



Government of Western Australia  
Department of Corrective Services  
Office of the Commissioner

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Your reference: D109523

Our reference: AD2013/76830

Mr Lyndon Rowe  
Chair  
Economic Regulation Authority  
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## MICROECONOMIC REFORM

Dear Mr Rowe,

Thank you for your letter of August 14 offering the opportunity to provide a submission to the *Inquiry into Microeconomic Reform in Western Australia*.

The Department of Corrective Services is not an economic agency with its services provided on a demand basis as an end result of the justice process. However, a number of reform measures that are of interest to this Department are as follow:

- Development of demand based modelling as part of the Treasury funding model, would ensure adequate funding and forecasting of future costs for a number of agencies that have demand based services that are outside of their control. Examples besides Corrective Services would be Disability Services, Education, etc. Currently this Department has a demand based funding model in place that is supported by Treasury, however the funding arrangements are currently limited to adult and Juvenile detainees and has not yet seen funding approved for offenders in the community on community orders, bail, etc.
- Exploration of moving the Prison Industries activities from being focused on the provision of a productive day to prisoners to that of a government business activity. The investment in infrastructure and development of a business model could realise benefits to government and the community through the use of this labour force in returning value to the community at greater levels than currently possible. Significant work would be required to develop a government business model within the constraints of the prison system and the identification of business opportunities that could be implemented within the legal and financial frameworks of government.

- The Department is also seeking government guidance on a proposal to develop a Prison Precinct which would achieve efficiencies through co-location of services, including the possibility of other agencies such as courts, health, etc.

Yours sincerely

Heather Harker  
Commissioner  
/ 9 September 2013