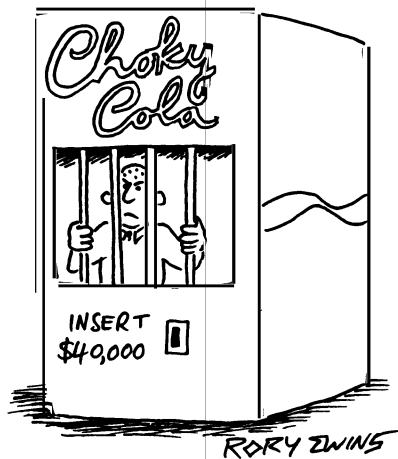


Private Prisons FOR PRIVATE PROFIT

Stuart Russell

***The private prison industry is
burgeoning in Australia.***



While the Australian business community continues to suffer from the worsening world economic crisis, one burgeoning growth industry is private security, which is the fastest growing industry in the country after tourism. The construction and administration of private prisons constitute a major component of this private security goldmine. Moreover, Australia has one of the highest rates of prisoners in private prisons in the world.¹ Some 10% of the prison population in Australia is on private facilities, compared to 2% in the United States. That figure will increase substantially with recent moves in the State of Victoria to privatise 40% to 50% of its prisoners.²

The relatively recent emergence of private prisons in Australia is a by-product of the drive by capital to expand into new markets because of a decreasing rate of profit, and the desire by government to respond to fiscal crisis by cutting costs. For the state considers it to be more cost-effective to use poorly paid and trained and generally non-unionised staff in private prisons, which cost less to run than public institutions, rather than better paid and trained unionised public prison staff. A massive movement towards privatisation has led to the transfer to the private sector of a variety of public services. As Smith argues, private prisons 'are a symptom, a response by private capital to the "opportunities" created by society's temper tantrum approach to the problem of criminality in the context of free-market supremacy'.³

While much of the critique of private prisons has been focused on issues of accountability and efficiency,⁴ comparatively little has been written about the impact of private prisons on prisoners. The aim of this article is twofold: first, to sketch the growth of private prisons in Australia, and second, to argue that private prisons should be opposed fundamentally because of the inferior quality of services prisoners receive as a result of the insatiable drive to increase the profit margin in such institutions.

The rise of private prisons in Australia

The privatisation of public services has been an increasingly popular choice of many Western governments to the deepening crisis of government and capital: the need by government to cut costs, and the desire by private capital to increase its profit margin. Privatisation of prisons first became popular in the United States in the 1980s, primarily because of massive overcrowding.⁵ In New South Wales the privatisation idea arose after a former Liberal Corrective Services Minister toured the USA, inspecting private and public prisons.⁶ Confronted with increasing overcrowding (primarily the result of 'truth in sentencing' legislation, which prevents early release on probation), inadequate facilities, staff shortages, lack of staff training and poor management practices, the NSW Government pressed ahead with privatisation.

The privatisation drive in New South Wales was also propelled by experiences in Queensland, where Australia's first privately operated prison, the 244-cell Borallon Correctional Centre, was opened in

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January 1990, at a cost of \$22 million to build with a contract fee of \$9.7 million for the 1991 financial year.⁷ Borallon is located 60 km west of Brisbane, and holds 244 medium security inmates. It is operated by Corrections Corporation of Australia (CCA), as a joint venture with Chubb Australia, a wholly owned subsidiary of Chubb UK. CCA US was financed on capital from Kentucky Fried Chicken. According to the vice-president of CCA US, 'the business of private prisons is just like selling cars, real estate or hamburgers'.⁸ Or as one private prison contractor frankly admitted, 'We'll hopefully make a buck at it. I'm not going to kid you and say we are in this for humanitarian reasons.'⁹

The newest private prison contractor in Australia is Australasian Correctional Management (ACM), a wholly owned subsidiary of another US private prison company. ACM operates the 600-cell medium and minimum security gaol in Junee, about 400 km southwest of Sydney, which was opened in March 1993, and built for \$53 million. It also runs the 380-cell Arthur Gorrie prison in Queensland, which commenced operations in June 1992. Each of ACM's Australian prison governors come from US prisons. A 600-cell medium security prison, Fulham Prison, is due to open in 1997 in Victoria. These four institutions are only the first of many more private prisons planned to be opened across the country in the near future.

