

ACACIA PRISON CONTRACT

Statement by Minister for Justice

MR J.B. D'ORAZIO (Ballajura - Minister for Justice) [2.07 pm]: Following a rigorous and independent tendering process, Acacia Prison is expected to be run by new operators from 16 May 2006.

In 1999 the Court government, responding to critical incidents such as the 1998 riots at Casuarina Prison and Bandyup Women's Prison, decided to pursue a policy of allowing privatisation within the Western Australian prison system. The rationale was to build a flagship private prison that would become an example for the public prison system to follow. This has not occurred. The Acacia contract has instead been plagued with problems since it commenced in 2001, including inaccurate performance measures, poor accountability systems and general underperformance. The current operators, AIMS Corporation, and the Department of Justice have both worked hard over the years to improve the services at Acacia Prison, and it is fair to say that substantial improvements have been made. However, the government decided last year that a market testing process would allow other companies to bid for the new contract. The successful tendering company is Serco Australia.

The Department of Corrective Services has begun negotiations with Serco to develop a contract that will include a service level agreement with performance measures that are more effective and relevant, and that will better reflect innovative practices in correctional management. The new contract will also include significant financial sanctions for failure to comply with the service level agreement.

Although improvement to the contract is in itself important, I have emphasised to the department the need to rigorously manage the contract. At the beginning of the current contract there was much criticism of the department's ability in this area. I am pleased to advise the house that since that time, the department's contract management branch has become the only service branch within the Australian corrections industry to be accredited to an Australian standard. To maintain this accreditation, the contract management processes within the branch are audited by independent organisations on an annual basis. Throughout this transition period, the safety and security of the community and of those working at the front line of the prison are paramount. The department is closely monitoring Acacia Prison and will continue to do so during the transition.

Finally, but most importantly, I acknowledge that periods of change are always difficult for staff. I take this opportunity to thank them for their professionalism throughout this process. It is expected that operational staff at the prison will simply transfer their employment to Serco.