

# **Submission to the Economic Regulation Authority Inquiry into the Efficiency and Performance of Western Australian Prisons**

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for Serco Watch

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## Overview

This submission is has been written by Colin Penter, on behalf of Serco Watch, in response to an Issues Paper prepared by the Economic Regulation Authority.

Serco Watch is a WA based civil society group that acts as a citizen-led network of individuals and organizations based in WA, but with links to other Australian states and overseas. Serco Watch monitors the delivery of public services and public functions by corporations, including Serco.

Serco Watch was formed by Western Australian citizens concerned about the growing activities and operations of Serco, as well as other private corporations involved in the delivery of public functions and public services.

This submission does not directly address all the terms of reference. The submission provides a broader context for matters that are the focus of the Inquiry, in particular the expansion of market based competition and prison privatisation.

In presenting this submission, Serco Watch makes the following points for the ERA's consideration.

## The 'politicisation' of the Inquiry

Serco Watch is concerned that the Inquiry forms part of a Government strategy to undermine public provision and transform the criminal justice system and associated systems<sup>1</sup> into a competitive marketplace and create the conditions for greater private and corporate sector involvement in the running of prisons and criminal justice services.

The Minister's previous statements (including his statement announcing the ERA Inquiry) make it clear that the Government has a desired outcome in mind - that is, greater private sector involvement in the running of prisons and associated services in WA. This leads to the conclusion that the Government is looking to the ERA Inquiry to provide the rationale and justification for the State Government's ideological inclination toward and strong support for, greater private and corporate sector involvement, through prison privatisation and outsourcing.

Despite the ERA's professed independence, we believe the Inquiry forms part of a Government strategy to transform the criminal justice system into a competitive marketplace to create the conditions for greater private and corporate sector involvement in the running of prisons and criminal justice services.

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<sup>1</sup> This is called the 'prison-treatment-welfare industrial complex' and includes prisoner transport (already privatised), prisoner health and medical care, community corrections, civil commitment and psychiatric care facilities, community psychiatric care, and community welfare programs all of which are subject to various forms of marketisation and privatisation by Federal and State Governments and which are targeted by corporations involved in running prisons such as Serco and G4S. see Isaacs, C, (2014) *Treatment Industrial Complex: How for-Profit Corporations are undermining Efforts to Treat and Rehabilitate prisoners for Corporate Gain*, American Friends Service Committee, Grassroots Leadership and Southern Center for Human Rights, November 2014.

## The ERA's mandate and focus is too narrow

It is our contention, based on reading the Issues Paper, that the narrowness of the ERA's mandate limits its capacity to inquire into the underlying issues and propose authentic solutions to improve the performance of prisons in WA

The Issues Paper prepared by the ERA focuses primarily on economic and market principles and metrics and draws heavily on private sector accounting and performance measurement. It clearly lays the foundation to expand market-based competition and ideologically driven processes of marketisation and privatisation in the prison sector.

The Issues Paper dismisses in a few sentences the key issues plaguing the prison system in this state such as the rising monetary costs of prisons due to high incarceration rates, the policy drivers that cause out-of-control incarceration rates, prison overcrowding, high Indigenous incarceration and recidivism and its causes.

## The ERA has a pro-market bias

The Issues Paper makes it clear that the ERA intends to use economic and private sector and accounting and business tools (such as benchmarking, private sector performance metrics, performance measurement, ethos of contestability and procurement, market testing and competition) to drive reform and innovation in prison systems.

This reliance on economic, accounting and private sector performance metrics to 'speak the truth' in public policy formulation provides legitimacy to market-oriented policy outcomes, such as competition, contracting, procurement, privatisation and private sector involvement.<sup>2</sup>

In our view, the ERA displays an inherent bias toward market-driven and market-based solutions. This bias is predicated upon a set of taken-for-granted assumptions about the perceived superiority of market provision, market decisions and market forces, which favours private sector provision of goods and services.

The ERA's thinking appears to be that the introduction of greater market competition and market driven forces (through competition, market incentives, procurement and contracting) and greater private sector delivery of public goods and services creates pressure for change, opens up opportunities for innovation, provides citizens with greater choice and delivers significant cost savings to Government. This is despite the absence of legitimate evidence for these claims. Without such evidence, the ERA's claims are primarily ideological.

