

From labour to work: Evaluation of, and options for, Victoria's Prison Industries

(Key findings and recommendations)

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A note on work and labour

‘... work is defined as rounded activity combining creative, conceptual and analytical thinking and use of manual aptitudes – the *vita activa* [ie the vital activity] of human existence.

... Work involves an individual element and a social element, an interaction with objects – raw materials, tools, ‘inputs’, etc. – and an interaction with people and institutions. The degree of creativity in work may be small or at a level of ‘genius’. Work may or may not produce ‘goods’ or ‘services’ ...

...

The notion of labour is quite different. Not all work is labour and not all labour is work. The word ‘labour’ is derived from the Latin (*laborem*) implying toil, distress and trouble. *Laborare* meant to do heavy, onerous activity, and early medieval use of *labeur* was associated with agricultural activity, typically with the plough. The French word *travailler* is derived from the Latin *tripatiare*, meaning to torture with a nasty instrument. And the Greek word for labour, *ponos*, signified pain and effort, and has a similar etymological root to the word for poverty, *penia*. All these early derivations convey a negative view of labour.’

From Guy Standing, *Global Labour Flexibility. Seeking Distributive Justice*, MacMillan Press, Houndsmills, 1999 pages 3 – 4.

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Introduction

Between July 2006 and July 2007 researchers from the Workplace Research Centre at the University of Sydney undertook an evaluation of Corrections Victoria's Commercial Prison Industries. The primary objective of the project was to evaluate the adequacy of the program for contemporary business, employment and educational needs given the changing economic context. In addition the researchers were to provide advice on how the program might be improved.

The project was undertaken in four stages. A review of relevant literature was undertaken. This was followed by the field work phase of the study. This involved gathering extensive qualitative information from Prison Industry staff, prisoner educators, head office management, community organisations involved with supporting prisoners and a small number of recently released ex-prisoners. In all [seven] prisons and five researchers were involved in this phase of the project. Following completion of the qualitative analysis we were commissioned to undertake a 'financial analysis' of recent performance and outlook for the Commercial Prison Industries. This stage involved scrutiny of administrative by-product data and interviews with those knowledgeable of prison industries in other jurisdictions, mostly in Australia. The final phase of the project has involved production of this synthesis report. It draws on three source documents – the reports arising from the literature review, qualitative field work and financial analysis. It is divided into three sections:

- . a summary of key findings based on our analysis of the situation in Victoria
- . insights into how Victoria's Prison Industries could be improved in the light of recent experiences of Prison Industries in other jurisdictions
- . specific suggestions on how improvements might be achieved.

Those interesting in obtaining more details about our findings can get this from the source documents.

Key findings

1. **Objectives:** *The Victorian Commercial Prison Industries are expected to achieve multiple, not easily reconciled, objectives.*

The effectiveness of the Prison Industries is marred by competing objectives and changing priorities. Sometimes Ministers and senior managers want the Prison Industries to generate income, at other times they desire better rehabilitation/training and at other times they are primarily concerned with keeping prisoners occupied. Such changes make improvements in operational performance difficult.

2. **Scale and significance:** *The Victorian Commercial Prison Industries are a small part of Corrections Victoria's total staff and budget. They play, however, a very large role in the life of prisoners.*

Prison Industries constitute only a small proportion of Corrections Victoria's operations.

- In 2005/06, of 3,905 prisoners, 1,792 (75.9 percent) were in the public sector. Of the 1,434 staff managing those in public prisons, only 85 (6 percent) were dedicated Prison Industry staff. The entire Prison Industries function only cost \$17.13 million or 4.1 percent of Corrections Victoria Budget in that year.

In 2005/06 the costs associated with running the Prison Industries were split between labour (approximately \$9.3 million) and non-labour operating expenses like raw materials (\$6.8 million).

- of the labour costs, the great bulk was spent on Prison Industry staff (approximately \$6 million). The majority of prisoner labour was devoted to commercial industries, with ratio of 'industries' to 'prison services' being 3:2.

All able bodied prisoners are expected to perform [6 hours] work per week day. In return for this they receive 'earnings' of around [\$7.50] per day. This activity is a major part of their time in prison. It is also profoundly important in giving the capacity to obtain minor of luxuries and accrue the most basic level of savings while incarcerated. Within Corrections Victoria, however, the Commercial Prison Industries are a minor part of the Department's operations.

