

**STANDING COMMITTEE ON  
ESTIMATES AND FINANCIAL OPERATIONS**

**2012–13 BUDGET ESTIMATES HEARINGS**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
THURSDAY, 5 JULY 2012**

**SESSION ONE  
DEPARTMENT OF CORRECTIVE SERVICES**

**Members**

**Hon Giz Watson (Chair)  
Hon Philip Gardiner (Deputy Chair)  
Hon Liz Behjat  
Hon Ken Travers  
Hon Ljiljanna Ravlich**

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**Hearing commenced at 9.18 am**

**Mr IAN JOHNSON**

**Commissioner, sworn and examined:**

**Mr IAN GILES**

**Deputy Commissioner, Community and Youth Justice, sworn and examined:**

**Mr STEVEN ROBINS**

**Deputy Commissioner, Offender Management and Professional Development, sworn and examined:**

**Ms HEATHER HARKER**

**Deputy Commissioner, Adult Custodial, sworn and examined:**

**Mr GEORGE KESSARIS**

**Director, Finance, sworn and examined:**

**Ms ANGIE DOMINISH**

**Assistant Commissioner, Corporate Support, sworn and examined:**

**The CHAIR:** Sorry we are slightly late in starting; it is a busy committee! Firstly, on behalf of the Legislative Council Standing Committee on Estimates and Financial Operations I welcome you to the hearing this morning. Before we begin I am required to ask you all to take either an oath or an affirmation.

[Witnesses took the oath or affirmation.]

**The CHAIR:** You will have all signed a document entitled “Information for Witnesses”. Have you read and understood this document?

**The Witnesses:** Yes.

**The CHAIR:** The hearing this morning is being held in public although there is discretion available to the committee to hear evidence in closed session, either of its own motion or at the request of a witness. If for some reason you wish to make a confidential statement during this morning’s proceedings, you should request that the information be taken in closed session before answering the question. Government agencies and departments have an important role and duty to assist the Parliament to scrutinise the budget papers on behalf of the people of Western Australia, and we value your assistance in this process. Proceedings this morning are being recorded by Hansard and a copy of the transcript will be provided to you. It would greatly assist Hansard if you could, when referring to the budget statement volumes or the consolidated account estimates, please provide the page number, item, program and amount in preface to your question. If supplementary information is to be provided, I ask your cooperation in ensuring that it is delivering to the committee clerk within 10 working days of receipt of the questions. Should you be unable to meet this due date, please advise the committee clerk immediately. The committee reminds agency representatives to respond to questions in a succinct manner and to limit the extent of personal observations. I now ask members if they have any questions—Hon Ljiljanna Ravlich to start.

**Hon LJILJANNA RAVLICH:** Thanks Madam Chair. Director General, I refer to page 781 of the *Budget Statements* under major spending changes. I notice there is a line item referring to \$300 million savings across government and you have to achieve some \$5 million of savings over

the forward estimates. At the bottom of that schedule you also have the efficiency dividend, which is about \$100 million including the 2012–13 financial year. That \$300 million saving across government does not appear to be in all agencies major spending changes. Can you just make the distinction for me between the \$300 million saving across government and the efficiency dividend?

**Mr Johnson:** Sure. We were asked initially to make a contribution towards the \$300 million saving across government. We were later advised that we were also required to make a two per cent efficiency dividend, which accumulated over the forward estimates to one per cent each year from that point forward to five per cent in the later years. Our contribution to the \$300 million efficiency saving is just over \$1 million. In relation to how we are going to achieve that, it will be on a number of fronts. One is related to the provision of parking in Westralia Square, where our administration staff are housed. The second part is that we currently expend a considerable amount on transporting prisoners throughout the state to funerals, and we intend to reduce that transportation. The third aspect is in relation to the work camp out at Millstream. We have recently received funding to open a new work camp in Roebourne, so there will be some savings coming out of the Millstream operation which will all contribute towards the \$300 million.

**Hon LJILJANNA RAVLICH:** On what basis was your agency singled out, given that this \$300 million saving requirement does not appear to be across the board?

**Mr Johnson:** It is my understanding that we were not singled out. My understanding is that it does apply to the majority, if not all, agencies. There may be some agencies that are excluded—some of the regulatory-type agencies—but it is certainly my understanding amongst my counterparts that they are included in the \$300 million saving.

**Hon LJILJANNA RAVLICH:** I am looking, for example, at the major spending changes for the Department of Local Government and there is no requirement there for them. They do not have a line item saying there will be a \$300 million saving across government.

**The CHAIR:** To be fair here, member, as we do not have a minister to answer, it is more of a policy question. I think Mr Johnson has answered it to the extent that he can.

**Hon LJILJANNA RAVLICH:** Okay.

**Mr Johnson:** I am happy to share it amongst all the other agencies, I can assure you of that.

**The CHAIR:** Excellent. That is very generous.

**Hon LJILJANNA RAVLICH:** Just taking the parking at Westralia Square, for example, what will this mean?

**Mr Johnson:** The actual cost saving is about \$223 000 by reducing the car parking. A number of car bays have been taken away and staff will have to find alternative ways to get into head office.

**Hon LJILJANNA RAVLICH:** Okay, and you have got the job of working out who loses their car bays.

**Mr Johnson:** That has already been done; we have already implemented that.

**Hon LJILJANNA RAVLICH:** All right. What about the transport to funerals?

**Mr Johnson:** By way of example, we had spent around \$1.1 million to transport people to funerals. We certainly recognise there is an importance in doing that. There is significance, obviously, for all people to attend funerals, but particularly for Indigenous people in terms of their family relationships. However, how long is a piece of string? It becomes a situation where you cannot control the expenditure in continuing to provide the opportunity for people to attend funerals. When we look at other jurisdictions, Western Australia is by far the most generous jurisdiction in the country. Some jurisdictions do not even transport people to funerals full stop unless they pay for it themselves. What we are looking to do is two-fold. The first is to reduce the number of people attending funerals. If I can give you an example, I was out at Bandyup a few weeks ago and we had

a funeral of a significant person. There were some 14 applications from people within the correctional system to attend that funeral. Those applications ranged from Bandyup, Casuarina, the juvenile estate and country locations. Clearly, the ideal situation would be for everyone to go along, but the reality is that that cannot be the case. Every transportation brings with it security considerations, safety considerations and, of course, cost. What we are going to try to do is to reduce the amount that we do expend by having a fixed quarterly budget. Rather than having an annual allocation that gets used up quickly and we have the latter part of the year where people cannot attend funerals, we want a quarterly budget that we monitor strictly and control the number of people who can attend and fit it to the budget. Secondly, and also importantly, we are engaging with Aboriginal elders and respected people like Sue Gordon and others to ask what we can do as an alternative to attending funerals, whether it be a memorial service within the prison or some other recognition that we can afford to prisoners to make sure they can acknowledge a person's death. We have also trialled and used successfully in the prison the use of Skype at a funeral. That meant that someone was at the funeral using modern technology to Skype the vision back to the prison where approximately 80 prisoners were able to take part in the chapel to watch the funeral. The initiative was well received by the family. We approached the family to say that we were going to do this, and they allowed the person using the Skype phone to be at the front of the proceedings. Look, there is going to be a combination of things that we are going to try to do in terms of reduction, but also making sure that there is some recognition of the deceased person and an opportunity for grieving.

**Hon LJILJANNA RAVLICH:** How many funeral transports were funded last financial year?

**Mr Johnson:** Someone can maybe correct me if I am wrong, but I think we received about 1 000 applications and we funded about 450 or 460.

**Hon LJILJANNA RAVLICH:** In terms of meeting the requirements of this \$300 million saving, how many do you anticipate that that will be reduced down to?

**Mr Johnson:** It is probably about reducing the number of prisoners who attend funerals. Like I said, in the past there may have been 14 applications. You would not approve 14 because that is far too many, but there are instances in which we had three, four or five prisoners attending a funeral. It may well be that just one person attends a funeral. Depending on where the location is and the cost of that, it may be that no-one attends because it is just not financially viable to do that. But again if I could stress that when we compare ourselves with other jurisdictions, we are by far the most generous.

[9.30 am]

**Hon LJILJANNA RAVLICH:** In relation to the efficiency dividend—I think it is approximately \$100 million over the forward estimates that you have to harvest in savings—could you provide us with an overview of where you think you will harvest those savings?

**Mr Johnson:** In fairness to the minister, I have not had the opportunity to brief my current minister, of course, and it is also fair to say that no firm decision has been reached in relation to how we are going to make those savings.

**Hon LJILJANNA RAVLICH:** I did expect that. Having said that, I will then ask you whether you can provide to the committee the savings you achieved in the last two financial years as a result of the efficiency dividend requirement to harvest savings.

**Mr Johnson:** I am not quite sure I understand that question—sorry.

**Hon LJILJANNA RAVLICH:** Basically, if you cannot provide them for 2012-13, I wonder whether you could provide the committee with how much savings were made in the 2011-12 financial year and the year before that?

**Mr Johnson:** We were not actually required to make those savings in 2011-12; it is 2012-13 onwards.

**Hon LJILJANNA RAVLICH:** What about the year before that?

**Mr Johnson:** We were not required to make the savings.

**Hon LJILJANNA RAVLICH:** The previous efficiency dividend.

**Mr Johnson:** Oh, the previous one? I beg your pardon.

**Hon LJILJANNA RAVLICH:** So you have had to make previous efficiency dividends?

**Mr Johnson:** Correct.

**Hon LJILJANNA RAVLICH:** Basically, under the previous efficiency dividend, if you could provide to the committee where you actually made those savings. Can we have it in a fairly comprehensive form? Really, I am quite interested to get into the detail about program cuts, staff cuts, redundancies and so on and so forth. That would be much appreciated.

