

Submission
No 441

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

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17 March 2009

The Director
General Purpose Standing Committee No.3
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Sir,

Re: Submission to Inquiry into Privatisation of Prisons and Prison-related services in NSW

On behalf of Blacktown City Council, following is a submission for the Committees inquiry into the privatisation of prisons and prison-related services in NSW.

As the Parklea facility is located within Blacktown City, privatisation of the facility is of significant concern. I strongly request that the following submission and recommendations be taken into consideration by the inquiry, and that the decision to privatise Parklea Prison be reversed following recommendations outlined in this letter.

Blacktown City Council is opposed to the privatisation of the Parklea Prison and Prison-related services for the following reasons.

1. Loss of Local Jobs for Local Residents

The Parklea facility employs 400 prison staff of which the majority live in the local area. Under private operation it is foreshadowed that local jobs will be lost, along with a reduction in salaries in order to save cost.

In addition to this, it is possible that the Parklea Prison's security status could, if under private control, be downgraded. This scenario occurred at the privately operated Junee facility in the 1990s when it was downgraded to medium security prison following riots by maximum security inmates. This situation led to even fewer prison officers being required to operate the facility, and a reduction in local jobs.

Further, and as seen at the Cessnock Correctional Facility earlier this week, 110 inmates have already been removed from the facility in preparation for private operation. This will see approximately 50 prison jobs cut at Cessnock.

Recommendation 1:

That assurances are made to Blacktown City Council that the number of, and conditions of all prison jobs (and related service) be guaranteed to remain at levels that currently exist at Parklea.

2. Less Accountability and Local Safety

There is no guarantee that a private prison contractor at Parklea will be as accountable to Government agencies and the community as is currently the case under a state run facility.

It is known that prison contracts in Australia and overseas typically have acceptable levels of deaths in custody, riots and escapes before a contract is called into question. Whereas the State run facilities currently have a zero tolerance to these externalities, along with staff resources readily on hand 24 hours a day to handle such situations.

For example, the Acacia Prison Facility in Western Australia (WA) is privately operated by Serco Pty Ltd and has allowances in its contract with the WA Government for a given number of deaths in custody, escapes and riots before they are in breach of their contractual obligations.

There is no guarantee that a private contract at Parklea will provide such assurances to Blacktown City residents who live in proximity to the facility, and, who would be at most danger should a major incident occur.

Recommendation 2:

- (a) That any contract between a private operator and the Department includes zero tolerance policies towards potential negative externalities such as; deaths in custody, riots, escapes and other security related offences.
- (b) That any agreement between a private operator and the Department can be openly scrutinised by Government agencies, the community and Council.

3. Reduction in Local Economic Activity

No independent analysis has been received by the Government on the potential economic and social benefits of moving towards privately operated prisons in NSW.

It is likely that if one of the major contractors who would bid to run the Parklea facility (e.g. GEO, G4S or Serco) were successful, they would almost certainly draw upon suppliers already servicing their organisations – many of which are overseas based suppliers that would replace local suppliers. This would further reduce local economic activity and local employment.

Furthermore, no strong evident base exists that privatisation will reduce the total cost of housing the State's inmates to the taxpayer. In fact most international case studies show NO cost savings to States that run private prisons.

Recommendation 3:

That the full economic, social and financial impacts of prison privatisation be independently reviewed and submitted to the Government before any further decisions be made considering privatisation.

Should you require any further information regarding this submission please do not hesitate to contact Council General Manager, Mr Ron Moore on 02 9839 6502. I look forward to meeting with the Committee on 27 March 2009.

Yours sincerely,



Charlie Lowles
Mayor