VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2013–14

Melbourne — 16 May 2013

Members

Mr N. Angus Ms J. Hennessy Mr D. Morris Mr D. O'Brien Mr C. Ondarchie Mr M. Pakula Mr R. Scott

Chair: Mr D. Morris Deputy Chair: Mr M. Pakula

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Witnesses

Mr K. Wells, Minister for Police and Emergency Services;

Mr G. Wilson, Secretary,

Mr N. Robertson, Executive Director, Police and Emergency Management, Department of Justice;

Commissioner C. Lapsley, Fire Services Commissioner, Fire Services Commissioner of Victoria; and

Chief Commissioner K. Lay, Victoria Police.

The CHAIR — I declare open the Public Accounts and Estimates Committee hearing on the 2013–14 budget estimates for the portfolios of police and emergency services and for bushfire response. On behalf of the committee, I welcome the Honourable Kim Wells, MP, minister for those portfolios; Mr Greg Wilson, Secretary of the Department of Justice; Ken Lay, Chief Commissioner of Victoria Police; Mr Craig Lapsley, Fire Services Commissioner; and Mr Neil Robertson, Executive Director, Police and Emergency Management, from the department. Members of Parliament, departmental officers, members of the public and the media are also welcome.

In accordance with the guidelines for public hearings, I remind members of the public gallery that they cannot participate in any way in the committee's proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers, as requested by the minister or his chief of staff, can approach the table during the hearing to provide information to the minister by leave of myself as Chair. Written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the media are requested to observe guidelines for filming or recording proceedings in the Legislative Council Committee Room. Cameras should remain focused only on the person speaking. Panning of the public gallery, committee members and witnesses is strictly prohibited. Filming and recording must cease at the completion of this hearing.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the precincts of the hearing are not protected by parliamentary privilege, including any comments made on social media from the hearing itself. The committee has determined that there is no need for evidence to be sworn. However, witnesses are reminded that all questions must be answered in full and with accuracy and truthfulness. Any persons found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript for fact verification within two working days of this hearing. Unverified transcripts and PowerPoint presentations will be placed on the committee's website immediately following receipt, to be replaced by verified transcripts within five days of their receipt.

Following a presentation by the minister, committee members will ask questions relating to this inquiry. Generally the procedure to be followed will be that relating to questions in the Legislative Assembly. Sessional orders provide a time limit for answers to questions without notice of 4 minutes, while standing orders do not permit supplementary questions. It is my intention to exercise discretion in both matters; however, I do request that the minister answer each question as succinctly as is reasonable, recognising that many responses may include a degree of complexity. I ask that all mobile telephones be turned off or turned to silent.

I now call on the minister to give a brief presentation of no more than 10 minutes on the more complex financial and performance information that relates to the budget estimates. Welcome, Minister.

Mr WELLS — Thank you Chair, and thanks for the invitation to be here today. Congratulations on your appointment as the new chair of public accounts. It is an important committee.

Overheads shown.

Mr WELLS — The first slide is the pie chart. As you can see, the police budget is \$2.331 billion, which represents 43.3 per cent of the justice budget. Emergency services — \$877.4 million, which represents 16.3 per cent of the justice budget. The main initiatives of the 13–14 budget include establishment of a crime stats agency, \$8.4 million; new and upgraded police stations, 31.8; police information process and practice reform program, 23.3 million; and replacement of mobile road safety cameras.

The establishment of the crime stats agency — we provided the \$8.4 million. The agency will be established to receive data from Victoria Police and independently publish crime stats to assist law enforcement policy and improve public access to data. This is in line with the Ombudsman's recommendations and meets the government's commitment to establish an agency to manage the release of crime stats.

New and upgraded police stations — the 13–14 budget provides \$31.8 million. This incorporates \$26.6 million of asset funding and \$5.2 million of output funding.

The PIPP — police information process and practice — reform program is an important allocation of money. It incorporates \$10.4 million in asset funding and \$12.9 million in output funding. One of the frustrations for me as minister is to see the police IT system in the way it is, and I know the chief commissioner is very committed to upgrading that, and so am I.

Replacement of the mobile road safety cameras — \$28 million. The current mobile camera technology is outdated, and while it operates effectively, it is inefficient to maintain and has been superseded by more powerful enforcement technology.

Investment in front-line policing — more than 1200 additional police are protecting the community than when the government came to office. There have been 362 protective services officers deployed as of 6 May, and we are on target to deliver the 940 by November next year. Eighty-three percent of night-time train users strongly agree that PSO patrolling is a good idea, and almost half — 45 per cent — agree that they would travel more often at night if the PSOs were at the stations.

With the additional police, as we said, we are on track to have 1700, which was the election promise, delivered by November 2014. As I said, the PSOs — with the 11–12 state budget we provided \$212.3 million over the four years for the purpose of the 940 PSOs. The 13–14 budget allocates \$78 million for upgrades to the remaining railway stations to continue the rollout of the PSOs. That incorporates \$67.8 million of asset funding and \$10.3 million for output funding, and there are currently 362 PSOs on 47 stations of the network. There are currently 487 PSOs at various stages of the recruitment process.

We have had significant capital works at the police academy, and a program to upgrade over 100 police stations is under way. For the infrastructure, with police recruits and the PSOs, we provided \$17.7 million in the 2011–12 budget for the upgrade. We have already improved a number of stations. The government has reviewed the master plan developed by Victoria Police and has released funding to enable work to proceed. These works include construction of a railway platform and classrooms at the police academy. I visited just recently. It is an outstanding facility and gives you that real live experience when the PSOs are doing the training.

Regarding capital works and election commitments, the 11–12 state budget provided \$33.5 million. That has been for upgrade of existing police stations at Ashburton, Mooroopna, North Ballarat, Sebastopol, Forest Hill, Heywood and Mooroolbark. Work is under way. The funding also provides for land acquisition and planning of police stations at Emerald, Waurn Ponds, Sale and Somerville. The 13–14 budget, the one that we are talking about today, provides \$31.8 million that will be for new police stations at Sale and Somerville and extending operations at Mount Waverley and Carrum Downs from 16 to 24 hours and additional operating hours at Carrum Downs police station to increase policing at Langwarrin.

I move now to tackling crime and the bushfire, arson and explosives specialist group. We have had a lot of talk just recently about the sports intelligence and integrity unit and Taskforce Astraea, which is targeting those online who are targeting children, which is a very important point. On 18 October 2011 the government announced the establishment of a livestock and crime specialist group. This squad has worked incredibly well in country areas. The issue of stolen livestock is not well known in the city, but it is a big issue in country Victoria.

Family violence is one of the big issues that Victoria Police has to deal with. It is an issue where there has been a significant increase. That is not necessarily a bad thing, because I maintain it is because Victoria Police has changed the way they are doing their operations in this area and more people are comfortable coming forward to report that crime. I think that is a positive thing. We just need to make sure that all the agencies are supporting police in order to give women and children the best service that they can possibly expect.

On road safety, a new 10-year road safety strategy was released in March of this year. The target is to exceed a 30 per cent reduction in deaths and serious injuries by 2022, equating to an annual road toll of under 200. That is something I think all sides of politics would strongly support. In addition to that, obviously we have tough new antihoon laws. The TAC has committed \$1 billion over the next 10 years to safer road infrastructure.

I move to emergency services. The main items with emergency services are remediation of Fiskville, ACMA compliance and fire station replacement. The \$16.8 million includes \$11 million for 13–14 that has been allocated for remediation work that needs to be done at Fiskville. This has been brought about by a number of reports by the EPA and by WorkSafe, and Professor Joy has compiled a report. We will go into that in some detail at a later point. The ACMA funding is about making sure that the bandwidth and the band strength is

there for the emergency services to be able to use. That is a commonwealth issue, but obviously the state relies on that very heavily.

Regarding replacement, the government made a commitment to upgrade 250 CFA stations, and we are well on track to ensuring that that will be delivered by November next year. This is one of the new fire stations at Yaapeet in Loddon Mallee. The \$61 million for 142 new or upgraded stations across Victoria will obviously assist the CFA volunteers and local communities who use CFA stations for meeting rooms and other requirements. Radio communications and black spots are obviously important when you are out in the middle of nowhere trying to fight a fire and you have no radio communications. There would be nothing worse than having to rely on someone to get in a vehicle to drive back to tell somebody that there is an issue. Eighty-seven black spots that have been identified. Twenty-two black spots were remediated in 2012, and 17 will be remediated by the end of this year. The balance will be done by the end of the following year.

Just quickly, obviously the issue of firefighter safety is crucial. MFB — new fire stations, new training facilities, which are crucial to training. ESTA — the centralisation of call taking and dispatch and making sure that the radio communications and information is passed on quickly and efficiently. The SES did an outstanding job in those disasters just recently where there was a tornado — can you believe it? — in northern Victoria. They are doing an outstanding job. Funding is provided for operational radio improvement in vehicles. Life Saving Victoria does a great job keeping our beaches safe over the summer.

Finally, the emergency management white paper is an important paper. We will work very hard to bring in legislation to make sure there is a seamless, one-unit emergency service when it comes to natural disasters across Victoria.

The CHAIR — Thank you, Minister. We have just a shade over $1\frac{3}{4}$ hours for questions. We will break at 11.00 a.m. and resume at 11.15 on the bushfires response folio. If I can ask the first question, in the context of the 2013–14 budget, can you outline to the committee examples of capital infrastructure projects in the police and emergency services portfolio which will either be commenced or completed in the next financial year?

