

# Bringing Our Work Back Home

A GUIDE TO STANDING UP  
FOR PUBLIC SERVICES



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# PART ONE: PRIVATIZATION – A PROBLEM ACROSS BC

The privatization of public services threatens CUPE members and their communities across British Columbia. CUPE is committed to stopping contracting out and other forms of privatization and bringing already contracted out work back into the public sector. The following pages will introduce you to some of the types of privatization, the problems it holds for communities and workers, and the experiences of other Canadian communities.

## 1.1 WHAT IS PRIVATIZATION?

Privatization broadly means the transfer of services, functions and responsibilities from the government or another public body to the private sector and private markets. It means shifting ownership, management, delivery and maintenance of services or assets from public hands to the control of private, for-profit corporations.

Privatization of public services and infrastructure comes in many forms, and is constantly changing. In its most extreme form, privatization is the all-out sale of public assets like buildings, utilities, or roads to a private corporation.

**Loss of accountability and democratic control, higher costs, lower quality, and diminished access are just some of the consequences when private interests are put ahead of the public's well-being.**

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## 1.2 TYPES OF PRIVATIZATION

Here's a guide to some of the most common and emerging forms of privatization:

### ALTERNATIVE SERVICE DELIVERY

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Code for many forms of privatization. Governments use this phrase to sound innovative, and to hide what they really intend to do, which is shed responsibility for services and increase the role of the private sector in managing, delivering and operating public services and facilities. Alternative Service Delivery (ASD) proposals can cover a broad range of services and sectors.

### ASSET RECYCLING

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Asset recycling is a new buzzword being used to make politically unpopular asset sales sound like a good idea. Asset recycling schemes involve selling off or mortgaging all or part of a public utility (like Ontario's Hydro One) or crown corporation with a promise that the proceeds will be "reinvested" to help finance new infrastructure.

Asset recycling is an expensive way to build new infrastructure, compared to direct public financing. Pension funds and other private finance capital funds are promoting asset recycling and other privatization schemes, as they push for secure investment opportunities. The one-time cash infusion generated by asset sales come at a high price. As assets are sold, governments lose future revenues that

would have helped fund public programs and services. Those revenues become profits which line the pockets of investors and banks.

#### ASSET SALE

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Also known as divestment, an asset sale involves the complete or partial transfer of ownership of public assets from the government to a private corporation. This can include the sale of a public energy or telecommunications utility, building, road, bridge, port or airport. Asset sales mean the public sector usually forfeits any future revenues or dividends from the asset's operations, in exchange for a one-time cash payment.

#### CONTRACTING OUT

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This is the most common form of privatization that CUPE members currently face. Contracting out involves a public sector employer (like a municipality, school board, or health care authority) paying a private, for-profit corporation or non-profit organization to deliver a service that was previously provided by public sector workers.

#### IN HOUSE

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Services that are delivered by public sector workers who are direct employees of a public sector body are generally known as services that are delivered in house. Ending contracting out means bringing a service or job back in house that was being done by a private company or agency.

#### LEASE-BACK

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A lease-back arrangement is a feature of some public private partnerships (P3s) and other privatization schemes. Under a lease-back deal, a private company constructs a new facility, or buys an existing public facility, and leases it back to the government in contracts that can run for decades. Nova Scotia's P3 school program involved lease-back arrangements that have cost the public dearly. The province is now in the process of buying back the schools as the leases expire, recognizing it costs less to own the buildings publicly.

#### OUTSOURCING

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Like contracting out, outsourcing involves paying a private company to deliver a service previously provided by in house public sector workers. Often, outsourcing affects an entire system (such as information technology) or department, rather than an individual function. Private companies also engage in outsourcing by moving jobs to other companies located overseas, usually to low-wage jurisdictions.

## PUBLIC PRIVATE PARTNERSHIP (P3)

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A P3 is a long-term (often decades) contract between the government or another public entity and a group of private, for-profit corporations. The corporations usually form a consortium that is involved in some combination of designing, building, financing, operating, maintaining and/or owning a facility like a wastewater treatment plant, or a piece of infrastructure like a road.

The private sector has always been involved in the design and construction of public infrastructure, and that is an appropriate role. What's different with a P3 is that private, for-profit corporations are guaranteed long-term profits from government payments for financing, operating and maintaining infrastructure.

P3s are often promoted with the claim that the private sector takes on responsibility for risks previously assumed by the public. However, so-called risk transfer comes with very high price tag, and is calculated using biased and subjective methods. P3s often hinge on the 'value for money' that risk transfer provides, but the financial details to back up these decisions are rarely made public. Ultimately, the public sector assumes the risk of continuing to provide a service if a corporation goes bankrupt or walks away. Under a P3, workers may or may not be brought over from the public sector. Even when they are, there are no long-term guarantees of employment.

## SERVICE SHEDDING

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When a government or public sector body simply stops providing a service. This lets private, for-profit corporations (or non-profit entities) step in to fill the gaps.

## SOCIAL IMPACT BOND

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Social impact bonds (SIBs) are the newest way for corporations to profit from public services. A SIB is a structure to outsource the financing, planning and evaluation of social programs to third parties while providing profits to private investors. They're also known as Pay for Success Bonds or Social Benefit Bonds.

In a SIB, investment firms provide up-front money for social programs. If particular outcomes are met, the government pays back the private investor with a profit. The model involves many private consultants who help negotiate the contract, manage the project and evaluate the outcomes.

SIBs focus on achieving a specific result or outcome (for example, lower rates of reoffending among newly-released prisoners). If the outcome is achieved, the investor is paid back by the public sector, with a healthy rate of interest. This distorts the priorities of services that are often serving vulnerable populations. Achievable results might lead to people with more "difficult" needs not being properly served by a social program. SIBs also blur the direct line between governments and social services

agency, inserting a complex group of private-sector investors, evaluators and other intermediaries in the middle.

## VOLUNTEERS

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Using volunteers instead of public sector workers to provide all or part of a service is a form of contracting out. Some CUPE locals have negotiated collective agreement provisions defining appropriate roles for volunteers that allow community participation in public services, without threatening service quality and continuity, or job security.

## UNPAID DOMESTIC WORK

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When governments stop funding public services (or never develop a public program), this creates unpaid domestic labour – work that takes place in people’s private homes. These unregulated and unpaid alternatives privatize needs that should be met by public sector workers as part of a coordinated, publicly-funded program. Cuts to home care, inadequate long-term care, and the lack of affordable child care for all fuel unpaid work in the home. The burden of this work falls disproportionately to women.

## USER FEE

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A fee charged to users of a public service. Instead of drawing on tax revenues to provide the service, governments charge user fees to subsidize the cost (and sometimes to deter or limit use). User fees are a shift away from public funding to private and individual sources. A user fee like a toll to use a road hits lower-income users the hardest, as they pay a higher share of their income than wealthier users. This makes user fees regressive. Income taxes are based on ability to pay, and are a much more progressive way to fund public services.

## VOUCHER

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Also known as individualized funding, vouchers provide public funds directly to people to purchase services on the private market, instead of providing the service directly. For example, a person with a disability would hire their own direct support worker instead of being provided with care from a public or not-for-profit agency. Promoters of vouchers claim they promote “choice.” However, individualized funding leads to erosion of services, a market-based model with no guarantee of access to services, downward pressure on wages, and greater privatization. Vouchers treat public services as a consumer product, not a public good.

## 1.3 PROCESSES THAT FACILITATE PRIVATIZATION

### AMALGAMATION/REGIONALIZATION

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Proposals to amalgamate or regionalize public sector bodies like health authorities have led to pushes for shared services, competitive bidding, contracting out and cutbacks.

## ATTRITION

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When workers who resign or retire aren't replaced, it can be a sign of impending privatization. Employers can use attrition to get around job security provisions when a CUPE local's collective agreement lacks full protection against privatization.

