

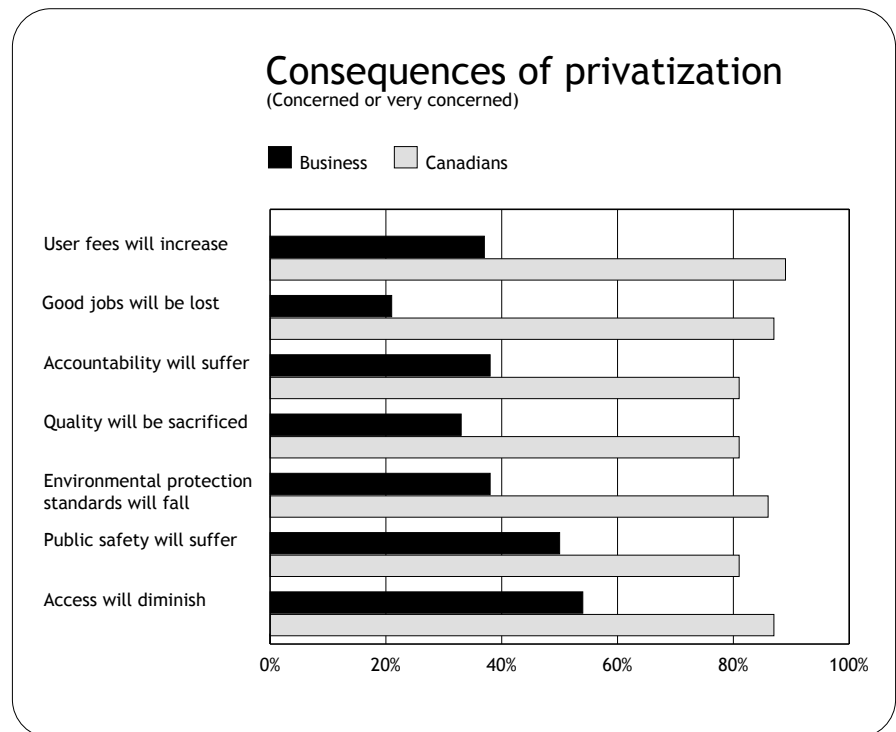
The Yawning Gap: Privatization pushes out of step with public views

When it comes to attitudes about privatization, business opinion leaders are standing on one side of a chasm, looking across at the Canadian public on the other side.

The gap between what corporations want – and are lobbying governments for – and what the public believes is revealed in two new opinion surveys. The surveys expose business opinion leaders as having little or no concern about the consequences of privatization, and as eager for more public services to be sold off. At the same time Canadians – who are living the results of privatization every day – have grave concerns about privatization and fear the consequences of a further services sell-off.

The opinion leaders survey, conducted in the fall of 1999 by HRSG Workscans, engaged a select sample of business leaders in a wide-ranging, in-depth interview about privatization and public private partnerships. The public opinion survey was conducted in January 2000, and surveyed 1,216 Canadians about the same issues.*

Responses to questions about the fallout from privatization illustrate the deep divide between Canadians and the business elite.



* The public opinion survey was conducted the week of January 24, 2000. The margin of error does not exceed +/-3 per cent, 19 times out of 20.