<sup>2</sup> Andrew, J (2011) *Accounting and the Construction of the Cost Effective Prison*, *Australian Journal of Political Economy*, Number 68, Summer 2011; Andrew, J. (2010) *Prison Privatisation: The Irrelevance of Accounting* [www.communityjusticecoalition.org](http://www.communityjusticecoalition.org); Funnell, W. Jupe, R and J. Andrew, J. (2009) *In Government We Trust: Market Failure and the Delusions of Privatisation*, University of New South Wales Press, Sydney; Andrew J and Cahill D 2012 'Accounting, Public Policy, and the Hegemony of 'Cost': The Framing of Prison Privatisation in NSW' 11th Australasian Conference on Social and Environmental Accounting Research A-CSEAR 2012 "People & Place", Wollongong, Australia, December 2012.; Andrew, J. and Cahill, D. (2007) *Value for Money? Neoliberalism and New South Wales Prisons*, Faculty of Business and Accounting Finance, University of Wollongong Research Online; Andrew, J. (2006) *Prisons, The Profit Motive and other Challenges to Accountability*, Research Online, University of Wollongong, Faculty of Business and Accounting and Finance Paper Working Paper, 2006.

The ERA's pro-market bias raises questions as to its independence in undertaking this review and calls into question its capacity to seriously interrogate the voluminous and ever growing research evidence that demonstrates the inadequacies and failure of market-based approaches in many areas of social and public policy, including the privatisation and marketisation of prisons and criminal justice services.

Despite 25 years of private sector involvement in prisons and despite Australia having the highest proportion of prisoners in private prisons in the world, there are serious questions to be asked about the demonstrable failure of market based solutions such as prison privatisation and public-private partnerships to deliver on the promises its proponents have been making for all that time.

The ERA must subject the arguments for greater privatisation and private sector involvement in the running of prisons to serious scrutiny, otherwise this Inquiry will be a waste of time and resources and will confirm the perception of the ERA as an ideologically driven 'pro market' institution.

# The illusion of competition

We question the idea that the 'hot breath' of market-based competition is the best way to improve the effectiveness and performance of prisons in WA.

We challenge the assumptions embedded in the Issues Paper that the introduction of market-based competition will improve performance, save money and improve the quality of services. After 25 years of prison privatisation and other market-based reforms in criminal justice in Australia, the evidence to support these claims is highly contested.

We also challenge the idea that the entry and consolidation of the private sector and private sector metrics in the prisons sector is a driver of better performance in public sector prisons. The ERA accepts without question the assumption that providing a private sector benchmark for prison performance will improve the performance across all jurisdictions and again provides no evidence to justify this claim. After 25 years of private sector involvement in the running of prisons in Australia there is limited evidence to support that claim and the ERA provides no evidence to justify its claims.

The fact is that market-based competition and prison privatisation has failed to live up to promises of greater innovation, higher quality prisons, better conditions for prisoners and lower costs. The reality is that after 25 years of market competition and prison privatisation in Australia, competition in the private prison industry is virtually non-existent. In Australia, prison privatisation has resulted in a highly concentrated producer market dominated by three large and powerful global multinational corporations - Serco, G4S and GEO Group - who run all the private prisons in Australia.

These three companies have thrived off the expanded privatisation of prisons and immigration detention systems in Australia. In the case of Serco, its immigration detention contracts and prison contracts in Australia are critical to shoring up the bottom line of its UK based parent company.<sup>3</sup>

<sup>3</sup> Lowenstein, A. (2014) Serco is failing but is kept afloat thanks to Australia's refugee policies, *The Guardian*, 11 November 2014. <http://www.theguardian.com/commentisfree/2014/nov/11/serco-is-failing-but-is-maintained-afloat-thanks-to-australias-refugee-policy>

As Richard Culp<sup>4</sup> has shown, the conditions of the 'actually-existing market' in the private prisons industry are unable to deliver on its promises. This is due to a number of factors:

- There is no 'market' for the services provided by private prison corporations. It is an artificial market created by the political and ideological policies of Governments. No one can freely purchase incarceration services. The power is vested with the state.
- The private prison industry is highly concentrated. In Australia, three companies control the market. The market is an oligopoly, which is inherently less competitive and innovative.
- In Western Australia, there is a 'geographic monopoly' in which one corporation (Serco) dominates and controls the market. In essence, the WA Government is captive to a single contractor, due to the absence of any competition.
- The industry is defined in economic terms as a monopsony, where there is only one customer - State Governments - and all the funding for private prisons comes from the public purse. One consequence is that private prison companies and the private prison industry use a range of tactics to exercise undue influence over government decisions to obtain more government contracts and control more prisons and prisoners. What is particularly troubling about these strategies is they undermine and marginalise real solutions to over-incarceration, and they pressure governments to adopt privatisation and private sector solutions, rather than pursue serious evidence based reform to improve the performance of prisons

In our view, evidence does not support the claim that competition in the prisons sector will improve efficiency, save money and improve the quality of prisons services.

