

THE COST OF IMPRISONMENT IN AUSTRALIA

By

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## FOREWORD AND ACKNOWLEDGEMENTS

This attempt to analyse the costs of imprisonment in Australia began as part of a larger study on the costs of crime which was deferred because of financial constraints imposed on the Institute over the past two or three years. Nevertheless, some work had been done before we had to relinquish the services of assistants and this is now being made available for those who may be able to carry the study further forward.

In presenting now what is available on costs of imprisonment it is necessary to make clear that this survey would not have been possible at all without the cooperation and encouragement of the Commonwealth Grants Commission and the Commissioners of Corrections in several States.

The obvious delay in publication has again been due to the reduced resources of the Institute which curtailed the staff time available for its compilation and production.

## INTRODUCTION

Frequent reference is made in the relevant criminological literature to the fact that prisons are comparatively expensive institutions to build and maintain. That they get only a marginal share of public revenue, that they are expensive, under-financed, wasteful and unnecessary, yet they are being used in some countries more than ever and calls for retribution make it clear that they are unlikely to suddenly disappear.

Just how expensive are the prisons? What is the cost of keeping an inmate in prison? How much do non-offenders or those who offend but are not imprisoned pay to maintain those who are? The answers to these important questions often remain elusive and in the full sense of costs and benefits there will be difficulties in quantifying a great many of the factors. In Australia there has been very little research into prison expenditure, either within a particular jurisdiction or between jurisdictions; there is a time gap between expenditure and publication which dates the material by the time it appears and there are geographical differences which affect the analysis. What follows is an attempt to bring earlier work a little closer to the present.

Kononewsky<sup>(1)</sup> has examined broad patterns of expenditure on gaols and reformatories in the Australian States during the period

1963/64 - 1973/74 and the costs of prisons in Western Australia have been closely scrutinized by Prisgrove.<sup>(2)</sup> The only detailed comparative study of prison expenditure in the various jurisdictions, however, is that undertaken by Rook and Demetrious,<sup>(3)</sup> and which is largely based on expenditure during 1975/76. Their approach has been generally followed in the present analysis.

#### AUSTRALIAN PRISON SYSTEMS - A BRIEF OVERVIEW

Each State and the Northern Territory maintains its own prison system although the present study does not include the latter jurisdiction for reasons explained below. The Australian Capital Territory has a remand centre only, persons sentenced to imprisonment in that jurisdiction serving their sentences in New South Wales. Persons who commit offences against the Commonwealth and who receive prison sentences are detained in a State Institution, the Commonwealth Government offsetting the appropriate costs incurred by the States.

In three States, New South Wales, South Australia and Western Australia, the authority responsible for prisons/correctional services is an autonomous department. Prisons in Queensland are administered by the Department of Community Welfare Services while in Victoria they are the responsibility of the Department of Community Welfare. On the other hand the Tasmanian prison system is administered by the Attorney-General's Department.

Probation and parole services in New South Wales, Victoria and South Australia are provided by the relevant prisons/correctional authorities whereas in the other States these functions are performed by another department. Work release programmes are currently being implemented by prisons/correctional authorities in all States except Victoria and South Australia while periodic detention is a semi-custodial alternative to ordinary imprisonment in New South Wales, Victoria and Queensland.

As this is written the Victorian Department of Community Welfare operates an attendance centre programme in lieu of a work release scheme, and in Tasmania and Western Australia courts may impose on offenders work or community service orders as an alternative to imprisonment.<sup>(4)</sup>

In all States except Victoria at the time of this study the minimum age at which a person may be sentenced to imprisonment, allowing for judicial discretion, is 18 years. Judges in Victoria may either sentence offenders aged 17 to 21 years to a period of detention in either a prison or youth training centre. Non-parole periods or minimum sentences are commonly set in New South Wales, Victoria and Western Australia whereas in South Australia minimum sentences are determined only with respect to serious offences. In Queensland non-parole periods are not usually set, although judges may make recommendations which are not binding; while in Tasmania no minimum sentences are determined. Prisoners in South Australia, Queensland and Tasmania may apply for parole after serving half their sentence.

These are only some of the differences between the criminal justice practices in the various jurisdictions which must be borne in mind when comparing patterns of prison expenditure in Australia. These variations and others such as those pertaining to prisoner classification, remission procedures, prisoners' pay and academic, vocational and social-recreational activities available to prisoners will have some effect on financial outlays for prison/correctional facilities and services to ascertain.

#### METHODOLOGY

This is essentially a descriptive study without the economic sophistication of opportunity costs or conversions of time to money values.

No attempt was made to follow through the costs of imprisonment to the offender himself, to his family and ultimately, through loss of man-hours and welfare payments, to society itself. For this kind of calculation far more resources would have been needed than were available for the inquiry. However, it was considered necessary to identify recurring expenditure for items such as salaries/wages, maintenance, consummables and general administration as well as capital expenditure for construction, of facilities, site works and plant and equipment. Furthermore, it was thought advisable to determine, insofar as possible, the extent to which such recurrent expenditure is offset by revenue, particularly by the production value of the work which is performed by prisoners.

The main sources of such information are the annual reports of the prison/correctional authorities but unfortunately, albeit understandably, there is no uniformity in the documentation of prisons expenditure and revenue in these reports. The Australian Bureau of Statistics has not published "uniform" prison expenditures for the various States for some years,<sup>(5)</sup> but even if such data were published there would remain considerable difficulties in making further adjustments to ensure that items of expenditure were, at least reasonably, comparable.

The present study therefore is largely based on costs during the financial year 1977/78, these data being derived from submissions made by prisons/correctional authorities to the Commonwealth Grants Commission Review of State Relativities during early 1980. While these submissions provide the researcher with much useful and up-to-date data on recurrent expenditure they do not, given the nature of the Review, contain many details of capital expenditure and revenue which permit inter-state comparisons to be made. Consequently it was necessary to augment these data with that derived from unpublished statistics of capital expenditure provided by the Australian Bureau of Statistics and revenue figures derived from the above-mentioned annual reports.

Each of these data sets presents its own problems of analysis which are considered in some detail below.



It cannot be over-emphasized that due to problems of data availability and compatability the present study had to be based on statistics from three distinct and disparate sources. These have, as far as possible, been integrated in order to develop a "composite" picture of prison costs. It would have been highly desirable to use a single source of data and thus overcome the numerous problems of variations in definition, accounting procedures, classification and the like. Furthermore it would have been useful to consider all costs between States over a span of several years but again this was not possible as uniform and adequate data at the desired level of detail could not be obtained. It seemed desirable, however, to work with what was available in the hope that better studies would follow as more information developed in future years.

Rook and Demetrious, having determined the recurrent and capital expenditures on prisons in each State computed, for comparisons between States, the expenditures per prisoner and the expenditures per head of State population. The per prisoner expenditures, both recurrent and capital, were then compared to the respective "All States" per prisoner expenditure which was calculated by dividing the total (recurrent or capital) expenditure in all the States by the number of prisoners in all the States. The variation between a given State's per prisoner expenditure and the "All States" per prisoner expenditure was expressed in both dollar and percentage terms in their analysis.

The same procedure has been followed in the present study. This is not to suggest that the costs of a prison system are exclusively a function of the size of the prison population in that system. Nevertheless the per prisoner costs in the various States are useful descriptive indices.

However, it is important to note that conditions within and between states differ. Distances, the types of populations and the cost differentials make it difficult to determine in real terms what the effect of higher or lower expenditures are on prison conditions. Thus considerations of security affect outlays and a high expenditure per prisoner may be no indication of the amenities or benefits provided to the prisoner himself. It has been suggested by Rinaldi for example, that staff salaries, not the number of prisons absorb nearly all the prison expenditure.<sup>(6)</sup>

With respect to the use of the "All States" expenditure per prisoner index as opposed to the use of a State average per prisoner index, Rook and Demtrious correctly point out that the former:

"...gives proportionate weighting to the number of prisoners and expenditure involved in each State. That is, the New South Wales results have a greater proportional influence than the Tasmanian results because New South Wales has a greater number of prisoners, and a greater prison expenditure. If a State average had been used, each State would have had the same weighting irrespective of differences in the number of prisoners and expenditure involved."<sup>(7)</sup>

Rook and Demetrious also compared the per capita expenditures, both recurrent and capital, with the respective "All States" expenditure per capita giving proportionate weighting to the

total population and expenditure involved in each State. Again this procedure was adopted in the present analysis. The per capita expenditures are considered to be meaningful indicators of what the individual "pays" for a State Government to operate its prison system. During recent years virtually all prison expenditure has been met by State Governments although some small amounts of finance have been allocated by the Commonwealth Government in the form of transfer payments (subsidies etc).

