PUBLIC HOSPITALS — PRIVATISATION

Motion

MR R.H. COOK (Kwinana — Deputy Leader of the Opposition) [4:01 pm]: I move —

> That this house expresses its concern over the impact of privatisation of public hospitals and calls on the Barnett government to immediately abandon its privatisation policies.

Members will know that I stood in this place earlier today to discuss the very important issues that surround some of the very serious allegations about the Peel Health Campus. Those allegations had to be made with the shelter of parliamentary privilege because, as I reported to members earlier today, members of the media who have tried to comment on this issue have been either threatened with an injunction or injuncted to make sure that this issue did not see the light of day. It is important that the WA community has absolute faith in our public health system and that when we enter into these sorts of arrangements, we have absolute transparency, honesty and accountability in the way these hospitals manage precious public funds.

As I mentioned earlier today, we had this rather tasteless arrangement under which doctors were provided with an incentive to admit patients into the clinical decisions unit. We have this rather alarming situation in which after an audit was conducted, the hospital was found to have overly admitted patients into the hospital and in that event had to repay the money. Today we sought from the minister some guidance on what he will do about this situation. We really did not get any satisfactory response; the minister was keen to describe it as a typical part of commercial relationships. However, it is not a typical aspect of commercial relationships. Everyone knows that. People inside the Peel Health Campus know that; they reported it at the time and raised the issue with the management of the Peel Health Campus.

In an email between colleagues at the campus, the director of nursing at the time wrote —

> In the past 12 months I have identified the risk around the $200 "administration fee" which had doctors admitting patients who did not meet admission criteria when Phil Hatt and Aled came up with an ill-advised plan to meet the 4 hour rule criteria. I spent hours of my time, including 6 weekends … combing through hundreds of files, finding and fixing the errors. This work had to be done by 30 June … because Phil Hatt alerted DOH and if the error had been detected in the new financial year HSWA would have been obliged to pay back well over 3 million dollars. I did a really good job and the PWC —

That is PricewaterhouseCoopers —

> auditors picked up almost nothing apart from some errors that Pang made. Thanks for the $100 meal voucher.

It is clear from these emails that people inside the hospital knew that it was wrong and sought to pull back the situation. However, it was not until about March 2011 that the hospital management decided that it was time to rectify the situation. It sent out a clarifying email to staff and reiterated the rules of admission and talked about the processes by which patients should be admitted. For instance, they wrote —

> Additionally our admissions must last for at least 4 hours. In the case of a patient who is subsequently transferred to another facility the admission must be at least 12 hours.

The whole time the hospital is acutely aware of how to maximise its revenue under these arrangements. Then, curiously, the manager in this case wrote —

> Times of admissions are not to be backdated. Clerical staff have been instructed to enter time of admission as the time they receive the forms.

This gives rise to the question: why did the senior management of the hospital see it as appropriate to issue an instruction to staff, doctors and those people admitting patients not to alter the records to falsify the time of admission? That would seem to me to be self-evident: do not be dishonest about what is put on the forms. For some curious reason, amidst all these allegations about admissions and incentive payments for doctors, this particular instruction comes up. I do not draw any conclusions from that other than to say this is a particularly unusual set of circumstances inside a hospital. To instruct staff to be honest would seem to me to be curious at best and downright disturbing at worst.

I will quote from another internal email from June 2011, because, as I said, following the fact that the hospital was busted for the payment system it had in place and the audit was undertaken, the $200 incentive payments for patients were stopped. In June 2011, senior staff again wrote to staff —

> As you are aware Payments for additional clinical services have been made to medical practitioners admitting and being responsible for the initial care of patients admitted to the CDU. These payments were to be made for patients that complied with Health Department of WA (HDWA) business rules for admissions.

Then there is an acceptance that perhaps that was not the case. The correspondence goes on to reassure the staff that they did not need to pay back those moneys received and that the invoices already submitted would be processed posthaste.

This hospital has an entrenched culture around this bizarre admissions policy, which, as we showed this morning in the earlier debate, produced those over-admissions and, quite frankly, produced a disturbing set of circumstances.

We also looked at the issue that two of the senior staff—Aled Williams and Paul Bailey—were directors or shareholders at LocumForce at the time that their business was supplying doctors and other medical staff to the Peel Health Campus. I know from speaking to people in and around this hospital that the issue of that conflict of interest was raised several times and resisted by the hospital management. Just think about that for a moment. They were the owners and/or directors of a company and, at the same time, they were the customers of that company. In a sense they were indirectly pushing taxpayers' money through a company that they owned to put doctors in place that they ultimately employed. I am not a corporate lawyer, but it would seem to me that that is a self-evident case of a conflict of interest, and I think it is worthy of examination by the minister. In fact, I am alarmed that the minister is not aware of this situation, because, if he was, I am sure he would get on top of it straight away and say, "That is not to happen. That is not best practice and that is not what we expect in our health system."

These are the sorts of things that happen when we allow privatisation models of this sort to get out of hand. I am not saying that it is because of privatisation, although privatisation provides the pathway. For instance, as we are oft to acknowledge and observe, Joondalup Health Campus is run under a very different culture under the leadership of Kempton Cowan at Ramsay Health Care. It has a very different culture in which these sorts of things simply would not be contemplated. So why are they contemplated in this other hospital? Why do we have this set of circumstances that leads to these quite alarming and, quite frankly, unaccountable practices?

I want to talk at some length on what is going on in this hospital. As the member for Mandurah reminded us this morning, the nub of this issue is the quality of health services. The minister rightly defended the staff who work in that hospital. I join him and the member for Mandurah in acknowledging that the staff in that hospital work extremely hard and do a great job. But the fact of the matter is that this hospital is not being cared for and is not being kept at a state that we would see as fit for our health system. Serious concerns have been raised by staff as to the state of hospital equipment and computer equipment. The allegation is that the hospital has avoided replacing carpets, upgrading computer equipment and maintaining pay and staff levels, which is undermining the hospital's capacity to provide good clinical outcomes. Staff, for instance, have repeatedly raised issues with me on the state of the carpets in a number of the wards. They talked about stains on the carpets that repeated cleaning will not fix. They talk about, for instance, stains from blood and amniotic fluid in addition to the smells from those carpets. These carpets have not been replaced since 1997. I note that carpets in the entry hall and executive area have recently been replaced, but still we have the same old ugly carpets in and around a number of wards.

Concerns have also been raised by staff over the state of the flooring, particularly in operating theatres. According to my notes, in one memo a staff member writes —

> ... we've now got a serious issues with the flooring in OP4. The floor covering now poses a serious risk to our staff from a trips and falls perspective and also poses an infection control risk.

Here we have a number of staff internally voicing their concerns over some of the equipment in that area.

I should also note at this stage that I do not have information to bring forward today, but a number of concerns have been raised about the financial priority of the sinking fund in the hospital. I leave that with the minister to follow up and to make some inquiries.

An internal audit was arranged by the management of the hospital recently into the information and communications technology systems around the hospital. The audit found that the staff relied on whiteboards, sticky notes, paper forms, spreadsheets and pages to communicate leading to serious mistakes with patient records. The computer systems in place are a grab bag of different and non-compatible programs and systems that are overloaded beyond their capacity. In short, this report goes on to conclude that the ICT systems of the hospital are on the verge of collapse.

The failure to implement a proper computer and ICT system is significantly impacting on patient care. Transcribing between records and systems has led to patient records being misfiled with different spellings and mistakes on dates of birth, thus duplicating records for single patients. It is an information system that is overloaded. This report, which was made to the hospital management, states that this will lead to adverse clinical outcomes. For instance, the report states —

> In one example ... a patient's admission form had the gender as female on the original print-out. However the gender was marked as male on the label that was stuck on the same form. In addition, on the patient's next visit the date of birth was incorrectly recorded and the name was misspelled.

These would seem to be simple errors, but when it comes down to understanding a patient's medical history and managing that patient through the journey of healing, they can be very serious omissions indeed. The report goes on to state —

> In another example, an elderly patient visiting the hospital to receive the result of a test was mistaken for another elderly patient who was scheduled for surgery. The mix up was not corrected until the patient was in theatre and the surgeon realised that it was not his patient.

Here a patient came into the hospital for some test results and the next minute they found themselves in the operating theatre. If it was not for the fact that the surgeon looked down and said, "Hang on. You are not Mr Smith. You are someone completely different!" That person was due for an operation. All this comes down to the simple fact that the hospital has not invested properly in a communications system in a modern medical clinical environment to make sure that it stays on top of these things. The minister made the observation earlier today that the hospital was straining because of demand in the area and the need to upgrade the hospital. I would have thought that a pretty simple response in the first instance would be, if the hospital was not big enough to manage all these patients, to at least make sure that the ICT system is working sufficiently to make sure that these things do not happen.

The report details deficiencies in patient tracking systems, highlighting inaccuracies and pointing to a significant lack of accountability where the system could not actually determine whether a patient had been discharged. The report says that the hospital could not be confident of the reports that it made to the Department of Health on its performance under the four-hour rule. That is particularly concerning. One of the issues that the minister spoke about yesterday in a glowing endorsement of this hospital was how well they were doing, and he pointed me to the reports. However, the hospital's own internal reports reveal is that we cannot rely on the report because the records of the hospital and the information and communication technology of the hospital is too overloaded, too out-dated, too uncoordinated and simply cannot produce accurate reports.

My understanding is that when the four-hour rule was introduced, the Department of Health offered the electronic patient management system, webPAS, to the health campus to assist with patient management. It was offered free of charge. For some bizarre reason the hospital rejected the offer, and some staff have speculated to me that that was over concerns that the operations of the hospital may be more exposed to accountability, or transparency, in relation to the workings of the department. This is a very important point: this report points to a level of dysfunction inside the hospital, whereby the staff and their commitment to the system and to caring are the only thing that stands between a good clinical outcome and clinical failure; it is through their own initiative and commitment to their patients. The report says that the hospital is run on what is described as a hero-based approach in which the hospital only coped with the growth in demand for services with the heroic performance of the staff. The report says that this is typical of a workplace with a low degree of automation and limited use of electronic information systems. Essentially, the Peel Health Campus is a fly by the seat of the pants hospital, and with a lack of investment in hospital equipment and fittings staff are simply trying to hold the show together. This raises serious concerns about the quality of care at the hospital and the ability of the staff to do their jobs. Quite frankly, I am staggered that we have not seen the necessary investment in its patient management system, given the pressures that the minister says this hospital is under. We have to ask why the staff continue to work in such circumstances. I asked a number of staff who have said to me, "As a nurse I am really concerned about what is going on at Peel," or "As a doctor I am really disturbed at what is happening at Peel." I asked why they stayed there; and, of course, it comes down to a range of things. Firstly, it is commitment to the community and patients; and, secondly, the lack of local employment competition. As we all know, this is all about to change as Rockingham Hospital starts to hit its straps and, of course, in 2014 with the commissioning of Fiona Stanley Hospital. If it is not the direct competition of Fiona Stanley Hospital, it is the knock-on effect of people coming out of Rockingham Hospital and therefore there will be an obvious draw up of staff from Peel.

I want to talk for a little while about the staffing situation at the hospital. As the minister knows, we have asked him about this on a number of occasions and he has acknowledged that it is a problem. I will outline for members the struggle that the Peel Health Campus has had in relation to its workforce, in the first instance,

around the senior staff. Essentially, there is a rotating door with senior staff. This points to a significant level of instability in the organisation. Since 2010, we have identified 13 senior staff who have left that hospital. I will go through them: Ann Fletcher, the chief executive officer; Stephen Wisnewski-Smith, CEO for two years; Mike Burns, operations manager for one year; Bill Shields, CEO for four months; Phil Hatt, chief operations officer for 10 months; Justin Walter, CEO for nine months; and Angela Whittington, COO for six months. These staff were put in place on long-term contracts to guide the long-term development of this hospital, and they left within months. In addition to that, Peel has recently lost Pang Ong, the chief financial officer; Catherine McKinley, the director of nursing, who after years of dedicated work to the hospital strangely found herself on the outer once she started to voice her concerns about the issues I spoke of earlier. Renee Durrant was financial controller for two years and acting CFO for four months; Ashton Foley, COO for six months; Joanne Chisholm, human resources manager for two months; and Michelle Adams, director of organisation development for four months. The most recent departure was Renee Durant, who left as recently as last week. Peel has had this continuing ongoing departure of staff. In the *Mandurah Mail* on 27 September this year, Ms Foley, one of those former staff, cited inadequate leadership and governance and a dysfunctional board as reasons for her departure. *The West Australian* speculated on 6 May this year that Bill Shields left because he was unhappy with the way staff had been treated. On the same day, the Minister for Health claimed, "It is true that there is an issue with the company, but there is not a problem with the hospital staff. The hospital is running extremely well." Of course, there is a problem with the hospital staff and the minister only needed to talk to the HR group within that hospital to see the problems there.

Between March 2010 and March 2012, the turnover for registered nurses at that hospital was almost 50 per cent. That means that out of a workforce of upward of 70 registered nurses, over 30 left each year. This is a significant turnover of staff on a year-by-year basis. This means there is this churning over of staff, who are coming in, not liking what they are seeing and moving on. This is not, I would suggest, the turnover rates of a healthy hospital that in the words of the minister "is running extremely well". These staffing problems were ultimately recognised as a problem, not because the workers were unhappy because, as I have reported in this place on many occasions, many of the workers at Peel are unhappy, but because in the words of Mr Fogarty in an email on 10 December —

> The continuing appalling levels of staff turnover over the last 12 months and 5–6 years previously (especially in nursing and administration), clearly now threatens the corporate survival of the company and all community support for HSWA.