Mr WELLS — The government is committed to the construction of a number of new police stations and the upgrade of others to 24-hour operations, which were identified as priorities when we were in opposition. These were priorities that we identified in opposition. The 13–14 budget provides, as I mentioned in the presentation, \$31.8 million for the construction of new police stations at Sale and Somerville, an upgrade at Mount Waverley, as well as increased operation hours at Carrum Downs. The \$78 million that has been allocated in the budget is also for the upgrade of railway stations for the PSOs.

You have asked about projects completed. New and upgraded police stations have already been completed at Ashburton and Mooroopna, and new residences at Axedale, Marysville and Heywood. The projects that are expected to be completed within the life of the 2013–14 budget — construction of the new Ballarat North and Daylesford police stations are expected to be completed by mid-2013. The refurbishment of the Mooroolbark police station has commenced and is expected to be completed by mid-2014. Construction of the Castlemaine police station is expected to be completed by July 2014. Work is also progressing on three new multidisciplinary centres, which include a principal centre in metropolitan Melbourne and regional centres at Latrobe and Bendigo, and they are under lease arrangements. The centres are separate to police stations and provide accessible information, counselling, crisis support, child protection and criminal investigation services. The 12–13 budget included capital funding of \$9.6 million for construction of six road safety camera sites on Peninsula Link, and that should be up and running over the 13–14 budget.

You asked about projects under way. As I mentioned, 13–14 will include funding for Mount Waverley, Sale and Somerville. We also have the design work that has commenced for the new Waurn Ponds police station. Construction is under way for a 24-hour police station at Emerald. There is a 4000-square metre site at 469 Springvale Road in Vermont South which has been announced as the site of the new Forest Hill police station, which I know the member for Forest Hill has been very keen on. That Forest Hill police station will be for the Whitehorse police service area. The city west police complex program remains for completion for the first half of 2015. The additional \$602 million for the 1700 extra front-line police by November 2014 means an additional \$56 million was provided in 12–13 to upgrade over 100 stations to accommodate these additional police, which was incredible. Do you want me to go to emergency services?

The CHAIR — Yes.

Mr WELLS — With emergency management, we have in the 2013–14 budget the \$61 million which I mentioned in the presentation. That will be for 142 new or upgraded stations. In the CFA, Ballarat East fire station upgrade — major renovations of the 150-year-old, heritage-listed Ballarat East fire station; land purchased for Edithvale station upgrade; and delivery of 60 rural fire stations, including two that will be co-located with the SES, which I think is a great idea. Upgrade stage 2 will deliver 48 new or upgraded rural fire stations. Also, crew protection, the refitting of the 844 tankers, enhancing CFA vehicles and vehicle replacement.

Lifesaving, we have delivered on Fairhaven, which was not quite as easy as we anticipated. There were some complications which we have been able to do. Funds have been allocated to upgrade life saving clubs at Dromana, Carrum, Fairhaven, South Melbourne, St Kilda, Mordialloc and Seaspray. And with the MFB, obviously the large fire training centre, which will be used by other agencies at some point. Obviously we have the 2009 Victorian Bushfires Royal Commission, which I will discuss in the bushfire response.

Mr PAKULA — Minister, you made some reference to the PSO rollout during your presentation, and I just want to understand some of the numbers surrounding it. You would remember, because you released it on the Thursday before the state election, the then opposition's costings document where you costed the PSO policy at \$161.5 million for the recruitment and deployment of 940 PSOs. In your presentation you made reference to an amount of \$212 million in the last budget and an amount of \$78 million in this budget, and there has also been some I think 3, 4, \$5 million spent on advertising, recruitment and billboards and the like. Can you give the committee the number, as we sit today, of the total cost that has been budgeted to date for the rollout of the PSO policy?

Mr WELLS — I have a different recollection of when I released the election commitment costings. I am absolutely positive that the amount we released was \$212 million — —

Mr PAKULA — Pre-election.

Mr WELLS — In the run-up to the election. To the best of my knowledge, we released election commitments, and I will ask one of the staff to verify that.

Mr PAKULA — Easy enough to check.

Mr WELLS — But from memory, we made a commitment of \$212 million, and there was some money put aside for infrastructure as part of that. But if I could just say that the number I remember is \$212 million. That is the number we put in the 11–12 state budget — \$212.3 million over the four years for the purpose — and that was for the 940 PSOs. I think this has been one of the great policies of this government. I know that there have been some complications and some difficulties with support on all sides of Parliament, but it is an election commitment that we will continue to roll out. We are on track to deliver the 940. I believe the \$212 million is the correct amount, and we will continue to work with the chief commissioner and others to make sure this is delivered.

As I said as part of this presentation, we had a \$78 million commitment for infrastructure on railway stations. I think it was on Tuesday night that I had the great pleasure to go out to Richmond railway station to thank some of the PSOs for some of the work that they had done.

It is quite an extraordinary story. A young girl with cerebral palsy, down from Mooroopna, who had only been in Melbourne three or four weeks to study at Swinburne University, in a scooter, got up onto Richmond station at 9.30 at night — pretty dark, pretty scary for a country girl who had not been here very long — and the battery or something packed up on the scooter. She was stuck. In an absolute panic she rang her mother and her brother to say, 'What do I do? I am stuck on this railway station'. Fortunately for Courtney she was told by her brother to flag down some PSOs. Three PSOs were there; they were flagged down. By the time the brother was there, she was surrounded by these three PSOs, which made her feel so much better. And we say, 'Thank goodness for the PSOs'. The mother was so grateful, and the brother wrote to us thanking the people who helped her and outlining the situation. It gave us an incredible opportunity for us to be able to go out to thank those three PSOs. One was a landscaper, one was a baker, one was straight out of school, and I tell you what, the smile on their faces that they were able to do something so incredible for the community was quite significant. The CHAIR — Thank you, Minister. Supplementary?

Mr PAKULA — Thank you, Minister, and I note you completely avoided answering the question about what you have spent so far. But let me just go back to it, because your pre-election document did say 161.5, and in fact, in your first budget, when you announced the 212, you made the point at the time that it was costing more than you originally planned because you were bringing forward, as you claimed at the time, some of the spending that was going to be spent in the 15 to 18 Parliament. But just to do our own sums, 212 plus 78 here is 290, plus the advertising — we are already up to nearly 3 — and that is despite the fact that right now, by your own evidence, we have got 362 out of 940 deployed, or about 38 per cent of what you say will be deployed in the next 18 months. So if we are up to 290 to 300 at the moment, and there are still almost 600 more PSOs to be deployed — —

Mr O'BRIEN — Have you costed in the value of lives saved?

The CHAIR — Order!

Mr PAKULA — You need help. Can you just take us through, Minister, whether what has been budgeted so far is going to be it, or whether there is an expectation that on top of the 300 or so million already budgeted for, there will be additional costs as we go from 360 to 940?

Mr WELLS — Okay, so to put everyone's mind at ease in regard to the recruitment process, I mentioned the number of 362 that have been deployed, but there are currently 496 PSOs at various stages of the recruitment process, as of 3 May. So you have 362 that are out there at the moment on the 47 stations; 496 are at various stages of recruitment — so just entering; halfway through; almost fully trained. So if you add the 496 and the 362, you are getting over the 800. So you can see that we are well and truly on track to be able to deliver the PSOs by November.

In regard to the \$78 million for upgrade on the remaining stations, I think, from memory, we originally had put 20 million aside for that infrastructure upgrade. It is true that once we started the process, the amount we had put aside needed to be significantly upgraded, and that is why we moved to the pods, where you can actually detain someone in the pods. So there has been a kick-up in regard to the capital spend, from \$20 million to \$78 million for the infrastructure on the stations. So for that point you are correct, that there has been an increase in the capital spend for upgrades.

Mr ANGUS — Minister, I refer you to budget paper 1, page 11, the Treasurer's speech, where he highlighted a range of things including, and I quote:

The government continues to fund the recruitment and training of an additional 1700 members of Victoria Police and 940 protective services officers, the largest single law enforcement recruitment exercise in Victoria's history.

I note that you also touched on that in your presentation. Minister, can you advise the committee on the progress in implementing the coalition's 2010 election commitment to appoint an additional 1700 front-line police during the term of this Parliament?

Mr WELLS — This is a policy that we are very proud of. In opposition we needed, and we believed that Victoria needed, a tougher law and order policy. We were sick and tired of what was happening. In the previous government you had an Attorney-General who wanted to decriminalise public drunkenness, which I just find just quite extraordinary. So we wanted to come in with a tough law and order policy, and we make absolutely no excuse for that. Part of that policy was the 1700 front-line police, which is a huge — I think it would be fair to say the largest single investment in front-line police in a term of government. Many of our critics said that this could not be done, we would not be able to find the people, and it is pleasing to be able to update the committee on where we are up to with that at this point.

So the promise was 1700 police by 2014, and we are actually ahead of that election commitment when it comes to recruitments. As I said, it was designed to make sure that we had enough front-line police — so we were not talking police in general; we wanted front-line police — and in this budget we are supporting it by an additional \$30 million to upgrade new police stations. We needed to upgrade existing police stations as well as build new police stations. Obviously to house an extra 1700 was important, and being able to expand the operational hours at places like Mount Waverley and Carrum Downs, which was very important.

So by July of this year more than 1200 — in fact, I think the number is now up to 1314?

