OUR DIRTY SCHOOLS

KENNETT’S FAILED CLEANING CONTRACTS

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When Premier Jeff Kennett contracted out school cleaning in 1992 and halved funding for school cleaning, this created a crisis in cleaning and labour standards from which Victorian schools have never recovered.

Cleaning time was savagely cut back, leaving schools dirty. One in five cleaners had to use the same mops in toilets and bathrooms and in other parts of the school, because of cost-cutting by contractors.

Meanwhile, cleaners were underpaid and missed out on basic entitlements, like sick leave, annual leave and superannuation.

In 2005, Premier Steve Bracks attempted to reform school cleaning: Approved contractors would have to meet minimum labour and safety standards before bidding for school cleaning contracts.

But an audit of 110 schools across Victoria earlier this year has revealed government monitoring and compliance mechanisms have failed.

Students still have to learn in dirty schools, because of under-funding of cleaning contracts by schools and cost-cutting by contractors.

School cleaners aren’t paid their legal entitlements and do vast amounts of unpaid work, despite already being very low-paid. One cleaner was found to have been underpaid by more than $6,000.
Student safety is at risk: one in ten cleaners do not have a Working With Children Check. Many self-employed cleaners rely on volunteer labour of friends and family — also unknown and unchecked — because under-funded contracts do not provide enough paid hours.

There continues to be inadequate training and poor safety standards, while legal advice suggests schools and the Government may be liable for injuries of contract cleaners.

In 1996 Western Australia also experimented with school cleaning contracts. A rapid deterioration in cleaning and labour standards quickly followed, while projected cost savings also did not eventuate.

In 2005, WA made direct employment of school cleaners mandatory.

Poor cleaning and labour standards in Victorian schools demand a real, lasting solution: Direct employment of cleaners will do this.

Modelling shows cleaners can be re-engaged within existing budget outlays. In fact, direct employment could actually save money.

Independent analysis shows in-house cleaners can be more productive.

It is time the Brumby Government heeded these lessons too and ensured Victorian students can once again enjoy a clean and pleasant learning environment they so clearly deserve.
A clean and pleasant learning environment is every child’s right and every government’s responsibility. Studies also show that clean, well presented schools can make a real difference to student academic performance. But if schools are not cleaned properly they can become a health hazard — and seriously damage student learning and teacher morale. Poor cleaning standards also compromise the value taxpayers and the community receive from new school facilities, through such investments as the Federal Government’s $16.2 billion Building the Education Revolution program.

This report investigates the impact of school cleaning contracts in Victorian government schools, and recent efforts to reform this system.

Chapter One looks back to how this experiment began — and its immediate impact. In 1992, Premier Jeff Kennett dismissed 4000 school cleaners, slashed school cleaning budgets and forced schools to engage private contractors. This created a crisis in cleaning and labour standards in Victorian government schools. Cleaning time was cut back savagely, leaving classrooms, toilets and other areas in an unacceptably unhygienic state. Meanwhile cleaners, who were often recent migrants with little English, became a marginalised workforce: they were underpaid, denied their basic legal entitlements and forced to endure dangerous working conditions.

Chapter Two considers Premier Steve Bracks’ attempt to reform this broken system. Under this “Panel System” only approved contractors that meet minimum standards can bid for school contracts. The intention was to achieve cleaner schools, fair working conditions and a reduced burden for schools in managing contractors. However an audit of more than one hundred Victorian schools finds these reforms, while well-intentioned, have comprehensively failed. Monitoring and compliance mechanisms have not delivered. Consequently, students are still learning in dirty schools because of under-funding by schools and cost-cutting by contractors. School cleaners remain caught in the middle of this dysfunctional system, blamed for poor standards even though there is not enough time to clean properly. Meanwhile, many are not paid their basic legal entitlements, forced to do vast amounts of unpaid work and still face dangerous working conditions. There is also evidence of a thriving black economy in schools, with international students working for cash-in-hand payments.
Chapter Four explores how much it would cost for Victorian schools to return to direct employment of school cleaners. Modelling shows cleaners can be re-engaged within existing budget outlays, and in fact could actually cost up to nine percent less.

This report concludes by arguing that while Premier Bracks’ reforms were well-intentioned, they have not and cannot fix a system that is fundamentally flawed. It is time to turn the page on Premier Kennett’s failed experiment with school cleaning contracts. Western Australia has rebuilt its school cleaning workforce. These cleaners are now delivering the high standards across their state school system. It is time the Brumby Government heeded this lesson too and ensured Victorian students can once again enjoy a clean and pleasant learning environment that they so clearly deserve.

The audit finds the situation of self-employed cleaners is even more alarming. Many have been forced to accept unfair contracts that do not reflect rising business and living expenses. These cleaners earn less than the minimum wage and miss out on superannuation, sick pay and annual leave.

This report finds that under the “Panel System” government funding is not being efficiently or effectively used to provide quality cleaning. Instead funding has been largely wasted through contractor profit margins and ineffective compliance monitoring systems.

Chapter Three examines the experience of Western Australia, which also contracted out cleaning during the 1990s. Soon after, a rapid deterioration in cleaning and labour standards also occurred. Projected cost savings did not eventuate. Hence when a Labor government came to power it began unwinding this failed system, and ultimately shut it down. Schools eagerly embraced direct employment of cleaners because it was simpler, more accountable and delivered higher standards. Independent analysis also shows directly-employed school cleaners are often more productive than private contractors.
“UNDER THIS SYSTEM THE LOWEST-POSSIBLE BID IS REWARDED, NOT THE HIGHEST POSSIBLE STANDARDS OF CLEANLINESS FOR SCHOOLS, OR EMPLOYMENT AND SAFETY FOR CLEANERS.”

DIRTY SCHOOLS, FORGOTTEN CLEANERS (2004)
PART ONE: SCHOOL CLEANING CONTRACTS

KEY POINTS

- In 1992 Premier Jeff Kennett contracted out school cleaning
- Funding for school cleaning was halved
- This created a crisis in cleaning and labour standards in schools
- Cleaning time was slashed, leaving schools dirty
- Cleaners were underpaid, and missed out on basic entitlements.

Victoria’s school cleaning contract system is one the most decentralised in Australia. There are currently 946 contractors\(^2\) registered with the Department of Education providing cleaning services to 1574 government schools.\(^3\) Each school is individually responsible for the tendering, selection and monitoring of cleaning contracts.

The current Labor government inherited this system from its predecessor, the Liberal Kennett government (1992-1999). It has remained largely unchanged since its creation in 1992.
Until 1992 government schools were cleaned by cleaners employed by the Department of Education. But when Premier Jeff Kennett came to power he began making sweeping cuts to the state education budget and many other public services, and imposed a market-based system across the public sector. He terminated the jobs of the Education Department’s 4000-strong school cleaning workforce. Schools were prevented from re-hiring any of the terminated cleaners as direct school employees. These moves were accompanied by mass redundancies of teachers and the closing of hundreds of public schools across the state.

Under Premier Jeff Kennett’s contract cleaning experiment schools were required to seek out and engage a contract cleaning company. The budget for cleaning services was reduced by more than half. Schools received $15 for each square metre of floor space in the school, down from $32 per metre under the government system.

Many school cleaners had been with their school for 20 years or more and were an integral part of their school community. They often also performed maintenance, caretaking and security roles at their schools. Their removal left a big hole in school communities. One school principal from Mildura expressed of the following concerns about the new system in a local paper:

“They won’t be there in the mornings to open schools: turn on heaters, do the myriad of odd jobs they have always done. They won’t be around to clean up the messes of a normal day — spills on carpets, accidents in toilets, burst containers, gardening, caring for classroom pets, being another stable adult in the lives of many of our children, who so much need stability, getting balls off roofs, cleaning spouts — the list goes on. Who will do these tasks now?”

School cleaners, many from non-English speaking backgrounds with few recognised work skills, were required to set up their own cleaning company and tender for their own jobs, if they wished to remain at their school. The Victorian Parliament’s Public Accounts Estimates Committee reported that as a result of this process:

“...most of the cleaning contracts went to the existing cleaners who were provided with basic information on how to set up their own companies, and who found that they were doing exactly the same work for considerably less pay.”