## COMMISSIONING

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Commissioning is widely used in the United Kingdom, and may be coming to Canada. Commissioning is a process that encourages the creation of "public service markets" where public, for-profit and not-for-profit providers compete against each other to provide services at the lowest cost, to meet a predetermined outcome set by the government. In this way, it's like competitive bidding.

The role of government is reduced to managing the demand for services, negotiating and managing contracts and monitoring compliance with regulations. Inevitably, this model replaces public service principles and values with commercial business practices and values.

## COMPETITIVE BIDDING

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Under competitive bidding, a public department or service is forced to compete against bids from private companies to deliver a service. In social services, not-for-profit agencies can be pitted against each other, driving down wages and eroding working conditions. This undermines job security and creates ongoing pressure for low wages and other cuts and concessions, in order for the public sector to "win" a bid and continue delivering the service. Another form of competitive bidding, called 'managed competition' promotes the notion that the public workforce currently delivering the service being considered for competition is more actively engaged with management to prepare bids.

## CONCESSIONS

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Demands at the bargaining table for reduced wages, benefits or job security can signal plans to prepare a service for privatization. Employers also threaten to contract out or privatize to extract concessions. But employers that get concessions almost always come back for more. Often, privatization goes ahead anyway.

## CORPORATIZATION

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When a public utility adopts the goals and structures of a private corporation, it becomes corporatized. Corporatization also occurs when managers or leaders of a public institution (for example a college) reshape the institution to serve private sector needs. A corporatized utility often has an unelected board that operates at arm's length from elected officials who represent the public owners, reducing democratic involvement in and oversight of operations and key decisions. Corporatization can also restrict accountability and transparency to the public, as arm's-length corporatized bodies may not be covered by access to information laws or the scope of auditors general.

## CORE SERVICE REVIEW

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Core service reviews are most often seen in municipalities. They are a consultant-led review of a public body's publicly-provided services. The goal is to identify "efficiencies". However, the pro-private sector consulting firms conducting the reviews have cookie-cutter solutions (sometimes directly cutting and pasting from one review to another) that favour cuts to front-line staff, contracting out, and other attacks on public services.

## DELISTING

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When a provincial health plan stops covering the cost of an item or service, that health care product or service has been delisted. Individuals will have to pay for it out of their own pockets, shifting the burden onto individuals and expanding the role of the private sector through private health insurance and other privatized service providers.

## DEREGULATION

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When a government removes restrictions, or regulations, on business, it's known as deregulation. When it comes to public services, it can mean opening up services to competition from private providers, less regulation to protect the public interest, and all-out privatization.

## SHARED SERVICES

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Proposals for regionalization or amalgamation of public services often come with a move to centralize or consolidate service delivery, known as shared services. Support services and technical services are often targeted in a bid to cut costs and find 'efficiencies'. This can lead to job cuts and hurt the quality and continuity of care. It can also open the door to contracting out, once a service or function has been centralized and cut back.

## TRADE DEALS

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Trade deals like the Comprehensive Economic and Trade Agreement (CETA) between the European Union and Canada create international pressure to deregulate and privatize, and give corporations the right to sue government for actions that might interfere with future profits. CETA's provisions will make it difficult for a municipality or other government to reverse privatization and bring a service back in house, even when the privatization is a failure.

## UNDERFUNDING

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Systematic and sustained government underfunding of public services will inevitably hurt quality and access. The result can undermine public confidence in public delivery, opening the door to privatization. When governments underfund, a service or asset becomes neglected, leading to public dissatisfaction, which opens the door to radical proposals to reform or rehabilitate.

## 1.4 SOME SERVICES THAT ARE COMMONLY CONTRACTED OUT/PRIVATIZED

### ***Municipalities***

#### Garbage collection, disposal and recycling

- Operation of landfill or incineration/gasification plant
- Operation of recycling plant/private recycling drop-off centres
- Snow removal
- Road, sidewalk, water main, sewer construction and maintenance
- Building cleaning
- Printing
- Drafting
- Keypunching
- Computer service
- Clerical
- Various trades
- Arenas, pools, recreation services and golf courses
- Grounds maintenance
- Tree removal and trimming
- Line painting on roads

#### Water Services

- Water filtration plants
- Wastewater/sewage treatment plants
- Sewer maintenance and installation
- Water metering (water privatization)

#### School boards

- Busing, truck driving
- Cleaning
- Construction and maintenance
- Cafeteria operations
- Snow removal
- Security
- Mail delivery
- Purchasing
- Clerical
- Computer services
- Library and teaching aides
- Audio-visual
- Printing
- Media centres

## Libraries

- Cataloguing
- Printing
- Clerical functions
- Security
- Equipment maintenance
- Computer services
- Grounds upkeep
- Book binding
- Installation of automated book check-out and return

## Social Services

Purchase of service agreements, e.g. profit day care

- Professional personnel (through private agencies)
- Group home
- Adoption screening services

## Airline division

- Flight attendants
- Clerical staff

## 1.5 PUBLIC PRIVATE PARTNERSHIPS

### WHAT IS A P3?

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A public private partnership (P3) is a form of privatization. P3s are multi-decade contracts for private operations and management of public services (school maintenance, grounds keeping, hospital cleaning etc.) or infrastructure (water and sewage services, power production etc.).

P3s can include private financing, ownership and/or operation. They result in higher costs, lower quality and loss of public control. They often involve big corporations with no links to the community

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### WHY ARE P3S THE HOTTEST THINGS SINCE SLICED BREAD?

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There is tremendous pressure for all levels of government to reduce spending, especially on capital projects and social programs. Combined with a false belief that privatization will save money, many governments are increasingly turning to all kinds of privatization to solve their budget woes. Federal and provincial off-loading onto municipalities also feeds into this problem.

In addition to lower cost, P3s are promoted to governments as a way of transferring “risk” to the private sector. Risk refers to the potential cost increases and liability if projected budgets, timelines and operations are not met. Basically, it means the private sector pays the price if things do not turn out as planned.

Governments are also lured into P3s as a way to sponsor capital projects without incurring large debts. The cost of P3s are often guaranteed or underwritten by the government (municipal, provincial or federal), but because of accounting practice, repayment is spread out over the lifetime of the agreement. This is like assuming you have no debt on a house because you can afford the mortgage payments.

Such accounting practices bias assessments in favour of P3s, because when governments borrow their own money for public projects this appears immediately as a large debt. In a P3 it looks like governments’ fiscal situations are much better than they really are.

But, this is little more than smoke and mirrors. Projects taken on by the private sector are still a liability to the public purse. For example, contracts with private firms promise user fees or guaranteed returns on investment. If these annual costs were put on the public books, they would show up as a deficit.

Perhaps they would also show the public that the costs would have been lower if the project had been exclusively a public undertaking.

For the private sector, it's yet another way to erode the presence of the public sector and open up new profit venues. P3s also fit right in with the "less government is better" ideology promoted by the corporate sector, politicians and the media.

## WHO'S PUSHING PRIVATIZATION?

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P3s have been aggressively marketed by the provincial and federal governments starting in the early to mid-2000s. However, requirements to consider P3s were relaxed within a few years, as even pro-P3 governments realized that returns were not always so easily achieved. Since then, there has been some growing skepticism of P3s, and support for P3s has been mixed, depending on the political party in power and various levels of government.

**Provincially:** The BC Government, under Gordon Campbell's Liberal Party, established the crown corporation Partnerships BC (PBC) in 2002 to bring together ministries, agencies, and the private sector to develop P3 projects. In addition to encouraging P3 investment, PBC is mandated to prepare business cases, manage the public sector decision-making process, advise the government on the use of P3s, and evaluate the success of P3 projects. In 2006, Campbell introduced a "new capital standard," stipulating that any project over \$20 million must be evaluated by PBC for suitability as a P3. Realizing that smaller projects were often unsuitable as P3s and were being slowed down by the screening process, the PBC raised the capital threshold to \$50 million in 2008. Following a critical internal review of PBC in 2014, which found that cost-benefits were not sufficient even at \$50 million, the threshold was increased to \$100 million.

