issue 3 | volume 28 | winter edition

CPSU

PUBLIC PERSPECTIVE

A PUBLICATION OF THE COMMUNITY & PUBLIC SECTOR UNION
SPSF GROUP - VICTORIAN BRANCH - **WWW.CPSUVIC.ORG**

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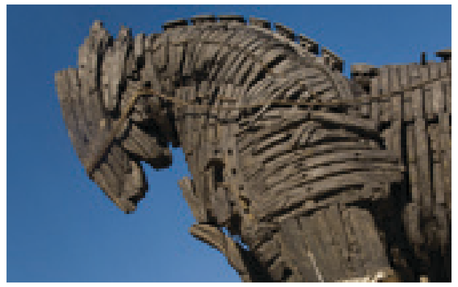

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CADETSHIP INITIATIVE UPDATE

WORK ON THE DEVELOPMENT OF A CADETSHIP PROGRAM IS WELL UNDERWAY.

Arising from our new Victorian Public Service Enterprise Agreement, the initiative is included in the Service Delivery Partnership Plan (SDPP) which focuses on improving service delivery and building the capability of the VPS.

The program is being designed to work as a continuum of YES traineeships.

The partnership will provide young disadvantaged Victorians with an opportunity to be placed within the public service and to receive training towards acquiring a new qualification at Certificate 4 level.

The cadets would be employed directly by a Department or agency covered by the Enterprise Agreement at Grade 1 level.

They would then be enrolled into a Certificate 4 in Government which is part of the Government Skills Australia Approved Training packages.

The certificate is recognised Australia wide and will provide a good base for the cadets in looking for ongoing jobs in Victoria and interstate. The program will be evaluated over the 3 years of the pilot to ensure that the target outcomes are being achieved.

The union and DEDJTR will develop a mentor program to ensure any difficulties the cadets may encounter can be addressed rather than have them drop out.

This initiative will assist many young unemployed Victorians into a rewarding career in the Victorian Public Service and underpin the Governments' jobs commitment.

KEEPING WORK IN-HOUSE

CONSULTANCIES (SOURCE ANNUAL REPORTS)		
	2013/14 (excl. GST)	2014/15 (excl. GST)
DEDJTR	$4.26 million **DTPLI**	$13.23 million
DELWP	$2.603 million **DEPI**	$3.102 million
DTF	$3.601 million	$21.4 million
DoJR	$379,998	$379,094
DET	$2.040 million	$5.6 million
DPC	$1.025 million	$1.307 million
DHS inc DOH	$5.697 million	$11.06 million
Vic. Police	$2.612 million	$2.836 million

STRENGTHENING OUR PUBLIC SECTOR IS THE TASK DRIVING VICTORIA'S SPECIAL MINISTER OF STATE GAVIN JENNINGS.

Gavin Jennings recently told online magazine The Mandarin that Government certainly wants to be more confident in the knowledge base centrally and within agencies so we'll be able to make wiser decisions about how much goes outside and who we go to.

The Government wants to build the capabilities and skillsets of in house staff while moving away from the expensive reliance on outsourced advice.

While the previous government's answer to this was to give preference to outsourcing, Jennings says, he would rather build in-house ability.

The move is seen as timely as Government's face an increasing hostile electorate tired of excuses for failing public infrastructure and services and questions about whether widespread outsourcing has been worthwhile including from former Prime Minister and Cabinet head Terry Moran.

Last year the Government won widespread praise when it cancelled the previous government's plans to outsource the state's shared IT services provider CenITex.

Government stopped that process so we could bring it in house and develop our working knowledge to be able to make more mature decisions about hardware and software maintenance regimes in the future, Jennings said.

The government plans to sign off on a new strategy shortly and part of the solution will be skilling up existing employees, including managers.

"They don't have to become technicians, they don't have to become specialists, but they have to have a greater appreciation of what our current capability is and what options there may be available to them.

"They have to have skill development within organisations to lift the general capability across the workforce … We have to make sure we have a working culture that values that skill base and develops it over time" Jennings told The Mandarin.