“...most of the cleaning contracts went to the existing cleaners who were provided with basic information on how to set up their own companies, and who found that they were doing exactly the same work for considerably less pay.”
Race to the bottom

This unstructured and unregulated outsourcing resulted in numerous contracts being awarded to contractors who failed to comply with minimum employment standards as schools were forced to award contracts to the lowest bidder.

At the same time the government decimated its School Cleaning Inspectorate. Under the government system eight inspectors had been responsible to ensure hygiene standards were maintained. However after cleaning services were contracted out, there was just one inspector responsible for the entire state.9

Contractors and self-employed cleaners who wished to comply with minimum conditions and provide a quality cleaning service found they could not compete against dodgy operators who cut corners on wages and underestimated cleaning hours.

Reputable contractors became almost completely absent from schools. One large and reputable contractor did take over the cleaning for almost 100 schools. This contractor strived to provide high standards to clients and pay its cleaners their legal entitlements. However, by 2004 this contractor had ceased to hold any contracts in Melbourne schools. Company managers explained that government funding was too low and they were unable to provide quality services and pay cleaners their legal rates of pay and other entitlements. Contractors offering cheaper rates by cutting corners had undercut this company.10

Dirty Schools, Forgotten Cleaners

In 2004 LHMU released Dirty Schools, Forgotten Cleaners: The Injuries of Victoria’s Failed Experiment in Contract School Cleaning. This report exposed the crisis in cleaning and labour standards created by the Kennett government’s experiment in privatising school cleaning. It revealed widespread underpayments, breaches in occupational health and safety and cash in hand payments by contractors:

“Under this system the lowest-possible bid is rewarded, not the highest possible standards of cleanliness for schools, or employment and safety for cleaners.”

“The results of this system are twofold:

- “Cleaners are grossly underpaid, poorly treated and marginalised
- “Schools are not being cleaned to the satisfaction of key stakeholders in the school community, including cleaners”
An audit of 45 Victorian schools found significant evidence of dirty, unhygienic schools. Contractors, trying to make profits from under-funded contracts, had cut costs and increased cleaners’ workloads to unsustainable levels:

“Over the past twelve years, school cleaning hours have been cut back dramatically, as funding has failed to keep pace with inflation and wage increases. An average-sized secondary school that had seven school cleaners in 1992 now has two part-time cleaners attempting to do the same work.”

Twenty-four percent of cleaners reported that they had inadequate time to do their job, 19.4 percent were forced to use the same mops in toilets and bathrooms and in other parts of the school because of inadequate provision of equipment. Twelve percent of cleaners had insufficient chemicals, scourers and wipes.

At the time Victorian Primary Principals Association president, Fred Ackerman, was reported saying “school toilet blocks were below standard.” The same news report also stated that Victorian principals believed “cleaning is not as thorough as it was when cleaners were government-employed.”

The Dirty Schools report found that one cleaner had been forced to use only water to clean the toilets for three weeks because they were not provided with cleaning chemicals. Other cleaners had been asked to cut sponges in half in order to reduce costs. The report continued:

“It is clear that service quality has declined since cleaning was performed by government-employed school cleaners, who had adequate times, equipment and materials to perform their work.”

“…the Dirty Schools report found that one in five cleaners were forced to use the same mops in toilets and other parts of the school because of inadequate provision of equipment.”
Forgotten, marginalised cleaners

The audit also uncovered an extensive catalogue of breaches of workplace laws. School cleaners, often recent migrants with little knowledge of their workplace rights, were being exploited and ripped off on an extraordinary scale.\(^{16}\)

Nearly half of all those surveyed were being underpaid. Twelve percent were not receiving any superannuation. One in ten of the major contractors were paying staff cash-in-hand. Fourteen percent did not receive their full annual leave entitlements. There was also the illegal use of subcontracting to avoid paying cleaners Award wages and other legal entitlements.

A cleaner told the *Age* newspaper when the *Dirty Schools* report was released:

> “I think I’ve had one pay increase in about 10 years, but that was about 30 cents, and it came at the expense of work hours.”\(^{17}\)

In one case, a major contractor subcontracted to an intermediary who paid $10 cash-in-hand, with no annual leave, superannuation or protection in the event of workplace injuries.

The report also identified significant breaches of occupational health and safety laws. Cleaning is, by its very nature, hard physical work and injuries are common. But with appropriate storage and transportation of equipment to prevent lifting and bending, back injuries can be prevented.

Yet one third of cleaners reported manual handling risks in their work practices, putting themselves at serious risk of injury. There was almost no training provided to cleaners when they started work. The audit process also uncovered a long list of serious electrical hazards, dangerous chemicals that were not properly labelled, as well as an absence of first aid kits.
“THE BOTTOM LINE IS THERE IS NOT ENOUGH HOURS IN THE CONTRACT TO GET THE WORK DONE TO THE STANDARD I’D LIKE AND THE SCHOOL WOULD LIKE.”

“SUSIE” — VICTORIAN SCHOOL CONTRACT CLEANER
PART TWO: BAND-AID REFORM

KEY POINTS

- In 2005 Premier Steve Bracks attempted to reform school cleaning
- Approved contractors had to meet minimum labour and safety standards
- But monitoring and compliance mechanisms have failed
- Students have to learn in dirty schools because of under-funding by schools and cost-cutting by contractors
- Cleaners aren’t paid their legal entitlements and do vast amounts of unpaid work
- Student safety is at risk: many cleaners do not have Working With Children checks
- Poor safety standards leave schools and the Government liable.
Attempt at reform

In 2005, Premier Steve Bracks attempted to reform the school cleaning system. In the wake of the *Dirty Schools, Forgotten Cleaners* report the Victorian Government established the School Contract Cleaning Panel (“Panel System”). The purpose was to ensure that only contractors who complied with minimum labour and safety standards could be awarded government school contracts. The Government also sought to ensure that contractors had the internal capacity to meet their obligations over the life of the contract. At the time, the Government also increased funding to school cleaning by $15 million so schools could absorb an increase in the minimum wage.18

The Bracks government’s reforms essentially retained the school cleaning contract system they inherited from Kennett Liberal government. But they sought to reduce the burden on schools by providing a verified list of responsible contractors to assist schools in awarding contracts.

However, since the implementation of the Panel System the number of contractors and self-employed cleaners has increased to almost 1000. This rapid increase raises important questions about the Department of Education’s capacity to manage its monitoring and compliance obligations, which are explored in detail in this chapter.

Evaluating the Panel System

The LHMU has conducted another audit of Victorian government schools to evaluate the success of these reforms. In April 2010 159 school cleaners were interviewed across 110 schools to investigate whether the Panel System has improved cleaning and labour standards in school cleaning. Respondents comprised both union members and non-members, working for contractors or as self-employed cleaners. Interviews were conducted over the phone and in person.

The 2010 Victorian School Cleaning Audit focused on wage rates and entitlements, cleaning practices, contract obligations and occupational health and safety practices. Part one was for cleaners working for contractors. Part two was for self-employed cleaners. The final part had questions common to both groups. Additional interviews with school cleaners were also conducted for this report.

“I LIKE TO DO MY JOB WELL AND I TAKE PRIDE IN MY JOB, BUT I CAN’T DO IT THE WAY I WANT TO BECAUSE WE DON’T HAVE THE TIME.”

“ARTHUR” — VICTORIAN SCHOOL CONTRACT CLEANER
Schools still dirty

The audit revealed that cleaners are struggling to provide quality cleaning in the time provided within cleaning contracts. Nearly one in three cleaners (31%) said that they have inadequate time to complete their work. Thirteen percent of cleaners surveyed stated that they even had to get additional help from family members to cope. This pressure to complete their work in reduced time means cleaners are forced to cut corners and/or work without being paid.

A decade ago the *Sydney Morning Herald* reported that NSW schools had “become dirty, cockroach-infested, unhygienic places because cleaners are only given nine minutes to clean each classroom.”

The 2010 Victorian audit has revealed some cleaners get as little as seven minutes to clean class rooms. This leaves no time to clean to dust or clean windows and marks off walls. Many cleaners have been told to only clean desks when they look dirty. There often is no time for cleaning windows or walls and dusting.