In computing per prisoner expenditures, use has been made of the average daily prison populations derived from Australian Prison Trends<sup>(8)</sup> which give, for each month, the daily average number of persons held in custody in each jurisdiction. As prison populations may vary considerably throughout a given year the monthly daily averages have been averaged for the twelve month period under consideration. These prison populations may differ in some jurisdictions from the daily average prison populations provided by the appropriate annual reports of prison/correctional authorities. This is because the latter would include sentenced prisoners actually held in police lock-ups. As expenditure on these prisoners is largely met by other agencies, however, it was decided to use data from the former source.

It should be noted that the data given in Australian Prison Trends refers to the jurisdiction in which prisoners were sentenced rather than where they were actually detained. In particular, figures for the Northern Territory and the Australian Capital Territory

frequently include small numbers of prisoners who were actually serving their sentences in South Australia or New South Wales. No adjustment has been made to reflect the jurisdictions in which prisoners were held as opposed to when they were sentenced as it is assumed that prisoners sentenced in the Territories but held in the States are Commonwealth prisoners. Payment for keeping such prisoners is made to the receiving State by the Commonwealth and thus, although the amounts may be questioned, it is not possible in this study to regard such prisoners as a "cost burden" to the States.

In many jurisdictions small numbers of prisoners who are actually on work release programmes are included in the daily average number of prisoners but offenders in New South Wales on the Work Release II (Home Release) program and those in Victoria serving attendance centre orders are excluded.

COMPARATIVE COSTS OF IMPRISONMENT

It is interesting to see the variations in costs which arise between States when the data is accumulated in the manner described above. For convenience recurrent expenditure is separated from capital expenditure and total costs are then compared before an attempt is made to calculate revenue.

1. RECURRENT EXPENDITURE

Recurrent expenditures for the financial years 1978/79<sup>(9)</sup> and 1977/78 were derived from submissions made by the Western Australia Department of Corrections <sup>(10)</sup> and the Tasmanian Prisons Department <sup>(11)</sup> to the Commonwealth Grants Commission, and are presented in Tables 1 and 2. These figures represent the gross recurrent expenditure on each prison system as differences in accounting practices necessitate the disregarding of revenue from prison industries and other sources. The Western Australia Department of Corrections submission points out that: (continued p.15)

## PRISONS RECURRENT EXPENDITURE - AUSTRALIAN STATES

1978/79

		NSW	VIC	QLD	SA	WA	TAS	ALL STATES
PRISONS RECURRENT EXPENDITURE (\$'000) (1)		46,603 (*)	19,658 (+)	16,954	9,531	17,439	3,510	113,695
DAILY AVERAGE PRISON POPULATION (2)		3,812	1,594	1,603 (#)	778	1,365	306	9,458
Annual Recurrent Expenditure per Prisoner	Expenditure (\$)	12,225	12,332	10,576	12,251	12,776	11,471	12,021
	\$± All States	+ 204	+ 311	-1,445	+ 230	+ 755	- 550	-
	%± All States	+ 1.7	+ 2.6	- 12.0	+ 1.9	+ 6.3	- 4.6	-
MEAN POPULATION ('000) (3)		5,044.5	3,836.4	2,180.9	1,290.6	1,232.1	415.5	14,000.0
Annual Recurrent Expenditure per Capita	Expenditure (\$)	9.24	5.12	7.77	7.38	14.15	8.45	8.12
	\$± All States	+ 1.12	- 3.00	- 0.35	- 0.74	+ 6.03	+ 0.33	-
	%± All States	+13.8	-36.9	- 4.3	- 9.1	+74.3	+ 4.06	-

TABLE 1

NOTES (\*) Based on total recurrent expenditure of Department of Corrective Services with an estimated \$7,086,000 deducted for the costs of Probation and Parole functions (estimate supplied by NSW Department of Corrective Services)

(+) Includes an amount of \$3,000,000 added to the cost of operating Victorian prisons as certain administrative costs are not included in the Victorian prison accounts (estimate supplied by Victorian Department of Community Welfare Services)

(#) Includes a small number of periodic detainees.

SOURCES (1) Western Australia Department of Corrections. Submission to Commonwealth Grants Commission Review of State Relativities (Western Australia Social Services Departments, Volume 4 : Document W.16), February 1980, p.9-26 (mimeo)

(2) Biles, D. - in cooperation with State Correctional Administrations - Australian Prison Trends, published quarterly by the Australian Institute of Criminology, Canberra, 1978-1979

(3) Australian Bureau of Statistics

PRISONS RECURRENT EXPENDITURE - AUSTRALIAN STATES

1977/78

		NSW	VIC	QLD	SA	WA	TAS	ALL STATES
PRISONS RECURRENT EXPENDITURE (\$'000) <sup>(1)</sup>		41,630 <sup>(*)</sup>	16,885 <sup>(+)</sup>	15,237	8,219	14,672	3,184	99,827
DAILY AVERAGE PRISON POPULATION <sup>(2)</sup>		3,591 <sup>(#)</sup>	1,529	1,536 <sup>(A)</sup>	748	1,173	241	8,818
Annual Recurrent Expenditure per Prisoner	Expenditure (\$)	11,593	11,043	9,920	10,988	12,508	13,212	11,321
	\$± All States	+ 272	- 278	- 1,401	- 333	+ 1,187	+ 1,891	-
	%± All States	+ 2.4	- 2.5	- 12.4	- 2.9	+ 10.5	+ 16.7	
MEAN POPULATION ('000) <sup>(3)</sup>		4,981.4	3,799.8	2,152.8	1,283.3	1,210.5	412.1	13,839.9
Annual Recurrent Expenditure per Capita	Expenditure (\$)	8.36	4.44	7.08	6.40	12.12	7.73	7.13
	\$± All States	+1.23	-2.69	-0.05	-0.73	+4.99	+0.60	-
	%± All States	+17.3	-37.7	- 0.7	-10.2	+70.0	+ 8.4	



TABLE 2

- NOTES: (\*) Based on total recurrent expenditure of Department of Corrective Services with an estimated \$5,770,000 deducted for the costs of Probation and Parole functions (estimate supplied by NSW Department of Corrective Services)
- (+) Includes an amount of \$2,500,000 added to the cost of operating Victorian Prisons as certain administrative costs are not included in the Victorian prison accounts (estimate supplied by Victorian Department of Community Welfare Services)
- (#) Includes a small number of ACT prisoners for the quarter July-September, 1977.
- ( ) Includes a small number of periodic detainees.

- SOURCES: (1) Western Australia. Department of Corrections. Submission to Commonwealth Grants Commission Review of State Relativities (Western Australia Social Service Departments, Volume 4 : Document W.16), February 1980 : p.9-26 (Mimeo)
- (2) Biles, D. - in cooperation with Correctional Administrations - Australian Prison Trends, published quarterly by the Australian Institute of Criminology, Canberra 1977-1978
- (3) Australian Bureau of Statistics

"The figures given ... were supplied by the various prison administrations and have been taken here as being accurate. However, it should be noted that in some other States the costs of operating prisons may be shared or hidden in expenditure for other functions."<sup>(12)</sup>

From Table 1 it can be seen that the recurrent expenditures per prisoner during 1978/79 did not vary greatly between the States. Western Australia had the highest per prisoner recurrent expenditure of \$12,776 which was 6.3 per cent higher than the "All States" figure, while Queensland had the lowest expenditure of \$10,576 which was 12 per cent lower than that for "All States". Recurrent expenditure per capita, (i.e. per head of total population in the State) differs considerably between the States ranging from \$5.12 in Victoria to \$14.15 in Western Australia, a difference of about \$9. The per capita recurrent expenditure in Victoria was 36.9 per cent lower, and that for Western Australia was 74.3 per cent higher, than that for "All States".

A similar pattern is evident from Table 2 which refers to recurrent expenditure during 1977/78. The range for recurrent expenditure per prisoner was greater that year (\$3,292) than during 1978/79 (\$2,200) with Queensland again having the lowest per prisoner expenditure (\$9,920) and Tasmania the highest (\$13,212). It is interesting to note that during 1977/78 Tasmania's prison population was 241 compared to 306 the following year and that the 27 per cent increase in prison population resulted in a 13 per cent drop in the recurrent expenditure per prisoner. During 1977/78 per capita recurrent expenditures between the States again varied to a greater degree than did the per prisoner expenditures: Western Australia's

expenditure per capita (\$12.12) was almost three times that for Victoria (\$4.44), the former being 70 per cent higher, and the latter 37.7 per cent lower, than the recurrent expenditure for "All States". It is also noteworthy that between 1977/78 and 1978/79 the "All States" recurrent expenditure per prisoner increased by \$700 or 6 per cent while that per capita rose by \$0.99 or 14 per cent.

