University research raises doubts about Parklea and private prisons across Australia

Researchers at the University of Sydney Business School say it is unclear as to whether the new multinational operators of Sydney’s troubled Parklea Correctional Centre will do a better job than the current contractors.

The researchers say that a lack of transparency and accountability will shield the new operators, MTC/Broadspectrum, when the firm takes over in April next year just as it has protected the outgoing GEO Group from public scrutiny.

The management of Parklea has recently been subject to a State upper house inquiry established following allegations of drug taking, suicide and contraband trafficking inside the prison, which was privatised in 2009.

The Business School’s associate professor Jane Andrew and senior lecturer, Max Baker, have been examining the Australia wide trend towards prison privatisation and say that there is little evidence to suggest that private prisons are better managed than those operated by the state.

“Policy makers claim that privatised prisons are more cost effective, perform better and are fully accountable to the public,” said Dr Andrew. “But, we have found that there is just not enough information in the public domain to prove that privatisation is delivering on these policy claims.”

“We definitely have concerns about the ways in which performance is assessed inside private jails and there is nothing in the information that we have access to that would support claims that private prisons are more cost effective than public sector delivery.”

“NSW is particularly opaque. We know nothing about performance outcomes and there is definitely no evidence about performance-linked fees being paid to private providers even when they have failed to meet the requirements of their contract. That is seriously concerning,” she said.

Dr Andrew goes on to say that Australia has the world’s highest proportion of prisoners held in privately operated facilities.
Australia's current prison population stands at approximately 40 thousand, or around 15 thousand more than a decade ago. About 18.5 per cent are held in private prisons but that number is about to grow significantly with new private facilities to open in NSW and Victoria.

When asked about outcomes for prisoners, Dr Andrew points to rising rates of recidivism or the rate at which people return to prison within two year of being released. "Despite this experimentation with a variety of ways of delivering prison services, the kind of outcomes have not improved – in fact, they have gone in the opposite direction," she said.

Dr Andrew and Dr Baker have recently been awarded a “global engagement grant” allowing them to study prisons in the United Kingdom, which has had privately run institutions for a decade longer than Australia.

“Policy makers in Australia tend to look to the UK for solutions to their policy dilemmas and we have concerns about that because the UK is ahead of us and there is evidence that they failed in many areas already,” Dr Andrew said.

“The state’s capacity to remove someone’s liberty is an enormous power. It is a huge responsibility and to allow private, for-profit providers to be engaged in that space is for me a serious concern," she concluded. "If governments are going to claim that private prisons offer better and more cost-effective services there needs to be evidence of that."

“As an industrial organisation involved in prisons and particularly private prisons, our primary concern is the safety of our members and the safety of prisoners within it,” said Troy Wright, the Assistant General Secretary of the Public Service Association, which represents prison guards. “To understand safety, we need to understand the contractual arrangements between government and the private sector provider.”

“Jane’s research is absolutely essential for us when it comes to illuminating the data and the money attached to those arrangements," Mr Wright said.

Media contact

Trevor Watson
02 9351 1918 or 0418 648 099