He goes on to say —

> My resolve is to fix now! And no punches will be pulled in doing so.

He also says —

> The stark reality is with the opening of Fiona Stanley and the huge movement of local staff to other hospitals in recent years, now places the company in a desperate and concerning future, with low community support and that support continuing to fall.

The stark reality is with the opening of Fiona Stanley and the huge movement of local staff to other hospitals in recent years, the company is in a desperate and concerning future with low community support and that support continuing to fall. The minister says it is going extremely well. The most senior officer in that hospital recognises that it is in free fall. We should all be concerned by those sorts of numbers.

In April this year the hospital received a report from consultants into this overall turnover. The report was commissioned to address issues associated with attraction and retention of staff. One of the significant things that this report pointed to was the disparity in wage rates between public sector staff and those working at the hospital. This is a hallelujah moment when the opposition after years of asking when the disparities in this hospital would be addressed; here we have a report prepared for the hospital which points to that as a significant problem.

Dr K.D. Hames: When was that report?

Mr R.H. COOK: In April 2012. The report also observed that many staff will simply leave to work at Rockingham as vacancies at that hospital open and as a knock-on effect to the opening of Fiona Stanley Hospital. It points to the wage differential of Peel Health Campus staff and equivalent public sector workers: registered nurses and midwives, 5.2 per cent, and admin and related staff, 13.26 per cent. It is saying that the equivalent workers in the public sector get more than 13 per cent more than the staff at Peel Health Campus, and equivalent enrolled nurses and support staff get 12.56 per cent and 19.19 per cent more respectively. This was in April this year. We obviously have a situation in which the hospital realises it is in HR free fall and now has a report that confirms the opposition's suspicions.

I will invite interjections from the minister at this point because there is another aspect of this of which I was not aware previously. In May this year Health Solutions (WA) received a top up of its maximum payment allowed, or MPA. In a letter from the Department of Health to the hospital about this matter in May this year, Health Solutions (WA) was advised that following the South Metropolitan Health Service review the final MPA amount for 2011–12 was $90.3 million. It says this includes an adjustment for the additional costs of the enterprise bargaining agreement for the nurses and doctors. At that point I got excited thinking that I had found a document that showed the minister was deliberately creating more funds for the hospital to pay the staff more. I have since been corrected about this because I understand that a component of the MPA essentially allows the private sector operator to pay the hospital public sector equivalent wages. Is that the minister's understanding?

Dr K.D. Hames: I am not sure. I will find out in my response.

Mr R.H. COOK: I am particularly concerned in this instance that potentially for many years staff at the hospital have been paid so little yet a component of their funding agreement from the government is that they get an amount that acknowledges that they will need to top up their wages so that their wages are equivalent with the public sector. Potentially, for many years Peel Health Campus has been putting some of the green stuff in its back pocket at the expense of the staff because that part of the maximum payment allowed is not flowing on to the staff. The minister has indicated that he will clarify that point.

Dr K.D. Hames: My understanding is that the staff were being paid the same. I am not aware that they were being paid less than in the public sector.

Mr R.H. COOK: Certainly that was not the case at that time of the year.

Health Solutions (WA) has a top up of its MPA so it can pay its staff much better wages. This comes at a time when there is increasing desperation and excitement at the hospital because, as many people know, the hospital is nearing the end of its 20-year contract. In June 1997 the then Minister for Health, Hon Kevin Prince, MLA, announced that Health Solutions (WA) would be the private operator of the Peel Health Campus under a 20-year contract. Health Solutions (WA) has been richly rewarded for this contract with the Western Australian government. It has accrued a before-tax profit of almost $60 million over an eight-year period between 2001 and 2008 for running this small hospital. That includes the private beds that are run at the hospital. Clearly, Peel Health Campus is a very lucrative privatisation contract for that company. Health Solutions (WA) has two shareholders, Merchant Holdings Pty Ltd and Health Solutions (WA) Pty Ltd. Health Solutions (WA) is in turn owned by Healthcare Investments Pty Ltd and Health Solutions Holding. Healthcare Investments is owned by Fopar Nominees whose sole shareholder is Mr Jon Fogarty, who is also a director of the company. Mr Fogarty shared the responsibility of directing that company with Mr Tony Solin, who was a director from December 2008 to March 2011. Jon Fogarty is a former player for the Swan Districts Football Club who played with Tony Solin —

Dr A.D. Buti: Tony Solin was a traitor. He used to play for South Fremantle and he traded with Swan Districts.

Mr R.H. COOK: I understand they were both very good players. I thank the member for Armadale for that somewhat impassioned interjection!

Tony Solin has worked at Peel Health Campus as general manager of services and CEO. Although he has not continually worked at Peel Health Campus, he has had a long association with Mr Fogarty at that hospital. Mr Fogarty has obviously done very well out of Peel Health Campus and has had a number of roles in the company, including chairman and executive chairman. As the 95 per cent shareholder, he commands significant influence over Health Solutions (WA). He involves himself in the day-to-day operations of the hospital. Indeed, he is intimately involved with the day-to-day operations of the hospital. A former staff member told me the reason that so many senior staff leave is the involvement of the chairman in the hospital, but that is by the by. He was described to me by one union negotiator as a dark horse. Although he never attended any of the negotiations with the union or had any direct communications with any officials, he always maintained absolute discretion over the company's position, effectively hobbling the CEO or other officers involved in the negotiations. Mr Fogarty is also a fairly eccentric man, from what I understand. I have seen a number of his rather colourful and often quite pointed emails to the staff. This was described to me by one staff member as part of the toxic culture of bullying and harassment with a large number of workers' compensation claims, a backlog of wages claims and a dysfunctional board. The problems at the hospital, according to the *Mandurah Mail*, came "from above". In some of the emails I have seen Mr Fogarty lurches from high praise to character assassination of the staff. He often refers to himself in the third person and seems to understand that his behaviour is part of the internal problems but insists on being involved in all the decision making. I think Mr Fogarty has another problem, which is that the Peel Health Campus contract is substantially its only business model; it is the only contract. Mr Fogarty is like a bull being backed into a corner. He sees these deadlines looming and like any business person

he is obviously concerned about it. We see a growing culture of tension within the organisation. In one email in February this year he states —

> The facts are the business is only 6 years away from death unless you and others can help give it a future. We have 3 months in my mind to cement that, and get our self into the race. I suspect the gun went off and the race started a year ago, and we are 12 months behind already.

Mr Fogarty went on to instruct his chief of staff that he is to provide daily reports on the hospital's activity, including the contents of any meetings held. The CEO had to inform Mr Fogarty of any movements outside the hospital grounds, including time away from the hospital and the purpose and time of any meeting held outside the hospital grounds and who the CEO was meeting. Clearly, that CEO is no longer with the organisation. Mr Fogarty understands the predicament of the hospital and the reputation of his company as a private operator. In an email to a staff member in September, he states —

> This is not a game. This is a serious commercial venture, where winning the extension is EVERTHING, and losing is the end of the road for many.

These are pretty critical times for Mr Fogarty and his organisation. In another email Mr Fogarty says to a staff member —

> You and Aled have allowed Doh to build a substantial case against HSWA, that I could have avoided … When Doh comes out with a scathing possible legally defendable case recommending against HSWA expansion, based on contractual failings, which is your no 1 Job to protect the business from.

Dr K.D. Hames: Who is that to?

Mr R.H. COOK: It is from Mr Fogarty to some of his senior staff. This is an internal email from Mr Fogarty to his senior staff acknowledging that there are significant contractual failings within the company and that their backs are against the wall. Here they are facing difficult times, yet they have to try to somehow get expansion of the contract. In another email in May this year he says —

> The Peel Campus future is 100% about public perception, a war we have nearly if not already lost some time ago.
>
> …
>
> While I have already employed Tony Solin (positive immediate and decisive), executive, have no other better option … to manage this going forward, he knows the large negatives in the community are well entrenched, and will require a lot of work to get any traction. This will require 40–50 hours per week, every week (in the next 9 months) of <u>direct multiple level contact</u> and that a <u>massive campaign</u> is needed, not just a significant one.

Members can see that we have a situation in which there is an increasing level of tension and excitement inside the hospital. Things are getting to the point of being critical. Members should cast their minds back to the context of the hospital being caught out. In one incident, they try to get a senior member of staff to make a complaint against the Department of Health official who caught them at that previous game; this particular public servant caught them out in the allegations I made earlier. What did this senior member of staff say? "No; that's not what we are about. I'm not going to make a complaint on behalf of Health Solutions just to try to get this guy off the job." Mr Fogarty wrote to that particular staff member and said —

> Yes, one option is, <u>You can withdraw your complaint</u> and I will simply hear testimony Wednesday, as to where HSW are at, and why? And none of that will include SS, it will just be about you and Aled.

SS is Shaun Strachan. I am trying to point out that there is incredible dysfunction. This is an organisation that is at its wits' end. They know they have a reputation in the community that is at rock bottom; they know the Department of Health is on their tail and has caught them out at the allegations I mentioned earlier. Yet they will press on. Mr Fogarty has come up with a plan and says that he will put together a $700 000 to $800 000 campaign to spin Health Solutions back to a position at which it will win back the contract in 2017. What does he do? He goes back to his old mates. Originally Health Solutions (WA) shareholders were entities associated with Messrs Gorton and Youlden, Fogarty and a company called Corporate Financial Systems Pty Ltd. That relationship did not last. Messrs Gorton and Youlden were directors of Health Solutions (WA) and in August 2000 they accused Mr Fogarty of stealing $430 000 from Health Solutions (WA) and channelling it into a company called Corporate Financial Systems Pty Ltd, and there was no shareholder resolution for the transfer of the funds. Mr Fogarty was the sole shareholder of Corporate Financial Systems and none other than a Mr Tony Solin was the director. Mr Solin remains the sole director of that company's successor, Perpetual Energy Corporation. Mr Fogarty was ultimately charged with stealing $430 000 under section 378(3) of the Criminal Code. I will mention this because it is important. I am told that while Mr Solin was the sole director of Corporate

Financial Systems Pty Ltd, there was one Mr Richard Ellis who was the sole signatory for Corporate Financial Systems. The member for Ocean Reef and I will not know Mr Richard Ellis because we are relatively new members of this place, but, of course, he was none other than a political adviser to Hon Colin Barnett when he was a minister. This, members, is where it starts getting interesting.

Mr Fogarty knows that he has to move heaven and earth—and a lot of it—to get his contract back. He has always had a strong relationship with the Liberal Party. In fact, since 2000, Mr Fogarty has channelled more than $160 000 to the Liberal Party through either Health Solutions (WA), the Peel Health Campus, Corporate Financial Systems or simply himself. It is interesting that the size of those donations has increased as we get closer to 2017. I also acknowledge, by the way, that he made a donation to the ALP in 2007–08. As I said, Mr Solin has a long relationship with Health Solutions (WA). Even though Mr Solin had no qualifications, Mr Fogarty decided to employ him as manager for public relations for Health Solutions (WA) on $200 000 a year. Members might ask: what is the purpose of that? We need to go back to April this year when Mr Fogarty emailed one of his senior staff and said —

> Can you call the liberal branch for Mandurah today, soon,
>
> Ask if you wished to register and become a member, what is the cost and any process that would be.

He then goes on —

> Also ask when pre-selection for a local candidate for the next state election takes place for the Mandurah branch/division?

That is an unusual request. In April 2012 Mr Fogarty made inquiries about what is involved in getting someone in the race as a candidate for the Liberal Party in the electorate of Mandurah. Understand that over this whole time this is an organisation that is desperate to reverse its public relations situation. Even though he has no experience or qualifications in public relations and the hospital already retains the services of public relations consultants, Mr Solin was employed on $200 000 a year to work, essentially, on the mission. Mr Solin's mission is clear. He is to rescue the Health Solutions (WA) contract by an extensive public relations campaign. In early July, a couple of months after Mr Solin was appointed, Peel Health Campus launched its main PR vehicle, the Peel Health Campus Community Fund, which the Minister for Health said was a great initiative for the local community. It announced a $250 000 community fund to put money into the Mandurah community and fund local community groups. It would be a worthy cause if it were not for the fact that this is a sad, last-ditch attempt to remedy many years of neglect of Peel Health Campus. Who do members think would be responsible for going around and issuing invitations and small cheques to community group after community group?

Mr P. Papalia: We can't imagine.

Mr R.H. COOK: None other than Mr Tony Solin. In April this year Mr Fogarty made inquiries about how one can become a member of the Liberal Party and how he can get someone into the race; in May this year he appointed Mr Solin as PR manager; in July they launched the main PR vehicle, the community fund; and in August this year, members may be surprised to hear, Mr Solin was preselected by the Liberal Party to run for Mandurah. Who would have thought that this situation would transpire?

Dr K.D. Hames: When are you going to start talking about the privatisation of hospitals?