A comparison between the rank orders of each State's recurrent expenditure per prisoner and per capita during 1975/76, 1977/78 and 1978/79 is given in Table 3. It can be seen that there is no readily identifiable pattern with respect to rank orders for recurrent expenditure per prisoner among the various States, although the range of expenditures during 1978/79 was lower than in previous years. However, Table 3 shows that with few exceptions the per capita ranks have remained consistent with Victoria having the lowest, and Western Australia the highest, recurrent expenditure during each year under consideration. Furthermore, the range of values has increased steadily from \$5.78 in 1975/76 to \$9.03 in 1978/79 indicating that the prison system with the highest per capita recurrent expenditure (i.e. Western Australia's) has experienced a more rapid absolute increase in such expenditure relative to population (from \$8.84 in 1975/76 to \$14.15 in 1978/79) than has the Victorian system which increased expenditure in per capita terms from \$3.11 in 1975/76 to \$5.12 in 1978/79.

Such differences between jurisdictions are to some degree the result of variations in criminal justice policies and practices. For example, Victoria has developed a range of low-cost correctional

RECURRENT EXPENDITURE PER PRISONER AND PER CAPITA - RANK ORDERS - AUSTRALIAN STATES1975/76 - 1978/79RANK ORDER (#) - RECURRENT EXPENDITURE

	<u>PER PRISONER</u>			<u>PER CAPITA</u>		
	<u>1975/76 (*)</u>	<u>1977/78 (+)</u>	<u>1978/79 (+)</u>	<u>1975/76 (*)</u>	<u>1977/78 (+)</u>	<u>1978/79 (+)</u>
NSW	4	3	4	4	2	2
VIC	6	4	3	6	6	6
QLD	5	6	6	3	4	4
SA	3	5	2	5	5	5
WA	1	2	1	1	1	1
TAS	2	1	5	2	3	3
RANGE (\$)	3,090	3,292	2,200	5.78	7.68	9.03

NOTES: (#) 1 = Highest expenditure per prisoner/per capita  
6 = Lowest expenditure per prisoner/per capita

SOURCES: (\*) Rook, M.K. and Demetrious, M. Interstate Comparisons of Prison Escape and Offence Rates and the Comparative Costs of Imprisonment. Victoria Social Welfare Department, Policy and Planning Unit, Occasional Paper, No. 1, Melbourne, 1977 : pp 18-19

(+) Tables 1 and 2

programmes to divert as many cases as possible from long term programmes. While such procedures may not markedly reduce the costs of confining each prisoner they may have a significant effect on the per capita recurrent costs of the prison system if more offenders are diverted from the prisons.

### 1.1 Salaries

The Tasmanian Prisons Department Submission to the Commonwealth Grants Commission Review of State Relativities provides details of not only total recurrent expenditure but also the total cost of salaries (including allowances, penalty rates and overtime) as a component of that expenditure. Table 4 gives details of the per prisoner and per capita expenditures on salaries for each State during 1977/78. Adjustments have again been made to take account of the fact that in New South Wales and South Australia probation and parole services are provided by the corrective services authorities.

As in the case of the total recurrent expenditure figures, these costs must be interpreted with the utmost caution for the reasons mentioned previously. Although these salary expenditures are possibly rather notional they are useful, given their constraints, in identifying not only differences in per prisoner and per capita expenditure on salaries, but also the relative importance of salaries in total recurrent expenditure for each State.

Table 4 shows that during 1977/78 the expenditure on salaries in all of the States was in excess of \$66 million which represented

66.5 per cent of the total recurrent expenditure. The proportions of recurrent expenditure spent on salaries in the States that year were New South Wales - 58 per cent; Victoria - 70 per cent; Queensland - 81 per cent; South Australia - 66 per cent; Western Australia - 68 per cent, and Tasmania = 86 per cent. Some of these figures question the assertion by Renaldi, noted previously that salaries absorb nearly all prison expenditure. It can also be seen from Table 4 that, with the notable exception of Tasmania, there was relatively little variation between States in the expenditure on salaries per prisoner during 1977/78.

PRISONS RECURRENT EXPENDITURE - SALARIES <sup>(x)</sup> AUSTRALIAN STATES

1977/78

		NSW	VIC	QLD	SA	WA	TAS	ALL STATES
PRISONS RECURRENT EXPENDITURE - SALARIES (\$'000) <sup>(1)</sup>		24,102 <sup>(*)</sup>	11,795	12,417	5,435 <sup>(+)</sup>	9,936	2,746	66,431
DAILY AVERAGE <sup>(2)</sup> PRISON POPULATION		3,591 <sup>(#)</sup>	1,529	1,536 <sup>(Δ)</sup>	748	1,173	241	8,818
Annual Recurrent Expenditure - Salaries - per Prisoner	Expenditure (\$)	6,712	7,714	8,084	7,266	8,471	11,394	7,534
	\$± All States	- 822	+ 180	+ 550	- 268	+ 937	+3,860	-
	%± All States	- 10.9	- 2.4	+ 7.3	- 3.6	+ 12.4	+ 51.2	-
MEAN POPULATION ('000) <sup>(3)</sup>		4,981.4	3,799.8	2,152.8	1,283.3	1,210.5	412.1	13,839.9
Annual Recurrent Expenditure - Salaries - per Capita	Expenditure (\$)	4.84	3.10	5.77	4.24	8.21	6.66	4.80
	\$± All States	+ 0.04	- 1.70	+ 0.97	- 0.56	+ 3.41	+ 1.86	-
	%± All States	+ 0.8	- 35.4	+ 20.2	- 11.7	+ 71.0	+ 38.8	-

TABLE 4

- NOTES: (x) Includes allowances, penalty rates and overtime.
- (\*) Based on total recurrent expenditure of Department of Corrective Services with an estimated \$5,000,000 deducted for Probation and Parole salaries.
- (+) Excludes Probation and Parole Salaries (estimate by Tasmania Prisons Department)
- (#) Includes a small number of ACT prisoners for the quarter July-September, 1977
- (Δ) Includes a small number of periodic detainees.
- SOURCES: (1) Tasmania Prisons Department. Submission to Commonwealth Grants Commission Review of State Relativities (Tasmania Joint Submission, Volume 4 : Document T.6) February 1980 : p.174 (mimeo)
- (2) Biles, D. - in cooperation with Correctional Administrations - Australian Prison Trends, published quarterly by the Australian Institute of Criminology, Canberra, 1977-1978.
- (3) Australian Bureau of Statistics



Expenditures on overtime for prison staff may constitute a significant proportion of total recurring expenditure for a prison system. Data contained within submissions made by prison/correctional authorities to the Commonwealth Grants Commission clearly indicate that salaries and payments in the nature of salaries constitute the bulk of recurring expenditure, but these data do not permit the identification of the amounts spent on overtime alone. Nevertheless, information contained within the submission made by the New South Wales Department of Corrective Services to the Royal Commission into New South Wales Prisons does allow the calculation of overtime costs in that particular jurisdiction.

In this submission it was noted that as the actual custodial work force is normally short of the permitted establishment, existing staff are required to work considerable overtime.

"This has assisted both the recruiting and the retention of officers. It has also led to pressure for posts and duties which has had the effect of increasing demands on the work force and increasing the amount of overtime available to members of the work force. This, in turn, has seriously distorted the progressive effect of the incremental scale of salaries".(13)

The Department provided to the Commission various sets of figures to illustrate the importance of overtime in its wage structure. It was noted that of a total of some 1,200 officers in the Department, 1,157 (96.4 per cent) were classified at or below the level of Principal Prison Officer, (the remaining classifications being Superintendent, Deputy Superintendent and Assistant

Superintendent) and the following figures therefore refer to officers in these classes as they represent the bulk of the prison workforce.

At the time the Department's submission was compiled (mid 1977) the following rates of payment of overtime, penalty rates and the like were as follows:

Overtime rates: 1 1/2 times normal salary for the first two hours then double time normal salary thereafter.

Penalty rates: Saturday - 1 1/2 times normal daily rate  
Sunday - 1 3/4 times normal daily rate.