PRIVATISATION TROJAN HORSES

THE PRODUCTIVITY COMMISSION IS CURRENTLY UNDERTAKING A REVIEW TO PUSH FOR FURTHER PRIVATISATION OF OUR HUMAN SERVICES DESPITE WIDESPREAD EVIDENCE THAT THESE CHANGES IN PRISONS, EMPLOYMENT SERVICES, AND THE VET SECTOR HAVE NOT BEEN SUCCESSFUL IN DELIVERING BETTER SERVICES.

The Federal Government asked the Commission just prior to the recent general election to undertake an inquiry using the latest privatisation buzzwords to set out the task required as looking for "the increased application of competition, contestability and informed user choice to human services".

'Human services' are defined as covering a diverse range of public services, including health, education, community services, job services, social housing, prisons, aged care, and disability services; however the inquiry states that this list is not exhaustive, and the Federal Government is also open to other suggestions for services that could be privatised!

The inquiry is predicated on two points: first, that human services need to be improved, and second, that the only way to improve service delivery is through increased 'competition, contestability and user choice' (privatisation).

Surely a genuine discussion on service delivery would begin with establishing if public services need to be reformed, and then would commence a dialogue which is open to all ideas for improving services.

It is clear from the terms of reference and the issues paper that this inquiry is not about genuinely improving human service delivery – it is about the privatisation of more public services.

Privatisation and 'the market' do not deliver better human services.

Case studies show that these privatisation attempts have resulted in less accountability and a diminished quality of service.

The Productivity Commission is attempting to apply market principles of competition, contestability, and user choice based on assumptions that often do not exist in the area of public service delivery.

This Productivity Commission inquiry unfortunately is a fait accompli.

The Federal Government has designed the inquiry to produce recommendations for the further privatisation of public services, which will do nothing to improve service quality.

CPSU would welcome a genuine discussion into how we can better deliver public services that would be open to all options.

This must include increasing resources and funding for services; direct citizen involvement in co-designing services; and holistic service delivery which takes an integrated, whole-of-government approach to complex social problems.

It's disappointing that the Federal government and the Productivity Commission is only interested in exploring options that will take control of public services away from our community, and put taxpayer money into the pockets of privateers.

Time for a real discussion about the services our community needs.

SOCIAL BONDS HAVING NO IMPACT

New Zealand government's first social impact bond pilot has collapsed leaving more than NZ$1.5 million dollars spent on the project so far, and nothing to show for it. When essential services, like Lifeline in New Zealand, struggling for funds and facing closure, it's irresponsible for Government's to waste money by experimenting with failed funding models.

'The funding would have been better used by the state to design and deliver excellent social services that work,' said our NZ PSA colleagues.

This is yet another example of the concepts failure overseas, as social bonds are rightly being criticised as the resources directed at achieving particular outcomes is not increased.

In Australia, New South Wales is trialling social impact bonds, however the benevolent society SIB trial in that State is just business as usual (BAU) according to our analysis and with a small sample of families and fixed costs, the project has been left over its budgeted cost and any losses will certainly be socialised.

Unfortunately the South Australian, Queensland and Victorian governments have expressed interest in these shiny new toys also.

In reality no social bond contract has yet been paid out anywhere.

Evidence is showing that these medieval financing arrangements just create budgeting inflexibility and divert money from other projects as spending commitments are pushed years in advance.

The motivation of governments is short term cost and risk shifting like all forms of privatisation.

Resourcing responsibility is just shifted to speculators and privateers who want state underwritten monetary returns relying on difficult to define outcome measures and weak evaluation.