*[Supplementary Information No A1.]*

**Hon KEN TRAVERS:** How many bays does that represent—that \$200 000-odd?

**Mr Johnson:** I understand it is roughly about 30.

**Hon KEN TRAVERS:** Were they being used to park private vehicles or departmental vehicles?

**Mr Johnson:** They are fully private.

**Hon KEN TRAVERS:** Had the lease expired on the parking or have you negotiated to cancel the lease?

**Mr Johnson:** Perhaps if I could hand over to Angie Dominish for the detail of that.

**Ms Dominish:** It was aligned to a financial year where the lease had to be renewed, and we just did not renew those bays. So the introduction of the whole program was aligned with the leasing arrangements for the parking bays.

**Hon KEN TRAVERS:** With the lease renewal?

**Ms Dominish:** Yes.

**Hon KEN TRAVERS:** What levels were the officers who had their parking bays taken away?

**Ms Dominish:** Predominantly it related to level 7, I think.

**Hon KEN TRAVERS:** Interesting. That is, effectively, a pay cut, is it not, because they now have to pay for their own private parking or find some other way of getting to work?

**Mr Johnson:** You are correct, but as you would be well aware, the public transport system to where we are housed is quite accessible in that the Esplanade railway station is right there; I use it every day myself.

**Hon KEN TRAVERS:** I have a quick question on the funerals. With the funerals, are we talking about transferring people from a metropolitan prison to a metropolitan funeral site or are we talking about transferring them back to their country? In what proportion is it going to a local funeral as opposed to going to a funeral in a regional area?

**Mr Johnson:** The significant cost is the ones from metro to regional, but also for even regional to regional you have many people who come from remote communities that are some four hours' drive from a regional prison. Even a small distance in the regions for us is quite expensive because of the security considerations, and some places can only be reached by aircraft and typically you have to have two officers in terms of providing that security, so it is certainly a combination. If it was just metro to metro, it would be quite straightforward, to be quite honest.

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**Hon KEN TRAVERS:** How much of that is because we do not have prisons close to people's traditional country and we have hundreds of people from the Kimberley in metropolitan prisons rather than located in Kimberley prisons? I use that as an example; it could be the eastern goldfields or the Pilbara.

**Mr Johnson:** Yes, that is obviously a consideration. As you are aware, we have the new Derby prison opening up in October this year, so that will get 150 people back into country, if you like. That will make it easier from that perspective. We have the Eastern Goldfields Regional Prison—a 350-bed facility—opening up in 2015; that gives us a net gain of 250. Again, that is 250 who are currently in the metropolitan area who will be closer to their country. But even if you were at Eastern Goldfields Regional Prison and there is a funeral and it is out in Warburton, then again it is a considerable distance from Kalgoorlie to Warburton so there is a cost involved.

**The CHAIR:** That cost-cutting measure would, in effect, be prohibiting some people from going who would either have an expectation or currently would be going, because they really can only go if they are being transported in custody, in effect, are they not?

**Mr Johnson:** Yes.

**The CHAIR:** So it is not that they could go —

**Hon KEN TRAVERS:** They could go over the wire, but —

**The CHAIR:** They could not go any other way; is my understanding correct?

**Mr Johnson:** You are right. Obviously, if your freedom is taken away, that prevents you from attending a funeral—you would normally have a choice—but this issue of funerals and the reduction had to happen regardless because it is a never-ending piece of string. It becomes an expectation, as opposed to, “Hang on; you're actually in prison. There's a reason for you being in prison. We understand that to attend a funeral is important, but the bottom line is that you are a prisoner first and foremost.” There had to be a reduction because it just could not continue to be an unfunded, in many ways, expectation that somebody passes and a number of people within the system are allowed to go. Like I say, the numbers could be quite high.

**The CHAIR:** Is it anticipated that it will have an impact on, I guess—will people object to the fact that they are unable to go —

**Mr Johnson:** Yes.

**The CHAIR:** — and that would have a behavioural impact within the prison system?

**Mr Johnson:** Everything that happens in the prison system has a consequence; every decision we make has a consequence. Certainly that was one of my points in relation to what else can we do for people to make sure they have an acknowledgment that someone has passed—some sort of period when they can mourn. We want to communicate that with families as well to say, “Look, if there is an expectation that person A should be at the funeral, then you need to understand that it is not their fault they cannot attend, but they are not going to be allowed to attend by the department because of various reasons.” We are very mindful of the fact that this will cause some distress to people; we need to manage that and we need to find alternatives that allow them to participate and grieve, if you like.

**The CHAIR:** What analysis was done in terms of deciding that this was where the cuts should be made as opposed to any other area?

**Mr Johnson:** I did a jurisdictional scan right across Australia and New Zealand to firstly find out where are we situated in terms of other jurisdictions; like I say, we are very generous in relation to that. So then we started to look at alternatives or what we can offer people who would normally go to these funerals. We looked in depth at the applications that we receive and the number of applications, and the perception had grown over time that people, because they had some

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connection to the deceased, had to be allowed to go. It was really a situation that I suppose the need for the savings generated the final decisions, but it was certainly a matter under consideration well before that. We could not continue to head up a path that the cost was continuing to grow, and as the number of people in prison increased, then unfortunately the number of people wanting to attend a funeral also increased. Like I say, it was not uncommon to have 14 people wanting to attend the same funeral, and those 14 people being in five, six, seven different institutions across the state. It is not sustainable.

**The CHAIR:** What other areas were considered for cost savings, or was this the only area that was considered?

**Mr Johnson:** No, no. As has been previously highlighted, not only do we have to contribute towards the \$300 million savings, but we also have to contribute to the two per cent leading up to five per cent. So we are considering a whole raft of matters for savings and the funerals are just—transportation of prisoners as a collective is also an area for savings. We do some 35 000 prisoner movements per annum across the state—from prison to court, prison to hospital et cetera—and that is also another area where we will look to save and reduce the number of transportations.

**The CHAIR:** Perhaps I might ask, by way of supplementary information, for the information, maybe going back five years, as to the cost of transport for prisoners to funerals; and, specifically, what other cuts were considered as an alternative to cutting this area. I must say it worries me greatly because I know how significant attending funerals is to Aboriginal people; it is completely on another scale to what it is to us as white fellas.

**Mr Johnson:** I agree and I disagree.

**The CHAIR:** It makes me pretty distressed, to be quite honest.

**Mr Johnson:** If my father passes, it is significant to me. The reality is, though, that we have people whose relatives pass and they may be interstate or overseas, and if those people make application we would not consider as a department sending someone to the UK to attend their father's funeral, for example. But I do get your point about Indigenous people, because they have considerable relationships with people who are not necessarily mum or dad; there have been certainly connections to aunties and uncles and grandparents. Therein lies the challenge for us; it is not just one or two people who need to attend, it is significantly more.

**The CHAIR:** It is all the cousins and the —

**Mr Johnson:** Correct, yes.

*[Supplementary Information No A2.]*

**Hon PHILIP GARDINER:** I was going to ask a question on that, but I think we have covered it. I just wanted to know of the 35 000 movements that are in the papers and you mentioned, did you indicate that there are 1 000 funeral movements?

**Mr Johnson:** Of the 35 000, in the financial year I think we received just under 1 000 applications for funerals, and from memory around about 460 were approved. Of the 35 000 prisoner movements per annum, the majority are from prison to court or from court to prison. That is the majority, and then you can add to that prison to prison; so if someone moves through the system and comes from maximum to minimum and they get transferred through the system, or if someone is going to be released and they come from Broome, then we would move them up to Broome to release them rather than release them from the metro. There is prison to hospital, medical appointments and hospital sits. There are visit opportunities, when you have people who are out of country and we take them back to country to facilitate visits. It is quite a logistical exercise, as you can imagine.

**Hon PHILIP GARDINER:** I think you said you were saving \$1.1 million of that \$300 million by way of prisoner movements for funerals.

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**Mr Johnson:** The \$1.1 million is what we expended. We do not intend to save \$1.1 million; we intend to reduce from the \$1.1 million.

**Hon PHILIP GARDINER:** So with 450-odd, that is about a \$2 500 per prisoner cost per movement, on my rough numbers. Is that roughly correct? That is a big number.

**Mr Johnson:** It is a big number. With the funerals, we are looking to make savings of around about \$500 000 per annum. There will be other matters we want to reduce in terms of prisoner transportation that are not for funerals but are part of other transportation movements.

**Hon PHILIP GARDINER:** Can I just move to another matter? On page 782, in relation to the significant issues impacting the agency, the first two dot points are really about skilling prisoners and the integrated offender management. Let us take the second point first about the integrated offender management; what is new about what is in that point compared with what has occurred in the previous, say, three or four years?

