

UNCORRECTED PROOF ISSUE

Monday 28 May 2012 - Estimates Committee B (McKim) - Part 1

LEGISLATIVE COUNCIL

ESTIMATES COMMITTEE B

Monday 28 May 2012

MEMBERS

Mr Dean
Mr Finch
Mr Gaffney
Ms Goodwin
Ms Rattray (Chair)
Mrs Taylor

SUBSTITUTE MEMBERS

IN ATTENDANCE

Hon. Nick McKim MP, Minister for Education and Skills, Minister for Corrections and Consumer Protection, Minister for Sustainable Transport

Department of Education

Colin Pettit, Secretary
Liz Banks, Deputy Secretary, Early Years and Schools
Malcolm Wells, Deputy Secretary, Further Education and Training
Andrew Finch, Deputy Secretary, Corporate Services
Chrissie Berryman, General Manager, Skills Tasmania
Brendan Kelly, General Manager, Office of the Secretary
Malcolm White, CEO, Skills Institute
Jenny Rayner, A/Director, LINC Tasmania
Nick May, Director, Finance and Business Services

Department of Justice

Robert Williams, A/Secretary
Michael Stevens, Deputy Secretary, Corporate
Ginna Webster, A/Deputy Secretary

Robert Bonde, A/Director, Prisons
Brian Edwards OBE, Director, Change Management
Chris Jacoora, Department Liaison Officer
Chris Batt, Director, Consumer Affairs and Fair Trading

Department of Infrastructure, Energy and Resources

Norm McIlfatrick, Secretary
Penny Nicholls, A/Deputy Secretary, Infrastructure
David Hope, Director, Passenger Transport Policy
James Verrier, Assistant Director, Passenger Transport Policy
Andrew Mullen, A/Manager, Passenger Transport Services

Ministerial Staff

Andrew Perry, Head of Office
Babette Moate, Adviser, Sustainable Transport
Debra Rees, Adviser, Corrections and Consumer Protection
Sonja Bolonja, Adviser, Education and Skills
Shaun Pierce, Adviser, Education and Skills
Jon Paice, Adviser, Education and Skills

The committee met at 9 a.m.

CHAIR (Ms Rattray) - Good morning, everyone. Minister, we welcome you and your team this morning. We are broadcast today, so you might like to remember that. It is pretty important that we be on our best behaviour but I do not need to remind anyone of that.

It is my intention that we start with Corrections and you will have that information and you have the people with you at the table. When you start, you might like to introduce your team and also, the committee is very happy to have a brief overview of this area.

Mr McKIM - I have decided this year not to prepare overview statements in order that the committee gets it full time to examine the outputs. I thank you for your offer and throw back to the committee for the first question.

CHAIR - Thank you very much. It has always been an interesting concept, whether to go down that path or not and we always think it is the minister's right to have some opening statement, but if you choose not to, then we are happy to open up. Dr Goodwin is going to lead the questioning.

Dr GOODWIN - Good morning, everyone. My first question is about the Prison Service's cost pressures to try to get a better idea of exactly what you are referring to when you talk about those cost pressures and what the extra \$4 million over the next 10 years will be spent on.

Mr McKIM - For the 2010-11 financial year, the Tasmanian Prison Service budget was \$50.693 million and the allocation for 2011-12 is \$51.992 million. As members would be aware, historically, there have been challenges faced by ministers for a long period of time now to meet the allocated budget for the prison. We estimate that we will be exceeding our 2011-12 budget

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allocation by about \$3.5 million. Obviously, the financial year has not yet finished. The allocation for 2012-13 is \$55.562 million.

I will give you a brief overview of the prison and how it runs in the context of costs and then I will go to a little bit more detail for you.

The prison is a 24-hour-a-day operation and demand for its services is driven to a large extent by external factors including, for example, crime rates, courts, and the justice system. Most costs are fixed in a prison and the staffing profile for correctional officers is rigid and based on minimum operational and safety requirements.

There are a number of reasons why costs continue to increase at the prison and I will come to some of the ones that we have discussed previously in the corresponding committee last year shortly. I do want to make the point that, for example, we spend over \$700 000 per year on electricity. Everyone knows that power prices are going up and the prison's power prices are no different. When you have a \$700 000-per-year power bill, an increase of any percentage is a significant increase in electricity cost.

We have of course, and we have discussed this previously as well, faced significant costs in overtime at the prison. I am really happy to discuss what we have done and what we are doing to address that, if that is the will -

Mr Dean - It will probably come up.

Mr McKIM - We anticipated that it might, Mr Dean, and I am happy to address that now, if you would like me to.

Mr Dean - No.

Dr GOODWIN - If it relates to this \$2 million, specifically, that would be best -

Mr McKIM - It does. I will come to overtime very shortly but there are other costs apart from electricity. For example, food prices are going up and we purchase quite a bit of food for our prison system.

The point I am trying to make is that there are other pressures on the prison budget that do not fit comfortably into the overtime basket.

Dr GOODWIN - I suppose the interesting thing about this though is that it is only \$2 million for the next two years, so \$4 million over two years. What makes you think you will not need an extra \$2 million after those two years?

Mr McKIM - You have correctly pointed out that Treasury, in this year's budget has allocated an extra \$2 million for the first two of the budget years. We very much hope that we can bring the prison in on its budget allocation and we try to do that every year. Time will tell how successful we will be but we have implemented a number of strategies that we think will assist us in meeting that budget allocation.

Members would be aware of overtime. I can give you historical figures which I have previously provided to the Legislative Council committee last year. Of course we are a year

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further on now so I am happy to provide those if the committee requests. We also have strategies in place to bring our excessive overtime costs, and they are excessive, down including an absence management strategy which is being implemented as we speak. I understand that some of the issues have been canvassed by the Legislative Council committee recently as well. We are also focusing on recruiting a larger number of correctional officers than we have been historically, in my time in the portfolio. Again, we have spoken about the rostering issues previously in this committee and I am happy to go into detail about those things if the committee wishes.

Dr GOODWIN - In terms of going forward after the two years where you get a new \$2 million in each year, where do you think that you are going to make the savings so that you will not need another \$2 million? Is it in the overtime area? Is that what your expectation is?

Mr McKIM - Certainly overtime but there is also workers compensation costs that we face and we would be hoping over time to bring those down. Both overtime and workers compensation, in my view, arguably are issues that fit within what you may broadly call the culture of the prison. Members would be aware that we have appointed Mr Edwards, who is here today and is happy to come up for a chat, and we also have the Acting Director of Prisons, Mr Bonde, here. He is also available to come up and have a chat to the committee if that is the desire of the committee.

With regards to absence management and workers compensation, we believe that over time we will be able to bring those down, although I hasten to say with things like workers compensation the costs can increase quite quickly due to an incident or incidents at the prison. We need to make sure that people who are legitimately absent for sickness, or who are legitimately injured at work, or have other reasons to access workers compensation schemes, continue to do that. We need to make sure that we treat everyone in our workforce with respect and make sure that those who are genuinely sick or access workers compensation can continue to do what they need to do.

Dr GOODWIN - How confident are you that you will not need a further \$2 million after these first two years?

Mr McKIM - What I can say to you is that it is my intention very strongly to continue to work to bring down all excessive costs in the prison. I am confident that we will make significant ground in the next two years. There is a long way to go in our change management program at the prison. Mr Edwards has only been here for a handful of months and even though I am very confident that we are on the right track, I acknowledge that there is still much work to be done in those areas.

Dr GOODWIN - So you want to leave yourself a bit of ground just in case? You are not going to guarantee that you will not need the extra \$2 million?

Mr McKIM - I am not in a position today to guarantee that but I am in a position to say that I believe that we are making steps in the right direction. It is a long-term issue at the prison and I am by no means the first minister to face budget estimates committees with cost pressures in these areas. We are working very hard to bring these costs down. Even though I am unable to guarantee today that we will do that over that two-year period, I am confident that we are taking steps in the right direction and that we will ultimately make significant ground in this area.

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Dr GOODWIN - Okay. So we may well see extra funding being required after these first two years.

Mr McKIM - Ultimately, that is a matter for Treasury and the Treasurer. In my portfolio I am focusing on many things but one of my priorities is to bring the costs down.

Mr DEAN - What are you doing that is going to be different now to bring these overtime costs down? In 1983 there was a select committee inquiry into overtime in the prisons and nothing has changed since then. The committee said it was abysmal then and something had to happen, and 20 years later you are talking exactly the same talk.

Mr McKIM - I would dispute that nothing has changed since then.

Mr DEAN - Overtime has blown out, so you are right.

Mr McKIM - No, in the efforts we are making to get on top of these cost pressures. I would put to you very strongly that we are taking this very seriously and have a number of strategies in place, and I alluded to those earlier.

Mr DEAN - What are those strategies?

Mr McKIM - I have spoken about our absence management strategy - and I am happy to go into detail about these -

Mr DEAN - I would like to know more about the absence management strategy program and how you will be doing that.

Mr McKIM - In overview I will mention, as I previously have this morning, that we are focusing on attracting larger numbers of recruits to work as correctional officers because we have had issues with the pool of trained workers we have access to. The pool is not big enough to allow us the flexibility to run the prison, and that overlaps with an issue around rosters, which I am happy to speak to you about.

I also make the point that there are some costs in the prison that are unavoidable - for example, when we had to relocate the maximum security prisoners to the Ron Barwick Minimum Security Prison for over two months. The overtime cost alone of that was \$700 000 in the 2010-11 financial year. Obviously that is not in the financial years going forward. I made the point that we have an obligation to run the prison to keep the community safe and make sure that prisoners are treated in line with our human rights obligations. We also have an obligation to run the prison so that it is safest-possible workplace for the people working in the prison. At times in the management of the prison, there are incidents that leave us with no choice about how to respond to them and they significantly increase the operational costs of the prison.

The member has asked about the strategies we are putting in place. I will go through them quickly in overview and then I will come to the details of the absence management strategy. We have developed and are implementing an absence management process that is specifically targeted at reducing what we believe is a high sick leave usage by the staff as a whole. We have increased recruitment of correctional officers to fill vacancies.

Dr GOODWIN - How many?

Mr McKIM - I think it is 16, from memory, in the last 12 months.

Dr GOODWIN - It would be good to know how many.

Mr McKIM - Yes. We have another recruit course, which I think will be finished in July this year. We accept that for the last five financial years the overtime costs in the TPS have been much higher than they should be, and higher than I am comfortable with. A significant portion of overtime costs is due to sick leave. A lot of sick leave is legitimate in the prison, and I would not like anyone to take away the view that sick leave per se is a bad thing. When you have a large work force, people get sick from time to time and it is legitimate for them to go on sick leave when they are sick.

I have also spoken about workers compensation costs. On average, there are about six workers compensation claims per year.

The member has asked specifically about our absence management strategy so I will give a quick overview. I am more than happy to ask Mr Edwards or Mr Bonde to come to the table and talk through in detail about how we are approaching this. Knowing that we would have someone come in and fill the role of change manager in the prison subsequent to Mick Palmer's report. We made a decision to proceed with the absence management strategy or its preliminary implementation prior to Mr Edwards arriving, but we were very careful not to present Mr Edwards with a very difficult situation when he first arrived. We had begun the implementation doing things like, for example, training up managers in the TPS about the absence management strategy, rather than rolling it out in a hard way, you could say, prior to his arrival. I am very happy for either he or Mr Bonde to talk you through exactly where we are.

[9.15 a.m.]

Mrs TAYLOR - Minister, do you think that impeded Mr Edwards' ability to put into place what he saw as a better model?

Mr McKIM - No, the point I am making is that we deliberately did not pre-empt his arrival by proceeding with an absence management strategy, and implementing it in full, because we had to be very careful. There have been industrial tensions, it is fair to say, at the prison for some time and we wanted to present Mr Edwards and also Mr Greenberry, our new director who starts very soon, with the best possible circumstances for them to begin their work.

Our absence management strategy aims to provide increased awareness and, importantly, proactive management of unscheduled personal leave within the TPS. It has been designed around a number of key things, including a focus on effective management and reporting systems, a focus on personal accountability, and proactive supervision. We have also reinvigorated our approach to returning injured employees by increasing support to employees and addressing the impact of workers compensation absences - and I can take you through those if you would require. If you would like a detailed view of exactly where we are on implementing our absence management strategy and some of these other issues, I am more than happy to ask Mr Edwards or Mr Bonde to come to the table.

Mr DEAN - We have been hearing about absence management now for a long time and I wonder what you have actually done to bring this down? It is all very well to throw the phrase up

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and say 'the absence management program' but unless you know what it is that you are doing - because it has been going on for two decades.

Mr McKIM - Yes, it has, and I have spoken at length about our absence management strategy to the committee in the past, but I am in the hands of the committee. I may, with the indulgence of the committee, ask Mr Edwards to come to the table and inform the committee exactly -

Mr DEAN - If the Chair would allow, I would like to know what is actually being done.

Mr McKIM - We are in the process -

Dr GOODWIN - What the outcomes have been so far, too.

Mrs TAYLOR - I want to keep going with this, but that is all right.

CHAIR - I am just mindful that if Mrs Taylor has a question to the minister we might do that first before we invite Mr Edwards to the table to expand on his aspect of the Corrections Service.

Mrs TAYLOR - Good. My questions might well relate and Mr Edwards might be able to answer those as well.

CHAIR - We will continue with you, Minister, because Mrs Taylor has some questions and it might also be relevant for Mr Edwards to respond to Mrs Taylor. Is that all right with you, Mr Dean?

Mr DEAN - Yes, sure.

Mrs TAYLOR - I am well aware that in a sense when you came into this portfolio, you inherited the past. You were not the minister and you were probably not even in parliament when all this started. So when I am questioning the past, in a sense, it is not something you can do anything about. Even if you were responsible, you would not be able to do anything about the past, so we are looking towards where we go from here. It is not quite right, though, to say that some of the mistakes of the past were unavoidable because things like having to move the prisoners out of the maximum security were not unavoidable; it was a fact that the prison was not built properly in the first place.

Mr McKIM - It was unavoidable for me.

Mrs TAYLOR - That is right; that is what I am saying. I suppose I am trying to make the distinction between what you have been able to manage and what has not been managed. Nevertheless, it was not unavoidable; just the cost for you that year was unavoidable. If we are looking at the history over the last 20 years, we have to say that it was an avoidable cost and the prison should have been built properly in the first place so that that sort of cost would not have needed to happen. We are talking about the future, next year's budget. When you are talking about new prison officer staff, exactly how many will there be? What will be the increase?

Mr McKIM - The net increase?

Mrs TAYLOR - Yes.

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Mr McKIM - We have conducted two recruit programs in the current financial year and 18 new officers have commenced operational duties in that financial year. As I indicated earlier, another round of recruitment is under way and it is expected that the recruit induction program will begin in mid-July this year. We are currently going through the application so I cannot tell the committee exactly how many people will be in that course. We now have a strategy to do what we can to increase the workforce so that we have a pool of people with a more appropriate size to allow us flexibility around the way we run our rosters. We believe that will be one of the strategies that will help us bring down overtime levels.

Dr GOODWIN - How many are you short?

Mr WILLIAMS - We would like to recruit about 20, if we could. Mr Edwards and Mr Bonde, while they are doing the review of staffing, are going into the actual models for the staffing of the place because there are some inefficiencies in the longstanding way we roster people. Sometimes we do not have enough staff on the books for people going on leave. We need to change the way we staff our place, have the staffing formula, because if we do not have enough people on the books for leave when someone goes on holidays we have to pay overtime to fill the position. We should have enough to cover that. When you are in a rostered environment you need to have that on standby at single time rather than at double time on a recall basis.

Mrs TAYLOR - But still back to the same basic principles. That is normal business practice. We would expect that you would have sufficient staff so that people can go on leave. If you have not had them, that is not good business practice in the past.

Dr GOODWIN - They have not had enough staff.

Mrs TAYLOR - That is a serious criticism, is it not? No business can run with not being able to cover its staffing levels.

Mr McKIM - Our current staffing level is 256.

Mrs TAYLOR - Is that your normal base level?

Mr McKIM - I will see if we can source some historical figures for you.

Mrs TAYLOR - I would then like to know what staffing level are you going to go up to? What is the net result? When you have finished your recruitment programs, what do you hope to get to? Are you going to employ extra staff?

Mr McKIM - Yes, we are.

CHAIR - Is it 256 plus 20?

Mr McKIM - The 256 would include the ones who have already commenced operational duties. As Mr Williams has indicated, we are hoping to train up another 20 in the next induction process.

Mrs TAYLOR - But that is not going to be a net gain, is it? It is always a moving feast; every year some people leave. I just want to know what sort of levels you are going to.

Mr WILLIAMS - At the moment the rostered number of positions is 251 correction officers, and that does not include the non-uniformed staff who do programs. I think we would increase that by around 20 officers. We would hope to keep our staffing a bit ahead of the number required. I mentioned that we are going to change the staffing formula and the final figure we really want will depend on how that formula comes out. It is counter-intuitive in some ways because we are going to have to employ more staff to save money because we employ them at single time. That process is under way and Mr Edwards and Mr Bonde are currently looking at the formula. We do not have enough staff on some of those rosters to fill leave, et cetera. Once again, it is counter-intuitive. We also like to run a bit ahead of the numbers so that when people are sick we have people available to fill those vacancies at single time rather than at double time.

Mrs TAYLOR - It would be nice to hear what number you decide on, minister, because you are saying now 270 or thereabouts. I suppose we would be concerned that you do have sufficient staff so that you do not have this overtime blow out and that you do cover leave -

Mr McKIM - Certainly we do intend to have an appropriate number of staff. The point Mr Williams was making is that, as we work on the model, if you like, that will then inform what the ideal number of staff is to have at the prison. I guess it is fair to say that it is a work in progress in calculating the ideal number of staff because we have not yet bolted down the model for a roster.

CHAIR - As minister, when are you hoping to see that, or expect to see that? There must be a time frame in relation to when this model is completed and you can say this is how many we are going to need.

Mr McKIM - I will ask Mr Edwards to come to the table. He is involved in this and he may be able to explain - in fact I am sure he can.

CHAIR - Minister, you must have some time frame in your mind.

Mr McKIM - Well, as soon as possible, from my point of view, Madam Chair. I have been in this portfolio for a couple of years and it has been something we have tried to work on consistently during my time as minister. At times we have been successful; at times there have, as the committee is aware, been further blowouts in this particular part of the prison budget. From my point of view, every day or even every year that we spend in this situation is a day or a year too many. My expectation, which I have made very clear to the department and Mr Edwards when I first met him prior to him taking up his role, is that is one of the things that I would like focused on and that we get on top of this issue as quickly as possible.

