



Monday July 7, 2014

Don't sell off Corrective Services to private sector says union

General Media Enquires

P: (08) 9323 3800

(request Publicity Office)

F: (08) 9323 3878

E: publicity@cpsuca.org

Plans by the Barnett Government to introduce social impact bonds in the Corrective Services portfolio have been heavily criticised by the Community and Public Sector Union/Civil Service Association.

In a message to staff late on Friday afternoon Corrective Services Commissioner James McMahon said he had engaged Social Ventures Australia (SVA) to assess the potential of using bonds in the department.

Under a social impact bond private investors fund a social program or service, usually delivered by a non-government provider and the government pays the investors their capital and an agreed-on profit if the program achieves specified results.

Acting branch secretary Rikki Hendon said the touted benefits of social impact bonds were unproven as no one had completed and evaluated a social impact bond project to determine its success.

"This is not an innovation in public service delivery, this is just the latest way of dressing up privatisation," Ms Hendon said.

"The big fear is that private investors and service providers will dictate how people in custody and all associated rehabilitation programs should be managed, with limited transparency and accountability to the public.

"Government has a duty to the community to run and be accountable for essential services such as those in Corrective Services and should not be modifying them for private profit."

Ms Hendon said the department was not using an independent body to assess the potential of social impact bonds.

"Social Ventures Australia brokers the bonds and they would be the organisation to manage any agreement with the department.

"They have a vested interest in the department deciding to use social impact bonds with the specific aim of making money out of it."

Ms Hendon said there was no need to resort to these arrangements to foster innovation and deliver public services.

WE MAKE
WORK LIFE
BETTER

“There is already significant innovation and a high level of expertise with the public sector.

"We urge the Barnett Government to stop cutting public sector funding and jobs, and invest in its own, highly skilled and motivated workforce rather than selling off services to its mates in the private sector.”

FOR COMMENT:

Rikki Hendon
CPSU/CSA Branch Assistant Secretary
(08) 9323 3800

FOR INFORMATION:

Darren O’Dea
CPSU/CSA Media Liaison Officer
M: 0421 934 794
P: (08) 9323 3855
E: darren.odea@cpsucsa.org

WE MAKE
WORK LIFE
BETTER