

Submission  
No 210

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

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**Personal Submission to the Parliamentary Inquiry into the  
Privatisation of the Cessnock Correctional Centre  
26<sup>th</sup> February 2009**

I would like to define the term “privatisation it is the direct sale of a publicly owned asset to the private sector. I give it a much broader definition. I see it as including not only the complete transfer of ownership and management, but also the control, management and transfer of assets. This is what is about to happen to the Cessnock Correctional Centre.

As a member of the Cessnock community I have been involved in the direct struggle, and campaigns against the privatisation of the Cessnock Correctional Centre. Both as a member of CAPS (Community against Privatisation) and individually.

Thus I have read widely and seen first hand the issues and effects the privatisation of the Cessnock Correctional Facility will have upon our community. This will include the sacking of staff either by compulsory redundancies or staffs are persuaded to take voluntary packages. Some employees will tempted to accept the proposed restructuring by trading off conditions, transfer to the new provider, the NSW government will argument that the restructuring is needed and, thereby, save jobs, and other staff will accept the limited redeployment.options.

We hear all about the need to be more competitive and efficient, the pathway proposed by THE WAY FORWARD... Efficiency here is measured by matching dollar inputs against dollar outputs. It really means how much profit is made from the dollars invested.

Unions are under pressure to save jobs and conditions, they are focussing on the very immediate dispute or problem - *they are trying to save jobs.*

Furthermore it is not just the economic responsibilities that the NSW Government are abandoning but their social responsibilities for the people they govern. This not only includes the justice system and safety but further ramifications of privatisation in other areas for the sick, the aged, the young, the disabled, their health and safety. In general the NSW Government is avoiding being responsible and accountable., The privatisation of the Cessnock Centre displaying a lack of the principals which support good governance and the traditional NSW Labour Parties own foundation concepts

I believe that privatisation of government responsibilities is wrong – whether it involves the sale of residential aged care, the sale of Telstra, correctional services, education, health , security etc g. Many communities are involved in dealing with the fights against privatisation of govt run agencies in one way or another. All over the place there are campaigns, coalitions, committees, trade unions, organisations campaigning to defend a hospital, to defend a library from privatisation or some other service in the community.

An example of this is happening in our community, we are being faced with privatisation of the Cessnock Correction Centre .We have not been consulted, no social impact study. I call for genuine accountability and transparency. When governments are contracting out or selling off public services and utilities, we demand community consultation.

It is the public's property that is being sold off and often taxpayer's money being handed over. Companies and governments which attempt to hide behind commercial secrecy must be condemned.

Companies tendering should be forced to make public the details of their activities, political donations, sources of revenue, principal shareholders, directors' interests, profits, whether their workforce is unionised, how they treat their employees around the world and their interests in other corporations.

The process of tendering should be democratised with representatives from community, trade union and environmental groups involved in the tendering process. Companies making tenders should be fully investigated. Community obligation clauses in the tender or sale contract should specify community rights, procedures and social/ community impact obligations

At present there is a tendency to meet each step of the privatisation of the Cessnock Correctional Centre process as though it were an isolated dispute about jobs or conditions. It is much more impacts for the Cessnock Community will be

- A. The sustainability of the centre will it be compromised, as all evidence suggest the privatisation is a means of rationalisation only.
- B. The privatisation will reduce provision and services e.g. rehabilitation programs, employment opportunities, health and welfare programs.
- c. Employment – what is the impact of employment for the Cessnock and surrounding areas economies?

D. Job quality – privatisation will result in the transfer of jobs out of the area; privatisation will lead to a substitution of temporary and casual employment for regular employment

E. Regional investment –privatisation will lead to a reduction in the Cessnock areas investments

F. The impact on the ability of the region to attract investment and people will be affected

G How will it affect the identity of the region.

H Governmental responsibility lack of impact studies for the area and what benefits will be generated to the region through privatisation of the Cessnock Correctional Centre.

H. This not a sustainable development and the quality of life aspirations within the community of Cessnock will be compromised.

As such the opportunity to critically assess the inadequacy and lack of effective consultation with the Cessnock community is apparent... No consideration has been given to us the Cessnock community to be involved in the process of reviewing the future security and safety needs of our community.

The fundamental issue in the privatisation of the Cessnock Correctional Centre is whether the benefits which governments see as relevant could be could be achieved by other means just as effectively. This could be done though community consultation and good governance.

Marie Louise Howell