

CORRECTED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into 2003–04 budget estimates

Melbourne – 23 May 2003

Members

Mr W. R. Baxter

Ms C. M. Campbell

Mr R. W. Clark

Mr L. A. Donnellan

Mr B. Forwood

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Mr G. K. Rich-Phillips

Ms G. D. Romanes

Chair: Ms C. M. Campbell

Deputy Chair: Mr B. Forwood

Staff

Executive Officer: Ms M. Cornwell

Witnesses

Mr A. Haermeyer, Minister for Police and Emergency Services,

Ms P. Armytage, Secretary; and

Mr A. Clayton, Deputy Secretary, Department of Justice; and

Ms C. Nixon, Chief Commissioner of Police.

**Necessary corrections to be notified to
executive officer of committee**

The CHAIR — At this point I would like to welcome you to the second session this afternoon. I welcome the Minister for Police and Emergency Services and Ms Christine Nixon, Chief Commissioner of Police. I call on the minister to give a brief presentation on the more complex financial performance information that relates to the budget papers.

Minister, you will speak for 10 minutes and I will give you a timely warning halfway through, and if necessary a minute before the end.

Mr HAERMEYER — I will speak really quickly! The first chart before you is similar to the one you saw before. It shows the police and emergency services component of the portfolio, which is 60 per cent, and it reflects this year a budget for the police and emergency services portfolio of \$62.7 million.

Mr CLAYTON — Growth.

Mr HAERMEYER — That is the growth. Sorry.

The key initiatives for police and emergency services that are announced in this year's budget are a first instalment of the additional 600 police, so \$12.5 million as part of \$125.8 million over four years. There is also the fleet enhancement program, which is \$7.1 million. There is \$11.2 million to fund the gun buyback and \$1.1 million for enhancing the licensing services branch of Victoria Police. There is \$2.26 million to establish the major crimes reward fund and \$100 000 to establish a multilingual Crime Stoppers. There is \$1.5 million over each of the next four years to Victoria SES to help it boost core services, and a raft of counterterrorism measures which include \$20.2 million over four years to the MFESB, \$1.12 million over four years to the CFA, \$2.04 million to the SES over four years, and Victoria Police with \$6.1 million in 2003-04.

I will not spend too long on the second graph, but it shows the growth in the police infrastructure program. This is quite an unprecedented program, which will be worth \$280 million by the end of this term since we came to office. It comprises 135 police stations across metropolitan and country Victoria. It also comprises facilities such as the water police facility and the operational safety and tactics training facility which we recently opened at the police academy.

The next graph shows the growth in police numbers since June 1999. It shows a plateauing at that point. We indicated in our last term that we would increase police numbers by 800. We achieved that ahead of time, and we expect the next committed increase of 600 to be achieved by November 2006. I might also note that there has been a significant improvement in morale in the Victoria Police. We have an attrition rate that is down to a bit over 2 per cent from an attrition rate that was closer to 10 per cent just a few years ago.

There has been significant investment in equipment, which came out of the \$12 million committed in the government's last term. It is going to things like ballistic vests, equipment belts, metal detectors and vehicle safety screens.

There has been a significant investment in trying to reduce the road toll. We have had a very significant reduction in the road toll over the last 12 months, and that is continuing to carry on into this financial year. The one point I would make, however, is whilst we have a very dramatic drop in the road toll in metropolitan Melbourne there is a growth in the road toll in country Victoria, which remains of very significant concern.

In terms of dealing with the country road toll, there is a raft of measures that will be employed by Vicroads and the TAC, but for our part of it Operation Clampdown has been piloted in Ballarat, Bendigo, Shepparton, Echuca and Wangaratta. A number of speed camera initiatives will be targeted at rural Victoria. One of the difficulties with rural Victoria is that the volumes on the roads are not as high and the distances covered are much greater, so we are looking at point-to-point cameras as a more effective way of picking up the people who break the road rules out there on rural roads.

In terms of crime prevention, in our last term we established Crime Prevention Victoria. We have now put through the Parliament the enhanced search powers for police and a weapons community education campaign, which together with the new metal detectors we hope will help to make an inroad into this knife culture that unfortunately seems to be afflicting not just our community but communities worldwide. We will shortly announce our graffiti strategy, and a raft of family violence initiatives and other initiatives targeted at young people have been announced recently as well.

Counter-terrorism, particularly since the 11 September incident and more recently Bali, is an area in which we have had to change the way we look at security here in Australia. As a result we have made a very significant commitment to enhancing our counter-terrorism capacities. While the primary responsibility for that sort of activity lies with the commonwealth, certainly we have sought to upgrade our police information technology system. There is \$6.4 million to ensure the uninterruptedness of that system; \$12 million to establish a counter-terrorism coordination unit within Victoria Police; \$3.8 million for special surveillance communications equipment for police; and all emergency services will get special chemical, biological and radiological incident training and equipment as well. There is a significant boost to police forensic services, and that came out of a report Victoria Police prepared subject to the Bali bombings which identified that and the need for staff, training and equipment to deal with the identification of disaster victims.

There is also legislation to enhance police powers to undertake covert searches. We are mandating the reporting of the theft or loss of prescribed chemicals and enhancing the protection of sensitive information that may be exploited by those involved in planning some sort of terrorist incident. There is also a new set of responsibilities being placed on those people responsible for protecting the state's critical infrastructure which in many instances is privately owned. We need to look at the way we regulate private security services as well because they have an enhanced role now in protecting some of that critical infrastructure.

Victoria Police has this year completed its five-year plan which includes a strategic intelligence-driven approach to policing. It is a concept called Compstat, which has been successfully initiated in New York. It includes a focus on and commitment to crime reduction. It also further develops the local priority policing and community policing strategies and partnership policing which police have been developing over recent years, as well as an enhanced commitment to customer service.

The CHAIR — Perhaps if you could skip along.

Mr HAERMEYER — I will do that. I am happy to talk more about Compstat and other initiatives later if anybody is interested in pursuing them.

In terms of the road toll, there are significant commitments to enhanced enforcement there, particularly mobile radar devices and the point-to-point stuff I referred to earlier. I have already spoken about the handgun control. There have been big commitments made to emergency services, largely driven by the need to be able to respond to potential terrorist incidents. There are some fairly significant commitments there.

We announced the mobile data network project in December 2001 and are very close to announcing the tender for that. We have also made some enhancements to emergency call taking and dispatch that last year passed back into government hands after the Intergraph contract expired.

The bushfires were a major event this year and a significant cost to the budget, but I also add that there was a magnificent effort from all our emergency response and recovery agencies. This year we lost 41 houses compared with 2000 in the 1983 fires and 11 000 stock compared with 27 000 stock in 1983, and the job done by emergency services was nothing short of magnificent.