Chief Comm. LAY — Thirteen fourteen.

Mr WELLS — One thousand three hundred and fourteen. I will pass to the Chief Commissioner in a moment, but I think that number is now up to 1314. We obviously leave the allocation of the police to the chief commissioner; that is his role, and he will explain how he allocates that out to Victoria. The officers are helping to reduce crime in the police service areas. As we have said, there is more reporting when it comes to domestic violence. I think there is a significant push, obviously, with the bikies and the outlaw motorcycle gangs that the chief commissioner is working very hard on. The recruitment of the additional police officers is taking place at the same time, so the academy is pretty full. When you are training 1700 police you also have the 940 PSOs, so it is a busy place, but it is great to be able to see that with the upgrades to the academy it is working well. The attrition rate has been between 2.2 and 3.6 over the past 10 years. I think the projected attrition rate for Victoria Police for 2012 of 3.3 per cent is pretty good when you compare it to other jurisdictions around the country.

Allocation of police in the eastern region — Latrobe, Bass Coast and Baw Baw — there has been an additional 65. In southern metropolitan — Frankston, Mornington Peninsula, Cardinia, Casey, Greater Dandenong — there is an extra 93 police. In the western you have Greater Geelong and Surf Coast, 38; Ballarat and areas, 82; Bendigo, 44; and Mildura and Swan Hill, 45. This is good news. It is not just metropolitan Melbourne, they are actually getting out and about. I might call on the chief commissioner to add to the issue of allocation of police.

Chief Comm. LAY — Thanks, Minister. The minister correctly pointed out that we have delivered 1314 additional police since November 2010. We expect to land on about our target on 30 June for sworn police. PSOs, we will have 401 PSOs by 30 June, which is about 70 above target. We have taken the view that we would try and over-recruit this financial year to help us next year when we have got another big tranche of PSOs coming into the organisation.

There is a continual pressure from communities right across Victoria for additional police, and there has been for 160 years. We have tried to take a far more scientific approach about how we actually allocate police into local areas. We have moved away from the model of putting police into police stations; we now put them into divisions, which include probably five or six police stations. This gives us a lot more flexibility about how we can actually deploy our people in areas of need in particular divisions.

We also use a model in determining where police should go, which includes looking at data such as police per hundred thousand of population in the 15 to 30-year age group, as we know this is the age group that has got the highest level of offending; the number of computer-aided dispatch events per full-time equivalent member; calls for police assistance per head of population; and the number of crimes against property, the number of crimes against the person, the number of road traffic collisions — the proportion that each PSA contributes to the total state crime rate. We have now got a process where we can very clearly think through where we need to put our police rather than using intuition. This has proved fairly helpful for us, so this is why you will see in some areas there is far more significant investment in the new numbers than in other particular divisions.

The CHAIR — Thank you, Chief Commissioner.

Mr SCOTT — Minister, you made mention of the CFA in your presentation. One of the risks faced by CFA members — and this was particularly identified by the Senate's inquiry, and then there was resulting legislation — is the risk of cancer from the work that they undertake protecting the Victorian community. I looked through the budget papers, and I have noted your presentation, but I could not find any particular outputs or expenditures related to providing presumptive rights for members of the CFA to compensation for cancer that they suffer from as a result of their work protecting the Victorian community. Could you identify for me if there are measures in the budget which would fund the giving of such rights to CFA members?

Mr WELLS — The issue of firefighters and occupational links to certain cancers is certainly a complicated one. I am aware of the commonwealth legislation that you have referred to. We have looked at that, and we are also aware of the Tasmanian bill and commitments that have been made in South Australia. My understanding is that in Western Australia in the run-up to the election there were certain commitments made by the coalition or Liberal Party over there. I am also conscious of the allegations made in relation to cancers acquired by firefighters working at Fiskville. In relation to Fiskville, I am assured that the facility is currently safe for

working and training there. As I said in the presentation, we have allocated \$16.8 million for works to address that.

In relation to presumptive legislation in Victoria, I think the government needs time to consider the medical information — for instance, between the cancer and the actual workplace and work practices. I also understand that Monash University is undertaking a comprehensive study of cancer. I know that it is going to be released next year, and for many that is taking far too long. But in regard to the reference in the budget papers, I refer you to budget paper 5, page 212. At the last line it says:

At this stage it is impractical to quantify any other financial impacts of the investigation's recommendations.

Far be it from us to tell Treasury how it should deal with the issue of presumptive legislation or presumptive claims, but at this stage Treasury is saying that there is not enough information around it to be able to quantify it, because I guess the next step would be that if Treasury did believe that presumptive legislation was about to be brought in or presumptive claims were about to be made, they would make something in regard to the contingent liability aspect of the budget papers.

Mr SCOTT — Can you please clarify: if I understood your answer correctly, you said that there is not yet an ability to make a judgement on when policy measures might be forthcoming, if at all. Could you give information to the committee on when you believe the government will be prepared to act on this important matter, which other parties, I note, are prepared to act on? I have to disagree with you, because the evidence from the Senate inquiry, frankly, is very compelling, and received bipartisan support and has been supported by most jurisdictions around Australia. So would you give a time line on when you are even willing to consider action?

Mr WELLS — It is very difficult to give a time line at this particular stage. The reason for that is that when you look at the commonwealth legislation, it is talking about full-time employees. We are talking about full-time employees and volunteers.

Mr SCOTT — But they conduct similar duties.

Mr WELLS — I understand that in Tasmania they have set a pretty high jump bar. We are working through this. The minister responsible for this area is actually the Assistant Treasurer and the minister for WorkCover, so we will be working with him, working with the CFA volunteers and working with the CFA and the MFB to work through a proper process. It is unfair at this stage to be asked to outline a time line to be able to resolve this issue. We need to be able to come up with something that is fair and equitable.

Mr O'BRIEN — I would like to refer you back to the commitment in budget paper 1, page 11, in the Treasurer's speech, where it highlighted that the government is prepared to fund the recruitment and training of 1700 members of Victoria Police and 940 PSOs — the single largest law enforcement recruitment exercise in Victoria's history. I just ask if you could update the committee further on this, including on the benefits of the PSOs in particular and on the progress — I think there has been some evidence given to the committee, but if you could update the committee further — of the rollout and deployment of the PSOs to rail stations across the Melbourne metropolitan area and key regional centres?

Mr WELLS — Sure. We are absolutely committed to this policy of 940 to be delivered by November 2014. The PSOs are on duty from 6.00 p.m. to last train 365 days a year. This is a great policy. The first railway stations that received the PSOs got the first appointments in February last year, and they are providing very good coverage and are very effective in the reduction of crime and antisocial behaviour on the railway station and in the immediate vicinity, in regard to car parks. Many people are concerned with car parks; people who are driving and putting their car into one of the rail car parks at 7 o'clock in the morning and leaving it all day are concerned that they are a target for undesirables to break into it. But the PSOs being able to patrol those car parks at night has been very effective.

The PSOs undertake an intense 12-week course, and I had great pleasure in being out at the academy a few weeks ago to see one of the units receiving their congratulations and awards from the chief commissioner. The backgrounds of a large number of the PSOs is quite extraordinary. I think the day that we were there there were PSOs with backgrounds in South Africa, Afghanistan, India, Sri Lanka, and it is just so fantastic to be able to

have PSOs on the railway stations being able to talk maybe in some situations a second or third language. I think that is just extraordinary and a great success.

They also receive other training to assist them in responding to needs, especially those of people with a disadvantage. We had that case where we were able to talk about Courtney. Learning to deal with people with a mental illness or who are experiencing a mental illness episode, young people and the homeless is an important part of the training. They are not just dealing with people who are drunk and wanting to do a punch-up but also with other people in the community who do need assistance on railway stations. In the same way as is required of police officers, PSOs must requalify in weapons training every six months. So, PSOs do their training at the academy, and every six months they need to go back and redo their training.

The feedback from the police members is that the presence of PSOs is having a very positive impact on the perceptions of safety, and in some cases, perceptions on railway stations go a long way to make people feel comfortable about being able to travel on trains. We put PSOs on the Carrum railway station, and I was at the launch. Senior Sergeant Chris James said that since PSOs began patrol crime had noticeably decreased. Alana, a Carrum resident, indicated that she felt safer arriving at Carrum station. They are good news stories.

On 8 April 2013 in the *Dandenong Leader* police are reported as saying that violent crime and unruly behaviour has dropped more than a third round that Dandenong area. For those people that have been down to Dandenong railway station at night maybe to pick someone up — in my case, a mother coming down from the country — having the PSOs there has been quite extraordinary and has worked very well.

As of 7 May 362 PSOs have been deployed. We are on track. We have deployed 70 more than originally planned for 30 June. In an answer to Martin, we talked about the number that have been in the training process and that are in that process right now. We have spoken about the \$78 million increase in regard to the infrastructure on railway stations, which needed to be enhanced. That means PSOs have an allocation of lockers for their personal gear; they are able to get kitted up at the police stations; they are able to detain a person and put them into the pods, and; they have access to information resources like the radios that required a safe, clear place to put the equipment in.

In terms of attrition: 27 PSOs resigned during training, but only three have left Victoria Police since graduating. I think that is pretty good. We started putting PSOs on railway stations in February last year; only three have left. As I said, when you go to talk to the PSOs they are a very proud group. They are on railway stations right across Melbourne: Bayswater, Dandenong, Ferntree Gully, Frankston, Heidelberg, Parliament station, Ringwood, Watsonia and just recently at Williams Landing. I think it is a terrific story and something that is really helping with the general community. Maybe the chief commissioner may want to talk about the interaction between the PSOs and police and how that is working.