“I like to do my job well and I take pride in my job, but I can’t do it the way I want to because we don’t have the time.”

“Arthur”
Victorian School Contract Cleaner

“We never have enough time to do what we’re supposed to. All the cleaners I know all have the same issue. You’ve got five cleaners at one school that can’t clean properly. You generally don’t have time for detailing, that means dusting, wiping down marks off walls and windows.”

“Staff do notice but most realise you have seven minutes to clean a class room and you can’t do it all in seven minutes. It takes about 12 minutes to clean a classroom properly, by the time you empty the rubbish, pick up papers, vacuum, dust, clean marks of walls and remove graffiti off tables, walls and doors.”

“Warren”
Victorian School Contract Cleaner

“You don’t get enough time to clean the tables every day. I may only get time to clean them once a week. They get pretty dirty. With finger prints, pen marks, glue and food spills. I don’t get to dust the library as much as I’d like to.”

“Donna”
Victorian School Contract Cleaner

“The school wants the tables to be cleaned every day. But I can’t clean them every day. Every day the children make a mess. But how I can clean properly every day? I have no time.”

“Mai”
Victorian School Contract Cleaner
This picture is consistent with other studies of contract cleaning systems. A study of the contract cleaning system in NSW schools shows a progressive downward spiral in cleaning standards and employment conditions is common to the industry. Cleaning contractors typically make low profit margins (1-5%) and therefore “to be successful and to survive they must become involved in attempts to increase workloads, intensify work practices and lower wages of the cleaners they employ.”

Contractors typically underbid to “secure a foot in the door” and then make up these costs through “work intensification and the stripping of employment conditions.” The most common form of intensification, says Ryan, “is providing fewer workers than required by the original agreement between the contractor and the institution.” He notes contractors often say “you make money, not from what you do, but from what you don’t do.”

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<th>Time to complete workload</th>
<th>Agree</th>
<th>Disagree</th>
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<td>I feel I have enough time to do my job adequately</td>
<td>69%</td>
<td>31%</td>
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<td>I have to perform unpaid overtime to complete my work</td>
<td>45%</td>
<td>55%</td>
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<tr>
<td>I have to request assistance from family members to help me complete my work</td>
<td>13%</td>
<td>87%</td>
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“THE SCHOOL WANTS THE TABLES TO BE CLEANED. BUT I CAN’T CLEAN THE TABLES EVERY DAY. EVERY DAY THE CHILDREN MAKE A MESS. BUT HOW I CAN CLEAN PROPERLY EVERY DAY? I HAVE NO TIME.”

“MAI” — VICTORIAN SCHOOL CONTRACT CLEANER
“On Monday 23 August I visited a secondary school in Melbourne’s eastern suburbs, after receiving reports of cleaners being paid cash-in-hand.”

“Four cleaners work at the school. The contractor directly employs two. There are also two cleaners employed by a sub-contractor, who are international students from Sri Lanka.

“One of these international students was on site at the time of my visit. At first he said he was an employee of the contractor. When I queried this, he admitted he worked for a sub-contractor. He wasn’t sure of his hourly pay rate. He did not receive payslips. He did not get paid sick leave, annual leave or superannuation.

“While I visited I was told that the school was deeply dissatisfied with cleaning standards in the areas cleaned by subcontractors.

“Staff and student toilets areas were not being cleaned properly. Soap and hand towels had not been replaced and toilet bowls had not been cleaned.

“Classrooms and administration areas were not being vacuumed properly. There was also no dusting and wiping down of tables and desks.”

LHMU Cleaners Union official
When Premier Jeff Kennett contracted out school cleaning and dismissed Victoria’s 4000 state school cleaners in 1992, he made the use of private contractors mandatory. Schools were expressly forbidden from re-employing their cleaners.

But while researching this report we have found numerous Victorian government schools that have sidestepped this requirement. Some schools are also paying superannuation of self-employed cleaners.

Fed up with poor cleaning standards, remote and unresponsive contractors and the serial mistreatment of valued school cleaning staff, schools have found a loophole to directly employ cleaners.

In these schools cleaners have been employed by the school board, instead of directly by the school. It is unclear whether the Department of Education approves of these arrangements.

What is clear is that these moves represent a clear rejection of the current system by these schools. It also demonstrates that these schools see direct employment of cleaners as a cost-effective and preferable alternative to the current system.
School building program compromised

Some of this work intensification has come about through recent school renovations and improvements, such as the Federal Government’s $16 billion Building the Education Revolution program. In the 2010 Victorian School Cleaning Audit one cleaner stated that under the current system there was no incentive for contractors or schools to discuss necessary changes to the cleaning regime occasioned by new buildings or increased usage. The school does not want to have the cost of the contract increased. The contractor does not want to lose favour with the school by varying the terms of the contract. It is left to cleaners to find ways of getting the job done in the time available.

With the State and Federal governments investing over $4 billion in improving school facilities for Victorian students, poor quality cleaning and maintenance due to insufficient funding and poor contractor performance limits the overall benefits achieved for students by the provision of new facilities. It also reduces the life span of the facilities and the value to the community on these substantial investments.

“My school just put in an extra drama and LOTE complex room. There was no extra time added. We either clean the drama room in our time or it doesn’t get cleaned at all.”

“I don’t think the Federal Government is getting value for money if the buildings aren’t being cleaned properly, so they can’t be used for their intended purpose.”

“Warren”
Victorian School Contract Cleaner

“There’s never is enough time. When I started two cleaners each had 11.5 hours a week. We’re now down to 10 hours. But since then they’ve built a new gym. The size of library, the music room and the art room have all been doubled. They’ve turned the eight portables into a new wing, which includes a new corridor.”

“The school hires the gym to a basketball association, so it needs to be cleaned daily to a much higher standard. But rather than give us more time, they’ve taken time away. The bottom line is there’s not enough hours in the contract to clean the standard I’d like and the school would like.”

“Viv”
Victorian School Contract Cleaner
Asthma risk to students

This failure to clean schools properly can also seriously damage children’s health. Asthma in young children is one of the most common causes of hospital admission and visits to the doctor in this age group.23

The Asthma Foundation warns that a key environmental trigger is dust mite faeces, found in bedding, soft furnishings and carpet. Mould is another key trigger:

“Moulds are tiny fungi that form slimy or fluffy growths in damp, dark places, and usually have a musty smell. Most moulds produce millions of spores that are easily airborne and so can be inhaled. Damp houses and workplaces can lead to the growth of moulds, which can cause a range of respiratory disorders. Some people with asthma find that being in mouldy places can trigger asthma symptoms.”24

To minimise the risk to children the foundation urges “areas be kept as dust-free as possible. Floors are [to be] vacuumed daily, if carpeted, or mopped daily if [they are a] hard-floor surface. Ceiling fans and air conditioning vents are [to be] cleaned regularly.”25 Yet, as the quote below clearly indicates, cleaners may only have time to vacuum once or twice a week.

“There’s nothing worse than walking into a room where there’s rubbish on floor, where the carpet is pilling because it hasn’t been vacuumed for a few days.”

“Vijay”
Victorian School Contract Cleaner

Unhygienic cleaning equipment spreads E. coli

The 2010 audit found cleaners are also not supplied with adequate equipment to do their jobs properly and hygienically. One in six cleaners (14.5%) have to use the same equipment in sanitary areas and unsanitary areas. Some had to clean toilets with water and tables with mops due to insufficient equipment and products. Cleaners have been asked to cut sponges in half and to bring in cloths and gloves from home. A cleaner even reported that he had to pester his employer to provide the cleaners on his site with gloves to use while they were cleaning the toilet as previously they had to clean the toilets with bare hands.

“Sometimes I have to use same mop and wipes in sanitary and unsanitary areas because of lack of supplies.”