**Federally:** In 2007, Stephen Harper's Conservative government established a 10-year Building Canada plan that established a \$1.25 billion P3 Fund to catalyze the use of P3s by other levels of government. In 2009, the crown corporation PPP Canada became operational, with a mandate to both assess all projects over \$50 million (referred to as the "P3 Screen") that apply for federal funding for suitability as a P3 and to administer and distribute the \$1.25 billion P3 fund which is application driven. However, due to the time delays that such a screen would impose on project delivery, this initiative was suspended until 2011 when the federal government officially announced the requirement for a P3 Screen for all projects with a lifespan of at least 20 years and capital costs of \$100 million. Following the 2015 federal election, Justin Trudeau's Liberal government announced it was removing the mandatory P3 Screen in November 2015. However, PPP Canada remains in operation, and the proposed federal infrastructure bank may introduce privatization in new ways. The Infrastructure Bank will actively seek out private partners to make up the difference in funding. This will lead to less government oversight on P3s and will give the private sector the opportunity to shape policy and projects by controlling which projects are funded.

**Canadian Council for Public Private Partnerships:** The Canadian Council for Public Private Partnerships (CCPPP) is the main lobby and advocacy group promoting P3s in Canada. Its membership is a who's who of corporations, law firms and consultants that would profit from privatized infrastructure and services. Also on the member roster are pension funds and some federal, provincial and municipal representatives. The CCPPP publishes pro-P3 research and polling, and hosts an annual conference that attracts privateers from around the world.

**Consultants:** The so-called 'Big Four' consulting firms – KPMG, Ernst & Young, PricewaterhouseCoopers, Deloitte – have a veneer of impartiality, because of their role as auditors in some settings. However, these firms all participate in evaluating and assessing P3s using biased calculations that tip the scales in favour of privatization every time. Some firms also conduct core service reviews, and have been known to provide the same 'solutions' of contracting out and other forms of privatization, in cut-and-paste format.

**Provincial P3 agencies:** Crown corporations like Partnerships BC, Infrastructure Ontario and SaskBuilds all have a mandate to both promote and assess P3s, placing them in an inherent conflict of interest that leads to biased advice.

**Public Private Partnerships Canada:** Public Private Partnerships (PPP) Canada is a federal crown corporation set up under the Harper Conservatives to expand the scope of privatization into new sectors and regions. It administers the application-driven P3 Canada fund that subsidizes individual P3 projects by paying up to 25 per cent of the project's capital costs. PPP Canada's twin role of both promoting and assessing P3s places it in an inherent conflict of interest, leading to biased advice.

**Right-wing think tanks:** These include the Fraser Institute, the Manning Centre, the C.D. Howe Institute, the Montreal Economic Institute, the Atlantic Institute for Market Studies, the Frontier Centre for Public Policy, and the Canadian Taxpayers Federation. These and other right-wing think tanks have demonstrated (various levels) of hostility to public sector workers, publicly-provided services and progressive taxation – all stemming from a stubborn and demonstrably false belief that competitive markets always produce better results.

## HOW DO P3S DIFFER FROM CONTRACTING OUT AND OTHER TYPES OF PRIVATIZATION?

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P3s are just another form of privatization, but one which is hidden more craftily. Unlike contracting out, a P3 project is often built and designed by the private consortium/company by which it will eventually be operated. These operation contracts are for very long periods of time to ensure substantial profits. Another key difference is that in a P3, the public sector continues to own and bear responsibility for the facilities and infrastructure. On the surface, this seems like a positive because it means that we haven't given away our assets. However, the truth is that we have given away control, authority and any revenue generating opportunities. Worse yet, because the public sector still owns the infrastructure, taxpayers are ultimately left to pay the price for old, poorly maintained public assets.

## TYPES OF PUBLIC PRIVATE PARTNERSHIPS

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Contribution Contract: The private sector agrees to contribute to the construction of a public facility in exchange for acceleration of the project. [[example: Mt. Washington Ski Road](#)]

Operation and Maintenance Contract (O&M): A private operator, under contract, operates a publicly owned facility for a specified term. Municipal garbage collection is often done this way.

Design Build Major Maintenance: The proposed facility will be designed and built by the private sector but the operation will be the responsibility of the public sector. Certain maintenance responsibilities are given to the private sector under contract.

Design Build Operate (DBO): Design Build contract for construction followed up with an operating and maintenance contract. The facility remains publicly owned throughout. [[Example: South Okanagan Event Centre](#)]

Design Build Finance Operate (DBFO): The private sector finances, designs and builds a facility in exchange for a long-term operating contract. The facility remains publicly owned. The public body repays the private company for the cost and interest on the financing. [[Example: Sea-to-Sky Highway](#)]

Lease Develop Operate (LDO): A private operator, under long-term lease, expands and operates an existing public facility. The expanded facility remains publicly owned and is transferred back to the public sector at the end of the lease term. [[Example: Penticton Trade and Convention Centre](#)]

Build Lease Finance Operate Transfer: The private sector designs, finances and constructs a new facility on public land under a long term lease and operates the facility during the term of the lease. The private owner transfers the new facility to the public sector at the end of the lease term.

Build Transfer Operate (BTO): A private developer designs, finances and constructs a facility which, upon completion, is transferred to public ownership. The public sector then leases the facility back to the private sector that operates it in order to get a reasonable return for construction and operation while avoiding liability/complexity of private ownership.

Build Own Transfer (BOT): A private developer receives a franchise to finance, design, build and operate a facility (and to charge user fees); for a specified period after which ownership is transferred back to the public sector.

Build Own Operate Transfer (BOOT): Same as the BOT model except an agreement is made to transfer the facility to the public sector at some future date.

## (1) PROBLEMS WITH PUBLIC PRIVATE PARTNERSHIPS

### P3S COST MORE

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Noted forensic accountants Ron Parks and Roseanne Terhart found that P3s in British Columbia have cost as much as 130 percent more than traditional public projects.

Here's why:

- 1) The private sector pays more to borrow money than governments do.
- 2) Private corporations expect to make profits of between 10 and 20 percent on their investment in these projects. These profits are written into the cost of the contract.
- 3) Negotiating P3 contracts is a long and expensive process.
- 4) Monitoring and enforcing private contracts adds legal and administrative costs.

These extra costs for the private sector mean extra costs to the public paying for the service. At the same time, wages and benefits paid to employees are generally lower and service levels often suffer.

### CONTRACT FLIPPING

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Another way companies profit off our services is by buying and selling contracts. Like flipping houses, private investors use the guaranteed income from the contracts to entice other companies to take over operation. Sometimes these “flips” happen repeatedly over the lifetime of the agreement. In the case of Hamilton's wastewater treatment system, the contract changed hands four times over a 10 year period. Over six years the Abbotsford hospital project changed hands four times, presumably with profits being made in every transaction, with ownership ending up in a tax haven.

Residents and municipal councillors have little or no say in who buys the contract. This means that communities can very quickly end up with a new service provider – one that they didn't agree to in the first place.

A study of P3s in the UK found that flips generate over £10 billion (\$15.8 billion CND) and the rate of flipping has increased over the last decade, despite the global financial crisis. Dexter Whitfield, the study's author, said that based on these findings P3s are “little more than money making ventures.” Basically, control of our public services is being traded on the open market as if it were technology stock. This is not a safe or responsible way to run our communities.

## P3S ARE LESS ACCOUNTABLE TO TAXPAYERS

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Private corporations answer to shareholders not taxpayers. Their priority and mandate is to ensure profitable businesses. Local governments answer to the public; their mandate is to ensure a strong and healthy community. Basic public services, like water, health care, and wastewater treatment should respond to the priorities of taxpayers not just the profit motives of shareholders.

