

FIONA STANLEY HOSPITAL — NON-CLINICAL SERVICES CONTRACT

344. Mrs L.M. O'MALLEY to the Minister for Health:

I refer to the previous Liberal–National government's decision to hand Serco the contract to run non-clinical services at Fiona Stanley Hospital, and the Auditor General's report released today into that contract.

- (1) Are the costs of the contract actually at the level of what was promised by the Liberal–National government?
- (2) Have taxpayers been duddled by the Liberal–National government's contract with Serco?

Mr R.H. COOK replied:

- (1)–(2) The Auditor General's report makes for sobering reading. It is a great exposé of what can go wrong when a government is hell-bent on its privatisation agenda and has an ideological commitment around having to outsource at all costs. It is sufficient to say —

Mr D.T. Redman interjected.

The SPEAKER: Member for Warren–Blackwood, I know you are very lonely there with no-one around you, but talk to someone behind you, not across the chamber. I call you to order for the first time.

Mr R.H. COOK: The WA taxpayer has been duddled by this contract, and has been duddled by the mismanagement that went into the crafting of this contract, which essentially means that the South Metropolitan Health Service now has to wade through more than 12 000 pages of reports each month to look at the key performance indicators associated with this contract. At the moment, there are in excess of \$25 million worth of disputes in relation to the contract, and the contract itself is running \$25 million over its estimated cost—partly because it was not properly put together, managed and oversighted by members on the other side of the house. I want to place on the record this government's commitment to not privatising government services and to bringing these services in-house wherever possible, because we believe that public sector workers delivering public services offers the best deal for WA taxpayers and the best deal for the WA public when it comes to these sorts of public services.

Several members interjected.

The SPEAKER: Members!

Mr D.C. Nalder interjected.

The SPEAKER: Member for Bateman, I call you to order for the second time.

Mr R.H. COOK: The Auditor General has done a rigorous assessment of those contracts. He has seen the South Metropolitan Health Service struggling to deal with a wide range of key performance indicators, and that it is in constant disputation with Serco and constant renegotiations around the dimensions of this contract. All the problems associated with this contract go back to the very ideology and approach of the previous government around putting this together.

Several members interjected.

The SPEAKER: Members! I called the member for Cottesloe for the first time.

Mr R.H. COOK: The Auditor General is at pains to say that Serco workers on the ground are working well with Fiona Stanley Hospital workers on the ground and are doing their best under difficult circumstances with a contract that essentially ties people up in knots. We all know about the debacle around the porters at the hospital. The Auditor General points to a disputation around cleaning in the emergency department, which introduces another \$1 million that is in dispute. At the time, we told the former government: do not do this; you will tie the government up in knots in a contract that will be bad for WA taxpayers and WA patients, and bad for the people who have to deliver on this contract. We will continue to make sure that this hospital continues to provide quality health care for WA patients, but our hands will be tied behind our back because of the contract that you guys put in place.