The CHAIR — If there is to be comment, could I ask it to be very brief because we are now 6 minutes into an answer.

Ms HENNESSY — And we are none the wiser.

Mr ANGUS — No, that is not right — —

Mr WELLS — Are you happy with the answer?

The CHAIR — Order! The chief commissioner has the call.

Chief Comm. LAY— Thanks, Chair. Just in addition to the minister's explanation, the next stations we roll out will be Mitcham, Pakenham and Altona over the next few weeks, and, as I said in a previous answer, we will have 401 PSOs working the railway stations — 76 above the funded profile — at the end of this financial year.

It is quite interesting to see the relationship between police and the PSOs. There was some concern, no doubt, in the early stages that they would not integrate well, but it is quite pleasing to see the amount of support by, particularly, our transit police in embracing the PSOs and the model. They are certainly taking the transit police away from a role that they may well once have done.

It is also interesting to see the data that is being produced by our PSOs by way of arrests. They have been involved in nearly 1400 arrests since their implementation. These are for some of the most serious offences imaginable where they do hand people over to police to have them processed. But we know that our PSOs have arrested 500 people with outstanding warrants, 700 people for drunkenness and 64 in breach of bail conditions. They have applied 8500 fines for drunkenness and offensive behaviour. The feedback we are getting is that they are acting as a strong deterrent for some people who would misbehave on railway stations, but the anecdotal evidence also is that people feel comfortable with PSOs on railway stations. They can be assisted in a whole host of ways where it is very difficult to actually measure. Overall Victoria Police has embraced the PSOs; they are helping us create a safer community and have become a very important part of our organisation.

Ms HENNESSY — Minister, I just want to ask you a couple of questions around an issue that you referred to in your presentation around organised crime and in particular what your chief commissioner has described as one of the gravest breaches of security in Victoria Police's history, and I am of course referring to the leaking of thousands of documents to people associated with the Hells Angels.

Minister, it is my understanding that some of the documents that were found at the property linked to the Hells Angels related to intelligence that came not just from the LEAP database but from the Interpose database, and you would no doubt be aware that the Interpose database is the database that contains the principal intelligence and case management files. To kind of describe this as a disaster probably does not quite capture it, Minister, and I suppose I wanted to ask you about how you have satisfied yourself as the minister responsible, what operations and investigations into organised crime and bikies may have been compromised. I also want to ask you if you can guarantee this committee that no informant or source that could have been potentially identified from those sensitive materials has been harmed.

Mr ONDARCHIE — On a point of order, Chair, I wonder if the question is not related to an ongoing police operation and investigation right now and may not be an appropriate question to ask.

Mr PAKULA — If that is the case, the minister can make that point.

The CHAIR — Order!

Ms HENNESSY — On the point of order, Chair, there are a number of reports in the public domain about this issue. The minister has come here and put organised crime as a priority on the public record. We already know a Comanchero was bashed in a prison — —

The CHAIR — Order!

Ms HENNESSY — It is a very easy issue for him to talk about in whatever way he wants.

Mr ONDARCHIE — On a point of order.

The CHAIR — No, we have one opportunity for a point of order, and editorials following a point of order is not helpful either. I will allow the question, but obviously the minister and, if necessary, the chief commissioner are able to respond in any way they deem appropriate.

Mr WELLS — Can I say, Jill, I share your concerns about breaches of the database that Victoria Police hold, and any breach of that database is totally unacceptable to the government. I have met with the chief commissioner on a regular basis, and I am 100 per cent satisfied that what the chief commissioner has put in place is getting results. I would rather be in this position, where people are being caught and charged, than this matter being swept under the carpet or hearing comments that were made some years ago that there are no issues with bikies in Victoria.

We made an election commitment to enact new laws to outlaw criminal gangs, including criminal bikies or outlaw motorcycle gangs, the OMCGs. At this stage there is no new funding associated with this commitment, because we expect police to be able to do this as part of their base. The government delivered on its commitment in November last year. The Criminal Organisations Control Bill 2012 was enacted on 18 December 2012 and was passed with bipartisan support. We think that is a good move. The Criminal Organisations Control Act commenced on 13 March and enables the Supreme Court to make declarations to

control orders. Control orders may prohibit the continued operation of a criminal organisation, ban gang membership and association with gang members and prohibit persons from wearing gang patches and insignia.

In relation to more specific detail about your question, in late March 2013 the Victorian police professional standards command established a task force following increased concerns that outlawed motorcycle gangs are attempting to cultivate and corrupt police members. Taskforce Eagle investigates allegations of police members associating with people known to have links with outlawed motorcycle gangs.

On 6 May the chief commissioner announced that a large volume of police information, which you referred to, had been found at three locations, and that one of these locations had direct links to a high-profile outlaw motorcycle gang and other criminal identities. The documents date back three years. Victoria Police established Taskforce Keel to examine the documents and identify the addressed risk to the safety of any person. I will refer, if you do not mind, for further information to Chief Commissioner Lay because I have given, I think, the answer to the best extent I can in regard to being the Minister for Police and Emergency Services, but for the operational part of it there are certain things that the chief commissioner will comment on and others that he will not because of the point that has been raised by Craig that it is an ongoing investigation.

Chief Comm. LAY — Ms Hennessy's comments were absolutely correct that this is a grave breach of security for Victoria Police, and it is certainly the gravest single breach that I have seen in my time in Victoria Police. At the present stage we believe we have a thousand files that have been leaked, made up of about 6500 individual pieces of paper. The comment was made that there were links to Hells Angels. That is also correct, but there are also links to other organised criminal identities, which again creates significant problems for us.

As everyone here would be aware, three weeks ago I did stand up and talk about some considerable concerns that both myself and my command group had in relation to some police's involvement with outlawed motorcycle gangs. I did make the observation at the time that there seemed to be three categories — there was naivety, there was stupidity and there was criminality, and the issue we are talking about today fits into that criminality piece. We did establish Taskforce Eagle and at the time I made the comment that we were aware of about 10 incidents where our members had been either compromised or influenced by organised motorcycle gangs.

Today we saw an article in the paper about one of those issues, and I am sorry to say that probably in the near future we will be talking about probably the balance of those issues as we work our way through them, so the community can expect that I will be talking about these issues, going forward. I should point out, though, that Taskforce Echo, which has been in existence now for about two years, has done an enormous amount of work in helping us better understand outlawed motorcycle gangs, and it is this work that has actually helped give us some insight into some of the actions of a very, very small part of a number of our members.

I feel enormously supported by my organisation in relation to the work we have undertaken here. The feedback has been quite strong, and I can only just make the point very strongly that this relates to a very, very, very small minority of corrupt police, and I believe we have an insight into how most of this is operating. I look forward to some arrests and putting people before the court so they can explain to the judicial system exactly what they have done and why they have acted in the way they have.

Ms HENNESSY — Thank you very much, Chief Commissioner, for that answer, that was terrific. Minister, just as a supplementary, in terms of trying to understand how and why this happened, when you were the shadow minister for police you were a very strong advocate — is the polite way I would put it — for independent investigation and transparency around investigations into police corruption, and I suppose my concern is this: we had the OPI kind of hanging in the wind for a couple of years whilst the IBAC experiment was unfolding. To what extent are you satisfied that we have had an independent police corruption cop on the beat in the past two and a half years?

Mr WELLS — I think I answered that part of the question in the first part of my answer, and that is that I am briefed on a weekly basis on what is appropriate for my role as police minister. The operational matters are a matter for the chief commissioner, but I do say that I would rather be in this position where people are being caught, issues are being identified, whether it be in country Victoria or in other parts of Melbourne — —

Ms HENNESSY — What about prevention?

The CHAIR — Order! Minister?

Mr WELLS — In country Victoria or other parts of Melbourne, that these task forces are doing their jobs. Regardless of whoever it is, they are being caught and charged and dealt with through the court system. So in regard to asking me whether I am satisfied with the way that the police force is dealing with it, the answer is yes.

The CHAIR — Thank you, Minister.

Ms HENNESSY — IBAC nowhere to be seen.

Mr ONDARCHIE — Sorry, I thought that was another interjection. Minister, I would like to talk about our wonderful PSOs as well, and wasn't it great news that James Vongvixay got back to work yesterday, albeit part time? We are delighted and we wish him well. I refer, Minister, to budget paper 3, page 171, which talks about the Department of Justice's objectives to improve community feelings of safety. My teenage daughter, who until this year was not a regular user of the train system, now catches the train to uni. She texted me the other night and said, 'Dad, thanks for the PSOs. I feel much safer on stations'. Can you advise the committee on the impact of the rollout of the PSOs, and the perceptions amongst our community of safety and the prevalence of crime at railway stations?

Mr WELLS — Thank you, Craig, and I actually rang James yesterday to welcome him back. All of us would remember James as being a PSO at Parliament. He had an awful situation here one night while Parliament was sitting. He was off work for about five months, is back, and tells me he is very pleased to be back and that his hours will continue to build up. He is doing admin at the moment, but I think it is great that he is wanting to get back to work and to a full-time situation.