## P3S LACK TRANSPARENCY

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**PRIVATIZATION ALSO MEANS THAT FINANCIAL AND OPERATIONAL PRACTICES ARE HIDDEN FROM THE PUBLIC. UNLIKE GOVERNMENTS, PRIVATE CORPORATIONS ARE NOT SUBJECT TO THE FREEDOM OF INFORMATION ACT AND INFORMATION IS OFTEN KEPT SECRET UNDER THE GUISE OF “PROTECTING COMMERCIAL INTERESTS”.**

P3 contracts involve lengthy and complex negotiations behind closed doors. Taxpayers and residents are left completely in the dark about the scope of privatization until the deal is done. In BC, even mayors and councillors deciding on whether to commit taxpayer money to P3 projects, have been denied access to the detailed financial information they needed to make informed decisions. For example, Translink Board Members were not allowed to view the proposed contract for the Canada Line Skytrain project before voting on whether to proceed with the P3.

This means that residents do not have access to information regarding the environmental and economic actions of companies. It also means that residents cannot accurately assess the true costs of privatization.

## WHAT ABOUT RISK TRANSFER?

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P3s are no better at transferring risk than public procurement methods like design build. In fact, in many cases, governments have been left with hefty bills when P3 projects failed or when costs increased. For example, residents of Hamilton had to pay to clean up their houses and harbour when the private wastewater treatment company spilled thousands of gallons of sewage. In Brussels, the private wastewater operator demanded millions of dollars to fix problems in their proposed design – even though the original bid had promised state of the art technology. When the City refused to pay up, the company simply shut the wastewater plant down and dumped sewage into local rivers.

**EVEN IF GOVERNMENTS CAN MANAGE TO INCLUDE MINOR RISK TRANSFER PROVISIONS IN THE CONTRACT, THEY ARE VERY COSTLY. STUDIES IN THE UK SUGGEST THE PRIVATE SECTOR CAN CHARGE AS MUCH AS 30 PERCENT MORE TO TAKE ON RISK.**

## MULTI-DECADE CONTRACTS LIMIT FLEXIBILITY AND RESPONSIVENESS

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In a public private partnership, any change involves lengthy and costly negotiations with the private company providing the service. This is not only cumbersome, it is also expensive. When services are publicly provided, however, the workforce can quickly and efficiently incorporate new technology or respond to changing guidelines. The public body has immediate control over how services are provided. This is vital for the health and safety of residents and the environment. Whistler's wastewater treatment plant is a prime example. Because the plant was kept public, the resort municipality was able to efficiently change their design to incorporate the most advanced heat and energy recovery system in the country.

## P3S HURT LOCAL BUSINESS

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Governments have always relied on private companies to design and build public infrastructure. This is normal and has spurred vibrant and important local construction and architecture industries. Public private partnerships are designed for big and often multinational corporations who can pay the high costs of building and operating government infrastructure. This means that local design and construction firms lose access to local projects, which in turn reduces the entire community's economic health. It also means, in the long term, that many decisions about local services are being made in corporate head offices, and not by the public body.

## P3S UNDERMINE SUSTAINABILITY AND ENVIRONMENTAL PROTECTION

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More is better and growing is good if you are a private corporation whose goal is to make a profit.

Likewise, environmental regulation and limits on growth are "red tape." Governments' goals are quite different. They seek to limit costs and improve the range of services and the quality of life for citizens – sometimes by doing things that limit growth. Values like conservation, environmental protection, and the precautionary principle (better safe than sorry) are in the public interest. All these values clash with the corporate bottom line and are difficult (and sometimes impossible) to uphold when a private corporation has control of a public service.

## P3S MEAN MONEY AND JOBS LEAVE THE COMMUNITY

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Public operation offers local people good jobs in the community. These jobs provide opportunities to train and enhance the skills and experience of residents, and in turn strengthen the area's resiliency. This is crucial in tough economic times. And projects in the hands of local governments rely on local private sector firms and expertise to design and build public infrastructure. Public-private partnership contracts rely on external investment and expertise and often source materials from outside of the community. Money that could be returned to the local economy and tax base goes elsewhere.

## 1.6 THE EFFECTS OF PRIVATIZATION AND CONTRACTING OUT

### PRIVATIZATION HURTS CUPE MEMBERS

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The most obvious, direct impact of privatization is that CUPE members lose their jobs. But even if there are no direct job losses, members of the bargaining unit are hurt by the indirect consequences of contracting out.

- Privatizing reduces employment opportunities for members of the bargaining unit.
- Privatizing a service through tendering has the effect of legitimizing cheap labour practices and depresses wages, benefits and working conditions in the whole sector.
- Privatization creates a fragmented labour force, making it easier for anti-worker employers to control the labour process and introduce unfair productivity levels.
- Privatization can seriously hamper the effectiveness of job actions such as strikes because contractors can be used to provide the services normally delivered by the striking workers. This can happen even in provinces where there is anti-scab legislation.

### PRIVATIZATION HURTS THE PUBLIC

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#### WHEN WORK IS REMOVED FROM CUPE BARGAINING UNITS AND CONTRACTED OUT TO THE PRIVATE SECTOR, THE PUBLIC SUFFERS.

**The profit motive:** Private contractors are in business to make a profit. An extra 10-20 percent for profits is added to the normal costs of providing services that must be absorbed by taxpayers. The profit motive is a raid on the public treasury.

**Low-ball bidding:** In order to win a first contract from a public employer, a private firm will often put in an unrealistically low bid, even if it means taking a loss. But, once they get the service and the employer gets rid of staff and equipment, the private firm can increase its fees considerably in subsequent contracts. The entry of large multinational conglomerates into the public sector contract market has made low-ball bidding a serious problem.

**Hidden costs:** When considering a private contractor, public employers often overlook the hidden costs involved. These can include the cost of monitoring the contractor's performance, the cost of administration and paperwork, the cost of cleaning up or repairing shoddy work, and the cost of the tendering process itself.

**Loss of assets:** Public employers sell off their own "no longer needed" equipment – often at low prices to the very contractors taking over the service.

**Lack of control and flexibility:** Once a service is contracted out to a private firm, the employer – municipality, school board, hospital, or other institution – is limited to the terms of the contract. The flexibility that comes with having the service performed by public employees is lost. The employer loses the ability to control, and, if necessary, change and modify the service to meet the changing needs of the public. Long-term planning suffers and the economies of scale are lost.

**Inferior services:** Public employees take pride in performing quality work for the community. Private contractors are in business for the profit and there is an incentive to cut corners on the quality of work performed. Their employees are often underpaid and unskilled. By contracting out, the employer loses the ability to ensure that qualified employees are performing the work. “Savings” are often achieved by reducing the amount of service that had been provided by public employees. The result is shortcuts, speedups, and poorer service to the public.

**Undermines economic resiliency:** Privatization often leads to increased taxes and inferior service. The local economy also loses purchasing power because of the lower wages paid by most contractors. The spread of low wages tends to drag down income levels, housing prices and living standards for the whole community. This means that communities are less able to deal with economic problems if they arise.

**Corruption:** Privatization breeds corruption. Graft, bribes, kickbacks, overruns, overcharges, and tax evasion are paid for, in the long run, by the taxpayers of the community. CUPE books “Dirty Business” and “Giants of Garbage” document this kind of corruption.

## PRIVATIZATION HURTS OTHER WORKERS

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Contract firms are notorious for poor treatment of their employees. Instead of promoting full-employment policies, governments have allowed unemployment to rise, providing contractors and other anti-union employers with trapped employees. Workers are forced to accept low wages, poor working conditions, and the insecurity of contract employment.

## PRIVATIZATION USED AS A WEAPON

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**EMPLOYERS COMMONLY THREATEN PRIVATIZATION JUST PRIOR TO NEGOTIATIONS. BY THREATENING THE JOB SECURITY OF THE BARGAINING UNIT, MANAGEMENT HOPES TO CREATE A MORE DOCILE WORKFORCE, ONE THAT WILL NOT FIGHT AS HARD TO MAKE REAL GAINS AT THE BARGAINING TABLE. IT ALSO SETS THE TONE FOR CONCESSION BARGAINING.**

In this sense, it is comparable to threatened plant closures in the private sector.