Shift Allowances:

- 10 am and before 1 pm : 10 per cent
- 1 am and before 4 pm : 12 1/2 per cent
- 4 pm and before 4 pm : 15 per cent
- 4 am and before 6 pm : 10 per cent

The basic salaries (based on \$66.80 wage base) of officers up to and including the level of Principal Prison Officer as at 27/5/77 were as follows:

<u>Prison Officer:</u>	1st Year	\$9,286
	5th Year	\$9,994
<u>Prison Officer</u>	1st Year	\$10,543
<u>1st Class:</u>	T/A	\$10,783
<u>Senior Prison</u>	1st Year	\$11,209
<u>Officer:</u>	T/A	\$11,449
<u>Chief Prison Officer:</u>		\$11,986
<u>Principal Prison Officer:</u>		\$12,886

The Department was able to estimate for 1976/77 the average salaries paid to officers in various categories, the figures for overtime being based on a sample of officers and the analysis using an averaging procedure where one category of officer has two or more

increments. These estimated average salaries for 1976/77 are as follows:

	Approx. Average Basic Salary	Extra Payments (incl. overtime)	Total
	(\$)	(\$)	(\$)
Principal Prison Officer	12,301	4,042	16,343
Chief Prison Officer	11,414	5,397	16,811
Senior Prison Officer	10,748	4,031	14,779
First Class Prison Officer	10,091	4,345	14,436
Prison Officer	8,871	5,053	13,924

It can be seen that payments beyond the basic salary constitute a significant share of total earnings, the proportion varying from 25 per cent for Principal Prison Officers to 36 per cent for Prison Officers. For categories up to and including Principal Prison Officer extra payments, including overtime, accounted for 30 per cent of total earnings. However, it should be borne in mind that overtime is not exclusively indicative of the number of hours worked in excess of the norm as extra payments include penalty rates and loadings.

As an appendix to its submission the Department provided to the Royal Commission a detailed report on overtime incurred by prison officers during the two year period 1974/75 - 1975/76 among the major findings of this survey were:

750.000 hours of overtime were worked by prison officers during the study period, the average being 28,634 hours per roster period (28 days).

- Long Bay (44 per cent), Parramatta (13 per cent) and Goulburn (9 per cent) accounted for two-thirds of the overtime worked. Other reception gaols accounted for 17 per cent, camps 7 per cent and variable security institutions (viz. Berrima, Cessnock and Silverwater) 8 per cent.
- Average actual staffing during the study period was 1,035, the average authorized staffing 1,188 and the average shortage 12.9 per cent.
- Among all establishments the main reasons for overtime being worked were: staff deficiency (position vacant) 11 per cent; sick leave 20 per cent; other leave (including recreation leave) 15 per cent; courses, detached duty, escorts, reserve posts, 20 per cent; overseas 16 per cent and miscellaneous irregular hours 16 per cent.
- Total sick leave resulting in overtime averaged 5.4 hours per officer per roster period.

The study concluded that:

"It could be impossible to indicate from present research finding the optimum or minimum level of overtime which would be required at each establishment ... it appears that current overtime patterns must either be accepted as an inevitable result of penal policies and constraints or be investigated from a full scale exploratory theoretical and statistical study using different parameters from those presently analyzed." (14)

The Royal Commission subsequently recommended that a complete investigation of overtime paid to prison officers be undertaken.

(Recommendation 31).

## 1.2 Other Charges

Prison recurrent expenditure under this heading include that spent on maintenance, provisions, office requisites, power and fuel, transport (e.g. escort of prisoners), staff training, and other day-to-day expenses. Table 5 gives, again for 1977/78, the relevant figures for this head of expenditure, which was simply computed as the difference between total recurrent expenditure and recurrent expenditure on salaries. Tasmania and Queensland both had much lower per prisoner expenditures for other charges than did the other States, particularly New South Wales, which had the highest amount of \$4,881. The "All States" figure per prisoner during 1977/78 was \$3,787 which indicates that while salaries are a major cost factor in Australian prisons (\$11,321 per prisoner in 1977/78), other recurrent costs are by no means negligible.

Unfortunately it is not possible to compare expenditures on salaries and other recurrent expenditure for 1977/78 - 1978/79 with those for 1975/76 as Rook and Demetrious provide no breakdown of recurrent expenditure in their study.

## 2. CAPITAL EXPENDITURE

It has been pointed out previously that the submissions from which recurrent expenditures were derived contained little information on capital costs and that it was therefore necessary to use unpublished Australian Bureau of Statistics (ABS) data in this respect. While the use of different sources is considered to be less than ideal it is felt that the unpublished figures obtained are

reasonably reliable. The ABS purpose classification scheme used to classify the outlay of public authorities includes the category "correctional and custodial services", expenditure on such being defined as:

"Outlays in respect of prisons and other places of detention and correction, and of probation and parole services, and other activities related to rehabilitation of convicted persons."

The unpublished data provided by ABS is broken down into economic type transaction groups which include "gross capital formation". This group comprises expenditure on new fixed assets, (net) expenditure on existing fixed assets and increase in stocks. As expenditure on probation and parole services and rehabilitation related activities is mostly of a recurrent nature it is assumed that a very large proportion of "gross capital formation" expenditure within the "correctional and custodial services category" is, in fact, capital outlays on the prison system.

Rook and Demetrious note that capital expenditure on prisons can fluctuate greatly from year to year, and accordingly they used a five year average of capital expenditure (for the years 1971/72 to 1975/76) as a component of total prisons expenditure. Their average per prisoner capital expenditure was computed by averaging the actual capital expenditures for the five years and dividing that figure by the prison population for 1975/76. An identical procedure was followed from capital expenditure per capita using 1975/76 population figures. (continued p.31)

PRISONS RECURRENT EXPENDITURE - OTHER CHARGES - AUSTRALIAN STATES

1977/78

		NSW	VIC	QLD	SA	WA	TAS	ALL STATES
PRISONS RECURRENT EXPENDITURE - OTHER CHARGES (1) (\$'000)		17,528	5,090	2,820	2,784	4,736	438	33,396
DAILY AVERAGE PRISON POPULATION (2)		3,591 <sup>(*)</sup>	1,529	1,536 <sup>(+)</sup>	748	1,173	241	8,818
Annual Recurrent Expenditure - Other Charges-Per Prisoner	Expenditure (\$)	4,881	3,329	1,836	3,722	4,038	1,817	3,787
	\$± All States	+ 1,094	- 458	- 1,951	- 65	+ 251	- 1,970	-
	%± All States	+ 28.9	- 12.1	- 51.5	- 1.7	+ 6.6	- 52.0	-
MEAN POPULATION ('000) (3)		4,981.4	3,799.8	2,152.8	1,283.3	1,210.5	412.1	13,839.9
Annual Recurrent Expenditure - Other Charges-Per Capita	Expenditure (\$)	3.52	1.34	1.31	2.17	3.91	1.06	2.41
	\$± All States	+ 1.11	- 1.07	- 1.10	- 0.24	+ 1.50	- 1.35	-
	%± All States	+ 46.1	- 44.4	- 45.6	- 10.0	+ 62.2	- 56.0	-

NOTES : (\*) Includes a small number of ACT prisoners for the quarter July-September 1977

(+) Includes a small number of periodic detainees

- SOURCES: (1) Tasmania Prisons Department. Submission to Commonwealth Grants Commission Review of State Relativities (Tasmania Joint Submission, Volume 4 : Document T.6), February 1980 : p.174 (mimeo)
- (2) Biles, D. - in cooperation with Correctional Administrations - Australian Prison Trends, published quarterly by the Australian Institute of Criminology, Canberra 1977-1978
- (3) Australian Bureau of Statistics



PRISONS CAPITAL EXPENDITURE - AUSTRALIAN STATES

1975/76 - 1977/78

		NSW	VIC	QLD	SA	WA	TAS	ALL STATES
PRISONS CAPITAL EXPENDITURE 1975/76 - 1977/78 (\$'000) (1)		10,244	6,205	10,343	3,099	1,391	2,721	34,003
PRISONS AVERAGE ANNUAL CAPITAL EXPENDITURE 1975/76 - 1977/78 (\$'000)		3,415	2,068	3,448	1,033	464	907	11,334
Annual Average Capital Expenditure per Prisoner	Expenditure (\$)	986	1,347	2,296	1,441	429	3,637	1,319
	\$± All States	- 333	+ 28	+ 977	+ 122	- 890	+2,318	-
	%± All States	- 25.2	+ 2.1	+ 74.1	+ 9.2	- 67.5	+175.7	-
Annual Average Capital Expenditure per Capita	Expenditure (\$)	0.69	0.55	1.64	0.82	0.39	2.21	0.83
	\$± All States	- 0.14	- 0.28	+ 0.81	- 0.01	- 0.44	+ 1.38	-
	%± All States	- 16.9	- 33.7	+ 97.6	- 1.2	- 53.0	+166.3	-

SOURCE: (1) Australian Bureau of Statistics. Unpublished tabulations.

In the present study it was decided to use a three-year average of capital expenditure for the period 1975/76 - 1977/78. However, the capital expenditures for each year were divided by the prison and total population for those years and these annual per prisoner and per capita expenditures were then averaged. It should also be noted that the capital expenditure data used by Rook and Demetrious was obtained directly from prison/correctional authorities.