3. Labour supply: *The labour force involved (ie labour supply) is one of the hardest to manage in the Australian labour market.*

This is because of the high turnover and 'absenteeism' amongst those available for work. This arises from most prisoners only serving short sentences which are often spread over several prisons. Time available for Prison Industry work is also shared with remedial programs and education.

The workforce that has to be deployed is highly diverse, with most from some of the most disadvantaged groups in the labour market. Not only have many only held low skills jobs at best, the great bulk have been chronically un- and under-employed. This is because they are mental and physically disabled, drug damaged and/or from culturally/linguistically diverse backgrounds. This problem is not, however, uniformly spread throughout the prison population: there is also considerable diversity based on age, gender and some well educated and competent prisoners.

4. Definition of productive activity: *Prison labour is regarded as being 'productive' if it is 'not idle'.*

Standard notions of productivity and productive performance do not – and should not – inform the use of labour in Victoria's Prison Industries. Idle labour in a prison context is not 'unemployed' in the normal meaning of the term. It can quite quickly become actively counter productive. Nearly all interviewed for this project noted that without structured activity many prisoners quickly cause problems or 'mischief'. In many cases this is minor, but time consuming to manage. At worst, it can result in major disturbances. In some cases it is clear that Commercial Prison Industry activity resulted in developing and upgrading prisoners' skills through work based learning.

These skills were of basic but important nature - things like basic work disciplines of punctuality, working in a group and meeting basic deadlines. In many instances, however, the activities' primary achievement was the prevention of idleness. In the words of several ex-prisoners – it involved little more than 'burning time.'

5. The type of activity performed: *The work provided by Prison Industries is often requires very low levels of skill.*

The nature of the prison labour force limits the type of work that can be taken on. Just as, if not greater, significance is the prohibition against competing with Australian businesses. Traditionally this has meant much Prison Industry work has been in low skill, low valued manufacturing. Much of this output can now be produced more cheaply in Asia. Traditional customers of Prison Industries are either re-locating production off-shore or simply importing products made overseas. Demand remains stable for some Prison Industry jobs. These are primarily in food and cleaning services for the prisons themselves and community programs (eg Landmate). In Victoria many of these services to prison industries are organised independently of the commercial Prison Industries.¹

The major benefit of these jobs is that prisoners (and the prison system) gain some income. They also provide some rudimentary on the job training, especially in basic work discipline. Most of the 'jobs', however, are very limited. In reality they are neither 'work' nor undertaken in 'commercially' viable settings. They are performed in a highly constrained and resource limited environments. As noted earlier their prime feature is that they are a distraction from idleness and are best understood as providing a systematic way of 'burning time'.

6. Organisational models. *Prison Industry work is organised on the basis of one of three models.*

- (a) the 'traditional' public sector model of 'productive activity' (ie non-idle time) resulting in saleable output of some kind. At some prisons this is organised very well, at others the quality of these arrangements can only be described as 'ordinary'.
- (b) a nascent model from the private sector prisons which endeavours to be more rigorously commercial, but which is based on 'cherry picking' the better prisoners.
- (c) the Margoneet model based on more systematic integration of Prison Industries with vocational services and programs. This model is, however, at the very early stages of implementation.

7. Assessment of performance

Gross revenue is declining and fluctuating more dramatically from year to year. Nett revenue, however, appears to be increasing. Gross revenue from commercial industries has fluctuated, but appears to be on a downward trend. More significantly

¹ The Landmate program is, however, administered by the Prison Industries.

stable sources of revenue appear to be declining. Between 2002/03 and 2006/07 revenue from commercial clients fell (in nominal terms) from \$9.3 million to \$6.9 million ie 25.5 percent. Of the five top major clients in 2002/03 only one retained this status in 2006/07 and its contribution to revenue fell from \$1.3 million to \$224,855 (in nominal terms).

Integration with programs and education is patchy. Links between the Prison Industries and others involved with managing offenders within and beyond Corrections Victoria is limited. This is especially the case with programs and education in the prisons and the arrangement of support and employment beyond prisons.

Limited adaptive capacity. The key barriers to change are a deep fatalism within traditional custodial and TAFE cultures associated with prisoner work and education.

8. Inadequacy of data

In preparing the statistical material for this report we drew on data generated from a variety of sources. Prime among these were: Corrections Victoria's human resource management information system, the Prisoner Information Management System and the Oracle general ledger management system. None of these has been designed to help with operational management of this part of Corrections Victoria's operations. There is a critical need to ensure recent moves to improve management information system associated with the Prison Industries continue.