Privatization has also been used as a form of retribution against workers after a bitter or prolonged strike. Employers may smugly contract out a service knowing full well they are “paying back” those striking workers.

Threats of contracting out are also used to impose unfair productivity levels on workers. These measures go hand-in-hand with management media campaigns designed to convince the public that public employees are not “competitive.”

# PART TWO: WHAT WE CAN DO ABOUT PRIVATIZATION?

Privatization threatens communities across Canada. It's part of neoliberal strategy that says the private sector can "do it better and cheaper".

Privatization hinges on negative portrayals of public sector workers and the services they provide. Workers are depicted as unproductive, overpaid and uncaring. Services are costly, inefficient and unresponsive. Nothing could be further from the truth.

**PUBLIC EMPLOYEES CARE ABOUT THE COMMUNITIES IN WHICH THEY LIVE AND WORK. BECAUSE THEY PUT SERVICE QUALITY AHEAD OF PROFIT, GOVERNMENTS CAN PROVIDE SERVICES THAT RESPOND DIRECTLY TO THE NEEDS OF THE COMMUNITY. YEARS OF TRIMMING TO MUNICIPAL BUDGETS ALSO MEAN THAT PUBLIC SERVICES HAVE BECOME EXCEPTIONALLY EFFICIENT AND COST-EFFECTIVE.**

Many hundreds of CUPE members have already lost their jobs to privatization; and many others will face the same fate if we do not stand up and fight back.

What can you and other members of your local do about contracting out? Can you prevent it through the bargaining process? Are you helpless if your collective agreement doesn't have a good job security clause? Can you regain work once it is contracted out? What assistance can you get from CUPE?

The answers to these questions will depend on your local's particular situation, but that doesn't mean there isn't a lot to learn from past experience.

The following pages provide some tips on how to monitor, prevent and reverse privatization in your community.

## 2.1 FIVE LESSONS WE HAVE LEARNED

CUPE members have been fighting contracting out and privatization for a long time. As a result of our years of practical experience we have learned many lessons. It is important that as CUPE members we share these lessons with each other and build the skills and confidence of our union.

### (1) LESSON 1: PREVENTION IS THE BEST MEDICINE

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“An ounce of prevention is worth a pound of cure,” may be a cliché – but that’s because it’s true.

Some of the preventive steps we can take at the local union level include bargaining strong collective agreement protection, sensitizing our members to the importance of these issues, promoting new and expanded services, and keeping the community informed about the quality services CUPE members provide and how they improve the quality of life in our communities.

It has been our experience that by taking these kinds of preventive measures, we can, in many cases, avoid contracting out and privatization problems. Even in those cases where positive steps do not stop the push towards privatization, they improve our chances of winning a fight back campaign because we have already built up an understanding of the problem amongst our members and have established a more positive image in the community.

### (2) LESSON 2: FIGHT SMART – THINK STRATEGICALLY

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Thinking strategically means looking at your local’s particular situation, the opportunities that are available to achieve your goal and how you might best take advantage of these opportunities. For example, how popular are the mayor and council? Have there been problems with privatization in your community in the past? Do residents compliment the quality public service under threat? Are there groups that can help fight the privatization?

Strategic thinking starts with asking what you want and can achieve. Set a realistic goal and then work back from that. Next, look at your resources in terms of time, people, money, sources of information, potential allies and sympathetic groups outside the union. After you know what resources you have, you then have to ask how they can be used to achieve your goal. How can you engage CUPE members? How can you gain public support? Can you get the help of middle management? What will it take to move this employer?

Once you answered these questions it is then time to start putting together a strategy and action plan.

### (3) LESSON 3: THE FOUR PLAYERS

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In any anti-contracting out or privatization campaign there are four players: the union, the employer, the public and the private company. In deciding on the strategy for your campaign you must take into account the positions, attitudes, needs and level of awareness of all four of the players.

Example 1: You decide to put pressure on your employer not to contract-out a service. However, the membership of your local does not have a clear understanding of the issue and doesn't understand the tactic that you are implementing. Your campaign may well fail because of lack of support within your local which makes it impossible to pressure the employer.

Example 2: The membership of your local decides that this is the year to take a strong stand at the bargaining table and negotiate an iron-clad clause prohibiting contracting out. They are prepared to make it a strike issue. However, your local hasn't built up the crucial public support for your position. This leaves room for the employer to convince the public that contracting out can provide cheaper, more efficient service and lower taxes.

When developing the strategy and tactics for your campaign, you must assess the situation of each of the four players and just as realistically assess what is possible. Committing yourself and your members to a campaign tactic that has little chance of victory will result in a discouraged membership. At the same time you might strengthen the employer's position and alienate the public.

### (4) LESSON 4: INVESTIGATE THE POTENTIAL CONTRACTOR

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Gather information on corporate contractors who are making bids on your work. CUPE has produced materials on many of the big corporate privatization players. See section 3.1 of this guide for tips on gathering information on the private sector.

Six types of information can be used to develop a profile of corporate contractors:

1. Organizational information:

- Factual data on a company's structure.
- Who owns and controls it, including its Chief Executive Officer (CEO) and Board of Directors.
- Its principal investors.
- Whether the corporation is publicly traded on the stock market.

2. Policy information:

- The corporate position on issues related to your sector.
- How these policies are promoted by the company to government.
- Links between the company, its trade associations and anti-government groups.

3. Political information:

- Which political parties or local politicians the corporation supports.
- What it gives directly in donations.
- Personal links among corporate officers and directors and political parties and politicians.

4. Business information:

- How the corporation is financed, including its major banking and investor connections, markets, revenues, profits, suppliers and competitors.

5. Community and labour relations information:

- The impact of the company on communities where it operates.
- Its record as an employer.
- Whether questionable labour, consumer and environmental practices are part of its history.

6. The company's track record:

- A company's track record is especially important. If a corporation is associated with any or all of the following problems it may go a long way toward convincing union members and the public that contracting out and privatization are dangerous. Has the corporation threatening your job been associated with any of the following?
  - A decline in quality of service
  - An increase in the cost of service
  - A loss of public sector jobs
  - Poor public accountability
  - A reduction in wages and benefits
  - A threat to health and safety or environmental standards

- A negative economic impact in the community, such as lay-offs or the transfer of jobs and wealth out of the region or the country

## (5) LESSON 5: WORK TOGETHER

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One of the most important lessons that we have learned is that we must work together successfully to fight the full scope of the contracting out/privatization problem and provide our members with the security they need and deserve.

An essential element of effective organizing is a proper division of labour. Try as much as possible to capitalize on everyone's unique talents and abilities and ensure that the work is not left up to a single individual or small group. There is a role to be played by the local union, staff representatives, the provincial anti-contracting out committee and the various CUPE branches. We are at our best when we work together, realistically assess our resources, and divide the work amongst the various levels of the union. Motivating a local membership is not always easy, but co-coordinating and sharing the work makes it possible to establish a strong, united presence and increases our chances of success.

## (6) LESSON 6: WE CAN WIN!

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Our experiences – from one end of the country to the other – show that we can win. Our union can be proud of our successes.

Has the problem gone away? Have we prevented the loss of jobs in all our bargaining units? Of course not. But where we have made a stand with a well-organized campaign, our record shows we can win.

We have a great advantage going into any fight because our goal is to protect and strengthen our communities - not profit off of taxpayers. We want to raise our families in safe, clean, well-maintained communities. We want high quality education and expanded social services. We want well run schools, libraries and transportation systems. We want public assets and enterprises that serve public needs. We can be proud of what we are fighting for - high quality, efficient public services provided by public employees who receive fair compensation and fair treatment.

