



## **P3 Prison Contract Not Renewed by Ontario**

In *The Legal Edge* Issue 44 (September - October 2002), we reported on Canada's first public-private partnership (P3) prison, the Central North Correctional Centre (CNCC) in Penetanguishene, Ontario. The \$85 million CNCC was completed in 2001. Its sister facility, the \$79 million Central East Correctional Centre (CECC) in Lindsay, was completed in 2002. Because the two facilities are the same size and design, the Ontario government used them as a head-to-head test of the effectiveness of a P3 prison, signing a five-year, \$170.8 million contract with Management & Training Corporation of Utah to run the CNCC. The company runs correctional facilities in the U.S. and Australia.

In late April 2006, Ontario Correctional Services Minister Monte Kwinter announced that the province would allow the contract with Management & Training Corporation to run out that November.

“After five years, there has been no appreciable benefit from the private operation of the Central North Correctional Centre,” he said. “We carefully studied its overall performance compared with the publicly operated Central East Correctional Centre in Kawartha Lakes, and concluded the CECC performed better in key areas such as security, health care and reducing re-offending rates.

“We acknowledge that Management & Training Corporation was in material compliance with the contract,” Mr. Kwinter continued, “but the evidence clearly indicates that the public facility produced better results in key performance areas.” Based on a five-year study of the two facilities, outcomes at the publicly run prison were superior: inmates were treated better and were less likely to re-offend.

For its part, Management & Training Corporation maintained that the P3 arrangement saved the province \$23 million over the five-year contract period. While Mr. Kwinter agreed that the privately run prison had cost taxpayers less, he said that those savings were the result of a contract drawn up by the previous Conservative government in Ontario, which had allowed Management & Training Corporation to employ 94 fewer people than at the CECC. This, Mr. Kwinter said, resulted in lower-quality services. The company denied that the smaller workforce had an adverse effect on services, but in 2006, a review of staffing levels at the CNCC had revealed chronic understaffing and less-than-adequate supervision.

The contract with Management & Training Corporation expired on November 10, 2006.

Over the following six months, the ministry and its partners, including Management & Training Corporation and bargaining agents, shifted the operation of CNCC over to the public sector.

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