9. Major finding: current arrangements unsustainable

From our analysis of the data it appears that the current model of Prison Industries is unsustainable. Even in good years Prison Industries do little more than make a slight margin over outlays expended on non-labour inputs in production. Given the changing client base even this modest financial achievement will be difficult to maintain. Improvement will only be possible if resources underpinning this part of Corrections Victoria's operations are increased. In particular, there is a need for more marketing and business development capacity. If the system is to be more effective in providing improved outcomes and support following the release of prisoners back into the community extra resources will be required for this purpose as well.

Outlook and lessons from Prison Industries in other jurisdictions

Insights on how Victoria's Prison Industries could reposition themselves in response to the current situation were gleaned from interviews with those knowledgeable of the operations, problems and responses of Prison Industries in other jurisdictions. This revealed the following.

- (1) Prison Industries in all jurisdictions are facing similar problems to those identified in the analysis of the Victorian situation
- (2) the anticipated financial outlook for the Prison Industries is, however, quite varied

- (3) the common feature of those schemes reportedly facing a bright future is their adaptive capacity and their commitment to deepening business development capability
- (4) The key driver for change is not ‘the market’ but senior corrective services management. Examples of recent initiatives from this source have been:
- (a) trebling business development capacity (in Queensland and NSW)
 - (b) identifying new employment opportunities by proposing initiatives that help ease skill shortages and production bottlenecks. The mechanism of ‘reverse’ tenders seeking employers to joint prison industry endeavours means employers can be mobilised to compete for prison industry business (Queensland)
 - (c) changing hours of operation to increase effective capacity and reliability of supply. Queensland, for example, is moving to a 12/7 roster to help increase the amount of prisoner time available for prison industry work and allow for a better integration of industries, education and programs.
 - (d) shifting inventory costs onto clients (UK)
- (5) While there is no ‘one best practice’ model of how to run Prison Industries, experiences across jurisdictions point to seven key issues to get right.
- (a) accept that there are different models for defining Prison Industries and design initiatives appropriate to maximising the effectiveness of the model adopted. Four models were identified from the interviews:
 - (i) predominantly custodial model
 - (ii) custodial – ‘commerce as central’ model (where commercial means primarily contributing to cost recovery)
 - (iii) custodial – ‘commerce as integral’ ‘model (where commercial means primarily operating in a ‘business like’ fashion)
 - (iv) commercial rehabilitative model (where commercial activity is systematically integrated with programs of rehabilitation).
 - (b) leadership at ministerial and senior executive/management level is critical to successful change. Ideally Prison Industries should be integrated within a ‘whole of government’ framework as has recently occurred in New Zealand.
 - (c) Prison Industries appear to be more successful the more independent they are from those managing custodial responsibilities
 - (d) Prison Industries appear to work better where they are closely integrated with programs and vocational education
 - (e) Adequate resources must be allocated for organisational and productive capacity

- (f) Accountability is vital for innovation.
- (g) The more successful Prison Industry programs are considering how they can improve support for offenders when they leave and enter the open labour market on their release.

Possible new directions for Victoria's Prison Industries

Our field work has revealed the Victorian Prison Industries (PIs) are a very mixed bag of activities. This not only goes to the range of activities performed, but also concerns how well they 'work'. Clearly this arises, in part, from the limited resources available for their operations. More significant, however, are how they are managed. The key problem is the lack of clear policy priorities. The three objectives guiding their operations are hard to achieve simultaneously. They are impossible to achieve as their relative importance changes – and this reportedly happens not infrequently as managers and structures of the prison service change.

In clarifying new directions we have been guided by three fundamental findings. These can be summarised as three challenges with very important implications for policy.

Challenge 1: Priorities, economic imperatives and the need for realism.

More realism needs to inform priority setting for PIs. There needs to be greater commitment to sticking consistently with priority objectives. There needs to be greater recognition of the importance of reducing longer term opportunity costs associated with repeat offenders and less preoccupation with generating as much revenue as possible in the short run to offset the cost of managing the prison population.

Challenge 2: Prison Industry staff have to manage one of the most difficult segments of labour supply in the labour market. Finding suitable vacancies for this population after release is extremely difficult.

Few other employers ever have to face the challenge of managing the labour force that finds itself in prison. To be sure, many prisoners are capable of performing good work; many of them do. A greater number, however, suffer from significant mental or physical disabilities and/or have had limited attachment to the labour market. Consequently a very large proportion lack basic work disciplines: like reliability in attending work regularly and performing set tasks consistently with limited supervision. This is not just a problem while they are in prison. It creates major challenges when they leave. Who will employ such people?