[9:45 am]

**Mr Johnson:** If you like, integrated offender management is the holy grail of corrections in that various departments throughout Australia try to take it on. What we have done is we have looked at the department—which was originally formed back in February 2006, so we have been in operation now for just over five years—looked at what we are doing, what went well, what did not go well, and looked at what we can certainly do better. So we then looked at how we could better integrate the service delivery for offenders because at the end of the day, that is what we are about—making sure that, when offenders come into the system from the courts, police or wherever, there is a seamless transition throughout the system and that when they leave a particular point, it is not an exit point, it is actually a transition point. So when they leave prison to go into the community, it is not that they are exiting one point in the system; they actually must be transitioned through. The issue for us is that, when you talk to offenders, they actually have to tell their story 15 times over in terms of where they are at, what their requirements are and what it is they have to do to progress through the system. So integrated offender management is very much about a seamless transition—basically, about everybody on the same team. But to get everybody on the same team, you have to have an organisational structure that reflects that, so we looked at our organisational structure and said, “Well, does it currently reflect the need we have to have a really improved service delivery?”—and the answer was no, it does not. So over the past few months we have consulted throughout the organisation, consulted with the unions, consulted with various stakeholders, and we are now in the process of implementing a new organisational structure that better reflects that integrated offender management desire. The stage we are at at this point in time is that the various positions have been through for classification, and I understand we are about two weeks away from that process being finalised. Once that is finalised, the key positions will be advertised and key members selected. It really is about bringing together, from a functional perspective, all of the areas that need to closely work together to make sure that the offender is managed both safely, humanely and in accordance with their individual management plans and their supervision. Probably an ideal example is what we have introduced in terms of the public protection strategy. That is probably a great example, not only within the department, of various areas coming together to sit at this table to identify, say, some of the high-risk offenders within our system, six months before they actually exit the system. We identify who they are and we then start to put together a proper management plan for them when they exit the system, but we do not just do it internally; we have actually got on board with the public protection the police department, the education department, housing and health. Child protection is another. We, as a group, look to say that it is the responsibility of all the departments to actually manage this offender when this person comes out of the system, because if a person does not have housing or a job, and if we are not monitoring their family requirements and the like, and the police are not involved in their supervision, it is not just the job of the Department of Corrective Services to actually manage that person. The public protection strategy is probably a

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good example of what I am talking about in terms of integrated offender management. It is not just integrated within the department; it is integrated within the broader government and, again, involving not-for-profit organisations, non-government organisations and the like, so it is a holistic approach.

**Hon PHILIP GARDINER:** That is interesting, and you talked about looking at cross-jurisdictional practices in relation to the funeral issue. In terms of best practice around the world—it is a pretty big canvas—who is doing that best, as far as you are aware?

**Mr Johnson:** In terms of funerals?

**Hon PHILIP GARDINER:** No, in terms of offender management.

**Mr Johnson:** Integrated offender management?

**Hon PHILIP GARDINER:** Yes, and the public protection area as well.

**Mr Johnson:** Public protection, in terms of the integrated approach, the UK started that off with MAPPA, which is the multiagency public protection arrangements. They actually started off the concept, and Heather had—I will not say 35 years in the UK, because I will make her too old! Did that come out loud?

**The CHAIR:** A significant amount of time!

**Hon PHILIP GARDINER:** At least she escaped!

**Mr Johnson:** Heather actually chaired MAPPA in the UK, so when she came to the WA jurisdiction, one of the things she brought with her was this concept of MAPPA. I think it was late last year or early this year that we signed the MOUs with the other departments about that approach. So in answer to your question, the UK has probably been doing that the longest—that integrated approach. I am not aware—Heather may correct me—that any other jurisdiction in the country has the public protection strategy. They may have a variation of it, but not the same.

**Ms Harker:** No, I think here in Australia we are the only jurisdiction that has that kind of arrangement. In fact, the other jurisdictions are constantly contacting us and looking at how we set it up, particularly the external agency arrangements in terms of the multiagency approach for when people go out into the community. But it is equally important to make sure that we have, as the commissioner said, those integrated systems internally as well so that it is not a fragmented system. As he said, public protection arrangements are probably the first example we have of actually achieving that. The plan is to expand that across the offender system as time goes on.

**Mr Johnson:** Regional youth justice would be another example; expanded throughout the regions, but also now child protection is seeking to be co-located with us in a number of different areas, because it just makes sense to have that one-stop shop; it is still unique to its business, and we still do our business, but we are co-located so you get more of a team approach in terms of service delivery, because we are dealing with the same people—the same clients.

**Hon PHILIP GARDINER:** One last question, if I can. What you have described is a change in the organisational structure, which is very, very important; I agree. But it seems to be occurring—which is also good, if I am correct on this assumption—without any major spending changes. I cannot see any spending changes, apart from the youth area, which relate to it. So it is really better internal focus and delivery, perhaps.

**Mr Johnson:** It is internally driven, so we certainly wanted to do it to ourselves before someone did it to us, and we felt it was a good time to look at what we were doing internally. It certainly will be at a minimum cost neutral, but again, coming back to the questions about savings initiatives, we do feel that there are some efficiencies and a reduction in duplication and bureaucracy and the like that will produce some savings in actually implementing the new structure, so at minimum cost neutral, but we do think there will be some savings there as well.

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**Hon PHILIP GARDINER:** One last question. In terms of the outcomes you are hoping to achieve, what are the baseline benchmarks which you are using to see whether what you are going to do is going to be an improvement?

**Mr Johnson:** That is a difficult question to answer, to be perfectly honest, because we are at the stage where we have done the consultation, we have designed the structure, and we now have the structure all but implemented. We are basically taking a stepped approach to doing the fundamentals first and getting the foundations set because any change, in terms of structure, is a significant change for the organisation. We certainly have designed key performance indicators for the respective areas, whether it be adult custodial or community and youth justice, and it is now about bringing those together and seeing what is a common key performance indicator with the offender in mind, as opposed to the division in mind. That is probably a journey that is still not completed, would be my answer.

**Hon KATE DOUST:** Just picking up on the issue of prisoner transport and the new Serco contract that came into play in July last year, over the last week or so there has been quite a lot of negative commentary in the media about a number of incidents that were alleged to have happened. I will just go through some of those. Allegations were made that prisoners who had had major heart surgery had been transported by Serco in a van rather than an ambulance to the prison. Allegations have been made about the wrong individual being delivered from a medium-security prison to a maximum-security prison. Again, there have been allegations about prisoners being taken to hospital in a van rather than an ambulance, and allegations of up to 15 prison officers guarding criminals in hospital because Serco would not do it, and that Serco will not turn up to transport prisoners to Indigenous funerals. There is also an allegation that there was an escape in the north of the state whilst under Serco guard. Those are all fairly serious allegations, and the fact that they have come up in a relatively early stage of this contract, given past issues, and we have just had this brief discussion about KPIs in a range of areas, what are you doing to ensure that these types of allegations are resolved and that Serco is actually delivering on the terms of the contract so that the public gets good value for its dollar?

**Mr Johnson:** Sure, good question. I was on leave last week, but I did not feel like I was on leave because I spent half my leave listening to the radio and some of the issues being raised. I will just first of all make a couple of statements and clarify some of the allegations that have been raised. Firstly, as highlighted, we do some approximately 35 000 prisoner movements a year, which is significant. So from time to time, there are going to be incidents that get raised because that is the nature of our business and the people we are dealing with. Specifically, in terms of the allegations raised that two individuals were transported by a secure from a hospital after heart surgery, that is correct. In terms of some of the, I suppose, more flamboyant comments about them collapsing on the floor of a van, having blood over their shirt and being carried out of the vehicle, that is incorrect. I have personally viewed the footage of both those incidents and neither of those people were on the ground or had blood on their shirts, so some of the matters—I think Chinese whispers—have been exaggerated. Should they have been transported in a secure vehicle from a hospital after major heart surgery? No-brainer; it should not have happened. There are other ways of transporting them. Should it have been an ambulance? No, because the average member of the public, when discharged from the hospital to go home after an operation, are not taken home by ambulance; their relatives pick them up in a car and they are taken by vehicle. My first issue with transportation in relation to people with a heart condition is that there would have been a better way of transporting them. What I have seen in the footage—were they dealt with humanely, were they dealt with with care? They certainly were, and there has been some exaggeration. Certainly, what has been done in relation to that, there are various mechanisms within the contract in terms of their duty of care and their decision making, and there is a whole raft of abatements and penalties and provisions within the contract available to monitor that. We have a contract management team, we have contract monitors who actually get out on the ground, but what I have done, and what Heather did in my

place last week, is having the senior people from Serco coming in about these two incidents in particular, because I am clearly not happy about it, and they need to be resolved—not only why did it happen, but what are we going to do to make sure that sort of thing does not happen again? In respect of the contract itself, I am confident, sitting here, to say that this contract is a far, far better contract than the previous contract we had in terms of the KPIs, in terms of the penalties available, the abatements, the actual monitoring of the contract and what was in the past, and certainly it is at the highest level of the organisation. We have quarterly board meetings with Serco which I chair, and the deputies are part of that board meeting. We have increased contract monitoring, we have increased vigilance in terms of the contract management team and, like I say, there are some fairly stringent provisions within the contract to make sure they do what they are supposed to do. When you talk about escapes and things of that nature, and someone being released when they should not be released, all these matters have either been investigated or are being investigated by professional standards, and if it is a criminal matter, then by the police department or by others. But again, I must stress that some of the allegations that have been made are actually incorrect; they are not factual, they are embellished. If I may, in the past, again, with the amount of prisoner movements we have, from time to time human error comes into it; people stuff up. They do not go out there to stuff up on a day-to-day basis, but it is a reality. You can have all the systems in the world, but at the end of the day, they are governed by human beings. So if somebody makes a mistake, it is a genuine mistake.

**Hon KATE DOUST:** I appreciate that; I am just wondering, between the introduction of that contract and the last week, can you provide us information as to the number of occasions where a penalty has been imposed or, in your words, an abatement, where there has been a breach of the contract?

**Mr Johnson:** Certainly, and I think —

**Hon KATE DOUST:** If you could provide that to the committee, that would be useful.

**Mr Johnson:** One of the other matters you raised was in terms of hospital sits.

**Hon KATE DOUST:** I would like to come to that; I have a question in relation to that.

*[Supplementary Information No A3.]*

[10.00 am]

**Hon KATE DOUST:** I understand that with those hospital sits, that is where a prisoner is transported from prison to a hospital, within the first three hours, Serco can be requested to come and replace the prison officer. I understand that Serco has a minimum of five per day for the whole of the state, and that there is no penalty if they do not turn up over and above that number per day. I understand that if Serco does not turn up to replace and relieve the prison officer, the prison officer has to remain on site until there is a change or that prisoner is returned. I understand that an overtime situation would kick in at that point; is that correct?

