

# MEDIA RELEASE

## Public Service Association of SA Inc

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### **PRIVATISATION OF SA PATHOLOGY APPEARS IMMINENT**

Steven Marshall's government shouldn't be believed when they say they're not planning to privatise SA Pathology says PSA General Secretary Nev Kitchin.

"The government is effectively "fattening the pig" for a future sale of SA Pathology. The closure of five collection centres in highly populated areas and the reduction in opening hours of 20 more is clear evidence they are making the service more attractive to a future buyer," he said.

"Cutting these centres will seriously impact the community, making it harder for people to access pathology services that are critical to healthcare in this state."

"Steven Marshall's government has previously announced over 200 job cuts and enforced savings measures of over \$100 million, so there's little doubt this is just the thin end of the wedge," said Kitchin.

Health Minister Steven Wade gave the game away when he told the *Advertiser* today that: "We have consulted with hundreds of staff and the unions about our short and longer-term plans ... *we've ruled out privatisation over the next 12 months.*"

"Our members in SA Pathology are working incredibly hard, and workloads are increasing in order to make the forced savings while still providing an efficient, high quality service to the public. To have the threat of privatisation hanging over their heads is simply unacceptable."

"Privatisation of pathology services interstate has led to huge reductions in staff and poor service delivery, yet the state government is clearly aiming to make the service profitable so it becomes an attractive business proposition for private providers."

"Evidence from around the world shows that only public pathology services guarantee early and high quality diagnosis which is critical in providing effective treatment to patients."

Mr Kitchin said there is no economic argument for funding cuts in SA Pathology.

"The fact is, SA Pathology's net operating cost has hovered around \$70m per annum. In the context of a multi-billion dollar state budget, it's a relatively small cost to provide an essential public health service to South Australians," he said.

"The privatisation of these services will effectively mean increased costs to the general public, just like we saw when our electricity was sold off to for-profit providers. It also

means the potential loss of important research currently carried out by SA Pathology and an increase in health costs over the longer term.”

“The public should be asking why the government wants to hand an essential public service to the private sector so they can increase shareholder profits at the expense of affordable services.”

“They might also ask why Steven Marshall's government is handing over millions to the likes of PriceWaterhouseCoopers to tell us our public services aren't profitable – public services aren't delivered to the community to make profits,” he said.

"The Marshall government has a clear privatisation agenda – we've seen that with trains and trams, we've seen it with the Adelaide Remand Centre, road and signal maintenance operations, Service SA and the Motor Registry, and SA Pathology is another primary target."

"Public sentiment is clearly against privatisation. The majority of the community see it as feathering the nests of multinational corporations like ACL, Serco, Sonic Healthcare and others; they know it's not in the interests of the community," he said.

"Steven Marshall needs to do what he is paid to do and ensure the South Australian people have access to a high quality, government-provided pathology service."

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