## 2.2 BRINGING THE WORK HOME

**WHAT HAPPENS IF A PUBLIC SERVICE IS ALREADY CONTRACTED OUT OR PRIVATIZED? CAN WE GET IT BACK? THE ANSWER IS "DEFINITELY YES"!**

It is never too late to have contracted out work brought into the bargaining unit. Quite a few CUPE locals have succeeded in recovering jobs previously lost to outside firms. For example, CUPE 389 in North Vancouver, CUPE 4728 in Grand Forks and CUPE 825 have all brought municipal garbage collection systems back home. Even P3s have been reversed when privatization has proved disastrous. The City of

Cranbrook took back its recreation centre after the private operator failed to deliver the revenue and service improvements promised.

If your local decides to launch a campaign to bring a service into the bargaining unit, you can draw on the experience and expertise of CUPE staff, the anti-contracting out committee and the experiences of other locals.

## 2.3 STEPS FOR FIGHTING PRIVATIZATION

### (1) PREVENTION: DEVELOP AN EARLY WARNING SYSTEM

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Obviously, it is always better to keep a service from being contracted out than to have to fight to get it back in the public sector. The best way to prevent privatization is to head it off before it starts – this means having a strong system to detect the signs of privatization.

Here are a few tips for putting early warning systems in place:

**Develop a strong member or stewards network** in the workplace that can stay on top of your employer's plans by talking regularly with supervisors, managers and local politicians.

**Establish an anti-contracting out/privatization committee** to monitor potential privatization and keep the members informed on the subject.

**Negotiate protective collective agreement language** such as provisions that require disclosure of all information about plans to contract out services. Get all financial and operations information from your employer. See section "2.8(4) Strategy #2: Bringing it to the bargaining table" and "3.7 Contract language" for tips on how to improve your language.

**Use your collective agreement language.** If you have some form of protection against contracting out/privatization, make sure your employer lives up to those provisions. Use the grievance procedure when necessary.

**Get volunteers to take turns attending public meetings** of the employer. CUPE BC provides locals with School Board Watch and Council Watch. These resources provide useful tools, instructions and templates to assist in this process. If no one can attend meetings, get all agendas, minutes and reports and read them carefully. If you are having difficulty obtaining information you can make an application under the Freedom of Information and Protection of Privacy Act. For more information contact your CUPE servicing representative.

**Monitor the local media** and pay particular attention to statements managers and politicians make in the news and at public events.

**Identify contractors already working at your workplace** and anticipate other work that they may go after. Track problems with quality and safety of contracted out work, building the case to bring it back in house and collecting evidence against further privatization.

**Know your opposition.** Get information about companies that contract work in your sector. Subscribe to the same management magazines as your employer. Monitor local media and public debates for clues about who to watch.

**Build relationships** with local elected officials and other community leaders. Have informal, regular meetings with individual councillors and trustees. Keep track of how elected representatives vote on issues.

**Promote public services.** Find ways to highlight the value of public services in the community. Work with community groups to strengthen support for keeping services public.

## (2) FIND OUT WHICH SERVICES ARE CONTRACTED OUT IN YOUR COMMUNITY

Do you know how many jobs in your community have “gone missing” into the private sector – or are in danger of being contracted out or privatized? An important weapon in the fight against contracting out/privatization is a clear picture of who does the work in your community.

Use the following job checklists to analyze the work and workers in your community by marking which jobs are public and which are performed by the private sector. Not every community is exactly the same, so you might find that some of the jobs do not apply to your workplace. There is space to add jobs in your community that do not appear on the lists.

Once you have reviewed the listed jobs, cross-check them with your collective agreement.

Ask yourself the following questions:

- ***Are any of the contracted out services covered by your collective agreement but performed by workers other than CUPE members?***

If the answer is “Yes”: Contact your CUPE servicing representative immediately. Action must be taken to make your employer comply with your negotiated collective agreement.

- ***Are any of the services provided by your employer ones that should be provided by CUPE members but are not covered by your contract?***

If the answer is “Yes”: Your local should now decide which service to target to bring in house. See “2.3(3) How to pick your target” for factors to consider when deciding which is the most appropriate service to target and the most appropriate strategy to employ.

## CHECKLIST OF COMMON CUPE POSITIONS

### SCHOOL BOARD JOBS

- ☐ A/V Technician
- ☐ Accountant
- ☐ Accounting Clerk
- ☐ Administrative Assistant
- ☐ Administrative Officer
- ☐ Audiometrist
- ☐ Auto Mechanic
- ☐ Auto Serviceperson
- ☐ Bookkeeper
- ☐ Bus Driver
- ☐ Business Machine Operator
- ☐ Buyer
- ☐ Cafeteria Helper
- ☐ Cafeteria Manager
- ☐ Caretaker
- ☐ Caretaker - Head
- ☐ Carpenter
- ☐ Cashier
- ☐ Child Care Assistant
- ☐ Child Care Worker
- ☐ Cleaner
- ☐ Clerk
- ☐ Clerk - Administrative
- ☐ Clerk A/V
- ☐ Clerk - File
- ☐ Clerk - Information
- ☐ Clerk - Mail
- ☐ Clerk - Message Centre
- ☐ Clerk - Payroll
- ☐ Clerk - Personnel
- ☐ Clerk - Purchasing
- ☐ Clerk - Registration
- ☐ Clerk - Steno
- ☐ Clerk - Stores
- ☐ Clerk - Technical
- ☐ Clerk - Typist
- ☐ Community Liaison Officer
- ☐ Computer Operator
- ☐ Computer Programmer
- ☐ Computer Senior Technician
- ☐ Cook
- ☐ Cook Assistant
- ☐ Coordinator
- ☐ Counsellor
- ☐ Counsellor - Juvenile
- ☐ Custodian
- ☐ Data Entry Clerk
- ☐ Data Entry Operator
- ☐ Data Processing Technician
- ☐ Delivery Person
- ☐ Dental Assistant
- ☐ Dispatcher
- ☐ Draftsperson
- ☐ Draftsperson - Design
- ☐ Driver
- ☐ Electrician
- ☐ Electronics Technician
- ☐ Equipment Operator
- ☐ Farm Worker
- ☐ Firefighter
- ☐ Food Service Worker
- ☐ Foreperson
- ☐ Foreperson - Sub
- ☐ Gardener
- ☐ Groundskeeper
- ☐ Group Home Parents
- ☐ Handyman
- ☐ Health Care Aide
- ☐ Heating Technician
- ☐ Home/School Coordinator

- ☐ Instructor
- ☐ Interpreter
- ☐ Labourer
- ☐ Laboratory Assistant
- ☐ Lead hand
- ☐ Librarian (Professional)
- ☐ Library Aide
- ☐ Library Assistant
- ☐ Library Clerk
- ☐ Library Technician
- ☐ Locksmith
- ☐ Maintenance Helper
- ☐ Maintenance Worker
- ☐ Messenger
- ☐ Multicultural Worker
- ☐ Nursery School Supervisor
- ☐ Painter
- ☐ Plumber
- ☐ Printer/Offset Operator
- ☐ Program Leader
- ☐ Receptionist
- ☐ Recreation Supervisor
- ☐ Rehabilitation Worker
- ☐ Resource Centre Assistant Coordinator
- ☐ Safety Officer
- ☐ School Aide
- ☐ School Guard Crossing
- ☐ School Secretary
- ☐ School Meal Coordinator
- ☐ School Support Worker
- ☐ Seamstress
- ☐ Secretary - Administrative
- ☐ Secretary - Elementary School
- ☐ Secretary - Secondary School
- ☐ Security Supervisor
- ☐ Security Guard
- ☐ Shipper/Receiver
- ☐ Special Education Assistant

- ☐ Special Services Assistant
- ☐ Speech Pathologist
- ☐ Speech Therapist Aide
- ☐ Stationary Engineer
- ☐ Stenographer
- ☐ Storekeeper
- ☐ Supervisor
- ☐ Switchboard Operator
- ☐ Systems Analyst
- ☐ Teacher Assistant
- ☐ Technician
- ☐ Technician - Media
- ☐ Tradesperson
- ☐ Trades Helper
- ☐ Truck Driver
- ☐ Typist
- ☐ Utility Worker
- ☐ Welder
- ☐ Word Processing Operator
- ☐ Youth Services Worker