**Mr Johnson:** Correct.

**Hon KATE DOUST:** Where does the overtime come from? Does that come out of the Serco contract or out of Corrective Services?

**Mr Johnson:** It comes out of Corrective Services. The member is right that under the contract Serco is required to do five hospital sits a day. It is a fixed-price contract. The previous contract was a cost-plus contract, so again it was a never-ending piece of string in terms of how much it would cost the government. This is a fixed-price contract that has some bands within it, so there is some opportunity for growth in future years. But five per day for the hospital sits is what we would call an ad hoc arrangement, because we cannot say on any given day how many hospital sits there may be. If we wanted to engage Serco and we needed them to do 10 or 20 hospital sits a day, it is a matter of adding zeros to the contract price at the start. With any organisation, whether it be

Corrective Services or Serco, to try to have enough staff on board, particularly in regional locations, to cover the possibility that there may be X number of hospital sits is not a viable proposition in terms of cost effectiveness.

**Hon KATE DOUST:** Are you able to provide to the committee data about the amount of overtime that has been paid since the introduction of this contract to last week where prison officers have had to stay on duty in those hospital sit arrangements and be paid overtime?

**Mr Johnson:** If that information is accessible—I am not sure that it is. I am not being evasive; it is just that I am not sure we could get down to that level of detail, but we will certainly make best endeavours.

**Hon KATE DOUST:** I would imagine that overtime is recorded on a daily basis —

**Mr Johnson:** It is.

**Hon KATE DOUST:** — and there would be a reason given for the overtime and that that data could be extracted.

**Mr Johnson:** Like I say, if we can do it, then I am certainly willing to do it.

*[Supplementary Information No A4.]*

**Hon KATE DOUST:** My next question flows from that. If a prison officer is required to stay in a hospital environment for X number of hours because Serco does not relieve them, then obviously there is a gap in the prison. Either prison staff would be required to stay on longer or other staff would be required to come in off roster perhaps to replace that missing prison officer. Would those additional staff who are required to stay on longer or be brought in at short notice be paid overtime rates as well?

**Mr Johnson:** Correct.

**Hon KATE DOUST:** Could we have that data as well for those occasions when there has been a shortage of staff in the prisons because of this situation? Could you provide us the amounts that have been paid in overtime for those occasions?

*[Supplementary Information No A5.]*

**The CHAIR:** Have you finished that line of questioning, because I was going to pick up on something that was said just to clarify whether it was accurate. I think the member said that Serco was not transporting prisoners to funerals.

**Hon KATE DOUST:** That comment was made on radio.

**The CHAIR:** Is that true?

**Mr Johnson:** No. If we give approval for a prisoner to attend a funeral, then Serco transports them to that funeral. There have been occasions in which it has been more cost effective for us to use prison staff. For example, the funeral may be next door to Roebourne Prison and what is the point of engaging Serco to come from Karratha or wherever to pick up a prisoner? We will say to a prison officer, “Take him down the road to the funeral.” It is a bit like doing a cost-effectiveness exercise. But Serco does transport people to prisons as part of the contract.

**Hon KATE DOUST:** I think that if the taxpayer is having to pay out moneys in overtime for prison officers to do this work, we have to ask the question whether there is good value in this contract with Serco; that is, if the public purse is still having to pay out over and above the contract because Serco is not required to be there more than the minimum number of sits.

**Mr Johnson:** My answer will be yes, because if we expected Serco to be available for all hospital sits, it would say that it would have to engage another 100 staff. If they did not have a hospital sit on that day, they would be sitting around twiddling their thumbs doing nothing. At the end of the day, we have to set a benchmark somewhere—a line in the sand—otherwise the contract would not

be cost effective. For me, it is about getting the right number of hospital sits and the right number of adult services that makes it cost effective. My initial response would be that, yes, it is.

**Hon KEN TRAVERS:** If that is the case, would it not be easier to have all of your staff integrated into one system where you can allocate them depending on demand and reallocate them within the system if they are not required for hospital sits? Would that not be more efficient rather than having your day staff who are directly employed and then having this contract sitting off to the side to do part of the task, because when it gets to peak demands, you still have to go back to your permanent or directly employed staff to fulfil that function? Would it not be easier operationally to have a pool of staff that you can flexibly move to use as you require them?

**Mr Johnson:** I would think not. That is my personal opinion. There is never going to be a perfect contract or a perfect solution. The contract works well. Occasionally we have incidents that happen and demand that cannot be met, but that is the nature of our business: We could not meet every demand because we would not be able to sign a cheque big enough.

**Hon KEN TRAVERS:** When you are doing an assessment of the benefit to the state of these contracts, how do you calculate that issue when the contract exceeds what it is capable of doing and you then have to go back in and use your own resources and pay overtime and the like to do that? How do you calculate that in doing a public–private comparator?

**Mr Johnson:** Initially, when the contract is specified, there is a public sector comparator exercise carried out.

**Hon KEN TRAVERS:** I understand that, but does it include that sort of detail and the cost implications of when you go beyond the contract capacity or does it just do a very simple calculation based on how much 100 staff employed by Serco will cost as opposed to a complete analysis of the impacts on your organisation?

**Mr Johnson:** My answer would be that it would look at the provision of service we are actually looking to contract and then what would be the cost of providing that equivalent service in the public sector.

**Hon KEN TRAVERS:** That may not be the true cost of having that contract as opposed to running it in-house.

**Mr Johnson:** At the end of the day, to be perfectly honest with you, the decision is made by the government of the day as to whether this is going to be in-house or contracted, and we as an organisation manage it accordingly.

**Hon KEN TRAVERS:** I understand it is a political decision. I am trying to work out whether that political decision is based on a true public–private comparison of the cost of the two systems or is it a public private comparator based on a very narrow analysis of the cost structures.

**Mr Johnson:** You also have the argument of whether I want a prison officer sitting doing a job of a transport officer after all the training that a prison officer goes through. My response would be no; I do not want my prison officers doing that. I want my prison officers working in the prison engaged with prisoners, as opposed to being a dock guard in a court.

**Hon KEN TRAVERS:** But when the Serco contract reaches its specified number, that is exactly what happens, is it not?

**Mr Johnson:** There has to be some limit to the service that can be provided; otherwise, the cheque would be massive.

**Hon KEN TRAVERS:** You could still have that as an in-house service that you run and it would provide you greater flexibility if those people were able to do other functions when they were not doing prison or hospital transfers.

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**Mr Johnson:** To me, that would not be an effective use of their time because we would be making up other things for them to be doing. It is about getting the right balance between what is the right contract provision and what is the slack we pick up within the service itself. Whether we achieve that right balance is something we constantly look at, and if there is a need to renegotiate aspects of the contract, we will certainly do that. All of this stuff we are talking about are not new issues to us; it is stuff we are constantly looking at and if a contract is not meeting our needs in this area, do we need to look at a contract variation. That is one of the aspects that we look at on a regular basis.

**Hon KEN TRAVERS:** I understand that is what you have to do. I am still trying to work out how you do a public–private comparator that gives a true cost of the different structures.

**Hon KATE DOUST:** I refer to the dot points on page 785 of budget paper No 2 under “Asset Investment Program” that relate to new prisoner units being commissioned. Under the second dot point an additional amount of \$2 million is provided for infrastructure and maintenance. Are you able to provide the exact detail on what that \$2 million will be expended on and where?

**Mr Johnson:** I do not think I have the detail, but I can give you an answer.

**Hon KATE DOUST:** If we can have that on notice that will be helpful.

*[Supplementary Information No A6.]*

**Mr Johnson:** I have a comment on the refurbishment. The objective with the provision of the new units was to empty some of the older units. There was an opportunity for us, without having them housing prisoners, to carry out some repair work. The \$2 million is being focussed on work that is a priority to do within a unit while prisoners are not there. I can certainly tell members that some of the money will go to the wet areas—things like showers, laundries and the like. Basically, when prisoners are occupying these units, these areas are used 24/7, so we never get an opportunity to refurbish them. Certainly, part of the \$2 million will go to wet areas floor, floor coverings, painting and minor repair work around the units. A lot of the work is going to be done by prisoners. We will obviously purchase the materials, but the work itself will be done by prisoners. The priorities will be the wet areas, painting, minor repairs and floor coverings.

**Hon KATE DOUST:** My second question is: when will this work commence and when will it be completed?

**Mr Johnson:** This month, so we have to get cracking. As I said, the opportunity may not present itself for that much longer and we want to make sure we can get done what we can whilst there are no prisoners there.

**Hon KATE DOUST:** Following on from that, further down the page there is another reference to ongoing maintenance and infrastructure upgrades with an amount \$6.7 million provided for 2012–13. Are you able to also provide a detailed list of exactly what those works will be, where they will occur and the time frames in which they will occur?

**Mr Johnson:** Certainly, with the \$6.7 million referred to we are talking about all sites, and \$400 000 will be spent to replace commercial and industrial equipment. At Broome, we are spending \$1 million in relation to a tropical roof for the health and education in the maximum-security area. At Casuarina, there will be a new canteen, which is \$530 000, and the replacement of fire ring main, which is \$750 000. At Greenough, there is a roof replacement program of \$700 000; and at Hakea a new multipurpose facility, which is a canteen and programs for \$1 million. At all sites we will spend \$800 000 upgrading mobile plant and equipment, and then there are a number of items which are under the \$50 000 mark throughout the estates which equate to around \$500 000. The idea is to spend that money this year.