Mr R.H. COOK: In August this year, as I said, Mr Solin popped up as the Liberal Party candidate for Mandurah. That is an extraordinary series of events and, one would say, an extraordinary coincidence. As members would also be aware, in August this year Peel Health Campus launched the other aspect of its campaign to extend its contract—namely, the 60-year proposal to spend $75 million upgrading the private wing of the hospital, thereby releasing beds to the public section of the hospital, thus facilitating an expansion of Peel Health Campus. Everything is falling nicely into place for Mr Fogarty at this point. Although he has his back against the wall, he has Mr Solin in place, his community public relations fund and he has made his pitch to the Minister for Health. We heard from the minister on 26 September that it is a great hospital, that he would look at its nice little proposal and that it would take only three weeks to decide what to do with a 60-year extension to the privatisation contract. What does this have to do privatisation, the Minister for Health asked? This is central to it. This is central to the privatisation ambitions of Health Solutions (WA). This is central to the motion that has been moved today. Large contracts for such an important service as health are on the line, and we have these goings on. Health Solutions has received some great feedback from the government. It has its expansion plans in place and, at the end of August, Mr Solin launched his campaign. I understand that he received a great and positive reception, particularly from the Premier, who attended the expansion proposal launch. There was commentary—this is hearsay—that the Premier described the Peel proposal as a no-brainer. Mr Solin is in place. In the *Mandurah Coastal Times* of 8 August, Mr Solin said about his preselection that, if elected, he would ensure the expansion of Mandurah's health services because it remains a top priority for the government. It is not

a top priority—it is his main game! It is why he was placed at Health Solutions and why he was put at Peel Health Campus in the first place. This is an extraordinary manipulation of the public process. It is clear from this series of events that Mr Solin was engaged by Health Solutions to assist with winning the hospital contract extension and that Health Solutions put Mr Solin in the race for the seat of Mandurah as part of that strategy. What is the problem with privatisation? The Liberal Party's candidate is the problem with privatisation. This problem occurs when companies deliberately try to manipulate the democratic processes for their own business outcomes, not, as the member for Riverton alleges, when they fight for workers' rights and wages. This is about profits.

Dr M.D. Nahan interjected.

The ACTING SPEAKER (Ms A.R. Mitchell): Order, member for Riverton! I call you for the first time today.

Mr R.H. COOK: That is what we find so repugnant about this process. It is clear from this series of events what is going on. Peel Health Campus is desperate to renew its contract—I get that. For years there has been neglect of staff wages, hospital communications systems and hospital equipment, yet the hospital now has the temerity to say, with all that has gone on in the past, that it wants to extend its contract by 60 years! It is an extraordinary series of events. The minister has not reported to this place what the government is going to do about the over-admissions that were discovered. The minister is yet to say why these issues were so quickly swept under the carpet. Perhaps we are now starting to see why. When we scratch the surface, everything points to the one conclusion—that the hospital will stop at nothing to renew its contract. It certainly did not stop at applying for an injunction to prevent newspapers from talking about the issues that I spoke of earlier. If it was not for the bravery of current and former hospital staff who were prepared to blow the whistle, who knows, maybe the situation would have continued. Shaun Strachan might have been able to monitor those spikes in admissions and he may have been able to pull them up. But if it was not for the fact that people are now standing up and saying that this has to stop, this situation would have gone on unabated in this reckless fashion.

Often when we talk about privatisation, the minister is quick to point out the fantastic work at Joondalup Health Campus. To a certain extent, he is right. There are good and bad privatisations. When they are bad, we have to be in a position to pull them up and rectify the situation. As I have shown today, none of that has taken place. As I have shown today, these companies will do what they will do to protect their profits. We have shown today that that goes as far as taking on staff and putting them in a role in a company to allow them to run for the Liberal Party to get a particular business outcome. Imagine if the minister decided later this year to roll over the contract but with someone else. It might let some private sector player other than Health Solutions move into that space. I assume that that is one of the options the minister has to consider. But why should the public have any faith that that option is sitting in front of the minister when it is aware of how entrenched the private contractor is in the minister's political party, to the point that it can place someone in the election race? The opposition has serious concerns about the nature of arrangements as they exist. We have serious concerns about the way things have been done to date. We have serious concerns about the capacity of this government to make changes for the future. We have serious concerns, as we have said on many occasions, about privatisation. When it goes bad, it goes really bad. The people who pay for it are the taxpayers of Western Australia and the patients of the service that is privatised. It is clear that the minister has not been able to ensure things are in tiptop shape at that hospital. This situation has continued for many years. On many occasions in this place, the member for Mandurah has talked about his concerns for patients who attend Peel Health Campus. For goodness sake, we have an important job to make sure that health, the most important core service of government, is operating at a level of which we are confident. When we look at the fact that Health Solutions was making inquiries to work out how to get someone preselected for the Liberal Party, that it then employed Mr Solin as PR manager, that in July it came out with a PR vehicle for which Mr Solin is responsible, that Mr Solin then popped up as the Liberal Party candidate for Mandurah and that it then made a pitch to the minister about the extension of the contract, we should be concerned. We have to be concerned when we as members of this place observe the somewhat disconnected and disengaged attitude from the minister when he says, "Sure, we can bowl it over; that's one of our options." We can only assume that Mr Solin was put in by Health Solutions to win the race not for the Liberal Party but for Health Solutions (WA).

I note that Mr Solin left Peel Health Campus in the past week or so. I think Peel Health Campus understood that the *Mandurah Mail*, *The West Australian* and the WA Labor opposition was on its tail. Mr Solin has been caught out. We know what is going on. This is one of the key reasons why we oppose privatisation of these sorts of services.

MR D.A. TEMPLEMAN (Mandurah) [5.02 pm]: It is the responsibility of members of Parliament to speak out and stand up for their communities without fear or favour. That is absolutely critical. I will do that if and when I feel I must. As I said earlier today during the debate on the motion to suspend standing orders, Peel

Health Campus is my hospital. It is my family's hospital. It is the hospital that my neighbours and constituents turn to when they need to access the services that should be provided. The people of Mandurah and the people of the Peel region need to have confidence in their hospital and the services that that hospital provides.

I said in this place earlier today and previously that I absolutely value and appreciate the hardworking doctors, nursing staff and ancillary staff at the Peel Health Campus. When two of my four children were born there, I wrote to the staff at the hospital thanking them for their exemplary service in assisting with the birth of my kids. I have never had a beef with the staff, and I have said so publicly. That does not mean that when issues and concerns that affect our hospital are raised, we simply stay silent and say nothing. There are issues about why so many officers in high-level management have left the hospital. A number of chief executive officers and chief operating officers publicly raised their concerns when they were terminated. As I said earlier today, in the past two years in particular—since 2010—at least seven people in senior management, including the last COO, highlighted a range of concerns. Those have been set out by the member for Kwinana today.

It is the responsibility of local members of Parliament and, ultimately, the Minister for Health, who also happens to be a member of Parliament for the area, to ensure that these matters that have been raised are investigated with transparency, and forensically investigated, to ensure that we restore confidence in the very, very important asset that is the Peel Health Campus. It is so crucial because for people like me and my family who live in the region and the thousands of others who live in Mandurah and the Peel region who need this hospital, that confidence is paramount. We now know that all of these issues that have been raised by the member for Kwinana and the concerns that have been raised by former staff and a number of senior staff are all under the backdrop of the company demanding a 60-year renewal of its contract. In return for that contract renewal of 60 years is the promise of a $70 million expansion. Ultimately, the taxpayers of Western Australia have a direct interest in the future of the Peel Health Campus and its delivery of service. Our foremost concern is for the people of Mandurah and the people of Peel themselves. They have a vested interest in ensuring that not only do they have confidence in their hospital but also that they are very confident that there will be no compromise of high-quality patient care. The provision of high-quality patient care for the people of Mandurah will always be my priority. It should always be the priority of any operator of the campus, whether that operator be a private operator or the government, as a public hospital.

The minister has a responsibility here, not only as Minister for Health but also as a parliamentary colleague representing the people of the region and, indeed, the people of his constituency. It is in all of our interests to ensure that the issues that have been raised by former senior staff are thoroughly investigated and that the minister does that in a diligent, effective and thorough manner, particularly given that it is also under the backdrop of a looming deadline, with the current contract expiring in 2007. He needs to do that without fear or favour because he owes that to the people of Mandurah and the Peel region, including those people in his electorate. He also owes it to the taxpayers of Western Australia. The people of Mandurah and the Peel region deserve the very highest quality of care, as does any other person or family in Western Australia, from their hospitals. There should be no difference in the expectations of constituents, whether they normally attend Joondalup Health Campus, Fremantle Hospital, Bunbury regional hospital or Albany Hospital.

I will always raise issues of concern without fear or favour. One of the issues I raised was the opening hours of the paediatric ward. As the minister knows, the community, me as an individual, the minister as an individual and many other thousands of people in the Peel region got on board the campaign to build a children's ward at the Peel Health Campus. Fundraisers were held by kids in primary schools, elderly groups in retirement villages and local service organisations. Over $3.5 million was raised by our community to build what we see now and saw then as an important asset that our community did not have; that is, a dedicated children's ward.

But, I asked some questions back in July this year, because I had had concerns raised with me—I know the Minister for Health did too—from parents coming to me, and I have read these in Parliament previously. Parents came to me saying that their child attended the emergency department and was admitted to the hospital, but was not admitted into the paediatric ward. They said they would expect to be admitted into the paediatric ward because that is why it was built; that is why they were convinced it was important. I agree with them absolutely. The community got on board. I asked some questions, and I think they were valid questions. Questions as simple as: of all children admitted since the paediatric ward opened two years ago, how many actually were accommodated in the paediatric ward? The answer came back—less than 50 per cent. As I said publicly, I do not know what went wrong, but that is not good enough and it was not good enough, because the expectation of the community was very clear. We got on board. Mums, dads, kids, older folk, community groups and service clubs all got on board because they believed in that project, and it is a great project. The facility is second to none that I have ever seen in a hospital. I asked the question without fear or favour because it needed to be asked. Thankfully, the end result was that the then management said that it recognised that that ward should be operational whenever there are kids in hospital. I understand from speaking recently to one of the former chief

executive officers, Anne Fletcher, who is now chair of the Peel Health Foundation, that it has been chock-a-block. In fact, I think only recently there was something like 12 kids in there at any one time, which is great, because it is being used for the purpose that the community believed it was supporting. But I had to ask the questions: why was it not being used? Why was it not decided until late June that the ward would open whenever there was a child in the hospital?

Today, the Premier tried to say that I have attacked the staff of that hospital. I refute that absolutely, because I have said in this place, and I reiterated again today, what I think about our staff there.

Dr K.D. Hames: I think you need to read *Hansard*, too, because I am sure that is not what he said to you.

Mr D.A. TEMPLEMAN: Yes, he did, mate. He said I was attacking the nurses and the staff there.

Dr K.D. Hames interjected.

Mr D.A. TEMPLEMAN: He did—and he will never ever get away with saying I said that, mate, quite frankly, because it is rubbish and it is not true.

Dr K.D. Hames: He didn't say that.

Mr D.A. TEMPLEMAN: Does the minister agree that it is not true?

Dr K.D. Hames: Yes, I do agree it is not true.

Mr D.A. TEMPLEMAN: Yes; and I refute it. I will never let the Premier put words in my mouth, I can tell the minister now.

Dr K.D. Hames interjected.

Mr D.A. TEMPLEMAN: I got upset this morning because I knew what he said and what he was trying to put and say.

Dr K.D. Hames: That is because you got what he said wrong.

Mr D.A. TEMPLEMAN: No, no. This is where you really fall down, Minister for Health, member for Dawesville; you really fall down here, you really do.

I do not have a beef. I even said in this place some time ago, and the minister can check this if he likes, that one of the frustrations for me is that I have never quite understood why the model at Joondalup Health Campus has not had some of the problems we have all been baggaged with—some of the problems we have continuously had in terms of staff turnover, complaints et cetera—in the operation of the Peel Health Campus. I have never understood why, because I cannot see why we should not be, and could not be, delivering the very best possible service that people deserve. At the end of the day, I actually do not care, personally, whether the hospital in Peel is operated by government or by a private operator, be it the current one or another.

Dr K.D. Hames interjected.

Mr D.A. TEMPLEMAN: Excuse me, I will finish here first, thank you, Minister for Health. The minister can get on his feet a minute.

At the end of the day, all I am concerned about is the quality of patient care and the assurance that the services provided there, and provided into the future, deliver to the needs of not only the population I represent, but all those who live in the region where I live. As I said earlier today, and as I say all of the time, I have a vested interest that that hospital succeeds, because I have invested, if you like, my family in that region. That is where my kids will grow up and that is where they will go to school, but if they do get sick or something happens to them, and hopefully they do not, that is the hospital they will go to. Like any other family, individual or citizen who lives in the region, it is only right that we demand that type of quality service. If concerns and issues are raised under the backdrop of a looming deadline, the Minister for Health has responsibility, as the member for Dawesville and as the minister, to ensure that confidence is restored in what happens there. I will, without fear or favour, continue to raise issues, like I did with the occupancy of the paediatric ward earlier this year. I will raise these issues without fear or favour, because, quite frankly, it is the responsibility of the local member to do that without fear or favour. I will praise the hospital when it deserves praise, but I will also raise concerns when concerns need to be raised, because that is something a local member should do, and it is also something that somebody like me, who has a vested interest in the health and wellbeing of the community and ultimately a vested interest in the effectiveness of our local hospital, should do. The debate can go on about individuals and a whole range of things, but people will only find me coming back to the point. The people of Mandurah and the Peel region deserve, like anybody else, the best quality care and the best possible access to services that are needed, and that can be delivered in their local area through their local hospital. While I am there as member for Mandurah, I will keep fighting and making sure, without fear or favour, that I get that achieved for the people I

represent and for my neighbours and the people who live in the community with me. I will keep doing it because it is a responsibility of mine. It is one of the reasons I am in this place and it is one of the reasons I will make sure I stay here, because I will make sure I stay here, I can tell members now.