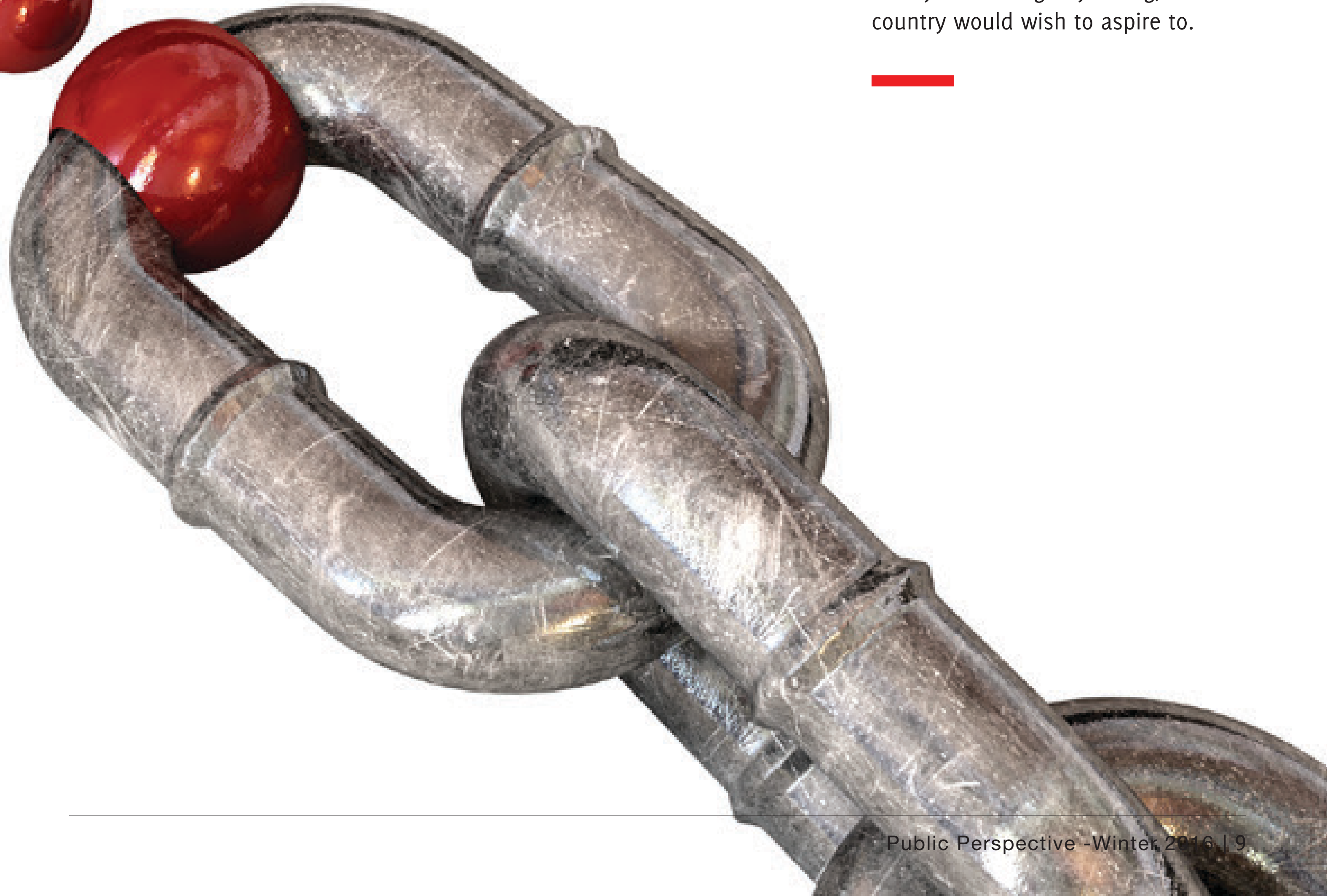
Proponents are just confusing Privatisation with Philanthropy.

If governments thought the model was the bees' knees then they'd apply it across their in house departmental service delivery personnel but they don't and won't, and that's the dead giveaway about the motivation.

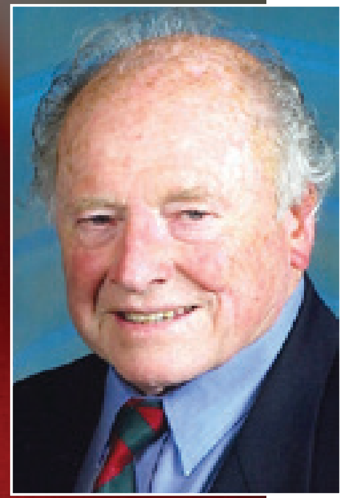
There is already widespread privatisation of our child protection residential care services to non-government and faith based providers with inexcusable levels of neglect about basic transparency and accountability to Victorians about how and who is staffing these programs and where the money is spent.