For the benefit of *Hansard*, this is Mr Brian Edwards. I am sure he can shed some further light on this for the committee.

CHAIR - When will the strategy be in place?

Mr EDWARDS - We have the strategy in place now. We are in the final days of actually working through the formula and we are hoping to get that by the end of this week.

CHAIR - End of this week?

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Mr EDWARDS - Yes.

CHAIR - When can that be implemented? Obviously, you need to have more staff and the program to train more staff in a period of - help me out.

Mr McKIM - We run, I think a 12-week course.

CHAIR - July? If we start in mid-July, about 10 weeks.

Mr McKIM - Nineteen weeks.

Mr EDWARDS - It fits in nicely with the present recruitment campaign, actually.

CHAIR - So, by the end of the year there should be a new model in the prison that will be starting to bring around effective, positive changes.

Mr EDWARDS - We have already started that new model because we have been able to - should I go through the change process because I don't think you can talk in isolation about absence management, or attendance management to put it another way. We have to actually link that up. It is quite right that it was brought up by the minister as being the crux of the issue. However, during change, what we have to do is look at the basis of our staff. What we have done is move staff away from this being one of 251 down to smaller teams to get some self-responsibility and to get managers closer to staff. So we have moved them down into teams. We are now in a position that we have actually done that. We have our managers moved into position; we have our teams already selected, and the one thing we have had to do through - I think the honourable gentleman at the end -

CHAIR - Mr Dean.

Mr EDWARDS - Mr Dean mentioned the number of years. Forgive me, I am a Pom.

Laughter.

CHAIR - We will get some nametags before the next session.

Mr Dean - We will talk about that later.

Laughter.

Mr EDWARDS - What we have had to do is actually try to put each manager into each position; we have teams all lined up to go into it but we have had to change this culture from the years ago that you have mentioned. The way we have done that is explain to staff that these are the teams, this is the areas of work and we have changed the areas of work within the prison; this is what you have to deliver; which team suits your nature, remembering that you are employed as a corrections officer so you could go into any but to start with, where would you like to go. So, we have completed that.

They have now said we would like to work in different areas so now they have been selected for those areas. We have been able to move one section because it was the same number as the old system. In that section, we have already had an improvement in attendance, we have had an

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improvement in absenteeism, and we have had a defined improvement all round, in morale and positive approach in everything.

[9.30 a.m.]

Mrs TAYLOR - Can we ask for a percentage? When you say we have an improvement in attendance.

Mr EDWARDS - We have nil sick and nil absenteeism in that one group of 42 already.

Mrs TAYLOR - Over what time period?

Mr EDWARDS - On 14 May that started. We are early days but that team started with three people on sick leave. It has none now. To me, that is a positive approach and when we go back to any policies on absenteeism, the one thing we have had to do over these many years of Risdon constantly getting bad press and bad news is, we have had to change from what is a fairly negative attitude, a fairly poor union management relationship and we have had to work very hard at trying to get things into a positive nature. As the panel will know, a positive nature works very much in favour of keeping people in work and getting that right culture in place. That is where we are at present.

Dr GOODWIN - Mr Edwards, can you tease out a little bit for us, what the culture was? What is the historical culture that needs to be changed? This is really the crux of the whole issue and I think we need to be fairly transparent about that so we have a good understanding of where you have to go from and where we have to get to?

Mr EDWARDS - I would not be a change manager if I said to you I would much rather concentrate on the future. I have to look at a bit of the past and the past from many years ago, before the current ministerial oversight and management. I thought there was a lack of prison leadership in that many things were done by e-mail and many things were done by paper. I did not think there was enough of managers and staff working out problems together. I did not think there was enough of a relationship between union staff and union management because there is a three way thing there. I thought there was some debate between union members and their own unions. There were very complex issues going on there.

Then I believe there was a reliance on high level resolving of incidents. You had your TRG issues which are exceptionally good and save many millions of dollars for quick resolution of things. But people relied on that and they never upskilled the staff. You get all of that combination, all of the combination of bad press over many years and you go to the position that we are in today where now we have to take each individual member of staff, we have to put our arm around them, we have to coach them, we have to upskill them, and we have to get them back to the area where they should be as custodial officers. It is not a question I can answer simply by saying, it is x , y and z . It is a combination of all these effects.

I think on the last committee someone asked me whether we have anything written down yet and whether we have targets. I would say, within that complex nature, the time now is to deal with the individual people. We take time to get around and talk, support and get a positive attitude in there. I hope that answers the question.

CHAIR - You were having a meeting the next day from the last committee about exactly how you were putting those structures in place.

Mrs TAYLOR - You said it again today and we are very delighted to hear all these things because that is what we want to happen. If you are already seeing results, even in the short-term, that is fantastic. But one of the things you said was, 'We now have teams, we have areas of work, and they know that this is what they have to deliver'. Does that mean you have now put, at least for that team you have going, targets and KPIs, when you say, this is what they have to deliver?

Mr EDWARDS - Yes. When they have to deliver, that means that an area - and this was the old Tamar Unit. Naturally with the old Tamar Unit, the targets for delivery would be to answer Mr Palmer's report in areas and have indicators that we achieved that to answer some other criticism and make sure we have achieved that. But if we put KPIs and KPTs in there too early, it would be rather disjointed and too low a level. What we have to do now is bring the other teams into being, for which the target date is the middle of June, and once we bring those other teams into being, then the directorship can look overall at the TPS and provide high-level, well-thought-out KPIs. If you target KPTs too early, they are too shallow and they become very disjointed. So the first thing to do is deliver what we are supposed to, and that is criticism from all the different reports and make sure we are answering those. After that, look at a good, consistent level of delivery. Once we have that, we then start looking at high-level KPIs and KPTs.

Mr DEAN - It is good to hear that, since four years ago when the member for Rosevears and I raised this, everyone simply threw it aside and said there were no problems.

Mr McKIM - That was a previous minister, I feel compelled to note.

Mr DEAN - It was to start with, but the last two years it has been you.

Mr McKIM - Yes, and I have dodged nothing on these issues and have addressed them head on, as you have heard from Mr Edwards.

Mrs TAYLOR - You did say the same things last year though as you have said this year, that we are going to tackle the overtime.

Mr DEAN - I just want to refer to the KPMG report that was done and which was very critical of the organisation. One of the issues it raised was in relation to the overtime situation and so on, saying that there was a bad relationship or an ordinary relationship between the management within the prisons and the correctional officers. There was a breakdown in that area, and you have now addressed that to some degree here today, which is good to hear. So my question out of that is: has your management team within the prison increased in numbers?

Mr McKIM - Before I ask Mr Edwards to respond to that, I will just talk quickly about the KPMG report. You are right that in 2010 the department did engage KPMG to audit its absence management processes and that audit did include, as you would be aware, Mr Dean, a comparison with absence management processes in other correctional jurisdictions in Australia. The KPMG report focused particularly on the level of sick and carers' leave and overtime taken by staff of the TPS. It made a number of recommendations to improve the effectiveness, fairness and enforceability of leave policies and, as you are probably aware, the report is on the Department of Justice website. The report did inform the development of the new absence management strategy that we have been speaking about today.

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Now, the report shows that TPS leave policies are largely in line with those of other states and territories but also, as you have implied or stated, there are things that we can improve and we have taken that on board. In fact, that is why we engaged KPMG so we could get some data into this discussion, and it is also why the department has developed the absence management strategy that we have been speaking about. In terms of numbers of managers, at the moment we have 10 correctional managers system-wide, and I am happy to seek historical figures for the committee if you would like. I am advised by Mr Williams that it has not changed.

Mr WILLIAMS - It varies slightly from time to time, but obviously we have not had a major increase from budget reasons. I think the point you are making is the relationship between management and staff was not a positive and constructive one. As we saw in February last year, it reached a head, but I would say today that the industrial relations atmosphere in the prison is better than it has been probably for at least 10 years, maybe 20. It is a very productive relationship, and Mr Bonde, Mr Partridge and Mr Edwards have worked really hard to bring that forward, and we have been doing that for about a year now, and with Mr Edwards' arrival about three months ago the relationship has certainly changed where management and union are engaging. Mr Edwards said that one of the issues that was recognised in parliament was that the managers were not out as much as they should be, being senior managers, and that has been a complete change over the past few months to get those managers back into teams close to them, so we are changing from what was a difficult and unproductive relationship and both sides have had to move quite significantly in how they behave.

Mr McKIM - And if I could just add, Mr Dean, to that, when Mick Palmer went through the prison at my request, obviously I would not have asked him to come in if I thought everything was running smoothly and satisfactorily at the prison. I have made this point a number of times, that when he handed his report to me there were some matters that I was not aware of that were contained in his report, but much of his report was simply confirming my preliminary views as minister about how the prison was working.

It is fair to say that he identified a number of shortfalls and Mr Williams has just spoken about the industrial relations atmosphere. I am very happy today to tell you that in the early days of holding this portfolio there were a number of industrial challenges at the prison. My formal advice, which you have heard repeated by Mr Williams today for the committee, but also the anecdotal feedback that I pick up from visits to the prison and having a chat to management and correctional officers and other staff and, for that matter, inmates at the prison, is that the temperature of the prison in the context of things like industrial relations unrest is much lower than I have seen at any time whilst I have held this portfolio. I am advised it is the best it has been for a number of years.

Mr Williams has just reminded me that in the context of prison management we cannot discuss that without me reminding the committee that we have a new director, Mr Barry Greenberry, who starts within a month, on 12 June. As Mr Edwards has advised the committee, the development of things like KPIs to address some of the issues we have discussed this morning will be done in collaboration with Mr Greenberry. I indicate to the committee that Mr Greenberry is already receiving briefings from Mr Edwards, senior management of the prison, and from Mr Williams so that he can hit the ground running when he arrives.

CHAIR - What sort of background has Mr Greenberry?

Mr McKIM - He has a lengthy background in the British corrections system.

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CHAIR - Is there anyone left in the UK?

Mr McKIM - We have the cream, Dr Goodwin. We have them out to Tasmania.

CHAIR - I have been elevated as well.

Mr McKIM - Mr Greenberry has decades of experience at senior levels at Her Majesty's Prison Service for England and Wales including the establishment of Her Majesty's Prison Isle of Wight which housed around 1 700 prisoners and had a staffing complement of 900. That was, I understand, a conglomeration of previously separate prisons into one administrative unit with significant budget savings, I might add, as a result. Most recently, he has been operations manager for G4S in the United Kingdom, a private provider of corrective services, and he had management responsibility in his most recent role for five prisons and two detention centres and 29 years' experience in corrections. Both Mr Edwards and Mr Greenberry were selected following exhaustive application search processes and interviews. I have an extremely high level of confidence in both Mr Edwards and Mr Greenberry.

Dr GOODWIN - May I just ask a point of clarification around the structure and the number of correctional officers. There are supervisor positions as well, aren't there? Are you able to give us a break-down of what are the base grade positions and the number of supervisor positions?

Mr McKIM - I will take some advice.

Dr GOODWIN - And whether there are supervisor positions that are vacant, or people are acting in them?

CHAIR - A break-down of the level of the positions.

Dr GOODWIN - Base grade and supervisor.

Mr McKIM - I will take that on notice for now.

Dr GOODWIN - And also whether there are any people acting as supervisors because that is one of the issues that has been canvassed.

Mr EDWARDS - There are eight vacancies at present and there are eight people temporarily filling in.

Mr McKIM - Eight people acting in roles.

Mrs TAYLOR - For how many supervisor positions?

Mr McKIM - We will provide the information to the committee before the wind-up.

Dr GOODWIN - In terms of those eight vacancies, the eight people who are acting, are there plans to try to permanently fill those positions?

Mr EDWARDS - Yes, absolutely.

Dr GOODWIN - So you are trying to upskill people to be able to take on those roles?

[9.45 a.m.]

Mr McKIM - Absolutely. Again, skilling up and training management when you are initiating a cultural change program in really any large organisation, but in this context the prison, is a really important part of the strategy. We need to make sure that our managers embrace the change regime that we are attempting to put in place and that the managers embrace the new way that we will be running the prison. That is something we do on an ongoing basis.

Mrs TAYLOR - Are you upskilling, or are you recruiting?

Mr WILLIAMS - No, we are upskilling the managers we already have and the supervisors. One of the things I mentioned earlier was about having the right staffing model for the prison, which we do not have right at the moment. If those people are not in their positions permanently, they are acting or someone is backfilling them, it creates the possibility for overtime to be used to recall as we move people up the chain. I know Mr Edwards has an absolute task at the moment to work out how we are going to get those positions filled because there are mandatory requirements for those positions and we may have to look at whether we have made those too difficult, and how we do that in the future. A key feature of the model is that all the people are in the positions they need to be in and permanently, so we are not backfilling in, which is what we are doing at the moment with those.

CHAIR - Any other questions in this particular area of the staffing?

Mr DEAN - Minister, what is the position with Mr Bonde's position at the prison? Is that a movement from DPEM across to you on a part-time basis and you pick up the salary; is that what happens there?

Mr McKIM - No, Mr Bonde is certainly not part-time. It is a secondment, I believe, from the Tasmania Police. Mr Bonde is currently acting as director of TPS due to the absence, I hope temporarily, of Mr Partridge who has been instrumental in commencing some of the responses to the reports that we have spoken about prior to Mr Edwards' arriving. Mr Bonde at the moment is still with us. I am not sure what his intentions are, and I am also not sure this is the place to explore those.

Mr DEAN - I was wondering what the position was and how long it is likely to be in place for.

Mr McKIM - I will just take some advice on that. I am advised that at this stage we are hopeful that Mr Partridge will be back at work around 20 July. His absence is due to health issues and at the moment we will be considering Mr Bonde's secondment and whether that will continue in discussions with Mr Bonde, and discussions with Tasmania Police, and in discussions with senior management in Tas Prison Service.

Mr DEAN - He is a fine police officer and the police force is missing out.

Mr McKIM - Yes, I am aware of that, but we are very pleased to have him assisting us in the Tasmanian Prison Service. He is doing an outstanding job.

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Dr GOODWIN - On those supervisor positions, are you able to give us an idea of the level of remuneration for supervisors compared to base-grade correction officers?

Mr McKIM - Yes, we certainly can. I do not think we have that at the table, but someone will be seeking that as we speak, Dr Goodwin.

CHAIR - We are happy to take it in levels of two band 9s, whatever, because we know all about those now.

Mr McKIM - No problems, that information is being sought as we speak.

Dr GOODWIN - Do you have an organisational structure at TPS?

Mr McKIM - Do you mean like a flow chart or something like that?

Dr GOODWIN - Yes, like a chart. If there is such a thing could we have a copy of that as well?

Mr McKIM - I will make sure that it will not compromise operations at the prison in any way.

Mr EDWARDS - At present it is getting moved around quite a bit.

Dr GOODWIN - It would be useful for us to know where you have started from and where you end up.

Mr McKIM - My advice is that we can provide that to the committee and I am certainly happy to do that. I do make the point, as Mr Edwards has been clear about, that it is very much a work in progress at the moment in terms of the restructure that Mr Edwards is overseeing. We will see if we can provide the committee with that historical chart and where we are now.

Dr GOODWIN - Next year we will be able to see how far you have come.

Mr McKIM - You will, and I am sure we will have come a long way.

Dr GOODWIN - Minister, you mentioned the return to work support that has been flagged in the past as an issue in need of improvement. I am wondering if you could talk us through what changes have been made there. I think you said six workers comp claims per year.

Mr McKIM - I will fill the committee in on that. As you would be aware, Workplace Standards Tasmania did a report titled *Report of the Review of Risk Management at the Maximum Security Prison at Risdon*. I can indicate to the committee that we take the safety of our workers very seriously. It is a difficult environment to go to work in every day and I pay my respects to everyone who works in our prison system. It is a challenging work environment and a difficult and, at times, unfortunately a dangerous work environment.

Many people who are incarcerated in the prison system are there because they are violent people and/or they have made very poor choices in their life. It is unrealistic to expect that, simply because they are incarcerated, they will automatically and immediately cease to become violent and difficult people to deal with. We are always aware that we are dealing with, at least in

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the context of some of our inmates, very difficult people to manage. Again, I pay credit to our correctional officers.

One of the things that we have asked Mr Edwards to do, as part of his role in the prison system, is to work on things like workers compensation. I do not have any numbers here but what I can tell you is that we have reinvigorated our approach, as I said earlier. Much of this relates to a much closer case management, if you like, of people who are on workers compensation. Also, you cannot isolate this from the necessary cultural change which we are driving through Mr Edwards at the prison at the moment. Anecdotally at least, we are now hearing from some people who have been on workers compensation for a period of time who are expressing an interest in coming back now because they are hearing that things are improving in the way the prison is being run. Again, I make it very clear that it is anecdotal rather than having any hard data.

Also, as part of our response to workers compensation issues, we have arranged a program of sessions with psychologists for TPS supervisors and managers so that they can further develop not only their own resilience but resilience in their staff and their teams. Funding for this program was received from a Health and Wellbeing grant. The program is focused on identifying and managing stressors within the workplace. In other words, we are working as hard as we can.

Also, our strategies on workers compensation include oversight of return-to-work placements at the TPS being allocated to a senior human resource consultant who we have on site at the TPS.

Dr GOODWIN - Is that a new position or you already had it?

Mr McKIM - It is a new position created, if you like, in direct response to some of these pressures.

Dr GOODWIN - How long has that been in place?

Mr McKIM - Two or three months.

Dr GOODWIN - So he came after Mr Edwards?

Mr McKIM - Probably about the same time.

We are also increasing focus on pursuing vocational outcomes for claimants on workers compensation and shifting away from a focus purely on compensation. We have broadened the pool of return-to-work consultants allocated to the TPS so that we have a more diverse skill and experience mix.

Dr GOODWIN - What does that mean exactly?

Mr McKIM - These are our people who work with claimants on an individual basis in order to encourage them -

Dr GOODWIN - When you say 'broadened the pool', what does that mean?

Mrs TAYLOR - Instead of just using one provider, they are using a number of providers.

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Dr GOODWIN - So, you are using different providers?

Mr McKIM - We have access to a broader range with a more diverse skill and experience mix in our providers in that area.

Mr WILLIAMS - Some of them have different skills. Some are more in physical injuries, some are in the psychological injury space, and we wanted to make sure that we did get a broader range.