We did talk about the perceptions of crime on railway stations. Like you, I also have a teenage daughter and, I guess, you feel a bit uneasy about travelling at night, as a group of 16-year-old girls going into the city, but the PSOs have made a difference. A survey of 2700 night-time rail users and members of the greater Melbourne community conducted in June last year found that the overwhelming majority of people agree that PSOs have an important role to play and the PSOs will make night-time train travel safer. Eighty-three per cent of that survey of night-time train users strongly agree that PSOs patrolling is a good idea, and 79 per cent strongly agree that they would readily seek help from PSOs if they felt unsafe. More than half of parents surveyed told us they would be happier with their children travelling on the rail network at night with PSOs patrolling. I guess the two of us are live examples of that.

In addition the National Survey of Community Satisfaction with Policing, an annual report, and the ROGS both found that perceptions of safety on public transport in Victoria, especially at night, are improving. So that is a good thing — that people are feeling safer and want to travel. Both of these surveys, the ROGS and the other survey, show that there is great improvement at night time. We know the PSOs are having a real impact on crime and antisocial behaviour at railway stations and, as I said, in the first 10 months the PSOs were deployed they assisted in the arrest of almost 1400 people and issued more than 8300 infringement notices for a range of offences. In addition to detecting and responding to crime — —

Mr PAKULA — Paying for themselves.

Mr WELLS — Sorry?

Mr PAKULA — Paying for themselves.

The CHAIR — Order!

Members interjecting.

The CHAIR — Order! I do ask the minister not to respond to interjections.

Mr WELLS — I cannot?

The CHAIR — I would rather you did not.

Members interjecting.

The CHAIR — And I ask that the opposition members cease interjecting.

Mr WELLS — So I cannot respond to what Martin said?

Members interjecting.

The CHAIR — I would rather you did not. I would rather you — —

Members interjecting.

The CHAIR — Order! I would rather the answer was completed in the 4 minutes.

Mr WELLS — And not respond?

The CHAIR — Yes.

Mr WELLS — Okay. We have heard from people who have been assisted. I have given a couple of examples. But also with the owners of small business, as we talked about the Dandenong area, there is great rapport back from the people around that Dandenong area. We have had recent examples of work undertaken by PSOs on duty in Footscray, where they have been for more than 12 months. They came to the assistance of an intoxicated commuter who had fallen onto the train tracks; can you believe it? It was a PSO who jumped onto the tracks to drag them out.

We have spoken about the situation with Courtney. We have also had the situation, which I raised in Parliament, where a young girl fell asleep on the train and ended up at Broadmeadows, got off the train and it was pitch black. Fortunately the PSOs were on the station and were able to ring a family member for them to be able to come along and assist her, so I think they have done an outstanding job. The perceptions of safety, as we say, is a very important part. You need to feel safe, and with the PSOs there they have done an outstanding job.

Mr PAKULA — Minister and Chief Commissioner, I just ask you to refer to the DOJ questionnaire under 'Efficiencies and savings', question 4, which is on pages 10 and 11 of 30. It goes through all of the savings targets that have been imposed on Victoria Police over the government's various budgets and budget updates: 16.4 million, 9.9 million, 14.6 million, 24.6 million, 20.3 million and 1.3 million, which is a total of a bit over \$87 million prior to this budget. Then in this year's budget under the Department of Justice output initiatives, which are on page 31 of budget paper 3, there is an additional \$48 million worth of efficiencies or savings expected from DOJ. Can you just tell us what is the Victoria Police component of that 48 million?

Mr WELLS — I might deal with the SGI, the first part. Do you want to deal with the specifics?

Chief Comm. LAY — Yes.

Mr WELLS — All right. I think the previous Treasurer made it very clear that when it came to SGI there would be no impact on the front line. That is the impact: that there would be no change to the front line. So with our election commitment of 1700 police and 940 PSOs, they are travelling as we set out in the election commitment. In addition to that, with the existing police there will be no changes to front-line services. I think that is an important thing. We are all in difficult financial times. We are very proud that we brought down a surplus for the 13–14 budget of \$225 million. When you look at the way the coalition of Victoria run their budget compared to how the federal government brought down theirs on Tuesday, and it is living within — —

Members interjecting.

The CHAIR — Order!

Mr WELLS — No, I am just saying — —

Members interjecting.

The CHAIR — Order!

Mr PAKULA — I just asked how much was 48 million — —

Mr WELLS — No, I am getting to that.

Mr PAKULA — You are getting to it slowly.

Members interjecting.

The CHAIR — Order! The minister without assistance.

Mr WELLS — The point I am making is that you have to live within your means, regardless of whoever it is. The Treasurer announced last Tuesday a surplus of \$225 million — that means we are living within our means. The previous Treasurer made it very clear that there would be no cuts to front-line services. I thought that was a very responsible way of dealing with SGIs — that you would be dealing with all budgets, and it would be responsible that the front-line service was not going to be impacted on. Yes, there was some tightening of the belts in the emergency services, and the police are part of that. But you are talking specific areas, and I will ask the Chief Commissioner to detail them. I make the commitment again: there is no impact on front-line services.

Chief Comm. LAY — I am thinking, Mr Pakula, some of the comments you were making related to the justice portfolio rather than specifically the police.

Mr PAKULA — No, I was talking about VicPol in the questionnaire.

Chief Comm. LAY — Okay. Certainly my advice is the Victoria Police budget for 12–13 was 2.12 billion, and for the 13–14 financial year it will be 2.28 billion, which is an increase of \$160 million, but that does reflect the additional police coming into the organisation. There is no doubt at all that there has been a challenging time for us in relation to our finances. There have been occasions when we have actually reshaped our business to meet some of those challenges. We have focused on the back office, particularly in the human resource and finance areas. An example of that is that in the past Victoria Police has had a human resource function and a payroll function in the regions, our four big regions, and that has also been broken down into our divisions. So the work has been focusing on actually pulling that back into the centre, actually reducing the number of unsworn people in the regions that are doing that function and that has made a considerable difference. But it is true to say we continue to look at our business very, very closely to try and find continued savings. We understand that we are in an environment where the budget is tight and will remain very tight.

Mr PAKULA — Chief Commissioner and Minister, as I said, I identified \$87 million worth of direct VicPol savings in the questionnaire — you can add it up for yourselves — and another 48 DOJ in this budget. If you go through the ratio that has been applied in the past, where VicPol has had to wear at least a third of that on average, you are looking at \$100 million worth of savings since you have come to government. Now you say it does not affect front line and you talk about back office. We have in today's paper, as you know, *Sons of Anarchy* comes to Shepparton — and it is a good show, but it is a good show because it is fictional. I want to know what impact has that \$100 million worth of efficiencies, savings, cuts — however you want to describe it — combined with the wind down of the OPI had on your capacity to deal with the bad eggs that you described in your previous answer?

Chief Comm. LAY — Again, I make the point it is challenging. We need to consider the way we do our business. I am comfortable that the work we are doing in relation to the corruption issues and organised crime issues are not being impacted and actually we are growing our business in this space to ensure we meet the challenges. But growing our business in this space requires us to think very, very carefully about other parts of the business and where we actually make reductions. Unfortunately that often results in looking at the unsworn area to reduce numbers there.

Mr PAKULA — I am intrigued that you describe it as a business. Seriously, I am genuinely intrigued that you describe it as a business.

Members interjecting.

The CHAIR — Order!

Mr WELLS — In fairness, there has to be the business of running the police service. This is a \$2 billion-plus budget that the chief commissioner needs to deal with and it is about making sure that he runs an efficient police service that is aimed at the front line. That is what the Victorian community need — aimed at the front line. The issue that you have raised is being dealt with — the chief commissioner has spoken about that — with the task force.

Ms HENNESSY — Why did it happen in the first place?

Members interjecting.

The CHAIR — Order!

Mr WELLS — But, as I said, I would rather be in this position today to know that the police are getting rid of those few bad eggs in the police force than being in a situation where I am being told that there are no issues with illegal bikie gangs or outlawed bikie gangs in this state. I think it is a more positive step that we are actually addressing it.

Mr ANGUS — Minister, I refer you to budget paper 3, page 176, which details newly implemented measures to address crime against the person and property, specifically related to family-related crime. Can you provide the committee with a summary of crime statistics and advise what the government is doing to address the incidence of crime, particularly violent assaults and family violence?

Ms HENNESSY - Cutting funds to the Coroners Court.

Mr ANGUS — We do not need your interjections, Ms Hennessy.

The CHAIR — Order! All of you!

Mr WELLS — I think this government has been very open and transparent about the increase in domestic violence. It is not something that we have tried to make excuses for. We have actually put a separate measure in the budget to show the increase in family violence. As I say over and over again, this is an important issue for me as police minister. In opposition, we visited a number of police stations across the state. One of the big frustrations was the issue of police attending a domestic violence situation at 2 or 3 o'clock in the morning, but having to rely on a magistrate somewhere to be able to get the person who has committed the offence out of the family home. To me that made absolutely no sense. So we sat down — my staff and Wendy Lovell — and wrote up the interim intervention order. We ran it past a number of police who said that it would make it more efficient that a senior police officer can sign off an interim intervention order until the courts can deal with it.

I am very pleased that the Labor government at the time designed their own, which was pretty close to ours, with a number of women's associations, and came up with pretty much the same sort of thing. I thank the previous Labor government for bringing it in when it did, because I think it makes it more efficient. To have a situation, as I said, at 2 or 3 o'clock in the morning where you are relying on a magistrate, someone who has no understanding of the situation, to try to give police permission, having to fax paperwork in, fax paperwork out and then head out, did not make any sense. So that is working. I think there has been some tweaking of the process to make it even better and I am very pleased that that has taken place.