Dr G.G. Jacobs: That's what this motion is about.

Mr D.A. TEMPLEMAN: What is the member for Eyre's problem?

Dr G.G. Jacobs: That's what this is all about.

Mr D.A. TEMPLEMAN: No, it is not; it is not about me at all. The member for Eyre has obviously not listened to anything I have said.

Dr G.G. Jacobs interjected.

Mr D.A. TEMPLEMAN: Well —

Dr G.G. Jacobs: You have not said anything.

Mr D.A. TEMPLEMAN: I am sorry, I totally disagree.

Dr G.G. Jacobs interjected.

Mr D.A. TEMPLEMAN: I will have to ask for an extension now, because the member for Eyre has lit the fuse.

The ACTING SPEAKER (**Ms L.L. Baker**): Members, we have one member on his feet. You can stop the argy-bargy across the house please and let the member on his feet continue.

[Member's time extended.]

Mr D.A. TEMPLEMAN: Member for Eyre, it is not about me at all. I asked for an extension because I was roused by the member for Eyre. He tends to do that; he roused me. I was going to sit down and he roused me; he should not have done that.

Mr J.M. Francis: I thought you said "aroused"!

Several members interjected.

Mr D.A. TEMPLEMAN: No; "roused" was the word I used.

It is not about me at all. This is the point members opposite miss. If I am not here next year, the problem is still there. The people of Mandurah and Peel deserve confidence in the hospital. Under the Liberal–National government, in this environment of a demand for a 60-year contract in return for a $70 million expansion, all these issues are swirling. It is the responsibility of any member of Parliament to raise these issues. I have given one example and I could give many. I have done this in this place before. When people come to us with issues, do members opposite expect people to sit on them and say nothing because they do not want to rock the boat? Sorry, but I will not do that. Frankly, that is not what a member of Parliament should do. That is why I asked the questions about the paediatric ward that I mentioned earlier in my speech; the member for Eyre might not have been here when I spoke about that. I could have sat on it and said nothing. Do members know what would have happened if I had said nothing? Those statistics would have continued. Less than 50 per cent—about 48 per cent—of children admitted to the Peel Health Campus in the period since its opening made it into the paediatric ward, which the community contributed to and helped build. That would not have been right. That was not the expectation of the community and all the people who gave money and fundraised. Members here did it. Arthur Marshall, a great bloke, wandered around flogging money off anyone who would give him money.

Dr K.D. Hames: He got a lot of money off me, I can tell you.

Mr D.A. TEMPLEMAN: He got a lot of money off me. He got a lot of money off everybody. Why? It was because the paediatric ward was seen as an important community asset, which we did not have and that we needed. The community supported it absolutely. I asked the question without fear or favour: how many of the 2 000-plus kids who had been admitted since it opened had made it into the ward? The answer was less than 50 per cent. I am sorry, but that is not good enough. Interestingly enough, I asked the question, and I got the answer. I asked why that was the case, and the end result is that the paediatric ward is now taking every kid who comes into the hospital. Sorry, mate, but that is my job—without fear or favour, I have to ask those questions. I am not doing it because it is me; I am doing it because the Trudy Murnanes of the world went to the emergency section of the hospital with her little four-month-old daughter and after a time that child was admitted, not to the paediatric ward, but to an adult ward. The paediatric ward at the time was closed. That is not the expectation of people who fundraised and worked for the paediatric ward. Mate, I am sorry; I totally disagree with the member for Eyre. It is not about me; it is about my community. I will keep asking the questions without fear or favour, and I will keep doing it even if it upsets some people or some operators or the government of the day. It is my

responsibility as the local member to do so. Frankly, the same question should have been asked by the members for Dawesville and Murray–Wellington. Those members should have been asking those questions because irrespective of the colour of someone's politics, it is our hospital. Therefore, those services that we expect to be delivered should be delivered.

Dr G.G. Jacobs: That issue with the paediatric ward, is that a function of privatisation?

Mr D.A. TEMPLEMAN: The member for Eyre wants the link to privatisation. Since 1996, for the last 16 years, we have been operating under that model. All I want is the best model that delivers the quality care that my population—the people who live in my area, the families and the elderly folk—deserve. That is all I will ever be concerned about. I disagree with the member for Eyre. He should not have interjected because he has now roused me.

I will finish there, because I have said what I wanted to say. Do not get me wrong, it will not stop me from asking more questions in the future. I do not care who members opposite throw up against me because, quite frankly, it does not matter. If I am not here next year or in four years, it does not matter. My aim is for my hospital to genuinely deliver quality services, to respond to the needs of my population and to have the confidence of the people who live and work in that area. It will always be my aim and it will be an aim without fear or favour.

MR P. ABETZ (Southern River) [5.26 pm]: Listening to the debate so far, it would seem that the motion is all about the Peel Health Campus, but the motion reads —

> That this house expresses its concern about the impact of privatisation of public hospitals and calls on the Barnett government to immediately abandon its privatisation policies.

I guess the question we need to ask ourselves is: what is privatisation? I came to Western Australia in 1991, so I have been here roughly 20 years. If my memory serves me correctly, the only hospital that has been privatised in Western Australia was privatised by the Labor government with Carmen Lawrence—the Hollywood Private Hospital—

Ms J.M. Freeman: That was federal.

Mr P. ABETZ: That was federal, was it? That was a federal-owned hospital.

Several members interjected.

Mr P. ABETZ: The thing about privatisation is that for something to be privatised—like when Telstra was privatised—an asset is sold to the private sector, and then the private sector runs that facility and it is totally up to it how it runs it, governed by certain regulations. The claim that we are privatising public hospitals is a total furphy; it simply is not true.

A government member: It is a big fat Labor lie.

Mr P. ABETZ: That is true. Issues have been raised concerning, for example, the Peel Health Campus. The member for Kwinana raised some of the mistakes made on forms and so on. I can tell members that my oldest sister has just retired and she worked for more than 40 years as a nurse in both public and private hospitals in Tasmania, Victoria and Queensland, and those kinds of things the member of Kwinana raised happen in every hospital irrespective of whether it is public or private because hospitals are run by human beings—and human beings make mistakes. That happens whether a hospital is public or private. Obviously, systems need to be put in place to minimise mistakes. However, the mistakes that are made are simply part of living in a world that is less than perfect.

Having served as a pastor for 25 years, I have possibly spent more time in hospitals—apart from those in this place who worked in the medical field—than most people here. I have often had to advocate for patients and families with loved ones in hospitals because they were not getting the answers that they deserved. I have to say that in the private hospitals those issues were far less common than they were in public hospitals. My experience has been that staff in public hospitals tend to be far more arrogant towards the family than I have ever experienced in private hospitals. That may be because they are overworked and stressed, but that has certainly been my experience here in Western Australia. The number of people —

Mr R.H. Cook: So what do you think about public sector workers again? Did you just say they were —

Dr A.D. Buti: Arrogant.

Mr P. ABETZ: No; I just said that is my experience. I could certainly go into some more detail, but I will not do that because that is not the key issue here. The key issue is that the motion that the opposition wants us to debate

concerns the impact of privatisation. The key point is that the state government is not privatising any hospital or essential hospital service. As I said before, to privatise is to sell off a community asset, and that simply is not happening.

The other question is: what happens when the government contracts out certain services? That is what the government does anyway in lots of different contexts, whether it is in Main Roads in procuring materials and so on. The government in many ways does not produce anything. In many ways, the government does not actually run anything in the pure sense of the word: even in a public hospital staffed by employees employed by the government, the government contracts individuals to work at that hospital. Those workers are engaged under an enterprise bargaining agreement that is usually negotiated by a union, and that is the way that workers are engaged. When we have a contracted-out situation, the government, instead of going to people who group together under a union, goes to people grouped together under a private enterprise group. That group or those individuals are engaged by that private company to provide that particular service in the context of a hospital, whether it be gardening, reticulation services —

Mr W.J. Johnston: How come they gave the member for Scarborough the ministry and not you? It was not fair. It just was not fair.

Mr P. ABETZ: It does not worry me. I have enough to do in my area.

Mr J.M. Francis interjected.

Withdrawal of Remark

The ACTING SPEAKER (Ms L.L. Baker): Members! Member for Jandakot, will you please withdraw those statements.

Mr J.M. FRANCIS: I withdraw.

Debate Resumed

Mr P. ABETZ: The point I am trying to make is that the individuals who work for the government, employed directly by government, are not actually owned by the government in that sense, unless they are slaves, and they are certainly not that. Whether a person chooses to work for a private firm that runs a hospital or work for the government is a choice that people make.

Dr A.D. Buti: Sometimes they do not have that choice.

Mr P. ABETZ: They may not have that choice; that is a possibility, for sure. Everybody makes a choice as to where they work. Everybody has the choice, unless somebody is holding a gun to their head and saying —

Mr M.P. Murray interjected.

Mr P. ABETZ: Sure, but you can take or leave that job and go somewhere else and work there.

Mr M.P. Murray interjected.

Mr P. ABETZ: That is absolutely a choice. I had a choice whether I would nominate to be endorsed by the Liberal Party.

Several members interjected.

The ACTING SPEAKER: Members, could we have a little bit of order in the house, please? Yelling across the chamber about who gets jobs and who does not is not an appropriate way to continue this debate. Member for Southern River, please try again.

Mr P. ABETZ: The issue that the Barnett government is pursuing is that in certain contexts, if it results in a better outcome for taxpayers, we contract out those services. For example, take the Fiona Stanley Hospital, which is a facility that will be very much utilised by the people in my electorate once it opens. We are certainly looking forward to that facility being open; I think it is in late 2014.

Dr A.D. Buti: How do you determine that it is a better outcome for the taxpayer?

Mr P. ABETZ: In terms of the value for money—it is as simple as that.

Dr A.D. Buti: How do you determine in the health system whether it is value for money?

Mr P. ABETZ: You have to do your sums and work it out. Is there a cost–benefit analysis? That is what you need to do. If a private contractor can run that system better or more cost effectively and provide those services, then why not —

Mr M.P. Murray interjected.

Mr P. ABETZ: Both; it is whether they can provide a service to a certain standard that is required. Fiona Stanley Hospital is an example. United Voice has been running a scare campaign in my electorate and in other electorates saying that this government will privatise the Fiona Stanley Hospital; it is absolute nonsense. I say to people, "Do you really think that the fact that a private contractor is looking after the reticulation, parking and the patient transfers around the campus is a big issue?" They all agree that perhaps the health department is not the most skilled at looking after the retic or the parking facilities. The thing that I want to stress is that contracting out services is not necessarily a bad thing; it is not automatically a good thing either. It is a question of what is the best outcome for taxpayers and for the people using those facilities.

Dr A.D. Buti: You know you have said that you are not privatising it, so I presume that the government made the decision that privatisation is not good; is that right? If you are not privatising, you made a decision that privatisation is not good—right?

Mr P. ABETZ: No.

Dr A.D. Buti: Why aren't you privatising if it is good?

Mr P. ABETZ: No, we are not saying that. Privatisation is when an asset is sold, and as a general aspect —

Dr A.D. Buti interjected.

Mr P. ABETZ: In certain things, privatisation I think is good. In terms of hospitals, we are not committed to privatising hospitals—no.

Dr A.D. Buti: So in health, the Barnett government has decided privatisation is not good.

Mr P. ABETZ: I have not particularly asked that question of the Minister for Health, but if we look at the evidence, we certainly have not privatised anything because, I would assume, the Minister for Health and the government have clearly decided that that is not the way to go, because we want to stay in control of those facilities. I am certainly supportive of not actually privatising hospitals.

Mr R.H. Cook: It is because you want to stay in control of those particular core businesses called health?

Mr P. ABETZ: Correct; we want to stay in control of that, and by having appropriate contracts, we stay in control of that. That is the issue.

When a private company is providing certain services in the context of a hospital or prison or for Main Roads—whatever it is—the service they provide still has to provide value for taxpayers' dollars. I have yet to find anyone in my electorate who says that they would love to pay more tax. Most people would prefer to pay less tax, but everybody wants a certain standard of service. If we want to maintain the best possible services for the most economical price, sometimes the private sector is certainly the way to go, but in terms of providing the actual health services, we as a government have said that we are not actually giving that to the private companies in Fiona Stanley Hospital.

The question that United Voice so often makes is: how can you possibly have a hospital where some of the services are provided by companies that are motivated by the profit motive? In a public service–type set-up where public servants do all the work, including looking after the retic and all that kind of thing, the question is: what motivates them? What motivates those people to work in that context? The reality is, sadly, that all too often in the public sector we have less efficiency because it is much more difficult for people to be moved on if they are not performing as well as, say, the private sector would expect. It is because of that that all too often the private sector is able to provide services at a more cost-effective price.

Mr M.P. Murray: Greed is good!

Mr P. ABETZ: I am not saying greed is good. I am saying efficiency is good; that is the key. When we have unionists dominating the workforce, we have to ask the question about people like Craig Thomson and Julia Gillard with the slush funds involved there and money being siphoned off from workers —

Dr A.D. Buti: What has that got to do with the public service?

Mr P. ABETZ: They are taking something off workers.

Several members interjected.

The ACTING SPEAKER: Members, I do not think we need the callisthenics or aerobics, or yelling across the chamber. Member, if you can complete your contribution.

Mr P. ABETZ: Private companies expect to get a return on capital, so there is the profit motive that members opposite mentioned. In other sectors, there are things that motivate people other than profit. Job security may be

one thing that attracts people to work in a particular setting. On the issue of supposed greed, when we look at what has happened in some of our health services unions, and what is still before courts and all that, and the money that has been taken from workers and that the taxpayers have paid and have put that across into unions for them to misuse, I see that as immoral. Whereas for a company to get some return on its capital is certainly —

Dr A.D. Buti: What if a company is engaged in corruption?

Mr P. ABETZ: That is totally unacceptable.

Dr A.D. Buti: Give us an example! There have been a lot of examples, but you have only used the union example; I want to hear some of the corporation examples.

Mr P. ABETZ: If a company engages in corrupt practices, that is sufficient grounds to terminate the contract; it is as simple as that. There is no excuse for that kind of behaviour. The scare tactics that United Voice has been peddling in my electorate and other electorates is simply pushing this theme of supposed privatisation. In fact, we are not privatising anything at all; we are simply engaging contractors to do certain jobs, because with the sums the Department of Health has done—obviously signed off by cabinet—the conclusion is that those services can be provided more cost effectively by the private sector. I certainly support the use of private companies to provide services to government.

Perhaps I will wrap up my comments; my time has almost expired. I want to finish on the motion before the house —

> That this house expresses its concern over the impact of privatisation of public hospitals —

Point of Order

Dr A.D. BUTI: Madam Acting Speaker, I am enjoying the member's contribution; I would like to seek an extension for the member.

The ACTING SPEAKER (**Ms L.L. Baker)**: No, no! Member for Southern River, would you like to conclude?

Debate Resumed

Mr P. ABETZ: I feel greatly honoured that the member for Armadale is so thoroughly enjoying my contribution. I never thought that would happen in this house, and I do feel honoured.

The motion that was moved today reads —

> That this house expresses its concern over the impact of privatisation of public hospitals —

Number one, that is not happening. Next, the motion reads —

> and calls on the Barnett government to immediately abandon its privatisation policies.

Number two, we do not have a privatisation policy. We have a policy of contracting out certain services to the private sector when the private sector can deliver better value for money and provide a better service to the community.

MR A.P. JACOB (Ocean Reef — Parliamentary Secretary) [5.45 pm]: I will address the motion before us this evening. It is probably the first time I have had the opportunity to speak in private members' business since the Liberal–National government passed its four-year anniversary in this place. One thing I have learned after four years here is that it pays never to take the opposition at its word. Indeed, on this, as with many other issues, the opposition is deliberately misrepresenting both the history of the government's current position and deliberately drawing attention away from its own lack of position on this issue. To illustrate this point on being careful about what we hear the opposition say, I draw members' attention to an article in *The Sunday Times* of 14 October that refers to division bells over the Premier's new offices up there on the hill. There was a quote in there from the opposition leader —

The ACTING SPEAKER: Members, could you please stop the conversations in the background, thank you.

Mr A.P. JACOB: That article contained a quote that I have seen a number of times recently in which the opposition leader said —

> "This building is the one project conceived, designed and completed during Mr Barnett's term of office.

I have to say that is an out-and-out false statement. I put it to the house that members should try this on for size: one of the major projects designed, began, constructed and completed by this government has been the redevelopment of the Joondalup Health Campus in the northern suburbs.

Mr R.H. Cook: It's not!

Mr A.P. JACOB: It absolutely is, member! It never started under the Labor government; members opposite tried to pretend that it did. The Labor government started the mental health facility; I accept that.

Mr R.H. Cook: The earthworks had been done and negotiations undertaken with the private party!

Mr A.P. JACOB: Did we just go ahead and build what members opposite were going to build?

Mr R.H. Cook: McGinty gave the minister a briefing on it so he would know the costs associated with it and everything.

Mr A.P. JACOB: I agree that the Labor government had done work towards it, but what has been built is not the project that members opposite had set out to build. It is in a similar vein, but we went absolutely over and above that again. At the time, members opposite put out flyers, and I have held this one up a number of times in the house. It says that the Liberal health policy had no plan for Joondalup Health Campus. Another flyer that I found the other day was from the now member for Joondalup and reads —

> Only Alan Carpenter's vision for Joondalup Health Campus will:
>
> - Increase public hospital beds from 280 to 451

That is probably correct, because our government increased it by far more than that —

> Only Alan Carpenter's vision for Joondalup Health Campus will:
>
> …
>
> - Double the size of the Emergency Department

Again, that is something that this government achieved quite quickly —

> Only Alan Carpenter's vision for Joondalup Health Campus will:
>
> …
>
> - Build six new hospital theatres

I think we built 12! To continue —

> Only Alan Carpenter's vision for Joondalup Health Campus will:
>
> …
>
> - Get care locally when you need it, rather than going to Perth; and

Most interestingly —

> Only Alan Carpenter's vision for Joondalup Health Campus will:
>
> …
>
> - Provide a new 85 bed private hospital

Apparently, four years ago, private hospitals were absolutely fine. Not only were they fine, they were something that we had to absolutely go out and spruik to the community.

Mr W.J. Johnston: That is the most stupid thing you have said.

Mr A.P. JACOB: That is an interesting interjection because this flyer has the member for Cannington's name at the bottom endorsing it!

Mr W.J. Johnston: Are you against private hospitals?

Mr A.P. JACOB: Not for a second; we have a very clear position on this issue. I am 100 per cent behind private hospitals.

Mr W.J. Johnston: You are against privatisation.

Mr A.P. JACOB: I support 100 per cent the private hospitals there. In fact, at the time the member for Cannington was supporting an 85-bed private hospital, but under our government, as part of that process, it is a 145-bed private hospital. Again, we have nearly doubled the commitment shown on that flier, while the member for Cannington has tried to allude to the fact that, first, we had absolutely no vision for it —

Mr W.J. Johnston interjected.

THE ACTING SPEAKER (Ms L.L. Baker): Member for Ocean Reef, are you happy to take these interjections?

Mr A.P. JACOB: I am happy to take some interjections, Madam Acting Speaker.

The ACTING SPEAKER: That is fine; will you let me know?

Mr A.P. JACOB: I will address the Chair if required. Thank you for the opportunity, especially given the member who was interjecting put his name to the document and then called them statements.

The ACTING SPEAKER: I understand that; please continue member.

Mr A.P. JACOB: As I said, I will draw two conclusions from this flier and subsequent fliers. First of all, the Labor government's plans at the time for northern suburbs health care, though well intentioned, fell well short on delivery in eight years. It did not actually start even though this flier says that work is already underway. Work was not underway. It got underway another three months after the state election. As I said, this is one key project that was conceived, started and completed by this government ahead of time and under budget. As I said, the other interesting point I gathered from this flier is that the Labor Party took the position in government of not only supporting private operators on public contracts but also believing at the time that this was a strong enough positive to spruik it to the whole community.

I have gone through the commitment on the Joondalup Health Campus. This is a fantastic time in the debate to go through some of this government's achievements over four years. Since late 2008, when this $393 million development got underway, the number of public beds in the Joondalup Health Campus has expanded from 280 to 498, including an additional 120 acute medical surgical beds. Interestingly, 70 of those acute medical surgical beds were former private beds, which have now been converted to public beds—a very good way that this kind of model can work in health. We have also seen an additional 15 rehabilitation beds and we have expanded renal dialysis and chemotherapy services. We have opened 12 new operating theatres at the health campus and 55 new public beds in the Wanneroo wing, named after the member for Wanneroo's seat. I am still trying hard for an Ocean Reef wing, but we do not seem to be getting anywhere on that. There is a $29 million emergency department with another 56 patient bays and, as I said, 145 new private beds. The number of private beds is significant because an extra 145 private beds in an entirely new hospital built onsite, but separately, frees up a total of 100 beds for public patients. The public win, the patients win, the community wins, the private provider wins and we, as a government, win because we get a $393 million development with all the services that come with that for only $230 million of state money invested. Significantly, I need to say, we have opened a new intensive care unit with nine ICU beds, six high-dependency beds and a further 10 coronary-care beds. I should mention that because that is the unit my wife works in. It is a fantastic example.

In picking up on the cardiac catheter area, it is a fantastic example of where this public–private partnership model delivers real quality outcomes for our local community. As the minister will know, we held a number of discussions about that. There was hope in our community for a long time that we would see a catheter laboratory come to Joondalup Health Campus. I think there was a significant budget shortfall when we came to government for this project to be realised. As a result, the commitment to the cath lab was looking a bit shaky, so what has happened? In its private wing, Ramsay Health has built a cardiac cath lab. Because it is running the private–public contract, it gets the critical mass and the number of patients through to justify a hospital of that size having that service and now there is the opportunity for all people in the community to go through and use it.

I will quickly refer to some of the comments the Deputy Leader of the Opposition made. I can see that he is having a conversation. He was talking about the workforce and the challenges of getting the workforce into these kinds of public private–partnership models. In fact, we have to say when they are working well that it is the complete opposite —

Dr K.D. Hames: The member for Ocean Reef is trying to talk to you.

Mr R.H. Cook: He has not been worth listening to.

Mr A.P. JACOB: I am, first of all, addressing his comments on the workforce.

Mr R.H. Cook: I tuned out when you misrepresented the situation at Joondalup.

Mr A.P. JACOB: The member's motion refers more broadly. I admit that he did not particularly address the broader motion, but it states —

> That the house expresses its concern over the impact of privatisation of public hospitals and calls on the Barnett government to immediately abandon its privatisation policies.

I query what he meant with that last part. What exactly does he mean by "abandoning privatisation policies"?

Mr R.H. Cook: I'd like to see a situation where, if you have the opportunity, to make a policy decision that says, "Do we do this as part of core government business or do we send it out and get someone else to do it?", you would adopt it as core government business.

Mr A.P. JACOB: Would the member look at bringing back some of these public contracts?

Mr R.H. Cook: Where you can, for a range of reasons, you would, but where you can't, for a range of reasons you wouldn't. For instance, I think the minister made the observation that we worked perfectly well with the private operators of Peel and Joondalup while we were in government.

Mr A.P. JACOB: It is still under review; the Labor Party does not have a firm position on it?

Mr R.H. Cook: No; that's our position. These are situations whereby when you are in government, as you know because you are now in government, you have to accept the realities of the situations.

Mr A.P. JACOB: So, it is a wait-and-see-type of situation.

Mr R.H. Cook: I am not sure. I do not understand what you are saying. What was your question?

Mr A.P. JACOB: I was seeking clarification of the opposition's position regarding the motion the member moved.

Mr R.H. Cook: For instance, if we were confronted with the situation you are in about developing Fiona Stanley Hospital, would we have privatised the services of Fiona Stanley Hospital? No, we would not have.

Mr A.P. JACOB: The Labor government was certainly looking at it when it was in government.

Mr R.H. Cook: No; we looked at one of the hostels and some radiography and things like that.

Mr A.P. JACOB: Beyond Fiona Stanley?

Mr R.H. Cook: That is the situation in all public hospitals. Some small clinics are run by the private sector. I think at Fiona Stanley Hospital we were looking at the Cancer Council to run a hostel. That is not necessarily a bad thing. The minister jumped on that to say, "You were about to privatise everything at Fiona Stanley anyway." That is not the case and you know that. That's all right if you are enjoying yourself. Carry on.

Mr A.P. JACOB: There is a firm point of difference here. We as a government have a clear policy for each and every hospital and each and every one of those contracts. Members opposite are still working on that a little bit, but I am sure members opposite will have an opportunity to rebut that, if need be.

Dr M.D. Nahan interjected.

Mr A.P. JACOB: Yes.

The ACTING SPEAKER: Members, I think Hansard might be struggling to record remarks when you continue to swap comments on the backbench.

Mr A.P. JACOB: I am sorry, Madam Acting Speaker; I will try to bring my remarks back and not respond to too many interjections. I note that the dinner break will be here soon. I want to quickly address some of the Deputy Leader of the Opposition's comments on the workforce at these sorts of hospitals. He intimated challenges the Peel Health Campus may have had with staffing. I admit that I am not too familiar with them, but I want to dispel any notion that these kinds of public–private partnership models cause a problem for staffing generally. In fact, again, the complete opposite has been our experience at Joondalup Health Campus. Our Liberal–National government was elected in 2008 and we have employed an additional 500 nurses in the WA health system—a very, very important milestone across the whole system. To bring that back to the Joondalup Health Campus, which is, relatively speaking, a medium-sized hospital of 650 beds, which we are achieving now; we held an open day last year and got 600 expressions of interest from nursing staff around the state desperate to work at Joondalup. It was so successful we thought we would hold another one this year, and we got another 500 expressions of interest from nurses wanting to work at Joondalup. From a staffing point of view, it has been a very popular destination.

Mr R.H. Cook: I would put up my hand to work for Kempton Cowan if I was in that situation, particularly if I was living in the northern suburbs.

