



Mr. Matt Brown  
Chairman  
Public Accounts Committee  
NSW Legislative Assembly  
VIA FACSIMILE: 9230 2831

Dear Mr. Brown,

**RE: Submission for Inquiry into Value for Money from New South Wales Correctional Centres.**

Thank you for the opportunity to make a submission on this issue.

Our submission is not complete because we were not able to obtain a copy of "The Way Forward" policy which appears to inform many of the cost-saving measures referred to in the terms of reference for the inquiry. We understand that this document either does not exist, or is confidential. We submit that it is impossible to make a complete submission without this information.

#### **Value for Money.**

The cost of keeping a human being alive and healthy is relatively standard around the world, whether it is a child in an orphanage, or a fully-grown man in prison. Any short-term cost efficiencies must be made at the expense of the person in the care of the State.

The only significant savings that can be achieved in these circumstances, are by preventing the person from returning to the care of the State in the future. This may mean that cost-per-prisoner-per-day is higher when comparing them to other governments, however the savings can be measured through reduced recidivism rates.

Justice Action submits that the Committee should look at the recidivism rate as a measure of the efficiency of DCS initiatives rather than short-term, financial accounting measures.

#### **"The Way Forward"**

The Dept. of Corrective Services' (DCS) Annual Report 2003-2004 states that The Way Forward,

*is a new model for operating correctional centres designed to achieve safe and effective management and substantially improve operational cost efficiency. The Way Forward structures the working day to support offender participation in programs designed to reduce their risk of re-offending and help them reintegrate successfully with the community.*

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This statement introduces two separate, and mutually exclusive concepts. The first relates to staffing cost efficiency, and the second to prisoner re-offending.

## 1. Operational Cost Efficiency

Any short-term cost efficiencies proposed by DCS should be weighed against the long-term costs to the community and the taxpayers. Most cost-saving measures will have a significant impact on the effectiveness of DCS' long-term goals by depriving prisoners of education programs and contact with the community.

For example, a recent policy decision was made by the Commissioner to restrict prisoner access to computers. The new policy states that prisoners can only use the computers in the education centre if education staff are present. With education staff shortages, and limited access already, this means in practice, prisoner computer use will be reduced to almost nothing. This policy may reduce costs in the short term, however, in the long term, it will mean that more prisoners will be released without having had access to education programs. Without an education, ex-prisoners are less likely to find employment, and more likely to re-offend and return to custody as a further burden on the taxpayers.

In the case of *Middleton vs. DCS*, DCS was unable to provide proof of any security risks associated with unsupervised computer use. Therefore this policy not only highlights the need for more education staff hours rather than less, but also damages the prisoners and the community by restricting access to education programs.

## 2. Recidivism

By any accounting, DCS has failed in its first job: community safety. More than 40% of prisoners return to prison within 2 years of release, and the re-offending rate is even higher. The emotional costs of crimes perpetrated against the community are unquantifiable. The costs to the taxpayers when prisoners return to jail are quantifiable, but equally unacceptable when considering 'value for money' from DCS.

## Conclusion

Justice Action submits that the definition of "value for money" needs to take into account the long-term costs associated with high recidivism rates, rather than a superficial comparison of cost-per-prisoner-per-day across states, or a comparison of public vs. private providers.

End Submission  
May 10, 2005

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