

Prisons galore: the real face of the New South Wales budget

Mike Head
25 June 1999

New South Wales, the most populous state of Australia, has been run by a Labor Party administration since 1995. One set of statistics in its latest Budget, handed down on Tuesday, says much about Premier Bob Carr's government and the future shape of society.

Three new jails costing \$114 million will be built over the next three years to cope with a record prison population. By the year 2003, the number of prisoners will have jumped by one-third since last year—an increase of more than 2,000 to 8,400.

A year ago, the state's prisons held 6,342 inmates, but this number rose rapidly to 7,214 by last month, an 11 percent increase in 11 months. The Budget papers provide for another rise of over 1,000 by June 2003. This is all on top of a 75 percent rise over the previous decade.

Among the new jails are two in Sydney's working class western suburbs—a 200-bed remand centre at Parklea and a 300-bed female prison at South Windsor. There will also be a 300-bed jail on the state's mid-north coast. The once-condemned old Parramatta Jail, reopened last year because of prison overcrowding, will remain in service. In addition, four new juvenile prisons (officially known as correction centres) will be completed, at Dubbo, Grafton, Gosford and Cobham.

Corrective Services Minister Bob Debus, one of the leading lights of Labor's Left faction, commented that there had been an “unprecedented increase” in the prison population over a year. He attributed the rise to “extra police numbers, intensified police activity, tougher sentencing for serious crimes and stricter bail decisions”. Debus insisted that the jail boom augured well for the economy. The new prisons would create 1,900 jobs during construction and 200 permanent Corrective Services positions.

Why is the Labor government anticipating, indeed

aiming for, a continuing rise in the number of prisoners? What social conditions will result in so many more people, particularly young people, being incarcerated? Some of the answers can be found elsewhere in the Budget, which media commentators have praised as the Carr government's first true “pro-business” Budget.

In the first place, the Labor leaders will boost front-line police numbers by another 2,100 over the next four years, at a cost of \$1.44 billion. Over the past four years they have already given the police unprecedented new powers, including the right to detain anyone for questioning, impose curfews on young people, and stop and search anyone or their vehicles. This has doubled the number of juvenile arrests.

The growth areas of police and prisons stand in stark contrast to the job-shedding throughout the rest of the public service. The Budget for 1999-2000 year provides for 1,400 retrenchments—up from 1,000 this year. At a time when unemployment officially exceeds 7 percent, another 2,000 jobs will be eliminated by a staff freeze. The worst-affected areas include public health, social welfare and community services, already under severe strain because of worsening poverty.

A further 500 jobs will be scrapped by government-owned companies, notably Sydney Water, the State Rail Authority and Pacific Power, an electricity provider. Workers in these areas who refuse to take “voluntary redundancies” are already being forced to take long service leave.

On top of that, the Budget has no provision for public sector pay rises, including for government school teachers, who are seeking a much-needed 7.5 percent increase.

Moreover, the most crucial social programs are either capped or reduced. Areas to be cut include public

housing, social and community services and public transport. Health and education spending will barely keep pace with inflation.

Public hospitals: Another 1,000 jobs will be cut this year, as part of a continuing sharp shift away from overnight admissions to lower-cost treatment in day surgery centres, with patients sent home to recover.

Schools: Despite severe shortages of relief and casual teachers, as well as the need for pay rises, spending will not rise in real terms. Individual schools will have to raise more for essential items such as computer infrastructure, books and educational and sporting activities.

Community services: Spending by the Department of Community Services will be cut by \$30 million, with disability services, foster family carers, home care, women's services and child sexual assault programs suffering the most.

Public housing: Spending will be reduced despite a waiting list of 92,000—up 5,000 since 1995.

These cuts will help finance tax handouts to the employers and the wealthy worth \$2.6 billion over four years. By far the biggest cuts are in payroll tax, followed by land tax. One of the Carr government's first actions after winning re-election earlier this year was to host a business summit at parliament house where it pledged to continually cut the cost of doing business in the state. The Budget is just an initial instalment.

By contrast, the Labor leaders are counting upon one type of taxation revenue to keep on rising spectacularly. Proceeds from gambling taxes will soar by 10 percent or \$139 million next year, and by \$400 million over four years. Most of this bonanza will come from the licensing of 2,300 more gaming machines in hotels and clubs, a form of gambling designed specifically to draw in those on lower incomes. Under Labor, government revenue from this “tax on the poor,” as it is widely known, has already risen by 50 percent in four years.

Apart from prisons, police and gambling, the state's biggest growth industry is next year's Sydney Olympic Games. While hospitals, schools and social services go begging, the Budget allocates another \$1.7 billion for the Olympics. There is an additional blowout cost of \$44 million, primarily to pay for nightly celebrations and other forms of popular entertainment, together with more intensive crowd control.

Like gambling, the Olympics are regarded in ruling circles as an essential diversion from the reality of declining living conditions for the vast majority of people. One measure of this lies in the following comparison. The \$44 million outlay for Olympic “celebrations” exceeds the entire allocation of \$35 million for legal aid.

According to the public relations handouts accompanying the Budget, the legal aid funds have been generously increased by 30 percent. What the PR material does not say is that, with federal funding cutbacks and other revenue shortfalls, the state Legal Aid Commission still faces a \$500,000 cut in 1999-2000. This will worsen what is widely acknowledged to be a severe crisis in the legal aid system, with thousands of often distressed people being denied assistance.

So, while the Labor leaders are spending hundreds of millions of dollars to boost the police, they are also working, with the federal Howard government, to ensure that most ordinary people will have no access to legal advice and representation, particularly if they wish to challenge government or corporate conduct, or even defend themselves from criminal prosecution.

The overall pattern is unmistakable. As social conditions deteriorate, the Labor government in New South Wales is taking the lead nationally in whipping up a “law and order” climate designed to condition public opinion to accept the most repressive and punitive responses.

One final observation must be made. The entire Budget is predicated upon economic growth of 3 percent. If the current US-led sharemarket binge collapses, the cuts to social spending and living conditions will quickly deepen. One newspaper columnist noted: “The biggest risk to the Budget's sunny projections for State finances lies on the other side of the world—on Wall Street.”



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact