

Privatisation of Migration and Refugee Services
Short Briefing for UN High Level Meeting on Migrants and Refugees

by

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September 2016

A briefing paper commissioned by Public Services International (PSI) www.world-psi.org



Public Services International
Internationale des Services Publics
Internacional de Servicios Públicos
Internationale der Öffentlichen Dienste
Internationell Facklig Organisation för Offentliga Tjänster
國際公務勞連

The Public Services International Research Unit (PSIRU) investigates the impact of privatisation and liberalisation on public services, with a specific focus on water, energy, waste management, health and social care sectors. Other research topics include the function and structure of public services, the strategies of multinational companies and influence of international finance institutions on public services. PSIRU is based in the Business Faculty, University of Greenwich, London, UK. Researchers: Prof. Steve Thomas, Dr. Jane Lethbridge (Director), Dr. Emanuele Lobina, Prof. David Hall, Dr. Jeff Powell, Dr. Mary Robertson, Sandra Van Niekerk, Dr. Yuliya Yurchenko

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Problems of privatisation and private sector involvement in migration and refugee services

The involvement of the private sector in the provision of services for migrants and refugees has been expanding over the last 20-30 years in many countries. In some countries, such as the United Kingdom and Australia, the privatisation of these services has been taking place for long enough to show not only the poor quality of services but the long term effects of privatising services which were traditionally part of welfare services.

Types of services being privatised

The involvement of the private sector in the delivery of services for refugees and migrants takes a variety of forms and covers the different ways in which states and governments control refugees and migrants. Some of the services are aimed at adults but with growing numbers of unaccompanied child migrants, services are targeted at children. The main types of services for refugees and asylum seekers which have been privatised in many European countries are:

- Immigration;
- Housing;
- Transport;
- Detention;
- Removal.

As a way of illustrating how widespread this form of privatisation has become and the poor quality of services delivered, examples from several European countries and Australia are set out below.

United Kingdom (UK)

The UK has a long history of privatising services for refugees. The first privatisation was in 1971 when G4S (then called Securicor) was asked to manage detention facilities near Heathrow airport in Harmondsworth. In 1991, G4S won a contract to run Campsfield as an immigration detention facility. By 2011, 80% of the 3,034 people in immigration detention were detained in facilities run by the private sector (Grayson, 2016).

Serco is an example of a company which has been contracted to provide a wide range of public services, including health care, prisons and asylum seeker detention services. Twelve out of seventeen government departments have contracts with Serco. At the same time, there has been a growing catalogue of problems with Serco contracts that range from fraud to death. There have been reports of deaths in custody, self-harming and beating in Serco-run prisons. The company covered-up the sexual abuse of immigrants in Yarl's Wood and Colnbrook detention centres. A Channel 4 News investigation into Yarl's Wood in March 2015 reported numerous incidents of self-harm, questions over standards of healthcare (sub-contracted to G4S) and guards showing contempt for detainees.¹

An investigation by the National Audit Office (UK government auditor) into the privatisation of housing for refugees shows some of the problems of privatising services which were previously by local authorities as part of wider welfare services (Grayson, 2016). In 2012, the UK government (Home Office) outsourced the provision of housing services for asylum seekers to three companies, G4S, Serco and Clearel. Only Clearel has any experience of providing housing for asylum seekers, although G4S and Serco already had contracts to provide immigration, detention and removal services for asylum seekers. The COMPASS (Commercial and Operating Managers Procuring Asylum Support) contract aimed to save £150 million in seven years but in the first year of operation (2012-3) it had only saved £8 million.

The National Audit Office (NAO) were asked to invest this contract in 2014, following concerns raised by MPs and individuals. Their research/ investigation found that:

1. Clearel was the only contractor to meet the original 2012 deadline. G4S and Serco found it difficult to establish a supply chain of existing housing providers and to source new housing stock.
2. G4S and Serco both took on housing stock without carrying out full inspections and as a result found that many houses did not meet contractual quality standards. Many properties remain below quality standards with minor and major problems.
3. About 20,000 asylum seekers were housed at the beginning of the contract but 10% had to move. There were complaints from service users about the way in which they were told about these changes. Communications were not routinely translated which led to lack of understanding by the asylum seekers.

4. Service users and representative groups remain concerned about the quality of the accommodation, with backlogs of maintenance work, and the “approach of some of the providers’ housing staff”.²

This report shows that the two main private contractors, G4S and Serco, did not have the experience or expertise to run the accommodation services. The quality of the services was poor and the way in which staff deliver these services does not reflect a ‘public sector ethos’ nor does it reflect an awareness of the human rights of the refugees. One of the examples of appropriate delivery of services can be seen in the case of Jomast, the company which G4S contracted to provide houses in the North East of England. This company painted all the doors of the houses occupied by asylum seekers red. This meant that local far-right groups targeted these houses with attacks and insults. Although the doors have now been repainted, this shows how insensitive the companies delivering the services are towards the needs and feelings of the asylum seekers and refugees.

The Netherlands

G4S managed the detention centre at Schiphol Airport from 2003-2013. This was in spite of poor safety conditions and the death of inmates in a fire in October 2005. In 2007 G4S was given an extension of the management contract.³

Nordic countries

Nordic countries have also privatised many services for asylum seekers and refugees. In 1990, 12% of Norway’s asylum centres were private but this had increased to 77% by 2013. The centres were run by Hero Norge, which also runs centres in Denmark. Originally owned by ISS the global facilities management company, Hero Norge was sold by ISS to the Adolfsen Group, a private health care company in 2015.⁴ This is not the only example of a health care company being involved in asylum seekers detention services. Other health and social care companies include Aleris and Attendo, which are owned by private equity investors and operate in Norway, Sweden and Denmark. Services for asylum seekers are now considered a good private equity investment.

In 2010, Sweden passed legislation which outsourced asylum and reception services. In 2015 and 2016 when Sweden took in many migrants during the recent migration crisis, companies have been found to be making large profits from providing inadequate housing services, for example Aleris.^{5 6}

Germany

European Homecare, a company providing social services, has expanded into “psychosocial support in the transit area of Düsseldorf airport, in the mobile support of unaccompanied underage refugees and of foreign deportees in prison”.⁷ In the last two years, the profits of

European Homecare have grown as a result of running 50 accommodation and reception centres for refugees, with a 66% return on equity.⁸ There are no national quality standards for refugee accommodation in Germany but campaigners have highlighted the poor living standards for refugees at the same time as companies are reporting large profits.

Australia

The history of Australian outsourcing of services for migrants and asylum seekers has shown that the way in which services are provided does not respect the human rights. Since 2001, asylum seekers arriving by boat have not been allowed into Australia and are sent to either Nauru, an island in the Pacific Ocean, or Manus in Papua New Guinea.

In 2015, a Select Committee of the Australian Parliament published a report on 'Recent allegations relating to conditions and circumstances at the Regional Processing Centre in Nauru Taking responsibility: conditions and circumstances at Australia's Regional Processing Centre in Nauru', which had heard evidence from a wide range of individuals and organisations.⁹ It made a series of recommendations on the basis of the evidence received. Again, this was not the first time that the Regional Processing Centre (RPC) in Nauru had been subject to an inquiry. The Moss Review (2015) into the physical and sexual abuse of children at the RPC had made a series of recommendations.

The 2015 Select Committee reported that it had received extensive evidence about the behaviour of staff working at the RPC and that "there was cause for ongoing concern about the performance and accountability of Commonwealth contracted service providers" (5.28). The contractor, Transfield Services had received 725 complaints in a period of 14 months until April 2015. These included 45 allegations of child abuse and sexual assault (5.29). Problems of record keeping and accountability were also reported.¹⁰

A film of a riot at the RPC showed that security personnel were preparing to use unreasonable force against the asylum seekers and were also seen to use derogatory language. The Select Committee reported that "The footage revealed a workplace culture which is inconsistent with Wilson Security's role to provide safety and security to asylum seekers within the facility" (5.32) Wilson Security initially denied that the film of the riot had been taken in their evidence to the Committee. This was later found to be false information.¹¹

The Select Committee found that standards of living for asylum seekers was unacceptably low including "exposure to the elements, lack of privacy, poor hygiene and insufficient access to water and sanitation" (5.64). Health and welfare workers with direct experience of the RPC had reported of the links between poor living conditions and high levels of physical and mental health problems experienced by asylum seekers (5.65).¹²

Children were particularly at risk at the RPC. There was evidence of abuse of children, traumatisation and mental illness among children. "These children ...often do not feel safe, and in fact are often not safe" (5.72). The Select Committee recommended that RPC is not a safe or appropriate environment for children and they should not be held there (5.75).¹³

In August 2016, a series of files documenting complaints and accounts of ill-treatment taking place in the RPC were released by the Guardian newspaper.¹⁴ The files show evidence of sexual abuse to children, trauma and self-harm and unacceptable standards of living.¹⁵ Conditions in Manus, Papua New Guinea, have also been widely criticised by human rights agencies. The reaction of the Australian government to these leaked files again shows secrecy and lack of transparency that characterises the attitude of the Australian government to its offshore detention centres. New legislation will make it illegal for any worker to report on the conditions in the centres. As a result of the publicity resulting from these leaked file, the companies involved in the delivery of services, for example, Wilson Security Services, have been told that they have been involved with human rights violations and will be “liable for crimes against humanity”. Wilson Security Services has announced that it will be withdrawing from the contract in October 2017.¹⁶

Deaths

A report published in 2015 by the Institute of Race Relations (UK) documented asylum and immigration-related deaths and the role that governments’ immigration policies and practices contributed to these deaths across Europe.¹⁷ This report documented 160 deaths but stressed that this was only an indicative number because many deaths of asylum seekers are undocumented in many European countries. The causes of these deaths are the result of the precariousness of the status, rights and basic living standards, strongly influenced by the poor quality of basic services delivered to asylum seekers and refugees. Two examples set out below show the direct impact of privatised services.