Table 6 gives the combined capital expenditures for the years 1975/76 - 1977/78 and the average annual capital expenditures for this period (i.e. the former divided by the number of years = 3), but it must be remembered that the per prisoner and per capita expenditures are not based on the prison/total population for one year but for each year under consideration. Unfortunately capital expenditures, unlike recurrent expenditures, are not available for 1978/79.

Unlike the recurrent expenditures per prisoner described previously the average capital expenditure per prisoner vary considerably between the States and Tasmania having by far the highest (\$3637) and Western Australia by far the lowest (\$429), capital expenditures. It is also noteworthy that the "All States" recurrent expenditure per prisoner during 1977/78 (\$11,321) was more than eight-fold the average capital expenditure per prisoner during 1975/76 - 1977/78 (\$1,319).

Table 6 also shows that the average capital expenditures per prisoner differ markedly between the States. In Tasmania this amount

to \$2.21 which was 166.3 per cent higher than the "All States" figure while in Western Australia the average capital expenditure per prisoner was only \$0.39 which was 53 per cent below that for "all States".

These expenditures clearly show that the State with the smallest prison system and smallest prison population (viz Tasmania) spends considerably more on capital works per prisoner and per head of population than any other State. Compared to New South Wales which has the largest system and prison population, the Tasmanian expenditure on capital works and related items is about four-fold that of New South Wales per prisoner and more than three-fold that per head of population. Table 7 presents a comparison between the rank orders of each State's average capital expenditure per prisoner and per capita for the two periods 1971/72 - 1975/76 and 1975/76 - 1977/78, the data for the former period being again derived from the study by Rook and Demetrious. While such a comparison is in many respects suspect given the different sources of data, methods of computing averages and periods of time covered, it has been made in order to shed some light on relative changes in prisons capital expenditure between the States. It can be seen that with respect to capital expenditures per prisoner and per capita during both periods Western Australia has the lowest or second lowest rank orders and Queensland the highest or second highest rank orders. That is, Western Australia has continued over recent years to consistently spend less on prisons in the way of capital expenditure than most, if not all, States while Queensland has consistently spent more than most, if not all, States.

AVERAGE ANNUAL CAPITAL EXPENDITURE PER PRISONER AND PER CAPITA - RANK ORDERS - AUSTRALIAN STATES1971/72 - 1977/78RANK ORDER (#) - AVERAGE ANNUAL CAPITAL EXPENDITURE

	<u>PER PRISONER</u>		<u>PER CAPITA</u>	
	<u>1971/72 - 1975/76 (*)</u>	<u>1975/76 - 1977/78 (+)</u>	<u>1971/72 - 1975/76 (*)</u>	<u>1975/76 - 1977/78 (+)</u>
NSW	3	5	4	4
VIC	5	4	6	5
QLD	1	2	1	2
SA	2	3	2	3
WA	6	6	5	6
TAS	4	1	3	1
RANGE (\$)	1,483	3,208	1.06	1.82

NOTE: (#) 1 = Highest expenditure per prisoner/per capita  
6 = Lowest expenditure per prisoner/per capita

SOURCES: (\*) Rook, M.K. and Demetrious, M. Interstate Comparisons of Prison Escape and Offence Rates and the Comparative Costs of Imprisonment. Victoria Social Welfare Department, Policy and Planning Unit, Occasional Paper, No. 1, Melbourne, 1977 : pp 19-22

(+) Table 6

### 3. TOTAL EXPENDITURE

The total expenditure on prisons in each State has been concluded by simply combining the recurring expenditures (including salaries and other charges) for 1977/78 and the average capital expenditure for the three years 1975/76 - 1977/78 as given in Tables, 2, 4, 5 and 6.

A breakdown of total expenditure and the total expenditures per prison and per capita are given in Table 8. It can be seen that "All States" the total prisons expenditure was about \$111 million of which 59.8 per cent was spent on salaries (including allowances, penalty rates and overtime), 30 per cent on other recurrent charges and 10.2 per cent on capital works and the like. With the notable exception of Tasmania, each of the States spent between \$12,000 and \$13,000 per prisoner, the total expenditure per prisoner in Tasmania (\$16,975) being 34.7 per cent above the "All States" figure. This remarkable similarity, among five of the six States, strongly suggests that regardless of such factors of the size of the prison system and its population, the cost of imprisoning an inmate, will not vary considerably between jurisdictions. It should, however, be noted that Rook and Demetrious identified more diversity between total expenditures per prisoner in the various States than has the present study.

Total expenditures per capita, unlike those per prisoner, do vary markedly between the State. Table 8 shows that Western Australia spent considerably more on its prison system per head of

TOTAL PRISONS EXPENDITUREAUSTRALIAN STATES

		NSW	VIC	QLD	SA	WA	TAS	ALL STATES
PRISONS EXPENDITURE (\$'000)								
(a)	Recurrent (1977/78)							
	Salaries	24,102	11,795	12,417	5,435	9,936	2,746	66,431
	Other Charges	17,528	5,090	2,820	2,784	4,736	438	33,396
	Total	41,630	16,885	15,237	8,219	14,672	3,184	99,827
(b)	Capital (Annual Average 1975/76 - 1977/78)	3,415	2,068	3,448	1,033	464	907	11,334
GRAND TOTAL		45,045	18,953	18,685	9,252	15,136	4,091	111,161
Prisons Total Expenditure per Prisoner	Expenditure (\$)	12,544	12,396	12,165	12,369	12,904	16,975	12,606
	\$± All States	- 62	- 210	- 441	- 237	+ 298	+4,369	-
	%± All States	- 0.5	- 1.7	- 3.5	- 1.9	+ 2.4	+ 34.7	-
Prisons Total Expenditure per Capita	Expenditure (\$)	9.04	4.99	8.68	7.21	12.50	9.93	8.03
	\$± All States	+ 1.01	- 3.04	+ 0.65	- 0.82	+ 4.47	+ 1.90	-
	%± All States	+ 12.6	- 37.9	+ 8.1	- 10.2	+ 55.7	+ 23.7	-

population (\$12.50) than other States and that Victoria spent considerably less (\$4.99). Expenditure per capita in the remaining States fell within the range of about \$7 to \$10, the "All States" expenditure being about \$8.

A comparison between the rank orders for each State's total expenditure per prisoner and per capita during 1975/76 and 1977/78 is presented in Table 9. There are major changes in the ranks for total expenditure per prisoner between these years although Western Australia has the highest rank during 1975/76 and the second highest rate during 1977/78. On the other hand the rank orders for total expenditure per capita during both years have remained almost identical with Western Australia having the highest rank, Tasmania and the second highest rank and South Australia and Victoria the second lowest and lowest ranks respectively.

#### 4. REVENUE

As mentioned previously the principal source of prison revenue is that derived from prison industries. The analysis of prison industry revenue is, however, a difficult task as the value of prison production is not uniformly recorded in all States and the available statistics of income from and value of, prison industries are scarce. It is also important to distinguish between the actual value and the commercial value of production from prison industries and between production for prison consumption and that for external consumption.

TOTAL EXPENDITURE PER PRISONER AND PER CAPITA - RANK ORDERS - AUSTRALIAN STATES1975/76 - 1977/78RANK ORDER (#) - TOTAL EXPENDITURE

	<u>PER PRISONER</u>		<u>PER CAPITA</u>	
	<u>1975/76 (*)</u>	<u>1977/78 (+)</u>	<u>1975/76 (*)</u>	<u>1977/78 (+)</u>
NSW	5	3	4	3
VIC	6	4	6	6
QLD	2	6	3	4
SA	3	5	5	5
WA	1	2	1	1
TAS	4	1	2	2
RANGE (\$)	2,987	4,810	5.89	7.51

NOTE: (#) 1 = Highest expenditure per prisoner/per capita  
6 = Lowest expenditure per prisoner/per capita

SOURCES: (\*) Rook, M.K. and Demetrious, M. Interstate Comparisons of Prison Escape and Offence Rates and the Comparative Costs of Imprisonment. Victoria Social Welfare Department, Policy and Planning Unit, Occasional Paper, No. 1, Melbourne, 1977 : pp 22-25

(+) Table 8



Rinaldi points out :

"Prisons do not compile profit and loss accounts for their industries. When products are sold to other Government departments no attempt is made to sell them at prices comparable to those charged by outside manufacturers. Instead the Government department is charged for the cost of materials plus a very small percentage of labour, not always sufficient to recoup even the low gratuity paid to prisoners for their work."<sup>(15)</sup>

In comparing the value of prison production in the States, Rook and Demetrious found that only the South Australian and Western Australian correctional authorities kept records of production for non-prison consumption and that there were problems in identifying the value of production for internal consumption in Victoria.