Mr A.P. JACOB: It is seen as a fantastic place to work. We are seeing fantastic progress in that area. By early 2013 we will see Joondalup Health Campus as a 645-bed hospital. This is a win for the community. Importantly, this model, through the minister's careful leadership and guidance, is delivering a $393 million hospital redevelopment in Joondalup with a full suite of tertiary services for the cost of only $230 million.

Dr A.D. Buti interjected.

Mr A.P. JACOB: The increase in population is exactly where it was projected to be. Interestingly the Labor government commitments towards redeveloping the health campus probably fell a good 10 or 20 per cent short of our commitments. Even then they were commitments the Labor government did not try to catch up on.

Dr A.D. Buti interjected.

Mr A.P. JACOB: I do have those figures. This is an ongoing job. The Minister for Health's record in health services has always been to get the most we can get for our community. In my closing minutes I want to pay tribute to the Minister for Health first and foremost for what he has done for our local hospital of Joondalup Health Campus. Finally, after eight years he got that project moving, and opened those beds, opened those wards and opened those services. That is something that each and every member, if they are going to be honest in this place, will have to say that this minister will be remembered for.

Sitting suspended from 6.00 to 7.00 pm

Mr A.P. JACOB: I will bring my comments to a close because I know that a number of my colleagues also want to speak on this motion, as we always see on health debates, because this really has been an area of strength for this government. All I wanted to say just in closing is that in the past four years I have had a lot of opportunities to see the healthcare system in my area from another angle, in particular my own local Joondalup Health Campus, which is one of those public–private partnership models. As indeed the Deputy Leader of the Opposition said also, the staff are doing an absolutely fantastic job there. I do not say that just as a local member, but as someone who has been there as a patient and who will be back in there as a patient in another 10 or 12 days.

Mr R.H. Cook: It wasn't always the case, though, was it?

Mr A.P. JACOB: No, it was not always the case, but the campus is doing a fantastic job now. Even when it was not always the case, I had known a lot of staff there for a long time—at the end of the day, the staff are really our healthcare providers—and I had seen their dedication to their role. They do that job because they care for people and they want to care for people, and I want to place on the record my thanks as a local resident, as a local member of Parliament and as a sometimes patient for all the work that they are doing for our community.

DR M.D. NAHAN (Riverton — Parliamentary Secretary) [7.01 pm]: I would like to make a few comments on this motion and, firstly, just note that this is not the first time that we in this house or in this Parliament have had a debate on this exact same issue. My memory is that it is at least the third or fourth time.

Dr G.G. Jacobs: We're stuck in a groove.

Dr M.D. NAHAN: Yes, stuck in a groove.

But I want to thank the member for Kwinana for raising it again. It is clearly one of the Liberal–National government's strengths, and I would like to highlight and go through either some confusion of or probably more hypocrisy from the Labor Party on this issue. When people ask me, "What are we getting out of the mining boom?" I say, "Aside from the economy, which is the envy of the world, a brand-new public health system." The Barnett government is effectively rebuilding the total public health system. Some of that rebuild started under the previous Labor government—it was committed to some of it. We have either continued it or augmented what the previous Labor government committed to, and in many cases expanded it significantly. The Barnett government is committed to an investment of $7 billion in the public health system—$7 billion. I cannot be sure, but I think this is easily the largest capital investment in the public health system in Western Australia, even adjusting for inflation and difference in time. It is also arguably the largest investment in any public health system in any state in Australia's history. It is clearly one that we have invested in.

We hear a lot from the people on the other side complaining about debt. Debt has increased significantly under the Barnett government for a variety of reasons. All of it has been spent on capital works, unlike under the Carmen Lawrence and previous Labor governments that borrowed to meet the labour bill. The largest single area of that $7 billion, basically, has been invested in large, longstanding capital works in the form of hospitals. The jewel in the crown, of course, is the $3 billion Murdoch hospital complex. The complex, located at the intersection of South Street, Kwinana Freeway and Roe Highway, includes the 750-bed Fiona Stanley Hospital, a new rehabilitation hospital, a new medical research centre, a new oncology centre, as well as a new pathology centre, a new mental health centre, new educational facilities and a new 3 000-bay car park—not bad.

We also believe in the private hospital system in Australia, which has one of the best health and hospital systems in the world. It is a dual system. We have private hospitals and we have public hospitals. Next to Fiona Stanley Hospital is one of the most popular hospitals in Australia and Western Australia—that is, St John of God Hospital Murdoch, which is doubling in size. This will make the Murdoch complex, including St John of God Hospital, Fiona Stanley Hospital and all the other hospitals, one of the largest, if not the largest, hospital complexes in the southern hemisphere, and it is all essentially brand new. As people from my electorate drive up and down the freeway or go up and down South Street, they see the many cranes and they see that it is a public hospital. So, when the Labor Party and its minions in the union movement go into my electorate and condemn us for privatising the hospital, the people are perplexed. They wonder, "How can you spend $3 billion of state public money on a hospital complex and complain about privatisation?" Obviously, they are confused, and when

they think about it, they know that what Labor and the missos are saying is a load of rubbish. But that is what the missos want to do. If they want to waste their low-income workers' money on this—I wonder whether the workers actually know what the bosses are doing—it is a shame, and I feel sorry for them, but that is the union's and the Labor Party's problem.

The Queen Elizabeth II Medical Centre, which includes Sir Charles Gairdner Hospital, is also undergoing a major expansion. A children's hospital—a public hospital—will replace Princess Margaret Hospital for Children. There will also be a new cancer centre, a new pathology centre, a new medical research campus, a new mental health facility centre and a new multistorey car park. Joondalup Health Campus, which the member for Ocean Reef referred to, is also undergoing a $400 million expansion. A new Midland public hospital is to replace Swan District Hospital, and the new facility will be designed, built and operated by St John of God Hospital. One of the odd things in this long campaign that we are in now is that the previous Labor candidate for Swan Hills protested outside the member's office, saying that the decision to allocate the contract to build the hospital to St John of God was a Catholic conspiracy. This reminded me of the citizens' electoral lobby, which thought that there was a global Catholic–Jewish conspiracy. Obviously, this candidate has now gone by the by and has been replaced. The many Catholics in the area and the many people who use St John of God Hospital would be perplexed how the Catholics would conspire to provide the best health system in the nation; nonetheless —

Mr F.A. Alban: Apparently, member, they have got just as many Catholics on the other side.

Dr M.D. NAHAN: They do.

Mr F.A. Alban: They forgot that, of course.

Dr M.D. NAHAN: In fact, many of them had their children at St John of God, if I remember correctly. It is a tremendous hospital. On top of that, the rural areas have not been overlooked, as members might not be surprised of, given the nature of this government. Esperance, Karratha, Port Hedland, Broome, Kalgoorlie, Albany, Bunbury and Busselton hospitals are being either rebuilt or upgraded significantly. That is the legacy, in terms of hospitals, of the Liberal–National government.

Now I would like to go to an issue about contracting-out, or privatisation. It is an issue I have been around for a long time. I never advocated, and never would, privatisation of public hospitals—that is, selling public hospitals to the private sector to run as it wishes. I believe in private hospitals, I believe in private insurance, and I believe in a dualistic health system. That is very reasonable. Labor actually brought a bill to this house—the member for Kwinana was the proponent of it—to ban all private hospitals. He tried to wriggle out of that, but that is what essentially it was. The only example that I have been able to find of selling a public hospital institution holus-bolus to the private sector was that of "Bomber" Beazley when he sold the Hollywood Repatriation General Hospital —

Dr A.D. Buti: Mr Deputy Speaker, could you please ask the member to refer to people by their appropriate name.

Dr M.D. NAHAN: It was when Kim Beazley Jr sold the Hollywood repat hospital, as well as the Brisbane repat hospital, to the private sector—to Ramsay Health Care. I understand that Hollywood Private Hospital is the most profitable hospital in the Ramsay chain, and it is run very well. I have been there myself; I had a shoulder operation there recently. But that is the only example—that is, the Labor Party selling two repat hospitals for a total sum of $755 million in the mid-1990s—that I have been able to find of actual privatisation; selling a public hospital institution to the private sector to be run by the private sector. I might add that Kim Beazley Jr also contracted-out all veterans hospital services; that is, in the states that did not have veterans services—I think Victoria was an example—veterans received a voucher to go to any hospital and the veterans' department would reimburse them. They privatised the delivery of health services to veterans and privatised veterans hospitals. That is the only example. That was Labor—modern Labor, because Labor here has gone backwards. The real issue we are dealing with is private partnerships. The reality is—I know that Labor Party members will scream when I say this—PPPs are a Labor Party invention. They were invented by the Blair government because he had a bad stutter when he said "privatisation". He came up with the idea of contracting-out to the private sector. The system has its pitfalls and its positive aspects. Blair did it largely, but the largest number of PPPs entered into in the world has been done in Australia by Labor governments. In New South Wales—I refer only to hospitals, otherwise it would take all day—PPPs were entered into at Orange hospital, Newcastle Mater hospital and Royal North Shore Hospital. In Victoria PPPs were entered into at Royal Children's Hospital, Royal Women's Hospital and Bendigo Hospital. The ALP government in South Australia entered into PPPs at Royal Adelaide Hospital and Modbury Hospital. All were built anew via PPPs. One might ask: why is Labor against it? As I read the issue at hand, we are supposed to be condemned for PPPs—we are not privatising anything—yet around the nation Labor has done more PPPs in hospitals than any other political party. There is a bit of confusion. The member

for Mandurah said that all he is worried about is delivering services. He said he does not care who owns a hospital, whether it is private or public, all he is interested in doing is delivering services. That is spot on—spot on. That is what his constituents want. They want the best delivery of services. When Labor was in opposition in the 1990s, it railed against the Joondalup hospital. It said the government should take it back—get rid of it. When Labor got into government, it could have taken it back, but it did not. It discussed expanding Joondalup hospital to provide additional private services. It could have said that it would build—it was awash with cash; indeed, it was flying around. It could have easily said no, it was going to build, like it committed to in opposition, a new public hospital near Joondalup. But it did not do so. It did not do so because there were some rational people in the Labor Party. I refer particularly to the member for Belmont, who said that it was a good system. It had had some teething problems, but it was working and he said that in government the Labor Party was to deliver services, not some tokenistic anti-privatisation issue. It started a contract with Ramsay Health Care to expand the hospital. I might add that Labor—again, I refer to the member for Belmont—had a PPP policy. When I wrote columns, he sent me a copy of it and asked me what I thought. I thought it was pretty bloody good! It basically highlights two points that are relevant.

Dr K.D. Hames: Don't talk too long about it, because I want to!

Dr M.D. NAHAN: Okay; good. I will skip through that.

He promoted and adopted PPPs as an integral part of the Labor government.

Dr K.D. Hames: And Serco too. It appointed Serco for prisons.

Dr M.D. NAHAN: That is right; in fact, it did more than that. When it privatised the services for water, it asked Serco to bid. It invited Serco to the state. It was committed to PPPs. Indeed, before the change of government in 2008 and the Fiona Stanley Hospital, an integral part was that the business case required the planners to look at private provision of services—not privatisation of the hospital; it was always going to public—the contracting-out of services to Fiona Stanley Hospital. When we came to government, as the Minister for Health said, we just picked up the cudgel and did what the former Labor government planned to do. The member for Kwinana said that Labor would not have gone that far. There is a fundamental difference, and that is what this debate is all about. We on this side of the house are interested overwhelmingly in delivering effective services to the people who use hospitals—that is, the sick and ailing. That is what we are after; it is our aim, the bottom line, whereas it is not necessarily the main aim of those on the other side. Sometimes it is when they are in government, but it depends who is calling the shots.

The member for Kwinana has a problem. Dave Kelly of the missos has veto power over him. That is what this is all about—it always has been. Even if PPPs are an efficient system, better value for money and better quality, he says that we should not pursue them, not because they are not the best way, but because the people who put him in Parliament, the people who made him deputy opposition leader, have a veto—and that is the problem. That is the issue and the debating point, and that is what is wrong with those on the other side. A small interest group is trying to control the whole health system. It is wrong, wrong, wrong. That is why we are here once again, the ones with the cudgel. The member for Kwinana has to tuck his forelock to Dave Kelly, who was in the public gallery just today, and go through this motion again. I thank him for doing so, because it gives me one more chance to put on the record in *Hansard* that the Liberal–National government has invested $7 billion in the public health system. Most of it is owned, operated and delivered by the public sector. The lies that the missos are spreading about the new children's hospital will not get carriage in the electorate. Again, they underestimate the intelligence of the electorate. They cannot be fooled by things like that. Dave Kelly—maybe the member for Kwinana can pass this on—is squandering the limited income of his low-paid workers by running these political campaigns that might help the Labor Party a bit in some areas, but it is wasting money. The member for Kwinana gave me a chance to emphasise the importance of our investments. I will stand by them into the election and beyond.