The Bond model just further encourages this race to the bottom with low wages and casualisation of the workforce who become entrusted with the responsibility for looking after our most vulnerable citizens.

Hardly something any caring, mature country would wish to aspire to.



FRED CULLEN, JOE BIDEN AND THE U.S. FLAG



The Vice Presidential visit to Melbourne recently led Joe Biden straight to stalwart CPSU Life member Fred Cullen OAM about a certain U.S. flag.

Initially flown by US marines when they landed in Guadalcanal in 1942 the flag had been presented to the RSL in 1957 and found its home at Ivanhoe RSL where Fred was President.

Fred hailed from Shepparton and started work as a teacher of grade 7 at Ascot Vale West public school while still a teenager and was just 19 when he ‘escaped’ from his job as a teacher to volunteer for the army.

Fred said it was a matter of economic necessity with teacher pay and accommodation costs’ leaving him just 4 shillings a week to live on that it was a no brainer to enlist with full board and the Army offering 35 shillings a week.

Fred served in Lae, the Ramu Valley and Markham Valley, all in New Guinea with the 4th Field Regiment, Royal Australian Artillery.

Fred suffered four bouts of dengue fever before he was sent home injured on a hospital ship in 1944 after he ‘ducked in time’ but still took a Japanese sniper’s bullet through his hat and head.

As Fred still laughs, so perhaps the idea of a no brainer almost came to fruition.

He was in Heidelberg Repatriation Hospital for 4 months so it was no light graze. Fred gainfully used his time in hospital to do a 2 year correspondence course (diploma) at Burnley Horticulture College (remembering he was in hospital for only 4 months).

Subsequently Fred was declared unfit for active service and got a job with the Audit Section of the Army.

But in 1947 Fred returned to the Education Department, working in the Examinations Branch, as Fred described "entombed in the Treasury Buildings".

So to relieve that feeling Fred undertook a commerce degree while still a clerk in the Administrative Division of the VPS graduating in 1950.

Fred stayed with the Education Department for some time and further education saw him complete an Arts degree with majors in Political Science and Psychology. And with such qualifications Fred became a student counsellor for recipients of the Commonwealth Scholarship Scheme and moved up to be in charge of the Branch in 1958.

Then in 1961 Fred became Director of Staff Training in the Premiers Department. In 1964 Fred became Deputy Head of the Mines Department and concluded his public service career in 1982 as Head of the Mines Department.

Fred became a VPSA member in 1940, a union Life member in 1992 and is our longest serving member.

Bit of go still in the man indeed.

By the way, the U.S. silk flag was deteriorating a bit recently, so the RSL Ivanhoe Committee sought advice from the US embassy who took on full restoration, including mounting and framing, and this was returned by Vice President Joe Biden to Fred Cullen during last month’s visit.

1ST CONSCRIPTION REFERENDUM CENTENARY

New research by **Robert Bollard** to be published later this year to coincide with the Centenary of Australia's 1st Conscription Referendum provides a fascinating insight inside our predecessor union, the Victorian State Services Federation (VSSF), and our connection with the anti-conscription movement and the Australian Labor Party after the fallout following the Easter uprising in Ireland.

Public Perspective has permission to print an extract ahead of its publication.

Discontent with the war, muted if not absent in 1914 and 1915, was expressed more openly in the second half of 1916, most obviously in the context of the first conscription referendum.

The main generator of that discontent was, of course, the appalling carnage on the Western Front, beginning with the first major battle in France that involved the Anzacs, Fromelles in July 1916.

The sectarian dimension to the crisis was generated, most obviously, by the revolt in Ireland which fed into the existing sectarian dimension within Australian society. This dimension had its reflections within the public service.

Discrimination against Catholics in certain areas of employment meant that they were often over-represented in the professions where sectarian discrimination didn't apply. For contemporary Australians one of the hardest things to grasp about Australia in first half of the Twentieth Century was the all-pervasive religious sectarianism.

The rebellion in Ireland, beginning in Easter 1916, and taking place in the context of the war, brought this sectarian tension into sharp relief.

The case of Arthur Calwell, the future leader of the Labor Party, is revealing. Calwell notes in his autobiography that it was almost impossible for Catholics to gain employment as bank clerks. By contrast, for young Catholic men, the fact that entry to the Public Service was via an exam made it an attractive option. Calwell, who would serve as Secretary of the State Services Federation in the 1920s, was during the war, a junior clerk in the Agriculture Department.

Calwell's reaction to the events of 1916 is famous.

An investigation of the union during the war reveals the disastrous effect of the war – not merely the casualties (well over 700 from the ranks of the state public service itself) but the collapse in living standards.

This is what is revealed most of all in the union's journal, where the early patriotic flush of enthusiasm, whilst never entirely drowned out, is increasingly crowded out by complaints about wages.

A factor with connecting the pain felt due to the fall in wages and growing war weariness was the enormous pressure on public servants to make "voluntary" contributions to the war effort. The union itself had its own patriotic fund in 1915.

It wasn't until March 1918 that the Melbourne press carried a series of reports regarding a split that had occurred in the Victorian State Services Federation that provide further insight and in the words of one newspaper.

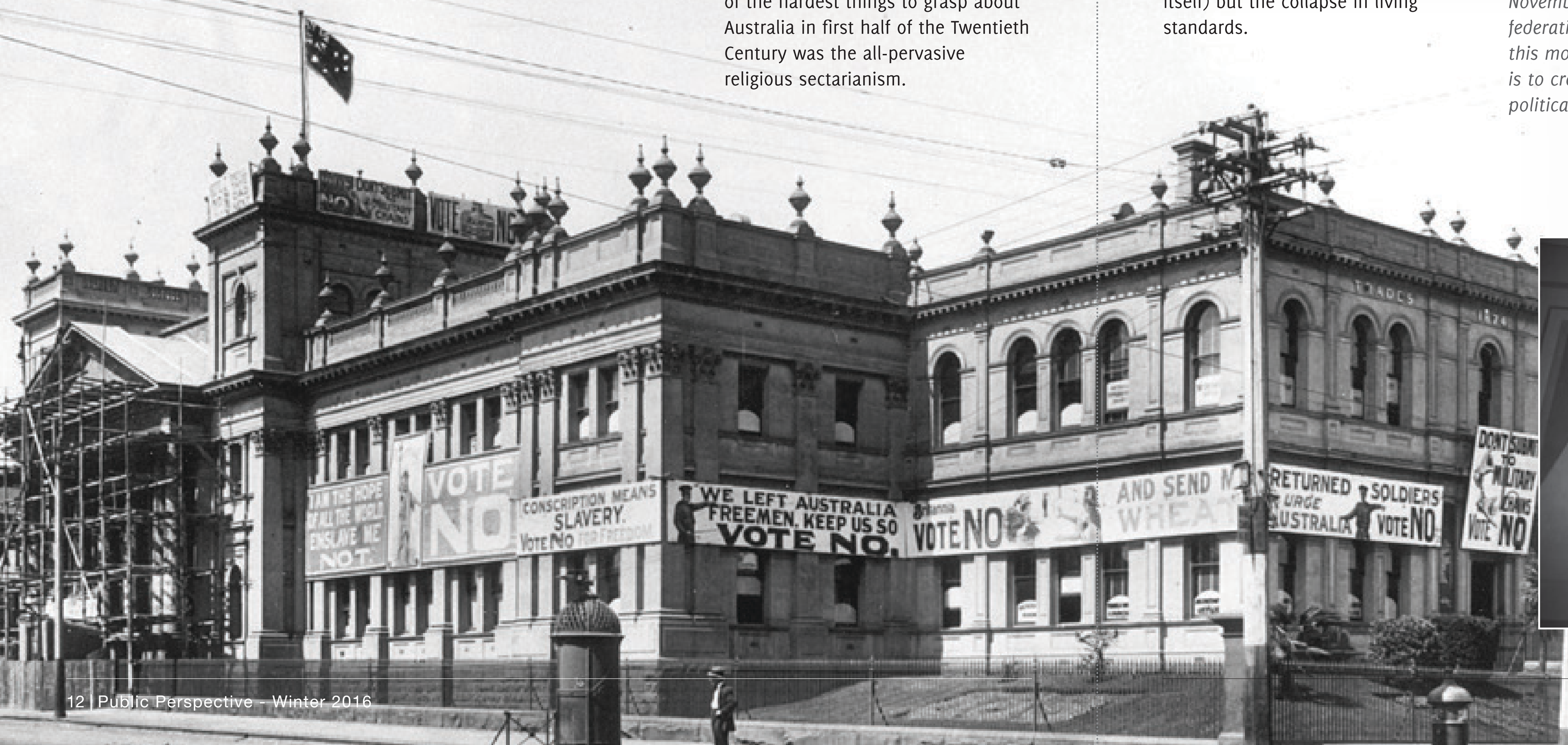
"become detached owing to a difference of opinion concerning the distribution of political circulars during the State election campaign in November, to establish a new federation. The promoters of this movement state their aim is to create a body without political or sectarian views."