Mr McKIM - We have also increased the number of credited injury management coordinators at the department and, really importantly, we have introduced a staff officer position at TPS to assist with the management of return-to-work and other staff-related matters. We now have someone specifically allocated to that role.

Dr GOODWIN - Is that different to that other position?

Mr WILLIAMS - It is the same person.

Dr GOODWIN - In terms of statistics or data that you can give us, what I am particularly interested in is how many people you currently have off on workers compensation and how long they have been off on workers compensation; do you think you can provide that?

Mr McKIM - I will see if we have that at hand; if not, we will provide that for you. We will get that as soon as we can.

Mrs TAYLOR - I want to return to the overtime, to the budget really, which says that -

CHAIR - It is a good place to be.

Mrs TAYLOR - We are looking at \$2.6 million more this year than last year, as you said, and you addressed this already, minister, by saying there are food costs and electricity costs and whatever, and also the extra staff. We are talking about extra staff, so we are presuming that is an extra cost in the budget, at least until you get the overtime down a bit.

Mr McKIM - We are spending money to save money really, Mrs Taylor, in terms of the staff.

Mrs TAYLOR - That is what I am asking, I guess. What is the \$2.6 million for? How much of it is for extra staff or for staff change management?

Mr McKIM - We do not have that amount split up. It was not split up as it was allocated to us. It was simply allocated as a short-term measure, \$4 million over two years to assist us as we work as hard as we can to bring these costs down.

Mrs TAYLOR - Okay. The other half of that question is therefore, how much of this is related to how much extra overtime you expect to need? That is what the issue has been, that in the midyear when you have had to come back and say, we need an extra \$1.7 million or an extra \$2 million or whatever million, for overtime. I know that there are incidents. You can say, last year, this incident happened and the year before, this incident. But, to some degree you are

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always going to expect some incidents in the prison. The workplace it is means you are never going to have no trouble occasionally.

Mr McKIM - Every bit of trouble is one bit of trouble too many for me, Mrs Taylor.

Mrs TAYLOR - Absolutely, you know you are going to get some.

Mr McKIM - Yes, as I have indicated, it is a difficult work environment. The reason it is difficult to disaggregate this figure is that a number of these issue overlap. Under the broad umbrella of cultural change, there are things like overtime levels, sick leave levels, workers compensation levels, and there are issues around the roster that was spoken about in brief this morning. All of those overlap and are integrated with each other, and all of those are impacted and, I believe, on the way to being improved in terms of our response to them, by the change management process that Mr Edwards is overseeing.

Mrs TAYLOR - The bottom line for me is, because that is one of the things we asked in the midyear, if every year you have to ask for \$1.5 million or \$2 million extra on overtime, does this not mean that you are not getting enough in the original budget? My bottom line question is: is that solved this year? Will you not have to come back to us - unless there is any extraordinary circumstance, like the prison burns down or something? Under normal expectations, would you think that this year you are not going to have to come back to us?

Mr McKIM - I am just busy touching wood, right here, Mrs Taylor, hoping that does not happen. The situation is: it is impossible for me to sit here and provide an absolute cast-iron guarantee to the committee that we will not need further assistance in our budget. But what I can say to the committee is that I take, as I am sure all the ministers do, my responsibilities to bring my portfolio in on budget very seriously. I accept that has not happened since I have been minister in this part of my portfolio responsibilities, I hasten to add. In fact, I think all of my other portfolios come in on budget, including the Department of Education where there are significant pressures.

However, as you have pointed out, this is a historical circumstance that I have inherited. As I have previously said, and I believe I said this to the committee last year, I do not take responsibility for what happened before I became the minister, but I absolutely take responsibility for taking the necessary action to make the improvements that we need to make.

Cultural change is a little bit like turning an oil tanker around; it does take a little bit of time and you can put your helm down very quickly but often there is a lapse before you start to see the bow swing around. I believe we can now see the bow starting to swing, although we are not yet on the course that we would ultimately like to be.

Mrs TAYLOR - The last two words sound pretty good.

[10.00 a.m.]

Mr McKIM - Yes. I am constantly encouraged; I receive regular updates from Mr Edwards on how we are going out there in a range of areas that he is responsible for, and I will implement the same situation with Mr Greenberry when he arrives and have regular personal briefings from him as I do from Mr Edwards. Both formally and anecdotally the indications to me from Mr Williams and Ms Webster from the department, and also from Mr Bonde and Mr Edwards

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within TPS, is that we are starting to see some reward for effort. So I am cautiously optimistic about how we are trending but there is still much work to do.

Mrs TAYLOR - I understand that it is as frustrating for you as it is for everyone that that continues to happen, and we see that you are putting things in place. However, last year you said the same thing -that things were going to be put in place - and it did not happen.

Mr McKIM - That is true to a degree. I might address that briefly, Mrs Taylor, if I might. Last year we spoke about the fact that we were developing things like an absence management strategy. We also knew that we would need to go through a process to find a new director and that we would have to seek someone to fill the role of change manager as recommended by Mr Palmer.

Last year was, from my recollections of the discussions we had at the committee, very much me informing the committee about our plans about how we were going to move forward. What I am saying to you this year is that we have implemented a number of the things that I spoke about last year, and we are also still in the process of implementing some other things that I spoke about to the committee last year. Particularly in the context of our absence management strategy, we wanted to be very careful that we did not throw an industrial hand grenade into the prison just prior to Mr Edwards arriving.

As I indicated to the committee earlier, we decided to move forward with some of the preliminary implementation around the absence management strategy, including things like training up prison managers so that once we did begin to roll out that absence management strategy, we could do so in a timely way with everyone trained and ready to go. However, we were conscious that Mr Edwards was arriving and we were also conscious that we had a new director arriving and we wanted to make sure that we presented them with the best possible environment at the prison so that they could commence their really important work.

Mr DEAN - Can you tell me if you cannot answer this? How many people are employed as senior managers within the organisation - within corrective services - to provide support and positions to the prisons department?

Mr McKIM - Are you asking about corrective services as including community corrections?

Mr DEAN - Yes, that is right - across the board to provide a service to the prisons, corrective services and so on, in senior management.

Mr McKIM - I am not sure that anyone in community corrections would perform a service for the Tasmanian Prison Service.

Mr WILLIAMS - No.

Mr DEAN - How many very senior managers outside the organisation do you have providing a service to the prisons department?

Mr WILLIAMS - We have a corporate service; within the department there is a corporate services division that provides services to all of the outputs of the department, so that includes courts and community corrections. People within that corporate area provide services across the range and corrections pays a dividend to fund that. Generally, the management of the service is

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the director, the assistant director, the general managers and then the correctional managers, the correctional supervisors and the correctional officers. Then there are other support areas such as the industries, the manager for industries; there is a manager for integrated offender management that provides the programs, and there are a number of other arms of the organisation. There is an infrastructure and maintenance program, but in terms of correctional it is: director, assistant director, general manager, manager, supervisors, and officers.

Mr DEAN - All of those positions will be in the annual report anyway.

Dr GOODWIN - And this organisational chart that we are getting will be very handy.

Mr DEAN - That will cover that.

CHAIR - Minister, did you have something to add to that?

Mr McKIM - I have some advice for the committee from a previously asked question about workers compensation.

CHAIR - We will take that now.

Mr McKIM - We currently have 25 staff - and I am talking about both uniformed and non-uniformed staff here - who are off work and 23 on return-to-work on alternative duties.

Mrs TAYLOR - Is that including the eight supervisors?

Mr McKIM - This is staff currently in our workers compensation system.

Mrs TAYLOR - Yes, but does that include -

Mr WILLIAMS - No, that is a separate thing.

Mrs TAYLOR - That is just the correctional officers.

Mr WILLIAMS - There may be some of those supervisors who are on return-to-work.

Mr McKIM - There may be.

Dr GOODWIN - We still need to wait for the details on the length they have been off and hopefully get a breakdown of uniform versus non-uniform as well.

Mr McKIM - We can do that but I am not confident we can do it today, so we may need to take that question on notice.

CHAIR - We are happy to wait. You have until the end of the week, so if you can provide it earlier that is great.

Minister, can I take you to the elephant in the room, which is the cost-saving strategies across all agencies. You have outlined some fantastic initiatives and, if they all come off, you may be saving money hand over fist but there is still this requirement for all agencies. So what is the impact of the cost saving strategy that has been put on all agencies because of the financial

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situation the government finds itself in? How is that impacting on this particular area and could you tell us generally whether you will be able to roll out as many of those new strategies in a timely manner?

Mr McKIM - I do not anticipate that the further savings measures that are being required of the Department of Justice this year will prevent us doing things in a timely way. Certainly they present challenges for the department as a whole. As a result of both 2011-12 and 2012-13 budgets, the department has been required to find savings totalling \$7.819 million from 2011-12 through to 2015-16. In 2011-12, the department was required to save \$2.887 million and my advice is that the department will achieve this saving by 30 June this year, the end of the current financial year.

I am speaking across the entire department here, even though as the committee is aware, my portfolio responsibilities do not include a number of things that the Department of Justice do. They also support, for example, Mr Wightman as Attorney-General and Mr O'Byrne.

CHAIR - We will ask him the same question tomorrow.

Mr McKIM - I am sure he will have the same brief in front of him. A significant portion of these savings have been structural and will continue into the out years. For example: closing the Sullivans Cove Waterfront Authority which was wound up on 31 August 2011; structural staff changes within the department; relocation changes and other administrative changes in areas such as the Tasmanian Industrial Commission; and changes to the legislative and administrative processes for the recovery of costs.

CHAIR - Relocation - can you define relocation?

Mr McKIM - None of these are in my portfolio area, Madam Chair, so I with respect would direct the committee towards Minister Wightman who is Attorney-General, as you know.

CHAIR - But this area is on budget to make the appropriate savings under the -

Mr McKIM - I am sorry. Can you say that again, please?

CHAIR - This area that you are looking after in corrections is on target to save their budget cost-saving strategy allocation.

Mr McKIM - I might ask Mr Stevens, who deals with these issues at a corporate level for the department, if he can assist us here.

Mr STEVENS - Yes. As you know, at the corporate level we have to save an amount this year - the \$2.887 million for the whole of the agency - and as a result of the budget last year there is an additional \$1.232 million, which was a range of strategies that were talked about during the last estimate process but will not be actually implemented until next year, so those are on track.

Then, as you are well aware, on top of that we have another saving of \$1.2 million which is across the whole agency, and clearly the prison cost pressures that the minister has referred to is one area that we would be expecting to play its part in delivering the savings in that. So as well as bringing back the overtime budget to what was actually budgeted, the general prison cost pressures we would see as playing their part to the \$1.2 million, and then there is a range of other

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initiatives that we have. It is a little difficult to the extent that Minister Wightman is the portfolio minister but we have four ministers who look after various parts of our portfolio.

CHAIR - You can appreciate how difficult it gets for us as well trying to work out who is who.

Mr STEVENS - Minister Wightman has the responsibility for the whole -

CHAIR - So ask him all the hard questions about the overall budget -

Mr STEVENS - Ask him all the hard questions about the overall budget.

Mr McKIM - Yes, good idea, Madam Chair.

Mr STEVENS - But I would have to say -

CHAIR - But nevertheless Corrective Services still has a part to play in making some savings, so how are those savings or apparent savings going to impact on what you are rolling out under these new changes? They have to impact.

Mr McKIM - We are, as Mr Stevens has indicated, required to play our part in achieving the department's savings strategies, and it really just increases the level of the task we have before us, which is to run the prison as efficiently as we can financially whilst still delivering the outputs that we expect from the prison.

CHAIR - A former minister and premier for that matter told us that they cut out cream biscuits in one department, so we take any information.

Mr McKIM - That is appalling, Madam Chair.

CHAIR - They cut out cream biscuits, so I hope there are none outside when we get to morning tea, or they will be in trouble.

Mr McKIM - I am looking forward to the Legislative Council morning tea. My understanding is it is a little bit better quality than the House of Assembly.

CHAIR - Oh well, we have some budding chefs, I think.

Mrs TAYLOR - You keep saying that, but we actually do not have morning tea.

Dr GOODWIN - Minister, I just wanted to take you to the prison infrastructure redevelopment program stage D, and if we could talk a little bit about what the plans are for this year or the next financial year, because we have not quite finished, but exactly what has been done this year, because there was an allocation of \$3.5 million, so perhaps if you can take us through that.

Mr McKIM - Yes, I can.

CHAIR - Have we skipped on a bit too far here, because it is under capital investment and we have -

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Mrs TAYLOR - I was actually going to ask that question in capital investment, but it doesn't matter. I don't care if you do it now.

Mr McKIM - If I could potentially assist the committee here, with the indulgence of the committee, Madam Chair, I am very relaxed about skipping across output groups if that is the will of the committee. I believe the point Dr Goodwin was making - and if it was the point she was attempting to make I agree with her - was that these things are really holistic in the way that we are moving forward in the prison. We are trying as quickly as we can, within various constraints that I am happy to talk about, to make the infrastructure improvements that are needed to be made. I remember sitting before this committee last year with my own slightly raised eyebrows when I spoke about the fact that we are running a maximum security prison without a recreational facility for inmates, for example, like a gymnasium, and how unusual that is and how difficult the lack of infrastructure has made some of the things that we are trying to achieve. But I am happy to do it now or I am happy to wait. It is at the will of the committee.

Dr GOODWIN - That is the point that I was trying to make, I suppose, that two of the key recommendations coming out of the Palmer Report were around the cultural change and the infrastructure, and then there is another one, which I am sure you are waiting for which I will get to.

Mrs TAYLOR - The H word.

Dr GOODWIN - So I think it would be useful, if other members are happy for us to go down that path.

CHAIR - I have spoken with Mrs Taylor and she is happy for Dr Goodwin to follow this path.

[10.15 a.m.]

Mr McKIM - All right. As members of the committee would be aware, there has been \$20.17 million allocated for the implementation of the next phase of the prison infrastructure redevelopment program stage D1, and I will just shorten that to PIRP to save *Hansard* a bit of repetitive strain injury. Could I firstly indicate - and I have said this previously - that really we are running with a prison that has not finished being built yet, and that provides us with significant challenges in terms of challenges for our workforce out there, certainly challenges for management but also challenges for inmates.

We spoke at some length about this last year. I can advise the committee now that we are expecting construction to commence later this year, and we are hopeful that it will be complete by around the middle of 2014, which is actually in advance of our original estimate of 2015.

Mrs TAYLOR - So that is for the whole \$20 million?

Mr McKIM - Yes, that is correct.

PIRP stage D1, as the committee would be aware, will provide additional prison facilities within RPC, the Risdon Prison Complex, which includes medium security, for the benefit of the committee. The scope of the works is something that we are still working on. I am happy to give you further details about the kind of things that we are thinking of, but the first thing to inform the

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committee is that the scope of the works for this program has flowed from a number of reviews recently undertaken, including the Palmer Report that has been mentioned but also the Ombudsman's report into what was previously known as the Tamar Unit.

Dr GOODWIN - What is it known as now?

Mr McKIM - We call it the Transition Unit. That is a very deliberate choice of language because there have been, as members would be aware, a number of issues with what was previously the Tamar Unit. The Ombudsman reported into those things. I am very proud of the work that Mr Edwards has done in his early days around the Transition Unit and I am sure he would welcome the opportunity to advise the committee on that but as it is not directly related to PIRP D I will just park that for now.

We have also consulted with key stakeholders, this is back on PIRP D now, both within the prison system and outside the prison system and they have had input into the development of the scope of works. We have had functional analysis workshops, information and feedback sessions for staff as well as individual feedback opportunities.

The preliminary high-level scope of the project at the moment is for us to provide the following facilities in RPC: first, in the function of recreation we intend to provide a multipurpose recreation facility for maximum and medium security inmates.

CHAIR - They will share that? We are not talking two facilities?

Mr McKIM - That is correct. At the moment we are not talking about two facilities. We are talking about a shared facility that will be available to inmates.

CHAIR - At different times.

Mr McKIM - Yes, there are association issues all through the prison as Mr Dean would be well aware, and so all of those things are managed as part of our ongoing operations at the prison. We also intend under the function of recreation to extend the exercise facilities in Derwent A, Derwent B, Mersey and Huon maximum security units, and those matters were touched upon by Mr Palmer.

CHAIR - Where is the Apsley Unit then?

Mr McKIM - In his report. Well, we do not have an Apsley Unit.

CHAIR - I can see. You have Huon, Derwent, Mersey.

Mrs TAYLOR - Because there is no-one in Apsley who misbehaves.

Members laughing.

Mrs TAYLOR - Can I interrupt you there, Chair, with your permission, because that is exactly what I was going to ask. Last year you said, and I am sorry to have to bring you back to this, 'We brought forward funding to allow for the expenditure of \$3.5 million in this current financial year for the urgent infrastructure requirements including increasing the size of exercise yards in Derwent A, Derwent B and Mersey'. So you have not done that.

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Mr McKIM - No, we have not, and I am happy to talk about where we are in that.

Mrs TAYLOR - And constructing a gymnasium building including three multipurpose rooms for programs like education, and you have not done that.

Mr McKIM - No, we have not begun the on-the-ground work for PIRP D, and I will talk about that in a minute, Mrs Taylor. However, I might just go through where our high-level scope is going into this project.

Mrs TAYLOR - We will come back to that then.

Mr McKIM - We certainly will.

CHAIR - I did ask what was spent this year out of the \$3.5 million.

Mrs TAYLOR - Well, that is the problem.

Mr McKIM - I am coming to that too. I am just giving you a high-level scope of where we are at the moment.

CHAIR - I can assure you these members have done their homework, minister.

Mr McKIM - I did not doubt it for a moment, Madam Chair. I was just saying an increase in the number and extension of exercise facilities in our transition unit. Again, something that Mr Palmer commented on in his report. In the function of education, training and employment, as Mrs Taylor has accurately pointed out, it remains our intention to provide multipurpose rooms that can be used for education, other programs, case management, and other integrated offender management activities to a number of the units in RPC, and also the provision of a large, accessible and flexible prison industries space for use by maximum security prisoners.

We also have at the moment the possibility of a medication administration facility, centrally located, easily accessible and secure. We also have the possibility of increased numbers of prisoner accommodation and this would be at this stage the provision of 30 maximum security accommodation beds for vulnerable prisoners in the form of smaller, self-contained accommodation pods with some shared services that allow access to recreation and industry.

Dr GOODWIN - That will be good because then you will be able to take them out of the reception prisons area.