<sup>4</sup> Culp, R. (2009) Prison Privatisation turns Twenty-Five: The Evolution of a Mature Prison Industry in the US, *Social Science Research Network*.

# The rhetoric of greater competition conceals the established power and influence of the corporate sector

The criminal justice agenda is increasingly influenced by the interests of the private sector whose primary interest is to open up new markets and expand their business in order to generate greater profits. This requires more people in the criminal justice system.

Private prison corporations have a stake in mass incarceration and policies that result in more people being imprisoned. As Paul Allizi writes:

“The larger the prison population, the longer the sentences, the larger the payout under government contracts. The more prisoners, the more prisons, the more growth. Cheaper facilities and fewer services mean more profit. These inescapable relationships are the source of the potential conflicts of interest. The incentives of private prison companies can easily become opposed to the aims of the humane containment and rehabilitation of prisoners - the very purpose of corrective services”<sup>5</sup>.

Mass incarceration is a financial bonanza for the private prison industry as State Governments dispatch prisoners to private prisons in increasing numbers. Private prison operators benefit financially from larger prison populations and longer prison sentences. The more prisoners there are in prison, and for longer periods, the greater the payout by Governments and the higher the profits.

<sup>5</sup> Allizzi, J. (2012) Private Prisons in Australia: Our 20-year Trial, *Right Now: Human Rights in Australia*, February 29, 2014.



# The expansion of market competition and growing corporate sector involvement in the criminal justice and prisons sector helped create the incarceration crises in Australia

The explosion of private prisons in Australia has coincided with the rise in prison populations. Market based solutions, including privatisation and private prison companies helped create the incarceration crises<sup>6</sup> in Australia and contribute to rising prison populations, higher levels of indigenous incarceration and unsustainable public expenditure on prisons.

Since the introduction of prison privatisation in Australia, it is not coincidental that the national prison population in Australia has increased at the almost three times the rate of the national population and expenditure on prisons has increased by nearly 20% since 2008. During this time overall crime rates have fallen.<sup>7</sup>

