

**Submission
No 50**

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

Name: Mr Clayton Barr

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CONTENT: Submission to Government
Re: Privatisation of Jails

SOURCE: Cessnock Branch of ALP

It is the considered and the majority opinion of the Cessnock ALP that the privatisation of the two NSW Jails should not precede, and we support our local Members stance in opposition to this concept. Our grounds for opposition are as follows:

The reason provided are inadequate: As it stands, the primary reason to privatize is the issue of "over-time" – this must be ringing alarm bells in the ears of police, teachers and our medical profession..

The current shift roster for NSW Corrective Services was imposed on the workforce back in 1995. At that time the workforce raised the concerns of the rostering system, but the system was forced through regardless. Now, after 13 years it is apparent that the system has deficiencies. So instead of going back to the workforce and their union to find a better system, we threaten and pursue the privatisation.

Over-time as a concept is the lifeline of so many government services and is pursued so vigorously as a means to ensuring that public services are maintained at the highest standard.

- Imagine if a **nurse** was off sick and not replaced with an over-time shift. What would we tell patients? "Sorry your nurse is off today you will receive no service."
- Imagine if a **schoolteacher** was off sick and a casual teacher not called in as a replacement. What would say to a students and parents? "Sorry your teacher is off sick this week so you will not be having classes."

There is no doubt that a privatised jail could reign in over-time expenses. I would suggest the obvious way to do this would be to not replace officers that are of with sickness/illness. Simply shut down a section of the jail or leave the prisoners in lock-down.

Given all this the budget set for overtime for Cessnock Correctional Centre has not been over spent so where did this argument ever come from? Commissioner Woodham sets the budget for these facilities and then wishes to argue that this facility over uses its budget when officers from Cessnock can show that they were still inside their budget parameters. It seems that the management are utilizing the fact that if you use enough propoganda people will believe without question, was it not the Second World War when this practice was best utilized.

Mismanagement: This is the immediate term that springs to mind when anyone hears of an organisation that can't control its staff and finances. Clearly, if the issue of over-time is so out of hand and so draining to the service, that management should address the issue. There is a saying that if "if you keep doing what you are doing, you will keep getting what you are getting" and that appears to be the case in this instance. But who is accountable for this – because it is an absurd and derelict admission.

The admission of guilt is further enhanced in the sales pitch that is effectively "we (the government) can't manage it, so we are going to bring in someone that can." My word, this exudes anything but confidence in the governments ability to manage.

When one looks at the level of management some 3,200 managing 3,800 front line prison officers and then not taking any responsibility for management issues it would be easier for the Government of the day to make management manage? When the two jails are privatized the surplus of management will only add to and more to the top-heavy management tier and will be adding a further burden to the cost per day per inmate.

There have been all sorts of statements made by Commissioner Woodham that needs clarification due to the less than truthfulness of these statements some examples include:

- The officers have been rorting the overtime inside the prisons. (Isn't it the management who sets the budget allocation for overtime?)
- The implementation of the way forward at Cessnock has been met with hostility from the prison officers. (The PSA have always stated that they would sit down and negotiate yet the Management has never started negotiations with the PSA on this matter.)

- When comparing costs of Junee Correctional Centre to other public centers Junee is at \$82.31 per inmate per day and Mid North Coast is at \$80.12 per inmate per day so why privatize why not implement the way forward and save tax payers \$2.19 per prisoner per day? These are Mr. Woodhams figures given to the Public accounts committee back in 2005.

Losing the war of public perception: As a government under siege by the media and many in the community, it is an untimely concept (privatisation) to be delivered. This government simply cannot afford to keep losing the "war of perception". You must start making inroads into reclaiming the faith and confidence of the public and Identifying an issue as singular as over-time, as a reason to privatize is simply inadequate. As noted above it is a management issue. The public is just not satisfied AND you have an enormous section of the public that is genuinely and reasonably concerned about their own employment. How many public sector workers do we have that are sitting at home today thinking "gee, we do a lot of overtime in our system too – does that mean we will be privatized next?" Seriously, why don't we privatise our Police force? Surely that would save on over-time. And in this model, if a police officer(s) calls in sick, simply shut down that service, or tell that section of the community that you will not be responding to their calls on that day.