I will leave it at that. Members can read the rest of the slide presentation at their leisure. I will deal with questions as they come.

The CHAIR — Thank you for the detail in this presentation. It makes the committee's job a lot easier to have that level of detail.

I refer to the point you concluded on in relation to the bushfires. In budget paper 2 at page 202 reference is made to bushfire suppression and recovery strategy. I know you mentioned that that took up a significant component of resources this year. Can you give the committee some indication of that and also tell us a little about the national aerial firefighting strategy commissioned by the federal government and how that works in with our own efforts?

Mr HAERMEYER — I will come back with the exact cost of the fires in a moment — we will get that figure. Certainly the response side of it cost something in the vicinity of \$80 million, so it was a very expensive exercise. Just to fight those fires it was costing us somewhere between \$1 million and \$2 million a day. It was a fairly major effort. It was a huge logistical effort, involving buses getting firefighters to the fire scene, food, accommodation — a whole variety of needs that had to be catered to. It was an enormously costly effort. If we can dig up those exact figures — —

The CHAIR — You can take it on notice.

Mr HAERMEYER — I am happy to do that. You also mentioned the aerial firefighting strategy. We use aerial firefighting capacity now much more comprehensively than it has been used in the past. It is used particularly to try to knock down fires before they get too big. On Australia Day we had some 200 fire outbreaks. Across the fire season there were some 3000 fire outbreaks, which is all comparable to the Ash Wednesday fires, but they did not have the same consequences because of the capacity to knock those fires down quickly. The aerial capacity was very critical to that.

We have a state aircraft unit that is shared between the Country Fire Authority and the Department of Sustainability and Environment. It includes a mix of fixed-wing, rotor-wing and heavy and light aircraft, all for various purposes.

Last year after the New South Wales fires the Prime Minister lauded the initiative of Victoria in terms of getting this Elvis-type skycrane helicopter. He thought what we needed was another three of those that could be used nationally. He took some advice from the Australasian Fire Authorities Council (AFAC) that to buy these things is just not a smart thing to do because they are enormously expensive and hard to get, and you really need them for only 12 weeks to 16 weeks a year and they cost you a fortune to have on the ground during the rest of the time.

AFAC was then commissioned by the federal government to develop a national aerial firefighting strategy. That strategy was delivered to the commonwealth in August last year and it recommended, in addition to the normal deployments that each of the states have put in place, four high-volume aircraft — that included effectively these skycrane helicopters — five medium helicopters and two fixed-wing fire bombers to be deployed over the 2002–03 fire season. It sought a commonwealth contribution of \$22.86 million, which is a darned sight less than it would cost to buy three skycrane helicopters, and \$6 million additional from the states. Unfortunately the federal territories minister, Mr Tuckey, upon receiving that report said he would not do anything. Under a bit more pressure he offered to fund 50 per cent of the standing charges for three heavy aircraft helicopters — one which we already have, one which New South Wales was taking on board, and an additional one that was to be based in New South Wales but was to be shared.

I sought some advice from the chief fire officer at the Department of Sustainability and Environment (DSE) in relation to whether these additional aircraft would have made a difference. On 8 January over 100 lightning strikes hit our national parks in the north-east of Victoria and in the south of New South Wales. The aerial firefighting aircraft knocked that down to, I think, about eight over the next 12 to 24 hours but by that stage those eight had gained such momentum that they had become difficult or near impossible to control. They were in inaccessible areas and that was really the genesis of those fires being hard to control. It has been put to me by a number of people in the fire services that had we had those extra aircraft those eight fires might well have been knocked out within 24 to 48 hours of those lightning strikes. So maybe what we had this summer need not have occurred. I sought some advice from, as I say, the chief fire officer of DSE, Gary Morgan, who has effectively said to me that in the early stages — and I will simply read the final paragraph of what he said:

QUOTE NOT SUPPLIED IN TIME FOR VERIFICATION.

Should the national aerial firefighting strategy as developed by the Australasian Fire Authorities Council have been in place from the beginning of the 2002–03 fire season, an additional high-capacity aircraft would have been available at the beginning of these wildfires. Given that other resources were at the levels available on 8 January 2003 the additional high-capacity aircraft as recommended in this strategy should have assisted in bringing about early control of the fire situation.

As I say, aerial firefighting is a very expensive business. Those resources are best deployed on a national basis and capable of being shared across the states, but certainly we have taken on board what we can in terms of enhancing our capacity but I think unfortunately — the commonwealth eventually did come to the party, supporting part of the cost of the additional Elvis helicopter that was brought to Victoria and the additional one that was brought to New South Wales, but by that stage we were already well into the fire season.

They helped us then protect communities from those fires but there is no way those aircraft at that stage were going to knock those fires down.

The CHAIR — Can we have a copy of that correspondence?

Mr HAERMEYER — Yes.

Mr FORWOOD — At the outset of your contribution I think you said it was a \$1 million or \$2 million a day?

Mr HAERMEYER — Yes.

Mr FORWOOD — How was that funded? Did it come from a Treasurer's advance or was it a diversion of already existing resources? Was it a reallocation between various departments? In the end, if you are to provide us with the total amount that was spent on bushfires, I would like to know how much you set aside to fight bushfires in the first place; then how much came through other sources of funding in order to meet the total cost.

Mr HAERMEYER — The all-up fire suppression and recovery strategy was 138.9.

Mr FORWOOD — How much of that was new money? How much had you budgeted for the fire season?

Mr HAERMEYER — I will need to get back to you on that because part of it is — I do not think that includes additional money that is involved in fighting fires — already there. Sorry, I am not sure it does include the standing capacity of the fire services to fight fires. I think that was all the additional costs that came as a result of the effort that had to be put into those fires.

It was really quite phenomenal, the accommodation, the transport, the feeding — it was an enormous logistical effort. I must say that if you had the opportunity to see what was going on behind the scenes, an enormous degree of credit needs to be given to the people who were organising it to make sure that the people who needed to be where they were actually were where they needed to be, that they were fed and properly looked after, that they were gotten home — it was just an incredible logistical effort and they deserve an enormous debt of gratitude from the whole community.

Mr CLARK — My question relates to the mobile data network (MDN). In your press release of 2 December 2001, when you announced the government would be investing \$100 million in the network, you said that contracts for the work 'were expected to be signed next February' — that is, 2002 — 'with the further scheduling to start late 2003'.

Can you explain, given that, why it is that the contract has not now been signed? When do you expect it to be signed? Is it correct that the cost has blown out by approximately 50 per cent since your press release? Is it correct that Motorola has threatened to walk away from the contract negotiations on the grounds of the government's mishandling of the process? Where is the cost, the provision for the network, to be found in the budget allocations?