DR K.D. HAMES (Dawesville — Minister for Health) [7.18 pm]: I am glad I managed to get the member for Riverton to pause in his excellent speech about comments made by the former Labor Treasurer, the member for Belmont. The speech by the Deputy Leader of the Opposition was not at all devoted to his motion, but was focused almost totally on Mandurah and the issues that we already debated today when he brought that forward as a matter of public interest. Nevertheless, I will address some of the issues in the motion that relate to the concept of what the Labor Party is calling privatisation. The member for Belmont has been the recipient of some compliments by members on this side of the house over the past few days, and I am about to give him another one. When he was Treasurer, he prepared an excellent document in December 2002, as the member for Riverton said. I have a copy of the front page, which reads, "Partnerships for Growth: Policies and Guidelines for Public Private Partnerships in Western Australia". He did that, of course, because he had seen, as the member for Riverton espoused, what happened with the Labor Party in the United Kingdom, which was extensive

contracting-out of services. In fact, I met the UK minister when he came to visit Western Australia to discuss those issues and what he had done to the British health system. Frankly, he was quite amazed and somewhat disbelieving of the attitude of the Labor Party in this state that the contracting-out of services was the best thing that had ever been done in the United Kingdom to improve the standards of health services—indeed, to the extent that we went to the UK to look at its system and to copy some of its components for the states. He was a great proponent of PPPs, as were the Victorian and New South Wales Labor governments. I heard the member for Riverton read out the list of hospitals. He missed one, but I cannot remember the name. It was somewhere just outside the outskirts of Victoria. I visited a hospital that had a major refurbishment and had stayed in public hands but it had contracted-out the maternity section next door. I think Mercy Health services or something of that nature was running that hospital as a contracted-out service. Of course in this state we had the Serco contract. The Labor Party is forever going on about Serco and criticising its role in Fiona Stanley Hospital, but it appointed Serco in the first place. The Labor Party had another operator owned by Serco running the corrective services facilities in this state. The Labor Party decided it wanted to change and it then had the chance to bring corrective services back into public management but it chose not to. It went out and appointed Serco right at the very beginning to manage those services, which are regarded as the best-run services in Australia. It was a good choice in picking that company to do that work.

I want to go to the component of this motion that I particularly want to refer to, which puts the lie to the statements by the Labor Party that it has always been against so-called privatisation of hospitals; that it would not have done these things with Fiona Stanley Hospital; and that if it had been in charge it would have been different. In the 2002 Labor Party document the heading on page 5 under paragraph 1.2 is "PPP is not privatisation". The criteria in this document probably fit only Fiona Stanley Hospital, not Midland Health Campus. As members know, we are contracting-out the total management of Midland hospital, but the criteria certainly would match what happened at Fiona Stanley Hospital. It reads —

> It is the policy of the Western Australian Government not to privatise public assets.

That is very good. It continues —

> PPPs enable the delivery of infrastructure and ancillary services without privatisation.
>
> PPPs differ from privatisation in that:
>
> - public … assets are not sold off to the private sector

So that is the key difference. The corollary is, of course, that if we privatise, those public assets are sold off to the private sector. That is exactly what the member for Riverton said and exactly what has not happened with Fiona Stanley, nor has it happened with the new Midland Health Campus where we are contracting-out those services, not selling them off.

This document by the former leader of the Labor Party in opposition and deputy leader and Treasurer in government states that public–private partnerships are not privatisation. This full campaign, therefore, by Labor, initiated by the missos, is a totally false representation of the Labor Party's view, which is only three and a half years old. It goes on —

> - in many cases new assets which are initially funded by the private sector are … transferred to public ownership —

That quite clearly can occur and is one of the conditions of all the contracts —

> - core services continue to be provided by the public sector

And so on and so forth; there are quite a few other points.

On page 9 the document refers to the areas in which there is an opportunity for the private sector to take over management of services for the public. Just think how well these match up with what is being done at Fiona Stanley and the roles that Serco will undertake. It states —

> Such services could include:
> - engineering
> - maintenance
> - cleaning
> - facilities management
> - security

That covers just about exactly what Serco intends to do at Fiona Stanley. The claim by the Labor Party's own former leader that this government has embarked on a privatisation program is clearly false and is misleading the

people of Western Australia. Even more so is the action that the Labor Party is taking by insinuating that the government will privatise other services in this state.

Mr R.H. Cook: Minister, I just ask: if you infer by the actions of a previous Labor government that we would have done this, does that mean that you are going to privatise the orderlies at Sir Charles Gairdner Hospital and the catering at Royal Perth Hospital?

Dr K.D. HAMES: No.

Mr R.H. Cook: But that was done by a previous Liberal government; therefore, you must be duty bound to follow the same course.

Dr K.D. HAMES: No, it we are not. What happened was a previous health minister made a decision on contracting-out a service at Royal Perth Hospital.

Mr R.H. Cook: But that was a previous Treasurer, so doesn't that same argument run?

Dr K.D. HAMES: But this is the Deputy Leader of the Opposition's former leader, not one of his ministers. It is someone who six months ago was sitting where the member for Maylands is currently sitting, right next to him. It was Labor Party policy, and to say it has only changed that policy —

Ms J.M. Freeman interjected.

The DEPUTY SPEAKER: Member for Nollamara, do not talk when you are not in your seat!

Dr K.D. HAMES: Member for Nollamara, my apologies. Labor Party members cannot have a leader that has taken them three years into government —

Mr R.H. Cook: It is the same argument. You say the previous Liberal government has done X and Y; therefore, the future Liberal government is going to do the same.

Dr K.D. HAMES: No, that is totally different. Labor members have a leader that has taken them three years into government and suddenly, while he was still the leader, they put in place a policy that totally conflicted with the policy he had when he was in government. How convenient is that?

Mr R.H. Cook: It must be about the only convenient thing about being in opposition!

Dr K.D. HAMES: Yes, that is probably true. It gave Labor a chance to go out and campaign, but sadly Labor members have sat back quietly and let the union go out and tell blatant lies. That is what it is doing. The union is clearly telling blatant lies. The document that states that the Premier said the government is going to contract-out services for the new children's hospital is a blatant lie. I do not think there is any other way to say it.

Dr M.D. Nahan: It said quite clearly it was going to privatise.

Dr K.D. HAMES: Privatise! So, not even contract-out! If we had been going to contract-out, in my view that would not be privatised. But the union is talking about "privatise". The definition of "privatise" by Labor's own former leader is the selling off of public assets, which is clearly not being contemplated. I want to put on the record again that this government is not going to contract-out or privatise the new children's hospital. It will be moved holus-bolus from where it is, as it is, to the new hospital service at the new location.

Mr R.H. Cook: So that includes support services, catering, cleaning, patient care assistants and all of that?

Dr K.D. HAMES: There is an issue around catering. I know there was discussion about using the service that is currently provided at Sir Charles Gairdner Hospital, which I think is contracted-out to provide for the whole hospital. But I do not think a bow could be drawn to say that if that occurs, and I am not aware of whether that will happen, I actually do not remember —

Mr R.H. Cook: No. I am just trying to understand your position, that is all, because you put out a media release and it is still not clear.

Dr K.D. HAMES: The only issue might be cleaning. Certainly for all the PCAs the answer is no, no, no. They are all moving from where they are working now across to the new hospital. The only issue may be with catering.

Mr R.H. Cook: But not cleaners!

Dr K.D. HAMES: The Deputy Leader of the Opposition asked about cleaning now. I am fairly certain that that is not an issue either, but I do not know absolutely.

Mr R.H. Cook: If you could clarify it, that would be good.

Dr K.D. HAMES: I would be happy to do that.

My point is that the hospital will still be a public hospital with all the public staff at Princess Margaret Hospital for Children moving to that hospital. The advertisement that the union is running refers to us doing it at Royal Perth and Charlies and wherever else. I have said quite clearly that that is not the intention of government; and if it becomes the intention of government, it is certainly not on my agenda. I have absolutely zero plans to change what is there. In fact I would probably resist change to what is there now. But if we do, we will make it absolutely clear before we come to the next election. Given that it is only five months away, whoever is going to try to convince me to change had better start pretty quickly because there is not much chance of it happening now.

I want to get on quickly, because I do not want to chew up all the time, to address some of the comments that have been made by both the member for Mandurah and by the Deputy Leader of the Opposition about the hospital down there. I think there are two critical areas that need to be addressed. One is the Deputy Leader of the Opposition's claim that the current manager of the hospital had put in a bid to government to extend the contract by 60 years. That is wrong. I am not saying that the Deputy Leader of the Opposition is lying. I am saying that he has misunderstood what it is. It is not 60 years.

Mr R.H. Cook: I thought you confirmed that.

Dr K.D. HAMES: No. The proposal that the manager put forward is that it has five years left in the contract. There is a request for an extension of 15 years for the public hospital component, making it in effect a 15-year extension of a 20-year contract from now if it provides those extra services. The 60 years relates to the land on which it wants to build a separate private hospital. It has asked for a 60-year lease on the land on which it wants to build the private component of the hospital. I think that clarifies it.

Mr R.H. Cook: Can you contemplate a situation in which they run the private hospital but not the public hospital?

Dr K.D. HAMES: I have never even thought of it. I guess there is no reason not to. But what is happening with its submission is, as I have said before —

Several members interjected.

The DEPUTY SPEAKER: Minister!

Dr K.D. HAMES: I am sorry; I was distracted!

That proposal is being contemplated now. The member talks about me having this bias, and this lead-in of Liberal Party donations and support for the candidate running against the member for Mandurah, and how I might be predisposed to support it getting the contract because of this influence. Let me tell the member a little story. When I was sitting on that side—in fact, in that exact seat—the Minister for Health at the time had enormous pleasure in getting up in this house and castigating me, reading a letter from the said Mr Fogarty, about a conversation I had had with him about some issues at the hospital; he laughed his head off at me, because I had been, in effect, dobbed in by Mr Fogarty for my comments. So, if the member thinks I have any great affection for Mr Fogarty, he is sadly mistaken. In fact, I have a great affection for the Swan Districts footy club, only marginally behind Peel Thunder—but my club, I have supported a long time.

Several members interjected.

Dr K.D. HAMES: I support him as a player, but I have to tell the member that he is not my favourite person. But what I have told the health department to do is to put my bias against him aside. What I want to know is: what is best for the people of Mandurah? I told the department to go away and do a proper assessment of that, without any influence from me whatsoever, which would probably be negative influence, and to come back to me with a report that tells me what I should do. I am waiting to get that report, and there is no predisposition on my part because of any Liberal connections or donations. I tell members opposite that I do not know what happens to donations in their party, but if we get donations at our head office, I mostly would not even know about them. In fact, I know about his donations because members opposite tell us; otherwise, I would not have had a clue about those donations. They do not influence us one iota.

The other issue is related to the conspiracy theory that the opposition presented today and I have not yet had the opportunity to go through it. It is a very serious matter and if irregularities are found, we will certainly not put up with those. But I have had the chance to get a copy of both the email that the upper house members had in their possession and the original letter which was the basis of that email and which was to the department members talking about this clinical decision unit, how it would operate and the $200 that people would be paid. It was Dr Aled Williams, whom the opposition has spoken about before, who was the chief instigator of this and who

had experience of the British system. We were bringing in the four-hour rule and he created a unit that we have in every other tertiary hospital, and if they did not have it, I told him to put it in, because it is absolutely critical and essential to proper management of patients through emergency departments. It takes patients who would otherwise be stuck in an ED for longer than four hours, either because it is impossible to make a proper diagnosis about their condition or because they are waiting for something such as a CT scan. Someone who has, for example, abdominal pain that is really difficult to diagnose could be stuck in the ED, so we have a unit that is offset from the ED that then frees up the ED for all the patients who are sitting in the waiting room; the patients who need to be in the hospital longer are moved out to be looked after in a comfortable bed, which then lets the ED staff get on with management. The letter talks about those doctors who come from the private sector who are employed to work in those EDs. If patients are suitable to be approved admission to a proper clinical stream, that is done. The letter says that should be done when those patients warrant admission, and the first dot point is "medical complexity sufficient to warrant admission", so they have only two choices: either leave them in the ED and clog it up or put them on a ward in a bed. What they did instead was put them in this ward where they could be looked after.

A great example given to me of one of those patients was that of an 81-year-old lady who came in at 11 o'clock at night with a fractured shoulder. She did not meet the admission criteria, as it turned out, for the health department, but she needed somewhere to stay. Her family were not at home to organise that, so she was put in that unit to cover her until they could get through the next day, have further assessment and treatment and get the family involved to look after her. That is the sort of patient for whom the unit was deliberately created to assess those conditions. It is true that the hospital does get more for that patient. If a patient is still in the emergency department, the hospital gets one fee and if they go to that ward, the hospital gets another. The issue about the four hours is that although the hospital gets money if the patient is there for more than four hours, it had to be certain that that patient warranted admission and would otherwise breach the four-hour rule in the ED. So, if they were going to do that, the doctors had an option. When the doctors did that, they had to do extra work; they had to go into the ward and look after those patients, so they were forwarded the additional $200 per patient to look after them. The clear issue is that because that means the hospital could earn more money, it will just keep doing that and run heaps of patients. Indeed, a lot of those payments which were rejected by us and which the hospital had to pay back were for patients who were put into that unit. However, there are two things. First, when their claims went up, we said, "We're going to have a look at that." When the hospital looked at it, it found that while a patient's case may have warranted admission, it did not fit the rules the health department has in place for the hospital to get payment for it. So while they got payment and the admission might have been deserved—I do not understand why they would not have been eligible to get paid for admitting that patient who had the fractured humerus, but the reality is they did not —

Mr R.H. Cook: Why didn't they just pay them in the usual fashion? Why is this a separate payment?

Dr K.D. HAMES: It is not; it is just part of their total claim amount.

Mr R.H. Cook: That is the point, minister.

Dr K.D. HAMES: Is that the $200 the member was talking about?