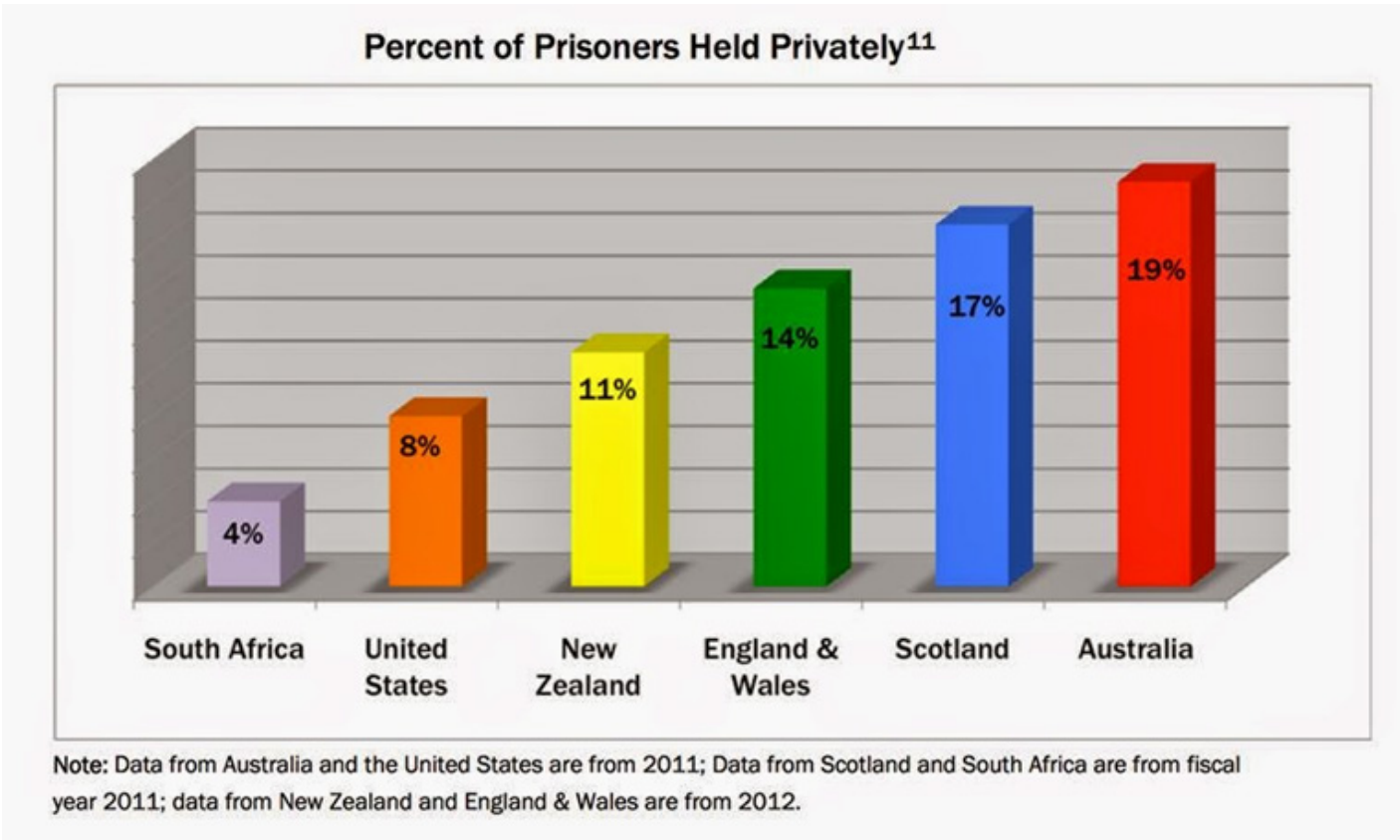
Australia already has the highest proportion of prisoners in private prisons in the world.<sup>8</sup> A Report by the Sentencing Project<sup>9</sup> shows that Australia has the highest proportion of prisoners in private (corporate) run prisons in the world.

The table overleaf shows that the percentage of prisoners held in private prisons in Australia is 19%, compared to 17% in Scotland, 14% in England and Wales and 11% in New Zealand.

(Given that the data used in the report is from 2011 it is highly likely that the proportion of prisoners in private prisons in Australia would be higher now in 2014).

Some Australian states, like Victoria, have a higher proportion of prisoners in private prisons.

In Victoria nearly one third of prisoners are held in private prisons, giving it the highest level of prison privatisation of any jurisdiction in the world.



The US has the highest number of prisoners held in private/corporate run prisons, but the percentage of prisoners in private prisons is 8%.

The population of people held in private prisons in Australia has increased 95% in the past 15 years. In that same period, the number of prisoners in state-run jails grew by 50 percent and the total prison population increased by 57 per cent.

<sup>6</sup> The recent Senate Inquiry into Justice Reinvestment identifies that a range of factors is driving rising incarceration rates in Australia. Senate Standing Committee on Legal and Constitutional Affairs (2013) *Value of a Justice Reinvestment Approach to Criminal Justice in Australia*, Senate of Australia, Commonwealth of Australia Canberra 2013. [http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/Completed\\_inquiries/2010-13/justicereinvestment/report/index](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Completed_inquiries/2010-13/justicereinvestment/report/index)

<sup>7</sup> Norder, P. (2013) As Victoria's prisons overflow, it's time to stop criminalizing disadvantage, *The Conversation*, 30 October 2013: Norder, P. (2012) Private Prisons and the Productivity Commission: Where is the value for money, *The Conversation*, 1 February, 2012: Purdy E (date unknown) Is there more behind spiralling Indigenous Incarceration rates? *National Indigenous Times*.

<sup>8</sup> Penter, C. (2014) The Power of the Corporate (Private) prison Industry, *The Stringer*, April 14 2014: Biles, D. and Dalton, V. (1999) *Deaths in Private Prisons: A Comparative Study*, Australian Institute of Criminology: Trends and Issues in Criminal Justice, June 1999: Mason, C and The Sentencing Project. (2013) *International Growth Trends in Prison Privatisation*, The Sentencing Project, Washington DC, August 2013.

