

October 2009
Briefing #1



Cost and value of public services

We know that public works. Our public services are the most efficient way to deliver the things we need. Millions use our public services every day and we all get enormous value for what we pay. This briefing shows how everyone could lose out if the public sector was to be cut back.

Our present public services arose out of previous market failures. They are the most efficient way to deliver the things we need. They are not just a safety net, they hold our society together and make our daily lives healthier, safer, cleaner, more secure and more fun. You don't need to use too much imagination to see this. There are plenty of people round the world who don't have the benefit of our public services. They suffer without the things we take for granted. That is why we say: Public Works.

The taxes we pay are great value for money. The average household gets more than £10,000 a year in benefits and public services. Public delivery provides value for money through economies of scale, by stopping shareholders taking profits out of the pot, and provides democratic control allowing us a clear say in how the services are run and delivered.

Let's see what you could afford if public services were cut and people had to buy in what they needed from the private sector.

Education - school

- While they vary across the sector, the average fee is £8,247 in Scotland per year for day pupils.
- This of course would be higher if there was only private education available. Teacher training, school inspectors and the exams system are all currently paid for by the public sector.
- Like many people across the world you may be forced to choose which of your children would get to go to school.

Education - university

- In the USA, fees range from \$5,000 to \$25,000 a year. The lower range is for state universities - which are receiving a public subsidy. The higher end is for a private higher education.

- The total average annual cost of a private higher education in the US, including tuition, room and board and mandatory fees is now over \$48,000 - which is the annual median US household income (*Times Educational Supplement* 27/5/09).

Health care – medical insurance

- In the USA an average family health policy costs \$11,000 (around £7,500). This would not even begin to provide the full range of services that NHS Scotland does for everyone. And you would still have to pay the full costs of any medicines.
- Research published this year shows that 62% of all bankruptcies in the USA were medical-related. 92% of these had medical debts over \$5,000 or 10% of family pre-tax income. The rest had lost income due to illness, or mortgaged their home to pay medical bills.
- Most medical debtors were well educated, owned homes and had middle class occupations. Three quarters of them had health insurance.

Health care – medical procedures

- Because of the high cost of medical procedures in the US many now travel abroad. There is now a range of so called travel tourism options. The average cost of angioplasty in the US is now £57,000. In Costa Rica you will pay around \$13,000, in India it's around £8,250. Obviously you also have to pay the cost of travel.

Security patrols

- Average cost of manned guard services for one year is £80,000.
- You can save money by going for remote monitoring at £10,000 per year.

Refuse collection

- Small pick up charge for domestic waste is £45 per pick up, so it would cost around £2,340 per year at least to get your rubbish taken away. Let's hope your neighbours are willing to pay the same, so that they don't just dump it in the street to attract vermin and disease.

Public Works: part of the Million Voices for Change campaign

UNISON Scotland has launched Public Works as part of the "Million Voices for Change" campaign to protect and promote vital services, and put our members' values of fairness, solidarity and public accountability at the heart of our economic policy.

We hope you will add your voice to our campaign.

**Public Works
is the Scottish arm
of UNISON's
Million Voices for
Change campaign**

[www.unison-scotland.org.uk/
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