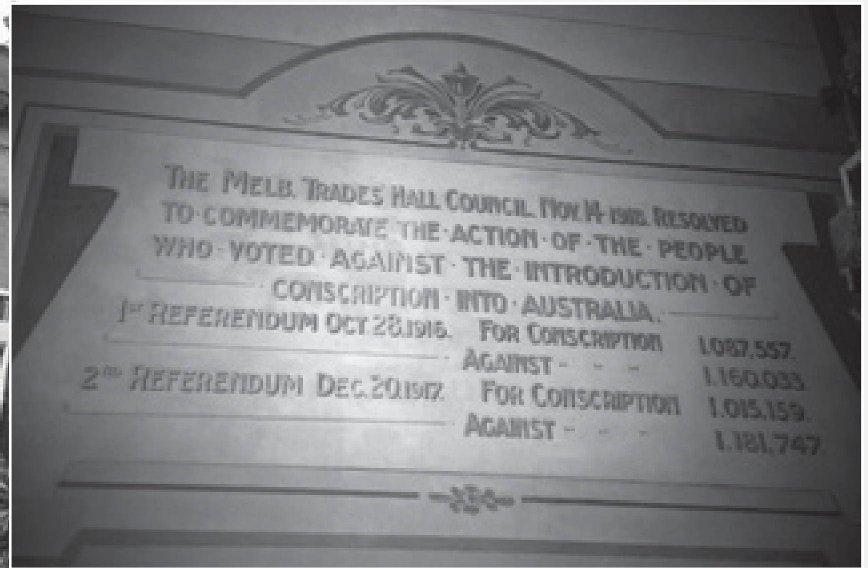
The "political circulars" in question had encouraged members of the Federation to support the unsuccessful efforts of Maurice Blackburn, the Labor MLA for Essendon, to retain his seat in the state election of November 1917.

