



Bargaining & Campaigning

Protecting Public Services

Fighting privatization

at the

bargaining table

and in the

community

SPRING 2014

The Privatization Playbook

The moves they make to sell us privatization

The Privatization Playbook

YOU CAN'T FOOL ALL the people all the time. We are suspicious about privatization. We worry that quality will have to suffer, or costs will have to rise, if we allow maximizing profits to become the number one goal for those delivering public services.

Corporations profiting from privatization, and their political allies, know we are sceptical. So, instead of attacking public services directly, they use a strategy to undermine them. They use their Privatization Playbook.

1. They can't attack public services directly, so instead they starve services of funding.
2. They starve services through tax cuts that benefit the top 1% and profitable corporations.
3. A lack of funding means the quality and accessibility of services deteriorate.
4. The public gets frustrated and asks, "Why am I paying taxes for these services?"
5. CEOs and their political allies say, "Let the corporate sector deliver these services."

This strategy has been used to sell off public assets like electricity, to contract out services like garbage collection, and to justify using Public-Private Partnerships (P3s) to build hospitals or highways. In every case the public pays the price.

What We Know About Privatization

- All forms of privatization use our money to increase corporate profits.
- New public management schemes add to pressure for privatization.
- Privatization means no public control or accountability.
- When services are privatized, quality suffers and/or costs rise.
- Rapid increase in P3s means debt burden for future generations.
- New forms of privatization mean no public service is safe from the threat of privatization.
- Social Impact Bonds are like P3s for Social Services.
- Saskatchewan's Information Services Corporation and Ontario's air ambulance service (Ornge) show the problems with commercializing public services.
- Federal government is using Public-Private Partnerships Canada (PPP Canada) funding to subsidize privatization.
- Privatization scandals show the need for rules to protect public interest.

Fighting Privatization

A 5-point plan to fight privatization at the bargaining table and in the community

Fighting Privatization at the Bargaining Table

WORDS MEAN A LOT—particularly at a bargaining table. Therefore, language tabled during negotiations must cover the following concepts:

- A public service will not be privatized, or contracted to the private sector, without public consultation and without demonstrable evidence that it will lead to improved services.
- A decision to privatize a service will not be made without a full and open review by an independent, and mutually agreed upon, review agency or individual that will ensure that cost/benefit studies and comprehensive social and economic impact studies are conducted.
- Public sector workers and their representatives, and other interested stakeholders, will have standing in the review process.
- The reviewing agency or individual will issue a final report and recommendation, and will table the reports and all studies in the House of Commons/Legislature and/or the Public Accounts Committee.
- In the event that a specific privatization is recommended and found to be in the best interest of citizens, employees of that service will have the ability to move to the new employer while keeping all existing rights, benefits and entitlements.

Fighting Privatization in the Community

To improve accountability and transparency, governments must ensure that when public dollars go to corporations to deliver public services two requirements are met:

- the public interest takes priority over a corporation's commercial interests;
- the public has access to all essential financial details related to government expenditures for privatization—including costs, revenues, service levels and salaries of senior executives.

The Five-Point Public Services Protection Plan

To fully protect the public interest, governments must introduce legislation that ensures any privatization scheme meets five criteria:

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2. A decision to privatize a service will not be made without a full and open review by an independent, and mutually agreed upon, review agency or individual, who will ensure that cost/benefit studies and comprehensive social and economic impact studies are conducted.

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Tooling Up

Using every tool we have to fight privatization

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PRIVATIZATION MEANS THE QUALITY of public services suffers, while costs increase. It means poorer working conditions and lower wages for the workers delivering public services. Our responsibility to our members, and our commitment to building a better Canada, mean we must fight privatization at every opportunity.

Pushing for measures at the bargaining table to protect public services helps educate members and the public about the threat posed by privatization. Discussion of these measures can be a powerful tool in any fight-back campaign against privatization. As members learn more about privatization, it becomes easier to run campaigns to keep services public.

Raising the issue of privatization at the bargaining table also helps build public support for our bargaining agenda and is an important strategy to protect job security. Pushing elected officials and candidates to sign a pledge to support the Five-Point Public Services Protection Plan helps the public understand that protecting public services is a critical part of the union's agenda. It reminds people that when governments are attacking our members, it is part of their larger agenda of cutting back public services.

If privatization was in the public interest, as proponents claim, candidates and elected officials would be lining up to sign the Five-Point Public Services Protection Plan and governments wouldn't hesitate to include the concepts in collective agreements. The fact that they aren't speaks volumes.

Even if we aren't successful at getting politicians to sign the Five-Point Plan and getting the concepts included in collective agreements, members and the public will be more aware of the downsides of privatization. Ultimately, this will make it harder for governments to privatize public services.