<sup>9</sup> Mason, C and The Sentencing Project. (2013) *ibid*.

The rapid and consistent increase in the number of prisoners over the last two decades, coupled with a 106% prison occupancy rate, has created the opportunity for private prison corporations to thrive<sup>10</sup>

Private corporations seek to maximise imprisonment levels for higher profit. They have a vested interest in driving up occupancy rates, increasing bed numbers and increasing incarceration. They also lock in contracts that guarantee payment for defined occupancy rates regardless of the number of inmates and which require Corrective Services Departments to ensure vacancies are immediately filled and prisons kept to capacity.<sup>11</sup>

It is no coincidence that the rise in prison populations and rates of imprisonment, including the appalling rates of indigenous incarceration<sup>12</sup>, has coincided with the expansion of private prisons in Australia.

Market based solutions and prison privatisation and expansion of the profit-driven prison system are no panacea to the problems of an overcrowded and ineffective prison system. There is no evidence that private prisons address the key issues plaguing the prison system in this state such as the rising monetary costs of prisons, high incarceration rates, prison overcrowding, high Indigenous incarceration and recidivism and its causes.

<sup>10</sup> Another reason for the growth in the number of detainees in corporate run private prisons in Australia has been the enormous growth in the number of asylum seekers detained in immigration detention facilities run by Serco (on shore and Christmas Island) and G4S and now Transfield (Nauru and Manus Island).

<sup>11</sup> Green, B. Inch, M. Kitamura, H. and Kospic, A. (2014) *Privatisation of Prisons: Key Issues*, Catholic Prison Ministry, Queensland.

<sup>12</sup> Rubinsztein-Dunlop, S (2014) Australia's prison system overcrowded to bursting with more than 33,000 people in jail. *ABC News*, July 3 2014.

## Market based solutions such as prison privatisation do not deliver the benefits claimed

Prison privatisation and profit driven prisons do not deliver the benefits claimed by its proponents. The arguments used to justify greater market and private sector involvement in prisons do not stand up to serious scrutiny. Despite over 25 years of prison privatisation there is an absence of any rigorous empirical evidence that demonstrates that prison privatisation delivers the benefits claimed by its proponents and private sector operators.

The Report *International Growth Trends in Prison Privatisation*<sup>14</sup> by the Sentencing Project concludes:

'Research to date on private prisons has found that they perform no better than publicly operated facilities, are not guaranteed to reduce correctional costs, and provide an incentive for increasing correctional and detention population.'

Despite the absence of evidence of proof, the operational success of private prisons is championed by the proponents of market based solutions and prison privatisation, the prison companies, privatisation supporters and their various allies. This is despite the considerable evidence of the failure of private prisons in particular, and of prisons generally, to work.<sup>16</sup>

<sup>13</sup> Purdy E Is there more behind spiralling Indigenous Incarceration rates? *National Indigenous Times*.

<sup>14</sup> Mason, C and Sentencing Project. (2013) *International Growth Trends in Prison Privatisation*, The Sentencing Project, Washington DC, August 2013.

<sup>15</sup> Mason, C. (2013) *ibid*.

<sup>16</sup> Nathan, S. (2008) Blind faith in private prisons, *Independent Monitor*, March 2008.



Date released in 2009 under the UK Freedom of Information Act indicated that according the UK Ministry of Justice's Performance Assessment Tool, private prisons were performing worse than those in the public sector<sup>17</sup>. In The Independent, Robert Verkaik wrote:

*'Britain's private prisons are performing worse than those run by the State, according to data obtained under the Freedom of Information Act. The findings based on the overall performance of 132 prisons in England and Wales appear to undermine claims by Ministers that the greater use of private jails is raising standards for the accommodation of more than 83,000 prisoners held across both sectors.'*<sup>18</sup>

The work undertaken by Alison Liebeling and her colleagues in the UK to measure prison quality and effectiveness on a wide range of dimensions found that overall public prisons outperformed private sector prisons, although private prisons performed better on certain dimensions<sup>19</sup>. Private prisons exhibited weaknesses in areas of policy and control, organisation and consistency and the personal development of prisoners, staff were less good at following procedures and high staff turnover was a problem. Staff lacked experience and expertise.