In answer to the specifics of your question, in 2012–13 increases were recorded in all four offence categories, ranging from 21.2 per cent for drug offences to 3.3 per cent for crimes against property; crimes against the person were up by 10.3 per cent and other crimes increased by 17.9 per cent.

Regarding specifics about crimes against the person, as we say, one of the largest drivers of that is domestic violence. Having a highly visible police force obviously is a deterrent to criminals when they are engaging in antisocial behaviour, and having the 1700 extra front-line police and 940 PSOs is making a difference.

The government is concerned about the increase in crimes against the person, in particular domestic violence, so this year the government is investing \$90 million to address prevention, early intervention and response measures as a whole of government response. In 2012 the government launched Victoria's Action Plan to Address Violence against Women and Children, and it is a measure we are very proud of.

Measures taken by police to turn around the increase in street violence in inner Melbourne are working well. The Safe Streets Taskforce, which I was part of a couple of Friday nights ago, is playing a significant role — that is, on Friday and Saturday nights in the CBD and other entertainment precincts you have a large number of police working in groups of four patrolling the CBD, having that in connection with the City of Melbourne cameras and having the PSOs on the station. I think one of the significant parts is the Salvation Army, which does a magnificent job. The police do not always need to lock up an 18-year-old drunk kid. Sometimes it is better that police use their discretion, which they do, and they have a close working relationship, being able to ring the Salvation Army for them to come and deal with it. The way it works is a real credit to Victoria Police.

The large increase in crime rate for drug offences can be attributed in part to greater detection of these offences by police, and now with the extra police they have a greater capacity to be able to do that. These measures are working very well, and now we are able to clear crime offences as quickly as possible. We think that it is working very well. I am not sure if the chief commissioner wants to add to those comments.

Chief Comm. LAY — Just to reiterate the point about the enormous pressure that family violence reports are putting on the organisation. Advice from stakeholders is that they do not believe the actual number of incidents is increasing but the reporting is very much greater, which is a good sign for the broader community. Again it is very difficult to be able to look forward and say that in the next year or the year after these numbers will start to soften a little, but we will remain keenly focused on this issue. It is something that is very important to me.

The CHAIR — Thank you, Chief Commissioner.

Mr SCOTT — Minister, I would like you to turn to budget paper 5, page 181, and in table 4.5 is the line item 'Police on-the-spot fines'. The revised figure for 2012–13 is \$159.5 million, which I note is an increase of 26.9 per cent on the revised figure for 2011–12. When you were in opposition you criticised increases in on-the-spot fines, stating it was:

... turning the members of our excellent police force into tax collectors ...

How do you explain this increase?

Mr WELLS — If we are looking at budget paper 5, page 181, I would have thought that that increase represented having an additional 1700 police on the front line. It is a voluntary system. If you are committing an offence, then you have to expect to feel the brunt of the law. If you are asking me about these particular numbers, which would be set between the Department of Justice and Treasury, I am afraid I do not make any apology: we want a safer community, and if you are acting in an illegal way or are committing an antisocial act or offence, then you expect either to be charged or to receive an on-the-spot fine. Are we turning Victoria Police into revenue raisers? Absolutely not. They have a job to do, and we want our streets safer. Our community needs to feel safer, and this is part of it.

Mr SCOTT — In terms of that line item in the out years, how much revenue are you expecting to receive from the initiatives, firstly, for banning travellers within cars, so consumption of alcohol within cars; and secondly, for the tailgating initiative which was recently announced?

Mr WELLS — Chair, gee! I think we are getting down to tin tacks.

Mr SCOTT — That is what PAEC is for.

The CHAIR — That is fine. Chair, if you do not mind, in answer to Robin's question I might ask if I could put that on notice for the department to respond back if that is fair.

The CHAIR — Thank you, Minister.

Mr SCOTT — That is fair, Kim.

Mr WELLS — It would have been pretty impressive had I got the answer to that.

Mr O'BRIEN — I would like to ask you about more significant capital outlays in relation to budget paper 3, page 33, detailing the new and upgraded police stations in this year's budget. Minister, you touched on this in

your opening, but I would ask if you could inform this committee on the progress of the continuing rollout of new police stations and upgrades to existing police stations over the forward estimates period, and is the government on track to meet its 2010 election commitments in relation to police stations?

Mr WELLS — Thanks, David. Yes, we did make a strong commitment to the capital works program for Victoria Police. When you add 940 PSOs and 1700 front-line police, you have to build the accommodation to make sure that they are well accommodated, and these are important places for people in the community to want to attend. We made that strong commitment for a highly visible police presence and having the infrastructure to be able to support that. We have modern, well-equipped facilities that include new and upgraded police stations; upgrades to the police academy, which I spoke about before; and the new operational tactics and safety training facility, which I might ask the chief commissioner to talk about, because it is important to make sure that the training we give our police and PSOs is first class.

Regarding the commitment to delivering infrastructure, we have seen upgraded police stations already at Ashburton and Mooroopna, which were up on the screen before, as well as, as I said, police residences at Axedale and Heywood, and the new Ballarat North police station will be completed later this year. There are new police stations at Emerald, Mooroolbark and Waurn Ponds, and, as we have spoken about, there is the upgrade to Mount Waverley. Mount Waverley police station is a very old police station. It is almost like a suburban police station from the 1950s. That will now be upgraded to a 24-hour police station, so it will complement police stations in that area, where you have Nunawading, Knox, Glen Waverley and Burwood. Then, in addition to the \$602 million to deliver the 1700 extra police by upgrading police stations with a budget of another \$30 million, having the Sale and the Somerville police stations being built will be significant for those areas.

In regard to the work being done at the police academy, I will ask the chief commissioner.

Chief Comm. LAY — As you would be aware, at any one time next financial year we will probably have in the vicinity of 1000 trainees in the academy, being either PSOs or recruits, so this is an enormous strain on the current infrastructure. The investment in the next financial year will help us cope with that, but it will also help us with a facility in relation to the operational safety and training area, which will allow us to train our people, particularly in firearms use, in a far more efficient and modern way.

Ms HENNESSY — Minister, I refer you to budget paper 3, page 193, and the outputs for emergency management capability and fire suppression services. It is the general emergency management capability outputs. On 27 March this year there was a major fire at Dereel, which is south of Ballarat, and 16 homes were lost on that day and four firefighters were injured. The weather forecast for that day, even though it was late March, predicted a very high fire risk day. Despite that forecast, we have been informed that the contracts for type 1 helicopters that were on standby at both Ballarat and Colac throughout the fire season concluded on 26 March — the day before. Given the grave weather forecast, were any efforts made to extend the contracts by just one day? If not, why not?

Mr WELLS — What I will do, Jill, is refer to Craig for the operational part of it. From a broader point of view, I was at Enfield the other day, and where the four firefighters were there for a discussion about the retrofitting of the fire trucks. All fire trucks that were built before 2006 that will remain in operation and will not be retired are going to be retrofitted with safety equipment for a burn-over situation. In this particular case — I think this case is right — the truck hit a tree, and, as you say, the weather changed and the fire went over the top. These four firefighters were in the truck and the equipment worked fantastically well even though the truck was damaged. They have an incredible story to tell, but thank goodness the retrofit worked. It was a great pleasure to be able to announce at Enfield that we are going to expand that program to have further trucks upgraded as part of the retrofit to make it safer for the community but more importantly safer for the volunteers. As for the operational specifics of the question, I ask Craig to answer.

Comm. LAPSLEY — The fire at Dereel was actually after the contract period for the type 1 helicopters. We run four type 1 helicopters. One of those is Elvis, and the sister is Gypsy Lady; that is one contract. There is a second type 1 helicopter contract that is two machines that are called S-61s; one runs out of Colac and one runs out of Mansfield as the normal places of operation. The aircranes completed their contract, and we negotiated to the absolute extent of their contract before they had to leave the country due to other works in other locations. I think they were going to South America.

We then moved the S-61s — the other type 1 machines — into the south-western side of the state. We negotiated to the full extent of their contract, which was the closure date of 26 March. The peak day — the day of the Dereel fire — was 27 March. We then moved another fleet of helicopters; we run 24 helicopters. We moved another series of helicopters to Ballarat and Colac to provide the coverage for the Dereel fire, and they responded to that. We had two helicopters run on the Dereel fire and a number of fixed air wing. We had helicopters; they were not the type 1s, though, as they had expired their date. We did negotiate it to the full extent for them to operate in Australia.

Ms HENNESSY — Just briefly, Mr Lapsley, thank you for that answer. Perhaps it is difficult for you to speculate, but if you had had the type 1 helicopters, do you think that the outcomes may have been less severe?

Comm. LAPSLEY — It is very hard to pick that in the sense that the two helicopters at Colac and Ballarat were first responders, so it would be the same response. The difference between a type 1 and a type 2 is some litres of water. The ones that we would have flown would carry around about 3000 litres of water or 3500. The ones that went on the day carry around about 1500 litres, so there is a difference in capacity. As far as I understand — and I was the state controller for the day — helicopters worked to a point, but then they were unable to work due to the wind speed, so we also had operational issues, which occur at all fires. The helicopters were effective, but it is very difficult to predict whether a different machine would do a different job in a different circumstance, but we did have helicopters and we did have aircraft on board that day.