“Greg”
Victorian School Contract Cleaner

These practices are a serious health risk to Victorian state school students. Dr Charles Gerba, a renowned microbiologist at the University of Arizona, warns that when cleaning equipment, such as sponges and mops, is not replaced frequently it becomes “micropile compost heaps [causing cleaners] to spread a thin layer of E.coli over the surface as they clean.”26 In fact, added Gerba, “it may be better not to clean a surface than to clean it with soiled cleaning tools... [because] it can spread micro-organisms around without your realizing it.” 27
Impact on the learning environment

The effect of dirty and unmaintained schools on student performance is well-documented. Studies in the United States found that students who scored in the lowest quartile of standardised tests were more likely than those who performed in the highest quartile to attend schools with rubbish on the floor and graffiti.28

A further study found that students can make significant improvements in their academic performance when schools become cleaner. The study found that improvements in cosmetic factors relating to a school building’s age, maintenance and condition saw student achievement scores improve by as much as five percent.29 Another study noted that if a school improves by two condition categories, for example from sub-standard to above standard, student performance improved by more than 10%.30

School cleanliness and condition has also been found to influence teacher performance and morale, which affects student performance and teacher retention.31

“I feel it does affect morale of the staff and students if the school isn’t cleaned properly. Teachers write in the communication book: ‘Can’t use the room in its current state. Please clean the room so that it is presentable.’”

“George”
Victorian School Contract Cleaner
Student safety compromised

The 2010 audit revealed that the safety of school students attending after-hours programs is at risk under the current system. With over 1500 of these programs in Victorian government schools, the majority held on school property, there are growing numbers of children on school property after hours. It is essential that schools have control over everyone on school property to ensure unknown — and potentially suspicious — individuals cannot access schools while students are on the premises.

The Working With Children Act 2005 aimed to protect children from the risk of sexual or physical harm. All individuals likely to perform child-related work where contact with children is not directly supervised must be checked, including all individuals employed or as volunteers who work on school grounds.

More than one in ten cleaners (11%) do not hold a Working With Children Check, the audit found. Several cleaners did not even know what it was. Adding to these risks cleaners often rely on the volunteer labour of family members and friends to help them complete their work, due the inadequate time provided under school cleaning contracts. They may be completely unknown to the school (and contractor, where there is one) and are unlikely to have undergone police checks, let alone hold an expensive Working With Children Check. This failure to ensure that all cleaning staff, and volunteers assisting them, have been checked is extremely concerning. It leaves wide open the possibility of sexual predators entering school grounds undetected.

“In the last two months we’ve had two or three different subcontractors and different workers. I don’t think they have Working With Children Checks.”

“Tony”
Victoria School Contract Cleaner

“If I’m sick, I might get friends in. They’d be doing me a favour; I can’t afford to pay them. I have to get friends and family to help.”

“Maria”
Victoria Self-Employed School Cleaner

“In the last two months we’ve had two or three different subcontractors and different workers. I don’t think they have Working With Children Checks.”

“Tony” — Victorian School Contract Cleaner
**Dangerous working conditions**

The 2010 audit also revealed that the Panel System has failed to enforce safety standards for cleaners. Despite the requirements under this system, the audit exposed numerous breaches of occupational health and safety laws.

Forty-two percent of all respondents have never received health and safety training from their employer. Sixty-five percent of all respondents have not completed health and safety training in the last two years.

While LHMU officials were on site one cleaner was witnessed using a sweeper as a mop. When asked why she was using this instead of a mop, she stated that she has a bad shoulder and using the sweeper didn’t aggravate it as much. But by using this inappropriate equipment the cleaner had left puddles of water on the floor, inadvertently creating risks for school staff and students.

The 2010 audit found manual handling risks remain a key issue for cleaners, just as the earlier *Dirty Schools* report revealed in 2004. If cleaning tasks, such as emptying bins and using cleaning equipment, are not performed correctly they can result in strains and sprains to the lower back, shoulders, and upper limbs. This can lead to damaged muscles, tendons, ligaments, nerves and blood vessels.

Several cleaners stated that they did not have the right equipment for emptying bins. One reported that she gets her husband in at the end of her shift to help her empty them because she could not lift them herself. Another said she had to buy her own bin bags so that she could lift the bags into the dumpster instead of the whole bin. Another stated that he had not been provided with ladders and often had to climb on tables and chairs to reach high areas. While still another cleaner told of how he had been asked to use a ladder on a sloping surface in order to clean high windows:

“We’ve never received any instructions on how to use new equipment. During the term break my contractor told me that I had to clean the high windows. We were given ladders but a couple of these are over sloping ramps. I tried a step ladder but it was a bit dodgy and I won’t use the extension ladder on a ramp. We never get instructions about how best to do the job. I often feel like the attitude is ‘It’s your problem, you clean it. I don’t care how it is done.’”

“Julie”
Victorian School Contract Cleaner

Pressure to clean schools in the inadequate time provided in contracts is also increasing the risk of injuries and poor health, such as aches, pains, asthma and stress. A contractor interviewed for this report, whose company cleans multiple government schools, has seen numerous cleaners sustain injuries that could have been prevented, had there been more time to clean.

“The high rate of injuries suffered by cleaners is due to not enough time being given to clean. They rush to try and get everything finished and can end up hurting themselves.”

“Nick”
Contract Cleaning Company Owner

“Our Dirty Schools: Kennett’s Failed Cleaning Contracts”

“We've never received any instructions on how to use new equipment. During the term break my contractor told me that I had to clean the high windows. We were given ladders but a couple of these are over sloping ramps. I tried a step ladder but it was a bit dodgy and I won’t use the extension ladder on a ramp. We never get instructions about how best to do the job. I often feel like the attitude is ‘It’s your problem, you clean it. I don’t care how it is done.’”

“Julie”
Victorian School Contract Cleaner

Pressure to clean schools in the inadequate time provided in contracts is also increasing the risk of injuries and poor health, such as aches, pains, asthma and stress. A contractor interviewed for this report, whose company cleans multiple government schools, has seen numerous cleaners sustain injuries that could have been prevented, had there been more time to clean.

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“Our Dirty Schools: Kennett’s Failed Cleaning Contracts”
School liability

Who is liable for school cleaners' injuries?
LHMU has received legal advice that in fact, principals, school councils or the Department could all be liable for cleaners' safety, regardless of their status (employee or contractor). By law, a person is liable for the safety of persons working at premises within their control. This includes employees and contractors.

Indeed by law, health and safety obligations to contractors are “in relation to matters over which the employer has control or would have control if not for any agreement purporting to limit or remove that control.”

The maximum penalty for the offence of reckless endangerment is five years imprisonment for individuals. Schools or the Department could also face fines of over $1 million, while principals can be fined over $200,000. They could also be made the subject of a WorkCover claim and even a suit for damages in some circumstances.

Black economy in schools

The 2010 audit also revealed widespread evidence of an unregulated black economy continuing to thrive in schools, based on cash-in-hand payments, undeclared and untaxed income and cleaners working for below-Award wages — in some cases through subcontractors. There were numerous other infringements of minimum employment conditions. The 2010 audit found that one in ten contractors paid their employees cash-in-hand. This is the same figure the Dirty Schools report found six years ago. One in six permanently-employed cleaners (15%) still report not receiving paid annual leave or sick leave. One in eight (12.5%) of all employees do not receive any superannuation. Ten percent do not even receive a pay slip.

“I don’t get paid sick leave or public holidays at one school I work for. Every time I get my pay slip, there is something he doesn’t pay me for.”

“Viv” — Victorian School Contract Cleaner
“Subcontractors are paying their workers $11 an hour. They tend to be international students who are desperate for work. They have no idea about their legal entitlements.”

“Warren”
**Victorian School Contract Cleaner**

LH MU identified at least 10 serious underpayments through the course of the audit. One cleaner was paid a flat rate of $12 an hour for her three hour shift, which she works five days a week. This results in a weekly wage of $180 or an annual income of $9360 a year. She was underpaid by $118.95 a week or $6185.40 a year. Only 20% of cleaners received penalty rates they were legally entitled to. Two cleaners stated that they had only received their correct pay rate as of this year, and had been underpaid for the last years.

“There are three Indian students. One of them has not been paid for 42 hours he worked. Another was not paid for 20 hours. They are not members of the union so they have no one to help them.”

“Dave”
**Victorian School Contract Cleaner**

Department sources confess that it is impossible for them to follow up on complaints of cash-in-hand payments. When Departmental staff do investigate, cleaners appear frightened, refuse to have any discussions citing work pressures, or just refuse to provide any information at all. These sources also strongly suspect that contractors maintain two separate books for employee entitlements and pay and only one is provided to prove compliance with Panel criteria.