Nevertheless some information on prisons' revenue is contained within the most recent annual reports of prison/correctional authorities and a recent study by Braithwaite <sup>(16)</sup> provides some fairly detailed data on prison industry production in four States : New South Wales, Victoria, Queensland and Western Australia. Again it should be noted that data for 1978/79 are not yet available.

Relevant statistics from both these sources are given in Table 10. The terminology employed in this Table is that used in the appropriate source. While the amounts per prisoner and values as a percentage of recurring expenditure are given for each State it should be noted that the figures in this table are not comparable between the States. Braithwaite, for example, in giving the value of production of prison industries in New South Wales points out that it would be foolish to make specific comparisons between the States, although the New South Wales figures:

" ... give an overall indication of production which exceeds many times over the value of goods produced in either Victoria or Queensland prisons. The other overall comparison which is worth making is the low aggregate value of production in the prisons of New South Wales compared to say the Victorian farms, especially considering that the latter are smaller in terms of numbers of inmates."<sup>(17)</sup>

From Table 10 it can be seen that the revenue per prisoner of the value of production per prisoner varies considerably between the States and that the proportion of recurring expenditure "recovered" from revenue/production also differs markedly. New South Wales and Tasmania have revenues/production values per prisoner which are considerably higher than that in the other States, and the revenue/production value of prison industries as a proportion of recurrent expenditure in these two States is greater than elsewhere.

It is difficult to identify the actual numbers of prisoners employed in prison industries in any given jurisdiction given the considerable mobility of prisoners between institutions, the variation in participation in a particular industry over time and related factors.

Rinaldi estimated that during the early 1970's only 30 per cent of Australian prisoners were employed in prison industries compared to 80 per cent in countries with "progressive penal policies".<sup>(18)</sup> The Report of the Royal Commission into New South Wales Department of Corrective Services showed that less than half the prisoners in that State were employed and that only 7 per cent of female prisoners were engaged in any form of industrial activity.<sup>(19)</sup>

PRISONS REVENUE AND PRODUCTION - AUSTRALIAN STATES

1977/78

Col (1)	Col (2)	Col (3)	Col (4)	Col (5)	Col (6)
Item	Amount (\$'000)	Prisoner Population	Amount per Prisoner (\$) Col(2) ÷ Col(3)	Prisons Recurrent Expenditure (\$'000)	% Recurring Expenditure Recovered Col(2) ÷ Col(5) x 100
NSW	"Revenue" (*)	6,521 <sup>(1)</sup>	1,816	41,630	15.7
	"Value of production of prison industries" (+)	6,720	1,871		16.1
VIC	"Value of production of prison manufacturing industries" (+)	588	385	16,885	3.5
QLD	"Revenue from prison (*) industries"	1,277	831	15,237	8.4
	"Revenue from prison (+) industries"	1,223	796		8.0
SA	"Proceeds of prison labour, etc" (*)	421	563	8,219	5.1
WA	"Estimated value of (*) prisoners output"	623 <sup>(2)</sup>	531	14,672	4.2
	"Value of production of prison industries" (+)	555	473		3.8
TAS	"Revenue of prison (*) industries"	473	1,963	3,184	14.9

- NOTES: (1) includes revenue from "Industrial Division" (\$3,894,627)
- "Parramatta Linen Service" (\$1,895,257) and
- "other Collections" (\$ 732,492)
- (2) Includes revenue from "goods manufactured, repairs and sundry services for Departmental use" (\$ 524,538) and
- "goods manufactured, repairs and sundry services to other Departments, hospitals etc." (\$ 97,851), but
- excludes "all other work, maintenance, repairs to building, vehicles, pasture improvements, stock increase etc." (\$ 385,585)

SOURCES: (\*) 1977/78 Annual Reports of respective  
Prison/Correctional authorities

(+) Braithwaite, J. Prisons, Education and Work - Towards a National Employment Strategy for Prisoners, Australian Institute of Criminology and University of Queensland Press, Canberra, 1980.

More recently Braithwaite (20) has pointed out that relatively small proportions of prisoners are employed in industries in particular institutions. For example, on a visit to Fremantle Prison in January 1979 he found that approximately 44 per cent of prisoners were employed in workshops and that "in terms of amount of work available ... Fremantle is probably in a better position than most large maximum security prisons in Australia".(21) In Pentridge Gaol he identified that there were 222 work positions in specific prison industries for a daily average of 847 prisoners, although in Victoria the approach is to "refrain from over-loading workshops with large numbers of non-productive workers simply to encourage a false sense of satisfaction that everyone has been given a job."(22) At Boggo Road Male Prison it was found that 119 inmates of a daily average prison population of almost 500 worked in prison industries. Yatala Prison, considered by Braithwaite to be the most productive of Australia's maximum security prisons, had about fifty per cent of its inmates working in industries when visited in January 1979.

Thus the available evidence clearly shows that employment in prison industries is by no means widespread in Australia and that subsequently large numbers of prisoners are not provided with gainful work opportunities.

A detailed discription of the nature of prison industries is beyond the scope of the present paper but a brief review of the various types of employment available in Australia's prisons is appropriate. Rinaldi points out that until fairly recently punitive non-productive prison labour was considered rehabilitative but that

it is now generally agreed that such labour is counter-rehabilitative. The New South Wales Royal Commission identified three types of industry as appropriate to the prison environment:

- (a) maintenance and servicing activities (e.g. cleaning, painting, vehicle maintenance).
- (b) major development projects (e.g. construction of recreation facilities).
- (c) production of goods and provision of services (e.g. laundries, farming, manufacturing).

but also considered that:

"A number of difficulties and disadvantages arise in the context of prison industry. These difficulties distinguish it from outside industry as they inhibit the mere translation to the prison context of industrial conditions and opportunities".<sup>(23)</sup>

One of the more successful developments in prison industries was an incentive payment scheme introduced with respect to the manufacture of coir mats at Castlemaine and Sale prisons in Victoria. The scheme was implemented in February 1978 and by October that year production trebled at Castlemaine and increased four-fold at Sale compared to the same period in the previous year. Braithwaite has noted that the increased production resulted in savings (in that the Department of Public Works did not have to pay outside suppliers for the extra mats) that far exceeded the cost of extra pay for prisoners. Incentive schemes are now operating in other Victorian prisons including the production of number plates at Pentridge Gaol.

Braithwaite has also shown that other prison industries are profitable. He calculated that the profit per worker at the Risdon Prison bakery during 1976/77 was \$2,705, this being "testimony to the economic viability of this industry in a prison setting."<sup>(24)</sup> Hayes Farm in Tasmania has been described by Braithwaite as "one of the most economically successful prison farms in Australia",<sup>(25)</sup> that researcher pointing out that during 1976/77 the farm expense account contributed some \$55,000 to consolidated revenue and the profit per worker exceeded \$1,000.

On the other hand there are major problems which have yet to be solved. The problems that occur with capital intensive objectives for prison production can be seen when production from prison industries comes into competition with production from private enterprise - the competition for the same market. This was highlighted by the New South Wales Royal Commission when industrial problems arose over the attempt to introduce in New South Wales prisons the manufacture of vehicle number plates which, in this state, are manufactured by private enterprise companies. Another example of industrial unrest came about due to the introduction of Parramatta Linen Service (P.L.S.) when strong opposition was raised by trade unions who claimed that their members, working in the laundries of the various hospitals of whom the P.L.S. were servicing, would therefore become redundant. Many of these industrial 'conflicts' are due to the lack of interaction between the Department of Corrective Services, trade union groups and private enterprise industries, and problems then arise when prison industry production 'infringes' upon the already existing markets of private enterprise. Trade unions have

then argued that if prison industry production is on a competitive par with private enterprise then the same award wages should then be paid to the prison workers, as is paid to the private enterprise workers. This would of course escalate prison expenditure and would have to be 'weighed' against the revenue to be gained from prison industries.

The output from Parramatta Linen Service in 1975-76, for example, was 62 tonnes per week, far below the maximum potential output of 160 tonnes per week. The break-even point was calculated at 105 tonnes per week, so that the actual output represents almost a 40% loss in terms of profit. (26)

The disparity of the income paid to prisoners involved in prison industries, compared to the 'income' of prisoners who do not participate in work programmes, does not provide much incentive for involvement. For example:

"... a kitchen hand at Berrima Prison received a flat wage of \$1.40 to \$2.00 a week. A person employed in a similar role at Kirkconnell receives a range of payments of \$1.60 to \$1.90 a week. In contrast, a person employed at the Parramatta Linen Service received a range of payments (including bonuses) of between \$14.40 and \$129.40 a week (the latter sum being paid to prisoners on Work Release II)." (27)

The difficulty in increasing incentives through monetary re-evaluation of the labour time spent in producing the commodity, and the value price of the commodity, would necessarily mean a thorough reappraisal of the administration of prison industry policy and the accounting procedures for prison revenue and prison expenditure.



