

Submission  
No 95

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

**Organisation:** New South Wales Nurses' Association  
**Name:** Mr Brett Holmes  
**Position:** General Secretary  
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# NEW SOUTH WALES NURSES' ASSOCIATION

In association with the Australian Nursing Federation



ABN 63 398 164 405

In reply please quote:

BH:KON/MWH

27 February 2009

The Director  
General Purpose Standing Committee No.3  
Parliament House  
Macquarie St  
Sydney NSW 2000

Please find attached the submission prepared by the NSW Nurses' Association into Inquiry into the privatisation of prisons and prison –related services.

I am happy to provide further information if invited by the Committee.

Yours sincerely

**BRETT HOLMES**  
General Secretary



Submission to

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Inquiry into the privatisation of prisons and  
prison-related services

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New South Wales Nurses' Association  
February 2009

The New South Wales Nurses' Association (NSWNA) is the industrial and professional body that represents over 51,000 nurses in New South Wales. The membership of the Association comprises all those who perform nursing work, including assistants in nursing (who are unregulated), enrolled nurses and registered nurses at all levels, including management and education. The members of the NSWNA are also members of the Australian Nursing Federation (ANF), a federally registered industrial organisation, and form the NSW Branch of the ANF. We have members that work in both the public and privately run prison health services. This submission was composed in consultation with our members.

The NSWNA strongly opposes any privatisation of prison services, particularly prison health services. We do not endorse the privatisation of any health services at the expense of a viable and effectively run public health system. We recognise the conflict of interest; privately operated services have an emphasis on profit whereas publicly operated health services have an emphasis on access and provision of an equitable health care system.

There is a wealth of research identifying the complex health needs of prisoners. The rate of chronic illness and transmissible diseases is disproportionately high within the prison population. The concern of our members is that private operators will cut costs by reducing health services to maintain profitability and this will be at the expense of prisoners' health and well-being. The flow on effect of this approach will mean a greater burden being placed on the public health system once prisoners are released. If prisoners do not receive adequate care whilst incarcerated they pose a greater health risk to the community upon their release. Equally, the state will still be required to provide care for the most complex cases, both chronic and acute at the non-privatised sites.

Our fears are not unjustified. Our members report that some health services at Junee have been reduced. This has a deleterious effect on the health and well-being of prisoners. As has been noted, prisoners have numerous physical and mental health conditions and reducing access to health services compromises nurses capacity to meet the health needs of prisoners. Our members are concerned that

privatisation of health services will also lead to a reduction in programs such as rehabilitation, primary health and mental health services.

It is the expectation of the people of NSW that uniform standards of health care are provided in our society. This applies no less to people who are disabled, ageing or incarcerated. The NSW Government must remain accountable for the justice system, in all its facets. The Association and its members are concerned that there is no comprehensive system of standards, nor auditing of agencies outside of the public justice system. Privatisation of prisons may temporarily cost shift to the private sector, however, there will be no accountability for the supply of quality health care and the necessary protection of the nurses who provide it. The absence of an Inspector General heightens the concerns of a lack of accountability and transparency.

Rehabilitation programmes play a vital role in the prevention of prisoners' re-offending. The rates of recidivism will not be decreased without good quality rehabilitation programmes.

One of the unintended consequences of privatisation is a potential increase in the number of assaults on staff. The emphasis of saving labour costs often means a reduction in staffing levels which then leads to potential occupational health and safety (OHS) risks to staff. Health care employees working in private establishments report a reluctance to inform management of any unsafe practices for fear of dismissal or being disciplined. This is especially true of a casualised workforce. The Association is advised that the nursing workforce at Junee is predominately short term contract. The trade union movement has played an integral role in ensuring safe working practices and we envisage that private prisons would mean an erosion of these standards for all persons working in prisons and for the prisoners. Nurses must be accompanied by corrective services staff in the delivery of their services in order to protect the safety of the nurse. The reduced staffing levels at private facilities is likely to result in nurses working alone with prisoners thus increasing the risk of nurses being assaulted at work.

The *“Report on Value for Money from NSW Correctional Centres”* recommended that:

*“The Government should consider strategies to improve the cost effectiveness of health services provided by Justice Health”,* (Public Accounts Committee, 2005: vii).

Privatising health services is not a strategy that we support. It will not reduce the cost without compromising the health of the prison population, and the wider population.