Mr HAERMEYER — Firstly, MDN is a major project. We did not specify because we are going through contractual negotiations but upon announcing our preferred tenderer we got probity authority to announce a bottom line in terms of — — .

Mr CLARK — Over \$100 million?

Mr HAERMEYER — It would be an over \$100 million contract. At the same time this is a very large and complex contract. We would certainly have hoped to have negotiated it a lot sooner than we have. We are very close at the moment to completing the negotiations over that contract but at the same time we have been very careful. We are after leading-edge technology, not bleeding-edge technology.

We do not want any more Intergraphs — and only two weeks ago we received the Auditor-General's report on the IBM contract. We certainly were not going to rush into this. We certainly were not going to repeat mistakes of the past. We wanted to make sure firstly that the technology was safe, it was reliable and that the contractual details were also in the public interest.

There have been comments made recently suggesting that the technology is old and outdated. I am actually advised that that is not the case. It is pretty much state-of-the-art technology and it is the best available. There are some newer technologies which at this stage are of dubious reliability.

You also asked about whether Motorola had at any stage threatened to withdraw. I note Mr Wells, the opposition spokesman, made a comment in the *Sunday Herald Sun* last week making this suggestion. In that same article a spokesman for Motorola, Russell Grimmer, denied that Motorola had threatened to withdraw from the project. Despite that, Mr Wells in the house on Wednesday repeated his allegation that Motorola had threatened to withdraw.

Mr CLARK — You also say that is untrue, do you?

Mr HAERMEYER — I have sought information from Motorola. If I may, Chair, I would like to read out the letter from Mr Nikolakopoulos, the managing director of Motorola Australia Pty Ltd. He says:

Let me firstly address the comments regarding Motorola's commitment to the state in concluding negotiations on the MDN service agreement. At no time has Motorola threatened to withdraw from negotiations.

They are very concerned about the comments that were made last Wednesday because they are quite destabilising to some very sensitive negotiations that are going on at the moment, and certainly we are very concerned about those comments as well. He goes on to say:

We understand that our competitors perceive that we are not offering technologies that are suitable, or even obsolete. This is not the case — during our negotiations we continue to offer the latest technologies in our portfolio.

We would also like to clarify claims that our Datatac solution has been cancelled or obsolete. Datatac is a viable, supported and proven technology that offers the highest levels of availability and we believe these are best value for money.

That deals with some of the technological allegations that were thrown about.

The CHAIR — We will provide Hansard with a copy of that.

Mr HAERMEYER — I am happy to do that. May I also deal with this issue — this allegation that the cost has blown out. You mentioned an amount and Mr Wells came into the house on Wednesday and said that it has blown out from \$100 million in December 2001 to \$152 million and that the Motorola consortium had threatened to walk away from the deal.

We are that far away from concluding a negotiation, and a member of Parliament walks into the house and makes purportedly informed comments about what the final value of the contract will be, when we are still trying to conclude the contract. That is grossly — —

Mr FORWOOD — On a point of order, Chair, Mr Haermeyer does not have the right to use this forum to attack another member of Parliament. If he wishes to do so, he can do so through substantive motion in the house.

The CHAIR — In relation to the question on Motorola and claims that it was going to walk away and threatened to withdraw, this is relevant. Can we please, through you, Minister, go to the substance of — —

Mr CLARK — I think the outstanding issues are: is it correct it has blown out by 50 per cent, what are the reasons for the delay, and where is the funding for it to be found?

The CHAIR — As to what the reasons are for the delay, I think the minister is outlining that.

Mr HAERMEYER — I have dealt with the issue of Motorola walking away. However, Mr Clark — in percentage terms rather than dollar terms — effectively repeated the comments that were made by Mr Wells.

Mr CLARK — I asked: is it correct?

Mr HAERMEYER — Well, I have to say it is dangerous for anybody to be going out and bandying about and stating as informed comment what they believe to be the final contract price — that potentially disadvantages the state, that potentially compromises these negotiations. I have to say it has put me in a position now where — and the reason the price is not identified in the budget papers is because this still is under negotiation — I have now had to seek probity. I have had to ask the probity auditors to provide advice on the situation. We have also had to seek legal advice on the situation. I have to say, depending on that information, I may have to refer it for police action. Because to suggest to a consortium with whom we are negotiating what the government's price will be — and I can tell you it is way below that amount, but regardless of that it may lead — —

Mr FORWOOD — That is undermining your own argument!

Mr CLARK — It is a bit contradictory. It is a very accurate figure, which is such a problem, or it is way off beam. It cannot be both.

The CHAIR — The minister.

Mr HAERMEYER — Hold on, what that comment has done is create a situation where there may be an expectation that what the government is actually prepared to pay is higher.

Mr CLARK — Let me say for the record, Minister, that I have no inside information. I put a question to you and you may answer it as you see fit. The final question was not ‘Show me the line of dollars in the budget’ but ‘Which line or which area of the budget is this contract cost going to come out of once it is finalised?’.

Mr HAERMEYER — Well, in budget paper 2 you will notice — —

Mr FORWOOD — From last year?

Mr HAERMEYER — Yes. You will notice ‘Output initiatives — Department of Justice’, ‘Mobile Data Network project’, and the final amount is basically to be advised.

Mr FORWOOD — It has all been rolled over into this year.

Mr CLARK — Which output group, for example, will it be in when it is settled?

Mr FORWOOD — Is that last year’s budget paper?

Mr HAERMEYER — Yes, and the money is still there for it.

The CHAIR — If you wish, on which output line it will be coming from can be taken on notice. Thank you.

Ms GREEN — Minister, in your presentation you showed us the graph on police numbers.

Mr HAERMEYER — Yes.

Ms GREEN — The number of police you nominated in that graph includes recruits. Could you tell the committee how many additional sworn officers you have actually deployed to fight crime since October 1999?

Mr HAERMEYER — Yes. As I say, we were committed to providing 800 additional police in our first term of government. We achieved that in May 1983, so we achieved that well ahead of time.

Mr RICH-PHILLIPS — What year?

Mr HAERMEYER — Sorry, May 2003 — apologies; I just wish I was 20 years younger.

Mr RICH-PHILLIPS — Did you say 2003?

Mr HAERMEYER — It was 2002. It was 18 months ahead. The target was to be achieved by mid-2003 and we achieved it — sorry, by the end of the term of government, which would have been November 2003, and we achieved it in April 2002.

