

**Submission
No 45**

**INQUIRY INTO THE CLOSURE OR DOWNSIZING OF
CORRECTIVE SERVICES NSW FACILITIES**

Organisation: The Nationals
Name: Mr Chris Gulaptis MP, Member for Clarence
Date received: 12/11/2012

12 November 2012

The Hon Paul Green MLC
Chair Select Committee on the Closure or
Downsizing of Corrective Services NSW Facilities
Parliament House
Macquarie Street
SYDNEY NSW 2000

By email: csclosureinquiry@parliament.nsw.gov.au

Dear Sir

Opening Comment

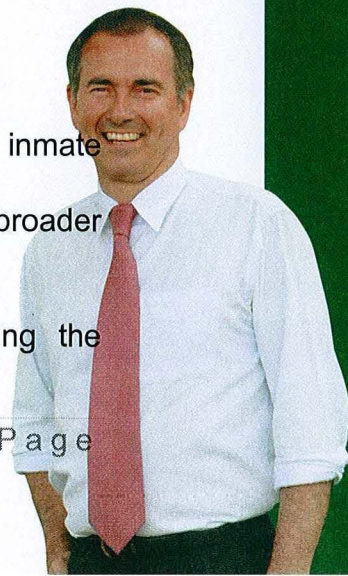
I am very pleased that the NSW Legislative Council has established a select committee to inquire into the closure or downsizing of Corrective Services NSW facilities and in particular for the opportunity to express my concerns, to the Committee, about the restructure of the Grafton Gaol which resulted in it being turned into a remand centre.

The restructure of Grafton Gaol has directly resulted in the loss of between 80-90 staff positions and significantly impacted on the inmates, their families, as well the broader community. It wasn't only the jobs that impacted on Grafton, it was deeper. The withdrawal of public service positions and the downsizing of the gaol sent a signal to the community, that the State Government had lost confidence in Grafton and was abandoning it. It wasn't just 80-90 jobs but 80-90 families. The decision affected contractors who serviced the gaol, associated government agencies such as schools and the health system, as well as the broader community. The impact is still being felt by the Grafton community to this day.

The closure of Grafton Gaol was the wrong decision and I have said this publicly on a number of occasions.

It was wrong for a number of reasons:

- there was no consultation
- there was no rural impact assessment
- there was no consideration of the impact on staff
- there was no consideration given to the impact it would have on inmate families
- there was no consideration to the impact it would have on the broader Grafton community
- the manner in which the announcement was made
- there was no opportunity for reconsideration or renegotiating the decision after there was widespread community concern



I remain hopeful that the findings of the Committee will provide an opportunity for the Government to reverse its decision and reopen the Grafton Gaol to its full potential. I am not aware of any physical circumstances that should preclude this from happening. At the least I trust that the findings of the Committee will help prevent any further public service job losses in Grafton because of the severe impact the gaol closure has already had on the local community.

1. There Was No Consultation

As Member for Clarence I felt completely excluded from the process and I am angry and disappointed that I was not involved in the process before the axe fell on the gaol. Even as a new Member, only seven (7) months in the job, I had already met with the Manager of Grafton Gaol on several occasions as well as staff and members of the union. I believe I had a basic understanding of the underlying issues which were the cause of concern between staff and management at the gaol and the department. I feel that the information I had should have, at the least, prompted further consultation with management, staff, union officials and prisoner welfare groups.

I have since spoken to staff, union officials, the local authorities, chamber of commerce and general members of the community and I am not aware of any of them being consulted. This is not acceptable when there was a clear commitment by the Coalition in the lead up to the State Election 2011 "to give back to local communities at all levels as much local decision-making and participation as possible, along with appropriate accountability and responsibility".

2. There Was No Rural Impact Statement

To the best of my knowledge there was no Rural Communities Impact Statement (RCIS) prepared, even though the former State Labor Government made this a policy in 1996 and it is a policy supported by the Coalition Government.

The policy was introduced to avoid the situation that occurred with the Grafton Gaol decision. To quote the policy: "The principal purpose of RCIS' is to improve the decision making processes of the Government and its agencies by ensuring that the full extent of economic, environmental and social impacts of proposals on rural communities and regions is identified and accounted for. This will provide the Government and agencies with a sound basis for policy development and ensure that the principles of rights, access, equity and participation set out in the New South Wales Social Justice Directions Statement, Fair Go, Fair Share, Fair Say, are effectively implemented".

I am firmly convinced that had a RCIS been completed as part of the restructure process then the gaol would not have closed. There was clear evidence prior to the closure that employment opportunities were severely limited in Grafton because of the closure of the abattoir in October 2011. This

resulted in the loss of 270 jobs and this followed the closure of the Telstra call centre some 12 months earlier which resulted in a further 100 job losses. In addition the economy of the region was seriously depressed because all the local industries were acutely underperforming. I was advised that the timber industry had lost over 100 jobs in the first six (6) months of 2012.