<table>
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<th>Employee conditions</th>
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<td>Do you receive superannuation from</td>
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<td>12.5%</td>
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<td>your employer?</td>
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<tr>
<td>Do you receive a pay slip?</td>
<td>90%</td>
<td>10%</td>
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<tr>
<td>How do you receive your pay?</td>
<td>89.4% paid EFT or cheque</td>
<td>10.6% paid cash in hand</td>
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</table>

“HOLIDAYS I GET MY PAY SLIP, I’M F**KED FOR.”
Cleaners across the Victorian school system say that there is the widespread expectation that they will do unpaid overtime, because of insufficient hours in school cleaning contracts. Indeed, 45% stated that they had to perform unpaid overtime to complete their workload. Many cleaners interviewed say they must do unpaid overtime on a daily basis, sometimes more than an hour each day. This is despite many cleaners earning wages of less than $300 a week (gross).

Cleaners perform this unpaid work for various reasons, as the quotes below indicate. Some do it because they fear official warnings from the contractor, while others are afraid of falling out of favour with the school.55

“I feel terrible having to do unpaid overtime. I feel abused. But I’d be given warnings if I didn’t do it. People have been given warnings for not doing cleaning up to standard, even though it is clear there isn’t time.”

“Trevor”
Victorian School Contract Cleaner

“I am only paid for two hours and twenty minutes a day. But I always do an hour over, but I don’t get paid. I do five hours of unpaid overtime a week. That’s about $100 a week I miss out on. There should be more time if they want a proper job done. Parents complain, but there isn’t enough time to do clean properly. So we end up staying back and working for free. I have never had to do this much unpaid overtime. It’s not fair.”

“Sally”
Victorian School Contract Cleaner

“I stay back and have to work for free at least half an hour each day. If someone doesn’t come to work, I have to do their job. But I don’t get paid. I am not given enough time to clean properly. We should be paid for all hours we work. I feel angry. When you have a mortgage and children we need to be paid properly. We have to live.”

“Rosie”
Victorian School Contract Cleaner

“I FEEL TERRIBLE HAVING TO DO UNPAID OVERTIME. I FEEL ABUSED.”

“TREVOR” — VICTORIAN SCHOOL CONTRACT CLEANER
Many cleaners also mentioned their commitment to their school and its students as a key motivating factor for doing this unpaid work. Unpaid work appears to be common to school cleaning contract systems. Contract cleaners in 45 percent of NSW schools surveyed “were willingly doing extra unpaid work to complete their work due their commitment to the school.” A study of contract cleaning in NSW schools found that “self-imposed intensification is evident in situations where contract workers display dual forms of commitment or higher commitment to the host organisation than their employer. This is especially evident in educational cleaning where school cleaners are perceived to have a special relationship with the schools.”

“I get three hours but often I work a bit extra. They never give you enough time. I want to do my job well. I want the toilets for kids to be clean. It is a priority for me. I have never had any complaints. The teachers respect me and I respect them. That’s how it should be. I clean the tables every week. My boss tells me to only clean them when they are dirty. But for me, if you clean them every week they stay clean.”

“Sevda”
Victorian School Contract Cleaner

School cleaners, whether employed by contractors, as self-employed cleaners, or directly — as they were in Victoria until the early 1990s — are generally willing to go “above and beyond” when emergencies or unexpected circumstances arise. However it is completely unacceptable for a school cleaning system to rely on cleaners doing several hours of unpaid work each week, in effect as standard operating procedure.
Self-employed cleaners ripped off

The impact of the Panel System on self-employed cleaners appears even more dire. The audit results reveal that many cannot pay themselves Award wages and entitlements that contract cleaners, in theory, are legally entitled to. Cleaning contracts are often simply too meagre to allow self-employed cleaners to clean schools properly or even meet all their own living expenses. Many have been unable to get schools to fully compensate them for their labour and business expenses either because schools have refused, or they have been unwilling to request schools do so as they fear they will lose their contract. Some schools have actually insisted self-employed cleaners reduce the cost of the contract, forcing them to reduce cleaning time or do even more unpaid work.

The audit found that forty-four percent of self-employed cleaners reported that they do not pay themselves superannuation. This was primarily because they could not afford to.

“I can’t afford to pay myself the Award. I can’t afford to pay myself sick pay. If I’m sick, if I’ve got the flu, it doesn’t matter I go to work. I don’t pay myself superannuation.”

“Steve”
Victorian Self-Employed School Cleaner

Twenty-five percent do not get paid while they are on annual leave. One in three (35%) do not get paid if they are sick. When asked ‘How do you manage sick leave?’ most replied, ‘Don’t get sick.’ If these cleaners do get so sick they cannot work they have to ask friends or family members to help do their work (without pay). Some self-employed cleaners depend on the unpaid labour of family members to help them even when they are not sick. They do this because their contracts are too tight to pay someone, and failure to clean schools as required could result in the loss of their contract.

“I work five hours a day. Most of that time is spent vacuuming sixteen classrooms, the library and office areas and cleaning the toilets. I don’t get time to clean every desk every day. You can’t dust every day. There isn’t enough time to clean marks of walls. Staffroom toilets should be mopped every day but you don’t get time.”

“I have to rely on my family to help get the work done or I’d never get it done. I can’t afford to pay them.”

“You do end up doing more than you’re supposed to. If the rooms are extra dirty or messy, you just stay until they’re cleaned. I don’t like working for free. I don’t think anybody would. But I like my school to be cleaned.”

“Maria”
Victorian Self-Employed School Cleaner

“I can’t afford to pay someone to relieve me during holidays. I can’t afford pay myself superannuation. My arm is currently in sling, but I still go in.”

“Vesna”
Victorian Self-Employed School Cleaner
The audit found almost half of self-employed cleaners (42%) do not believe any increases in the contract value cover their rising business costs. One self-employed cleaner stated that despite trying to renegotiate her contract for the last two years she still had not received any increase.

“We renegotiate the contract every three years. They tendered it out last time. Twenty companies applied. They made us take $5000 out of the contract.”

“The contract is very tight. We can’t afford to give ourselves a pay rise. I can’t afford to pay myself sick leave. You can’t afford to employ someone to replace you.”

“Many parts of the school have gone from low usage to high usage. But we haven’t been given extra time to clean to this level.”

“Elena”
Victorian Self-employed School Cleaner

<table>
<thead>
<tr>
<th>Self-employed Cleaners Conditions (%)</th>
<th>Yes</th>
<th>No</th>
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<tr>
<td>Do you pay yourself super?</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>Do you pay yourself annual leave?</td>
<td>75%</td>
<td>25%</td>
</tr>
<tr>
<td>Do you pay yourself sick leave?</td>
<td>65%</td>
<td>35%</td>
</tr>
<tr>
<td>Do increases in your contract adequately cover increases in business costs?</td>
<td>58%</td>
<td>42%</td>
</tr>
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</table>

Cleaning funds go AWOL

As the previous investigation in 2004 found, schools are redirecting money allocated in their budget for cleaning into other areas. Under the Global School Budget, there is a strong incentive to engage the cheapest contractor. Any savings from underfunded contracts can be redirected to other areas of need. Indeed, Department sources have confirmed they can identify which schools do not allocate their full cleaning budget to cleaning services.

This means that funding increases made by governments to improve the quality of cleaning may never reach their intended target. A cleaner interviewed for this report told of how the construction of new buildings at his school, as part of the Building the Education Revolution, had meant considerably more cleaning was required due to dirt and dust generated by the construction process. The school had received extra funding to cover these additional cleaning requirements. However this cleaner has not received any extra time or resources.
Policing the Panel System

The School Contract Cleaning Panel was established to assist principals by limiting the market pool to responsible contractors who had demonstrated their compliance with minimum assessment criteria. If a contractor or self-employed cleaner can demonstrate they meet these criteria they are given “Panel Status” and can then bid and be awarded government school contracts. Government schools are not permitted to award contracts to contractors who have not achieved Panel Status. For contractors the key assessment criteria are:

- “Sound practices to promote occupational health and safety”
- “Sound practices in human resource management”
- “Compliance with relevant industrial instruments/awards”
- “Ability to effectively manage contractual commitments”
- “Ability to provide client-focused services”

Self-employed cleaners must provide documentary evidence they meet these criteria although are not assessed on “compliance with relevant industrial instruments/awards.” They are also not required to have an occupational health and safety policy.