**Hon KATE DOUST:** Can we have, on notice, the detail for all of those items under \$50 000 as well, please?

**The CHAIR:** Is it available at the moment?

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**Mr Kessar:** We will take it on notice.

*[Supplementary Information No A7.]*

**Hon KATE DOUST:** Following on from that, I understand that you have opened a number of new units, and you have just talked about having to close a number down for this maintenance period. Have there been any issues that may have impeded progress with upgrading these facilities? Have there been issues with occupational safety and health matters? I am advised there have been a number of provisional improvement notices issued in those sites where you have been doing work.

[10.15 am]

**Mr Johnson:** To do the upgrade work or build the units?

**Hon KATE DOUST:** Either. I am not too sure where they have been issued. Has the department been issued with any provisional improvement notices in relation to either the upgrade or the new units?

**Mr Johnson:** Certainly not in relation to the upgrade because we have not commenced that work.

**Hon KATE DOUST:** What work has been done on the new units?

**Mr Johnson:** You go through a period when you get practical completion of repair maintenance. That is a normal part of any construction period. Depending on which site, there have been some additional requests by staff as to certain aspects of it. By way of example, Albany had a 128-bed unit—two sides to the unit—constructed. The gate access to the unit was, by way of example, some 50 metres away from the entry to the unit. Staff said with Albany and the conditions that prevail down there, we would be far better off putting in a fence and making the gate a lot closer to the unit. That sort of work was carried out. At Hakea, in relation to prisoner control, could we have a turnstile put in to manage the numbers that can get out at any one time? Again, we thought that was a reasonable request so we put a turnstile in place. At Casuarina, they wanted motorised grills on the separation grill internally to the units so we put motorised grills on. Those sorts of issues have been raised and rectified. In terms of any occupational safety issues or anything of that nature, I certainly cannot think of any. Like I said, there have been enhancements and modifications that are site specific; again, whether it is due to weather conditions or conditions within the prison itself.

**The CHAIR:** I had some questions regarding overall prisoner numbers. Page 783 refers to the reporting of WA's highest population to date on 31 March this year. My questions relate to that. Have the 295 additional prisoners been able to be accommodated within the department's completed construction of new prison facilities?

**Mr Johnson:** It is a really good question. The population certainly has gone up considerably and it was not that long ago we nearly reached the 5 000 mark, so that is considerable for us. In terms of what is available, I could talk about the entire estate first and then I will probably come to a specific incident, which is Bandyup. Throughout the entire estate, the total available bed capacity is 5 923. We have a population that is under 5 000 but we have a total bed capacity of 5 923. The operational capacity—that is, with current staffing levels and the like—is around 5 136. If we want to go to the 5 923, that will require additional staff and the like to manage a population of that size. That is the number of beds we have within the system that could be used depending on the staffing levels.

**The CHAIR:** I assume that includes double bunking and mattresses on the floor.

**Mr Johnson:** Yes, it does. That is the total number of beds we have as in beds. This is not stuff on the floor; this is beds.

**The CHAIR:** As opposed to the design capacity?

**Mr Johnson:** The design capacity was really at day one. If you look at the prison that was built in 1980, the design was X. I liken it to building a house and then you add another bedroom. It is no

longer a 3 x 2; it becomes a 4 x 2. That is what happens with lots of prisons. If you add another unit to Albany, the design capacity has been increased by 128. It is not the original.

**The CHAIR:** If you have a cell that is designed for a single occupancy and then you double-bunk it —

**Mr Johnson:** That is the reason for the new unit.

**The CHAIR:** —that is overdesign capacity.

**Mr Johnson:** The reality for us is that we have to look at how we can best accommodate prisoners. The new units have certainly helped in that regard in that we have an extra 640 beds within the system. We put additional beds at Bandyup, additional beds at Karnet, additional beds at Wooroloo, the new prison coming online at Derby will have 150 beds, 350 beds at Kalgoorlie coming in 2015, and 387 beds coming at Acacia. An awful lot of beds are either online or coming online. We have increased work camps and the like.

**The CHAIR:** This is probably too comprehensive a question to ask in one hit. Some of those would be new accommodation units and some would be double-bunking within existing units. They are not all new accommodation units. Is that right?

**Mr Johnson:** I will take each one in isolation. If we look at Derby, that is 150 new beds. If I look at Kalgoorlie, that will be 350 new beds and Acacia will be 387 new beds. If I look at the new units, they are new beds as such, and that is 640. Warburton, Dowerin and Wyndham work camps are all brand-new facilities with new beds. The expansions at Karnet and Bandyup have been demountables that are new beds. We are not talking about double-bunking existing cells; we are talking about additional accommodation that has been provided within those facilities.

**The CHAIR:** Does Bandyup currently have a capacity of 220 or thereabouts?

**Mr Johnson:** Bandyup has an operational capacity of 259 or 260. With that, if I can just put a caveat, with any prison with any capacity, just because you have X amount of beds and X amount of prisoners, that does not necessarily fit because some have different needs. Some have mental health issues, some are at risk of self-harm and some are at risk from others, so you have quite a mix in the population at any given time. Bandyup has a capacity of 259. It recently went up to 300. It currently sits at around 292 the last time I looked, which was earlier this week. Clearly, that is not a situation that is desirable for us. What we are doing about that is that we have Derby coming online in October, which will provide us with 30 beds, probably a net gain of 20 in that we will have eight to 10 females leaving Broome to go to Derby. We are also devoting a unit at Greenough, which we are increasing. We are kicking the guys out, if you like, and having a unit for the women, which will take us from 20 to 70 in Greenough. We will eventually have a net gain of 70 beds by October that will then move people out of Bandyup and bring that population right down, hopefully to around that 220 mark.

**The CHAIR:** What are the policy objectives or outcomes to have prisoners detained closer to where they originate? We pertained to that question about transport for funerals. Obviously, if you are transporting somebody out of Derby to a funeral up the road, it is a big difference from flying them up to Greenough or somewhere. Of those women who are anticipated to be taken to Greenough, is that a gain in terms of their locality or a loss, if you see what I mean? Are they being moved out of country?

**Mr Johnson:** No, there is actually a gain. There are about 30 in Bandyup who are from that region. They are keen to go there because they are keen to get back in. With the 30 beds at Derby, for the women up there, the conditions are outstanding in terms of what has been built there.

**The CHAIR:** I have heard good things about it.

**Mr Johnson:** Again, if I could go to the eastern goldfields, which is coming online in 2015—a specific 50-bed estate for women involving all the amenities that you would want, including



maximum, medium and minimum prisoners, will see 50 that are currently in the metropolitan area back within country. At the moment we are under the pump; there is no two ways about that. But there is a lot happening and hopefully the light at the end of the tunnel is October where we can get some out of Bandyup and get it back to about 220, which is a far better manageable proposition than the current situation.

**The CHAIR:** Just to go back to the original question, where are those 295 additional prisoners to be accommodated?

**Mr Johnson:** Sorry, the 295?

**Hon PHILIP GARDINER:** From Bandyup.

**The CHAIR:** No, it is not Bandyup. I am trying to see how that figure is arrived at. It is the net increase.

**Mr Johnson:** That is not necessarily just women. The majority of those people are men. They are housed within our current estates. We have the capacity to do that.

**Hon KEN TRAVERS:** I am still intrigued about the 5 100 beds—I did not get the final figure—that you currently have available. You have the capacity but you would need additional staff. Where are those 800 beds that require additional staff to become operational?

**Mr Johnson:** I will just clarify the figures. The total available bed capacity is 5 923. Our current operational capacity is 5 136. For us to get to 5 923 in terms of utilising every bed, we would need additional staff. Probably two good examples of where we would need additional staff are Bunbury and Albany. Bunbury has a facility at the front of the prison, which is a 36-bed minimum security part of that prison. If we were to reopen the 36 beds that are available to us—they are in good condition and they are there to be used—we would probably need a senior officer and three officers at a minimum to operate that facility. Then you extrapolate that out on a 24-hour basis. You would probably also need a section 95-type vocational support officer to do that. To reopen the 36 minimum security beds at Bunbury, you would need additional officers to do that. At Albany, we would move prisoners out of unit 3 into the new units. We are going to do some refurbishment work on unit 3 to bring it back up to speed as it has not been done for some time. If we were to then utilise unit 3, which, from memory, is 90 to 100 beds, again, you would need a senior officer and probably three to four other officers to run that unit, and again extrapolate that out on a 24-hour basis. The beds are there. We want to do the refurbishment to these areas while we have this opportunity. As the population grows, our funding model should kick in to say that the daily average population has risen but we then make application to Treasury to say that as a result of the population going up, we need additional officers and then we would reopen some of these facilities that I have just spoken about by way of example.

**Hon KEN TRAVERS:** I would have thought the other issue that comes into play within that 5 136 is matching the capacity versus the type of prisons, so the classification of minimum, medium and maximum security. How does that align? Do you have enough maximum security beds, medium security beds and minimum security beds?

