

Submission  
No 408

## INQUIRY INTO THE PRIVATISATION OF PRISONS AND PRISON-RELATED SERVICES

**Organisation:**

**Name:** Name suppressed

**Telephone:**

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Partially Confidential

27<sup>th</sup> February 2009

To the General Purpose Standing Committee No.3

**Re: The Privatisation of Prisons and Prison-Related Services**

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..... I am in no way personally affected by the proposed privatisation of Parklea or Cessnock Correctional Centres, but I would like to express my concerns regarding the privatisation of these Centres, or any Correctional Centre.

Correctional Centres are established as one part of our society's system of justice and it is vital that they remain the direct responsibility of our Government, and therefore our society, in order to ensure they are managed in a humane and ethically responsible manner that is open to public scrutiny. Correctional Centres typically manage the most dangerous but also the most disadvantaged members of our community, and the overwhelming majority of these individuals will be eventually released from custody to resume membership of the general community. In order for these individuals to be safely released to society and reduce the risk of their committing further offences against the community it is vital that these individuals are managed in a manner that recognises their value as human beings, provides access to services and programs to assist them in overcoming the factors contributing to their criminal behaviour and promotes their adjustment to responsible community living on release.

Achieving this will obviously come at a significant financial cost to society and Government. To suggest that this cost can be reduced by placing the responsibility of managing Correctional Centres in the hands of private or corporate organisations whose goal is to then profit financially from the management of these centres, without any reduction in the level or quality of service, is absurd. To suggest that this is the case is to concede that the current government and managers of Correctional Centres are incapable of managing in a cost-effective manner. If this is the case, surely that government and those managers' performance should be reviewed, and a more effective form of government, or more effective managers, identified to deliver the required level of management within the public service, rather than Correctional Centres being tendered for private management.

The Mission and Vision of the NSW Department of Corrective Services is to manage offenders in a safe, secure and humane manner and reduce risks of re-offending; and to contribute to a safer community through quality correctional services. This mission and vision do not include any statements regarding financial profit. Correctional Centres are not driven by the goal of financial profit; the management of dangerous and disadvantaged human beings should not be driven by the goal of financial profit.

A private corporation's ultimate goal is to make financial profit for its owners or shareholders. In the case of privately managed Correctional Centres, this profit can only be achieved and increased over time by reducing costs and/or ensuring a stable or increasing number of consumers, i.e. inmates.

Reducing costs in a Correctional Centre generally involves reducing inmate access to services, reducing the quality of service provision, and/or reducing staffing levels (as has been recently demonstrated by the Department's Way Forward reform package aiming to reduce the financial costs of the Department on Government). The effects of these reductions for inmates include increased periods of confinement in cell, increased risk of developing symptoms of serious mental illness and subsequent self-harm and suicide attempts, and reduced capacity for engagement in relevant programs to address factors contributing to their offending behaviour; the effects of these reductions for staff include increased risk of physical and psychological harm within the workplace, and increased workload pressures resulting in increased levels of burnout and subsequent sick leave; and the effect of these reductions for the community are an increased risk ongoing criminal behaviour by inmates who are released in a state of deprivation and resentment, and without rehabilitation. These outcomes for inmates, staff and the community are in fundamental opposition to the NSW Department of Corrective Services Mission and Vision statements.

The need to ensure a stable or increasing number of inmates effectively means that a private Correctional Centre relies on, and profits from, an increase in recidivism and criminal behaviour in the community, both of which are also in fundamental opposition to the NSW Department of Corrective Services Mission and Vision statements and are clearly not in the best interests of the community.

With regards to the decision to privatise Parklea and Cessnock Correctional Centres in particular, it is clearly no coincidence that these Centres have a long history of strong union involvement, with whom the Department has had difficulty resolving conflict. The privatisation of these Centres will effectively result in the dissolution of these unionised groups as staff are dispersed between other Centres, and the Department will no longer be required to negotiate or resolve conflict with these parties in an effective manner. In this light, the move to privatise these Centres can be viewed as an extreme form of bullying by the Department of its' staff - forcing them to comply with workplace reforms that would otherwise be negotiated within the Industrial Relations Commission to ensure fair and satisfactory resolution of staff's concerns.

In his statements to the Enquiry Mr Woodham refers to the "malevolent and inflexible POVB" at Parklea who insist that positions are filled prior to unlocking inmates and who have achieved the creation of additional posts through industrial action. I suspect these measures are insisted on and have been achieved in order to ensure the safety of both staff and inmates within the centre, rather than to deliberately increase the cost of managing the centre. If "management" believe there are more cost-effective ways of achieving these results, as is suggested by Mr Woodham in his statement to the Enquiry, then surely it is management's responsibility to attempt to implement these strategies and if industrial action is threatened or actioned as a result, management can present these strategies to the Industrial Relations Commission and seek to have the dispute resolved fairly and impartially. Instead the Department offers this Centre for privatisation, rather than pursuing appropriate means of conflict resolution.

In his statements to the Enquiry, Mr Woodham also refers to Cessnock Correctional Centre as having “a history of industrial disputation and a greater resistance to change”, again suggesting that the centre has been chosen for privatisation rather than the Department engaging in appropriate conflict resolution with staff within the centre.

