

## **Draft Policy Framework – Not for Distribution**

### **Health**

**At the session we will be looking for feedback on health issues that affect West Australians, whether as patients, community member or members of the health workforce.**

**Save Our Services is a public sector lead organization that welcomes community members that share our aim of addressing the impact of privatization, out-sourcing, public asset sales, poor treatment of the public sector workforce and funding cuts to public services.**

**Given this, we aim to contribute to the defeat of the current conservative WA state government**

**Of course, SOS is not itself seeking election to form government and so we are not preparing a long and detailed policy document.**

**Of course we cannot assure in advance that all ideas and priorities will be include in a final document.**

Specific outcomes sought from the forum include ideas and priorities in the policy area under discussion, such as:

- **Ideas that may be included in policy documentation or our communication effort publicly or with SOS supporters;**
- **Individuals are encouraged to identify themselves as willing to contribute further after the forum either through policy and research expertise, providing personal stories related to the policy area, to be in photo's or as campaign volunteers.**

### **CASE STUDY: Cost Savings at Fiona Stanley Hospital**

When announcing that Serco would be providing services at Fiona Stanley Hospital (FSH), the Minister for Health said that the contract would “save the taxpayer hundreds of millions of dollars”. The experience so far has been that the decision to privatise support services at Fiona Stanley Hospital has in fact resulted in unanticipated costs to Government and it is not clear that the savings are being realised.

#### *Porters – Increases to cost of delivery service*

Payments to Serco under the contract are calculated, in part, on the basis of the amount of work carried out. Changes to the Service Plan can result in increase to the payments made to Serco. While it is unclear on what basis payment for internal logistics is made, it seems possible that an increase to the amount of work required under the contract and the consequential requirement to increase the number of porters engaged, could result in an increase to payment under the contract – therefore reducing the potential cost savings of having the service run by Serco.

In addition, the cost of engaging the AINs, who are required because of the limitations inherent in the service that Serco can provide, is met by the Department of Health, not Serco. This must have the effect of reducing the capacity for the Department to save money with the contract.

#### *Sterilisation- costs unknown*

As a result of the Department of Health taking over responsibility for providing sterilisation services, the amount of money paid to Serco under the contract is reduced. The day after announcing the change to sterilisation services, the Minister for Health was asked about the financial implications of the change. He was not able to answer, instead advising that “the final details of the negotiations and what will happen will be undertaken now” and that it “may be determined through the courts”. It is clear from these statements that Serco disputed the Minister’s determination as to the value of the sterilisation services component of the contract and there is a real possibility that ultimately, the amount by which the payment to Serco will be reduced will not reasonably reflect the variation to the contract.

### **CASE STUDY: Privatisation of Public Hospitals**

Privatisation erodes the quality of care, experiences in WA and around the world has shown the quality of services suffers when a hospital is privatized. The profitability of the hospital becomes the most important factor, rather than the quality of care given. Liberal governments in Western Australia have a history of privatising services in our public hospitals. Concerns about the resulting impact on the quality of care for patients are informed and highlighted by the experience of privatisation of hospitals in WA in the 1990s and the more recent cases at Fiona Stanley Hospital.

It is well established that thorough and effective cleaning practices are essential in preventing hospital-acquired infections and limiting the spread of superbugs (antibiotic resistant bacteria). The privatisation of cleaning at Royal Perth Hospital by the Court Government in the 1990s was found to be a key contributor to the VRE superbug outbreak in 2001 which saw 172 people infected and which cost \$2.7m to clean up.

The Minister for Health at the time acknowledged that it was the privatisation of cleaning at the hospital that resulted in the drop in cleaning standards saying:

*'There was a significant reduction in the number of staff and an attempt was made to get people who were not responsible for cleaning to do the cleaning. It was done improperly and was a significant contributor to the outbreak of infection that occurred on that hospital'.*

Similarly, at Fiona Stanley Hospital where private provider Serco has been contracted to provide cleaning services, understaffing is widespread and is impacting on cleaners' ability to do their jobs to the standard required. Workers hold grave concerns for the prevention and control of infections at Fiona Stanley Hospital.

## Vision and objectives

### ***Our vision for WA***

- *A state in which the community shares and manages the risks of economic life for the good of all Western Australians*
- *A state in which the public sector restores balance to the economy to lift WA's employment, income and wealth*
- *A state in which working people in the public sector have the skills, training and employment conditions they need to be flexible, adaptive and innovative in serving the WA community*
- *A state in which the public delivery of services builds a fair and cohesive society for the common good of all Western Australians*

### ***The people of WA will accomplish this because***

- *A dynamic and capable public sector will meet the high expectations of Western Australians for a stable and growing economy which sustains their families*
- *The provision of public or human services will improve employment opportunities in WA by meeting the needs of all Western Australians for health, education and social services*
- *The public sector will make long term commitments to service delivery instead of short-term contracts to buy services from big business – which cause shortfalls in service delivery and increased costs*
- *The public sector will build productive partnerships with not-for-profit organisations, instead of forcing NFPs into wasteful and unproductive tendering processes for service delivery*
- *The public sector will also respect, protect and strengthen the advocacy role of the NFP sector through the restoration of independent funding arrangements*
- *The public sector will be both responsible and accountable for taking action to overcome poverty and disadvantage in WA*
- *The public sector will attract and retain skilled staff for service delivery through secure employment arrangements, safe and healthy workplaces, and by respecting the need for employees to speak up together for fair wages and conditions*
- *The public sector will therefore ensure reasonable opportunities for employees to access their unions during inductions, and meet union representatives to discuss issues of importance to them and their workplaces*