Mr ONDARCHIE — Minister, I want to talk to you about the PIPP if I can. Budget paper 3, page 33, refers to the police information process and practice reform program. Can you advise the committee of the budget initiatives in this year's budget where you are investing in modernising police IT and the related business practices?

Mr WELLS — I think that apart from family violence my other priority in this portfolio regarding police will be trying to modernise Victoria Police. We have met with the chief commissioner in the last few weeks to discuss this matter. For me it is frustrating because, as you know, I was shadow minister for police from 2000 to 2006, and the modernisation of the police force still has some way to go. To have a situation where police fill out — handwrite — numerous reports and then head back to a station where it is faxed into a central body where that data is entered is beyond belief. The chief commissioner is working very hard, and he has very good people internally working with others to be able to fix this situation. But I think in one example that I saw there were something like 17 forms for one police officer to have to fill out. So whilst they spent half an hour at a domestic situation, they then spent 2½ hours filling out forms. Then once the forms were filled out someone had to stand behind the fax machine and send them in, after they had been checked by someone else, and then someone had to enter them in. So the data entry needs to improve. The situation is that you could have not relevant information going into a domestic situation.

For this particular budget we are trying to address that part of policing. We have announced \$12.9 million in output, \$10.4 million in capital funding over four years, and that is to address the immediate issues that I have just outlined. Important lessons have been learned from previous mistakes that have been developed by Victoria Police and the government for ICT. In November 2011 an Ombudsman's report, and it was called *Own Motion Investigation into ICT-enabled Projects*, found that the public sector was not managing ICT-enabled projects effectively. It is something that we need to be a lot better at. The report by the Ombudsman stated that:

A new and more disciplined approach is required if the government is to avoid being faced with continuing cost overruns and failures to deliver.

The Rush inquiry's terms of reference included inquiry into:

The extent to which Victoria Police has the command management structures to deliver major IT and administrative functions.

The government's response in March 2012 to the inquiry stated that a request had been made to Victoria Police for:

... an acquittal for its expenditure on the LINK project and provide a project plan for replacing LEAP, lessons learned from the LINK project, governance arrangements, and options to sustain LEAP until that program is replaced.

I guess that is part of the issue: do you completely replace a brand-new program? I am not sure how many pieces of information would be on that and the chaos that would create. Or do you fix and work more effectively and efficiently the system that you have?

The government has taken the lessons that are learned and the recommendation from the Ombudsman and that is where we are at at this place today. The PIPP, as you pointed out — the police information process and practice reform program — has been established to drive Victoria Police's vision for operational information management. This will be achieved in stages over the next 10 years. Yes, it does seem a long time, but it is necessary with the advice that we have received that this does happen. The PIPP program will proceed in a more methodical way, as I said, rather than pulling it apart and wanting to rebuild. I might ask the chief commissioner to explain further the operational part of that.

Mr ONDARCHIE — That was the LEAP database that was \$20 million over budget under the previous government?

Mr WELLS — Yes.

The CHAIR — I will take that as a supplementary comment. I am aware of the time, and I will ask that we move on to the chief commissioner.

Chief Comm. LAY — Thank you, Chair. Unfortunately Victoria Police, like many other public sector departments or agencies, have had difficulty in delivering IT projects, and we have been severely criticised by any number of reports about some of the work we have done around this space. In 2011 we determined that we would actually walk away from the LINK program. We believed that LINK was simply reinforcing business processes that we have followed for many, many years. We made a determination that we had to rethink our business processes to move into a more modern process, and we proposed the PIPP piece of work.

This is a very complex piece of work. It is now being led by an operational police member, so it is interesting to see the different focus we have now on this — that it is actually meeting the needs of the operational front line rather than an IT expert coming in and telling us what we think we need. Governance is much, much tighter than any other IT project I have seen, for obvious reasons. We have got external experts in helping us each step of the way; we have got DTF, DPC, DOJ sitting in on all our decision-making processes.

We have also got our corporate advisory group, which is chaired by Angus Houston, that keeps a very, very close eye on this piece of work and continually tests me and tests the organisation about where we are taking this piece of work and its value into the future. This is a long-term piece of work. We need to understand what policing will look like in the next decade so that we can understand what our IT and system needs will be, and that is the very basis of the PIPP project.

Mr PAKULA — Minister, I would ask you to grab hold of budget papers 3 and 5. I am just going to go through a few of the figures in there, starting at page 31 of budget paper 3.

Mr WELLS — Sorry, budget paper 3?

Mr PAKULA — Budget paper 3, page 31. Under 'mobile camera replacement program' you have got over the forward estimates a total of \$10.7 million there: 2.8, 3.3, 1.9, 2.7 — about a third of the way down under 'Infringements and enhancing community safety'. Have you got it?

Mr WELLS — Just hang on a sec.

Mr PAKULA — 'Mobile camera replacement program', right?

Mr WELLS — Yes — 2.8, 3.3, 1.9, 2.7.

Mr PAKULA — Yes, so that is 10.7. Then if you move over to page 35 under the asset initiatives you have got another 17.1 in asset initiatives for mobile camera replacement program — 5.1, 5.1, 4.8, 2.1; a total of 17.1.

Mr WELLS — Yes.

Mr PAKULA — So we are up to 27.8. Then there was last year's budget allocation of about 10 speed cameras on Peninsula Link. If we then go to budget paper 5, at page 181 — —

Mr WELLS — Can I get a chalkboard?

Mr PAKULA — No. I am just saying that we are up to about 37 or 38 in budget allocations for speed cameras. If we then look at what you are estimating you are going to raise in terms of road safety camera fines — this is under table 4.5, 'Other revenue', at page 181 of budget paper 5 we see next to 'Road safety camera fines', you are budgeting for it to grow from \$287 million to \$325.3 million over the 2013–14 year. That is a \$38.3 million increase, which we would estimate is 13.3 per cent. That is obviously much higher than population growth and/or CPI so I am wondering what assumptions are built into that \$38.3 million increase. Could you break down for us how much of it is a higher fine and how much of it is additional people being fined, and what the proportions of the two are? What are the assumptions behind the \$38 million jump, Minister?

Mr WELLS — Let me just quickly give you the background to this. We announced in this budget \$28 million to replace the mobile road safety cameras over the next four years. The new camera technology is more powerful, able to record speeds across multiple lanes, strengthen detection and deterrence of speeding throughout Victoria, which I think both sides of politics agree to. The mobile road safety cameras are important for road safety. Speeding motorists can be caught anywhere at any time so speed cameras encourage people to obey speed limits.

We know from speed camera data that 99 per cent of the time vehicles passing through fixed or mobile speed cameras are actually complying with the speed limit, so it is that 1 per cent. The road camera network has helped to improve road safety as part of the overall TAC process, along with cameras and advertising about drug and alcohol behaviour. Road safety cameras have worked effectively.

The numbers in the budget paper — as we have said over and over again, this is a voluntary system. It does not need to be this way. If people obey the law, then there will be no speeding tickets. It is simple and straightforward. In regard to the Peninsula Link, there will be speed cameras working along it. The proper way to run a road highway or road freeway is to have speed cameras along it. In regard to assumptions, I suspect that we could follow up that they are based on population growth or new roads or more effective cameras — —

Mr PAKULA — More cameras?

Mr WELLS — More effective with the replacement of the out-of — date cameras — that is, with the \$28 million, as was a recommendation from the Auditor-General, making sure that we had speed cameras that were able to detect speeding at night. This upgraded and better technology will ensure that the roads I maintain are safer.

The CHAIR — Do you have a supplementary?

Mr PAKULA — Minister, you are being very opaque about what 'more effective' and 'better technology' mean — whether it is more people being fined or higher fines or a combination of both. You say now that it is a voluntary system. When you were the shadow minister you said a lot of things. You said, 'Our police force is focused on revenue raising and not road safety'. You said, 'We do not pay our police to be tax collectors; we pay them to be out on the streets' — —

Mr ANGUS — Is this a members statement?

Mr PAKULA — I am just reflecting on what the minister once believed and said. The other thing that you were very strong on in opposition, Minister, was the publication of speed camera locations. I am wondering if you can give the committee information about, say, the 10 highest grossing speed camera locations.

Mr WELLS — I thought we were publishing the locations on a website.

Mr PAKULA — The 10 highest grossing speed camera locations.

Mr WELLS — Yes, but the first part of the question — —

Mr PAKULA — It was not the question.

Mr WELLS — Well, the preamble — —

Mr O'BRIEN — If you are going to ask three, you have to let him answer them one at a time.

Mr WELLS — We do publish the sites of the cameras. I would have thought that was a large step when it came to transparency. The bottom line is: do not speed and everyone will be a lot safer on Victorian roads. As for the specifics about a speed camera and what it generates, I would have to get further advice.

Mr PAKULA — So you will take it on notice?

Mr WELLS — I can take it on notice; I am not sure whether the information is available.

The CHAIR — We will put it on notice. Thank you.

Mr ANGUS — I would like to follow on from that question, Minister, and also refer you to budget paper 3, page 32, and the same reference to existing mobile road safety cameras and their replacement with new technology to support the implementation of *Victoria's Road Safety Strategy 2013–2022*.

Just on that, Minister, can you advise the committee of the results of the government's investment in road safety and the new 10-year road safety strategy and shorter term action plan, which has the target of achieving a more than 30 per cent reduction in the number of road fatalities?