**Mr Johnson:** We certainly have enough maximum security beds. The challenge is always whether we have enough medium security beds. Minimum fluctuates because people move throughout the system; they move from maximum to minimum. If they stuff up, they move back up. There is a constant ebb and flow in terms of the numbers. We certainly have enough maximum security beds. We have enough medium at this point. There are minimums in medium establishments that we think should be in another specific minimum prison. But again, with those comes the caveats that somebody might be classified minimum as per the system, so the assessment classification process takes into consideration the nature of their crime, their length of sentence, their age, their previous history, escapes and all the rest of it. They may score as being a minimum prisoner but there may be a reason why they cannot be moved to a minimum establishment. It may have something to do with

their health needs, their program needs or their mental health. It may be that they are an informant and they are at risk of being assaulted. The nature of their crimes might be that they are going to be at risk. A whole raft of complexities has to be considered and assessments have to be made. It is not like, here are 100, we have 100 places, we can just whack them in. There just happens to be reasons why they cannot be at that particular location. But again coming back to your point, Madam Chair, it may also be that they prefer not to be at that location because they prefer to remain in country rather than go to some other minimum security establishment that takes them away from where they are. There is no simple answer to any of this.

**Hon KEN TRAVERS:** I understand that. Are we able to get a breakdown of those figures by security classification and a breakdown of prisoners by classification? I note your caution that —

**Mr Johnson:** We will put some caveats on that.

**The CHAIR:** Can I be clear on that because that was the line I was following. Obviously you have to take the point in time and the total number of prisoners, and the number of maximum, medium and minimum.

**Hon KEN TRAVERS:** You need to break them up by gender, I guess, as well.

**The CHAIR:** I understand that there is overcapacity in terms of maximum security places, so medium security prisoners are being accommodated in maximum security.

[10.30 am]

My question is: what is the additional cost? Is that equation ever made, because if you put your capacity of the prison to maximum and you are only actually accommodating medium or low, surely there is more cost in running a maximum security facility than there is for the others and that is the sort of equation I am interested in? Does that ever get calculated?

**Mr Johnson:** Statewide, placement is a really good point in terms of maximising the efficiency of the system but also making sure you cover all the risk elements with that placement. There are many, many times when we would dearly love to move person A from this point to that, but because of connections, because of matters pertaining to that particular individual, they cannot be moved from that particular location. Casuarina would be a terrific example of that where you have a specific unit that houses people who are at risk from everybody else in the system. So every time they walk from point A to point B, they have to be escorted otherwise they would be at risk. You would dearly love to move them out of that situation, but the reality is you cannot because there is not a prison that would house that many at-risk individuals.

**The CHAIR:** I suggest that is at the extreme end. I think you have just described a situation where there are quite a lot of beds that are low—that are currently not occupied for whatever reason. What is holding back—apart from the fact they might need some work on them—those beds being occupied by people who are actually minimum?

**Mr Johnson:** That is an extreme example, I agree. But can I give you another example. The other week I was at Bandyup sitting in on some case management conferences with prisoners and to one in particular we said, “The good news is, you’ve been downgraded to minimum. You are from Kalgoorlie; we’re going to send you back to Kalgoorlie.” They broke out in tears, “Don’t want to go to Kalgoorlie.” “Why not?” “Well, I’ve got friends and support here; I’m going really well.” et cetera. You are damned if you do and you are damned if you do not.

**The CHAIR:** I think it is good to take into consideration that prisoners request to stay in a certain place. But I am sure there are also cases where they might want to move and perhaps the beds are not available.

**Mr Johnson:** The reason I am saying that is that I want to try to get across the complexities and challenges we face. It is never easy, but, then, life was not meant to be easy.

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**Hon KATE DOUST:** I have not been able to find anything in these budget papers. It flows on from the discussion about Bandyup and its current overcrowding situation. Is there anything I have missed in here that talks about proposed infrastructure changes, upgrades to Bandyup for additional numbers?

**Mr Johnson:** There is nothing within these budget papers but we do have and are developing the current strategic asset plan. Our strategic plan, for example, has a real focus on making sure women in custody are a key focus for the department over the next five-year period. The strategic asset plan will reflect that, and certainly our desire to put up a number of options for government for consideration, whether that be a completely new site for a women's prison or whether that be various enhancements that can be made to the existing site at Bandyup. They will range from something that will cost \$5 million to something that will cost \$60 million. There will be various options within that in terms of not only to increase the accommodation there but to look at some of the key areas such as visits, the orientation unit, the administration area and the like, the health centre and the like. In answer to your question, the strategic asset plan will be presented to the government for consideration for various projects. It is always a balancing act across the entire state.

**Hon KATE DOUST:** If you are giving that consideration to Bandyup, is similar consideration being given to any potential changes at Boronia for any increase, given it has limitations physically and also community issues?

**Mr Johnson:** Part of the master plan for Boronia, and always was part of the master plan, was for one more house to go into Boronia. It has, I suppose, an operational capacity of 82 and an ideal capacity of 70.

**Hon KATE DOUST:** What is the design capacity?

**Mr Johnson:** The original design capacity of Boronia is 70.

**Hon KATE DOUST:** How many prisoners are currently housed there?

**Mr Johnson:** Last time I looked, it was 80.

**Hon KATE DOUST:** What did you say the operational capacity was?

**Mr Johnson:** It is 82. We have had 82 there and that is comfortable at Boronia. It has always been part of the master plan to have the potential for another house on that site. Again, that will be part of the strategic asset plan for consideration. It is two houses, I am told. Again whether that is approved is beyond my control.

**Hon LJILJANNA RAVLICH:** Commissioner, I wonder whether you can provide the committee the design capacity and the actual number of people in all the prisons in the state and correctional facilities and the operational capacity? Can you take that on notice?

*[Supplementary Information No A9.]*

**Hon KEN TRAVERS:** I have not finished on the areas —

**The CHAIR:** Yes, I know. I am just trying to follow a couple of threads at once.

**Hon KEN TRAVERS:** I was following on from that thread when you took it off me?

**The CHAIR:** I know; it is a worry is it not.

**Hon LJILJANNA RAVLICH:** Sorry; I interrupted Hon Kate Doust.

**The CHAIR:** I know; discipline has been shocking this morning!

**Mr Johnson:** I tell; you what; it is great to be popular.

**The CHAIR:** There is a rush. I will go to Hon Phil Gardiner and then I will come back to Hon Ken Travers.

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**Hon PHILIP GARDINER:** In addition to that information, it is about how the demographics are impacting upon the strategic asset management you have to build and have operationally. Can we have the percentage increases and the numbers for the last five years of the different categories of prisoners that you have and where you project that for the next couple of years? I think it was covered partly in Hon Ljiljanna Ravlich's question. Would you be able to go back to 2007 or another three years for the expectations? I am trying to get to whether we lock in people in more prisons or are dealing with it differently and whether we have the infrastructure to cater for the future.

*[Supplementary Information No A10.]*

**Hon KEN TRAVERS:** I am still trying to understand how you arrive at this 5 136 figure. When you say that is the number of beds, what does that actually mean?

**Mr Johnson:** That means we have the right number of staff and the number of beds in place that can be used with that staffing complement and have prisoners in there. If we wanted to go above that, we would need additional staff.

**Hon KEN TRAVERS:** That does not include the mattresses on the floor at Bandyup?

**Mr Johnson:** The operational capacity? No. The operational capacity is natural bed, whether it be a bed or a double bunk. A mattress on the floor to us is not a bed. It is a mattress on the floor; it is a way of just accommodating.

**Hon KEN TRAVERS:** When you then give us those figures about the number of prisoners, that is the actual number of prisoners. You may end up in the case of Bandyup having people on the floor, so in that particular institution, you have more prisoners than actual beds.

**Mr Johnson:** That is the only institution we have that issue with.

**Hon KEN TRAVERS:** That was going to be my next question. That is the only institution. I take your point about when you add an extra room; you get a 4 x 2. Compared to the original design capacity, how many of those 5 136 are beds that were created by building additional rooms versus just putting two beds into a bunk that was built for a single bed?

**Mr Johnson:** I will have to get that information for you as supplementary.

**Hon KEN TRAVERS:** Having said that, I always shared a bunk with my brother, so we shared a room—never in prison I might add, although sometimes it felt like that!

**Mr Johnson:** I was not going to draw that inference. On your point of bunking with your brother, we have lots of people who want to be with their brother, aunty, sister, whoever it may be. Indigenous people in particular want to be with family. A lot of people choose to be with family and they like to be with family. We also have other people who are at risk and do not want to be by themselves; they want to be with a peer-support type prisoner. It is not just negatives to this; there are positives. We have instances of people on a mattress on the floor in Bandyup. We say, "Look we can get you down to the new self-care units", "No; I want to stay with my relative". There is a combination of some people who want to put up with it because they want to be with a particular individual or with their immediate friends, family, whoever it may be. But I am not for one moment sitting here saying mattresses on floor is a good idea, because it is not, and I do not like it.

**Hon KEN TRAVERS:** You will you take on notice the issue about how many, where it is an extra bed and how many have been created by building additional capacity?

*[Supplementary Information No A11.]*

**Hon KEN TRAVERS:** Do you or maintain a data base of how many people are double bunking through choice and how many are double bunking because there is no choice?

**Mr Johnson:** No we would need a super computer to keep all that. We do not; each superintendent knows their prison. Each of the officers manage their prisons accordingly in terms of movements. It

is a moving feast because one day you and I are best mates and the next day we have fallen out and we need to be shifted around the system. It is certainly a moving feast. Bandyup, by way of example, because you have to have the capacity for women and children, you may have the women and children's facility full or it may be empty. Then you have this adverse consequence of people sleeping on a mattress and yet you have a facility with no-one in it, but you cannot put them in it because you may get people come in with children.

**Hon KEN TRAVERS:** As I understand it, the money for the construction of the additional beds you talked about for the eastern goldfields and the rest is not necessarily all in your budget; there is still money in the administrative transaction accounts of the Department of Treasury and Finance. Is that right? In this year 2012–13, \$95 million; next year \$133 million; \$95 million after that; and \$19.2 million. Is that right?