Although this could be done, the problems faced with a capital-intensive policy, apart from the problems already mentioned, is the attitude of prisoners to the value of work in general. With a ratio of approximately 50% of the prison population not being involved in prison industry it is evident that a certain amount of apathy to work does exist....and this no doubt has effects on discipline and morale.

These problems highlight, in some respects, the complexities involved in prison industry production. The main problem with administration of prison industries would seem to be the lack of clarity in the objectives of the policies of prison industry production - whether it should be orientated to capital-intensive production or to labour-intensive production.

#### DISCUSSION

It has been shown that per capita expenditures on prisons, and to a somewhat lesser extent expenditure per prisoner, differ between the States, in some instances quite markedly. Many factors such as the use of imprisonment, length of prison sentences, capacity of the prison system and location and size of particular institutions, to name but a few, will influence the cost of imprisonment. An explanation of the variations in prison expenditure is beyond the scope of the present study but it is appropriate to briefly consider some of these factors and to relate them, however tentatively to the expenditure patterns described above.

The preceding analysis discussion of prisons expenditure has been largely based on data for 1977/78 and preceding years although it has been possible to identify recurrent expenditures for 1978/79. Statistics of prison occupancy, accommodation, staff and types of prisoners which are comparable between the States are scarce. Most of the available information has only recently been compiled and relates to 1978/79 or some point in time during that year. It has therefore only been possible to make comparisons between these variables and total recurrent expenditure as capital expenditure and revenue data, as well as a breakdown of recurrent expenditure, are not yet available for 1978/79.

The regular monitoring of prison populations by the Australian Institute of Criminology has shown that since 1973/74 when the relevant data became available there have been great differences in imprisonment rates (i.e. the daily average prison population per 100,000 of the general population) between the States. This considerable variation in imprisonment rates persists as shown in Table 11 which presents both the "crude" imprisonment rates (i.e. prisoners per 100,000 of general population) and the "refined" imprisonment rates (i.e. prisoners per 100,000 of the population aged 18+ years) for each State during 1977/78 and 1978/79. It can be seen that Western Australia has had by far the highest rates, and Victoria the lowest rates, during both years. It has also been shown above that during both years Western Australia had the highest, and Victoria the lowest, recurrent expenditure per capita and that during 1977/78 the total expenditure per capita was highest in Western Australia and lowest in Victoria.

IMPRISONMENT RATES - AUSTRALIAN STATES1977/78 & 1978/79

	RATES PER 100,000 PERSONS*		RATES PER 100,000 PERSONS AGED 18 + YEARS #	
	<u>1977/78</u>	<u>1978/79</u>	<u>1977/78</u>	<u>1978/79</u>
NSW	72.1	71.2	107.9	111.5
VIC	40.2	41.5	61.3	62.1
QLD	71.3	73.5	110.0	110.8
SA	58.3	60.3	81.6	88.5
WA	96.9	110.8	151.0	170.3
TAS	58.5	73.6	91.6	112.6
ALL STATES	63.7	67.6	96.8	100.7

NOTES: \* Based on estimated mean population for financial years.

# Based on estimated numbers of persons aged 18+ years as at 30 June 1977 and 30 June 1980

SOURCE: Biles, D. - in cooperation with Correctional Administrations - Australian Prison Trends, published quarterly by the Australian Institute of Criminology, Canberra 1977-1979

The relationship between rates and expenditures per prisoner is, however, less clear. In 1977/78, for example, Western Australia had the second highest recurrent expenditure per prisoner and the second highest total expenditure per prisoner while Tasmania, with the third lowest imprisonment rate, had the highest recurrent and total expenditures per prisoner. Conversely, Victoria had the third lowest recurrent and total expenditures per prisoner while Queensland, with the third highest imprisonment had the lowest recurrent and total expenditures per prisoner.

It must be borne in mind of course that the composition of the prison population differs between States. In particular the proportions of the prison population classified as remandees and long term prisoners vary considerably. Tables 12 and 13 give statistics of remand and long term prisoners for 1978 and 1978/79 respectively. Table 12 shows that South Australia and New South Wales have, compared to the States, markedly higher proportions of their prison populations on remand and from Table 13 it can be seen that Queensland and New South Wales have much higher proportions of long term prisoners than do the other States. These tables also show that the rates for remandees and long term prisoners per 100,000 of general population and per 100,000 of population aged 18+ years vary markedly between the States. New South Wales and South Australia with the highest proportions of remandees have the highest remand rates per 100,000 of general population and per 100,000 of population aged 18+ years while Victoria has the lowest rates. New South Wales and Queensland with the highest proportions of long term prisoners have the highest number of such prisoners per 100,000 of general population and per 100,000 of population aged 18+ years.

REMAND PRISONERS - AUSTRALIAN STATES

TABLE 12

1978/79

	Number of Remand Prisoners (1)	Remandees as % of Total Prison Population (1)	Remandees per 100,000 of General Population (2)	Remandees per 100,000 of population aged 18 + years (3)
NSW	536	14.1	10.6	15.7
VIC	148	9.3	3.9	5.8
QLD	99	6.2	4.5	6.8
SA	140	18.0	10.8	15.9
WA	105	7.7	8.5	13.1
TAS	27	8.7	6.5	9.9
ALL STATES	1,055	11.2	7.5	11.2

- NOTES: (1) Average computed from actual numbers as at beginning of each month.  
 (2) Estimated mean population for financial year.  
 (3) Estimated as at 30 June 1978

SOURCE: Biles, D. - in cooperation with Correctional Administrations - Australian Prison Trends,  
 published quarterly by the Australian Institute of Criminology, Canberra 1978-1979

LONG-TERM PRISONERS (1) AUSTRALIAN STATES

TABLE 13

1978

	Number of Long Term Prisoners	Long Term Prisoners as % of Total Prison Population	Long Term Prisoners per 100,000 of General Population (2)	Long Term Prisoners per 100,000 of Population aged 18 + years (2)
NSW	1,406	43.3	28.1	41.1
VIC	385	26.5	10.1	15.0
QLD	647	44.0	29.9	44.7
WA	250	22.3	20.5	31.2
TAS	35	14.2	8.5	12.9
ALL STATES (except SA)	2,723	36.1	21.6	32.0
SA	100 <sup>(3)</sup>	13.1 <sup>(4)</sup>	7.8	11.4
ALL STATES	2,823	34.0	20.3	30.1

- NOTES: (1) Defined as prisoners sentenced to five years or more, regardless of minimum or non-parole periods, or have been sentenced to indefinite terms.
- (2) Estimate as at 30 June 1978
- (3) Data not available for South Australia but estimate of 100 included for comparative purposes (see source note below)
- (4) Based on average number of prisoners, January-December 1978, excluding those sentenced in the Northern Territory. (See source note below)

SOURCE: Wardlaw, G. and Biles, D. The Management of Long-Term Prisoners in Australia, Australian Institute of Criminology, Canberra, 1980 : p.8.  
 Estimates for South Australia derived from Table 12 (p.12) and Biles, D., - in cooperation with Correctional Administrations - Australian Prison Trends, published quarterly by the Australian Institute of Criminology, Canberra 1978-1979 (mimeo.)

There appear to be no readily discernable relationships between the proportions of remandees and long term prisoners in the prison population and the expenditures per prisoner and per capita. It is, however, noteworthy that during 1978/79, Queensland had the lowest recurrent expenditure per prisoner and the lowest proportion of remandees in the prison population and that during 1978 this State had the highest proportion of long term prisoners. Furthermore, South Australia had the highest proportion of remandees, the lowest proportion of long-term prisoners and the second highest recurrent expenditure per prisoner.

The capacity and occupancy of a prison system and the number of staff in relation to the prison population will also affect imprisonment costs. Table 14 gives figures relating to prison accommodation, staff and prison populations for 1979. It can be seen that Western Australia has the highest, and Tasmania the lowest, level of prison occupancy (i.e. prison accommodation divided by prison population) and that conversely, Tasmania has the lowest number and Western Australia the highest number, of prisoners per number of prison staff. Furthermore during 1978/79 Western Australia had the highest recurrent expenditure per prisoner and per capita whereas Tasmania had the second lowest recurrent expenditure per prisoner.