A reduction in quality of services for inmates

Prisoners have violently opposed being transferred to these remote private prisons, because of the fear that their families would be unable to visit them as the journey would be expensive and lengthy. In fact, one prisoner at the Long Bay gaol in Sydney preferred suicide rather than transfer to the Junee Prison.¹⁰ In the first 18 months of operation, five prisoners committed suicide at the Arthur Gorrie Centre near Brisbane, thus contributing to an already unacceptably high number of deaths in custody in Australian gaols.

During this early period, the prison's management was criticised by a corrective services inspector for subjecting prisoners to 'indignity and acute physical discomfort'.¹¹ Three serious disturbances, and several gassings, occurred in the same prison during its first 15 months.¹² Insufficient opportunities in education, training and industry and poor treatment of prisoners have led to an increased level of tension in all private institutions, which has spilled over into a number of riots.

The poor conditions of Arthur Gorrie Prison are well documented by Moyle:

Inmates have reported they have spent up to 20 hours in their cells, have nominal exercise regimes, poor quality programs, delays in getting access to books from the library, inadequate basic facilities and a high incidence of assaults within the centre . . . Within 14 months of operation there had been two riots, one of them leading to hundreds of thousands of dollars worth of damage when a unit was set alight, and three suicides, including one by an Aboriginal inmate who was experiencing a gender identity crisis . . . The Prisoners Legal Service indicated that it was very difficult to gain regular access to the centre to take instructions from clients.¹³

At Junee, original plans to link educational training with the local community college were foiled, and the prison has not employed a welfare officer or a psychologist. Moreover, ACM refuses to release details of the medical services available to inmates.¹⁴

Similar complaints have been documented at Victoria's first private prison, Metropolitan Women's Correctional Centre,

opened at Deer Park in August 1996. At the same time Fairlea Women's Prison in Fairfield was closed, and the women transferred to the new prison in Deer Park. It is reportedly only the second private prison for women in the world. Visits there are highly restricted, and children's visits can be denied as a punishment. There is inadequate or inappropriate clothing for the women. An increase in internal violence has occurred, and three officers resigned during the first few months after opening, as well as the program manager. During the same period at least nine attempted suicides occurred.¹⁵

Private prisons can directly affect remission, parole, disciplinary decisions and a number of other issues which potentially increase the length of sentence of an inmate, and some of these matters are not subject to review or appeal. An added problem is that prisoners in Australia:

are not protected by constitutional safeguards, and there is no provision for prisoners or members of the public to sue private prison operators over contractual breaches, since the contracts are between the operator and the government.¹⁶

One of the major difficulties for many prisoners is separation from families and friends, and this has been accentuated by the remoteness of private prisons. Visitors at Junee have been abused, searched and have faced long delays. Transportation to the facility is sporadic, time-consuming and expensive, and visitors are able to see prisoners only on a two-monthly basis.¹⁷ In many cases these visits involve overnight stays, and many families are not able to afford such expenses. Such difficulties have resulted in the further isolation of inmates, and the reduction in solidarity and support from community groups.

The quality of staff is a further problem with private prisons. Many workers have minimal or no prior custodial training; there are not enough staff; and there is a higher ratio of casual and lower ranking prison officers than in the public system. Many staff are hired at a lower average hourly wage, some are not unionised and are on fixed contracts with few fringe benefits.¹⁸ At Junee, all officers must sign an enterprise agreement that prohibits staff from taking industrial action concerning staff levels.¹⁹ These poor working conditions result in huge staff turnover, reduction of morale and a poor quality of services for inmates.