No bark, no bite

The original idea was that the Department of Education would actively monitor and police contractors’ Panel Status. Those acting egregiously or in breach of the minimum standards could face their Panel Status being revoked. The Department could also require that the contractor show good cause as to why their Panel Status should not be revoked or suspended for up to two years.

Yet, in the five years that this system has operated, the Panel has not been notified of any cancellations of Panel Status. This is despite the ample evidence presented in this report that non-compliance with key assessment criteria is rife.

“The current system is haphazard. It is too easy to be accredited. There are lots of contractors and subcontractors that have no commitment to schools and proper cleaning standards.”

“Parliamentarians have to be brought on site. They need to listen and take action.”

“Alex”
Victorian School Contract Cleaner

The Department periodically audits the 301 Panel contractors with employees, who may be given notice in writing prior to the audit. The current schedule is 100 audits per year, or once every three years. However our own audit results demonstrate that this schedule is still manifestly inadequate to prevent significant breaches of award entitlements, not to mention poor cleaning standards.
An unmanageable burden

In 2007 researchers Howe and Landau analysed the Panel System to examine how effective the Bracks government’s reforms were in improving labour standards among Victorian government school cleaners. Even then, they questioned the Department’s capacity to monitor such a large number of contractors.

“There is unlikely to be sufficient commitment [to compliance] in the absence of a monitoring process which contractors and trade unions can trust to identify non-compliant firms, and without adequate sanctions for non-compliance with minimum standards established by the program.”

Back then, there were 800 contractors with Panel Status. That number has increased to 946, including 68% who are self-employed cleaners.

In fact, Departmental sources confess they actually devote significant resources helping new contractors demonstrate compliance with the minimum standards. They also assist existing Panel contractors found through the auditing process to be non-compliant. With contractors receiving so much support, and with so little compliance monitoring occurring, it is little wonder that poor labour and cleaning standards are so prevalent across the system.

The system was originally designed to force contractors to demonstrate they had the internal capacity to address and maintain their industrial obligations. Such capacity was seen as a key indicator of a responsible business. This is particularly true with cleaning businesses, which are largely award reliant, and where wage increases are determined annually by Fair Work Australia. If contractors cannot demonstrate their internal capacity to manage these obligations it raises serious questions about their capacity as a responsible employer and a professional cleaning business.

The Panel System was a genuine attempt to address poor cleaning and labour standards in school cleaning. However it is very clear that this system has been unable to contain the fragmentation of the sector. This has resulted in an impossible monitoring and compliance burden for the Department and the continued spiral downwards in standards for schools and cleaners.

“the Current system Is haphazard. It Is too easy to be AccredIted. there are lots of ContraCtors and sUbContraCtors that have no CommItment to sChools and proper CleanIng standards.”

— Victorian School contract cleaner
“We have learnt over time that privatisation simply does not deliver for governments or the people that they serve. In the 1990s, the WA government experimented with privatisation across hospitals and schools. The results were not encouraging and should provide a warning to any government considering going down this path.”

Roger Cook, WA Deputy Leader of the Opposition, 21 April 2010
PART THREE: WESTERN AUSTRALIA REVERSSES CONTRACTING OUT

KEY POINTS

- In 1996, the WA Liberal government contracted out school cleaning
- A rapid deterioration in cleaning and labour standards followed
- Projected cost savings also did not eventuate
- In 2005, direct employment was made mandatory in WA
- Independent analysis shows in-house cleaners can be more productive.

The conventional wisdom is that contracting out of government services automatically results in significant cost savings. Many assume that government agencies simply cannot to replicate the productivity improvements created through competition. However, in a labour-intensive sector such as cleaning, where labour makes up 95 percent of operational costs, and where the techniques and technology have barely changed in decades, it is difficult to see where real savings can be achieved unless these occur by reducing the hours, cleaning quality or the employment conditions of cleaners. Indeed, the experience from Victorian schools is that to the extent that there have been cost savings these have come at the expense of labour and cleaning standards, not from greater efficiency.
WA school cleaning contract experiment

Victoria is not alone in its experiment in privatising school cleaning services. Several other Australian states also went down this road. In 1995 the Liberal government of Premier Richard Court in Western Australia began exploring the contracting out of school cleaning. In 1997 then Education Minister Colin Barnett announced the wholesale contracting out of cleaning in government schools, to be progressively expanded over a four-year period. By 2000 634 public schools had contracted out their cleaning.

But it was not long before a steady deterioration in cleaning and labour standards became evident, as contractors undercut each other to win contracts. Sue Ellery, WA Upper House Opposition Leader, recalled this race to the bottom in a recent speech to Parliament. Contractors told her at the time: “We can take no more of this, because the situation is so cut-throat now and we are spending so much time trying to scrimp and save that we can’t actually deliver on the terms of the contract.”

The lessons from this experience were clear, she declared:

“The first lesson was that the savings generated were not as high as those that had been predicted.”

“Secondly, quality control of the service delivery was inconsistent. Part of that was attributable to the fact that when various functions are broken up, there is not anybody who is directly accountable to the whole service. There is no sense of the whole service, as the people contracted and employed by the contractors are focused on the very narrow part of the broader service delivery of that function.”

“Thirdly, service users ended up being disappointed and angry that either the quality of service had been reduced or their capacity to get service delivery was somewhat disjointed.”

“Fourthly, government’s capacity to manage those contracts, so that the terms of the contracts were adequate to meet the service delivery needs or that the contractors were demonstrably meeting the terms of the contract, was patchy.”

“Contractors came and went — there was a regular change of cleaners and notable absences that were not backfilled by the contractor.”

“Trevor Vaughan — WA School Principal”
A recipe for chaos

To be sure, the cleaning contracts were deeply unpopular in many school communities across Western Australia. This arose partly because of falling cleaning standards, as cleaning time across the system was slashed. Carol Chapman, who moved from being a government cleaner to working for a contractor, recalls: “The shock to the system from day one was that you had double to do in the same time frame; having to put up with people with no cleaning experience, sent to schools as cleaners and doing a two hour job in 10 minutes flat.” Random checks of cleaning standards in schools in WA’s Goldfields region following contracting out found that more than half failed these tests. However principals objected not only to their lack of control over the quality of cleaning, but also the instability of contractors and the time and resources required for managing cleaning contracts:

“There were regular changes of cleaners and notable absences that were not backfilled by the contractor.”

“I had no control over the cleaning quality of the school. The communication book for a contract cleaner to advise the school on matters and vice versa was an extra workload and responsibility for me. It also exposed the cleaner.

“I also had to spend time accompanying management of the contractor when in attendance at the school doing a site visit/inspection.”

Trevor Vaughan
WA School Principal

“Contractors came and went — there was a regular change of cleaners and notable absences that were not backfilled by the contractor.”
Benefits elusive

At the same time a report by the Auditor General of Western Australia on the contracting out of support services in government buildings and property found that projected cost-savings had not eventuated. The Auditor General observed that in many cases agencies were unable to determine whether there had been any cost savings at all. Where savings had been determined they were at the lower end of the Court Liberal government’s 1996 prediction of between five and 20 percent. The report also noted that when the government agency AGWEST cancelled its facilities management contract and returned to in-house provision, it actually made an 11 percent saving.48

In WA public hospitals, where cleaning services had also been contracted out, the consequences were equally unimpressive. A study of this process at the Sir Charles Gairdner Hospital is instructive.49 Immediately prior to contracting out 110 orderlies were employed at the hospital. The private provider reduced that number to 56. The hospital also experienced higher than anticipated transaction and production costs and there was a negative impact on service quality and nursing staff. When these services were returned to in-house delivery, transaction and production costs were actually lower than when contracted out. Hospital staff also reported that quality levels under in-house delivery to be higher than when provided by a private contractor. Meanwhile, experiences at Royal Perth Hospital after cleaning services were contracted out were simply alarming. The process resulted in an infection outbreak across the hospital:

“...there were significant difficulties in controlling infection in the hospital. A single-strain outbreak of vancomycin-resistant enterococcus faecium, or VRE, occurred at Royal Perth Hospital between 23 July and 28 December 2001. A total of 172 patients were infected. ...A report into the infection outbreak concluded that the factors that contributed to the spread of VRE in RPH included inadequate cleaning of wards — environmental contamination was demonstrated in many of the wards in which transmission to patients was detected; inadequate cleaning of commodes between patient use. ...The cost of the enhanced infection control practices that were required as a result of the outsourcing of cleaners was $2.7 million.”50
Contracting out wound back

Heeding these community concerns, the new Labor Government of Dr Geoff Gallop began unwinding contract cleaning in schools and hospitals. In 2005 the government announced all public schools would return to day-labour cleaning, using staff directly employed by the Department of Education.

