

Submission  
No 145

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

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**Date received:** 27/02/2009

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The privatisation of public sector services and the contracting out of the management of public sector services announced in the Mini Budget are wrong. Wrong time, wrong idea, wrong policy, wrong direction. For such privatisations to be contemplated by a Labor Government led by a member of the Left Faction is reprehensible. Party policy over the last 100 years is just being thrown out as though it never mattered. Party members are more than disaffected. Citizens, 85% of whom consistently oppose electricity privatisation in survey after survey, are turning away from supporting the government in droves.

We are now heading into the biggest recession since the Great Depression of the 1930s. Now is not the time to take the risk on the private sector running and providing what should be public services owned by the people, and run in the interests of the people, not private profit. There are no doubt private companies who appear on the surface to be profitable who may put up their hand to take over public sector services, but they are most likely hoping to use public assets to trade their way out of trouble. Some may succeed, some won't. No amount of assurances are going to protect the employees of those companies who fail. And in the current circumstances, any company taking over public assets or contracting for the management of public services is going to want similar guarantees to those given to power companies in Victoria, where they are required to meet the first \$100 million if there are substantial payouts to fire victims. The rest will come from the public purse.

Prison privatisation - for the government to even contemplate the award of the contract to privatise Parklea and Cessnock to GSL or GS4 is outrageous, given their terrible record when running immigration detention centres. And for the Director General of Corrective Services to say that privatisation was to break the union in prisons and remain uncorrected by the Minister for Corrective Services, and the Premier, is appalling. There is no doubt this is the intention in privatising prisons, but it is a big mistake for the government to waste the corporate knowledge of long term employees of the prisons. Despite the assurances about the retention of the current employees if the privatisation proceeds, there is no doubt that a private employer would replace these staff with those who better fit the accounting bottom line in the short and long term, to meet profit objectives.

Fast Cat Ferry replacement - to have a whale watching fleet replace the fast cat service - if it wasn't so serious it would be a joke! Is this a trial or a permanent arrangement?

The sale of retail electricity - even a close look at the detail of this proposal shows that it is a Trojan Horse for the full privatisation of the electricity industry. The people of NSW do not want their electricity resources and services privatised. These are services that must be in public hands. The failure of Victorian power companies to maintain equipment may well have caused the devastation and loss of life around Churchill, if not other fire prone areas of Victoria. The profit motive of private companies in the electricity industry is not consistent with the public interest.

The evidence is all there. Private companies taking over public sector services or contracting for the management of public sector services are there in their own interests, private profit, not public benefit or public wealth. As we head into this recession which may well become a depression what is needed is a stimulus to the public sector and the protection of employees with public sector conditions of employment.

Stop the Sell Off. Stop the Cell Off.