According to GEO Group Australia Ptd Ltd (Junee operator) the cost of providing health services at Junee was considerably less than that of Justice Health. It was reported that in 2005 the cost for health services was “approximately \$20 per inmate per day” (Public Accounts Committee (PAC), 2005: vii) whereas the average cost at Long bay Hospital is “more than double that cost” (PAC, 2005: vii). The accuracy of this data has been questioned. Further, Junee does not house prisoners who are requiring complex or high levels of health care and so a comparison is not valid.

In their paper *“Value for Money? Neoliberalism in New South Wales Prisons”*, Andrew and Cahill (2008) maintain that the committee was not able to compare public and privately run prisons due to discrepancies in the data. According to them it is difficult to compare the budgets of private and public prisons as the “actual operating costs for Junee are not available as GEO is a private company that is in competition with other operators in Australia and this information is commercially sensitive” (PAC 2005:23 as cited Andrew & Cahill, 2008). This means that publicly operated prisons face more scrutiny than privately operated prisons and there is not a solid evidence base to make such comparisons. Therefore it is not possible for this inquiry to accurately compare the economic costs of publicly and privately operated prisons, especially in NSW.

However, the NSWNA is able to illustrate how GEO has been able to reduce some of the costs of delivering health services at Junee, and that is through labour costs. Nurses employed at Junee are financially disadvantaged compared to their peers working in the public sector. Registered Nurses (RN) and Enrolled Nurses

(EN) employed at Junee earn less than their public hospital peers (see Appendix A). As can be seen their hourly rate of pay is considerably less than RN and ENs employed in the public sector.

There are a number of other industrial concerns for nurses working in private prisons. In the *Public Health System Nurses' and Midwives' (State) Award 2008* employers have an obligation to consult with nurses about workload issues, and no such provision is available to nurses in private prisons. This provision in the award allows public sector nurses to be able to monitor their workload, and provides a framework for nurses to lobby for allocation of more staff and resources. It also provides a structure to resolve disputes. Our members are very concerned about the potential for an increase in disputes and an erosion of their working conditions if prison health services are privatised.

There is recognition that recruiting and retaining nurses is challenging. Any reduction in working conditions is likely to exacerbate this situation further, resulting in prisoners' access to health services being compromised. This type of reduction may have a deleterious effect on the therapeutic relationship that nurses have with their patients. The reduction in working conditions is as much applicable to those in prison as in the general community. This conflict has the potential to undermine the basic principles of nursing practice.

The NSWNA is cognisant of the trend both nationally and internationally towards privatisation of prisons, we oppose the privatisation of prisons for a number of ideological reasons. We do not believe that the private sector has a role in the administration of services in prisons and we maintain that this is a function of the State, as is the case for police and judicial system. We are not alone in expressing this view and while the terms of reference for this inquiry do not directly address this issue we believe it is extremely relevant. The state should not be abrogating its responsibilities to its citizens to the corporate sector and profiteering from a persons' incarceration as it is morally indefensible.

One of the most common arguments for privatisation is that the private sector is more innovative and efficient. It is assumed that private prisons provide the same

health services as the public prisons including their profit. One has to question how they acquire their profit and this is by cutting services and reducing resources particularly labour costs and medical care. This idea that public prisons are not able to operate effectively due to bureaucracy is a myth. Justice Health has received multiple awards for their work and their employees appear in the academic literature. We are lead to believe that the market and competition will lead to a reduction in cost and efficiency. This was not the case in Victoria where the State Government had to take back control of a privately run prison (Roth, 2004).

The impact of privatisation of prisons on local communities cannot be under - estimated. A decrease in wages and potential for job losses will have a negative impact on local communities. As we are all too familiar at the moment with the global economic crisis and its impact on workers we do not believe that now is the time for the NSW Government to be privatising prisons.

We are aware that the Minister for Prisons, John Robertson has claimed that the NSW government "has no plans to privatise all jails in the state" (25/2/09). Our members would like the government to stop any plans to privatise Cessnock or Parklea Prisons as well.



## References

Andrew, J & Cahill, D (2008), "*Value for Money? Neoliberalism in New South Wales Prisons*", Critical perspectives on Accounting Conference, New York.

Public Accounts Committee, 2005, *Value for Money from NSW Correctional Centres*, Reprt No. 13/53 No 156 September, Australia.

Roth L. 2004, Privatisation of prisons: background Paper, 3/2004. Sydney: Parliament of NSW.