Mr McKIM - Small numbers of people who are serving a term of imprisonment are in the reception prisons at the moment and some of them, I might add, are there by choice; they ask to be there.

Dr GOODWIN - But there isn't another option for them; that is the issue, isn't it?

Mr McKIM - There are association challenges that we face across our population and at times, yes, we have placed people in our reception prisons because of association issues. Yes, it is possible as we move forward -

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Dr GOODWIN - When you say those things are possible, what does that mean exactly?

Mr McKIM - It means that we are yet to make final decisions. These things are all on the menu and there are a range of reasons for that. Primarily because I have a very firm view that when ministers drop things out of their office without adequate consultation with key stakeholders like certainly staff and management -

Dr GOODWIN - We have some experience of that, yes.

Mr McKIM - that you can sometimes fail to achieve optimal outcomes in terms of any process.

What we have done is go through a lengthy consultation process with the key stakeholders, as I outlined to the committee earlier. We are also evaluating under the function of security an upgrade of our CCTV and duress alarm systems. It is highly likely that that will form part of our final brief on PIRP D because there is, from my point of view, a need for those upgrades to happen, and that will be a further investment into improving occupational health and safety at our prison.

We are also considering provision - and I also expect this to remain in the final cut - of an additional secure vehicle access and egress point through the perimeter fence; an upgrade of the current gatehouse to incorporate a number of gatehouse security functions, and to provide a multipurpose emergency command centre and staff training room; modifications to the medium security education block to facilitate a number of operational support activities; the modification of the existing master control room to facilitate one control area for the whole facility, which will also help us with some of our rostering challenges at the prison; and establishing a secure double interlocking airlock, if you like, at the entrance of our transition unit.

There is also consideration of provision of staff supervisor office accommodation to the existing Derwent A, Derwent B, Huon, Mersey and the gatehouse.

Part of what we are doing, and another reason these are not final decisions, is that the scope of the project may change as we develop more detailed budgets for each of these.

Dr GOODWIN - So you have not done that budgeting exercise yet?

Mr McKIM - No, that is work in progress at the moment.

Dr GOODWIN - That essentially is your wish list, which you may well add to and then you have to go through the process of working out what the budget will be for all this?

Mr McKIM - We know what the global budget is.

Dr GOODWIN - What they are going to cost and then what you can afford.

Mr McKIM - That is right.

Dr GOODWIN - Then the things that are left off, what will you do about those? They all sound like quite important things that the prison could benefit from.

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Mr McKIM - Yes, there are a number of important things - \$20.17 million will buy \$20.17 million worth of facilities with all the other associated work involved in developing facilities included.

Dr GOODWIN - Will there be a stage E?

Mr McKIM - PIRP goes up to stage J or something like that.

Mr WILLIAMS - It goes into the future with all sorts of plans.

Mr McKIM - I am disappointed that Mr Wing is not here to hear this, but -

CHAIR - He will be watching and listening.

Mr McKIM - one of the future possibilities envisaged in PIRP is a northern prison -

CHAIR - A northern prison.

Mr McKIM - but that is well down the track.

Mrs TAYLOR - I thought you were going to talk about community correctional officers or community police.

Mr McKIM - No, I am not aware of that being in PIRP. PIRP is an infrastructure allocation, as the committee would understand.

Mrs TAYLOR - Yes.

Mr McKIM - My focus, as minister, is on delivering the best possible outcomes we can through the PIRP D process, which, if you like, is mine to oversee and, as I said, we have been very consultative about the way we have developed the high-level scope of the PIRP D project.

Dr GOODWIN - When will you be making the decision about what you will be spending the money on?

Mr McKIM - We are not a long way from making that decision. I am certain we will be making that decision this year and it may even be in the next couple of months.

Dr GOODWIN - If you are starting construction this year, you would have to be making it wouldn't you?

Mr McKIM - If you like, I can talk or ask Mr Williams to talk the committee through some of the steps that have been taken and are being taken. Certainly, I will ask Mr Williams to focus in part on the aboriginal heritage issues that we are facing at the prison. I inform the committee quickly that a preliminary cultural heritage assessment at Risdon site has been undertaken by SKM - Sinclair Knight Merz - which is acting as archaeological consultants on this project. That assessment recommended that additional testing take place in a number of areas where works are being considered. We do not have an ongoing permit for the entirety of the Risdon Prison site as a whole. In fact, we need to apply for permits wherever we are intending to put in a new footprint, if you like, for infrastructure developments.

The assessments and an accompanying draft aboriginal heritage permit application were forwarded to the Tasmanian Aboriginal Land and Sea Council - TALSC - and to the Tasmanian Aboriginal Centre - TAC - for feedback. On 4 April 2012, the application was lodged with Aboriginal Heritage Tasmania for the issuing of a permit to undertake archaeological works in those areas requiring further testing. Following further discussions and a request for additional information, a revised permit application was lodged with AHT on 1 May 2012. These permits are issued by the Minister for Environment, Parks and Heritage upon the recommendation and/or endorsement of AHT and it is anticipated that the process will take around nine weeks. Once testing has been completed, a further report and permit application will be prepared by SKM and consultation will again be undertaken with the aboriginal community.

The permit application to undertake the removal or destruction of any artefacts that may be found will be prepared and submitted to AHT for consideration by the Minister for Environment, Parks and Heritage. We believe, at the moment, this will be completed by September or October this year.

I also should acknowledge that, due to historical circumstances, we actually have a prison in an area that is known to be of high cultural significance to the aboriginal community and is known to contain aboriginal artefacts. I want to acknowledge here that the area is important to the aboriginal community and I want to see consultation continue on these processes. I also make the point that, although at any time the number varies, we have well over 50 inmates in our correctional system who are aboriginal people. It is important, therefore, while we do conduct ourselves respectfully towards the aboriginal community and consult with them appropriately, which we will be doing, that we understand that, in part, what we are doing here will drive improvements for all of the people that are incarcerated which, as I have indicated, includes a large number of Aboriginal people.

Dr GOODWIN - Mr Williams was going to flesh this out a little.

CHAIR - I am mindful that it is around the morning tea break. Mrs Taylor, did you have a question to the minister before we come back after the break and hear Mr Williams's breakdown?

Mrs TAYLOR - I can ask him the questions now and it might spoil his morning tea. It is about this capital investment process - \$3.5 million from this current budget. You stressed last year that about \$1.5 million was left over from the previous year which was unspent and you got an extra \$2 million to do those things that we said, the Derwent A and B, and the gymnasium.

Mr McKIM - I will see if Mr Stevens can give some assistance here on the amount of funds we are going to carry forward from that. I can indicate to the committee that we have not spent the \$3.5 million -

Mrs TAYLOR - Any of it?

Mr McKIM - No, we have spent some of it because we have done -

Mrs TAYLOR - That is all I am asking: what have you spent, how much are you carrying forward, and those things that you said that you were going to do this year which you have not managed to do? You just gave a general overview and are absolutely right about heritage, I have no arguments with that, but are you telling me that those things that you had planned to do this

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year, the gymnasium, the extra exercise yards and so on, are they involved in this consultation with the Aboriginal community or, when you said you were going to build them this year, have you not done the consultation even on those areas?

Mr McKIM - They are part of the ongoing consultation with the Aboriginal community around permits.

Mrs TAYLOR - So none of this has been done? Not even the preparation work?

Mr McKIM - A lot of the preparation work has been done in developing the scope for this project. We have quantity surveyors involved, we have the Aboriginal heritage consultation under way, we have done a lengthy consultation with staff and other key stakeholders in order that we can develop the scope for this project.

Mrs TAYLOR - A year is a long time; it is definitely a lengthy consultation.

Dr GOODWIN - You must have backtracked a bit from your original plans because you have added to the wish list.

Mr McKIM - Sorry, backtracked from what?

Dr GOODWIN - The things that you mentioned that you were going to do last year, that list has now broadened right out and there is a list of potential things -

Mrs TAYLOR - It has gone from \$3.5 million to \$15 million.

Dr GOODWIN - that you are going to do, so what happened in between budget estimates last year and budget estimates this year?

Mr McKIM - Mr Williams has indicated he would like to provide some advice to the committee.

CHAIR - We will get that after the break.

Dr GOODWIN - No, in your mind, what happened? What changed from 'We are going to do this' to then having a consultation process and saying 'Here is a list of things we are going think about doing now'? Why would you not go ahead and do those things that you said you were going to?

Mr McKIM - In fact we have gone ahead to the best of our capacity and done those things.

Dr GOODWIN - You haven't.

Mr McKIM - We have, to the best of our capacity we have.

Dr GOODWIN - What was the stumbling block?

Mrs TAYLOR - Because you have not.

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Mr McKIM - We are required, as I have explained to the committee, to obtain permits before we can proceed with those things.

Dr GOODWIN - I understand the permits but what I do not understand is why, when last year you came to us and said 'We are going to do this and we are going to build a gymnasium and a multipurpose room' and the other couple of things that the honourable member for Elwick mentioned, and then -

Mrs TAYLOR - Exercise yards, Derwent A, B and Mersey, educational facilities.

Dr GOODWIN - Now you have come back and said that on your list are all these other things and you have not decided which ones you are going to construct yet. What happened between then and now to change your original plans?

Mr McKIM - I reject your assertion, whether implied or explicit, that we have done nothing on this issue. We have done a lot of work on implementing -

Dr GOODWIN - What have you done then?

Mr McKIM - For example, we have engaged architects to do the design work that is necessary before you can roll out infrastructure projects on the ground. We have done the consultation with stakeholders; we are in the middle of dealing with the Aboriginal permits issue.

Dr GOODWIN - Let me go back to the architect, what have the architects designed? Those things that you mentioned last year, have they been designed by the architects and are they definitely in the mix of things that will be built?

Mr McKIM - I will ask Mr Williams to answer the first part of that question. But I make the point that what we have been discussing here is the high-level scope of what we intend to do around that.

CHAIR - First of all, we are going to have a response from Mr Stevens in relation to what is still remaining from the previous budget.

Mr McKIM - I might ask Mr Stevens to do that now.

CHAIR - Thank you. We want to get that on the record before we break.

Mr STEVENS - We received \$3.5 million this year, as you pointed out.

Mrs TAYLOR - Except it is not \$3.5 million new because you had \$1.5 million. It is \$2 million new, I think.

Mr STEVENS - In the way that the government allocates money, it is \$3.5 million total of which some was made up from money the year before. We have rolled over \$2 million. We have permission from Treasury to roll over \$2 million.

Mrs TAYLOR - You have just said that you do not do that. From the previous year you did not do it, it is a whole new budget, so you have \$15 million this year, rather than last year's too.

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Mr STEVENS - I guess the process is that we roll it in and we roll it out, depending on expenditure on capital projects. Capital projects are always based on projections of time to do various things. There still is about another \$700 000 which we are discussing with Treasury about rolling over. Our expenditure is about \$800 000 this year on planning, permits and architects. We have the project manager here who could run through what the money has been spent on. Basically it is \$800 000 for this year.

Mrs TAYLOR - Of \$3.5 million, you spent \$800 000?

Mr STEVENS - Yes.

Mrs TAYLOR - Did you not know, minister, that you were only going to spend that? You must have known when you were here last year that you have \$3.5 million but there was no way that you could spend that because you were going to have to do the architectural work, the high-level consultation, the consultation with the Aboriginal community, the length of consultations with others or whatever.

My question is: why did you need \$3.5 million this year? How are you going to spend \$15 million next year if you are still in that phase which you do not expect to even have the permits until something like October? How can you be getting architects to draw up things when you do not know where you are going to put the buildings yet because you do not have permission to put them anywhere?

Dr GOODWIN - Or what you want drawn because you have not decided on what is on your wish list?

Mr McKIM - You might find this funny, Dr Goodwin.

Dr GOODWIN - I cannot believe it, to be honest, that -

Mr McKIM - If you just settle down and you will have some answers.

CHAIR - Excuse me, minister, it is my job to tell people to settle down, not yours.

Mr McKIM - All right, I will try to restrain myself in the future.

Mr DEAN - You have been told, minister.

CHAIR - It is, that is my job. We are not going to get anywhere if we do not have some rules around this process.

Dr GOODWIN - I am still waiting for an answer to what happened between last year's budget estimates, when there was a definite plan that we are going to build the gymnasium, the multipurpose room, and this year when it has not happened.

Mr McKIM - I will have the conversation that we had at last year's budget estimates, check that at the moment I am not accepting that categorisation of it.

CHAIR - I think, minister, upon reflection, it might be useful if we finish off this segment even if that means that Mr Williams is going to give us some information because I do not want to

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go the break and then have to come back and still try to pick up where we are. We need to finish this particular area. If members are happy with that, then we will finish it off.

Dr GOODWIN - In terms of that conversation -

Mr McKIM - Sorry, is Mr Williams not going to provide some further information then?

CHAIR - Yes.

Mr McKIM - Perhaps we could do that before Dr Goodwin asks her next question.

CHAIR - Yes.

Dr GOODWIN - I was just going to clarify this conversation that we had last year about what was going to be built because I remember -

Mrs TAYLOR - I have the *Hansard* here.

Dr GOODWIN - Yes, the honourable member has the *Hansard* and I specifically remember asking the question whether you will be able to build all those things for \$3.5 million and I believe I received a 'yes' answer. That conversation did take place last year. I am still puzzled by what happened.

CHAIR - We need that information, thank you, minister.

Mr McKIM - I am not sure specifically what I am expected to answer.

CHAIR - Mr Williams is going to give us some information, I believe, through you, minister.

Mr McKIM - I will hand over to Mr Williams in that case. There have been about six questions; it is little bit hard to keep track of them.

CHAIR - It is difficult when you have issues, when people have done their homework and they know what was said last year.

Mr McKIM - I am happy to hear what was said last year but we will be checking that as well. But what Dr Goodwin has just said was said last year does not amount to commitment to build all of those things in that financial year.

CHAIR - Obviously that is your opinion. Mr Williams, can we have it so that we can get to morning tea break, thank you?

Mr WILLIAMS - At that time, my recollection is that those things were a broad set of things that we were looking at building. At that stage we had not done any detailed work on costings and we also did not have onboard all the consultants that we needed, which we do now. So there is a consultant overseeing the procurement model as well as archaeologists. Those people took some time to get onboard and do their work.

We have been running processes in parallel so that, as we said, one of our priorities is getting some more exercise yards in Tamar or the transition unit. So while we have been having the

archaeologist doing the archaeological surveys and then presenting them to Aboriginal Heritage Tasmania, we have also been running a series of processes to go out and scope what is needed in much more detail. Last year we said we would need a gymnasium. After looking at some education facilities, for example, we decided we were silly to build something that just has a single function. So we looked at some education facilities where multifunction buildings are built so you can use them for a gymnasium but also as a workshop and various other things.

So through the year we have been looking at what function we actually need, because this is so important. What happened in the previous process with PIRP stage C was that the prison director was not even on the steering committee. We have changed our model here and we have engaged the architect ourselves in this early stage to work with us on getting designs. So the list of possible things that the minister read out is actually a list of things we think at an early stage of design are possible in the envelope of funding. But as we get into the more detailed designs and work it through with the staff about how some of this stuff might actually work, we will no doubt not be able to build all of those things because the costs, when you get to detailed design, will be something we have to tick off on our shopping list and say, 'We cannot afford this bit'.

So these are a realistic set of requirements for the whole project over the full time of the project, and one of the issues we have looked at is what we can build early. We need to build an entrance-way for the construction crews through the fence and we have put our efforts in focus into getting an archaeological survey done for that area. For the Tamar extensions, and as we move further down the property, we have probably a longer time in dealing with Aboriginal heritage because there are more artefacts in one part of the property than there are in another. So we are trying to get through parallel processes to the earliest point of construction for some of those items. The multi-purpose hall may well be one where we have to do more extensive Aboriginal heritage surveys. The process we are in at the moment is getting the Aboriginal heritage permits in for doing test-pitting; so there are a number of stages to it. You need a permit just to start the test-pitting. Then there is another process, so many of these processes are in train.

At last year's estimates, we certainly did not have any detail. One of the very clear steps that we would have had to take at that time was to start to consult on the functionality that we required; this comes to the issue of industrial relations as well. Many of the staff feel they were not consulted properly in the previous part of the construction, and we have to get that right and make sure that our skilled staff tell us how best this prison might work. That has taken some time. Then we have done an initial costing which has given us this list in an envelope but as we get to more detailed costings we will probably find some of those things just are not within our funds.

Dr GOODWIN - If I could just make the observation that my understanding of those things that were mentioned last year was that they were recommended in the Palmer Report as things that needed to be addressed very promptly. So, having said that, is there a commitment that those things will definitely be built - I am talking about the educational multipurpose workshop facility and the gymnasium - to actually be able to constructively engage prisoners and give them something to do? Will those things definitely be built, and then there may be other things that are also built, but will those things definitely be built?

[10.45 a.m.]

Mr McKIM - With the caveat we don't yet have the permits to build them.

Dr GOODWIN - I understand all about the permits.

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Mr McKIM - No, I don't think you do.

Dr GOODWIN - I do; you have been through it comprehensively. That is not the issue for me; I just want to know if the recommendations of the Palmer report will be implemented.

Mr McKIM - With respect, you clearly do not understand the Aboriginal permit issue because it is not me who issues these permits. Ultimately, it is, as I have previously advised the committee, the Minister for Environment, Parks and Heritage. I am not in a position to pre-empt his decision to the committee today. If he decides in his wisdom not to issue permits, then we will have to reconsider how we are going to go forward on this issue. At the moment, the permits are not before him, as I have advised the committee, so of course I cannot pre-empt a decision that legally is another minister's domain.

Dr GOODWIN - Assuming that the permits are granted and there isn't any difficulty with Aboriginal Heritage issues, will you be building these three facilities I have mentioned - particularly the gymnasium and the multipurpose centre - because they were the things that were recommended by the Mr Palmer?

Mr McKIM - Yes, we will. I have already given that commitment to the committee last year. I am happy to repeat it this year on the basis that there is no issue with the permits.

Dr GOODWIN - Then, depending on what other funds are available, you may consider those things on the wish list?

Mr McKIM - We will consider those things on the wish list.

CHAIR - Thank you. We are going to break now until 11 a.m. Thank you very much.

The committee suspended from 10.46 a.m. to 11.04 a.m.

CHAIR - We will continue with 6.1 prison services. Albeit that it does seem to take quite some time to get out of this area, it is the overarching big ticket item. I hand over to Dr Goodwin.

