

Fact Sheet

Home Care: Compulsory Competitive Bidding Under Review

Facing continuing problems in community home health care, the Liberal government has reversed its position and agreed to an “independent” review of compulsory competitive bidding. Compulsory competitive bidding is the system introduced by the previous, Conservative government that requires public home care agencies (Community Care Access Centres) to contract out home care services.

Changes May be Coming

This review may lead to changes in the delivery of community home care in Ontario.

Since compulsory competitive bidding was introduced by the previous government, not-for-profit agencies have experienced difficulty competing against for-profit corporations. The result has been a rapid increase in for-profit delivery, at the expense of not-for profit care.

As the not-for profit sector is more often unionized, contract losses in the not-for-profit sector have often negatively affected union members, including CUPE members. The Victorian Order of Nurses (VON), which has provided care in Ontario since 1897, has lost many contracts. SEN lost contracts affecting CUPE members in Halton and Niagara. VHA recently lost a contract affecting CUPE members in Ottawa.

Home Care Instability and Continuity of Care

The loss of contracts has led to instability in home care and disrupted the continuity of care. Workers were laid off when contracts were lost and were forced to start off again with a new employer and no union organization. Recently the Ontario Community Support Association (the association of not-for profit providers) told the *Toronto Star* that at least 16,000 people in Ontario are adjusting to new home-care workers, often after years of dealing with the same people. The OCSA added that 1,000 workers have left the sector.

Concerns were also raised that the competitive bidding process gave weight to the lowest cost bid, encouraging a race to the bottom. Indeed even home care employers have expressed concerns about losing workers to long term care and hospital facilities, which usually pay better wages.

Over the summer, protests about the loss of contracts by not-for-profit providers became much louder, with campaigns by not-for-profit providers, community health care activists and trade unions.

With rising protests, Health Minister George Smitherman reversed his position in September, and called for an independent review of home care and competitive bidding. Smitherman expressed concern about the turn over among contracted providers and the

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impact of this on staff and patients. He also suggested the current system places too much emphasis on the lowest cost bid, at the expense of the quality of care.

Smitherman has said that further information will be made available about this review, but as of September 19th, no further details have been provided. There is concern in the community that the Ministry will not establish the review in a timely fashion.

No Moratorium Announced Yet

Meanwhile, other unionized, not-for-profit home care agencies may lose their contracts in the period ahead. The Ministry has not complied to demands from CUPE and others that there be a moratorium on new contracts, despite the Ministry's recognition that there are problems. Indeed, the Toronto CCAC has just announced contract winners for adult in-home nursing services, with 3 of the 4 contracts going to for-profit providers.

Here is what the Ontario Community Support Association has stated:

During the Minister's review of the system, OCSA feels very strongly that NOT ONE MORE client should have their service disrupted, nor one more staff member be told they are not valued. All further activity and changes should be halted. Our fragile home care system needs stabilization.

CUPE Ontario has said the province should:

- Eliminate competitive bidding for home care
- Create a public, or at least a not-for-profit, home care system
- Democratize the CCACs so that they once again represent local communities and not the party in power
- Guarantee successor rights and other protections for workers.

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