

Submission  
No 351

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

**Name:** Name suppressed  
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*Partially Confidential*

This submission is being put forward to outline some of the main reasons as to why the prison system should not be privatised. The NSW Department of Corrective Services is responsible for a fundamental part of the justice system and this should not be contracted out to private corporations that would be operating for profit. The Government needs to cut spending, however, it is Labor Party policy to oppose the privatisation of the prison system. Furthermore, there is no actual evidence to prove that private prisons are any cheaper for the Government to run. The Government still pays a fee to the private corporations for each inmate they have. Not only that, if a building within the prison is destroyed, for instance burnt down, the Government would be paying for it to be rebuilt. By privatising the prison system, transparency is removed. These corporations use commercial sensitivity as justification not to disclose costs, expenses and other details. One of the American private prison corporations financially contributes to two NSW political parties. This corporation has been exposed in Australia and overseas for illegal and fraudulent conduct in the operation of prisons. The privatisation of prisons also comes with a non-financial cost to society. After privatisation occurs, there is a significant increase in staff and inmate assaults and self harm incidents. There have been studies, such as the one done by Biles and Dalton, which shows a higher rate of deaths and suicides in numerous private prisons than the Australian average. Recent research also shows that private prison inmates have a significantly greater risk of committing more crimes after release than those in public prisons. Privatisation encourages recidivism (re-offending) as more inmates means more money for the corporations. There is a trend in America for private corporations to build new prisons and then lobby the authorities to increase the incarceration rate. They also stir up law and order debates to have more people gaoled and for longer by scaring the public. This began to occur in Victoria as well. As private prisons are operating for profit, they reduce costs any way they can. They employ fewer, less experienced staff on lower wages. Not only will prison officers' jobs be cut, but also caterers, administration staff, medical and social workers delivering rehabilitation programs. Fewer jobs around the prison means fewer people spending money to keep the local economy moving, which is particularly relevant to the current economic climate. Australia's wealth is affected as Australians are forced to work for less money and extra profits go overseas to private corporations in countries such as America and England. Another way that private corporations reduce costs is by cutting programs in areas such as education, health and rehabilitation. Profits that the private corporations make from these cuts do not then get passed on to the taxpayer, but rather to the shareholders. It is morally wrong for private corporations to profit from the misery of others. Prisoners are human beings and should not be used as pawns to generate profits for shareholders. Despite private corporations having clauses and allowances for things such as deaths in custody, escapes and riots before their contracts are terminated, incompetence and corruption has forced the Government to take back prisons from the private sector in other states. This includes the Victorian Metropolitan Women's Correctional Centre after repeated severe contract breaches including inadequate staffing, a lack of proper security

services, rampant illicit drugs and excessive lock downs. The private corporation operating the Acacia Prison in Western Australia also had its contract terminated due to serious under performance and budget blow outs. One of the corporations that could potentially take control of Cessnock and/or Parklea ran numerous Australian detention centres such as Woomera. Many of the guards that worked there suffered severe health problems such as post-traumatic stress disorder due to the conditions they were forced to work in and a number of them have since attempted suicide. Foreign corporations have a history of having budget blow-outs, appalling disciplinary and safety records and miss-using funding for rehabilitation programs. They have also been investigated and prosecuted numerous times for excessive neglect and human rights abuses. A report which was recently leaked placed 10 of the 11 private prisons in the UK in the bottom quarter of the performance register of all UK prisons and showed they are consistently worse than their publicly run equivalents. Closer to home, the Junee Correctional Centre (which is the only privately run gaol in NSW) has significantly more complaints to the Ombudsman than any of the other gaols in NSW. A number of these have been about the lack of educational and vocational programs as well as rationing of necessities such as toilet paper which became gaol currency and would be stolen from cells. There have been numerous disturbances in Junee and it has been suggested that this has a lot to do with the lack of staff training and experience. There is also a lack of experience amongst the management. Public officers with only one or two years of experience are poached to take higher positions within private prisons that would usually be performed by officers with 10 or more years of experience. This has resulted in a higher than average rate of violence and drug use. The number of deaths in custody in Junee is very high considering it is only minimum to medium security, this includes one murder, two suicides and a fourth which is still being investigated. Frontline workers such as officers, medical staff and social workers have good and realistic ideas about where costs can be cut within the prison system. There is a wealth of experience in the public system and these are the people who can make well-informed suggestions as to where costs can be cut without making unnecessary sacrifices to things such as staffing, security and inmate services. In conclusion, privatisation is not economically viable and the lack of transparency provides opportunities for private corporations to exploit the Government and in turn, the taxpayers. The reduced security in private prisons puts staff, inmates and the general public at risk due to the increase in incidents. There are much more effective and positive ways to save the Government and tax payers money.

I thank the committee for its time and consideration in this matter.