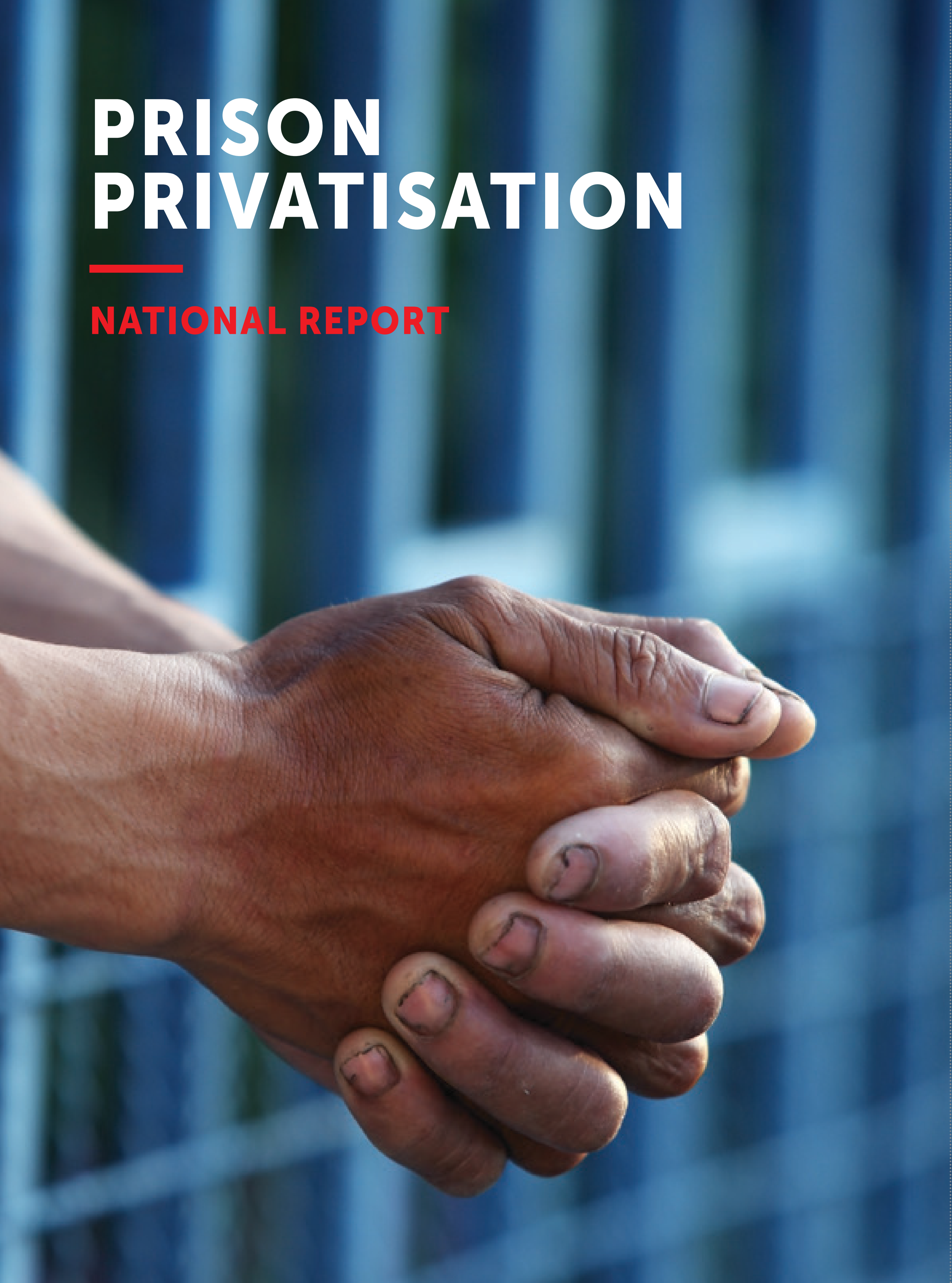
The "political" divisions referred to were not simply the normal ones between Labor and Tory, but a sharper division between pro and anti-conscription in the context of a state election held only one month before the second conscription referendum of 1917.

In the context of other evidence, the union's decision to back Blackburn appears more than simply a reward to a friend of the union. Blackburn had after all been the main agent, behind the scenes, marshalling the parliamentary forces to pass the legislation in 1916 that restored political rights to public servants.

Bollard's research concludes that it was an expression of a growing discontent with the war which, while the officials may have been reluctant to express it openly, nevertheless is at times visible beneath the veneer of patriotism in the union's journal.







PRISON PRIVATISATION

NATIONAL REPORT

AUSTRALIA NOW IMPRISONS MORE PEOPLE THAN AT ANY POINT IN ITS HISTORY.

36,134 people were incarcerated across eight states as of June 2015, and privately run prisons incarcerate 18.5% of Australia's prison population and clearly play a large part in the functioning of our custodial system a new University of Sydney Report has found.