This worsening situation is rooted in the profit motive of the private corporation, and its zealous drive to cut costs in order to maximise profits,²⁰ since private prisons generally receive a flat rate for each prisoner they house. Like any other capitalist business, the *raison d'être* of the private prison is profit generation. But this creates a discordance between the private need of capital to accumulate profit against the social need of inmates for proper custodial conditions. As Chan explains:

[the] profit motive provides no incentive to reduce overcrowding or to increase the use of non-custodial penalties. Instead, it encourages the filling of prison cells and the building of more prisons.²¹

The profit motive has dominated training and programs at the Borallon Correctional Centre, and most other aspects of the administration of private prisons. It causes management to cut corners, leading to poor or unsafe conditions. Private prisoners are seriously disadvantaged, as a result.

Globally the slow collapse of the Western capitalist system has been unfolding. The expenditure base of the state is being squeezed so severely that it is forced to trim down the services it provides. To increase the sagging profit margin of capital and bolster this sector, the state cake is being re-divided and the state restructured; private capital is no longer

willing to fund the state as in the boom days of capitalism. The veil between the state and corporate capital is therefore being lifted, as in the case of private prisons, revealing their dynamic interdependence and a shift in their configuration. Faced with an increase in the fear of crime, largely because of a crumbling socio-political world order, private prisons become very profitable avenues for market-hungry capital.

A gloomy future in Australia

The Commonwealth Government has begun to implement sweeping cutbacks in public spending. In the context of continuing and deepening cutbacks combined with a deteriorating domestic and world economy, the drive towards private prisons is inexorable. Such cutbacks in funding to private prisons will result in an even further deterioration of services for inmates, including a reduction in rehabilitative programs coupled, paradoxically, with a massive private prison construction program. Drastic changes to the industrial relations system will also intensify staff discontent, which will negatively affect inmates. The privatisation campaign, of which the drive for private prisons is emerging as a key player, has already enabled the state to curtail the power of the unions with the view to diminishing labour unrest.

But private prisons must also be opposed because they are a diversion from alternatives to imprisonment. As Hester cogently argues, public money:

would be better spent on programs which effectively rehabilitate offenders, on compensation and assistance for victims, and on addressing the social problems such as unemployment and poverty which lie at the heart of crime.²²

If anything can be learned from this tragic experience, it is that private prisons are not an appropriate alternative to the public prison crisis. The privileging of profits before human needs must be stopped.

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'Tell Someone Who Cares'

Excerpts from the nightly talk by AMANDA GEORGE at Somebody's Daughter Theatre's production to celebrate the women of Fairlea (28-31 August 1996).

In August 1996 the Victorian Government closed Fairlea Women's Prison, which was opened in 1956, the first women-only prison in Australia. In its place they opened the first private prison for women in Australia, at Deer Park. Eventually the Government plans to have 80% of female and 40% of male prisoners in Victoria in prisons for profit (compare this with only 2% of prisoners in the USA in private prisons).

Prisons for profit

Corrections Corporation of America (CCA), the parent company of Corrections Corporation Australia, which runs our new private women's prison, is the largest private prison corporation in the world.

In 1995 the number of cell beds that CCA profit from increased from 15,000 to 30,000. On the New York stock exchange that year they had the fourth highest gain, their shares increasing from \$16 to \$68.¹ An article published in the *Bulletin* (3 September 1996) reveals that CCA and Wackenhut (which has been awarded the contract to run the Sale 600-bed men's private prison) have reaped profits of more than \$10 million from Australia in the last two years .

With CCA making such profits why have they been saying they can't afford to pay community groups to run programs in the prison? Perhaps this is why they are revenue raising from the women we pay them to imprison. The women have been told they will be fined \$50 for swearing.

Only Tasmania spends less per capita on people in prison than Victoria. Each of us contributes less than \$2 a year to women prisoners.² The Government has been reported in the *Herald Sun* (13 April 1996) as saying that at most, private prisons will save 20 cents a prisoner.

Security and surveillance

In 1987 the Victorian Department of Corrective Services dismantled parts of the new Jika Jika high security unit in Pentridge Prison, after a fire in the unit (acknowledged by the department as 'the electronic zoo'). The Department's Annual Report for 1987-88 said they removed '...oppressive features such as ...electronic surveillance, pneumatic doors' (p.9).