice, that would be appreciated.

**Mr WILSON** — Yes. Happy to do that as well.

**Mr D. O'BRIEN** — Thank you.

**Mr MORRIS** — Chair, just on a point of order, without in any way reflecting on the secretary needing to take all of those things on notice, I do notice that there is no-one here from either of the fire services — from any of the fire services, I should say. Just checking the additional witnesses, although Ms De Cicco is here as the acting deputy secretary of emergency management —

**Mr WILSON** — And CEO. I should explain that. The CEO of Emergency Management Victoria assumes the title of deputy secretary as well, so the CEO has the statutory functions for the day-to-day running of EMV, and Ms De Cicco is acting on behalf of Mr Robertson, who is away with illness.

**Mr MORRIS** — Okay, that is good.

**Mr T. SMITH** — If I could just follow on, we have got obviously the Chief Commissioner of Police and the acting commissioner of corrections. I do not understand why there would not be the representative heads from the fire services here as well.

**Mr WILSON** — Well, you know, it is an interesting question, and in fact the chief commissioner and I were talking about it the other day. What is this, the third year of these hearings? We have always assumed that it is budget paper 3, measures and budgets, and we have used the CEO of EMV to provide information to the committee. The commissioner of corrections is an executive of the department and one of my employees, and the billion dollars-plus that is spent in corrections is departmental expenditure, because they are all my statutory responsibilities. But I would wonder where we would go if we had the heads of portfolio agencies here as well — with SES, MFB, Life Saving Victoria, ESTA and so on. Hence we do our best with the capacity we have to get people practically here before the committee, but we do rely on the CEO of EMV to fulfil the requirements of the committee with respect to information from those agencies.

**Ms WARD** — That means I will come to Fiskville. You are probably aware that I was on the Fiskville inquiry, and it is something that I have maintained a keen interest in. If I could get you to go to the annual report, on page 63, in the second column it says that reviews and inquiries include:

coordinating the government's response to the Fiskville parliamentary inquiry ... tabled in Parliament on 24 November 2016

continuing implementation of the recommendations and associated actions of the Hazelwood Coal Mine Fire Inquiry.

Can you just talk us through where you are up to, both with Fiskville and with Hazelwood, in terms of responses to the inquiry's recommendations?

**Mr WILSON** — Yes, and right on cue, Ms De Cicco, acting CEO of EMV, will help us with the detail. I certainly know that the Hazelwood inquiry is quite a significant whole-of-government effort, but there are things for our portfolio, so I might hand to Ms De Cicco.

**Ms De CICCIO** — Thank you, Chair. The Hazelwood inquiry I might deal with first, or the recommendations and implementation. As you would be aware, there are about 246 actions in the implementation plan released by the government. According to the inspector-general for emergency management's most recent report, which was released in 2017, we have had about 187 of those actions completed. This of course goes beyond our portfolio and covers a range of portfolio areas. Where Emergency Management Victoria is either the lead or the co-lead, there were 56 actions noted for us, and of those in the 2017 report released by the IGEM there were four actions outstanding as at the middle of December last year.

**Ms WARD** — And what are those actions that are outstanding?

**Ms De CICCIO** — They largely relate to some of the work we are doing around the state communications framework, so those actions and work are still progressing. We are moving to try and improve some of the whole-of-community emergency management communication arrangements and across government and agencies. So that work continues. We hope to have that completed within this calendar year.

On Fiskville there are a range of recommendations that we are still working our way through of course. If we are looking at the 16–17 budget, there was about 46.2 million committed to address the issue. That investment provided about 31.8 million for the new VEMTC in Ballan and 3 million to allow for a range of necessary upgrades at the CFA training centre at Huntly. There was 6 million to establish the Victorian Emergency Management Institute — VEMI — in Mount Macedon, and there was about 5.4 million output to support operations at the two above facilities. That work is progressing. A number of those have actually been done. I can come back to the committee with some of the detail on it, but Huntly, for example, has well and truly commenced operation, so there are a range of those initiatives that have actually been implemented and are well on the way.

**Ms WARD** — How is a clean-up of the Fiskville site going?

**Ms De CICCIO** — That is still progressing. The CFA is working with the EPA to try and resolve a number of the contamination and related issues. They are not simple matters to resolve, and so the CFA is working quite closely with the EPA to try and address the EPA's concerns and make sure that the Fiskville property is rendered safe for any future purpose and use.

**Ms WARD** — Is there a time line on when they think that that will be completed?

**Ms De CICCIO** — We have had a number of time lines. It is a bit of an iterative process in terms of trying to resolve how the contamination concerns of the EPA are actually going to be resolved. A lot of those address water et cetera, and there has been quite a lot of work that has been done by the CFA onsite, but as I say, they are working collaboratively with the EPA to address that.

**Ms WARD** — And just quickly on the bushfire royal commission's recommendations, how is implementing those going?

**Ms De CICCIO** — We would have to probably take the detail of that on notice, I think, in terms of all of those.

**Ms WARD** — Yes, that would be fine. Thank you.

**The CHAIR** — I would like to thank the witnesses for their attendance. Chief Commissioner, it is great to have you back.

**Chief Comm. ASHTON** — Thank you.

**The CHAIR** — The committee will follow up on any questions taken on notice in writing. A written response should be provided within 10 business days of that request. All recording equipment must now be turned off.

**Committee adjourned.**