Dr GOODWIN - Minister, if I could go back to the Palmer report, and no doubt you know this one is coming, around the independent prisons inspectorate which was another recommendation. As I have previously mentioned, of course, Greens policy - what is happening with that?

Mr McKIM - Madam Chair, I am in your hands but I am able to provide a little further information based on the structure of the Tasmanian Prison Service, which was one of the questions asked -

CHAIR - Are you happy to table that?

Mr McKIM - I am happy to table that. It is in response to a previous -

CHAIR - That will be circulated to all members.

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Mr McKIM - That is fine.

I can also provide some further advice on the details around PIRP D. I will flag that with the committee; if you are interested in exploring that further, I am happy to do that.

In terms of an independent prisons inspectorate, yes it is Greens policy. In fact, from memory, it was the policy of all three parties -

Dr GOODWIN - Certainly ours.

Mr McKIM - Yes, you caught up eventually to the Greens.

Dr GOODWIN - We had this debate last year.

CHAIR - And we won't have it again this year.

Mr McKIM - I say that absolutely, it remains my intention to establish an independent oversight mechanism for our prisons system in Tasmania. As you have pointed out, Dr Goodwin, it was recommended by Mr Palmer. I also point you to the fact that, in the Breaking the Cycle strategic plan for corrections, the concept of a prison inspectorate was included in that as well. We had some quite lengthy discussions with the former Ombudsman around this issue because, in my view, it is more likely that Tasmania can afford an independent inspectorate if it is attached to the Ombudsman's office rather than being a stand alone statutory authority. That remains very firmly my view.

You would be aware that a new Ombudsman has recently been appointed in Tasmania. My advice is that we have had preliminary discussions with him and that he is also, as was the previous Ombudsman I hasten to add, supportive in principle of the concept of attaching an independent inspectorate to the already existing administrative structures within the Office of the Ombudsman. The project of developing an independent oversight mechanism, an independent inspectorate, is obviously a long-term project. It will require a significant amount of work to develop detailed inspection standards and a legislative framework for these matters -

Dr GOODWIN - You have had a year since I last asked about it.

Mr McKIM - In due course, I will be putting forward a detailed proposal for government consideration. I should also point out to the committee that we already put a lot of time and effort and human and financial resources into the scrutiny of our prison service and there are a number of ways that we deliver the maximum possible transparency and accountability in our corrections system. Obviously, we have our prison visitors service, and I have met with most of our prison visitors quite recently. Mr Edwards came to that meeting. We have monthly site visits to our prisons by the Ombudsman and Health Complaints Commissioner; we have free telephone calls from all TPS facilities to the Ombudsman's office. There are the standard visits by, not only family and friends, but professionals such as lawyers. We have internal auditing and complaints investigation by the TPS compliance unit, and we also have independently run correctional primary health services that are run by the DHHS.

Dr GOODWIN - Minister, if I could just cut you off there because I have asked this question several times, and received a comprehensive answer about what other things are being done. My question specifically relates to what your time line is for the introduction of the independent

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prisons inspectorate. It sounds as if there is still a lot of work to be done in your mind before we get to that point. Are we now looking at next budget before we see that office created?

Mr McKIM - There is no funding specifically allocated in this year's budget for an independent inspectorate.

Dr GOODWIN - And you do not envisage it being implemented this financial year?

Mr McKIM - Well, no, I cannot say definitively if and/or when it will be implemented but I will be moving forward as quickly as I reasonably can.

Dr GOODWIN - That sounds like not before next year to me.

Minister, you talked a bit about the pre-release transitional centre last year; about the cottages being renovated. Can you talk about what stage that is at?

Mr McKIM - Yes, I have inspected that work within the last six to eight weeks and we are moving forward well in relation to the transition centre.

Dr GOODWIN - That is a bit cryptic. Is it finished or nearly finished?

Mr McKIM - I think nearly finished would be probably the best way to say it.

Mr WILLIAMS - There are still a few things to do.

Mr McKIM - I will ask Mr Williams' advice for the details. There are some further things that we need to do, but a lot of work has been done already.

Mr WILLIAMS - The cottages have been renovated using tradespeople and prison staff so the actual accommodation is done. The staff gymnasium that is in the middle of where these cottages were, because they were offices, has to be relocated so we have to build that.

Dr GOODWIN - You have to build a new gym?

Mr WILLIAMS - We have to relocate to somewhere else on site and whether that is building a new one or -

Dr GOODWIN - You could just say building.

Mr WILLIAMS - We will have to do some building. There is no doubt. It is whether it is attached to some other facility that is there or not. We are still working through it. The car park will need to be relocated. The car park in the middle of these cottages needs to be relocated further down the hill towards the RPC area. So there is still some work to be done and my thinking is that it has been progressing pretty well because the cottages are actually now finished.

Dr GOODWIN - When were they finished?

Mr WILLIAMS - In the last two weeks.

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Dr GOODWIN - How long before you finish these other things, the relocation of the gym and the car park?

Mr WILLIAMS - We have been out to tender for the car park and we still have to get permits to build the new part of the gym. So there is still some time to go. The permits take a while to obtain, as you might be aware.

Dr GOODWIN - So 'just a while', what is that roughly? Six, 12 months?

Mr WILLIAMS - Less than that. I hope. That is very much my expectation. This is all tied up as well I suppose, it is not just the PIRP project, it is also the closure of Hayes and moving everything around, moving the industry back to the prison.

Dr GOODWIN - How many prisoners could these cottages accommodate?

Mr WILLIAMS - There are five with four per cottage.

Dr GOODWIN - So 20 prisoners. So you have those cottages sitting there ready waiting for prisoners but you cannot put them in there because you still have to do these other things.

Mr WILLIAMS - We have to do those. We also have to wait until Hayes is fully closed because the staff who are going to run this are going to be people from the Hayes Farm. They will also add an additional complement to the Ron Barwick minimum security prison because we have completely renovated two old divisions back into service. They are now functioning.

Dr GOODWIN - Maybe we could move on to Hayes then since that seems to be linked in. When is it anticipated that Hayes will be put on the market or is it already on the market?

Mr McKIM - No, it is not on the market as yet. I have some specific advice here but off the top of my head it is towards the end of the year.

Mr WILLIAMS - Towards the end of the year.

Dr GOODWIN - That is when it is to be actually put on the market for sale. When will the prisoners be moved?

Mr McKIM - Obviously before the property is sold. I do not think we have a definitive date to move inmates and staff from Hayes.

Mr WILLIAMS - In the second half of this year.

Dr GOODWIN - Are the facilities at Ron Barwick ready for the Hayes prisoners yet or is there still work being done?

Mr McKIM - The accommodation in most of the cells in divisions five and six is ready and I have inspected those. Interestingly, they were done with a high level of inmate support and involvement in that process in things like painting and so forth. In fact, I have presented some awards to inmates for their contribution to that effort. What is not yet complete is the vegetable processing facility that we do intend to get up and running so that we can continue to do some of the vegetable processing work that we were doing.

Dr GOODWIN - What work is being done on the vegetable processing facility?

Mr McKIM - From memory, I think we are going to put that in on an existing footprint at the prison.

Dr GOODWIN - So, no work has actually been done constructing it yet, it is in the planning stage?

Mr WILLIAMS - No, it is in the design stage. We are also seeking planning permits at the moment. There has been some initial construction work to clear out the old area and we are expecting the construction work to start this week.

Dr GOODWIN - What is your time line for completion of that?

Mr WILLIAMS - Late July.

Dr GOODWIN - It has been downsized, hasn't it, from the facility that you had at Hayes?

Mr McKIM - Yes, and modernised.

Dr GOODWIN - What is happening to the customers that use the Hayes produce? You will not be able to keep all of those, will you?

Mr WILLIAMS - They have been notified. We will be keeping a couple of the major contracts. One of the benefits of this will be that we will integrate the vegetable processing which at Hayes was a pretty mundane sort of process and try to modernise it so that people are linked in with the kitchen and become proficient in a number of food-handling qualifications, so that it is a more productive sort of industry in the likelihood of them getting jobs afterwards.

CHAIR - So it is not just taking the eyes out of potatoes all day.

Mr WILLIAMS - That is right. We want to be able to rotate people.

Dr GOODWIN - But essentially it will be the same kind of work.

Mr McKIM - It will be in a very much modernised facility. I am not sure if you have seen the facility at Hayes, Dr Goodwin. It was effectively inmates sitting around in a freezing cold shed peeling potatoes or other vegetables by hand. What our intention is with the new facility is to modernise it and get it up to a state-of-the art vegetable processing facility that will deliver efficiencies to us. The way we do this work but also, as Mr Williams has just stated, making sure that we tie this in with the potential for inmates to achieve qualifications in things like food processing so that it will help their employment prospects once they are released.

Dr GOODWIN - So it will not be a cold environment for them to work in, or will it be similar?

Mr McKIM - No, it will not be similar at all to Hayes because it will be a modern, contemporary food-processing facility rather than a retrofitted shed. All Hayes really had in terms

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of plant and equipment was a conveyor belt to bring the vegies in and then they were processed by hand. There will still be some hands-on work no doubt, but it will be modern.

Dr GOODWIN - In terms of staff Hayes, and I am talking not just about the custodial officers but the other non-custodial staff, have there been people who have lost their jobs as a result of the Hayes closure?

Mr McKIM - No.

Dr GOODWIN - So no-one has left, no-one's contract has not been renewed?

Mr McKIM - No, people leave the prison service from time to time for various reasons. I am not aware of any who have lost their jobs.

Dr GOODWIN - No-one has been made redundant, or will be made redundant?

Mr McKIM - I think we are going to offer a couple of redundancies.

Dr GOODWIN - Okay. So there will be people who will effectively lose their jobs as a result of the closure?

Mr WILLIAMS - Every single staff member who works there has been offered a job elsewhere in the system.

Mr McKIM - So no, you are wrong about that.

Dr GOODWIN - I am just asking the question.

Mr McKIM - And I am saying that it is not accurate.

Dr GOODWIN - I was just asking a question; I was not making a statement.

Mr WILLIAMS - Two who have agricultural skills have said they would not like to work elsewhere in the system because they joined to run a farm. We have offered them other jobs because there are other jobs that they would be suitable for in the rest of the service.

Dr GOODWIN - Was there an individual who was on a fixed-term contract who has not had that contract renewed?

Mr McKIM - I will take advice on that. You might be right but I will be careful not to talk about individuals.

Dr GOODWIN - I have not mentioned the name; I am just asking the question.

Mr McKIM - Yes, that is correct.

Dr GOODWIN - There was a statement made by you, minister, that all staff will be retained and relocated to other positions with the Tasmanian Prison Service, so that was not strictly accurate because there is this one person whose fixed-term contract has not been renewed.

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Mr McKIM - When you are on a fixed-term contract, you are only contracted to the end of the contract, Dr Goodwin. This is twice now that members of the committee have attempted to categorise something I have previously said without providing the actual quote from the *Hansard*.

Dr GOODWIN - It was a media release.

Mr McKIM - If you can provide the reference for that I am happy to respond to that.

Dr GOODWIN - It was a media release dated 23 June 2011.

Mr McKIM - What is the direct quote?

Dr GOODWIN - That all staff will be retained and relocated to other positions within the Tasmanian Prison Service. So I am just asking about this particular staff member whose expectation, I would imagine, would be that if Hayes continued his position would continue, and it hasn't. I am just trying to clarify exactly what the situation is in relation to the staff at Hayes. You have previously answered a question about the custodial staff and I understand they are all being relocated to RPC, so I was just trying to get a handle on what happens in relation to the other staff.

Mr McKIM - People on fixed terms will have their contracts met, so all of our obligations will be met under the terms of those contracts.

Dr GOODWIN - If I could ask you in terms of the overall costs, do you have a figure as at today's date, of what the whole Hayes process has cost?

Mr McKIM - Yes, we do and I will provide that to you shortly. At the moment the total expenditure for this project is just over \$488 000. That consists of just over \$460 000 on refurbishing Division 5 and Division 6 at Ron Barwick and also the independent living cottages, the transition cottages that we have spoken about. We have spent just under \$11 000 on valuation and legal advice on the sale, mainly from DPIPWE and crown law. We have spent just over \$12 500 on preparing for the construction of the vegetable processing facility, so that is consulting fees for the architect and also contractors who have been involved. We also have consulting fees of just over \$4 000 which relate to an architect for the staff gym and social club, which Mr Williams has previously mentioned.

Dr GOODWIN - What is your best estimate of how much is left to be spent to finish this process?

Mr McKIM - We have had a valuation of Hayes undertaken by the Office of the Valuer-General in November last year, so the current valuation that we have for Hayes is the sale of the land at between \$2.8 million and \$3 million, a water licence between \$320 000 and \$400 000, and just over \$200 000 for the farming equipment that is at Hayes. So the total for that is between \$3.3 million and \$3.8 million, on my advice. We have received approval from Treasury to retain the net amount from the sale for capital works at the Risdon site - and I am sure I informed the committee about that last year. That is probably the best way to answer that question, Dr Goodwin, unless you think it was not answered, in which case feel free to ask.

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Dr GOODWIN - That was how much you expect to make out of the sale of Hayes. My question was how much do you have left to spend on getting Ron Barwick and the vegetable processing, et cetera, ready for the transfer, or have you spent everything you need to?

Mr McKIM - No, we haven't. The situation is we had always intended that the money that we obtain from the sale of Hayes be used for various improvements at the Risdon site and we have spoken a little bit about some of those improvements. We are spending money in order to get ready in advance of having that money from the sale because we have not sold the land yet. In terms of what we have expended, which as I said is just under \$500 000, the rest of what we expect to get, between \$3.3 million and \$3.8 million, then becomes the rest of the money that we have to spend.

Dr GOODWIN - You have spent \$500 000 -

Mr McKIM - Yes, just under.

Dr GOODWIN - and you think you will have to spend at least another \$2.5 million?

Mr McKIM - We have available to spend. My advice from the department is that, in advance of the sale, we have approximately \$1.8 million to spend. The rest we will need to wait for until after we actually have the cash from the sale of the asset.

Dr GOODWIN - But at this point in time, you are not exactly sure how much you need to spend to finish getting everything ready so that those prisoners from Hayes can move into Ron Barwick and everything will be ready to go?

Mr McKIM - We have cost centres in relation to this project and we have allocated funds per cost centre. Regarding the property expenses, the four-year budget for that is \$1.37 million. That includes the money that we have already spent on refurbishing, for example, D5 and D6 in at Ron Barwick and the Independent Living Cottages that we have spoken about. We have broken down what we think we will need to spend on some of the things that Mr Williams has spoken about. \$115 000 is our estimate for the staff car park; just over \$300 000 is our estimate for removing the works that Mr Williams discussed about the gym and social club.

Dr GOODWIN - That is quite significant - the gym and social club.

Mr McKIM - It is, and you have to look after the people in it and the organisations, so I do not make any apologies for that.

Dr GOODWIN - Will it be a commensurate size to the current one?

Mr McKIM - Just to finish, \$530 000 is our estimate for the new prison industries building and, yes, I would imagine it would be at least commensurate with the one that we have.

Dr GOODWIN - Right. There was an issue with the Kilderry Road residents and their water and sewerage. Has that now been resolved and, if so, to what extent?

Mr McKIM - Yes. We have moved forward on that and we have given certain notice to the people in those properties, particularly about water and sewerage services that have historically been provided. What I can inform the committee is that the sale and the disposal of the property

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will result in the need to terminate access to water and sewerage infrastructure currently provided by the crown to the residents of 41, 29, 21 and 17 Kilderry Road in Hayes; and that we have given notice to the residents advising them that their services will be terminated from 3 October 2012. I indicate that for a fairly long period of time those residents received a service for free from Hayes in terms of water and sewerage. I am not aware if such a service was available to other residents of Tasmania who, as you know, have either paid for those things through their rates or, more recently, through the water and sewerage system.

Mr DEAN - Housing Tasmania clients do not pay.

Mr McKIM - Quite rightly, too. Sorry, Dr Goodwin, that is the finish of the advice I had for the committee on that issue.

Dr GOODWIN - One last question on Hayes: Are there any sorts of heritage or conservation values associated with the Hayes property that might need to be worked out before it can be put on the market?

Mr McKIM - I am not aware of any heritage issues at Hayes, but there are some conservation values at the top end of the property. At the top of the hill there is a patch of bush and we are currently considering how we are going to deal with the need to preserve the conservation values up there.

Dr GOODWIN - What do you think that might involve? A conservation covenant or something?

Mr McKIM - Yes, it may well involve a conservation covenant. We have not made a final decision on how we are going to deal with that, but we are exploring things like conservation covenants. It is entirely possible that that will be the way that we will go forward there.

Dr GOODWIN - And could that affect the value of the property?

Mr McKIM - No, my advice is that a covenant like that will not meaningfully impact on the value of the property.

Dr GOODWIN - And it won't delay the time line for putting it on the market in any way?

Mr McKIM - No. Again, it is my hope that it will not. These processes always take a little bit of time but, as I said, at the moment we are hoping to have the place sold by the end of the year. I do not believe that the need to investigate and make decisions around protecting natural values will impact materially on that time frame.

CHAIR - Mr Dean.

Mr DEAN - Not on that area, but still in prisons.

CHAIR - That's the end of Hayes; so you might like to start your questioning.

[11.30 a.m.]

Mr DEAN - The union have concerns - and I probably should have asked this when we were talking about staffing and prison concerns - about the amount of smoking that occurs within the

prison itself. They say and have identified that it is a cause of perhaps some of the sick leave that is occurring with correctional officers. So what is the strategy of TPS in the future in relation to smoking?

Mr McKIM - This is an issue we are following closely. Obviously, smoking is a major public health concern in our community but it does present as an even more compelling issue within prison populations. I can inform the committee that TPS and correctional primary health services, which are run from the Department of Health and Human Services, are developing a joint smoking management strategy aimed at improving the health of individuals through the reduction of smoke-related harm.

Implementation of smoking reduction and cessation strategies in a prison environment require special consideration, and a measured response founded on good quality correctional practice as well as good quality public health practice. As I said, we are working on developing a joint smoking management strategy to build on the work undertaken in recent years to reduce smoking-related harm in the prison environment. The strategy will focus on self-regulation of the environment by making smoking reduction and cessation strategies available to individuals who wish to quit, providing education support and encouragement to those who are not currently contemplating quitting, and adopting a vigorous approach to protecting non-smokers from second-hand tobacco smoke.