From June 1999 until March this year the total number of additional police is 834.9 full-time equivalent. That includes both sworn police and recruits. The full-time equivalent number of sworn police this year stood at 10 344.6 full-time equivalent. The government has committed to another 600 over this term of office, bringing it to 10 900. I stress with that 10 900 that whilst the measure that has always normally been used is police and recruits — that 10 900 commitment is for full-time equivalent police, bearing in mind that it will have to be a little bit above that because you always need to keep a number of recruits in the academy to keep your numbers up around the levels that you require them to be.

Mr RICH-PHILLIPS — I have a supplementary on that, Chair.

The CHAIR — Yes.

Mr RICH-PHILLIPS — Those figures, Minister, suggest that over the last financial year, coming up to June — or the figure you gave was up to March of this year — only an extra 34 net police came into the system because you achieved your 800 last May — —

Mr HAERMEYER — Correct.

Mr RICH-PHILLIPS — And you have 834 now. Could you explain that in terms of the academy? Only 34 graduated?

Mr HAERMEYER — No, that is simply the net gain. What happens is that when you reach a stable number your intake to the academy is such as is required to keep numbers at that level. But you will also have people who leave over that period of time, too. So the academy was still continuing to function, certainly putting through more than 34. That is simply the net.

Mr RICH-PHILLIPS — Do you know how many actually went through the academy in the last 12 months?

Mr HAERMEYER — We could get that information for you; we do not have it here.

Mr FORWOOD — Minister, I refer you, amongst other things, to page 231 of budget paper 3. I would like to make the point that the Victoria Police 2001–02 provisional crime statistics showed there was a 6.2 per cent increase in crimes against persons and that homicides were up, rapes were up, and assaults were up, but that the annual report of the department showed that investigation hours for investigations of crimes against the person were 414 000 hours below the target. I make the point also that if you look at the annual report, the hours — —

Mr HAERMEYER — You are using last year's figures, are you?

Mr FORWOOD — Yes; it is the only annual report we have. The hours for road traffic law enforcement last year exceeded the target by 245 000 hours.

The point I am making is: violent crime has gone up, hours have gone down by over 400 000, hours spent on collecting traffic fines has gone up by 250 000, and the amount of money up that is coming in by fines has gone. Are we not entitled to say to you that what you have done is taken police off the beat, away from protecting people from violent crimes, away from investigating violent crimes, and put them into revenue raising through traffic fines?

Mr HAERMEYER — Cute argument, but it does not quite hold up. Firstly, in terms of those benchmarks, we have actually moved away from using hours of input as our benchmark.

Mr FORWOOD — Well — —

Mr HAERMEYER — No, hold on. Last year you actually sat here and applauded that when we announced that we were going to do it. Now you say — —

Mr FORWOOD — I was not here last year.

Mr HAERMEYER — In any case — —

The CHAIR — All right, you might have changed your key performance indicators. The minister is explaining — —

Mr HAERMEYER — Let me say firstly that the hours put into investigation of crime is a demand-driven output, so when a crime occurs the police will then investigate that crime. It is not a proactive output, it is demand-driven. You investigate crime after it has occurred, so it is a completely different sort of output. Secondly, your suggestion in relation to hours spent — and I will get the figures to the committee; I am very happy to do this — on road traffic law enforcement last year were actually less than they were in the last full year of the Kennett government, 1998–99 — they were actually less than they were in 1998–99. I invite you to check the police annual report for 1998–99.

Secondly, in 1998–99 they more than doubled the target that was set for that particular year, so if you want to use that measure I would ask you to use it consistently across governments of all political persuasions.

Mr FORWOOD — Your own annual report, on page 41, shows that for road traffic law-enforcement hours, which you say you are now going to move away from, you spent 225 000 more hours doing that, okay, and 414 000 less on investigating crime when, as your own figures demonstrate, crimes against the person have increased. Surely that is a misallocation of resources?

Mr HAERMEYER — You will find, firstly, that investigating crime is a very small proportion of the police allocation for dealing with crime and dealing with criminal activity. The 800 police we have put out on the streets amounts to literally millions of additional hours of policing time, so the additional time put into road traffic enforcing is very small in that regard. Road traffic enforcement makes up a relatively small proportion of the total

number of hours of police activity. You will find that the majority of it goes into things like patrolling and a whole variety of other preventive activities. There is a very big allocation now for working on local priority policing and crime prevention initiatives with local communities.

I understand the road safety or road traffic enforcement is probably less than 10 per cent of the allocation of police time. So if you want to put in that context, which is the reality of it — —

Mr FORWOOD — Can we have a chart of the allocation of police time?

Mr HAERMEYER — Yeah, we can do that, that is easy.

The CHAIR — Thank you.

Mr HAERMEYER — Can I just say — —

The CHAIR — You are finishing?

Mr FORWOOD — Yes, we just need to finish the fines issue, because — —

Mr HAERMEYER — Look, we make no apology for focusing on road trauma. We have received a very significant reduction in the road toll. We have the lowest road toll on record for metropolitan Melbourne, but we still have a problem in rural Victoria, which we need to address. When you lose over 300 lives a year because people speed, drink-drive and do the wrong thing on the road, I think that is something — and if anybody wants to tell me that is something the police should not devote their time to I would like to hear it.

At the same time in terms of crime, the effort that police have put into crime has produced very significant reductions in the crime rate. Last year we had a reduction in the crime rate of over of 5 per cent. In this current financial year to the end of March, I think, we have crimes against the person down 2.9 per cent, crimes against property down 10.3 per cent and drug crime down 2.8 per cent. If you look at theft of motor vehicles, that is down 27.4 per cent. Aggravated burglary is down 18.9 per cent, robbery is down 18.4 per cent and homicide is down 17.3 per cent. That is not indicative of a shifting of resources away from dealing with crime; it is indicative of a high level of success in the tackling of crime.

Mr FORWOOD — Those figures are obviously not available to me. You have just read them and we look forward to seeing them.

Mr HAERMEYER — They were in the *Herald Sun* a few weeks ago.

Mr FORWOOD — I am not going to go down that path.

The CHAIR — Is this on the same point?

Mr FORWOOD — This is exactly the issue. Page 231 of budget paper 3 shows that the traffic infringement notices processed are going to go from 1.72 million to 2.25 million — in other words, over 530 000 additional fines and traffic infringement notices are going to be generated in the forthcoming year. The issue is: how is that going to occur? Where are these fines going to come from? What is the process by which the police are going to generate another 500 000 fines in the forthcoming year?

Mr HAERMEYER — Let me, firstly, say we make no secret of the fact that there are increased numbers of speed cameras going out there, there are point-to-point cameras being rolled out, there are fixed site speed cameras being rolled out, and also we are commencing the rollout of the speed on green cameras to stop those people who plant their foot and go 30 kilometres above the limit to beat the red light. Those people are amongst the most dangerous people imaginable on the road. We make no absolutely no apology for that.