There is a pressing need to devote serious attention to making the prison population more employable. Simply getting them to perform basic work tasks is of limited use for achieving this. More conscious effort needs to be directed at training for future employment opportunities. The model provided by pre-apprenticeships or other pre-employment work-based training arrangements offers important leads on how this

might be achieved. This fits with the Victorian Government's economic strategy of 'Maintaining the Advantage'. Devising any new pre-employment/pre-apprenticeship arrangements appropriate for the prison setting would need to be devised with the active involvement of employers likely to hire labour emerging from such arrangements. Without this involvement any new initiative is unlikely to result in better labour market outcomes for ex-prisoners.

Challenge 3: Prison Industries are only one part of the prison system.

A recurring theme of the fieldwork concerned the low standing of PI within Corrections Victoria compared to programs and education. This means prisoners' work activities always take last priority relative to the demands of others – including sentence management and education. This low standing limited the ability of even creative and innovative PI staff to deliver a quality work experience for the prisoner and a quality product/service for industry clients. Instead of being seen as a residual in the system, PIs need to reposition themselves as central to prisoner rehabilitation. We suggest that this would be best achieved if the PI were defined primarily as 'Corrections Victoria's Skills Centres'.

Moving from labour to work: The Industry Skill Centre model

It was also clear from the field work interviews with teachers and Prison Industry staff that many prisoners preferred education activities to their PI activities. While 'burning time' was clearly better than being idle, education activity that leads to recognisable improvement in life beyond prison is preferred by significant numbers of prisoners. It needs to be recognised, however, that many prisoners' education needs are extremely basic. Literacy and numeracy levels are very low. Many prisoners have been failed by the school system and do not like class room learning.

From our analysis we think the key challenge is to get the best out what both the PIs and prison education systems offers. This would mean building on the best of what PIs offer i.e. structured work-based learning. In the best PIs programs we studied, work took the form of a learning experience. This is very similar to what occurs in industry skill centres operating in various sectors throughout the economy. In these skill centres, while product is produced and is often for sale, it is recognised that the site is primarily a learning site. Jobs are performed in a controlled environment so that trainees, apprentices and cadets can learn new, practical skills. People learn through the practice of work, not primarily in a class room setting.

Repositioning the PIs so they all have this defining characteristic will have many challenges. The two most significant arise from the nature of the prison population itself – especially the 'flow' of this labour and its 'segmentation'. Any move to establish PI as industry skill centres will have to engage with these significant realities. The flows limit how long any one prisoner is available for a spell/session of work based learning. Many offenders are only in a particular prison for a few months. Workplace education programs will need to work with this reality if they are to have any chance of success. Even more profound is the nature of the skill level of the prison population itself. As we noted earlier, it is a highly differentiated group

ranging from the mentally ill and drug damaged through to intelligent people who have made the calculation that the returns of criminal activity are so great that such activity is worth the risk. Running industry skill centres for such a diverse group of people will require considerable creativity. How can economies of scale be reaped in the face of this diversity? Clearly one model will not suite all prisoners. Equally the diversity is not so great as to prevent significant efficiencies being gained in organising different sub-groups of the prisoner population into different classes of ‘work-based learner.’

Recommendation 1: That in future the priorities for Victoria’s Prison Industries should be clearly defined and followed consistently for a sustained period of time. The key priority for the foreseeable future should be to change this part of Corrections Victoria’s operations so that they operate as a network of industry skill centres that help improve prisoners’ employability once they are released.

Recommendation 2: To help achieve this objective the operation of Prison Industries should be organised on the basis of 12 hour day (two shift roster) operating seven days a week. The operation of such a roster would help prisoners participate properly in education and program activities as well as Prison Industry work as occurs in Queensland. It should be noted that there will be significant costs associated with this (in terms of prisoner wages and supervisor staffing) as well as the need to extra business development capability to ensure sufficient orders are obtained to justify the extra shifts.

In Source Document I we outline some specific initiatives that could be undertaken to move PI in the direction of becoming *Corrections Victoria’s Industry Skill Centres*. The key elements of what is proposed can be summarised as follows.

Specific initiatives

If the Prison Industries program is to become primarily concerned with pre-employment/pre-apprenticeship work based learning *more support* will be needed for prisoners and PI staff. Just as, if not more important, will be *clarifying, prioritising and broadening the roles* of those involved in the service.