The international research evidence shows that privately run prisons and detention facilities tend to be characterised by:

- Substandard service and understaffing
- Lower staff salaries and conditions and salary advancement
- Less training
- Less experienced staff
- Poorer outcomes for inmates
- Higher rates of suicide, deaths and harm to at-risk people
- Less safe and secure
- Higher levels of assaults, violence and escapes
- Less public accountability and transparency
- No impact on recidivism
- No evidence of greater innovation

<sup>17</sup> Nathan, S (2008) *ibid*.

<sup>18</sup> Verkaik, R (2009) Private prisons performing worse than state-run jails, *Independent* 29 June 2009

<sup>19</sup> Liebeling, A. Crewe, B. and S, Hulley. (2011) Values and Practices in Public and Private Sector Prisons, *Prison Services Journal*, 2011 No 196: Liebeling, A. Crewe, B. Hulley, S and C McClean. (2009) Values, Practices and Outcomes in Public and Private Sector Prisons.

## Market based solutions are anti-competitive as they create oligopolies and monopolies

In the prisons sector, use of markets and contracts has failed to produce the competition expected, but has led to private sector oligopoly and monopoly markets.

Prison privatisation in Australia has led to an oligopoly of powerful and global private prison corporations and in WA resulted in a geographic monopoly dominated by one provider who controls adult prisons, young adult prisons, prisoner transport and court security, immigration detention and prisoner health.

In Australia, prison privatisation has resulted in a highly concentrated producer market dominated by three large and powerful global multinational corporations- Serco, G4S and GEO Group who run all the private prisons in Australia.

Economic theory describes this as an oligopoly- where the market is dominated by small number of powerful companies. Such oligopoly is less competitive, less innovative and is often characterised by collusion, price rigging, avoidance of real competition and attachment to the status quo. The situation is even worse in WA where there is one monopoly provider Serco - and no realistic competition. For example, when the Department sought tenders to run the Wandoo Young Adult Facility, Serco was the only respondent.

# Prison privatisation is a threat, not a solution to Government finances

Overall, the costs of private prisons per place are higher than public prisons for most types of establishment<sup>20</sup>. Prisons tend to be cost drivers rather than cost reducers<sup>21</sup>. There is also growing evidence of significant collateral expenses borne by the public purse in incarcerating people in private businesses<sup>22</sup>.

Our view is that it is dangerous and irresponsible to claim that private prisons demonstrably reduce the costs of incarceration<sup>23</sup>. In our view, when Governments are trying to come to grips with rising prison numbers, rising incarceration rates and rising costs, it makes no sense to open up prisons even further to market forces and to risk growing private interests and corporate providers whose aim is to expand the prison industry and increase public expenditure on prisons.

Supporters and proponents of prison privatisation claim that governments can save money through private facilities because private prisons are supposedly cheaper to run and operate more efficiently. Despite the difficulties in performing cost-comparisons between private and public prisons, proponents and supporters of prison privatisation continually claim significant cost savings.

However, the evidence that private prisons provide savings compared to public prisons is mixed and highly contested: in fact, in many instances private prisons cost more than public prisons. A study by the US Bureau of Justice Statistics found that cost savings by private prisons have not materialised. There are no guaranteed costs savings associated with private prisons and private corporations may in fact end up costing more than public prisons<sup>24</sup>.

<sup>20</sup> *Prison Reform Trust*. (2013) *Privatisation will not rehabilitate our prisons* [www.prisonreformtrust.org.uk](http://www.prisonreformtrust.org.uk)

<sup>21</sup> Davilmar, C.M. (2014) *We Tried to make them offer Rehab but they said 'No, No, No!'* *Incentivizing Private Prison Reform through Rehabilitation Credit*, New York University School of Law.

<sup>22</sup> Davilmar, C.M (2014) *ibid*.

<sup>23</sup> American Civil Liberties Union, (2011) *Banking on Bondage: Private Prisons and Mass Incarceration*, ACLU November 2011.

<sup>24</sup> Panchamia, N. *Competition in Prisons*, *Institute for Government*.

A report by the pro-market UK-based Institute for Government concludes there is no empirical evidence of the cost effectiveness of private prisons.