Can I say, Mr Dean, in relation to this issue, we are keeping a pretty close eye on how this issue is being dealt with in correctional facilities around the world. There have previously been, it is fair to say, disasters caused by an attempted implementation of smoking bans in prisons. In fact, one prison was burned entirely to the ground after they banned smoking in a pre-emptive way. I will say that we are following the New Zealand experience very closely. They have recently implemented a ban on smoking in their correctional facilities and from what we can make out, it is the first ever successful, or at least, mainly successful implementation of a ban on smoking.

Can I also say, we currently have smoke-free zones in our prisons. They are places on a case-by-case basis through our prisons that are smoke free and in fact we intend to make one whole division of Ron Barwick smoke free. So we have one division already in Ron Barwick, our minimum security prison, that is currently smoke free and inmates can request a transfer into that division if they wish and, given all of the other constraints around association, we will grant that if we can.

CHAIR - Minister, for a bit of housekeeping before we go on, I am always mindful of the time in this role. I am thinking that probably sustainable transport will not get a gig until 2 o'clock, after lunch. Does that help you with your people around you because there is still quite a bit more to go here on community corrective services and then we have the very important area of consumer services?

Mr McKIM - I can wrap this answer up very briefly to say that, as I have said, the New Zealand experience is one that we are watching closely. We will keep an eye on it and consider whether we would like to develop a similar strategy for Tasmania off the back of an assessment of the success in New Zealand. It is a preliminary comment on the New Zealand experience but it does appear to have been implemented with far fewer problems than anywhere else that we are aware of around the world.

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Mr DEAN - My next question follows on from that and relates to drugs in the system. What is happening there?

Mr McKIM - I am not aware of any prison in the world that runs on a completely drug-free basis, although that is not to say that we will not do everything we can to minimise and attempt to eliminate the use of illicit drugs in our prison system. Drug use provides an increased risk to the safety of staff and to the good order of our prison system. They have health impacts on inmates. It reduces chances of successful rehabilitation. I can also indicate and I know you would be aware of this, Mr Dean, that drugs are not the be-all and end-all of contraband in a prison system. Things like mobile phones are very valuable inside a prison to potentially conduct criminal activities, or facilitate escape, or something like that. There is a whole range of strategies that we have in place to address these issues.

First, corrections and primary health services is responsible for providing drug and alcohol services and treatment to our inmates. Its services include opiate substitution, detox, counselling, blood and virus screening and harm minimisation education. We, in the Tasmanian prison service, employ a number of tactics to reduce the supply of drugs and other contraband in our prison, including information gathering and intelligence assessment. We obviously conduct searching and surveillance of prisoners, staff, visitors, facilities, property and equipment including the use of two drug detection dogs. We screen and search mail and other goods entering the prisons. We screen at prison entry points with our drug detection dog unit, and we also conduct random as well as targeted drug and alcohol testing of our inmates.

You would be aware that in 2010, we updated the new perimeter fence for RPC, which has reduced one of the ways in which contraband entered the prison.

Mr DEAN - In relation to drug issues, has there been an increase or decrease in the activity around it?

Mr McKIM - I have some figures on contraband seizures to educate the committee. We have a category of alcohol, drugs and drug-taking implements. We had, in terms of the number of seizures in the 2009-10 financial year, 47; in 2010-11, 25; and in 2011-12, to date, 51. You would be aware of this, Mr Dean, because of your background. Often, the number of seizures we make, an increase in the number of seizures may well be because of an improvement in the way we screen and search people rather than an increase in the base-line level of the activity. Obviously those numbers have gone down a little in 2010-11 and up again in 2011-12. But that may well be because we are working more successfully in terms of finding and intercepting that contraband.

Mr DEAN - In relation to the matters of unrest within the prison, the assaults, the riots and all the other things, what is the position there? It would appear to be that there could have been an increase this year. What are the figures so far this year in comparison with previous years?

Mr McKIM - In terms of assaults for the current financial year, we do not have data available on that because we have not done quality control on that data. But I can -

Mr DEAN - When is that likely to be available?

Mr McKIM - I do not think that would be too far away. After the end of the financial year. I will take some further advice on that. Mid-July. The data that usually informs the debate on these issues is the report on government services data. There has been a lot said about our assault

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rates and I am aware that the committee was advised by a union official that we had an assault rate of 13 times the national average.

Mr DEAN - That question was coming but you can answer that now.

Mr McKIM - I will pre-empt it. Just so that you understand how statistics can be skewed, particularly in smaller jurisdictions like Tasmania, that year, there were two officers injured. This resulted in that rate being 13 times above the national average because we have a much smaller jurisdiction. So one incident can provide a much higher percentage increase compared to the rest of the country. Even though two officers injured is two too many in any financial year, and I am sure I speak on behalf of the whole committee when I say that, I offer that as an example as to how statistics can be used at times to provide what I would regard as a less than complete picture of what is actually happening.

Mr DEAN - While the figures are not available in relation to the incidents that are occurring for this year, and we will get them in July, the organisation must know whether there is an increase at this time of the year, whether it is decreasing, and whether you are on top of them or not?

Mr McKIM - Do you mean in terms of a particular time in the calendar year or are you -

Mr DEAN - I would have thought that you would have had an idea on a comparison with previous years of whether or not that figure is increasing, decreasing or whatever it is?

Mr McKIM - I do not have formal advice on that, Mr Dean, for the reasons I mentioned earlier. My personal view is that it is likely that the figures will be worse for the current financial year than they were for the year before, simply because of the incidents which have been well publicised through the media.

Mr DEAN - Can we be given those figures on what it is today?

Mr McKIM - We don't -

Mr DEAN - Surely you must have figures within your system, I would have thought, that you could get from a computer and identify the number you have had so far this year compared with the numbers you had last year and the year before.

Mr WILLIAMS - We can get you the year-to-date numbers.

Mr DEAN - That is all I need.

Dr GOODWIN - Would that include the prisoner-on-prisoner assaults as well? We did ask that last year, I think.

Mr McKIM - We can get all those.

Mr WILLIAMS - I am not sure whether that data is going to be available as easily, but I think the key incidents where officers have been injured is something we can provide.

CHAIR - I just want to clarify that request for information, just year-to-date?

Mr DEAN - That is all they can give.

Mr McKIM - We will provide you with the best figures we can, including if we can a breakdown between inmate assault on staff and inmate-on-inmate.

CHAIR - Thank you.

Mr DEAN - What I was asking is the number of personnel that are employed in each of these areas and the management.

Mr McKIM - I understand that and we are seeking advice on that, so that remains as I understand it, on notice. There was a specific question, from memory, regarding the organisational structure.

Dr GOODWIN - Minister, I wanted to ask about the incident with the toilets, which resulted in having to move the prisoners out of max into Ron Barwick. There was a significant cost involved in that whole process, not the least of which was the overtime. Have you been able to recover any of that increased cost from the contractors, the people who designed and built those new facilities?

Mr McKIM - What I can tell you is that we sought legal advice from the government's legal advisors in relation to this matter. Following ongoing discussions between representatives of the Department of Justice and the managing contractor, the managing contractor has made a without prejudice, confidential in-principle offer of settlement. This offer has been referred to the Office of the Director of Public Prosecutions Civil Division - sorry, I will just take advice.

The offer was referred to the Office of the DPP, Civil Division for advice. We have had advice back from the Office of the DPP and we are now currently discussing that with the contractors. Without at all trying to shutdown the line of questioning, Madam Chair, given that this is still a live legal issue I will be reluctant to go into too much more detail than what I have currently informed the committee.

[11.45 a.m.]

Dr GOODWIN - I was after an update on where that was at and whether it had resolved yet. From what you have said, there is still a bit more work to be done.

Mr McKIM - Yes.

Dr GOODWIN - Could I turn to the Breaking the Cycle: Tasmanian Corrections Plan. There is an action plan as well within that document and a number of actions listed there. I am wondering if you can give us a bit of an update of where things are at, whether any actions have been completed, whether there is an implementation plan, or what progress has been made there and how it is monitored?

Mr McKIM - The way we have dealt with this, administratively, is to introduce a corrections reform program and structure within the department. The corrections reform program will be led by the Director of Corrective Services. It will involve the Director of Prisons, the Director of Community Corrections, and also Mr Edwards, the Director of Change Management. Those people form a committee which will provide oversight of, and guidance to, corrective services to

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progress the recommendations arising, not only from Breaking the Cycle but also from a number of the reports that we have had done, particularly TPSR, in recent years.

Recommendations from all the reports are being prioritised. Many of these are long-term goals, as you would understand, that require cultural change and, in a number of cases, potential future investment as we move forward.

There has been substantial work undertaken in addressing all of these issues. The important point to make is that the corrections reform program with the structure that I have just mentioned, does allow us to move forward in a coordinated way, to prioritise what we need to do to consult about what we need to do with stakeholders, particularly staff, and to implement those changes in a workable and achievable manner.

The last thing I would say is that it is encouraging that we now have a strategic plan for corrections in Tasmania, as I mentioned when I launched. We had a bit of a look back and we suspect it might be the first one since Port Arthur days. But it is now a situation where we do have a strategic plan and that guides us in everything that we are attempting to do in the corrections portfolio.

Dr GOODWIN - You obviously have recommendations from a number of reports, the most recent being the Palmer Report. Then you have action items in the Breaking the Cycle report and then there has been various other reports as well such as the one on workplace health and safety. So there is a whole range of recommendations and action items that all fall under this corrections reform program. Then these things have all been prioritised. Is there some consolidated document that the prison service is working from in terms of rolling out some of these actions and recommendations? It is all very well to have these plans and documents and things, but there needs to be some implementation plan and some way of tracking what is being done and what is being achieved.

Mr McKIM - I will ask Mr Williams to provide some overview. The short answer is, yes, we do have a document and to pre-empt the next question, no, we are not going to release it publicly.

Dr GOODWIN - It is most unfortunate.

Mr McKIM - It is for operational reasons.

Dr GOODWIN - There must be some of it that you could release.

Mr McKIM - No, I will ask Mr Williams to provide further advice. My advice from TPS and the department is we should not be releasing that document publicly for operational reasons.

Mr WILLIAMS - There is a large number of recommendations. We formed, and it is still being finalised, an implementation plan for the prison which covers all of the reports and attempts to try to prioritise them into the most important. Obviously there were some security issues raised in the Palmer Report, so we have dealt with those. We are giving priority. We have made a lot of progress with many of them, things like staff training. I think we managed to move many of them forward. The infrastructure stuff is coming through as part of the project.

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What we have had to do is, because we had so many reports and it was impossible to work out what to do first, Mr Edwards has helped construct a single implementation plan, which is overseen by the corrections reform committee, which is myself, Ms Webster and the director. That aims to look at the more strategic elements of breaking the cycle but also monitors progress against the different recommendations for the Tamar, the Palmer Workplace Standards report.

To give you a sense, we had Ted Leeson from Workplace Standards working with us. We did not have any employee safety reps in the prison. We now have them in all of the locations. So, we made a lot of progress in these things. Some of them are obviously in response to Palmer. There are some that are going to cost money to do and will have to be part of future consideration. We have a plan to lock them down to drive each of them forward in a sense that will see the priorities.

Dr GOODWIN - I understand why there may be some aspects of that implementation plan that you would be reluctant to make public, and understandably so, because of operational security concerned, but the fact that you are not making any of that document public means that there is absolutely no transparency and accountability from an outside perspective. So, we cannot have a look at that document and say, for instance, you said you were going to do this and you haven't done it. How are you going to resolve that particular issue? Isn't that an important part of the whole process, that there is much more transparency and accountability in the prison system?

Mr McKIM - I would argue that we are moving towards a more transparent and accountable prison system. In relation to that document in particular, in totality it has yet to be shared with anything like the full staff complement at the prison so we are actually not in a position to release it publicly, firstly, because there are some operational matters that are contained in the document that we would not want made public, but also because it is at such an early stage of its development that it is yet to be shared in totality with the key stakeholders here, which with respect to the committee, are actually the staff at the prison.

Dr GOODWIN - The broader community is also a large stakeholder.

Mr McKIM - The broader community is the most important stakeholder in our corrections system but where there is a tension between transparency and actually delivering outcomes and respecting the people working in our organisation, those two latter imperatives will guide my decision-making on whether or not to release this report.

Dr GOODWIN - So you have not completely ruled out making some of it publicly available?

Mr McKIM - It is likely that we will make the majority of this plan public at some stage but I will be guided by Mr Edwards, in particular, and the new director of TPS, Mr Greenberry, when he arrives, as to when that stage is and how much of the document will be made public.

Dr GOODWIN - That is fantastic because when we started you were not going to make any of it public so I am really glad we have got to that point.

Mr DEAN - Keep going.

Mr McKIM - No, that is incorrect. Keep digging. That is an incorrect interpretation of what I said and at no stage did I say that we would never make that report public.

Dr GOODWIN - That is what it sounded like to me but I am glad that you will be making some of it publicly available, at least, so that we can in fact monitor progress.

Mr McKIM - Just so that there is no he said, she said here, what I said was it is likely that it would be the case.

Dr GOODWIN - Terrific. I would like to ask a question now about prison industries.

Mr McKIM - Yes.

Dr GOODWIN - There has been some work done on that, as I understand it. Where is that at? Is there a strategic plan or a business plan in relation to prison industries, or does it fall under the implementation plan?

Mr McKIM - We certainly are approaching the issue of prison industries strategically. As we have already informed the committee, we have made the decision around vegetable processing so we are moving forward in the way that we spent some time discussing earlier today. We are also going through a process now to consider what else we may offer in the way of prison industries in addition to the vegetable processing.

There are some constraints around what you can do at a prison in terms of industries but ultimately, what we want to make sure is that there are potential commercial benefits to the prison. We would like to maximise those to the greatest degree that is possible. Another function that prison industries delivers is providing education opportunities to obtain formal qualifications for inmates who are working in industry. The approach that we are taking here around PIRP stage D is that we will move forward through the process, including obtaining permits, for a facility for prison industries but we can do that in advance of making the final decisions apart from the special process which I have indicated we have made a decision on. We can do that in advance of making the final decisions about exactly what the industries will be because the Aboriginal Cultural Heritage permits are agnostic, if you like, in relation to what actually happens on a particular site.

Dr GOODWIN - They do not care.

Mr McKIM - Purely in the context of pertaining permits, you obtain a permit for a site. Really it is not that relevant whether you are going to put a gymnasium or an industry facility there. It is simply around whether it will potentially impact on aboriginal cultural heritage. What I am saying to you, Dr Goodwin, is the fact that we have yet to make final decisions on exactly what some of the industries will be is not slowing us down in any way at the moment.

Dr GOODWIN - You mentioned that your preference would be for them to have some commercial benefit or that that is something that is being factored in.

Mr McKIM - That is part of the consideration.

Dr GOODWIN - Is that the primary consideration? The reason I am getting at this is because in the Palmer report I think Mr Palmer suggested that it ought not to be the sole focus. He mentioned a range of things that were happening in other prisons that perhaps did not have a

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commercial focus but nevertheless had benefits in terms of rehabilitation of prisoners. I am interested in your thoughts on that.

Mr McKIM - Both of these things are things that we are considering, commercial benefits and also education and rehabilitation opportunities for inmates, and also having an industry. This is the problem with having what is effectively a half-built prison to manage but an industry that will help in the delivery of a structured day for the inmates who are now in our system. All of those things, whether it be rehabilitation opportunities, education opportunities, the benefits in the operational area of the prison, and potential income stream will all be considered. We will balance those out on a case-by-case basis.

CHAIR - I am mindful that we do need to get to 6.2 and talk about the community corrections arm of this output group. Are there any more questions in relation to prison services?

Dr GOODWIN - This one might be able to be on notice. How many prisoners are in each prison, and what capacity we are at and those sorts of things?

Mr McKIM - I have that and I can run through it quickly for you if you like. This is as of Friday last week: inmate population, 498, so just under 500. Hayes currently has 35 with a capacity of 68; HRP has 34 with a capacity of 36; and LRP has 17 with a capacity 28. When I say 'capacity', this is the designed capacity of these facilities. Mary Hutchinson Women's Prison has 40 with a designed capacity of 46; RPC, which is medium and maximum, has 245 with a designed capacity of 297; and Ron Barwick has 122 with a designed capacity of 219. We have a TPS total of 493, we have one currently in the Royal Hobart Hospital, we have four in the Wilfred Lopes Centre, and that adds up to 498, I hope. I am confident that it does.

Dr GOODWIN - A couple of other quick questions. The first one is around Mr Edwards' position. That is meant to only be for two years although again Mr Palmer said that there should be a sunset clause to review that after two years. That was his recommendation. I am interested in what your thoughts are around that now that he has actually started, and he is still sitting here.

Laughter.

[12.00 p.m.]

Mr McKIM - As I indicated, the formal and anecdotal advice to me is that Mr Edwards has started particularly well in the job that he is doing for us. However, he has been very clear with me and I hope I have been clear with the committee that what we are attempting to do here will take some time. Although I am encouraged by early developments since Mr Edwards arrived I am still very cognisant of the fact that we have a long way to go to deliver that sort of cultural change that we are expecting.

The funding for Mr Edwards was provided in last year's budget and it was, as you have correctly pointed out, for two years. I will take some advice from Mr Edwards and from the new director and from the department as we move through Mr Edwards's tenure. I am not going to rule anything in or out at the moment. What I can say is, it certainly has not been put to me that two years will not be long enough to do what we are trying to do but I make the point again that it is very early days.

Dr GOODWIN - Yes, we can ask again next year to see how things are travelling.

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Mr McKIM - Sure.

Dr GOODWIN - The only other matter that I particularly wanted to raise was what you are now calling the 'transition unit' because there have been some changes there.

Mr McKIM - There have.

Dr GOODWIN - Obviously that was a really important report from the Ombudsman on the Tamar unit so I would be interested to know exactly what has happened.

Mr McKIM - I might ask Mr Edwards to come to the table because he has overseen the development of our new operating model. While he is getting himself settled, I could say that, in broad terms, a large degree of the problem we had in what was previously called the Tamar unit is that it really sucked people into it, and once they were there it was very difficult for them to be released into the general population of the prison.

In broad terms, the model that Mr Edwards will shortly outline for the committee changes it from a sort of pull-in to a push-out as a default process so much of our focus is now on returning inmates from the transition unit back into the general population of the prison in the hope that, by providing more of a focus on the carrot, if you like, than the stick, we can deliver improved behaviour and improved outcomes for both inmates and staff. I am happy to ask Mr Edwards to provide the committee with some further detail.