In Germany in 2010, an asylum seeker from Chad, Djamaa Isu, aged 21, was found dead in an asylum camp in Brandenburg in Eisenhüttenstadt. He had been refused asylum and had not received any medical care. He hanged himself while awaiting deportation. The camp, run by a private company BOSS, was dirty and overcrowded with frequent protests.¹⁸

A second example was the death of Jimmy Mubenga, aged 46, who was about to be deported to Angola. He died of asphyxia during his deportation at Heathrow airport. He had lived in the UK for 17 years, had permanent residence and was married with five children. He had served a sentence for assault and was to be deported following the end of his sentence. Three G4S guards assaulted him in the aircraft when he was alleged to have become violent. The inquest found that he had been unlawfully killed as a result of the use of unreasonable force.¹⁹

Conclusion

1. The privatisation of services for refugees and asylum seekers has a direct effect on the quality of services resulting in services which are inappropriate and insensitive and which ignore human rights.
2. Companies which are being awarded contracts often have previous experience of prison privatisation or other forms of detention.
3. There is a lack of transparency about how contracts are awarded and managed which creates governance problems for public agencies managing the contracts.
4. Workers are often unqualified and not properly trained which results in services being delivered in ways that do not respect asylum seekers and refugees and lack a 'public sector ethos'.
5. Service users often feel unable or are afraid of complaining about poor quality of services. Workers are often abusive and bullying towards them.
6. There are wider issues raised by outsourcing of migration management services which should be part of public welfare services because the commodification of these services results in them being seen as economic activities which do not reflect the need to protect human rights or promote social inclusion.
7. There is a growing market in migration management services in Europe and globally with private equity companies buying and seeking companies delivering these services.
8. Private companies are increasingly making money out of refugees / migrants because governments are unwilling to provide services.

¹ <http://www.channel4.com/news/yarls-wood-immigration-removal-detention-centre-investigation>

² National Audit Office (NAO) (2014) COMPASS contracts for the provision of accommodation for asylum seekers Report by the Comptroller and Auditor General HC 880 Session 2013-14, 10 January 2014ational Audit Office

³ Grayson J. (2016) The corporate greed of strangers Comment <http://www.irr.org.uk/news/the-corporate-greed-of-strangers/>

⁴ <http://globalma.com/transactions/2601>

⁵ <http://www.aljazeera.com/indepth/features/2016/03/private-asylums-sweden-benefit-refugee-crisis-160321093701802.html>

⁶ <https://www.theguardian.com/world/2015/oct/18/swedish-private-housing-sector-refugees>

⁷ <https://www.eu-homecare.com/en/who-are-we/>

⁸ Grayson J. (2016) The corporate greed of strangers Comment <http://www.irr.org.uk/news/the-corporate-greed-of-strangers/>

⁹ Australian Senate Select Committee (2015) Recent allegations relating to conditions and circumstances at the Regional Processing Centre in Nauru Taking responsibility: conditions and circumstances at Australia's Regional Processing Centre in Nauru

¹⁰ Australian Senate Select Committee (2015) Recent allegations relating to conditions and circumstances at the Regional Processing Centre in Nauru Taking responsibility: conditions and circumstances at Australia's Regional Processing Centre in Nauru

¹¹ Australian Senate Select Committee (2015) Recent allegations relating to conditions and circumstances at the Regional Processing Centre in Nauru Taking responsibility: conditions and circumstances at Australia's Regional Processing Centre in Nauru

¹² Australian Senate Select Committee (2015) Recent allegations relating to conditions and circumstances at the Regional Processing Centre in Nauru Taking responsibility: conditions and circumstances at Australia's Regional Processing Centre in Nauru'

¹³ Australian Senate Select Committee (2015) Recent allegations relating to conditions and circumstances at the Regional Processing Centre in Nauru Taking responsibility: conditions and circumstances at Australia's Regional Processing Centre in Nauru'

¹⁴ <https://www.theguardian.com/australia-news/2016/sep/01/wilson-security-to-withdraw-from-australias-offshore-detention-centres>

¹⁵ <https://www.theguardian.com/australia-news/2016/aug/10/the-nauru-files-2000-leaked-reports-reveal-scale-of-abuse-of-children-in-australian-offshore-detention>

¹⁶ <https://www.theguardian.com/australia-news/2016/sep/01/wilson-security-to-withdraw-from-australias-offshore-detention-centres>

¹⁷ Abu-Hayyeh R. & Webber F. (2015) Unwanted, Unnoticed: an audit of 160 asylum and immigration deaths in Europe European Research Programme, Institute of Race Relations p.2

¹⁸ Abu-Hayyeh R. & Webber F. (2015) Unwanted, Unnoticed: an audit of 160 asylum and immigration deaths in Europe European Research Programme, Institute of Race Relations p.15

¹⁹ Abu-Hayyeh R. & Webber F. (2015) Unwanted, Unnoticed: an audit of 160 asylum and immigration deaths in Europe European Research Programme, Institute of Race Relations p.25