Privatised Jails – a history of not handling "Medium Security" prisoners, how will they possibly cope with "Maximum Security"? The privatisation of Junee jail has shown an enormous gap in the ability of the private sector to accommodate prisoners of higher security classification. The Junee jail was originally intended to house "Medium Security" prisoners, but shortly after it being privatised, this was downgraded to a Minimum Security facility because the successful tender was unable to cope with the needs of this security level.

Given this, what possible justification or assurances are there for the ability to handle Maximum Security prisoners? Are you asking the community to simply have some "faith and trust" in a company or organisation whose main agenda will be profit? Please!

In the instance of Cessnock jail, the reality is that the downgrading to Minimum Security would be an enormous boost to the community. So many families and associates of the incarcerated

would move on to other towns and cities. Cessnock could probably predict a reduction in crime.

So what is the government plan to house Maximum Security prisoners if the private sector fails to deliver? Where will they prisoners be sent? Are those facilities prepared or capable? And then there is the issue of transport, food and accommodation for court appearances in Newcastle. Whatever savings are made through privatisation, are sure to be spent on a growing transport needs of the corrective services.

Reform Processes

Where has a private provider's reform processes been assessed and how does this compare to our public sector? We are constantly comparing Junee to other centers although Junee has taken the cream of the prison sector and allowed reclassification of prisoners to suite the private sector ahead of our public sector. The prison officers state this openly; the original inquiry by the Public Accounts Committee never at any stage took submissions from the prison officers sector that could have shown many of these issues and much more. When one looks at what has happened to the reform processes at Junee after privatization and sees that only 4 of the 11 business units remain that provided vocational training and 7 were terminated you see straight away what the private sector thinks of reform in the gaol sector. Vocational and Training programs available at the Cessnock Centre are Nationally accredited and currently there are 11 courses provided. Are we to see the same level of termination at Cessnock as Junee?

Employees of corrective services that are not officers – what will become of them? This broad-brush approach to solving over-time issues, and in effect admitting mismanagement, has further implications to the work force in these Jails.

Of the 250-ish staff at Cessnock jail, half of them are not custodial officers. They are administrators, psychologists, social workers, store-men, builders and teachers and they will all lose their jobs, because in their place of business, one of the sections of the work force have been taking too much over-time. So now they are all getting the sack.

Again, it would appear that the government's management of the department of corrective services has been negligent.

How much money, what portion of the dollar savings, will be spent on redundancy and relocation costs for the entire staff at these 2 jails. The costs of relocation of officers from the Cessnock community not only effect the families but in fact the whole town as the sale of this facility when originally sold to the community was on the jobs and flow on to the economy for the whole community and now with a further 250 beds to go into the Cessnock facility and the privatization of this facility will be to the detriment of both jobs and the economy of this community

Conclusion:

- There is such a small possible financial benefit to privatisation. Indeed, if some of issues raised in this submission are realized, there may actually be increased expenses – to the TAX PAYER not the privateer. What amount of this benefit will be eaten up by the cost of redundancies?
- Any profits realized by the privateer will be going overseas, offshore and out of the country because they are international companies.
- The communities of Cessnock and Parklea will be losing jobs and local businesses will be losing income ultimately the economy will suffer to some degree.
- The damage to the Labor Party, the deterioration of public perception, far outweighs the potential political benefits.
- The implications if miss-managing this service will further erode the confidence of the community in its regard for the management capabilities of the ALP.

Privatization of our jails is an ill-conceived and reckless action that is considerably removed from the wishes of this branch of the Alp and the broader community.

It is the recommendation of the Cessnock Branch of the ALP that you cease with this course of action immediately. The preferred solution is through communication and negotiation with the sector.

It is the further recommendation of this Branch that our Member continue to stand loudly opposed to the privatisation of jails.

Regards

Clayton Barr

On behalf of the Cessnock Branch of the ALP.