Mr EDWARDS - We started the new group by looking at the overall assaults and violence within the area and then decided that we actually needed to link that group into an overall violence reduction which is now still being formulated, but we needed to concentrate on the priority of the new transition unit. What we have done is put out an expression of interest to try to select the correct staff for going in there, which we did. We were very successful in achieving 39 applicants for the job, which was very encouraging for the staff and the unions wanting to go forward. From that, we selected our 14 staff with two supervisors and that is the complement that makes up that particular area. That complement then ensures that we cover Mr Palmer's, the Ombudsman's and many other reports' recommendations because we have supervisors on deck all the time for that reason.

We then decided that we would use this as the start of the change of Risdon as regards to a multidisciplinary approach. We put together a very expert multidisciplinary training team and we took the 14 staff and two supervisors and they have now received two days to look at the model and start working through the model and five days' extensive training at the end of it. Then we moved them into looking at the rosters, at their attendance, and at the way that we are going to deal with particular prisoners that pass through. One of the things that we wanted to do was to actually get rid of the two-part unit, which is the left-hand side and the right-hand side, the Tamar and the Franklin side. We have now amalgamated that into one whole unit and staffed it the whole way through.

The other area we wanted to look at, which is very important in violence reduction, is the interruptions to work you would be doing with individual prisoners. We wanted to stop the escorting people coming in who escort prisoners to various things like visits and so on, so all of that now is contained within the unit. The unit is designed that you would go into a sterile area, staff and everyone would be searched to go into that area, and that area is responsible for looking

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after the escorts out, the escorts coming in, but it is also responsible for coming in to look at the individual casework.

What we have done is we have now stopped people from outside getting involved in that area. If an individual has decided that they need to move into that area, the team, the multidisciplinary team itself, will look at the case, will decide on the case, review the case and then either bring the prisoner in or give the wing, or the unit, an opportunity with advice on how to handle that particular case. It is not necessarily that everyone will come in all the time.

A case officer is assigned to every prisoner and there is always a doubling up, so there is a reserve end. Every officer will have a case to deal with, but then there are also the number twos to ensure that we have continuity every day. Every day an individual is sat down, they are talked through their particular case, they are shown the case notes and if they want a copy of the case notes they can have a copy of the case notes, and if there are things wrong, we say so. If there are needs, we tell them. If they are doing well, we tell them.

We have completely altered the old contract system to a new incentives and privileges system, so we are looking at a positive nature to adjust offending behaviour - and behaviour modification, actually. We are concentrating on anger management, which seems to be prevalent within the area. We will have the individual case officer, with the multidisciplinary team, the prisoner will sit down with them and go through a program, select a program and that prisoner will be taken through that program. Because it is very early days - we started on the 14th - our aim would be, as the minister quite rightly said, it is transitioned through, so we would be looking at short, sharp targets. We feel that a person who has to go in there anyway has a problem dealing with long-term effect and if we leave them in there for a long time, we are not answering the problems. So we are looking at short, sharp targets, anger management courses, any criminogenic work we can do, and that will continue outside the unit with support. Following that, if they do not reach it on the target date then we will sit them down and tell them why.

We are not saying that if we give a person six weeks as a target they are going to be successful because of the type of person we are dealing with, but we will sit them down and we will give them a multidisciplinary assessment and we will tell them exactly where they are and what they have to do on the next stage, we will give them another target.

Dr GOODWIN - When you say 'short, sharp' and you mentioned a six-week time line there, but how long do you want them -

Mr EDWARDS - I used that as an example. For one person it might be a fortnight, for another person it might be six months; as you well know, I cannot say to you it will be six weeks. There will be a timed program.

Mr McKIM - That will be clearly communicated to the inmates, which is something that has improved significantly.

Mr EDWARDS - The most improved.

Dr GOODWIN - Obviously changing the name to 'transition unit' is all about getting that through that it is a place that you do not really want people to stay in and help them as much as possible to get out of there and back into the mainstream.

Mr McKIM - That is right. As Mr Edwards has said, the operating model is completely different now to what it was prior to the Ombudsman's report and for a period of time after the Ombudsman's report. That is another reason we are now referring to that area as the transition unit: it is a more accurate description of what we are trying to achieve there but, importantly, the different name is symbolic of the fact that we have changed significantly in the way we are running that facility.

CHAIR - On that positive note, we will move into Community Corrective Services.

6.2 Community corrective services -

Mr DEAN - My first question is: have budget restraints impacted on this area at all? Have there been decreases in staffing levels or increases, any changes there at all?

Mr McKIM - I will seek some advice on that. In overview, I think that it would be helpful for the committee's understanding of this area to talk about the fact that in community corrections we have been a victim of our own success in the way that we operated in this area. We now have a situation where I think judges and magistrates - and I do not intend to verbal them here - now have a very high level of confidence in the outcomes that we can deliver through our community corrections system. As a result, to partially explain the outcome, there has been a significant increase in pressure on our community corrections section.

From January 2009 to January 2012, we have had a 56 per cent increase in offender numbers and that includes a 98 per cent increase in community service orders and a 46 per cent increase in probation orders. As you can tell, and I know given your background you will be aware of organisational pressures, certainly I am saying to the committee that we are under significant pressure in community corrections because of the simple increase in demand for our services. And this is quite isolated from any budgetary issues.

I thought that it was important to place that on the record. I will seek some advice on that budget question that you were asking.

I will ask Ms Webster to respond in detail because there has been a review done of community corrections. I remind the committee that even though Ms Webster is currently acting as director of corrective services her substantive role is as director of community corrections.

Ms WEBSTER - We had a review by KPMG of community corrections in late 2009 and as a result of that review there were quite a few structural changes made to the senior management team and we went to a statewide service delivery. I would have to say that that process has enabled us to deal with the increased demand because of the way we have changed. We introduced a new CSO unit specifically, which was quite fortuitous given the recent increase in numbers. We had an increase in staffing in the financial year before last, where we received some additional funding that was also for some community-based programs. We have not had an increase in staffing in the last 12 months; staffing has remained static. The only thing that has changed is that we have CMD - Court Mandated Diversion program - under community corrections now but those staff are separately funded under a commonwealth arrangement and are not part of our staffing complement.

Mr DEAN - Minister, in light of the fact that there have been no increases in the last 12 months and you have told us about the increases in the work in the area which has increased

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incredibly, how are the current staff able to do the work that is required of them with all of those increases?

Mr McKIM - The way we have been managing these pressures is by instituting both structural and procedural reforms to increase efficiency and to reduce unnecessary duplication. One thing that I will say is that the cost per offender per day looks like it is coming down. In community corrections, it has come down from \$10.70 in 2009-10 to \$10.45 in 2010-11. There is an economy of scale effect.

Mr DEAN - The target this year is \$12, as I understand it.

Mr McKIM - Yes, which is well below the national average of over \$20. I remind the committee that I was successful in obtaining an extra \$1.125 million in recurrent funding for community corrections in the 2010-11 state budget. That has now been structured into the community corrections budget.

[12.15 p.m.]

Mr DEAN - As a result of that increased work - you have said you have restructured - have the courts been impacted on at all, held up in the processes within the courts through the ability to be able to provide the reports to courts in sufficient time for them to take their actions?

Mr McKIM - I will ask Ms Webster.

Ms WEBSTER - No, they haven't, is the short answer. Our reports obviously have also increased during that period, but when KPMG did their report into community corrections there was a six-week waiting time frame for presentence reports. That is now four weeks. We have structurally changed the type of report that is given to the magistrate in the Supreme Court with the agreement of those courts. That is giving them the information they require, but the report itself is not as lengthy. So we have made some structural changes, and we also have two probation officers located at the courts to respond quickly to screening assessments for community service orders and the like.

Mr McKIM - Madam Chair, I indicate to you, that, ultimately, impacts on courts is not a matter for me; it is a matter for the Attorney-General who oversees the justice system in Tasmania. We simply respond to the justice system. That is what corrections does.

Mr DEAN - My next question then comes from the number of probation officers that you have. Are those probation officers able to complete the required number of subject contacts necessary in all of the circumstances, or have they had to make changes in that regard?

Mr McKIM - I will ask Ms Webster.

Ms WEBSTER - We have a sliding scale of risk assessment so, depending on the risk of the offender of reoffending and their needs, we allocate contact hours that way, so if an offender is at low risk of reoffending and has low needs, we put less effort into an offender that is high need, so our assessment process has not changed. That sliding scale is exactly the same. If they are a low-needs offender or a low-risk offender they will get less interaction than a high-needs offender.

Mr DEAN - That brings me to the next question about the reoffending position of people who are on probation orders. If you go to table 7.8, I think, at the top of that you have the amount

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there. The actual in 2010-11 was 26.1 per cent reoffending. The target this year was 23 per cent. Are you on target?

Mr McKIM - Yes. I will just provide you with some overview here in relation to recidivism. You would be aware, Mr Dean, that recidivism is measured in various ways. Return to prison from prison; return to the corrections system from prison; returned to community corrections from community corrections, so there are a number of different measures for recidivism. It is important that I place on the record that Tasmania does relatively well in the national context in relation to our recidivism rates.

In specific response to your question, the proportion of offenders discharged from community corrections who returned to community corrections - and these are the most up-to-date figures that I have, and that is a return within two years, which is generally accepted as a reasonable measure for recidivism - was 17.7 per cent on the latest figures I have, which are 2008-09, which is a decrease on the previous year's figures of 18.4. We are going on the report on government services, so there is inevitably a lag in the development of that data. The proportion of offenders discharged from community corrections orders during the 2008-09 period who returned to corrective services as opposed to community corrections within two years was 25.2 per cent, which is equal fourth of the seven jurisdictions which reported a figure, and is also a decrease on the previous year's figure of 26.3 per cent.

The completion rate for community corrections orders in Tasmania is 87.9 per cent, which is the best in the country and well above the national average of 70.7.

CHAIR - How many is that though? What is the quantity?

Mr DEAN - Absolutely, and I asked that question, Madam Chairman, on the basis that we were just told a moment ago that the courts have not been held up at all as a result of reports being provided to them but now we are told here the completion rate for community service supervision orders is only 87.9 per cent last year, 2010-11, and is expected to be 90 per cent this year. What is happening to the rest of it?

Mr McKIM - What is happening?

Mr DEAN - With the 100 per cent, what is happening to the other 10 per cent?

Mr McKIM - I will ask Ms Webster.

CHAIR - Sorry, there are two questions there. I am sorry; I butted in with a question.

Mr DEAN - That is all right, but your question first, Madam Chair.

Mr McKIM - That is the actual number of offenders?

CHAIR - Because 87.9 per cent does not tell me anything because I do not know how many there are.

Mr McKIM - In 2010-11, we had 1 614, in total, made up of - I will have these figures checked because I only got to year 12 maths but it does not look to me that it adds up.

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CHAIR - Straight away the odds and the evens are not adding.

Mr McKIM - If it is all right, I will take the quantum on notice, Madam Chair.

CHAIR - Thank you. I will put my 1 614 on hold.

Mr McKIM - No worries, and I will ask Ms Webster to respond to Mr Dean's second question to encapsulate what happens to the 10 per cent who do not -

Mr DEAN - Have they been breached?

Ms WEBSTER - Yes, but people can be given orders at various times throughout the year so this particularly refers to orders that have been completed in that calendar year and they might have been given the order in previous years and during that time we have additional orders but they would have been breached.

Mr DEAN - My question is, and because of the public concern of people on probation orders and so on not complying, do we have the number of people year-to-date that have been breached this year in comparison with the previous, say, one to two years.

Ms WEBSTER - I will have to take that on notice, Mr Dean.

Mr McKIM - We will take that on notice, Mr Dean. I have now understood the mathematical challenge that I previously had. The number I gave the committee is right, 1 614 in total, in 2010-11, made up of 845 on community service orders, 113 on parole, and 986 on probation. The reason when you add those three numbers together that you get a greater number than the global number is that some offenders have two or more orders - certainly you can have CSO and probation conditions attached to the same order.

Mr DEAN - We went into that last year with those figures as to why that occurred and that was clear. Thank you, for that.

Community service orders, what is the position and what sort of work is being done and what are the numbers there and are they complying with those orders on top of that?

Mr McKIM - I will see if Ms Webster has that information but, if not, we can certainly get that for you.

Ms WEBSTER - In terms of the activities that the offenders are doing?

Mr DEAN - Yes.

Ms WEBSTER - There is a range of activities that we undertake with local councils, schools - and if I can give you some examples. For example, we are doing some tree planting with National Parks and Wildlife, some rubbish collection when we do not have any other projects. The Sorell Council, we are working on community halls, sports arenas, painting, and tree planting in local parks. At Christmas and in the new year we assisted at the Taste of Tasmania in rubbish collection and we provided offenders with white cards for OH&S there. At Devonport, we are doing some work with beautification of cemeteries. We are helping with, as I said, schools, and there is a particularly good project on the east coast with the Springvale RSL

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where the president of the club is actually supervising offenders on our behalf. And, of course, we have the pensioner sites; there are still a high percentage of pensioner sites that we attend.

Dr GOODWIN - That is lawn mowing.

Ms WEBSTER - Yes, if pensioners do not have any other family to actually do that work for them we attend to that.

Mr McKIM - If I could just add to what Ms Webster has said. I have visited a number of sites where people who are under the supervision of community corrections have been working and assisting community groups or individuals. I have been in neighbourhood houses whose staff extol the virtues of the people -

Dr GOODWIN - Anne Harrison just loves the system.

Mr McKIM - Yes, and in a way it is important that we talk about these, albeit it briefly -

CHAIR - Very briefly.

[12.30 p.m.]

Mr McKIM - What happens currently whilst we are investigating intervention models is that all sex offenders are assessed using a specifically designed risk and needs assessment, and the monitoring and management of the offender is adjusted accordingly. A very high proportion of sex offenders on community-based orders have been in prison: 43 sex offenders on community-based orders and 30 have been incarcerated.

In relation to parolees who have completed the prison's program for sex offenders, that is the New Directions program, we adopt a through-care approach, which includes a handover process from prison staff to community corrections officers, probation officers and the offenders support group. We are also responsible for determining appropriate accommodation for sex offenders being released on parole.

As you would be aware increasing the number and diversity of our programmed interventions to address criminogenic needs was identified as a high priority during consultation for breaking the cycle. We anticipate in the upcoming financial year that we will be introducing new programs and interventions for offenders on community-based orders, including the continuation of improved interventions for sexual offenders.

Dr GOODWIN - The research on the intervention models is currently in progress.

Mr McKIM - That is correct.

Dr GOODWIN - Do you have a time line for when you expect to implement a program or is that a bit unsure?

Mr McKIM - No, I might ask Ms Webster to provide some detail there.

Ms WEBSTER - The advice that we have received from our new manager of offender programs and Dr McMaster when he was here, was a group program for Tasmania is not the right answer, but rather individual interventions for those offenders, similar to what we are doing now but with an increased emphasis on providing specialised training for those staff who are delivering those interventions. That is why we had Dr McMaster down and why our manager of offender programs has been provided with additional training. Given our cohort size it would be very difficult for us to run an effective group program for those small number of sex offenders. Not only is the size small, but they are dispersed around the state. That is the advice that we have and that is the model we are going to take forward with us in the future.

Dr GOODWIN - What is the research that has been mentioned?

Mr WILLIAMS - That is about the interventions and what type.

Ms WEBSTER - What type, yes.

Dr GOODWIN - Okay. But you know that it is not going to be a group model; it will be something else and you are still working on what that will be?

Ms WEBSTER - Yes.

Dr GOODWIN - Can I move on to the family violence offender program because that is a revised model. I don't think it was delivered at all in 2010-11 because it was being redeveloped. I am wondering what stage it is at now. Have there been any programs run?

Mr McKIM - The program will be overseen by the manager of offender programs. On 14 April last year, we introduced a new-look 12-hour individual and 50-hour group Family Violence Offender Intervention Program. The courts have now commenced referring to community corrections for that program. I can give you some raw numbers on the Family Violence Offender Intervention Program. We have two figures per calendar year here, and these are the 2008 - sorry, I will just go to the 2011-12 figures. We have had in 2011-12, 12 offenders who started the program and of those 12, 7 finished the program.

Dr GOODWIN - That is one program. How long does it run for?

Mr McKIM - Ms Webster might have a better idea.

Ms WEBSTER - Fifty hours.

Dr GOODWIN - Do they have to be in one spot to participate or how does that -

Ms WEBSTER - We run it across the state. We have run it in the north and north west and the south, and it is a rolling program. Unlike the previous program, which was part of the problem, offenders can roll into that program as soon as they are assessed and ready to go into the program.

Dr GOODWIN - So you have people delivering it around the state?

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Ms WEBSTER - There are actually two

Mr McKIM - Very briefly, Madam Chair, but just for 30 seconds. It does show the way that the corrections system does actually give back to the Tasmanian community and whether it be a bowls club - obviously, without going into the details, there is a bowls club on the north-west coast and there are other very well known organisations which utilise people, either on day release from the prison or who are on community corrections orders.

CHAIR - You will not be able to mow the St Helens bowls club green, though.

Mr McKIM - What is wrong there?

CHAIR - Synthetic.

Mr McKIM - Oh, it's synthetic and a bit wet we presume. There are a number of pensioners who are very happy with the service and the assistance they get from people who are in the community corrections supervision.

Mr DEAN - What is the position, then, minister? Do these people in that position come forward and identify themselves as a suitable subject for that to occur or is it done through some other method?

Mr McKIM - As I understand it, generally they come forward to us but I ask Ms Webster to acknowledge that.

Ms WEBSTER - It is a bit of both. Quite often we will have organisations that come forward because they have heard of the scheme or they have previously used the scheme, but we also have a CSO coordinator who actively goes out and looks for projects, particularly with our numbers increase, that was one of the positions that we put on as part of the restructuring process. That officer would go out around the state and actively look for projects, knocking on the doors of councils. That is how we actually have got a lot of these projects under way.

Mr DEAN - What is the safety position with probation officers and officers in relation to community service orders? Have any of them ever been assaulted, abused or mistreated in any way?

Ms WEBSTER - No.

Mr McKIM - No. Since I have been minister, I certainly have not received advice of any assaults in this area. Obviously, there have been assaults in the prison but we have spoken about those. I am not aware of any in my time as minister and I do not recall receiving advice but -

Mr DEAN - I am not aware either, I am just asking the question.

