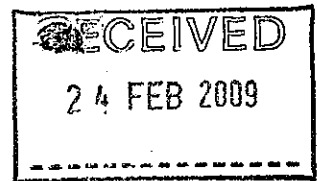


Submission
No 103

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

Name: Name suppressed
Date received: 24/02/2009

Partially Confidential



TO: Ms Rachel Simpson
Director, GPSC 3, Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

DATE: 17 February 2009

Dear Ms Simpson

I wish to provide a submission to the General Purpose Standing Committee's Inquiry into Privatisation of Prisons and Prison Related Services in NSW. My interest in this matter is relevant, as I am an employee of Cessnock Correctional Centre, one of the gaols targeted for privatisation. However I am also concerned, as a resident of NSW, about the continued push for privatisation of services right across the board, not just with prisons. I believe our Governments are making a big mistake even contemplating handing over what services they have left to private enterprise. We all know private companies are only there to make a profit, often for their overseas shareholders. The Government needs to have some control over the companies in our country, and should be able to pull companies in line if they are blatantly ripping off consumers. If the Government is in charge, they can still control their assets. If they continue to flog them off, the companies can do what they like, and there is no better example of this than what the banking industry get away with.

I would appreciate my submission remaining confidential, if your Committee believe you can use some of my points.

Thank you

SUBMISSION - INQUIRY INTO PRIVATISATION OF PRISONS AND RELATED SERVICES IN NSW

Privatisation need not be a dirty word, but in Australia it certainly is. There are countless examples of former Government services being taken over by private companies, where the former service has been reduced substantially and the cost to the consumer has risen dramatically. The best example of this is the way banks treat their customers. The one thing I detest the former Federal Labour Government doing was decentralising the banking industry. Since the banks were opened to shareholders, we have seen banks close all over the country, fees and charges escalate, profits increase dramatically, yet returns for those lucky enough to have something to invest remain way lower than any interest charged on loans. While interest rates on housing loans have come down recently, have a look at what these companies charge for loans on other items eg cars, holidays, credit cards etc. It is way above what they give back to us. No wonder their profit margin is so high. Yet this was the first industry to cry poor when the global financial crisis started. The banks played a major part in the meltdown.

If we continue to allow services in this country to be taken over by the private sector, we are just opening the way for more services to be slashed, and costs to rise. At least the Governments do not save money by hurting the people that work in the frontline and keep the services going. At least we didn't think so. The State Government's latest cost cutting measure is to privatise Parklea and Cessnock Correctional Centres, along with Court Escorts. How on earth is contracting these prisons out to someone else to run going to save any money, when the Government are still paying a contractor to do the same job that they have managed for over a hundred years? If anything, adding a "middle man" will cost much more, not less.

The gaols still need to be operated, the inmates need to be fed and clothed, and someone has to pay for this. So a private operator will come in and slash the staff to the bone, resulting in already recidivist prisoners being locked up for most of the day, unable to participate in programmes to assist in their rehabilitation. In some gaols the demand for such programmes is so high that inmates are having problems accessing the programmes they need now, so what is going to happen if their hours outside their cells decrease? In the meantime the staff providing these services will disappear and inmates will leave the system no more rehabilitated than when they arrived. As if the crime rate is not out of control in NSW now, when these inmates are eventually released, what is going to stop them going straight out and committing more crime if they are not doing rehabilitation programmes when they are inside? I foresee even more criminals being incarcerated if programmes are slashed. And heaven help the Government if they keep proposing so called "alternatives". Alternative programmes like Weekend Detention have been operating for years, yet the inmates keep coming to gaol. Surely the safety of the Public is more important than saving a few dollars.

It is so very important for Governments at all levels to maintain control of their assets and services. Handing these operations over to the private sector would not be so bad if we could be guaranteed of keeping the service without prices going through the roof. But no one trusts the private sector. That is why the consumers in NSW fought so hard to stop the Electricity Commission being privatised. Electricity is expensive

enough now, the fear of indiscriminate price rises ensured the voters in NSW fought to ensure this asset remains in the hands of the people. Surely this must apply to the rest of the services the Governments provide. I can foresee major changes to the way gaols operate if the Private Sector get their hands on our centres. A private company will move in to make money and that's all. They will do that by slashing staff, slashing programmes, employing inmates in low paid work and charging the inmates' families wherever they can. Inmates are having enough problems being placed as near their families as possible now, a private company could make that wish impossible. Who knows if they would co-operate with other gaols to organise inmate transfers? Who knows what they will charge inmates for phone calls and services? These types of things will impact on the attitudes of the inmates. And we all know what happens when inmates become restless and unhappy. It's happening all over the world in private gaols, where assaults and escapes have increased when inmates are not treated with dignity and respect. We must remember these inmates are human beings too, regardless of what they have done, and do not need private enterprise using them for their financial gains.

The people in Cessnock have supported us fully trying to have this stopped. The businesses in Cessnock and other country towns survive having the gaol in their area. The business this centre generates in surrounding towns is invaluable. Local suppliers have Government contracts they will lose, local motels and shopping centres that have business generated by visitors and staff attending the gaol will lose out, and what is most worrying, if staff are forced to leave the area to find work, the corresponding drop in numbers will impact on this community forever. Already staff members have had to sell their homes, take their children out of local schools, withdraw from community organisations, the issues are endless. All because the Government have targeted this centre to save money. Not that I am for the privatisation of Parklea, but the staff at Parklea are in a different position to Cessnock. Parklea is in a thriving western suburb of Sydney, with other gaols in travelling distance for staff to transfer to. Cessnock is not, in fact after the closure of Maitland, Cessnock took on the Maximum Security prisoners, the only facilities in the Hunter area. The people in Sydney who make these decisions need to realise the staff at this centre do not all live five minutes walk from the gaol. We are from all over the Hunter, Newcastle, Maitland areas, some even travel from the Central Coast. "Commuting" to another location is not always possible. So to continue employment they are forced to leave their families behind, or pack them up and move, and if their spouses are employed locally, this causes even more problems.

I am certainly no expert on the cost of running gaols. And as a taxpayer I am also concerned that far too much money is being wasted in this state on services that don't necessarily make great returns. However the State Government is in power to serve the people, to ensure services are provided. There is no way privatising services and eliminating jobs (taxpayers) is going to achieve this objective. There are many other ways the Government could look at to assist their budgets, but penalising the people at the frontline of their services, many of whom have worked their guts out for years and have saved the Government money, is not one of them.