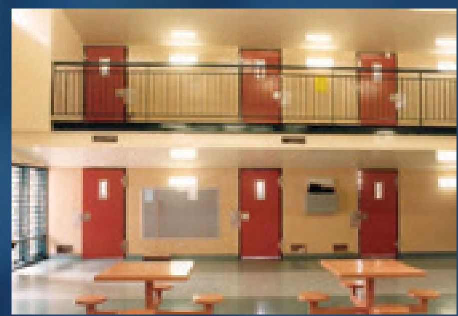
In fact, Australia has the highest rate of private incarceration per capita of any country in the world.

Private contractors operate nine facilities in five different states: two prisons in Queensland, two in New South Wales, one in South Australia, two in Victoria and two in Western Australia.

Tasmania, the Australian Capital Territory and the Northern Territory do not yet have private prisons.

The GEO Group (GEO), G4S and Serco are the three private prison contractors who are now responsible for over 6,000 Australian prisoners and absorb a considerable amount of taxpayer money nationally.

Despite this, research into private prisons in Australia is extremely limited.



Queensland showcases many of the worst aspects of Australia's experience with prison privatisation. As the first state to privatise the management of a custodial facility, Queensland encountered many problems associated with poor contract design, poor planning and inadequate regulatory oversight.

Many of these problems continue today, some 27 years after the first facility opened. In terms of costs, Queensland provides such little information to the public that it is impossible to assess the cost of private prisons.

Many of the problems associated with prison privatisation in Queensland are mirrored in New South Wales. Successive New South Wales governments have held the view that the commercial sensitivities associated with private prison contracts necessitate confidentiality and these commercial-in-confidence protections have limited the scope of public oversight.

South Australia failed to introduce state legislation that specifically addresses the use of private providers, making the state's experience of prison privatisation unique. As a consequence, Mount Gambier is managed using a combination of resources provided by a private contractor and the DCS and there is no evidence to suggest the hybrid model operating in South Australia is cost effective.

Victoria was the fourth state in Australia to have privately managed prisons, following Queensland, New South Wales and South Australia and is unusual in Australia in that the original privatisations in 1996 did not occur in a context of rising levels of incarceration.

The most recent data available from the Productivity Commission show that the total net expenditure and capital costs of Victorian prisons was $527million in 2015. The Victorian budget for prisons and corrective services was $815.7 million for the same year however; neither source gives a breakdown of costs into public and private components of the custodial system.

The cost of the Victorian prison system has risen drastically in recent years, in line with the growth of the prison population.

PRISON PRIVATISATION:

CONTINUED

The total budget for custodial services was $408 million in 2005–2006, compared to $815.7 million in 2013–2014.

While Victoria has the highest proportion of inmates held in private prisons in any state in Australia, it is the most difficult to assess in terms of accountability, costs and performance.

The Victorian government is currently building a new 1,000-bed private prison at Ravenhall. GEO is responsible for design, construction, financing, maintenance and operations (including custodial services).

For the first time in Australia, the contract includes incentive payments for reductions in reoffending but given the complexity of post-release issues, and the integration of public with privately run facilities, how this will work in practice is unknown.

It appears that per prisoner costs in Victoria has risen despite the increased reliance on private contractors.

Western Australia represents the most sophisticated example of prison privatisation in Australia, using the services of two private prisons to manage a fairly dramatic rise in prison inmates over the last 20 years.

Advocates for privatisation often refer to Acacia as an example of how private providers can deliver performance improvements and innovations but overlook Acacia Prison housing only medium-security prisoners, takes part in no remand activity, and occupies modern facilities that are the largest in Australia.

In addition, most cost reductions associated with private prisons are achieved through reductions in staffing levels and experience which over time, (OICS-WA, 2015), produce performance related problems.

All states in Australia are under pressure to provide infrastructure for a greater number of prisoners whilst budget constraints remain tight and this fuels debate about future prison privatisation.

In order to establish the impact of privatisation on the custodial system, a range of cost and performance data must be made available by those states with private prisons.

A genuine comparison in terms of performance, cost and efficiency will only be possible once all private prisons are subject to similar levels of public accountability, and this will require a genuine commitment to evidence-based prison policy reform.