Schools were given a cleaning allocation, with a ratio of 300 m² per hour, per cleaner. This ratio was supported by LHMU as a safe and sustainable workload for each cleaner. Training and stocking of schools with new cleaning equipment and materials was initially undertaken by the Department of Education’s facilities operations branch. Thereafter, funds for consumables and equipment became part of individual school grants.

Direct employment would resume at the end of the full term of each cleaning contract. Schools were given at least 13 weeks’ notice to ensure there was enough time to recruit the cleaners they need. By mid-2006, just 127 schools were still being cleaned by contractors. By the start of Term 1 2008 all schools were to use an in-house day labour force.

At the time, WA Education Minister Ljiljanna Ravlich rejected complaints from the Opposition, declaring the process had been smooth and successful: “I brought them in, and I am happy to have brought them in. Frankly, I am not hearing any complaints from anywhere.”

She continued:

“For a long time I have had concerns about the quality of cleaning in government schools. In my view, schools have not been cleaned in all cases to an appropriate standard. Quite frankly, if I were a parent of a child attending a school, I would want the child to be in a nice and clean environment. It is beholden on every parent to want the absolute best for their children. Parents have expressed concern.”
Cleaner schools

In fact, the return to directly-employed in-house cleaners proved extremely popular with schools. Principals reported that their schools were cleaner. Many were also relieved to no longer carry the burden of managing contracts and dealing with remote and unresponsive contractors. Meanwhile school cleaners, who moved to direct employment, reported far higher cleaning standards and job satisfaction. Many felt that with a direct relationship with schools they could do their jobs more effectively, and without the complications of a contractor:

“In house cleaners are part of the school community — they feel connected to the school and part of the bigger picture. Their standard of cleaning will always be better as they go the extra mile. They mix with teachers, gardeners and staff. We know them personally. If absences are not filled, everyone chips in to lend a hand. In house cleaners deliver better quality cleaning because they have more time and better equipment to do their job.”

Trevor Vaughan
WA School Principal

“When my job went back in-house I felt included and appreciated in the school environment. It was easy to communicate about workplace matters and issues at a local level with the registrar or principal. It would normally take the contractor days to return your call let alone resolve any employment issues or queries I had.”

“Under contract I consistently complained about the condition of the equipment I was expected to use. The vacuum cleaners were held together by sticky tape. The floor polishing machines were really out of date, hard to handle and more labor intensive than new models. I was provided training on the use of new equipment.

“The school didn’t engage additional cleaners, but there was a noticeable workload reduction, by having better equipment I felt less pressure time-wise and felt I could do my job easier and to a better standard.”

Terry Milligan
WA School Cleaner
Greater efficiency

Principals, teachers, parents and cleaners tend to be united in their preference for direct employment because of the higher standards and greater accountability. Yet there is evidence to suggest that direct employment of school cleaners can also be more efficient than the use of private contractors.

LHMU NSW has commissioned an independent analysis of cleaning production rates in NSW and Queensland schools by Peter Lewis, a facilities management consultant. Cleaning in NSW schools is currently contracted out while in Queensland it is delivered by directly employed in-house cleaners. This makes the two states a useful basis for comparison.61

For his analysis Lewis conducted a comprehensive evaluation of cleaning tenders for NSW government schools and the Queensland Department of Education and Training (Education) Cleaners’ Certified Agreement 2009.

In NSW, Lewis found that “the production rates for the various buildings ranged from 80 to 760 m² per hour, with an average value of 378 m² per hour.” While in Queensland “the productivity rate varies from 330 m² per hour for polished wood or vinyl floors to 2,800 m² per hour for bitumen. The standard rate for most internal surfaces is 530 m² per hour.”

In short, Lewis finds that directly-employed cleaners in Queensland are more productive than contract cleaners south of the border.

School cleaning around Australia

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<tr>
<th>State</th>
<th>Cleaning Model</th>
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<td>ACT</td>
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<td>NSW</td>
<td>Contracted out by Department to major contractors</td>
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<td>NT</td>
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<td>Direct employment</td>
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<td>Contracted out school by school</td>
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<td>WA</td>
<td>Direct employment</td>
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"I THINK IT WOULD BE A VERY GOOD IDEA TO BRING SCHOOL CLEANERS BACK TO BEING DIRECTLY-EMPLOYED. IF YOU ELIMINATE THE MIDDLE MAN THERE’S GOT TO BE MORE MONEY. YOU’RE NOT SHARING THE PIE AMONG AS MANY PEOPLE. THERE SHOULD BE MORE CLEANING TIME AVAILABLE. I THINK THERE WOULD BE LESS CLEANERS BEING RIPPED-OFF."

“AMAL” — VICTORIAN SCHOOL CONTRACT CLEANER
It is clear that direct employment of cleaners ensures that schools are cleaned to a high standard, consistent with parent, teacher and community expectations. Direct employment reverses the inevitable work intensification, injuries and poor labour standards that occur under cleaning contracts. It helps foster pride among cleaners for their work. It reduces the compliance burden for schools that comes with managing cleaning contracts. And it gives schools far greater control over cleaning personnel working at their school, ensuring risks to students are minimised. But would it cost any more to employ cleaners directly?

**KEY POINTS**

- Poor cleaning and labour standards in Victorian schools demand a real, lasting solution.
- Direct employment cleaners will do this.
- Modelling shows cleaners can be re-engaged within existing budget outlays.
- Direct employment would actually cost less.
LHMU has modelled the cost implications of returning school cleaning back to direct employment in Victoria. Under this model we looked at two different school scenarios: An average-sized primary school and an average-sized secondary school. We analysed the current cleaning allocation provided to these schools to engage private contractors. We then compared these allocations against the cost of providing cleaning by directly-employed cleaners, cleaned at the WA standard cleaning ratio of 300 m² per hour, per cleaner.

The results were surprising and challenge the automatic assumption that the private sector is always cheaper and more efficient. We found that Victorian schools can be cleaned by directly-employed cleaners without increasing the current budget allocations to schools. In fact, cleaners could be directly employed for just 92% of the value of the current school cleaning budget allocation. Further, this modelling is based on the WA standard production rate of 300 m² per hour and would result in a considerably higher standard of cleanliness in Victorian public schools. Even when cleaning materials, equipment and consumables are included — which typically represent five percent of all costs — direct employment is still more cost-effective than contract labour. In short, quality cleaning staff ratios are achievable within current budgets.

Average Victorian primary school

An average-sized primary school with 252.4 students is currently entitled to 1591 m² of cleaning. They currently receive $21.76 per square metre to engage a cleaning contractor. This results in an annual allocation of $34,620.16.

How much would it cost for this school to employ a cleaner directly? If this school employed a cleaner for a five-hour shift each day, five days a week — which is necessary to achieve an average cleaning rate of 300 m² an hour — it would cost them an annual amount of $31,598.30 (this includes superannuation, sick leave, annual leave, annual leave and payroll tax). This results in an annual overall saving of $3021.80 or 8.73 percent. Moreover, when cleaning materials, equipment and consumables are included, the overall cost would still be less than this school’s current budget outlay.
Cleaner, fairer and more cost-effective

Direct employment of school cleaners provides the only clear and cost-effective way of providing quality cleaning in our schools. We have previously discussed the cost inefficiencies of the current system including monitoring costs, contracting transaction costs and the extraction of contractor profits. This modelling clearly indicates that without these cost inefficiencies, the Department will be able to provide significant improvements in the quality of cleaning to schools within current budgets.