Mr McKIM - From what we are saying here, neither Ms Webster nor Mr Williams can recall such an assault.

Dr GOODWIN - One of the indicators around, I suppose, workload is the offender-to-staff ratio. Do you have a figure on that and how it compares to the national average?

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Mr McKIM - Yes, we have an offender-to-staff ratio in Tasmania of 28.2, using the figures of 2010-11. This is down from 34.1 for Tasmania in the previous year but it still remains above the national average, which is 23.5.

Dr GOODWIN - If I could ask about some of the programs, I want to ask about the new community-based sex offender treatment program and what has happened with that.

Mr McKIM - We have appointed a manager of offender programs within community corrections in February of this year. This role will see community corrections move forward in the implementation and delivery of programmed interventions. A key role of the newly appointed manager of offender programs is to conduct research into the development and implementation of appropriate sex offender interventions.

I can inform the committee that the new manager of the offender program is a registered psychologist with significant experience working with sexual offenders both in prison and in the community. We have already delivered, through the manager of offender programs training, probation officers working with sex offenders and, in fact, only a couple of weeks ago, we conducted a workshop with Ken McMaster who is a New Zealand-based psychologist with over 26 years experience in developing interventions for and working with sex offenders.

[12.30 p.m.]

A research project has also been commenced with the University of Tasmania under the direction of the manager of the offender programs, to review intervention models interstate and overseas with regard to suitability for the Tasmanian context. What happens currently whilst we are investigating intervention models is that all sex offenders are assessed using a specifically designed risk and needs assessment, and the monitoring and management of the offender is adjusted accordingly. A very high proportion of sex offenders on community-based orders have been in prison: 43 sex offenders on community-based orders and 30 have been incarcerated.

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Dr GOODWIN - You have people delivering it around the state, one in each region?

Ms WEBSTER - Yes, that is correct. There are two facilitators for each program. That is the requirement.

Dr GOODWIN - I will move on to the court-mandated diversion because that has been changed in terms of Community Corrections involved in delivering that. I am interested to know how many offenders are actively participating in the program and whether they are doing that through bail diversion orders or drug treatment orders or both. What is the mix there?

Mr McKIM - We have some figures as of 2 May this year. On that date there were 57 offenders actively participating in the CMD program around the state. There were 25 in the south, 14 in the north, 18 in the north-west and, at that time, there were also 22 assessments being completed on a statewide basis for potentially eligible offenders. I am a big supporter of court-mandated diversion and I thank everyone who works on that program because they do outstanding work.

In terms of a breakdown within those numbers, I do not have that with me now but I -

Dr GOODWIN - The question is about whether they are on bail or -

Ms WEBSTER - They are all on drug treatment orders.

Dr GOODWIN - Do you still do the bail diversion orders?

Ms WEBSTER - It is still an option but we generally do not have people on that program because it is too short to deliver the types of interventions we want to deliver as part of that program.

Dr GOODWIN - The preference is to have them on a drug treatment order?

Ms WEBSTER - Absolutely, which is a longer, two-year order.

Dr GOODWIN - There is a cap, isn't there, on the number who can be on the program at any one time?

Ms WEBSTER - It takes 80 - 40 in the south, 20 in the north and 20 in the north-west.

Dr GOODWIN - Obviously you are not anywhere near under a cap, so that is not so much an issue.

Ms WEBSTER - No, we are under that cap.

Dr GOODWIN - Is there an issue with the lack of residential treatment places?

Ms WEBSTER - In a state the size of Tasmania, that is always going to be a bit of an issue that we are constantly dealing with, but we have a couple of facilities, one in the north and one in the south, and we regularly meet with those organisations to try to make sure that we can provide places. But they are limited because of the size of Tasmania.

Dr GOODWIN - Community Corrections has been involved for how long now?

Ms WEBSTER - About two years.

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Dr GOODWIN - Are there any issues with the legislation, as it currently stands, that need to be improved or addressed?

Mr McKIM - Certainly nothing that has been brought to my attention.

Ms WEBSTER - Nothing, no.

Dr GOODWIN - Everything is working smoothly from the Community Corrections perspective?

Ms WEBSTER - We are happy that it is moving forward in the right way. We are now delivering, getting smart, our drug program as part of that under Community Corrections. We are confident that is working quite well. The case management and the management of the offender in the court are under the same roof and the experience that Community Corrections staff have with case management is also paying some dividends there, I believe.

CHAIR - I am looking to finish this off fairly soon.

Dr GOODWIN - Last question from me: are there any other programs that you are looking at? Minister, I think last year you mentioned dangerous driving, and people convicted of violent offences as something that might result in programs at some stage.

Mr McKIM - Part of the answer to that is our Sober Driving program which is proving very popular with magistrates. We have a high number of referrals of offenders with drink-driving-related offences from the Magistrate's Court. There is currently a wait list in excess of 200 for offenders who are eligible to complete, or at least participate in this program on a statewide basis. Since its introduction, we have delivered 25 Sober Driving programs with one currently under way and two more to commence, one in the north-west and one in the south, in the coming months. To date, we have a total of 196 offenders who have successfully completed the program.

Did you also ask about another program, Dr Goodwin?

Dr GOODWIN - Last year, I think we had a discussion and the university had been doing some research as well on dangerous driving and people convicted of violent offences.

Mr McKIM - No, we have focused on sex offenders and our Sober Driving program as I indicated to you a moment ago. Part of this is at least due to the significant demand pressures that we are facing in Community Corrections.

Dr GOODWIN - At this stage there are not any plans to introduce any new programs?

Mr McKIM - No, that is correct.

Dr GOODWIN - A thing that is probably linked in with this is the victim-offender mediation, and that is something mentioned in the Breaking the Cycle action plan.

Mr McKIM - That is a matter that you would need to ask the Attorney-General.

Dr GOODWIN - So you are not delivering it within Community Corrections at all?

Mr WILLIAMS - In the department we do, under Victim Support.

Dr GOODWIN - Okay.

CHAIR - We will leave that one until tomorrow then. I will ask that we move on now to Consumer Services. I thank those who have been at the table for a very lengthy and important area of Corrections.

**Output group 8
Consumer Services**

8.1 Fair, safe and equitable marketplace -

Mr McKIM - I will ask Mr Batt, who will feel right at home in this chamber.

CHAIR - He knows all the tricks. This is a very important aspect of administering consumer law. We are interested in what initiatives are on the agenda under this area.

Mr McKIM - We have quite a bit on the go at the moment in Consumer Protection. Mr Batt and his excellent team have been working very hard to support me and -

CHAIR - We know that through the amount of legislation that has been coming through.

Mr McKIM - Yes. On that, Madam Chair, much of the legislation that has recently been passed within the last 6 to 12 months, particularly the Australian Consumer Law, was COAG reform being given effect to by the passing of legislation through the Tasmanian parliament. I am sure members have seen the front page of the paper today and are aware that we are out to consultation on vendor disclosure at the moment, and I am very happy to talk at further length about vendor disclosure.

We are a long way through a major review of the Residential Tenancy Act in Tasmania. This has been something that we have been working on for quite a long time now because it is a major review of very important legislation. Members would be aware that we are moving forward on the issue of compulsory smoke alarms for residential properties in Tasmania. Up-to-date advice is that I tabled a bill last week in the House to require or to mandate the installation of smoke alarms in all residential rental properties in Tasmania. I am happy to talk about any of these in detail.

CHAIR - I am not sure what the Minister for Housing is going to think about the impact on her budget.

Mr McKIM - There will be a budgetary impact for Housing Tasmania but you would need to ask the minister.

CHAIR - I have it on my list.

[12.45 p.m.]

Mr McKIM - I am sure you have. By the way, this is a life-saving measure that we are putting in place here that has the full support from Tasmania Fire Service. When we went out to consultation, our intent was to mandate the installation of hard-wired smoke alarms. Through the consultation process it was put to us very clearly by a number of stakeholders that we could

deliver the same effect by allowing a choice between hard-wiring or installing a 10-year sealed unit. You can get smoke alarms that are completely sealed so that there is no access to the internal workings and the battery, and they have warranties for 10 years. So in order to mitigate some of the cost pressures, not only on Housing Tasmania but also on private owners of residential properties, we have changed our approach and we will allow for the installation of those sealed units which are not hard-wired on the basis that the advice was that it would not compromise safety at all or the effectiveness of mandating smoke alarms in all residential rental properties. However, it would potentially cut the cost amount in half from a hard-wired smoke alarm to a 10-year sealed unit. That is something that we have brought forward out of our broader review of the Residential Tenancy Act.

This began all the way back in November 2009 when the government released a discussion paper titled *The Residential Tenancy Act and Issues in the Residential Tenancy Market*. In November 2010, we had a conference on residential tenancy reform that I opened and it was attended by community and industry groups and included keynote speakers from a range of academic and government backgrounds. The conference explored a range of issues and identified gratifyingly significant areas of common ground between stakeholders. We have had appointed for some time now a full-time project manager within the office of Consumer Affairs and Fair Trading, along with a reference group comprising representatives from community groups and the real estate industry. We released late last year a final report or consultation paper, and the key issues which were addressed in that paper were minimum standards, rental costs - including rent bidding and rent increases - access to dispute resolution, and security of tenure.

Close to 200 individuals and organisations made submissions in response to this report, including more than 40 detailed submissions from tenants, property owners, community organisations and other interest groups. I can inform the House that Cabinet will soon be asked to approve drafting of a bill to give effect to the recommendations arising from that final stage.

CHAIR - So a time frame then?

Mr McKIM - That will be at Cabinet soon. I don't have a definitive date, but when I say soon I would expect within -

CHAIR - 2012?

Mr McKIM - Oh yes, certainly. Just to be clear, that will be a cabinet being asked for permission to draft the legislative changes. Then there will be a period when the legislation will needed to drafted and that is a relatively time-consuming process. So at this stage we intend to have our amendment bill tabled in the first half of next year. This is my understanding in terms of the tabling of the bill in parliament. I would also remind you that an amendment bill was approved by parliament late last year to implement model reforms that do things like regulating residential tenancy databases and to require that all bonds are not deposited with the RDA, whereas previously only bonds paid after 1 July 2009 were required to be paid to the RDA.

CHAIR - What is the current status of the Residential Deposits Authority?

Mr McKIM - I can provide you with some information on that while we are there. It commenced operation on 1 July 2009. We have had over 55 000 bonds lodged with the RDA and just under 26 500 have been paid to tenants and property owners.

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CHAIR - That was to be a self-funding organisation. Have we reached that point yet?

Mr McKIM - I am not sure. I might ask Mr Batt to provide some advice on that.

Mr BATT - No, the low level of interest rates has hampered our enthusiasm or hampered our targets a bit, but we anticipate that in about 18 months we should be at break-even point. That will be self-funding.

CHAIR - That is under the time frame that was first expected. Would that be fair to say?

Mr BATT - It is a little bit less than we had expected, but again it is all to do with the rates it is earning interest on. We actually have a bond call of about \$28 million, so there is enough money to make it self-funding.

Mr McKIM - Obviously, interest rates play a significant role in whether and when we can become self-funding but, as Mr Batt has advised the committee, we do expect that to happen, it just has not happened yet.

CHAIR - It has been a fairly successful program, really, considering -

Mr McKIM - I think it has.

CHAIR - It was a complete culture change, if you like, for many people.

Mr McKIM - Yes, it was. Before the RDA commenced, property owners held bonds and it was often very difficult for tenants to get their money back from property owners. I think there is a much better balance now between the rights of property owners and the rights of tenants. We are examining things like minimum standards and dispute resolution as part of our review of the Residential Tenancy Act.

CHAIR - While we are talking about real estate, part of this area is licensing for conveyancers. So has that increased at all, given that people are sometimes loath to use the lawyer process and look at conveyance officers as being a more cost-effective means of transferring their properties?

Mr McKIM - Are you asking about the costs to retain a licence?

CHAIR - Licensing comes under this area, so I want to know if there has been an increase in numbers at all.

Mr McKIM - I will ask Mr Batt; I do not think there has been an increase in numbers.

Mr BATT - There has been a steady increase. The total number of licensed people is currently 15, on my last advice. There is a representative group for conveyancers and we are having discussions with them about increasing the availability of training with a view to providing more opportunities for local people to enter the industry. The other thing useful to say is that the Law Society has been very supportive. Although there was initial resistance, they have been supportive in setting examinations and encouraging the growth of this industry.

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CHAIR - It certainly is much more cost-effective if you can use a conveyancing officer rather than having to go through a law practice. Product safety - always a big one - have we had any significant issues in relation to that? Christmas has been and gone.

Mr McKIM - There are always a few issues bubbling along, including some online scams, which do not strictly speaking come into product safety, but they are an issue that we take a lot of notice of. I do not have any advice before me, so I might ask Mr Batt whether he can enlighten the committee in any way.

Mr BATT - One of the advantages for us in terms of product safety compliance is that most things come through the major ports and are detected before they arrive in Tasmania. Therefore I am not aware that we have discovered any poor product or inappropriate products in our particular market. Notwithstanding that, we have a memorandum of understanding with the ACCC and we are engaged in compliance of the local market. We have agreed to a schedule of sending staff out to look at products on the shelf. We have a scheduled visit to Launceston in about a month's time.

CHAIR - Before I hand over to Mr Finch, the cost saving strategy has hit every department. Are there areas of the work, minister, that this organisation or this department cannot undertake in a timely manner because of those cost saving strategy requirements?

Mr McKIM - No, not to my knowledge. In fact, I visited the staff in Consumer Affairs and Fair Trading just a few weeks ago and it never ceases to amaze me how they get so much work done with so few people on the ground in there.

CHAIR - I can tell you why.

Mr McKIM - Because they are good.

CHAIR - They are good operators.

Mr McKIM - We are at one on that, Madam Chair. The short answer to the question is 'no'.

CHAIR - I know they have very little reduction to their budget, so that helps when there has been a very small decrease. Mr Finch.

Mr FINCH - Minister, the Real Estate Industry and Vendors draft legislation, I think that is the title of it - can I just check on the reaction that maybe the industry might have given back to you and what consultation has taken place with the industry?

Mr McKIM - Yes, certainly, Mr Finch. This has been the subject of some media interest in the last 24 hours or so. I would almost describe this as a saga. In fact, I remember sitting in opposition in the House of Assembly for a number of years giving various ministers a fair bit of curry because they had not been able to advance this issue in a timely way.

Mr GAFFNEY - And rightly so.

Mr McKIM - And rightly so, thank you, Mr Gaffney. Now that I am minister, of course, it is being advanced in a timely way and, as you can see from the public interest, we are currently out for public consultation, that is, we released a draft bill and explanatory materials on 11 May this year. It is our intention, all else being equal, to table a bill in the parliament in August this

year. I will ask Mr Batt to respond in more detail on some of the feedback that we have been getting. Because the consultation process is still under way, I have not received final advice from the department on how that consultation is going because it is an ongoing matter. I am very happy for Mr Batt and his team to focus on doing the consultation at the moment. Suffice to say, the bill that we released really represented a new approach to vendor disclosure given some of the difficulties that have been identified with previous attempts to bring in a vendor disclosure regime and our proposed new scheme will rely mainly on third-party documents, such as title documents, plans and 337 certificates, which are certificates issued under section 337 of the Local Government Act. We will also be making sure that consumers are aware that they have the option of obtaining a building inspection report. Mr Batt may have some more up-to-date information for the committee.

Mr BATT - In terms of consultation, I have met with the Law Society and the Real Estate Institute and the Public Trustee on a number of occasions in developing the policy framework which is represented by the bill. I can also say that we have also engaged the expertise of the Crown Solicitor, who is personally quite passionate about this and as passionate as I am about getting it right. That is informed.

Going back to why we have changed course, because what was stated in the media this morning was that we already have legislation and I have actually discussed it at briefings with some of the members at this table, so the big question is why we had it already and changed course. Through extensive consultation we arrived at point where we formed the view that it is not possible to create legislation which relies on an uneducated vendor to give technical information about a property without creating legal ambiguity or risk to both the vendor and the purchaser. And as much as we struggled with that - and the Crown Solicitor and I have both struggled with that - and looked at models in other jurisdictions, we really have done a complete right turn and said that this needs to be based on verifiable, quantifiable third-party documents in order to properly inform consumers. I say that with some passion because there is a significant amount of commitment on both of our parts to doing that.

In essence, we will probably be arguing strongly that we do not require people to tell purchasers whether someone has been killed in the property, which is an example given this morning, and we really rely on those substantial documents.

We have had enormous consultation. We are now out for a period of public consultation and inviting public input into the process but we are hoping that we can bring the legislation in when parliament resumes after the winter recess.

Mr FINCH - Could I get a sense please, minister, how the real estate industry is reacting at this stage to the propositions that are being put forward?

Mr McKIM - I picked up the *Mercury* this morning and got a bit of indirect feedback to me from the real estate industry, I suppose, Mr Finch - and good luck to them. They have raised some issues through the media, which is absolutely their right, in terms of what they are saying directly -

Mr DEAN - They have raised a few with me, too.

Mr McKIM - Yes. In terms of how they are reacting to Mr Batt, I will ask Mr Batt to answer that because, as I say, I have not got formal advice from him as yet because the

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consultation is ongoing at the moment. I am not sure if Mr Batt can provide any further information.

Mr BATT - The response is puzzling to one extent and I think that they have a desire to be seen as protecting the consumers. In fact, they are more enthusiastic about consumers than we are and that is admirable.

CHAIR - What a lovely way of putting it.

[1.00 p.m.]

Mr BATT - The practical reality is that this new scheme provides a significant benefit of the way in which real estate agents do business. If I were to be slightly facetious, I might suggest that, if this is what they want, we might just commence or proclaim the scheme that is there but that in fact imposes significant burdens to the real estate industry by requiring pre-sale disclosure and it is actually more difficult for them. This scheme has a very minimal impact on real estate businesses; I think in all our discussions we have tried to acknowledge that impact and tried to reduce the impact on the real estate industry. In fairness, there is an element of posturing; on a very practical level we have had some very productive and honest discussions and at the end of the day we will all reach an agreement on a sensible policy that moves forward.

CHAIR - If there are no other questions in relation to consumer services then I will thank Mr Batt and the minister and advise that we will be looking at sustainable transport when we return at 2 o'clock.

Mr McKIM - Before we break for lunch, could I just offer to table for the interest of the committee the fact sheet that we have developed on our review of the Residential Property Transactions Bill 2012.

CHAIR - Thank you.

The committee suspended from 1.02 p.m. to