**Mr Johnson:** Has it all been drawn down?

**Hon KEN TRAVERS:** Item 117 “Government Equity Contributions” under the Department of Treasury still shows —

**Mr Johnson:** If I may, I will ask the director of finance to go through page 787 in the budget papers.

**Mr Kessar:** There is certainly money sitting in administrative appropriations. The majority is for work camps at the moment. I do not have the exact breakdown with me. If you want we can get that?

**Hon KEN TRAVERS:** There is a note by that \$95 million held as a government equity contribution that it is subject to a business case being approved.

**Mr Kessar:** That is correct. Before accessing any of the money sitting in the administrative appropriation we have to put a business case through.

**Hon KEN TRAVERS:** That has not been transferred into your asset investment program at this stage or is it in your asset investment program and it then still requires you to get a business case?

**Mr Kessar:** It is in our plans, yes, but to access the money we need to put a business case. For the release of the actual cash, we would need to put a business case through.

**Hon KEN TRAVERS:** Is that \$95 million, \$133 million, \$95 million and \$19.2 million all for work camps?

**Mr Kessar:** The majority of it is. There is other money there which I do not have a breakdown for.

**Hon KEN TRAVERS:** Can you take the breakdown as a question on notice?

*[Supplementary Information No A12.]*

[10.45 am]

**Hon KEN TRAVERS:** I guess my other question comes into play: where are those business cases then? I would have thought the \$95 million for this year, to be able to spend it in this year, you would need to be pretty much finalising and getting the business case agreed to be physically constructing and spending \$95 million in this financial year.

**Mr Kessar:** We are. We are negotiating three of those business cases with Treasury at the moment.

**Hon KEN TRAVERS:** When do you expect those to be completed?

**Mr Kessar:** The business cases?

**Hon KEN TRAVERS:** Yes.

**Mr Kessar:** The next few weeks.

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**Hon KEN TRAVERS:** What are those three business cases that are currently with Treasury?

**Mr Kessar:** Roebourne, Wyndham and Warburton.

**Hon KEN TRAVERS:** If you get those signed off in the next three weeks, will you be able to spend that \$95 million in this financial year?

**Mr Kessar:** Yes. The plans and the projections have been prepared. It is just accessing the money.

**Mr Johnson:** Warburton and Wyndham of course are already up and running.

**Hon KEN TRAVERS:** I guess the other question that then comes in is your recurrent expenditure over the forward estimates predicated on those opening—that capital work being done? Is it part of the business case that once you get the approval for the capital investment, you will also need to get approval for additional recurrent expenditure to operate those beds?

**Mr Kessar:** There is additional recurrent expenditure that we need to get, yes.

**Hon KEN TRAVERS:** That is not currently factored into the budget?

**Mr Kessar:** No.

**Hon KEN TRAVERS:** I want to be clear about this: the asset investment program is factored into the budget?

**Mr Kessar:** Yes.

**Hon KEN TRAVERS:** But subject to a business plan?

**Mr Kessar:** Yes.

**Hon KEN TRAVERS:** But the operating costs of those additional beds, there is no provision in your budget for the operation of those beds?

**Mr Johnson:** There is probably, again, a caveat with that. Like I say, Warburton and Wyndham are already up and running, and operating. So there is a mix to your answer. It is probably best taken by way of providing the detail, otherwise we will give an answer here that will not be 100 per cent, which I do not want to do.

**Hon KEN TRAVERS:** The three businesses were Roebourne —

**Mr Kessar:** Roebourne, Warburton and Wyndham.

**Hon KEN TRAVERS:** Warburton and Wyndham are about expansion; Roebourne is completely new.

**Mr Johnson:** It is a completely new work camp. I get your point in terms of: are you going to be able to spend the money? The design of the work camp is part of an established design that we have already implemented in Dowerin, Warburton and Wyndham, so we do not have to go back to the drawing board to say, “What are we going to build here?” because we have already got it.

**Hon KEN TRAVERS:** I understand that and I take your word on that. It is good that you can do that in that time frame. I wish some other agencies could do it in that time frame as quickly. I am also interested in once you get that up and running that you do not have the operational costs. What sort of operational costs are we looking at? How much additional money would you require to be able to actually operate those facilities?

**Mr Kessar:** We will take that on notice. There are a couple of options in the business cases, so depending on which one Treasury accepts, the costs will be different. We will take that on notice.

*[Supplementary Information No A13.]*

**Hon KEN TRAVERS:** If I can be clear that what I want is not just for this financial year but also for the \$133 million, the \$95 million and the \$19.2 million over the forward estimates: what is your current estimated time frame for when you expect that money to be spent so that the facilities

become operational, and how much additional operating expenditure, or recurrent expenditure, will you require to then run those facilities that are built using the money listed under “Custodial Infrastructure Program”?

**Mr Johnson:** Like George points out, there are options. If you take the best case possible in terms of everything goes well and the construction is finished on this date, then the utilisation of those is not that from day one Derby prison will have 150 prisoners. Derby prison will start off and you will just ramp up the numbers, because it makes operational sense to do that.

**Hon KEN TRAVERS:** I understand that. We expect that you would have a program that you have got factored in, but you expect the Roebourne work camp to be open on 1 July 2013. It will open with 10 prisoners and that will cost X number of dollars, then it will ramp up to 50 by the end of that year. That will be costing you, so the following year you need X. If there are still two options to be considered—if you can give us the options so we get an idea of the range, if things go well and we do not have as many prisoners, we will need X amount of money; if things continue the way they are going, we will need Y.

**Mr Johnson:** It is a bit like saying the Dockers are going to win a premiership!

**Hon KATE DOUST:** They will one day!

**Hon KEN TRAVERS:** I will claim I am not a Dockers fan!

**The CHAIR:** Can I step in at that point!

**Hon KEN TRAVERS:** I got myself into trouble once for a comment about the Dockers; I am not going to make it again.

**The CHAIR:** Perhaps the point to ask is: what is the projected growth in adult prison numbers for 2013–14?

**Mr Johnson:** Sure; we can provide that information. There is an upper and lower bound projection. We can certainly provide it.

**The CHAIR:** You do not have that figure to hand?

**Mr Johnson:** Unless someone has it handy with them? We will have a quick look.

**The CHAIR:** Perhaps similarly for juveniles. If you do not, we will take it on notice. It will save time that way.

*[Supplementary Information No A14.]*

**The CHAIR:** I would have thought that that was very much part of your forward planning.

**Mr Johnson:** It is done.

**The CHAIR:** I am sure you have it; I am surprised you do not have it to hand.

Similarly it is my understanding—correct me if I am wrong—that the rate of incarceration of women is increasing faster than the rate of incarceration of men in this state; is that correct?

**Mr Johnson:** Yes, it is. The women have gone from around the four per cent mark to the eight per cent mark in terms of the increase. The nature of their offending has changed as well in terms of violence and the like.

**The CHAIR:** I guess that relates to the fact that as I understand at the moment Bandyup is where the real critical situation of overcrowding is occurring.

**Mr Johnson:** Yes.

**The CHAIR:** What do you say to the assertion that women prisoners and prisoner accommodation is treated as second class in this process? It seems to me that they are the last ones to get the extra resources. We have known this situation with women in prison ever since I have been a member of

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Parliament, which is 15 years. It seems the planning is just not put in place. There is almost an argument for discrimination in this area.

**Mr Johnson:** I have a strong view. I can certainly tell you the view of my team here, that we do not see women as being —

**The CHAIR:** No; I was not suggesting you did.

**Mr Johnson:** I just want to make that clear—that is certainly not the case. I think as a comment about the women's estate, if I firstly look at Boronia, that is as good as it gets. I think Boronia is world's best practice.

chai: I agree with you.

**Mr Johnson:** That is the opinion of experts throughout the world. That is a tremendous facility for women. There has been some work on the Bandyup site, but we are constrained with Bandyup to the extent that it is such a small footprint. To do massive works on the Bandyup site actually needs buildings to be demolished and a program of works to systematically work your way through. As a site, Bandyup is a great location and it is certainly a site that we want to retain. What has caught us by surprise—not by surprise—is the rapid growth in the women's population compared to the men's, and the nature of their offending. Bandyup, for example, in the past few weeks has gone from a figure of around the 260 mark to 300 within the blink of an eye. We have got Derby coming online with 30 specific beds for women, and very much designed for women. Eastern Goldfields is very much designed for women—50 beds coming online. What we are trying to do now, certainly with Greenough, is expand the estate for women up in Greenough and make it specific for women. Ideally, we would like more work done on Bandyup, and that is certainly part of our strategic asset plan, but at the end of the day we need money to do that. Like all agencies, we put our bids in with other agencies, and there is only so much in the bucket. We do what we can with what we have got. The rapid rise in the women's population has not been expected, but we do not feel we are that far away. When we open up Derby, when we open up the new unit at Greenough, and certainly when we get the Eastern Goldfields online, the situation will be greatly improved. We are also looking to not just in terms of a custodial solution, but one of the things we are keen to explore is with GPS technology. As you may be aware, we are looking at GPS for monitoring dangerous sex offenders and the more serious offenders in the community. There may well be an option—certainly for consideration down the track, depending on how this goes—you will have women in custody who do not present a risk to the community, have family responsibilities, and it may well be appropriate for them, as a sentencing alternative, to have a GPS tracking facility that actually allows them to be at home with their families but monitored and obviously restrained as to where they can go. It is not only a facility that could be at the front end of a sentencing option in terms of an alternative to custody, but also at the back end as an early release option. It is not going soft on crime. It is about saying there are some, probably women in particular, who have these responsibilities that would be better managed with their families because if mum is away from the kids, that has a flow-on effect for the kids in terms of their upbringing and management. We are trying to look at it not only from a containment capacity but also what is an alternative, too.