These fines, at the of the day, come from voluntary contributions. People make the choice whether they want to speed or not. Nobody is making anybody speed. Speeding is something you do by choice; it is not something you do by accident, and when you do it you increase the risk not just to yourself and your passengers, but to other people on roads. We make no apology for that.

Mr FORWOOD — I would not apologise either, but surely it is an admission that your whole campaign against the road toll is failing if you anticipate an increase of 500 000 fines?

The CHAIR — The minister has already answered that very point.

Mr HAERMEYER — The 2002 road toll was 168 and the 2003 road toll is 146. That is hardly an indication of failure to me, and that —

Mr MERLINO — Minister, my question is in relation to Emergency Communications Victoria (ECV), which was formed by the government in June last year and took over the operations of the state's two emergency call centres in September. How did the transition process proceed and how is the ECV now performing?

Mr HAERMEYER — As I indicated to the committee last year, the government developed a transition plan to deal with the end of the Intergraph contract. Intergraph had indicated to the government that it wanted to get back to its core business of basically providing systems — hardware and software — rather than operating call centres. That transition went, I believe, very smoothly and very efficiently.

In the lead-up to that transition we identified a number of shortcomings that were inherent in the operation of the previous contract, particularly site and service redundancies that required us to do some very significant work across the two call centres. We allocated \$30 million towards upgrading those centres, and that work is progressing satisfactorily. We hope it will help us to reduce some of the technology-related breakdowns in the system that we had.

We recently also had an issue — and this is one we have to deal with at the moment — regarding the reporting system for measuring the performance of the ECV for Metropolitan Fire and Emergency Services Board (MFESB), and it relates to the abolition of emergency service access numbers. ESAN numbers, the committee may recall, were those 11441 and 11444 numbers that applied to police and fire. An evaluation of those back in the 1990s determined that they were causing significant confusion.

We decided to go back to the 000 system. However, in October 2002 Telstra decommissioned the ESAN numbers for police and fire, but ESAN still represented some 40 per cent of calls answered by Emergency Communications Victoria on behalf of the Metropolitan Fire and Emergency Services Board with 000 and other calls making up the remainder. Those ESAN number calls were generally of short duration. We actually found that there was a high percentage of misdialled calls, people trying to ring the United Kingdom and somehow getting through to the 11441 number. This was particularly apparent on holidays, such as Christmas and New Year. That tended to distort the response to the MFB's callouts.

There was also a very high rate of non-emergency calls to the MFB that were not accounted for in the total activity of the calls answered. It is estimated that those represent about 25 per cent of calls answered. We are currently developing with ECV and the MFESB a measure that will more appropriately indicate performance levels by ECV in terms of MFB calls. We are confident of having that revised reporting framework in place shortly.

Mr RICH-PHILLIPS — I want to ask about what is probably the most significant key performance indicator for the Minister for Police and Emergency Services, being crime statistics. Last August you released crime statistics from the LEAP database in actual figures. To look at the one category for crimes against person, homicides had increased, rapes had increased, assaults had increased significantly, and the abduction-kidnap category had increased. Overall in the crimes against person category for the 2001–02 year crime statistics were up 6.2 per cent. In May of this year you released further data, but rather than expressing the figures in actual numbers they are only expressed as a ratio per 100 000 population.

Firstly, whose decision was it to release statistics in that format rather than the raw numbers, and can we expect the next cycle, which I assume is August this year, to be released in raw figures? Secondly, you have a target at page 214 of budget paper 3 for crimes against person investigated. It is a new measure which sets a target for 2003–04 of 37 729 which is substantially higher than the number of crimes against person reported in the statistics released last year. What is the basis of the increase in the target; do you expect an increase in crimes against person?

Mr HAERMEYER — Quite the contrary. As I indicated earlier, the year-to-date figures on crimes against person are showing a reduction of nearly 3 per cent — actually 2.9 per cent — including the figures that you mentioned before in terms of homicide, and very dramatic reductions in terms of figures such as robbery.

Mr RICH-PHILLIPS — Just to clarify that, the reduction you are talking about is expressed as a ratio, they are not raw figures; you are talking about per 100 000 population, not the actual figure?

Mr HAERMEYER — That is the only consistent way to measure crime. Take a growth area like the City of Casey, for example, where you have a paddock today you might have a couple of incidents of livestock theft, but you are certainly not going to have any instance of robbery or anything like that.

Mr RICH-PHILLIPS — These are statewide figures, not specific to particular areas.

Mr HAERMEYER — That is right, but you need to have a consistent means of measuring crime. When the population increases, the propensity for crime goes up, so to provide a consistent measure you do it per rate of 100 000 population and that provides us with a basis which we can compare ourselves with other states and jurisdictions. That is the actual crime rate. The crime rate involves a relative figure, not an absolute figure.

Mr RICH-PHILLIPS — Will you be releasing those absolute figures in August?

Mr HAERMEYER — Absolutely. Victoria Police tabulates at the end of each financial year a complete analysis of the crime figures for that year, and it produces very detailed figures broken down into local government areas and all sorts of subcategories in relative and absolute quantities. They will be audited and published probably late July or early August, I expect.

Mr RICH-PHILLIPS — The second part of my question is the performance measure on page 214 in budget paper 3 which is crimes against person investigated. You set a target of 37 729 crimes. You can only investigate a crime that has taken place, and that figure is substantially higher than the actual figure reported for last year, which was 36 630, I think.

Mr HAERMEYER — I will ask the chief commissioner to comment in a moment, but I suggest that the crimes investigated do not always necessarily occur in the year in which they are being investigated.

Mr FORWOOD — The figure of 37 729 is highly accurate!

Mr HAERMEYER — It is a precise estimate! At the same time we have gone through a comprehensive process of DNA testing of the entire prison population. DNA technology and a whole variety of new technologies is making it possible for police to open up a raft of cases that had previously been closed and making the successful conclusion of those cases more likely. Certainly I would imagine that contributes to that figure.

Chief Comm. NIXON — Are you suggesting that in 2001–02 we had 36 630 crimes against person, is that right?

Mr RICH-PHILLIPS — Yes.

Chief Comm. NIXON — And the year 2002–03 was 37 729?

Mr RICH-PHILLIPS — No, 2003–04.

Chief Comm. NIXON — The issue with results is that we have a major strategy being developed around domestic violence. What we are seeing so far this year in some regions is an increase of 20 per cent reporting on domestic violence incidents which fit under that category. Much as it may seem to be the wrong way to go, we are trying to increase the number of people who are reporting assaults. It is a major under-recorded area. We do not know how big it may be, therefore we have taken into account some of the prediction for the increase in assaults.