With regards to the comparison of costs of managing public versus private Correctional Centres, in his statements to the Enquiry Mr Woodham reports that centres chosen for privatisation “should not perform highly specialised or strategic functions”, indicating that privatised centres do not perform the same function as other Correctional Centres. Following from this, the cost of managing privatised centres cannot be directly compared with the cost of managing other Correctional Centres, which clearly perform more specialised and therefore more financially costly functions.

With regards to the reported current high cost of managing inmates at Parklea Correctional Centre compared to other centres, in Mr Woodham’s statements to the Enquiry he reports that “Parklea is currently a remand and reception centre with very limited programs”, however Remand and Reception Centres are highly specialised in their function – by nature these centres manage inmates in crisis, newly received into custody, often struggling to adjust to incarceration, often at increased risk of self-harm or suicide, often detoxifying from drug use; these inmates require comprehensive assessment, individualised crisis intervention, significant access to medical services, and close custodial supervision while they adjust to incarceration. The cost of managing a Remand and Reception Centre population cannot be directly compared with the cost of managing other Correctional Centre populations as the nature of the population and the services required and provided are extremely different. Mr Woodham also indicated in his statement to the Enquiry that the role of Parklea Correctional Centre will change after privatisation, specifically “all new receptions will be going through (the MRRC) before they move on to Parklea”, thus acknowledging the current specialised role and function of Parklea and indicating that the cost of running the current public and proposed private centre will not be comparable due to the change in function. Further to this, Mr Woodham indicated in his opening statement to the Enquiry the Department’s intention to retain control of Parklea’s existing specialised Compulsory Drug Treatment Centre program, another financially expensive program that contributes to the relative cost of inmate management at Parklea and but has not been represented in comparison to costs of managing other Correctional Centres, and will not be incorporated into the cost of managing the proposed privatised facility.

With regards to the reported current high cost of managing inmates at Cessnock Correctional Centre, in Mr Woodham’s statement to the Enquiry he describes Cessnock as a “multi-purpose centre”, again suggesting that the cost of managing the centre is not directly comparable to other centres.

It is also reflected in Mr Woodham’s statements to the Enquiry that every Correctional Centre has its’ own unique and distinct population, purpose and programs, thus making comparisons between the cost of running each centre difficult and almost irrelevant.

In his statements to the Enquiry, Mr Woodham also refers to specific cases of Correctional Officers at Parklea and Cessnock Correctional Centres failing in their work duties and behaving inappropriately in the workplace, and appears to offer these cases as justification for the privatisation of these centres. Clearly privatisation is an inappropriate manner of managing incidents of poor work-performance and inappropriate behaviour in the workplace as it does not confront or resolve these problems, but simply results in the relocation of problematic staff to other Correctional Centres. Unfortunately I can assure you that poor work performance and inappropriate behaviour in the workplace occurs in many Correctional Centres and the Department rarely confronts or manages these incidents appropriately. The suggestion by Mr Woodham that a centre should be privatised in order to resolve issues related to the behaviour and work performance of specific staff only further illustrates the Department's general inability to appropriately manage problematic workplace behaviour and poor performance.

With regards to the important issue of public scrutiny of services provided under government (and therefore societal) responsibility, Mr Shipp's statements to the Enquiry reflects a significant concern regarding the accessibility of information pertaining to the management of inmates in private correctional facilities. When asked by the Enquiry to provide figures comparing various Correctional Centres including the privately managed Junee Correctional Centre, Mr Shipp admits that "we do not get the actual figures for the private one" and goes on to ask that "some level of confidentiality be placed on that given the commercial nature of the information". This suggests that the details of the management of private correctional centres are not as open to public scrutiny as that of public Correctional Centres, and are therefore at higher risk of mismanagement and corruption.

In his statements to the Enquiry, Mr Woodham also refers to the private sector having more flexibility in managing its' spending as a result of public sector contracts forcing government departments to buy from higher costing providers due to contractual agreements. This suggests that government contracts with private organisations ultimately result in increased costs to government, reducing the benefits of competition and implying the possibility of corruption within government contracts. The Department's current proposal to privatise Parklea and Cessnock Correctional Centres involves the establishment of another such government contract with a private organisation, potentially exposing the government to the equivalent problems on a more significant scale.

In his opening statement to the Enquiry, Mr Woodham expressed the Department's intention to establish and operate new specialised programs at both Parklea and Cessnock Correctional Centres, separate from the proposed privatised facilities, reflecting both the Department's tendency to retain control of high cost programs in their Correctional Centres and therefore reduce the ability to compare the costs of managing public facilities with private facilities; and the Department's intention to continue to provide services at Parklea and Cessnock Correctional Centres following the proposed privatisation of these centres, avoiding the need to effectively resolve disputes with current staff at those centres by redeploying these staff at the time of privatisation, and employing new staff at the opening of the new programs.

Mr Woodham's statements to the Enquiry regarding why Parklea and Cessnock Correctional Centres were chosen for privatisation appear to reflect that these centres were chosen as they were uncooperative with the Department's process of restructure to the Way Forward, rather than because privatisation of these or any Correctional Centre is in the best interest of the community.

I hope this submission is helpful in your deliberation regarding the important matter of the privatisation of Correctional Centres and services.