(1) Increasing support – financial and organisational

(a) Support for prisoners

Support will be needed for prisoners both while they are in prison and when they leave.

Recommendation 3. Corrections Victoria needs to evaluate current approaches to the case management of prisoners. Greater attention needs to be devoted to sequencing placements at particular sites in a way that fits with Prison Industries labour force planning. Unless such planning can be more effectively organised the Prison Industries will find it very difficult to break out of the reactive system that currently prevails.

Recommendation 4. Case management needs to extend from the flow of prisoners while incarcerated to the labour market post-release. Organisations such as VACRO (which are community based and offer support post release) need to be better resourced to help build bridges between the management of prisoners within prison and their trajectory within the labour market following release. Case managers within and beyond the prison need to build better links between prisons and the labour market to help prisoners more readily find employment following their release.

(b) Support for PI staff

Moving to a Skill Centre model will only be possible if Prison Industries staff are trained and properly resourced.

Recommendation 5. More resources in the form of pilot program funding and the establishment of an ‘extension service’ of organisational expertise is needed to help Prison Industries staff devise more effective approaches to running the Prison Industry services. This support is necessary if the three proposed priorities are to have any chance of success. If the commercial side of Prison Industries is to have any chance of flourishing additional resources will need to be devoted to business development (ie employ at least two extra senior staff dedicated solely to working on linking prison industry work with customer requirements). Special attention should be devoted to gaining the expertise necessary to operate ‘reverse tendering’ arrangements along the lines recently pioneered in the Queensland concerning rainwater tank production industry.

(2) Clarifying and extending roles: redefining expectations and outcomes

Reducing long term social costs by delivering better pre-employment/pre-apprenticeship arrangements requires more than increasing funding and personnel. It requires redefining what all the stakeholders in the Prison Industries do. We believe special thought needs to be given to broadening the roles expected of prisoners, their prospective employers and PI staff.

Prisoners: There is a need to promote prisoners’ opportunities to become more active contributors to developing and passing on of new skills.

Recommendation 6: The possibility of prisoners becoming accredited monitors/mentors in a particular role (eg basic literacy training, ESL) should be explored as soon as possible.

Employers need to be better integrated with labour and not just product flows

Recommendation 7: Instead of reliance on ad hoc good will, more systematic effort needs to be devoted to identifying, organising/networking and supporting employers taking on ex-prisoners as workers.

PI staff need their roles and qualification requirements clarified. In addition consideration should be given to expanding their role to include the provision of intermediary services.

Recommendation 8. The roles of PI staff need to be clarified and more effectively prioritised. This should be done in the context of re-orienting Prison Industries more generally. A key part of this process will involve specifying qualification requirements and possibly upgrading the skills profile of PI staff both now and as they are replaced. If the new ‘industry skill centre’ orientation is to be successful PI staff will need to develop expertise in brokerage skills. Such skills will be necessary if Prison Industries are to play a better role in managing the flow of offenders from the prison system into the labour market. There may well be a need to develop a new class of PI worker – the PI field officer. The role performed by this position would be very similar to that performed by the best field staff in Australia’s group training network. They would seek out and identify suitable vacancies amongst employers, source labour appropriately for those positions and help both the employer and ex-offender settle into a new job. This would require pastoral care as well as employment and VET expertise. It is likely the development of such field staff will take some time. It may well be that such a service is best provided on a contract basis through groups such as VACRO.

Further research and data collection priorities

This evaluation was hampered by the limited information available on many issues associated with prisons in general and Prison Industries in particular. The major questions which should help determine future data collection priorities are:

- . What happens to prisoners after they leave prison, especially in terms of labour market experience? Do Prison Industry experiences help? If so, what works best?
- . How are prisoner flows currently managed in the prison system? Could they be managed better to ensure better preparation for work?
- . How adequate is the data that is currently collected? Could it be collected more efficiently? Could better use be made of it for labour force planning purposes?
- . Where are the key job opportunities for offenders leaving the system?
- . How well do the various Prison Industries in different jurisdictions operate? Could the annual collection and dissemination of data on key benchmarks (eg levels of accreditation amongst prisoners, level of employer engagement with prisoner labour) help foster a culture of ongoing improvements across the Prison Industries in Australia and New Zealand?

Recommendation 9: That Corrections Victoria organise a workshop of interested researchers, policy makers and practitioners involved in the Prison Industries to identify how best to improve the evidentiary base that informs decisions about the current and future operation of Prison Industries.