Mr RICH-PHILLIPS — How much of that increased figure is due to the fact, as the minister pointed out — I will put in this term crimes already on the books for which you can now investigate because of DNA — — How much can be expected to be an increase in the number of reported crimes?

Chief Comm. NIXON — The larger proportion in the increase in the number of reports. The DNA database is in its early stage. It has had a lot of investment and we are now using that as much as we can, but primarily it will come out of assaults. If you take, for example, region five, an area from Dandenong to Morwell and through that area, there is a 20 per cent increase in reports now. We believe as the strategy comes into place we can have a whole-of-government approach in that there will be a substantial increase in reported incidents.

The CHAIR — By way of supplementary to that, you would be suggesting, I presume, that to have an increase is not a bad figure; it highlights the fact that people are now reporting in a way that was a hidden crime in the past?

Chief Comm. NIXON — We believe that is the case and that has been taken into account. There are the other kinds of assaults, such as assaults related to alcohol abuse outside licensed premises which we are targeting, but we are isolating the assaults, particularly coming out of family violence, to look at how much that is increasing.

Mr HAERMEYER — Can I also just make a point on that? Look, family violence is, as I think you have correctly identified, is a largely hidden crime and in terms of reported family violence the reality is that we are still only scratching the surface. There is a very proactive effort being undertaken by police and by other community agencies to try and bring it out in the open, because you can only deal with it once you get it out in the open. But at the same time it needs to be understood that the reports do not necessarily relate to the year in which they are made. Sometimes people come out with these sorts of reports years after the incident has in fact occurred.

Mr FORWOOD — How do we arrive at the figure?

Mr RICH-PHILLIPS — It's just extraordinary.

Mr HAERMEYER — Someone with a calculator which doesn't round.

Ms ROMANES — In the output initiatives table on page 233 of budget paper 2 there is a substantial allocation of money for handgun control. Can you inform the committee in Victoria's role in handgun control and the respective role of the federal government in this initiative, and how the initiative is progressing?

Mr HAERMEYER — Yes, certainly. Look, the handgun control initiatives came out of the shootings that took place, tragically, last year in October at Monash University. That led to a community expectation that there be a tightening of laws surrounding handguns. At the same time Victoria and other states were already working on an initiative dealing with handgun trafficking, which I will come to in a moment. So as a result of those shootings there was a meeting of the Australasian Police Ministers Council, followed by a meeting of COAG, where it was agreed to effectively restrict access to handguns to law enforcement, private security, genuine competitive shooters and bona fide collectors.

It was also decided that only the handguns that were needed for those applications would be allowed, and also to restrict the type of handguns which were legally available, particularly in terms of size — the smaller, more concealable ones. Barrel length was a criterion, as was the calibre of the handguns.

So we put through the Firearms (Trafficking and Handgun Control) Act, which received assent, I think, two days ago. That will have some impact. Certainly legal access to handguns was an issue relating to the 21 October shooting because it involved someone who was legally entitled to have those guns. He acquired a large number of very powerful guns in a very short period of time simply by becoming a member of a pistol club.

The overwhelming majority of crimes with handguns are committed with illegal handguns, and that remains a problem to us. For that reason we are putting in place mutually complementary trafficking legislation across all commonwealth jurisdictions to do with the illicit traffic of handguns internally. But the vast majority of handguns that are used in crime are illegal handguns that come into this country illegally. It is not just that they have been stolen or sold illegally; they have even entered the country illegally. We have particular concern with issues of border control in that regard.

The commonwealth has improved its monitoring of imported goods into Australia, but it is still inspecting approximately 4 in every 1000 containers, so it is a reasonable bet that if you are importing handguns into the country they will get through the net. The commonwealth has recently announced some X-ray screening technology which will allow inspection rates of 80 000 containers per year, but that still only brings us up to 5 per cent of the total loaded import containers across the limited number of ports where this equipment has been installed.

So I have to say we have a very significant concern about issues of resourcing for Customs and issues of border control that relate to handguns. I have got to say there is also an issue there in terms of illicit drugs coming into the country, and maybe there is a need to establish a coast guard to sort of provide an effective coast-watch mechanism, and to also have a look at border control, because what we can do internally to deal with this problem is a drop in the bucket compared to the problem of illegal importation.

The CHAIR — By way of follow up on the border control issues, as to your ministerial council, has discussion occurred in relation to the citizens of this nation and something akin to Crime Stoppers, but nationally, on border control? Has that ever been discussed amongst the police commissioners?

Mr HAERMEYER — Certainly border control generally has been discussed at APMC. We have expressed concern about the resourcing of customs. I must say at the same time the work done by the federal police and by the federal law enforcement agencies in detecting the imports before they come in has been nothing short of spectacular. But at the same time it is — —

The CHAIR — It is a big coastline.

Mr HAERMEYER — It is a small amount of a large problem. We are quite exposed; we are a large country that has quite open borders and is very sparsely populated, so we need to do something.

Chief Comm. NIXON — As you said, the government's Coast Watch program is part of the defence of it, but the minister's point about the Australian Federal Police overseas liaison officers is actually what has been a major way of at least keeping drugs out of the country. I think more recently the far fewer illegal immigrants coming through in various ways has also been part of that kind of protection the federal government has been putting into place, so that is the kind of thing we have talked about with them.

Mr CLARK — Can I come back to the mobile data network issue? You referred briefly earlier to a letter — I think it was — defending the Datatac technology on which the contract is to be based. There are some serious allegations, as you know, about the up-to-date-ness of that technology, including the fact that Telstra is shutting down its own Datatac network; that the industry standard that Telstra has operated on to date has been 800 megahertz whereas the standard for our contract is to be 500 megahertz, meaning equipment will have to be especially built; that we cannot have high-quality photographs and videos sent over the proposed terminal; and that there is no migration path for the Datatac network to be upgraded to newer technology.

Just during the course of these hearings I have pulled up Motorola's mobile data networks technology page on their web site, and it seems that Datatac is the oldest and most basic of the three technologies that it is now offering. It is also offering an Astro 25 product, which it says is their third generation, especially designed for mission-critical application and meets the project 25 standards for public safety organisations; and an Astro with HPD, or high performance data, is their latest one, which delivers even greater speed and more efficient spectrum use. So on the basis of that it does seem that Datatac — which is what it seems we are getting — is a very old technology. Now we may end up buying outdated technology at a very high price. How would you respond to that?

Mr HAERMEYER — I know that is an allegation that is being bandied around on behalf of some of the competitors but the reality is that we require a very high level of reliability for emergency service applications. The new technologies that you are referring to certainly have a higher data capability, but they are still very much under development, they still require standardisation and they are still some years from where a reliable pilot network could be implemented.

