

HOSPITALS — PRIVATISATION VETO

510. Mrs L.M. HARVEY to the Minister for Health:

I read with some concern in the newspaper this morning comments from a union leader suggesting that the union has the power through its existing employment arrangements to veto the privatisation or contracting out of any services at public hospitals. Can the minister please inform me whether this is indeed the case?

Dr K.D. HAMES replied:

I thank the member for the question. Yes, I heard on the radio as I came to work today comments from Mr Dave Kelly that the Liquor, Hospitality and Miscellaneous Union was being asked to give the green light to privatisation in the health system, to approve privatisation in the health system, in order to get the money as part of the wage negotiations. The real question is whether that is true. The answer is absolutely, definitely not. One would have to wonder why he would go on radio; it is almost as though he is on the opposition's side and saying things that are blatantly untrue.

Several members interjected.

Dr K.D. HAMES: There is no requirement for the union to approve contracting out of health services in hospitals as part of the agreement. We are asking the union to take away the veto in the current contract that gives it the power to say no to the privatisation of those backroom services.

Mr E.S. Ripper interjected.

The SPEAKER: Leader of the Opposition!

Dr K.D. HAMES: There is a very clear difference between the two, Leader of the Opposition. The union is not being asked to support it. We know damn well that it does not support it. It does not need to support it. We do not care whether it supports it. What we are asking is: how did the union get to be in a position in which it could oppose privatisation? Yesterday we spoke in this place about the donations of the LHMU to the Labor Party. The lowest paid workers in this state managed to put together \$430 000 as a donation to the Labor Party.

Several members interjected.

Dr K.D. HAMES: One wonders what a union would get out of such a donation. In 2007 when the previous government was in power, the contract that was negotiated with the LHMU included a clause that gave the union the power to dictate government policy. It should never have been in that contract. I have made it very clear to Mr Dave Kelly and the union that in this term of government, we have no intention whatsoever of contracting out services at Royal Perth Hospital, Princess Margaret Hospital for Children, Fremantle Hospital and Sir Charles Gairdner Hospital. We have no intention of doing that for the four existing hospitals. As I have stated very clearly, however, we are doing that for Fiona Stanley Hospital, we are looking at it for Albany Regional Hospital and we are looking at doing it for Princess Margaret Hospital for Children, and looking at having a different system for Midland hospital. We are looking at doing that to get best quality services. For example, at Albany hospital where we have done that, some of those services are staying with the current workers because they have put up a very good proposal to do that work. But it should not be that a union, particularly a union that makes a large contribution to the Labor Party, gets put into its contract the power to stop the policy of government. Contracting out of services in hospitals should be the prerogative of the government of the day.

Mr E.S. Ripper: It is to protect the workers.

Dr K.D. HAMES: The Leader of the Opposition can protect the workers all he likes when he is in government. We will protect them in our way by making sure that they have good standards, good quality of service and good companies running the business. We do not have to mollicoddle them. They are very hard workers. Their pay in comparison with similar workers outside the hospital system is extremely comparable. The intent of this government is to govern, not be dictated to by the unions that elected the Labor Party and put nearly half a million dollars in its coffers.