Where next?

In the previous section we outlined concrete suggestions on how the operation of Victoria's PI could be improved. How could these ideas be taken forward in practice? The most pressing challenge is to identify how to make pre-employment/pre-apprenticeship arrangements work in a prison context. Given the complexity of this challenge, this is probably best achieved through the promotion of a number of pilot projects to see how such arrangements might function and to begin to build the networks and organisational capacity necessary for their successful operation in the future. More details about this proposed pilot scheme are provided in Source Document 1.

a) What would be funded?

Proposals would be devised at the prison level that would outline how the operation of Prison Industries could be improved to deliver better employment-based training outcomes for prisoners. Two types of initiative could be supported:

- . Those which build on or consolidate a good set of established practices that require resources for improvement and documentation which others can learn from;
- . Those which involve moving into new industry sectors and actively draw on new networks of employers and labour market intermediaries such as labour hire companies, group training organisations or other community groups like VACRO

The initiative should:

- . Show how they will contribute to the development of new pre-apprenticeship/pre-employment arrangements in the Victorian prison system;
- . Involve a component that provides training and support for PI staff responsible for developing and operating the pilot initiative;
- . Ideally have suggestions on how the initiative will be benchmarked with PI activities in other States in prisons of roughly equivalent standing in that State's prison system

b) How would it be funded?

The State government has special funding for pre-apprenticeship and pre-employment initiatives. Accessing this and potentially having some of it earmarked and transferred to Corrections Victoria should be explored at ministerial level. Previously allocations for health used to come from that portfolio and were subsequently shifted to Corrections Victoria. Efforts should be made to get funds dedicated to prison education shifted from the Education to the Justice Portfolio.

We know change of this nature will take considerable time to achieve. In the meantime active attention should be made to generating pilot funding from a range of

philanthropic organisations interested in the issue of prison rehabilitation. Some prisons have accessed such funds in the past. A more systematic engagement with the philanthropic sector needs to occur to find funds in the short run for this initiative.

c) Who would be funded?

Initiatives would have to come from prison level. They would, ideally, be jointly formulated by PI and Corrections Education staff and local employers. There would also be a key role for intermediaries, especially those from the community sector. The proposals would take the form of local agreements with clear courses of action proposed.

d) Who would run it and how?

The pilot programs would have low administrative overheads and build on current positions. The two key administrators would be the Manager of Prison Industries and the General Manager, Research, Evaluation and Education.

At the systemic level there may be benefit in having a steering committee or advisory group that drew on expertise from organisations like the AIG, VECCI, VFF, VTHC, VCOSS and others with relevant expertise.

The selection criteria for projects would be very simple:

- . Quality of the proposed initiative concerning its ability to develop a new approach to pre-apprenticeship/pre-employment arrangements within a prison context;
- . Strength and diversity of the partnership supporting the initiative;
- . Consistency of the initiative with the prisoner's strategy/plan for offender management.

e) How should the pilot program proposal be refined?

In the interest of getting 'buy in' from the largest group of relevant people, suggestions should be requested from all those potentially interested in participating in such a pilot program. The groups consulted should include:

- . Prison industry managers and employees;
- . VACRO;
- . Interested employers;
- . Other Corrections Victoria personnel, especially group with special knowledge and expertise such as those involved in similar, related initiative such as the Corrections Services Education Pilot Program (CSEPP)
- . CEAV personnel
- . Group Training Victoria and its members.

Recommendation 10: That Corrections Victoria commits to a program of pilot initiatives to encourage a 'bottom up' process of change within its Prison Industries. Given the difficulties and delays in obtaining additional government funds work

should commence immediately on identifying and approaching philanthropic organisations that may be interested in contributing to the development of such pilot program.

Conclusion: Prison industries and new directions in work and skills policy

Prison Industries perform a valuable role in managing prisoners. That role could be improved considerably if priority objectives were settled. Special attention needs to be given to injecting greater realism into the operation of Prison Industries. The potential labour force is very special. It needs special attention. Devising a pre-employment/pre-apprenticeship arrangement that becomes the basis for running PI could play a major role in repositioning them to become Corrections Victoria's Industry Skill Centres.

These proposals build on the best of what is currently there. The challenge is to identify the best way of drawing this out of the system and spreading best practice more comprehensively within it. Central to this will be building new networks and partnerships. A pilot program will help trigger this process. Others, however, may have better ideas on how to address the challenges we have identified. We look forward hearing about to any suggestions they have.