As I indicated when I responded to the earlier question about mobile data network (MDN), we are trying to achieve leading-edge, not bleeding-edge, technology, and we need a guaranteed 95 per cent plus message success rate and we need end-to-end service. I must say that the Motorola consortium's product is the only one that met that requirement. Certainly there are those technologies, Tetra 2 and Mesa, and there is a capacity to upgrade to those as they become more reliable, but at the moment we are using what is proven technology.

You mentioned Datatac. I shall just read from a note that Motorola has provided in relation to that. It says:*

There is some confusion around what Datatac is.

An Australian telecommunications carrier has in the past offered an older Motorola Datatac (Public Datatac) technology as a public access service. Motorola did cancel this product range. Motorola did also, however, continue to utilise the Datatac brand within another product portfolio which was specifically being developed for use within the emergency services.

The product is known as Private Datatac and is the basis of the communications network for the MDN service. Private Datatac has been continually refreshed by Motorola. In actual fact the key elements and software of the network were refreshed and updated within the last 12 months.

Motorola's Private Datatac solutions have the reliability and high data throughput the state needs when information counts.

There is a whole lot more.

Mr CLARK — Are you happy to have a copy of that made available to the committee?

Mr HAERMEYER — I am happy to make available to the committee.

Mr DONNELLAN — You talked earlier on about people using needles to commit armed robberies and street crime being the result of the drug trade and so forth. The drought in Afghanistan seems to have ended. What is your expectation about the impact of that on Victoria?

Mr HAERMEYER — People may have heard about the heroin drought in Afghanistan, and that was as a result of the Taliban regime over there cracking down on the opium crops. That led to a very dramatic drop in heroin production out of Afghanistan. However, since the demise of the Taliban regime the heroin yield in Afghanistan has gone from 185 tonnes — these are figures from the United Nations drug control program — in 2001 to 3400 tonnes in 2002, so that is an almost twenty-fold increase. As I have said on many occasions, most of our crime is drug driven. Whilst we need to acknowledge that in the past heroin in Australia has traditionally come from what is referred to as the Golden Triangle, which includes Thailand and Burma, we are also noting — as the drug bust the other week from the ship that did the drop-off at Lorne indicated — the drugs drives are coming —

Mr FORWOOD — State-sponsored?

Mr HAERMEYER — Not by this state! But we are also noting that there is an increased propensity for heroin to come from China and North Korea, and the opium for that heroin is mainly sourced from Afghanistan. So there is certainly some concern about that. We are starting to get reports from police of increased purity and reduced prices of heroin on the streets. It is nowhere near the dimensions it was two years ago, but it is starting to pick up.

We are also starting to get reports from ambulance officers about the numbers of callouts to heroin overdoses. Although, because of the way they now respond to those cases, you certainly will not get the number of overdose deaths as in the past, certainly that seems to suggest that that is sort of a commencement of an increase in heroin on the streets, which is of concern. It goes back to the comments I made in answer to a question from the chair earlier about issues of border control.

I think the police, federal and state, do an absolutely fantastic job in developing the intelligence that enables us to intercept a large proportion of that heroin, but there is still a large amount that comes in through all sorts of sources — through airports, through containers. Our border is very porous, and we really need to try to tighten that up. The other thing that I would ask the federal government to pick up — and I have written to the federal minister, Senator Ellison, on this — is that I think it is appropriate that, given the credibility that Australia has with the new government in Afghanistan that it draw these figures to that government's attention and try to sort of chop this problem off at the knees.

Mr RICH-PHILLIPS — I would like to ask you about the Auditor-General's report on public sector agencies released earlier this month, which found that in relation to IBM IT contract, despite your having provided the Victoria Police with financial delegation of \$500 000, more than \$35 million in expenditure was incurred in relation to that contract without the proper approval of the minister. So I ask: how did that occur, and what action have you taken to ensure it does not happen again?

Mr HAERMEYER — The Auditor-General reported on that IBM contract as a result of concerns that have been expressed over the years about that contract. In fact, it started with concerns that I expressed back in my opposition days about the way that contract was entered into. The Auditor-General expressed some concerns about one of the people who was involved in the negotiation of that contract and then subsequently ended up working for the successful contractor before the contract was even finally signed. I have some concerns about the haste with which it was entered into. I think the contract was put together very poorly. That is one of the things we are trying to avoid here — we are trying to avoid the sorts of pitfalls that were evident here both in accountability and probity and in value for money — we are trying to avoid that with the MDN contract.

The contract certainly blew out, I think, by about \$85 million over and above what the original specified price was, and that was because of the arrangements that had been made. Information technology moves, your IT requirements change, the sort of technology you require changes and the software changes. Unfortunately, because we were tied down by what you might call a golden handcuff to that particular supplier, it meant we had fairly exorbitant costs in any rescoping of what our IT requirements were. That is where those costs came from.

In terms of the issue raised by the Auditor-General about the unauthorised expenditure, it was certainly, I believe, the view of the IT department and the Victoria Police that the contract provided them with an authority to undertake expenditures which flowed from those contracts. It was my view that they did not. The Auditor-General has drawn

that point out as well, and we have put new arrangements in place which ensure that any expenditures on that contract outside of the express delegations that are given will need to be approved by me.

Mr RICH-PHILLIPS — Notwithstanding what is in the contract, there are delegations in place which allow Victoria Police to incur expenditure of \$500 000, that is what the Auditor-General's report suggests, so I find it extraordinary that Victoria Police could somehow incur expenditure of more than \$35 million without any ministerial approval in relation to that contract. Whether it related to the need to upgrade technology in the contract or not, the fact is that \$35 million was spent beyond any standing authorisation, without any ministerial approval. You have said you upgraded processes. This committee is about governance in the public sector — it is fundamentally what the Public Accounts and Estimates Committee is about, and it is one of the fundamental issues that this committee looks at — so could you outline to this committee what practices, changes, you have implemented to ensure that this does not happen again?

Mr HAERMEYER — Victoria Police was under the impression, and I believe in good faith, that those expenditures were delegated as part of the authority that was given through the contract — I do not know if the chief commissioner wants to add to that — but I have written to the chief commissioner making it clear that I have an expectation that these sorts of expenditures will, in future, be conducted either within the delegations that are specifically given or will have to be advised to me in the first instance. I ask the chief commissioner to speak further on that.