**The CHAIR:** The decision about the allocation of what proportion of spend on other new facilities or upgrades and what goes to which is not made obviously by yourselves—that is a ministerial level decision?

**Mr Johnson:** It is a combination. The male estate, going back a few years, we were just putting people in closets. We were really seriously in strife. The population demand was going north. It was just the demand at that time. We had to cater for that.

**The CHAIR:** I do not know whether this is true or not: Is there a consideration that overcrowding in male accommodation is more likely to lead to violence and risk to staff than overcrowding in

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women's prisons? Are women more likely to tolerate overcrowding, and is that a consideration in how the decision is made about allocating money?

**Mr Johnson:** Geez, you are leading me to a difficult question there!

**Hon KEN TRAVERS:** If it is true, we might reorganise the electorate of parliamentary offices!

**Mr Johnson:** I am going to be really diplomatic here!

**The CHAIR:** I thought that would have been a known study.

**Mr Johnson:** Women certainly have different needs. When I say "different needs", they have different privacy needs to males. Males can quite easily double-bunk in situations. It certainly does bring with it a range of issues that are unique to women. All those considerations certainly are being considered. We recognise very much so that the needs and requirements of women are far, far different to the male estate.

In terms of that interaction and the propensity for violence and the like, all I can say is the evidence is not showing us, in terms of the male estate, when they have been double-bunked, that there has been an increase in the assaults or those indicators. You can never say never, because if you double-bunk with your brother, you can have a falling out. That obviously may lead to a punch-up because you are right there. With the women's estate, there are different challenges when it is crowded. Bandyup is a small site—it is not like Casuarina which is quite a big site and you can actually get a bit of your own space. The actual environment which you are in and the size of that infrastructure and the options available to you certainly contributes to your day-to-day demeanour and wellbeing. We treat women, and understand very much so, that women have different needs and requirements. We do not try one size for all.

**The CHAIR:** I am sure this question will have to go on notice; I am not quite sure whether you can provide it now. You are saying there has been a rapid increase in the last six to 12 months.

**Mr Johnson:** If you go back a little while, we had a big increase certainly when there was a change in the way the Prisoners Review Board dealt with prisoners. We had a big jump then.

**The CHAIR:** That is going back a few years now, is it not?

**Ms Harker:** Three.

**Mr Johnson:** Just on three years.

**The CHAIR:** What I am interested in tracking is the additional input; what those offences were and where in the scale of offending do they sit?

**Mr Johnson:** Sure.

**The CHAIR:** Can you take that on notice—since perhaps a change in the Prisoners Review Board might be a good point to take it from?

*[Supplementary Information No A15.]*

**The CHAIR:** We might run over a little, as we started a little late.

**Hon PHILIP GARDINER:** This is a bit of a complex question. On the first dot point on page 782 we talked about the employment skills in offenders and that kind of thing. I hesitated putting a proposal on the Mogumber mission site, which is a run-down site with particular historical significance for Aboriginals in that area and around the state. The reason I hesitated is because developing employment skills is a tricky thing. I want to ask you how you are actually doing it.

[11.00 am]

You mentioned before building something as part of the prison. Once it is built, what happens after that? Mogumber mission is exactly the same. It is run down. It could be a work camp with developing skills to reconstruct the thing. But after that, what do you do with the development of

skills, unless it really comes back to then having woodwork classes or cement classes or that kind of thing? How are you dealing with it is really the question.

**Mr Johnson:** Sustainability and self-sustainability is a key focus for us in the department. I mean that on a number of fronts. I do not just talk about it in terms of building something or making something, but also utilisation of skills, whether it be physical skills or academic skills, throughout not just prisoners, but within staff as well. It is probably not widely known, but within the system, the amount of production—food production, clothing, construction, basically you name it —

**Hon PHILIP GARDINER:** That could work.

**Mr Johnson:** We do it within the prison system. Karnet, for example, develops—well, the chickens do—a million eggs a year. We have a proper working farm at Pardelup, which feeds a lot of the population in terms of beef. We have an abattoir at Karnet, which obviously looks after that, and a dairy farm. But what we are doing in terms of the specific programs is that what we want to do is get the private sector also involved in what we do. Firstly, we look at an issue and, if we are going to refurbish a unit, we say, “We want to refurbish this unit. What can we utilise in terms of our skills of staff and prisoners to actually do that work?” We have got vocational support officers —

**Hon PHILIP GARDINER:** And tradespeople externally?

**Mr Johnson:** VSOs are tradespeople, but typically tradies, mechanics, welders, whatever it may be. They basically look at what they can do, so we will do what we can within. Then we look, in terms of the maintenance schedule for those facilities, to have the prisoners do that. Constructive activity within a prison is a key management tool to make sure the prison runs smoothly. So we look at various levels, because people have various skills when they come into the system. Let us face it; some are from third-generation unemployed, so just getting out of bed and getting somewhere is a new thing for them. So there are various iterations of what skills and what opportunities you can give them.

If I could take you to probably the ultimate aim, and that would be a program like Fairbridge, where prisoners from minimum security, particularly Karnet, go to Fairbridge on a daily basis, engage in mining activities on simulators, on heavy machinery movement over, I think, about a 12-week program. At the end of that, they get a recognised certificate in that industry. BIS Mining, which is part of this project, guarantees them a job when they leave prison. The CEO actually comes out there and addresses them as part of his team and says, “I will guarantee you a job when you finish this course, if you finish it”, and we have seen the results of that. I think we have run three courses to date, and there are quite a few courses to be run. I am so pleased you asked the question, because people tend to focus on corrections in a negative sense. The amount of work that is being done throughout the prison system and the community is breathtaking when you look at the scope of it. It can be as simple as someone coming into the prison and never being given an opportunity. I spoke to a prisoner just the other week at Bunbury who had come into the prison with nothing, is leaving after finishing his cabinet-making apprenticeship—he actually finished the apprenticeship—and is leaving with a driver’s licence, because he has been allowed to actually clear his mess away and get a driver’s licence. When that person leaves, the chances of him coming back, if he can get a car, a job and the rest of it—hopefully, he will never come back. That is just one example out of 4 952 prisoners that we currently have. I could talk about this all day, and I am sure you do not want me to. Really, in a nutshell, we can look at whatever it is we are doing: “Can we do it ourselves? If we cannot do it ourselves, can we equip ourselves to do that?” If we are going to make bunks for the prisoners or a boardroom table for the office—unfortunately, not for the Premier—they make it, and they develop skills in doing that and probably sometimes skills they do not even know they have. If you come into Westralia Square today, you will see down on the ground floor for NAIDOC Week, it is just full of artwork from prisoners and materials that they have made to demonstrate their skills to show that we support NAIDOC Week.

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**Hon KATE DOUST:** Just going to page 788, under “Cost of Services” and “Expenses”, and the first line item is in relation to employee benefits. If you look at the 2011–12 estimated actual, it is \$416 million; if you go to 2012–13, it is \$453 million; and then in 2013–14, it goes to \$445 million. There is only a very small gap there and then in 2014–15, it jumps up to \$500 million and then higher again the following year. Can you explain the figures between 2012–13 and 2013–14? It is just a very low amount. It does not seem to make sense that you have got reasonable jumps in 2011–12 and then again from 2013–14, but it is an inconsequential figure, really.

**Mr Johnson:** I will have a crack at this. I am no accountant, and if George needs to back me up, then if I could ask him to do that. The changes in the employee benefits over that period in the forward estimates are consistent with the changes in the total cost of services over the same period. For instance, whilst the employee benefits increase by \$2.2 million between 2012–13 and 2013–14, the total cost of services over the same period increases by \$4.9 million. In percentage terms, it is a 0.5 per cent and a 0.6 per cent increase respectively—well below the standard escalation. The driving factors for that are contained within—George, rather than me getting awfully complicated with this, is there a simpler explanation for the member’s question?

**Mr Kessar:** Yes. Basically, between 2011–12 and 2012–13, there is a big jump because we had the increase in district allowance. There has been an increase in our workers’ comp. They are the main drivers for that. In the subsequent years, as you can see, there is minimal difference.

**Hon KATE DOUST:** Yes, there is for 2013–14, but it certainly jumps in 2014–15 and 2015–16.

**Mr Kessar:** The difference for those is basically what the commissioner has just gone through in terms of the cost of services going up as well. As the cost of services goes up, you reflect it in the employee costs as well.

**Hon KATE DOUST:** On that same page, further down under “Income from State Government”, you have got “Royalties for Regions Fund”, and then over on page 790 under “Cashflows from State Government”, there is also another line item for “Royalties for Regions Fund”. Are you able to provide information as to the detail of what those moneys will be spent on and where, and what the purpose is?

**Mr Kessar:** We will take that on notice to provide the detail, yes.

**Hon KATE DOUST:** For both of those line items?

**Mr Kessar:** Yes. The difference is one is an income statement and the other one shows the cash flow. We will give you the right answer.

*[Supplementary Information No A6.]*

**The CHAIR:** We might conclude at this point as we have another hearing in 10 minutes. The committee will forward any additional questions it has to you via the minister in writing in the next couple of days, together with the transcript of evidence, which will include the questions that have been taken on notice. Members, if you do have unasked questions, please submit them via email to the committee clerk at the close of the hearing. Responses to these questions will be requested within 10 working days of receipt of the questions. Should you be unable to meet this due date, please advise the committee in writing as soon as possible before the due date. The advice is to include any specific reason as to why the due date cannot be met. Finally, on behalf of the committee, thank you very much for your attendance this morning. We will close this hearing.

**Hearing concluded at 11.08 am**

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