To give some perspective to the job losses caused by the gaol closure, 90 jobs equates to approximately 0.5% of Grafton's total population. Using this same proportion in Sydney would mean that approximately 21,000 jobs would be cut. This would not be accepted in Sydney and nor should it be accepted in Grafton. Whilst this comparison between Grafton and Sydney gives perspective to numbers it does not accurately reflect the impact on the respective communities. In Grafton there are limited jobs as mentioned earlier in my submission and similarly limited job opportunities in neighbouring towns. The situation is further exacerbated because there are limited regional transport options.

The preparation of an RCIS should have been an absolute requirement for the Grafton gaol closure, not just for the economic impact but also for the social upheaval it has caused in people's lives.

3. There Was No Consideration Of The Impact On Staff

Staff had advised me that they were aware that a restructure was due but they had no indication of the magnitude nor the timing. The announcement caught them by surprise as much as it did me. They had very little time to prepare for a momentous announcement that would reshape their lives. And I understand that they were given very little time to make a decision on the options made available to them by the Department. That is, whether to go through the stress of reapplying for their jobs, take up a new position within Corrective Services or take a redundancy payment.

The announcement caused staff and their family's enormous stress. They were forced to make decisions about taking their children out of schools (some doing their HSC year), sell their homes when the housing market is depressed, and move away from family and friends and the area they loved.

The poor manner in which the staff was treated justifies the necessity for the preparation of a RCIS and why consultation is needed to ensure they get a "Fair Go, Fair Share, Fair Say" as set out in the New South Wales Social Justice Directions Statement.

I understand that the State Government's financial position is weak and that fiscal constraints are required, and so does the Grafton community, but the manner in which the staff have been treated is appalling. They are not just numbers but people with families living in a community. Many have moved to Grafton to make it their home. They have invested their life savings in the town, believing their public service jobs were secure and they could make plans for the future. These plans were all shattered with the sudden announcement.

I trust the Committee will make appropriate recommendations on the lack of consultation and treatment of staff using the "Fair Go, Fair Share, Fair Say" principles.

4. There Was No Consideration Given to the Impact it Would Have on Inmate Families

The inmate population of Grafton Gaol was also part of Grafton. Removing 240 inmates from Grafton has had a severe impact on their families as well as the town.

I spent considerable time on the picket line and listened to the concerns of some of the families of inmates who had also joined the picket line. They were worried about where their family members would be incarcerated and how they would be able to continue with regular visitation. They had no idea where they would be sent and how they would be able to see them again, given the limited regional transport opportunities available and that they couldn't afford it anyway.

Grafton Gaol had a high proportion of indigenous inmates who were local to the area and their families are struggling to come to terms with the dislocation that the closure has caused. Grafton, like many regional towns, has a significantly high disadvantaged socio-economic demographic. Our indigenous population is particularly vulnerable and the fact that there was no consultation has meant these families have not been able to prepare for this upheaval in their lives and any support services are simply retro-fitting. There has been no measure of how successful the support has been for these families and there needs to be some measure of accountability for these families. I would trust that the Committee will give consideration to what impact this decision has had on the inmate families and make recommendations to ensure they receive the appropriate levels of assistance.

5. There Was No Consideration to the Impact it Would Have on the Broader Grafton Community

Grafton, and indeed all of the North Coast, suffers higher than average unemployment numbers and lower than average incomes per family. The gaol jobs were high paying jobs and the loss of this spend in the local economy is hard to replace. The impact on the local economy was further exacerbated because it came on top of the 270 job losses at the abattoir in September of (2011) and the loss of over 100 jobs when the Telstra call centre closed the year before this.

The immediate impact the closure of the gaol had on the local economy was to destroy business confidence. I attended a number of crisis chamber of commerce meetings immediately after the closure to discuss the future of Grafton. The business community were investigating all manner of options to stimulate the local economy and were certainly looking to the State

Government to bring forward local infrastructure projects such as the Grafton Bridge and Pacific Highway upgrade to help stimulate local jobs and boost the local economy. I was told by a number of businesses that their July and August takings were well below average and that they attributed this directly to the gaol closure.

The school community has also suffered as a result of the gaol closure. I am advised that enrolments at South Grafton High School will be down by between 40-50 students next year because inmate families will be moving out of the area. This severely impacts on their funding and planning for next year.

It is clear that there was no social or economic consideration given to the broader community by the gaol closure. The closure directly impacted on the local economy by:

- destroying business confidence
- reducing local spending from high paying public service jobs
- eliminating contractors jobs at the gaol
- removing the financial contribution of inmate families to the local economy
- reducing ancillary public service position from the local economy, like teachers etc

Whilst we can measure the financial implications of the closure, the social impacts are harder to measure but they are real none the less. The prison officers and the inmate families were part of the social fabric that made up Grafton. They lived amongst the community. Their kids went to school locally, spouses worked for local businesses, they played sport, they participated in community events and had friends and families in the local area. The sudden removal of such a large number of people from a small country town has had a momentous psychological impact on the rest of the community. The community at large lament the closure of the gaol not only because of the job losses but because it has been a very significant civic establishment symbolic of Grafton's history.

