



## Media Statement

9 July 2015

### **Inquiry identifies urgent need for prison system reform**

An inquiry into the Western Australian prison system has highlighted the urgent need for reform to ensure greater accountability, transparency and a stronger focus on prisoner rehabilitation.

The Economic Regulation Authority (ERA) was asked by the Treasurer to conduct an independent inquiry to identify how to improve the efficiency and performance of the prison system.

ERA chairman Stephen King said the State's 14 public and two privately operated prisons cost the State around \$608 million each year, and it was important the money was spent more efficiently.

"Of greater importance from an economic perspective is ensuring that prisons deliver better rehabilitation outcomes for prisoners. We estimate that the Western Australian prison system as a whole may be spending as much as \$1 million per day on prisoners who have previously served prison sentences and have returned to the system," Dr King said.

"By improving the efficiency and performance of our prison system, the rehabilitation rate of prisoners can be improved. This results in prisoners who are better able to integrate back into society and to positively contribute to the community after they are released, and are less likely to come back into contact with the justice system," he said.

"In terms of governance arrangements, we identified a lack of clarity about roles and responsibilities between the Department of Corrective Services and superintendents of individual public prisons. This makes it difficult for key office holders to be held to account for their decisions and performance.

"There is also a lack of transparency about the performance of the public system, which limits the scope for external scrutiny.

"The two private prisons in Western Australia are generally performing to a high standard, as has been observed by the Inspector of Custodial Services in recent inspection reports of private prisons in Western Australia.

"We do not suggest that the private sector is inherently better at delivering prison services than the public sector, nor that the private sector should be the preferred provider. Rather, private prisons are performing to a higher level because they are held to clear standards of accountability and transparency."

Dr King said in order to achieve greater efficiency, the ERA recommended that public prisons be held to the same standards as private prisons. Service level agreements and supporting reforms would establish clearer roles and responsibilities and performance management frameworks.

“Performance benchmarks should be published to ensure greater accountability and transparency. We identified a set of benchmarks focusing on the core areas of prison performance that superintendents can and should be expected to influence. We also recommended benchmarks to apply to the prison system as a whole, recognising that superintendents cannot influence all important aspects of prison performance.”

Dr King said the Department of Corrective Services should develop its capacity to analyse and understand its operations and future needs, improve the integrity of its administrative data and record keeping systems, and adopt a more collegiate and transparent approach to data sharing.

He said competition in the prison system should be extended to drive better performance and innovation. This can be achieved through the introduction of a commissioning model, whereby prisons and prison services can be delivered by a mix of public, private and not-for-profit providers.

In conducting the inquiry, the ERA met with a range of stakeholders including people working at the Department of Corrective Services and prisons, the not-for-profit sector, unions, and private prison providers. The ERA also visited six prisons and considered approaches used in jurisdictions across Australia and around the world.

To read the draft report, visit the ERA website at <https://www.erawa.com.au/home>

The final report will be provided to the Treasurer in October.

## **ENDS**

Media contact: Tracy Wealleans, communications coordinator, Economic Regulation Authority  
email [tracy.wealleans@erawa.com.au](mailto:tracy.wealleans@erawa.com.au) or phone 0428 859 826.