Chief Comm. NIXON — When the contract was first negotiated we understood it to be, and to this day we have three legal opinions that say it was called a variable rates contract not a fixed rates contract. At the time it was signed, because of Y2K and various other exigencies, there was a delegation made to what is called the IT Steward, who is allowed to incur up to \$55 million a year additional on that contract. That contract was signed quite some time ago and the minister at the time understood the process that was in place, and Victoria Police understood the process as well. We believe we have not exceeded the delegation because over successive years a delegation has stood. It was understood we were able, legally, to incur those moneys. There is no suggestion at all that we inappropriately spent the money. The money was spent on expansion of the system, to cater for the 800 additional police officers, to deal with Y2K exigencies. The point of our advice, legally, is that we actually have not breached conditions. The minister's matters are ones where we take clearly his direction on this matter, but the Auditor-General in his report is somewhat equivocal on whether it is a fixed rate or a variable rate. We believe it is a variable rate and that we have not breached the conditions of the contract.

Mr RICH-PHILLIPS — But the issue is not the nature of the contract, the issue is whether Victoria Police acted beyond its delegation.

The CHAIR — The chief commissioner has just answered that.

Mr RICH-PHILLIPS — You referred to a delegation to the IT Steward. That is \$55 million. Who was that delegation from?

Chief Comm. NIXON — The contract was entered into originally in 1999 by the then minister.

Mr RICH-PHILLIPS — It was given by the then minister to the IT Steward, who was presumably?

Chief Comm. NIXON — That is a position within the Victoria Police. Obviously they confirmed the issue, but we have continued on that practice. That has been the way it was, and it was part of the contract, and has been confirmed since.

Ms GREEN — Minister, you advised the committee earlier about police numbers. Could you also tell us what other significant investments have been made in upgrading the police force?

The CHAIR — Other than police numbers.

Mr HAERMEYER — As I indicated in my earlier presentation, a large commitment to policing is not just about employing more police. Ultimately we want to get a safer community and reduced crime rates. That involves putting processes and procedures into place and providing technology and capital facilities that enable us to get the most out of those additional police.

One of the things that Victoria Police has funding for is a pilot program, which I indicated earlier is called Compstat. This concept was introduced with great success by the New York police and is very much based around using up-to-the-minute consolidated intelligence and crime information to enable police to respond in a very timely

way and in a targeted and strategic way to crime. It also works in closely with an accountability process that achieved crime reductions of over 40 per cent in New York city. That is one area that we believe will make significant improvements in the way Victoria Police go about their business, which is already very successful given that we have the lowest crime rate in the country.

Also, as I indicated, we are building state-of-the-art police stations across the State: some \$280 million over two terms of government going into building a significant number of police stations. This budget will result in 71 police stations and three facilities being built across Victoria by the government at a cost of \$192.25 million.

There is a very big investment in police stations — renewing some of the old stock, such as Brunswick, and one which is of interest to the chair and which was announced in last year's budget is Coburg; building new police stations in new growth areas; and going through a lot of smaller country police stations and rebuilding them. Many of the police stations are in towns where the stations were, I suppose back in the 1990s, under threat. They are towns that during the 1990s lost banks, post offices and schools. This is about saying, 'Look, these police stations are here to stay because they do play an important role in the social fabric'.

We also made a commitment to the operational safety and tactics (OST) facility at the Police Academy. That is very critical in providing police with the best possible training dealing with potentially violent situations, protecting police, protecting the public and minimising the use of firearms, minimising the use of force. If you have a look at the number of police shootings now against what it was back in 1994–95 it has dropped quite dramatically. OST will help us to do that even more effectively. That will train some 9000 operational police each year.

We have also made a significant investment in personal safety equipment — for instance, with the lightweight ballistic vests. We encourage police to wear vests more often. The old things were very bulky and impractical. All police are currently being fitted and they are given a significant choice of different types of vests. There are 8000 lightweight equipment belts and there are metal detectors, which I have already discussed.

Another initiative which will be funded during this term of government is the mobile police stations. We have committed some \$2.5 million towards 10 mobile police stations that can be located in various locations around the state. For example, you might not have a justification for a full-time police station in an entertainment precinct like, say, Chapel Street, but you might on a Friday and Saturday night have that justification. Or you may have a particular crime problem — —

Mr FORWOOD — It is a caravan?

Mr HAERMEYER — No, it is a mobile police station. It will be a sort of souped-up booze bus in a way.

The CHAIR — That is a quotable quote, Minister.

Mr HAERMEYER — The design specifications for those are still to be completed, but they will enable the police to set up shop in a variety of areas where there is no justification for a full-time police station and will enable them to deal with specific problems in specific locations at specific times. It will give them the flexibility to conduct operations that are time and location specific. There is a whole raft of other initiatives. The major reward fund enables us to put rewards of up to a million dollars for some of the big, high profile unsolved cases. I could go through a lot more, but I want to give you the opportunity for more questions.

The CHAIR — It is 5 o'clock; otherwise I wanted to ask a supplementary question in relation to the Coburg police station.

Mr FORWOOD — I have one last question I would like to ask.

The CHAIR — Well, if it will make your weekend.

Mr FORWOOD — Thank you, Minister, much appreciated. On the day that the election was called the government signed a new enterprise bargaining agreement (EBA) with the Country Fire Authority (CFA) and the Metropolitan Fire Brigade (MFB) which gives a 16 per cent pay increase to our firefighters between 8 June 2002 and 1 November 2004 — substantially outside government guidelines. The existing EBA was not due to expire until September this year. In other words, 10 months before you needed to you entered into a new EBA that gave a 16 per cent increase to our firefighters. Why? Secondly, are the funds for the increases built into the forward estimates?

Mr HAERMEYER — Let me firstly deal with the question in relation to why. The CFA and the MFB had EBAs that concluded at different times. It was our view that there was benefit in bringing those two EBAs into the same time frame. They were negotiated concurrently so they would have the same starting date and in future they would be working in the same time frame. That would mean that instead of having to go through the cathartic exercise of negotiating two EBAs six months apart you would have them both negotiated at once.

We provided recognition of the additional skills and training that were being required of our firefighters in terms of accreditation for things like wildfires; the heightened level of skills and training required in dealing with chemical, biological and radiological incidents — we have had to significantly boost our capacities within those services; and the enhanced level of training that goes with emergency medical response, which has been rolled out across the metropolitan fire district. That enables the fire brigade to respond to some emergency medical incidents and give us an enhanced chance of keeping a patient alive until the ambulance gets there. It is within the guidelines because they allow for the increases in skills and training that are required of firefighters.

Mr FORWOOD — And it is in the forward estimates?

Mr HAERMEYER — I am sure it is built in.

The CHAIR — That concludes the consideration of the budget estimates for the portfolios of Corrections and Police and Emergency Services. I thank the minister, the chief commissioner, departmental officers and Hansard for their attendance. It has been extremely useful — and quite entertaining at times. I will be communicating with you in relation to matters that have been put on notice. Thank you.

Committee adjourned.