6. The Manner in Which the Announcement Was Made

The announcement of the closure caught everyone by surprise, even though there had long been talk (within government, union and community circles) about a restructure at the gaol. It was very sudden with no consultation and little explanation. The announcement was made during the first week of the parliamentary winter break and it was extremely difficult to get access to the Minister, Premier and Deputy Premier to get a full explanation of the decision and the ramifications it would have on staff, inmates and the broader community. At the time the announcement was made I, and the community, felt dislocated from the Government.

I would hope that the recommendations from the Committee include protocols to be taken by government when announcements are made which have the capacity to significantly impact on local communities.

7. There Was No Opportunity for Reconsideration or Renegotiating the Decision After There was Widespread Community Concern

Shortly after the announcement, union officials advised me that they could not get access to the Minister to discuss the closure and to request the Minister "hit the pause button" whilst other alternatives were investigated. I made a commitment that I would get them access but could not guarantee the outcome. Their response was get "us the meeting and we'll fix it from there".

On short notice I was able to secure a meeting with The Acting Premier, Minister and his advisers, Acting Commissioner, Union Officials, Grafton Chamber of Commerce President, Mayor of Clarence Valley Council and myself.

I was extremely disappointed with the outcome of the meeting as I believed the Union's request to "hit the pause button" to look at alternate options to closing Grafton were reasonable. I supported the local Public Service Association's position that to operate the Grafton Gaol as a cell complex with 60 beds for transit inmates was not a viable long term operation. I believe the three long term proposals put forward together with the invitation to explore other alternatives was reasonable.

Proposal 1 - The Department could close 13 Wing at Long Bay and send 200 maximum security inmates to Cessnock. This would relieve pressure on the Long Bay Complex which is currently struggling to attract staff to the complex.

Proposal 2 - The Department could close the recently opened wing at Dawn De Laos Silverwater which has been opened last week to accept inmates from Grafton.

Proposal 3 - The Department could minimise the excessive time inmates spend in 24 hour cell locations by transferring them to Correctional Facilities.

The Union Officials firmly believe that the above proposals are suitable alternatives which would produce the cost savings to enable Grafton Gaol to reopen as a Corrective Services Facility and I fully agree with their proposition for a number of reasons:

- Grafton has been a well established gaol town for over 150 years
- the Coalition government is committed to decentralising public service agencies to the regions and to a jobs program for regional NSW
- public service jobs in regional communities are well paying and they are few and far between
- Grafton was already suffering inordinate job losses with the closure of the abattoir, the call centre and the downturn in the economy
- real estate at Long Bay is worth considerably more than Grafton should the government decide to dispose of unused facilities

I would hope the Committee will give due consideration to the Union's alternative proposals and recommend the reopening of Grafton Gaol on this basis.

Conclusion

The decision was wrong. There's no doubt that Grafton Gaol needed a restructure because of cost overruns and the "toxic" culture that existed between staff and management but closure was overkill. The decision had far reaching consequences beyond the scope of the gaol closure. It impacted on the whole community.

Just as the decision was wrong so was the decision making process. The lack of consultation and the sudden announcement contributed to making a bad situation worse.

Whilst the government has taken the blame for the decision, blame should also lay with the previous Labor Government that built the facility at Cessnock. We don't know what their intentions were for Grafton Gaol, but clearly it was going to hurt Grafton. Blame should also lay with the Unions, management at the gaol and the department for doing nothing to alleviate the "toxic" culture that existed at the gaol for many years. Everybody had known about it for years but no one did anything about it and this resulted in closure of the gaol.

Whilst I have been very critical of this decision by the government I do very much welcome the support of the Premier and Deputy Premier in bringing 75 public service jobs to Grafton at a time when the State is experiencing extreme financial pressure. In addition the Northern Rivers Jobs Action Plan has injected 10 jobs into Grafton and a further 140 through-out the Northern Rivers. Whilst this may not compensate for the impact the gaol closure has had on the community it does help restore some confidence in the community.

From a personal perspective I have high expectations that the committee will agree with my assessment of the closure of Grafton Gaol and does recommend that it reopen. Or as I said earlier, at the very least, recommend against any further public service job losses in Grafton because of the severe impact the gaol closure has made. More broadly I would expect the Committee to make recommendations that will improve the decision making process to include consultation and to ensure the preparation of Rural Communities Impact Statements are completed before significant decisions such as this are made.



CHRIS GULAPTIS, MP
Member for Clarence