

## **2.7 Deputy G.P. Southern of the Chief Minister regarding the areas of public sector services which could be subject to more private sector involvement or outsourcing:**

Will the Chief Minister inform Members what consideration, if any, has been given to which areas of public sector services and might be subject to more private sector involvement or outsourcing, as agreed within the Strategic Plan? When will he inform the Assembly of any such plans and advise what numbers of public sector workers he expects to be subject to these processes in the coming 2 years, along with any associated expenditure targets?

### **Senator T.A. Le Sueur (The Chief Minister):**

All organisations and activities change and adapt as technological improvements, economic conditions and other innovative opportunities arise. The public sector must change and adapt, particularly in the current challenging economic conditions. I expect all departments to keep the provision of their services under constant review, which must include whether there are more commercial ways of working or opportunities for wider private sector involvement. As such opportunities arise I expect those departments to implement them as a means of improving efficiency and keeping costs down. A good example of this is the recent exercise tendering for the improvement and upgrading of the States website. As a result, a consortium of private companies successfully bid for and are now undertaking not only the development but also through to the provision of web facilities. Although this work could have been done in-house, we believe, and the open bidding process confirms, that there are some areas such as this where the States can benefit from private sector expertise. I informed States Members of that change and when other significant changes were implemented I expect that I, or other Ministers, would likewise inform the States. But not all areas of the public sector have the same levels of opportunity and I do not believe that it is realistic to set targets on this matter, either for money or manpower savings. Rather, we should regularly review our activities and seize worthwhile opportunities as and when they occur.

### **2.7.1 Deputy G.P. Southern:**

The Chief Minister has pointed to individual departments and Ministers in saying that they are responsible for any such privatisation and outsourcing issues. Is he informing the House that such issues, which have a serious impact on the public sector workforce, will not be coming before the Council of Ministers for some form of agreement at that level?

### **Senator T.A. Le Sueur:**

The Deputy speaks on hypothetical matters. I have no idea whether any particular operation would include significant impacts on the workforce. If that were to happen, certainly it may well be that we would discuss it, certainly with the States Employment Board and possibly with the Council of Ministers. As I said in my original answer, we take every single case on its individual merits.

### **2.7.2 The Deputy of St. Mary:**

On this matter of privatisation and outsourcing, has the Chief Minister undertaken any high-level appraisal of ... in what circumstances in general this can work and in what circumstances have real problems been found to happen elsewhere? There are plenty

of examples of banana skins in this area and I just wonder whether the Chief Minister has conducted any proper appraisal of the pros and cons in this area.

**Senator T.A. Le Sueur:**

No, I think the Deputy seems to believe that we would look at this at a general basis and I am trying to emphasise that we look at each case as a specific entity. I am well aware of the potential for banana skins in this one and that is why I think it is important that we look at each item on its merits and not have a general, blanket approach, which in many cases would not be appropriate.

**2.7.3 Deputy G.P. Southern:**

So can the Minister just confirm for Members that there are no targets, either for workforce reductions via privatisation or outsourcing, or for financial targets met by those sorts of moves?

**Senator T.A. Le Sueur:**

Yes, that is what I said in my final paragraph.