Mr R.H. Cook: Yes, the $200. The doctor would have to bill the hospital separate from their pay.

Dr K.D. HAMES: Only four doctors were involved in admitting these patients. The total amount of payment to them for the number of patients who were admitted was about 10 grand, so it is not exactly blowing their budget.

Mr R.H. Cook: It could be a free doughnut and a coffee; that is not the point.

Dr K.D. HAMES: Yes, but the reality is that those doctors had to do extra work admitting those patients. They were doctors who were doing additional work above their normal duties in looking after their patients—in effect, doing the hospital a favour. It was a trial, and at the end of that trial, they were going to switch over to full-time employees in that unit to look after those patients. The hospital would have got extra money but, in fact, the hospital has a cap on funding. If there is any greater increase than five per cent in any one area, it is investigated, as it was. When they went through and did that investigation, they found that the clear-cut criteria for payment were not properly understood by some of the staff who were responsible. It was not the ones for admission; they admitted them because they met the rules for admission. They would have admitted those patients because they met that criteria of medical complexity sufficient to warrant admission, but the criteria for the charge from the hospital for the patient was not met. I presume that it was not from those doctors because they would not be responsible for charging the health department for patients admitted to the hospitals. Nevertheless, first, they have a cap and that is what led to the investigation and, second, they cannot go above that cap without applying; in fact, that is why they had to pay that money back because it was found. It is not satisfactory—I know that—but it is not corrupt either. It is not satisfactory, and that is why all those things were changed. In fact, now they

have shut down that unit, which I think is a great shame because it means that the patients now stay longer in the EDs and patients waiting to get into the EDs stay longer. So, I think it is a big change.

Mr R.H. Cook: It's telling that you say there's nothing wrong with this, but in the meantime they've stopped doing all that activity and closed the unit.

Dr K.D. HAMES: I think they have stopped partly because of the pressure that was brought to bear, and they have had a system that was not working properly, and they have panicked a bit and said, "No, we're going to stop; we're not going to take this risk anymore." What they really needed to do was keep that unit in place and make sure that it operated properly. We would have been prepared to pay that extra money to have a system that made the four-hour rule work much better. As it is, they are actually doing very well with the four-hour rule; they are meeting their criteria and getting the patients through.

Mr R.H. Cook: You don't know that, because there is a report that says they don't have the data to prove that.

Dr K.D. HAMES: I do not have time. I want to get back to the comments made by the member for Mandurah who said that as a local member and minister my total focus should be on the care of the patients of Mandurah. I would like to make two points on that. I know I cannot keep referring backwards, but the fact is that demand was growing and growing and growing in that region. For seven years there was clear evidence of a need to invest additional dollars into the Peel Health Campus, and for the seven years he was in government—3.5 years of those as a minister—there was not any additional money spent or plans put in place, or anything done to grow the size of that health campus.

Secondly, in terms of the quality of care, the other day I quoted figures on people having colonoscopies. Peel Heath Campus and Joondalup Health Campus have the lowest waiting list in the state for people having colonoscopies. They have the best record for doing waitlist surgery of any of the hospitals; they are extremely good. In fact, one of those people the member talked about who left was running that system and doing it extremely, extremely well. She was able to deliver waitlist surgery through that hospital in an extremely efficient and effective manner, to such an extent that we were sending patients to them from other areas to try to reduce those waiting lists.

Mr R.H. Cook: Does it concern you that she and others have left the hospital and continue to do so?

Dr K.D. HAMES: The member has heard me criticise management of that hospital before, and the way that senior management operated. I think the person the member has talked about and others, as the member will probably hear, are going before the upper house committee, and I think the member may well hear some complaints about his style of management at the hospital. But that is not my concern; his style of management is his problem. My concern is to make sure that those people in Mandurah are getting the best possible service, and they are. Despite all those issues, despite the changes of people at the top, every criterion for the quality of management that has been coming out of that hospital has been top quality. The reason is exactly as the member for Mandurah said: it is the quality of the staff working there. The staff are doing an exceptional job and are meeting all the criteria we set; it is running as an excellent hospital. So if people in Mandurah want to have treatment in that hospital, there is not a better hospital they could go to.

Mr R.H. Cook: It is having a 50 per cent turnover of clinical staff, and an even higher turnover of management!

Dr K.D. HAMES: We have public hospitals that have that turnover of staff; public hospitals have 50 per cent turnover. Some of our hospitals are not the best place—the member can go through and look at them if he likes. The member can put a question on notice about turnover.

But there is no doubt that there are issues to do with management at that hospital; I do not question that. But the reality is —

Mr R.H. Cook: That you don't care.

Dr K.D. HAMES: I do care. As the member knows, I did not intervene but I had words to say with regards to the level of pay for the patient care assistants and the low-paid workers at that hospital; I expressed my clear dissatisfaction with the fact that they were getting paid lower than the rate in public hospitals. I have made that very clear to the management. But at the end of the day, the quality of the service they provide to the people of the Peel region is exceptional. I do get complaints—I get complaints about every hospital; I get fewer complaints from patients at that hospital than I get from most of the other ones, particularly public hospitals, in this state. The standard of health service —

Mr R.H. Cook: I would say you were too close to the action, minister.

Dr K.D. HAMES: I get every complaint I get reviewed, and not just at that hospital. When I get a letter of complaint from a patient or a member of Parliament on behalf of a patient, there is an inquiry into it and I get the

report back that tells me what the exact story is. Sometimes, when we look at what the patient says and look at what the records show, there is a clear difference, but at other times there is not, and I make sure that the hospitals address that. That is why health is not at the top of the agenda all the time. That is why the member has had trouble getting traction. That is why, when we were in opposition, every time we were in the news it was the health system in crisis. It was one page just about every single week. We do not hear that anymore.

Mr R.H. Cook interjected.

Dr K.D. HAMES: It was not just the newspaper that the member for Kwinana loves to hate; it was on the television —

Mr R.H. Cook: I was going to say that I think there was a slightly different editorial policy back then!

Dr K.D. HAMES: It was all of the media saying the same stuff.

The reality is that our hospitals are now operating more efficiently, and we have a greater concern and a hands-on attitude to individual patients and the quality of their care going through.

Mr R.H. Cook: Spare me; that is laughable.

Dr K.D. HAMES: I think the member for Kwinana can let the public be the judge of that. The public will be the judge of what they think of the health services being provided in this state. As the member for Riverton has said, we have made, and will continue to make, a record investment. I think that record, if we do it on an extrapolated value of the dollar into the future, will never be replicated again in the history of this state.

DR G.G. JACOBS (Eyre) [7.45 pm]: Really, I think it has all been said on this side, and I think we have made a very good argument against the motion in front of the house. It is a very broadbrush motion that suggests that private hospitals and privatisation of public hospitals generally, across the board, has been a bad thing. The minister and the member for Riverton have explained quite well the definition of true privatisation.

In my past as a practitioner I have worked in three systems: a purely public system; a purely private hospital system; and a public hospital that privatised out a number of its services. It is really interesting to reflect on the original business case put forward for Fiona Stanley public hospital in 2007. It stated —

> Private sector opportunities shall be identified where they are complementary to the objectives and the hospital can then support the provision of an efficient integrated health service.

That is what we all desire. That is what the other side would desire as well, I am sure. In fact that original business case was approved by the then Treasurer and Deputy Premier, Mr Eric Ripper, the member for Belmont.

As the member for Riverton has said, there is a place in our society for delivering health services that incorporate a variety of those—not one, but a variety; a combination, if members like—in order to deliver the best service for people in a particular demographic at a particular time at a particular price with particular efficiencies. One must assume from this broadbrush attitude that privatisation is awful and privatisation of all the services is not a good thing, but it is really interesting to reflect again on the state government's decision back then that was featured in the 2002 report quoted from by the member for Riverton and the Minister for Health, which was in fact to outsource 29 non-clinical services at Fiona Stanley Hospital. Those services are not clinical services. It is not about doctors or nurses and it is not about allied health professionals at Fiona Stanley Hospital; it is about management, procurement and integration services. There are soft facilities such as management and support services, and ICT services, and there are hard facilities such as management services. There are 28 services including audiovisual, cleaning, electronic records management, energy and utilities at stake. They are all things that doctors working in a hospital often take for granted. But there are a lot of things in a hospital setting other than obviously treating people clinically. There is the help desk and communications, grounds maintenance, health records management and clinical coding. All these issues were put forward in the original business case. A decision to outsource 28 non-clinical services at Fiona Stanley Hospital was made when—not the member for Kwinana personally, because he was not in the previous government—the Labor Party was in government. He now says this broadbrush stuff about everything is bad about privatisation. Obviously, he has the definition incorrect because it is about the privatisation of services. He does not seem to like that either. We essentially got to the question of: what is actually behind this? I have heard this argument from members opposite three or four times. It is almost like they wear it like a hair shirt—it prickles and irritates! I think this is the fourth time he has raised this issue, if my memory is correct.

Mr R.H. Cook: Only four—I must be slipping!

Dr G.G. JACOBS: The member for Kwinana has talked about all the ills of privatisation when we are not fulfilling the true definition of a privatisation transfer but talking about contracting-out some appropriate services. Those services are in the settings of Fiona Stanley Hospital, the Peel Health Campus and the Joondalup Health Campus. I have heard no argument this evening that contracting-out services does not deliver. I have not heard the argument today, not even from the other side, about how it is letting us down. There is always an element of complaint. Even the member for Mandurah did not talk about how the hospital was letting down his community in a clinical setting because he actually commended the staff, doctors and front-line service providers at the Peel Health Campus. The privatisation debate comes up often. It has been said before tonight that it is like someone else is driving this agenda. The Labor Party comes in here —

Mr P. Papalia: Who's driving yours?

Dr G.G. JACOBS: Mate, I will tell you what drives mine: the same issue that drives the original business case, member for Warnbro, that said "private sector opportunities shall be identified where they are complementary —

Mr P. Papalia: You are talking about handing them a 60-year contract on a plate.

Dr G.G. JACOBS: It is not 60 years. The member for Warnbro was not here when the Minister for Health explained it was five plus 15, and the 60 was to do with land tenure for the other private components. The member for Warnbro was not even here to listen to the Minister for Health's comments in correcting that 60-year myth.

Mr P. Papalia interjected.

Dr G.G. JACOBS: I am answering the question about what drives me.

Several members interjected.

The DEPUTY SPEAKER: Has the Minister for Health finished having a conversation with the member for Kwinana? Can we carry on now? Member for Kwinana, have you finished having a conversation?

Dr G.G. JACOBS: When I said there must be something driving the member for Kwinana to keep raising this issue, the member for Warnbro asked, "What drives you?" Ha-ha! What drives me is the same thing that drives the original business case that was approved by the former Labor government's Treasurer. He said —

> Private sector opportunities shall be identified where they are complementary to the objectives and the hospital can then support the provision of an efficient integrated health service.

Surely members cannot argue with that. Even the member for Mandurah did not really argue with that because he said the clinical services in that model are delivering good care for his community. He talked about the paediatric ward. I say to the myth: if he believes that is a function of the privatisation of services, I have to say that in the years I have worked in country hospitals through the WA Country Health Service, if there was only one child admitted overnight to the paediatric ward, it was very reasonable to accommodate the condition of that child in the hospital with appropriate staff, but not to open the whole paediatric ward for one child. Whether that happens in a public or private setting, that is sensible and efficient. That is not threatening the health of that patient. That is not a function of the privatisation of hospitals or the privatisation of a service. It is just efficient running of a hospital that also still delivers good health services—in this case to a child within the hospital.

The argument put forward by the opposition has no validity. It is being driven by another agenda. Members opposite almost seem to have an issue about contracting-out services even to public patients within a public hospital. It seemed very obvious halfway through the debate that in fact they agree with us.

Mr A.P. Jacob: They're not sure!

Dr G.G. JACOBS: They were not sure. When the member for Kwinana was asked what he would do, in response to the member for Ocean Reef, he said, "Where appropriate, we would do this; if it is appropriate, we would do that."

Mr R.H. Cook: Problem solved!

Dr G.G. JACOBS: That actually fits the objectives in the private sector opportunities being identified, which is what the member said: "complementary to the objectives and the hospital can then support the provision of an efficient integrated health service".

Mr R.H. Cook: Politics is about choice, member.

Dr G.G. JACOBS: I'll give the member for Kwinana choice! I will tell him the choices.

Several members interjected.

The DEPUTY SPEAKER: Nobody can hear a word that is being said at this time.

Dr G.G. JACOBS: I will tell the member for Kwinana the choices. I told him before. I actually addressed this issue before I started. I have worked in a private hospital system and I have worked in a public system in which services are contracted privately. I have got to say that is the choice. Those are the choices that should be made —

Mr R.H. Cook: That is the choice you make.

Dr G.G. JACOBS: The member said we need a choice; that is the choice.

Mr R.H. Cook: What choice do the people of Peel have? They do not have any choice at all, do they?

Dr G.G. JACOBS: This provides a choice for the people of Western Australia about the health service that is provided. There is a choice for public patients in a public hospital. There is a choice for private patients in a private hospital.

Mr R.H. Cook interjected.

The DEPUTY SPEAKER: Member for Kwinana, I have asked you to stop bellowing and you have refused; I call you to order for the first time.

Dr G.G. JACOBS: It really is quite ungracious.

Debate adjourned, pursuant to standing orders.