



## ***MEDIA RELEASE***

### **REPORT ON VALUE FOR MONEY FROM CORRECTIONAL CENTRES**

The Public Accounts Committee will table its report on value for money from correctional centres services today, announced the Committee Chairman, Matt Brown MP.

“The Committee’s inquiry followed up comments by the Auditor-General that the costs of keeping inmates in the publicly and privately run correctional centres could not be compared because they are not calculated the same way. He also noted that it was cheaper to keep a prisoner at the privately run Junee centre than the average cost for all the prisons.

“The Committee decided to examine whether the private prison was providing value for money and how this compared to public centres,” said Mr Brown.

The Junee Correctional Centre opened in 1993 and is the only privately operated prison in New South Wales. Older prisons have higher staffing and maintenance costs and higher costs for managing maximum security and women prisoners (who are not normally kept at the Junee centre). In 2004, new correctional centres opened in Kempsey and Windsor. These centres are operating under a management model called the ‘Way Forward’ workplace reform package.

“We looked at whether the Department of Corrective Services could show that newer facilities using new management techniques in the Way Forward Program, such as at Kempsey, can produce similar levels of cost-effectiveness to Junee. We were pleased to find that they could,” said Mr Brown.

“However the Committee remains concerned that other facilities still have high levels of overtime and sick leave. We encourage the Department to monitor performance and reduce these costs. The Committee understands negotiations on implementing the ‘Way Forward’ model across the all state centres are underway and hope that this improves the Department’s performance in the long term.

“The Committee also found that the private centre at Junee was a useful comparison and recommends that the Government retain a privately operated prison,” concluded Mr Brown.

The Auditor-General reported that in 2003-04, it cost \$33,580 per year to keep a prisoner in the Junee centre. This equates to daily cost of \$91.75, much lower than the state-wide average daily cost of \$187.80.

On the basis of updated figures, the Committee found that, the direct cost of housing prisoners at the new Mid North Coast Centre at Kempsey was \$87.76 per day compared to \$73.59 for Junee.