Mr WELLS — The government has invested great amounts in road safety. We have a situation in the state where the road toll continues to fall, and that is good news. The 2012 road toll was very low, at 282. This year's road toll, as of midnight on 9 May, was 90. That is lower compared to the same time last year, when it was 106. The road toll is still unacceptable, and the government is determined to reduce it even further. The figure of 282 deaths for 2012 is lower than recent years, but we also say it is unacceptably high.

What is of concern is the overall representation of young people, with 20 per cent of fatal accidents occurring in rural Victoria, 63 per cent of accidents occurring in rural Victoria, and motorcyclists making up 20 per cent of that toll. Those numbers are areas of concern and we continue to work very hard to address them. The road toll is not acceptable. We need to reduce, and work hard to reduce, not only death but also injuries. However, further reductions in tolls are not the responsibility of just one group. It is not the responsibility of police or politicians; it is a community issue, and we need a commitment by everyone to be able to fix the issue of the road toll. Where drivers continue to do the wrong thing and place themselves and others at risk, police will act to enforce the road laws, which we have spoken about in regard to fines, particularly those relating to speeding, drinking, using drugs, and hoon driving, which is becoming very topical at the moment. I cannot believe some of the reckless, irresponsible young men, mostly, that are hooning in areas and putting themselves and others at risk.

The TAC is funding a \$1 billion road safety works project over the lifetime of the strategy. It is, as you mentioned, a 30 per cent reduction over that 10-year period. Over the same period, the government will also seek to reduce serious injuries by more than 30 per cent — so, from 5500 serious injuries to 3850. We have seen the ads with people in wheelchairs. This plan will be supported by three action plans released over the 10 years. The first of those action plans has already been released, and the details of that are available on the road safety websites. This strategy has been done in consultation with the Victorian community.

At the end of the day we need our roads to be safer. We do not want people taking drugs; we do not want people speeding or drinking while driving. The message still needs to get through, and unfortunately young men still do not seem to be able to understand that message.

Mr SCOTT — I also am happy to ask a question of the former Treasurer regarding the Melbourne Metropolitan Fire Brigade. You made reference to it in your presentation. On 14 May I believe there was a serious incident where the MFB's Firecom system, which alerts a station to send a fire crew, effectively collapsed for a period of time. Can you assure the committee that the \$25 million cut from the MFB budget last year did not impact on maintenance and the upkeep of the Firecom system? **Mr WELLS** — My office was aware of the Firecom issue late last week; we were informed by the MFB. I telephoned the MFB CEO, Nick Easy, for an explanation of what is being done to address this situation. Let me explain the situation we are in. There were 5000 calls made last month. Of the 5000, 2 were affected by the Firecom system. Let me make that point very clear: there were 5000 phone calls; 2 were affected. They have a backup system in place. There is a telephone backup system that is in place. On the two affected delays — in the first one there was no delay, and that is that they reached the site within the 7.7 minutes. In the other situation, where there was a call for breathing apparatus, there was a delay of 2.5 minutes, and within that 2.5 minutes the unit was still on site within the 7.7 minutes.

I have noticed some comments made by the UFU which are most unfortunate. We do not want to get into a scaremongering situation by the UFU in the run-up to the EBA negotiations, and for the UFU to be screaming blue murder you would have thought that the situation was far more serious than what is being played out. Just repeating — 5000 calls, 2 were affected. Both arrived on site within the 7.7 minutes.

Can I also say that when I spoke to Nick Easy about what is being done to fix it — I have been assured that there was a connectivity issue which has been solved, but, in fairness, testing is still proceeding. So while the MFB believe the issue has been fixed, testing well still continue until they are 100 per cent sure that there are no other hiccups. In the meantime, apart from the testing going on, there are backup systems still in place. So in answer to the specifics of your question, 'Have any of the SGI — sustainable government issues — affected the Firecom system?', the answer is a clear no.

Mr SCOTT — As supplementary, could you outline — you can take this on notice. You made reference there to what the savings or efficiencies or cuts, and we are not going to get into a semantic argument about that, for this year — out of the 2013–14 year — are on the MFB?

Mr WELLS — In answer to the question, the government's contribution to the MFB for the 13–14 fiscal year is \$310 million, which is the highest budget they have ever received in history. So this is a significant amount. As you can see, the number of firefighters has continued to increase. The financial performance of the 12–13 year will not be disclosed, obviously, until after 30 June, but I am sure PAEC will be working through the annual reports. Just to repeat, in answer to the question, the \$310 million is the highest — —

Members interjecting.

The CHAIR — Is there a point of order? If not, let us let the minister answer the question.

Mr WELLS — We need to be clear about this. We have the highest budget ever for the MFB, of \$310 million. It is the highest — —

Members interjecting.

Mr WELLS — Hang on, you cannot have it both ways. You cannot say we are cutting and then acknowledge that we do have the highest budget ever. Let me tell you, and I will make this other point, in the run-up to the budget that was handed down we had situations and press releases being put out by your shadow minister running around with the UFU saying there would be a \$40 million cut to the CFA budget. The reality was that there was a \$30 million increase, so how someone can get \$70 million figure incorrect, to me, is beyond belief.

Members interjecting.

Mr WELLS — It is the highest amount ever given to the MFB, and you cannot argue, 'That's what's to be expected'. The reality is that that money had to be found in very tight situations to make sure the MFB was properly funded.

Mr O'BRIEN — Overdelivering, in contrast to Wayne Swan. There's a Treasurer for you, Mr Scott. Someone you can learn off.

The CHAIR — Mr O'Brien, you have the call to ask a question, not provide commentary on the commonwealth budget.

Mr O'BRIEN — I appreciate the temptation is difficult to resist. What I would like to ask you about —

Mr PAKULA — You're difficult to resist, David.

Mr O'BRIEN — I am not sure what that means, Mr Pakula. It is a bit scary. Minister, you answered in response to a question from Mr Angus about the issue of hoon driving. I would like to refer you to budget paper 3, page 171, which details the Department of Justice objectives to improve road safety through policing. In further detail, if I could, I ask you to outline to the committee what initiatives are being pursued by the government to address this important issue of hoon driving.

Mr WELLS — In opposition we took a very sensible stance on hoon driving. We looked at Queensland legislation and other legislation that was around the country, and we believed that hoon driving was an issue. Having these young men out there hooning around and doing doughnuts and entertaining the crowd — those days are back in the 60s and 70s and are not relevant to today's message of driving safely on the roads. We have strong antihoon laws, vehicle impoundment and an immobilisation regime to get hoons off the road. We believe that with the Minister for Public Transport, who was here just yesterday, I think, setting up the hoon school, these people have to get the message somehow. People might mock it, but you cannot continue the situation where they go and buy a \$500 car, have that impounded, then go and buy another \$500 car and do the same thing again.

Since the antihoon legislation commenced in July 2006, 22 316 vehicles have been impounded. This is significant. At the end of March, 2013, the top three hoon offences for vehicles that were impounded were driving while disqualified, 30 per cent; exceeding the speed limit by greater than 45 kilometres an hour, 25 per cent; and improper use of a motor vehicle, 23 per cent. So it is not just about the doughnuts; it is about disqualification and it is also about excess speed. In 12–13, 3469 vehicles were impounded, compared to 3178 in 11–12. This was an increase of 291 vehicles.

Unfortunately, as I said, some of the drivers just do not seem to learn: 1542 of these vehicles had been used in a second offence, and 506 had been used in a third — can you believe it — or subsequent offence. It is unfortunate that we are getting to the situation now where hoons are buying a \$500 car and know they are going to get caught and have it impounded. They charge off and leave the bill for others to pay. I ask the chief commissioner to add to those comments.

Chief Comm. LAY — Some recent changes to legislation about how we hold on to hoon vehicles has been enormously helpful in us getting rid of vehicles quickly, and that has resulted in considerable time savings. We can now, within seven days, start processing abandoned vehicles to remove them from our yards, which, as I said, creates some considerable cost savings. One of the other measures that has been very helpful for us relates to the indictable offence of evading police in a pursuit. Not only can we impound those cars, but there is an indictable offence as well. Again this is acting as a significant deterrent. We have 25 of those matters before the court at the moment. We will watch with interest as those matters progress and we hope to understand the impact this has on hoon driving.

Ms HENNESSY — Minister, I know you are watching the clock, but I have an important question for you and it goes to budget paper 3, page 193, which pertains to the general emergency management capability outputs. I want to ask you about breathing apparatus for the CFA. Can you advise the committee whether the CFA made a request to government to update their out-of-date breathing apparatus?

Mr WELLS — This is an issue on which I will be working with the CFA and the Department of Justice to ensure that the equipment that is provided to the CFA full timers and volunteers is appropriate. I understand it is an ongoing issue, and it will be something I will be personally getting involved in to ensure that the equipment is suitable for the CFA full timers and volunteers.

Ms HENNESSY — Is it true that there was in fact a \$24 million budget bid but that Treasury knocked it off?

Mr WELLS — As I said, in fairness to the question, it will be something that I will be dealing with in my term as Minister for Police and Emergency Services, because we all expect the CFA —

Members interjecting.

Mr WELLS — So from our point of view the government's commitment that the CFA volunteers and full timers have the right sort of equipment in dangerous situations is important, and it will be something I will be working on longer term.

The CHAIR — That concludes the hearings for the police and emergency services portfolio. I thank Mr Lay for his attendance this morning. The bushfires response portfolio hearing will commence at 11.15 a.m.

Witnesses withdrew.