

# **A Fair Australia**

## **Public Services**

### **Policy**

***ACTU CONGRESS 2003***

1. Government through public services are a key instrument for realising the goals and aspirations of working people and all Australians. Government economic and legislative involvement is essential to provide opportunities for all Australians, improve equity through redistribution, provide public safety and security and protect the community through the regulation necessary in a market economy. Public services can and should act in the public interest and in a professional, transparent, equitable and impartial manner. Public services are not constrained, as is the private sector, by considerations of shareholders and the short-term approach of business cycle and financial markets.

### **Assessing Public Services on an Objective Basis**

2. Since the 1980s, public services have been continually challenged through privatisation, contracting out, national competition policy, moves to "self regulation", deterioration in funding levels, user pays arrangements or marginalisation of services by shifting responsibility to the welfare sector. More recently challenges have come from financing structures such as Public Private Partnerships.
3. The ideological nature of many of these challenges is demonstrated repeatedly in the outcomes of greater cost to governments, price increases for the public, less access to services, lower quality services, increased income inequality, less affordable services, lower levels of public safety and market failures. Australian communities in regional, rural and remote areas and the disadvantaged are particularly vulnerable when services are shifted from public to private interests.
4. The determination of proper standards of service at the relevant tier of government, such as water quality, school curriculum or quarantine and customs services, must be carried out on the basis of the objective needs of the Australian community. Further, when outcomes are identified, public services must have the necessary resources to achieve the outcomes. Accountability and transparency are not

fulfilled when governments trumpet outcome goals but do not provide the resources or the legislative tools necessary for public sector workers to achieve those outcomes.

5. The ACTU is committed to the retention and growth of public services that:
  - (a) meet the economic, safety and social policy requirements of the Australian public;
  - (b) deliver quality, effective and efficient services that are affordable and accessible for all Australians; and
  - (c) maintain the highest levels of impartiality, transparency and accountability to the Australian public.
6. The ACTU opposes the ideological rush to sell public assets and privatise or contract out public services which has increasingly characterised government management in Australia since the 1980s. Objective testing of public services should be conducted to ensure they live up to what Australian families require of them. Applying a robust public interest test challenges ideological attacks and takes a wider view than that of narrow sectoral interests. The ACTU will work with affiliates to achieve government support for a public interest test that should form the basis of quality public services. Where any government seeks to shift direct service provision from the public sector the following criteria should form the basis of an impact study that will be conducted and made available for public debate.
7. Equally where services have been privatised or contracted out a periodic review of efficiency and effectiveness based on the relevant criteria above should be conducted and reported on publicly by the relevant tier of government.
8. Key elements of a Public Interest Test must include:
  - (a) That the affordability and value of public services to the Australian public are not diminished.
  - (b) That accountability to and transparency for the Australian public are maintained, including access to the terms of contracts entered into by governments on our behalf, and that the privacy of consumer information is maintained.
  - (c) That the quality of service and access to services are not diminished, including by cuts to jobs, wages and other employment conditions or rights of workers delivering the services.

- (d) That the necessary funding and resources for public services that are currently available be continued to be provided at the necessary level to achieve the outcomes required by the Australian public.
- (e) That there are no negative effects on the environment or Australian industry development.
- (f) That service levels for regional, rural and remote Australian communities are maintained.
- (g) That the costs and benefits for the public are clearly and publicly identified.
- (h) That the balance of risk and profit between the government and any private sector service deliverer are clearly and publicly identified, including the risks and consequences of market failure.
- (i) That the necessary skills and resources are retained within the public services to meet the responsibility for quality assurance and oversight of any contract.
- (j) That any decision is based on a direct and fair comparison between the relevant public services and any potential private sector provider and has considered input from the affected public services.

## Ensuring Public Services Meet Their Obligations

- 9. For public services to be able to live up to the quality and standard of outcomes required of them, governments must seriously address the structural impediments limiting public services organisations. This includes governments:
  - (a) Providing full funding and resources to match the outcomes required, including alternative forms of public investment funding such as offering tax incentives and government bonds which can provide capital guaranteed returns to superannuation and retirement funds. Public sector trading enterprises must be provided with an adequate capital structure, including an adequate equity base.
  - (b) Conducting long term planning and training to ensure the skills base and experience of workers is not lost as the workforce ages, including a commitment to training and developing young workers through apprenticeships and traineeships as well as graduate placements.

- (c) Ensuring the necessary legislative protection is available for public services workers to act in the public interest and that decisions are impartial and fair and decision makers act in an accountable and transparent manner.
  - (d) Ensuring promotion is based on merit.
  - (e) Ensuring Public services employers are “model employers” or “employers of choice” for women.
  - (f) Ensuring a rapid increase in representation, including at senior levels, of sections of workers who have been discriminated against, or who have special needs, namely Aboriginal and Torres Strait Islander workers, migrants and workers with disabilities.
  - (g) Committing to respect public services workers’ choice to bargain collectively through their unions, respecting workers organising through their unions and being represented by them and protecting the rights of workplace delegates.
  - (h) Recognising that utilising contingent and precarious forms of employment undermines the capacity of workers to meet their public interest obligations and acting to reduce these forms of employment in the public services.
  - (i) Where contracting out occurs, ensuring wages and employment conditions, including minimum hours of employment and access to entitlements, are retained at the standard enjoyed by directly employed workers.
  - (j) Where contracting out occurs, ensuring that contract companies allow employees to join their union and engage in collective bargaining without impediment.
  - (k) Where contractors are changed at contract expiration, ensuring that existing employees keep their jobs and current working conditions, including hours.
10. Where the private sector delivers services on behalf of government, governments must ensure that those providers also take these steps. Further, governments must act in conjunction with unions to redress the cuts to workers conditions of employment imposed through outsourcing.
11. The ACTU considers that Board and Statutory appointments by governments to public services entities should be conducted in a manner that is designed to foster transparency, accountability and public confidence. The ACTU supports Australian governments adopting

principles and procedures that ensure that such appointments are underpinned by a system based on merit, equality of opportunity, public scrutiny and independence in such appointments. To this end the ACTU calls for the establishment of a joint governments inquiry to establish appropriate standards for such appointments and proper accountability for the holders of such positions.

12. The ACTU recognises that the debate about public services is not limited to Australia and is truly international. The ACTU will support unions in the public services participating in campaigns supporting Quality Public Services, coordinated by the PSI in conjunction with EI.

## **ACTU Action**

13. Congress notes Federal and State Governments have continued to adopt policies and implement practices that do not remove, nor adequately address, the structural impediments limiting public services and do not promote the elements of the public interest test.
14. In support of this policy, the ACTU will:
  - (a) Support affiliates in organising campaigns to retain and grow public services and to ensure public services are not restrained from meeting their obligations.
  - (b) Support affiliates in developing and implementing organising campaigns to bring contract workers into collective representation, and to improve the wages and conditions of employment of contract workers.
  - (c) Work with affiliates to lobby governments and produce suitable public material to ensure public services are assessed on an objective basis.
  - (d) Support affiliates participating in campaigns supporting Quality Public Services.
  - (e) Work with affiliates to lobby governments to pass legislation providing explicit protection for workers, providing services for or on behalf of governments, who speak up about actions or decisions that are contrary to the public interest or the obligations of public services (whistleblower protection).
  - (f) Convene meetings, as appropriate, of affiliates with an interest in public services issues with the aim of affiliates sharing information and campaigning together to maximise support for public services.

- (g) Call upon all Federal, State and Territory Governments to provide quality Public Service standards and practices as outlined in the ACTU public services policy.