Within the Australian prison systems there are quite different types of institutions including maximum and medium security prisons, detention centres, rehabilitation centres, labour prisons and prison farms to name but a few. Little is known about the relative costs of each type of institution in Australia, either within or between States. The present analysis has so far been concerned

with the costs of imprisonment within the various prison systems but consideration must be given to expenditures for particular institutions or types of institutions. While there is a scarcity of readily available expenditure data in this respect it has been possible in the present study to identify expenditure on regional prisons in Western Australia and on the various institutions in South Australia. Tables 15 and 16 present the relevant data for the year 1977/78. Both these tables clearly show that within these jurisdictions the cost of imprisonment varies considerably. Among the Western Australia regional prisons alone expenditure per prisoner varies from \$7,487 for Kalgoorlie regional prison to \$13,656 for Broome regional prison, a range of more than \$6,000. Table 15 also shows that there is no apparent relationship between the size/type of institution, prison population and prison staff on the one hand, and expenditure per prisoner on the other.

For example the expenditures per prisoner in Roebourne and Geraldton prisons are very similar although the latter has more than twice the number of prisoners, almost three times the number of staff and double the capacity of the former. There is, however, a discernable relationship between prison occupancy and expenditure per prisoner among these institutions : Whytham and Broome prisons had less than 45 per cent of the accommodation occupied and the highest expenditures per prisoner while the other institutions had much higher levels of occupancy and markedly lower expenditures per prisoner.

Table 16 shows that within the South Australian prison system net expenditures per prisoner differ enormously from less than \$10,000 for Adelaide Gaol and the Cadell Training Centre to over \$22,000 for



PRISON ACCOMMODATION, STAFF AND INMATES - AUSTRALIAN STATES1979

	Prison (1) Accommodation (*) (as at 1.3.79)	Average (2) Number of Prisoners (*) (March 1979)	Percentage Occupancy	Prison (3) Staff (+) (as at 30.6.79)	Average (2) Number of Prisoners (#) (June 1979)	Staff:Prisoner Ratio
NSW	4,097 <sup>(4)</sup>	3,918	95.6	2,183	3,878	1:1.78
VIC	1,877	1,590	84.7	866 <sup>(5)</sup>	1,633	1:1.89
QLD	1,812	1,609	88.8	1,083	1,677	1:1.54
SA	1,169	783	67.0	484 <sup>(6)</sup>	809	1:1.67
WA	1,423	1,472	103.4	750	1,485	1:1.98
TAS	449	293	65.3	227	305	1:1.34
ALL STATES	10,827	9,665	89.3	5,593	9,777	1:1.75

- NOTES: (1) Total single cells and dormitory beds  
(2) Adjustments made to reflect the jurisdictions in which prisoners were actually held as opposed to where they were sentenced.  
(3) Includes both uniformed and non-uniformed staff  
(4) As at May 1978  
(5) Includes 682 custodial, 95 industrial, 49 administrative and 40 professional staff  
(6) Includes 324 custodial, 65 industrial, 34 clerical/professional and 45 psychiatric staff, as well as 16 of the 24 clerical staff at Head Office (8 clerical staff estimated as performing probation and parole duties)

- SOURCES: (\*) Biles, D. Prison Accommodation Survey, Australian Institute of Criminology, Canberra, May 1979 (mimeo)  
(+) Western Australia Department of Corrections. Submission to Commonwealth Grants Commission Review of State Relativities (Western Australia Social Service Departments, Volume 4 : Document W.16), February 1980 : p.9-46 (mimeo)  
(#) Biles, D., - in cooperation with Correctional Administrations - Australian Prison Trends, No. 37, published quarterly by the Australian Institute of Criminology, Canberra, July 1979

the Women's Rehabilitation Centre. It is also noteworthy that the average expenditure for the non-metropolitan gaols at Port August, Mt. Gambier and Port Lincoln is higher than that for the Adelaide Gaol and Yatala Labour Prison which are located in the metropolitan region. Unfortunately expenditures for particular institutions in other States are not readily available but the data collected with respect to Western Australia and South Australia clearly indicates that within these States at least the costs of imprisonment varies considerably.

#### SUMMARY

This study has identified recent prisons expenditure for the Australian States and presented the costs of imprisonment in terms of expenditures per prisoner and expenditures per capita. Where appropriate the findings have been compared with those made by Rook and Demetrious to identify short-term trends in the costs of imprisonment. Costs have been related, where possible, to such factors as the use of imprisonment, types of prisoners and prison size, occupancy and staffing levels.

It has been found that during 1977/78 prisons in the Australian States cost more than \$110 million, 40 per cent of which was spent on the New South Wales prison system. In all States except Tasmania, total expenditures per prisoner were between \$12,000 and \$13,000, although the total expenditures per capita varied markedly. In Western Australia, for example, prisons expenditure came to \$12,50 per head of population compared to only \$4.99 in Victoria. Among all States recurrent expenditure on salaries during 1977/78 was \$66 million representing 66 per cent of recurrent expenditure and 60 per

EXPENDITURE ON REGIONAL PRISONS - WESTERN AUSTRALIA1977/78

PRISON	Type of Inmate (*)	Daily Average Prison Population	Total Capacity	Total Staff (+)	Expenditure per Prisoner		
					Salaries (#)	Other (x)	Total
WYNDHAM	Minimum Security	26	70	11	8,115	2,846	10,961
BROOME	Medium Security	32	76	16	10,219	3,437	13,656
ROEBOURNE	Medium Security	35	56	12	6,343	2,457	8,800
KALGOORLIE	Minimum Security	39	52	14	5,462	2,025	7,487
GERALDTON	Minimum Security	84	108	34	6,429	2,024	8,453

- NOTES: (\*) All Institutions hold both female and male inmates  
 (+) As at 30 June 1978  
 (#) Includes salaries and other staff costs  
 (x) Includes communications services and contracts, consummables, maintenance and purchase of plant and equipment

SOURCES: Expenditures derived from Western Australia Department of Corrections. Submission to Commonwealth Grants Commission Review of State Relativities (Western Australia Social Service Departments, Volume 4 : Document W.16), February 1980 : p. 9-49 - 9-50 (mimeo)

Prison Population, capacity and staff statistics, derived from Western Australia Department of Corrections. Annual Report 1977/78.

EXPENDITURE ON PRISONS - SOUTH AUSTRALIA1977/78

PRISON	Daily Average Prison Population	Total Staff (*)	Net Expenditure (+) per Prisoner		
			Expenditure (\$)	\$± State Average	%± State Average
Adelaide	200	106	9,483	- 2,195	- 18.8
Port Augusta	48	(	(		
Mt. Gambier	19	( 47	( 12,722	+ 1,044	+ 8.9
Port Lincoln	28	(	(		
Women's Rehabilitation Centre	19	26	22,397	+10,719	+ 91.8
Yatala Labour Prison (#)	346	201	10,581	- 1,097	- 9.4
Cadell Training Centre	89	34	9,260	- 2,418	- 20.7
TOTAL	749	449 (x)	11,678 (Δ)	-	-

NOTES: (\*) As at 30 June 1978

(+) Excludes general administration and superannuation

(#) Includes Northfield Security Hospital

(x) Includes Head Office staff but excludes staff of Probation and Parole Branch

(Δ) Includes general administration

SOURCE: South Australian Department of Corrective Services. Annual Report 1977/78, Government Printer, Adelaide 1979 : pp.16 and 28-29

cent of total expenditure on prisons. Recurrent expenditures per prisoner were also fairly similar between the States but again this was not the case with recurrent expenditures per capita which ranged between \$12.12 in Western Australia and \$4.44 in Victoria. Capital expenditures per prisoner, however, differ noticeably between the States, as did those per capita but the amount spent on prison capital works in all the States was only \$11 million.

In most respects relative expenditures on prisons in the States have not changed significantly between 1975/76 and 1977/78 - 1978/79, although the ranges of expenditures per prisoner and per capita have tended to increase.

An attempt has also been made to identify the revenue from prison labour or production value of prison industries but, as Rook and Demetrious found, the relevant data is far less comparable than that for expenditures. Nevertheless the available information indicates that revenue or value of production per prisoner is, in some States, almost \$2,000.

Some observations have been made with respect to relationships between costs and characteristics of the prison systems but the limitations of data on the latter have prevented any attempt to identify the reasons for variations in prison expenditure between the States.

In brief this study has found that the total cost of imprisoning an offender is remarkably similar between most States although the per prisoner costs for particular types of expenditure

vary somewhat. In per capita terms it has been found Western Australia has the most expensive, and Victoria, the least expensive prison systems a similar finding to that made by Rook and Demetrious several years ago. The present analysis, however, uses more detailed data than this previous study and despite its obvious limitations probably constitutes the most extensive examination of prison expenditure in Australia yet undertaken.

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- (9) See Notes to Table 1
- (10) See Notes to Table 1
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- (22) Ibid., p. 94.
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- (25) Braithwaite, J., op. cit.
- (26) Report of the Royal Commission into New South Wales Prisons,  
op. cit., p. 231.
- (27) Ibid., p.237



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