It is also clear that a large proportion of long-serving cleaners have been supported by schools to become self-employed, simply so they can keep working there. These school communities value their cleaners, and the important role they play in keeping schools clean and safe for students. Direct employment allows these relationships to be valued and nurtured, not abused and worked until breaking point.

“I used to work for a contractor but they weren’t doing their job. So the school asked me to do it. The principal gave me some paperwork and told me how to get Panel Status. They helped me a lot.”

“I like working with children. They all know me by name. I’m treated like one of the staff. I get real sense of satisfaction seeing the school clean.”

“Olga”
Victorian Self-Employed School Cleaner

Average Victorian secondary school

An average-sized Victorian secondary school with 796.6 students is currently entitled to 5088m² of cleaning. They currently receive $21.76 per square metre to engage a cleaning contractor. This results in an annual allocation of $109,017.60

If this school employed one full-time cleaner, engaged for 7.6 hours and two part-time cleaners engaged for 4.5 hours a day each, their cleaners could achieve an average cleaning rate of 300 m² an hour. It would cost this school an annual amount of $99,862.07 (this includes superannuation, sick leave, annual leave, annual leave and payroll tax). This results in an annual overall saving of $9,155.53 or 8.40 percent. Again, when cleaning materials, equipment and consumables are included, the overall cost would still be less than this school’s current budget outlay.
“**I THINK IT WAS BETTER I WORKED FOR THE DEPARTMENT. YOU DON’T HAVE THE HASSLES OF ALL THE PAPERWORK. THEY SUPPLY THE CHEMICALS AND EQUIPMENT AND YOU CAN FOCUS ON DOING YOUR JOB.**”

“MARGARET” — VICTORIAN SELF-EMPLOYED SCHOOL CLEANER
CONCLUSION

After almost twenty years of school cleaning contracts in Victoria, the report card on Jeff Kennett’s experiment can now finally be written. By any reasonable measure, it must get an ‘F’ for fail.

Cleaning contracts have failed Victorian school students and teachers, who need a clean, pleasant environment in which to learn and teach. Studies show clean, well-presented schools have a positive influence on academic performance. Yet cleaning contracts have seen standards fall to an unacceptable standard, with classrooms and toilets across Victoria left in a dirty and unhygienic state. This is also a health hazard for students and staff, particularly those with asthma.
The Kennett experiment is also failing the thousands of Victorian students who participate in after-school activities every day, whose parents expect schools to be a safe environment, free from sexual predators. All over the state contractors are using staff without Working With Children Checks. Under-funded contracts also force cleaners to rely on the volunteer labour of family and friends to help them when they are ill, or if there are no funds to employ sufficient cleaners. Many of these volunteers do not have Working With Children Checks either.

Cleaning contracts have failed Victoria’s principals. They have been left with the task trying to make this flawed system work. They have to deal with remote and unresponsive contractors. Too often these contractors over-promise and under-deliver and fail to meet their contractual obligations to clean schools to an acceptable standard. This responsibility of managing cleaning contracts also takes principals away from their most important task: ensuring our state schools are the best possible academic environment for Victorian students to learn in.

Cleaning contracts have certainly failed Victorian school cleaners, who are caught in the middle of this dysfunctional system. Too often they are unfairly blamed for its failings, when in fact they are its most unfortunate victims.

Many cleaners are paid below the Award and miss out on basic award entitlements, including sick leave, annual leave and superannuation. They must try and do their jobs with ineffective equipment and insufficient time. These unsafe working conditions are causing countless avoidable injuries, which principals, schools and the Department may ultimately be liable for.

Each day, despite short shifts and poverty wages, cleaners all over Victoria may do an hour or more of unpaid work trying to get their schools to an acceptable standard. This is because underfunded cleaning contracts and unscrupulous contractors leave them insufficient paid time to clean their schools properly.

Self-employed cleaners face very similar issues. Many are saddled with unfair contracts. These contracts do not provide adequate cleaning time or even allow these cleaners pay themselves the minimum wage or other basic entitlements, like sick leave, annual leave, or even superannuation.

It is now five years since Premier Steve Bracks tried to fix this broken system. This makes it an appropriate time to assess whether these reforms have been effective. Premier Bracks did make a genuine attempt to raise labour and cleaning standards in Victorian schools, by ensuring only responsible contractors could bid for school cleaning contracts.

Yet for all the reasons outlined above, by any reasonable measure the “Panel System” must also get an ‘F’ for fail.

The Department of Education has proven incapable of effectively discharging its monitoring and compliance obligations. Despite extensive evidence presented in this report of unacceptable cleaning standards, violations of health and safety laws and the abuse of minimum employment standards, the Panel has not been notified of any cancellations of Panel Status. In fact, it seems the Department actually provides considerable assistance to contractors trying to attain Panel Status, and even helping errant contractors avoid disciplinary action.
After nearly twenty years of Premier Kennett’s failed cleaning contracts experiment, it is time Victoria charted a new course in school cleaning. We need a system that delivers the high standards that students and teachers, principals, parents and cleaners all deserve.

The experience of Western Australian is instructive. Parent and teacher dissatisfaction with cleaning standards following the contracting out of school cleaning — and the failure to deliver meaningful savings — eventually saw the then Labor Government abandon this system and return to direct employment.

That decision took real courage, in the face of criticism from the Liberal Party and contractors. But it is clear from the comments of senior WA Labor MPs that they do not regret that decision. Nor too do school communities, who now have a loyal and dedicated cleaning workforce that feels valued and respected, and ensures schools are cleaned to the highest standard.

Contrary to assumptions, direct employment of school cleaners is not more expensive. Modelling shows it will not add one extra dollar to school cleaning budgets; in fact, it will save money. Moreover independent analysis shows directly-employed school cleaners can also be more productive than contract cleaners.

Several Victorian schools have already heeded these lessons and turned their back on Premier Kennett’s failed cleaning contracts. They have returned to direct employment of cleaners, in defiance of departmental guidelines.

These schools are fed up with remote and unresponsive contractors. They realise that poor cleaning standards and the serial mistreatment of valued school cleaning staff will never be fixed while school cleaning contracts remain. They see direct employment of cleaners as more efficient and cost-effective than the current system.

It is time the Victorian Government heeded these lessons too.

Student: Jeffrey Kennett
Subject: School Cleaning Contracts

| Clean schools | F |
| Student safety | F |
| Cost savings | F |
| Efficient administration | F |
| Fair working conditions for cleaners | F |
ENDNOTES


5. Ibid. p.7.


10. Ibid. p. 7.

11. Ibid. p. V.

12. Ibid p. VI.

13. Ibid. p.19.


22. DEECD, Budget Overview 2010-11, (2010).


24. Ibid.


30. Ibid.


33 Legal advice provided to LHMU, June 2010.


36 Ibid.


39 Ibid. p. 28.

40 Mr R.H. Cook (Kwinana — Deputy Leader of the Opposition), Extract from Hansard, ASSEMBLY, Parliament of Western Australia, (21/04/10).


43 Hon Sue Ellery MLC, Opposition Leader in the Legislative Council, Extract from Hansard, COUNCIL, Parliament of Western Australia (10/11/09).

44 Hon Sue Ellery MLC, Opposition Leader in the Legislative Council, Extract from Hansard, COUNCIL, Parliament of Western Australia (10/11/09).


47 LHMU (2010).


50 Mr R.H. Cook (Kwinana — Deputy Leader of the Opposition) ASSEMBLY, Extract from Hansard, Parliament of Western Australia (21/04/10).


56 Hon Ljiljanna Ravlich, Parliamentary Questions [Council], ‘School Cleaning Contracts’, Extract from Hansard, Parliament of Western Australia (04/04/2006).

57 Hon Ljiljanna Ravlich, (WA Minister for Education), [COUNCIL], Extract from Hansard, Parliament of Western Australia, (28/04/05).

58 LHMU (2010).

59 Ibid.


63 In these scenarios we have assumed that the shifts finish after 6pm and therefore attract the 15% loading for all hours worked.