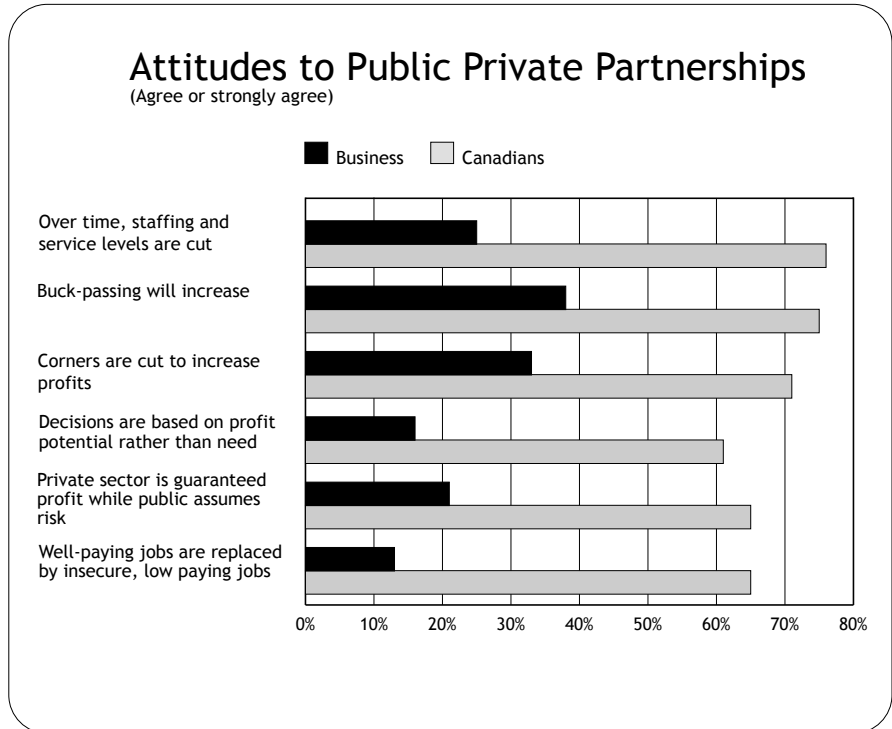
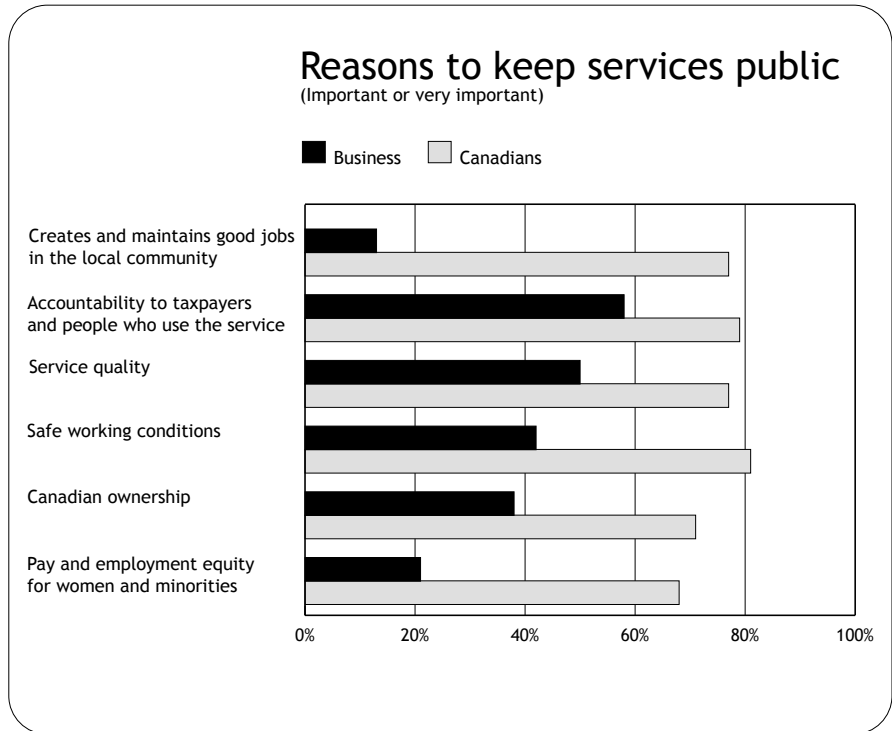
Those interviewed in the business elite survey expressed corporate opinions representative of a wider group, including chairs of boards, chief executive officers, chief financial officers and vice presidents responsible for corporate or public affairs. Respondents came from the financial, manufacturing, high tech and communications industries.

Canadians recognize the key role that public services play in their communities, with more than three-quarters of those surveyed citing the creation of good local jobs, accountability and quality as reasons to maintain public services. Safe working conditions are also a key reason to keep services public for eight out of 10 Canadians.

Canadians are also highly suspicious of public private partnerships. Canadians see through attempts to couch this form of privatization in the language of 'partnership', and recognize the dangerous loss of control PPPs represent.

Three-quarters of those surveyed fear staffing and service levels will be cut over time, and that PPPs will lead to buck-passing where neither the private company nor elected officials can be held accountable for complaints about a service. A clear majority of Canadians also believe corporations will cut corners on materials, maintenance and safety to maximize their profits, and that key decisions will be made based on profit-making potential, not public need.

Business leaders display a remarkable lack of concern on these and other key questions about public private partnerships.



Wary of what's motivating privatization, more than half of Canadians (53 per cent) point the finger at corporate lobbying as a key reason governments are selling off public services. The number of Canadians who believe patronage plays a role in privatization decisions is surprisingly high. Nearly half of Canadians (49 per cent) agree that providing contracts to political friends is a prime motivation behind privatization.

Cutting payroll and public sector jobs is another factor 52 per cent of Canadians believe influences decisions about privatization. Only one in five Canadians believes that improving the quality of services or achieving long-term savings are deciding factors for governments privatizing services.

Those who stand to gain the most from privatization are the most willing to push ahead with further initiatives. Meanwhile, Canadians who are suffering the consequences of services being dismantled in their communities are strongly opposed to privatization, knowing they have the most to lose.

The privatization pushers are seriously out of step with what Canadians want for public services. It's time governments at all levels listen to Canadians, and take swift action to reinvest in strengthening and expanding public services. It's clearly what Canadians want.