

New ways of  
**WINNING**  
**FIGHTING PRIVATIZATION AND CONTRACTING OUT**

**WORKSHOP 2**  
**STOPPING PRIVATIZATION**  
**BEFORE IT STARTS**

**CUPE's National Privatization Conference, Toronto - March 27-30, 2003**

**CUPE·SCFP**  
*On the front line • Au coeur de l'action*

## ***Get to know the early warning signs***

As front line workers providing public services, CUPE members are well-placed to stop privatization before it starts. In every local, CUPE members are the eyes and ears that detect the early warning signs of privatization in all its forms. Whether it's contracting out, a P3 or another form of attack, being on the alert for early warnings means your local can respond at the first sign of trouble.

### **Early warning signs**

Early warning signs that employers are thinking about contracting out and privatization of services include:

- ❑ **Review of service delivery and service needs**  
Employer service reviews are often linked to a search for 'cheaper' alternatives to publicly-delivered services. Whether it's an 'employee takeover', increased use of volunteers or other changes, be on the lookout.
- ❑ **Service changes**  
Any new service that is introduced, or any existing service that is cut or restructured, should be watched closely by the union. These are the changes that let employers open the door to contractors. Service changes give employers the opportunity to bring in a private corporation under the guise of getting it done more cheaply.
- ❑ **Employees leaving are not being replaced**  
This can be a sign the employer is getting ready to make a move to privatize or contract out.
- ❑ **Hard times**  
Beware when employers or politicians talk about tough times and the need to cut budgets. Often this is intended to prepare the way for privatization – or is the signal for the privateers to swoop in, promising false savings that don't really exist.
- ❑ **Concessions**  
If the employer announces they're going after concessions in the next bargaining round, it's a strong sign that privatization could be in the cards. Often employers use the threat of contracting out and privatization to extract concessions. But it's a slippery slope. Once employers get concessions, they almost always come back for more. And often privatization goes ahead anyway.

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- ❑ **TQM/CIP**

The introduction of Total Quality Management (TQM) or Continuous Improvement Programs (CIP) can also show the employer is preparing for privatization in some form. These programs are designed to wring unpaid “efficiencies” out of employees and to identify services and operations for privatization.
- ❑ **Employers attending pro-privatization conferences**

Often the conference will be veiled in terms like ‘alternative service delivery’. But no matter what the buzzword, the goal is the same: to contract out or privatize public services through a P3 or another form.
- ❑ **Contractors in your workplace**

The smallest contracting out activity can mushroom into a much larger problem if left unchecked. Be on the lookout. Watch for a contractors’ vehicle at your workplace, or hear about a meeting between contractors and the employer. It can be a sign of worse things to come, unless your local takes action.
- ❑ **Corporate representatives in your workplace**

If you see your manager being taken for lunch by a fleet of suit-clad, briefcase-carrying corporate types, sound the alarm bell. Find out who she or he was meeting with, and if possible what took place. Try and stop a back-room pitch from becoming an all-out attack on your service.
- ❑ **Consultants in your workplace**

Consultants are often a heartbeat away from corporate representatives. Consultants always consider contracting out, P3s or other forms of privatization as an option – if not the only solution. Consulting firms such as KPMG and Price Waterhouse Coopers make their money advising public sector employers to privatize, while at the same time working with corporations eager to move in and profit from the service being privatized.

## **Early warning systems**

Membership awareness and organization are key to preventing contracting out, P3s and other forms of privatization. It’s important that every local have an anti-privatization or contracting out committee that looks for the early warning signs and coordinates a response to them. The broader membership should be on the alert for the early warning signs. Your staff rep is an important resource. They can also help you access national research and communications support. Here are a few tips for putting early warning systems in place.

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- ❑ Monitor employers by talking regularly with supervisors, managers and politicians to see what changes are in the wind. Changes in service, budgets, and employer talk of concessions are especially important.
- ❑ Get all possible financial and operation information related from the employer. Be ready to make the case for keeping services public – both financially, and beyond.
- ❑ Attend all public meetings of the employer (municipal council, agency, board, etc). If someone from your local can't attend, read the minutes of meetings carefully. Often they contain early details and hints.
- ❑ Pay attention to the statements managers and politicians make in the media and in speeches or at other public events. They may provide clues of their plans.
- ❑ Identify contractors already operating at your workplace and anticipate other work that they may seek out.
- ❑ Know your enemies. Get information about companies that contract work in your sector, or the consultants who are promoting privatization. Subscribe to the same management magazines as your employer.

## **Be prepared to respond**

An early warning system won't be much use if your local isn't ready to respond when a threat is detected. It's important to prepare the ground in your local and in the community, so that members and allies are ready to mobilize to defend public services. Your rep can help you be ready to respond, and you can count on support from national services including union development, research and communications. There are many ways to get prepared, here are just a few tips:

- ❑ In your local, develop networks that encourage face-to-face communication that reaches every member. CUPE's 1 in 10 communicator's network is one good model. Having a communication network helps you reach members quickly when there's a problem, and let members give feedback.
- ❑ Share information with members. Let them know what's going on elsewhere in your city, province and country when it comes to privatization – the threats and the victories. You can do this in many ways, including newsletters, bulletin boards, email lists or a local web site. This will help deepen members' understanding about the dangers of privatization.

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- ❑ Know your collective agreement. It's an important first line of defense. Work to ensure you have the best language possible – and fight to keep that language.
- ❑ Cultivate relationships with friendly municipal politicians and other community leaders. They are important allies – and will appreciate our support too.
- ❑ Build community alliances. Get involved in campaigns the local can support. Whether it's environmentalists working for a pesticide bylaw, or a local sports team looking for a new ball diamond, CUPE members have lots to contribute to these community issues. By showing we care and are involved in the community, we put a public face on the work we do, and make our city or town a better place to live. We also win allies when we need support to defend public services.
- ❑ In your community, be aware of changing community needs and how public services may be expanded and improved to meet these needs. Promote your ideas for strengthening public services with employers and the public - we know our work best, and we've got ideas that work to strengthen and expand services.
- ❑ Promote the value of public services in the community. This is a positive way of reminding people about the CUPE members that keep their community working – and what the public stands to lose if services are contracted or privatized. As part of this, build a CUPE profile. Put a face to the services people count on. It makes a world of difference.

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