#### **CIVIC JOBS**

- ☐ Accountant
- ☐ Accounting Clerk
- ☐ Administrative Assistant
- ☐ Airport Firefighter
- ☐ Animal Control Attendant
- ☐ Aquatic Leader
- ☐ Arborist
- ☐ Archivist
- ☐ Artist
- ☐ Asphalt Plant Operator
- ☐ Asphalt Raker
- ☐ Assessor

- ☐ Auditor
- ☐ Auto Serviceperson
- ☐ Bartender
- ☐ Bindery Worker
- ☐ Blacksmith
- ☐ Bodyperson
- ☐ Bookkeeper
- ☐ Bricklayer
- ☐ Building Inspector
- ☐ Building Service Worker
- ☐ Bus Driver
- ☐ Business License Inspector
- ☐ Business Machine Operator
- ☐ Buyer
- ☐ By-Law Enforcement Officer
- ☐ Caretaker
- ☐ Carpenter
- ☐ Cashier
- ☐ Cement Concrete Finisher
- ☐ Chargehand
- ☐ Child Care/Youth Worker
- ☐ Chlorination Operator
- ☐ Cleaner
- ☐ Clerk
- ☐ Clerk - Administrative
- ☐ Clerk - Audit
- ☐ Clerk - File
- ☐ Clerk - Information
- ☐ Clerk - Mail
- ☐ Clerk - Payroll
- ☐ Clerk - Personnel
- ☐ Clerk - Police
- ☐ Clerk - Purchasing
- ☐ Clerk - Registration
- ☐ Clerk - Steno
- ☐ Clerk - Stores
- ☐ Clerk - Supply
- ☐ Clerk - Tax

- ☐ Clerk - Typist
- ☐ Computer Analyst
- ☐ Computer Operator
- ☐ Computer Programmer
- ☐ Computer Technician
- ☐ Concession Operator
- ☐ Community Programmer
- ☐ Communications Operator
- ☐ Cook
- ☐ Coordinator
- ☐ Court Liaison Officer
- ☐ Court Clerk
- ☐ Court Worker
- ☐ Crane Operator
- ☐ Curator
- ☐ Custodian
- ☐ Customer Service Clerk
- ☐ Data Entry Clerk
- ☐ Data Entry Operator
- ☐ Data Processing Technician
- ☐ Day Care Assistant
- ☐ Day Care Worker
- ☐ Dispatcher
- ☐ Draftsperson
- ☐ Draftsperson - Design
- ☐ Driver
- ☐ Driver - Instructor
- ☐ Electrical Inspector
- ☐ Electrician
- ☐ Electronics Technician
- ☐ Electronics Technologist
- ☐ Engineer
- ☐ Engineering Assistant
- ☐ Engineering Clerk
- ☐ Engineering Technician
- ☐ Engineering Technologist
- ☐ Environmental Technician
- ☐ Equipment Operator

- |   |   |
|---|---|
| <input type="checkbox"/> Facility Maintenance       | <input type="checkbox"/> Librarian (Professional)   |
| <input type="checkbox"/> Financial Officer          | <input type="checkbox"/> Library Assistant          |
| <input type="checkbox"/> Financial Services Officer | <input type="checkbox"/> Library Clerk              |
| <input type="checkbox"/> Fire Services Investigator | <input type="checkbox"/> Library Technician         |
| <input type="checkbox"/> Fitter                     | <input type="checkbox"/> Lifeguard                  |
| <input type="checkbox"/> Food Service Manager       | <input type="checkbox"/> Lifeguard Instructor       |
| <input type="checkbox"/> Food Service Supervisor    | <input type="checkbox"/> Lineperson                 |
| <input type="checkbox"/> Food Service Worker        | <input type="checkbox"/> Litter Collector           |
| <input type="checkbox"/> Foreperson                 | <input type="checkbox"/> Machinist                  |
| <input type="checkbox"/> Foreperson - Sub           | <input type="checkbox"/> Maintenance Helper         |
| <input type="checkbox"/> Forester                   | <input type="checkbox"/> Maintenance Person         |
| <input type="checkbox"/> Formsetter                 | <input type="checkbox"/> Mason                      |
| <input type="checkbox"/> Garbage Collector          | <input type="checkbox"/> Mechanic - Auto            |
| <input type="checkbox"/> Gardener                   | <input type="checkbox"/> Mechanic - Diesel          |
| <input type="checkbox"/> Golf Course Attendant      | <input type="checkbox"/> Mechanic - Heavy-duty      |
| <input type="checkbox"/> Gravedigger                | <input type="checkbox"/> Messenger                  |
| <input type="checkbox"/> Groundsman (Hydro)         | <input type="checkbox"/> Meter Reader               |
| <input type="checkbox"/> Groundsman                 | <input type="checkbox"/> Meter Repair Person        |
| <input type="checkbox"/> Guard                      | <input type="checkbox"/> Museum Worker              |
| <input type="checkbox"/> Guide                      | <input type="checkbox"/> Nursery School Supervisor  |
| <input type="checkbox"/> Handyman                   | <input type="checkbox"/> Nursery School Teacher     |
| <input type="checkbox"/> Hydrant Maintenance Worker | <input type="checkbox"/> Office Assistant           |
| <input type="checkbox"/> Icemaker                   | <input type="checkbox"/> Painter                    |
| <input type="checkbox"/> Incinerator Operator       | <input type="checkbox"/> Park Attendant             |
| <input type="checkbox"/> Information Officer        | <input type="checkbox"/> Parking Attendant          |
| <input type="checkbox"/> Inspector                  | <input type="checkbox"/> Parking Control Officer    |
| <input type="checkbox"/> Instructor                 | <input type="checkbox"/> Parking Meter Mechanic     |
| <input type="checkbox"/> Instrument Technician      | <input type="checkbox"/> Patrolperson               |
| <input type="checkbox"/> Jack Hammer Operator       | <input type="checkbox"/> Pipe Layer                 |
| <input type="checkbox"/> Janitor                    | <input type="checkbox"/> Pipefitter                 |
| <input type="checkbox"/> Key punch Operator         | <input type="checkbox"/> Planner                    |
| <input type="checkbox"/> Laboratory Assistant       | <input type="checkbox"/> Planning Assistant         |
| <input type="checkbox"/> Laboratory Technician      | <input type="checkbox"/> Planning Technician        |
| <input type="checkbox"/> Labourer                   | <input type="checkbox"/> Plant Operator             |
| <input type="checkbox"/> Landfill Attendant         | <input type="checkbox"/> Plumber                    |
| <input type="checkbox"/> Landscape Designer         | <input type="checkbox"/> Plumbing Inspector         |
| <input type="checkbox"/> Leadhand                   | <input type="checkbox"/> Pollution Control Operator |
| <input type="checkbox"/> Leader                     | <input type="checkbox"/> Pool Clerk                 |

- ☐ Pool Manager
- ☐ Pool Operator
- ☐ Powerman - Blaster
- ☐ Printer/Offset Operator
- ☐ Program Leader
- ☐ Programmer
- ☐ Property Officer
- ☐ Pump Worker
- ☐ Purchasing Agent
- ☐ Receptionist
- ☐ Recreation Attendant
- ☐ Recreation Clerk
- ☐ Recreation Coordinator
- ☐ Recreation Supervisor
- ☐ Recycling Worker
- ☐ Refrigeration Operator (Arena)
- ☐ Research Assistant
- ☐ Research Officer
- ☐ Rink (Arena) Manager
- ☐ Rink (Arena) Operator
- ☐ Rodperson
- ☐ Safety Officer
- ☐ Secretary
- ☐ Security Officer
- ☐ Service Repairperson
- ☐ Sewage Treatment Plant Operator
- ☐ Shipper/Receiver
- ☐ Sign Painter
- ☐ Spray Painter
- ☐ Stationary Engineer (No Class)
- ☐ Stenographer
- ☐ Storekeeper
- ☐ Supervisor
- ☐ Surveyor Switchboard Operator
- ☐ Swamper
- ☐ Systems Analyst
- ☐ Tapper
- ☐ Technician