The report *The Cost of Private Prisons* concludes:

“The private prison industry claims that governments can save money by privatising prisons, but what does the evidence actually indicate? To maximize returns for their investors, for-profit prison companies have perverse incentives to cut costs in vital areas such as security personnel, medical care, and programming, threatening the health and safety of prisoners and staff. Yet research and the recent experiences of states show that the promised cost savings often fail to materialise for government agencies that contract with for-profit prison companies. Furthermore, proponents of prison privatisation may employ questionable methodology when calculating costs of private facilities. This includes finding ways to hide the costs of private prisons, ensuring that increased costs are not apparent until after the initial contract is signed, and using inflated public prison costs during comparisons.”

In a number of articles, Australian accounting academic Jane Andrew has shown that cost estimates used by advocates of prison privatisation are often misleading and accounting information is constructed to provide the appearance that private prisons are more cost effective<sup>25</sup>.

Andrew, for example, has shown how the WA Inspector of Custodial Services (and other privatisation proponents) use accounting information to serve a pro-privatisation agenda. Andrew argues that the WA Office of the Inspector of Custodial Services (OICS) relied on crude cost aggregators to create a cost differential between Acacia Prison (run by Serco) and public prisons<sup>26</sup>.

The misleading costs cited by the OICS continue to be cited by Ministers, journalists, and Serco to argue the superiority of private prisons over public prisons.

<sup>25</sup> See Andrew, J. (2011) & (2010) and Andrew, J. and Cahill, D. (2012 & (2007).

<sup>26</sup> Andrew, J. (2011) *Accounting and the Construction of the Cost Effective Prison*, *Australian Journal of Political Economy*, Number 68, Summer 2011

# Market based solutions and prison privatisation increase the influence and power of corporate and private interests to shape public policy decisions

Private prison corporations require a large and growing prison population to maintain profits and this provides perverse incentives for those corporations to use their power and connections to exercise influence over public policy and Government decisions.

Private prison companies and the private prison industry use a range of unsavoury and un-democratic tactics to exercise undue influence over government decisions to obtain more government contracts and control more prisons and prisoners. This includes using undue pressure and influence, including unlawful action, to impact on government decisions and circumvent government processes to increase their revenue and obtain more contracts to incarcerate more people<sup>27</sup>.

What is particularly troubling about these strategies is they undermine and marginalise real solutions to over-incarceration, and they pressure governments to adopt privatisation and private sector solutions, rather than pursue serious evidence based reform to improve the performance of prisons.

Some of the tactics used include

- Use of political connections;
- Use of 'front organisations' and professional bodies;
- Contractual arrangements such as occupancy requirements;
- Influence over procurement and tender processes;
- Secrecy and concealment based on vague claims of 'commercial confidentiality' to keep information off the public record;
- Benefiting from the revolving door between public agencies and private prison corporations;
- Lobbying for policies that increase prison populations such as three strikes laws and tough on crime policies;
- Personal and professional links between prison corporations and public policy makers and decision makers;
- Use of political lobbyists;
- Questionable financial incentives;
- Corrupt and illegal practice; and
- Silencing of critics.

<sup>27</sup> Serco Watch (2011) *Submission to the Public Accounts Committee Inquiry into the Serco Australia Contract*, WA Legislative Assembly: American Civil Liberties Union. (2011) *Banking on Bondage: Private Prisons and Mass Incarceration*, ACLU November 2011.

## Conclusion

Market based solutions and prison privatisation and expansion of the profit-driven prison system are no panacea to the problems of an overcrowded and ineffective prison system.

The profit motive of for-profit global corporations is inherently at odds with the purpose of corrections and justice systems, which is to reduce offences and reduce the number of people incarcerated.

There is no evidence that private prisons address the key issues plaguing the prison system in this state, such as the rising monetary costs of prisons, high incarceration rates, prison overcrowding, high Indigenous incarceration and recidivism and its causes. In fact, the evidence suggests that private prisons intensify and worsen these problems.

Nor is there any evidence sustaining the claimed benefits of privatisation, or unequivocally favouring the performance of private prisons over public prisons. Indeed, private prisons have dismal records in many areas and on many indicators private prisons perform worse than public prisons and cost more.

In our view, it is hard to see market-based solutions such as prison privatisation and the expansion of a for-profit prison industry with a permanent interest in putting more people in prison, as consistent with efficiency, effectiveness, improved performance or justice.