- ☐ Technician - Survey
- ☐ Tile Layer
- ☐ Timber Worker
- ☐ Timekeeper
- ☐ Tourist Industry Assistant
- ☐ Tradesperson
- ☐ Tree Trimmer
- ☐ Truck Driver
- ☐ Typist
- ☐ Usher
- ☐ Utility Operator
- ☐ Utility Technician
- ☐ Utility Worker
- ☐ Victim Assistance Coordinator
- ☐ Volunteer Coordinator
- ☐ Waiter
- ☐ Warehouse Attendant
- ☐ Security Guard
- ☐ Water Pumping Station Operator
- ☐ Water Treatment Plant Operator
- ☐ Weighman
- ☐ Welder
- ☐ Word Processing Operator
- ☐ Zamboni Operator
- ☐ Zookeeper

#### **LIBRARY JOBS**

- ☐ Accountant
- ☐ Accounting Clerk
- ☐ Administrative Assistant
- ☐ Artist
- ☐ A/V Clerk
- ☐ A/V Technician
- ☐ Book Binder
- ☐ Bookkeeper
- ☐ Bookmobile Clerk

- ☐ Bookmobile Driver
- ☐ Branch Assistant
- ☐ Branch Head
- ☐ Building Service Worker
- ☐ Caretaker
- ☐ Cataloger
- ☐ Cleaner
- ☐ Clerk
- ☐ Clerk - Cataloguing
- ☐ Clerk - Information
- ☐ Clerk - Payroll
- ☐ Clerk - Purchasing
- ☐ Clerk - Steno
- ☐ Clerk - Typist
- ☐ Computer Operator
- ☐ Computer Systems Supervisor
- ☐ Data Entry Clerk
- ☐ Driver
- ☐ Librarian
- ☐ Librarian - Community
- ☐ Librarian - Assistant
- ☐ Library Clerk
- ☐ Library Technician
- ☐ Maintenance Worker
- ☐ Page
- ☐ Printer/Offset Operator
- ☐ Receptionist
- ☐ Secretary
- ☐ Shipper/Receiver
- ☐ Supervisor
- ☐ Tradesperson

#### **POST-SECONDARY EDUCATION JOBS**

- ☐ A/V Supervisor
- ☐ A/V Technician
- ☐ A/V Clerks

- ☐ Accountant
- ☐ Accounting Clerk
- ☐ Administrative Assistant
- ☐ Admissions Clerk
- ☐ Agricultural Worker
- ☐ Associate Registrar
- ☐ Attendant
- ☐ Baker
- ☐ Bartender
- ☐ Bricklayer
- ☐ Book Binder
- ☐ Bookstore Worker
- ☐ Buyer
- ☐ Cafeteria Helper
- ☐ Cafeteria Manager
- ☐ Caretaker
- ☐ Caretaker Assistant
- ☐ Caretaker - Head
- ☐ Carpenter
- ☐ Cashier
- ☐ Caulker
- ☐ Childcare Worker
- ☐ Clerk
- ☐ Clerk - Administrative
- ☐ Clerk - Clinical
- ☐ Clerk - File
- ☐ Clerk - Mail
- ☐ Clerk - Payroll
- ☐ Clerk - Postal
- ☐ Clerk - Purchasing
- ☐ Clerk - Registration
- ☐ Clerk - Sales
- ☐ Clerk - Steno
- ☐ Clerk - Stores
- ☐ Clerk - Supply
- ☐ Clerk - Technical
- ☐ Clerk - Typist
- ☐ Communication Officer

- |   |   |
|---|---|
| <input type="checkbox"/> Computer Analyst           | <input type="checkbox"/> Instrument Assistant       |
| <input type="checkbox"/> Computer Operator          | <input type="checkbox"/> Instructor                 |
| <input type="checkbox"/> Computer Programmer        | <input type="checkbox"/> Inspector                  |
| <input type="checkbox"/> Computer Technician        | <input type="checkbox"/> Janitor                    |
| <input type="checkbox"/> Cook                       | <input type="checkbox"/> Laboratory Assistant       |
| <input type="checkbox"/> Cook Assistant             | <input type="checkbox"/> Laboratory Technician      |
| <input type="checkbox"/> Cook Counsellor            | <input type="checkbox"/> Laboratory Technologist    |
| <input type="checkbox"/> Coordinator                | <input type="checkbox"/> Labourer                   |
| <input type="checkbox"/> Custodian                  | <input type="checkbox"/> Laundry Aide               |
| <input type="checkbox"/> Data Entry Clerk           | <input type="checkbox"/> Lecturer                   |
| <input type="checkbox"/> Data Entry Operator        | <input type="checkbox"/> Librarian (Professional)   |
| <input type="checkbox"/> Data Processing Technician | <input type="checkbox"/> Library Assistant          |
| <input type="checkbox"/> Dental Assistant           | <input type="checkbox"/> Library Clerk              |
| <input type="checkbox"/> Draftsperson               | <input type="checkbox"/> Library Technician         |
| <input type="checkbox"/> Drafting Technician        | <input type="checkbox"/> Lifeguard                  |
| <input type="checkbox"/> Driver                     | <input type="checkbox"/> Locksmith                  |
| <input type="checkbox"/> Education Advisors         | <input type="checkbox"/> Maintenance Helper         |
| <input type="checkbox"/> Electrical Inspector       | <input type="checkbox"/> Maintenance Worker         |
| <input type="checkbox"/> Electrician                | <input type="checkbox"/> Mason                      |
| <input type="checkbox"/> Electronics Technician     | <input type="checkbox"/> Mechanic                   |
| <input type="checkbox"/> Engineering Assistant      | <input type="checkbox"/> Medical Secretary          |
| <input type="checkbox"/> Engineering Technician     | <input type="checkbox"/> Medical Technologist       |
| <input type="checkbox"/> Engineering Technologist   | <input type="checkbox"/> Messenger                  |
| <input type="checkbox"/> Equipment Operator         | <input type="checkbox"/> Painter                    |
| <input type="checkbox"/> Financial Officer          | <input type="checkbox"/> Parking Attendant          |
| <input type="checkbox"/> Food Service Supervisor    | <input type="checkbox"/> Parking Maintenance Worker |
| <input type="checkbox"/> Food Service Worker        | <input type="checkbox"/> Patrolperson               |
| <input type="checkbox"/> Garbage Collector          | <input type="checkbox"/> Payroll Clerk              |
| <input type="checkbox"/> Gardener                   | <input type="checkbox"/> Photographer               |
| <input type="checkbox"/> Groundskeeper              | <input type="checkbox"/> Physiotherapist            |
| <input type="checkbox"/> Glazier                    | <input type="checkbox"/> Plasterer                  |
| <input type="checkbox"/> Handyperson                | <input type="checkbox"/> Plumber                    |
| <input type="checkbox"/> Housekeeping Aide          | <input type="checkbox"/> Plumbing Inspector         |
| <input type="checkbox"/> Housekeeping Foreperson    | <input type="checkbox"/> Pool Operator              |
| <input type="checkbox"/> Horticulturist             | <input type="checkbox"/> Porter                     |
| <input type="checkbox"/> Icemaker                   | <input type="checkbox"/> Print/Offset Operator      |
| <input type="checkbox"/> Information Officer        | <input type="checkbox"/> Program Assistant          |
| <input type="checkbox"/> Instrument Worker          | <input type="checkbox"/> Public Relations Officer   |

- ☐ Project Officer
- ☐ Radiology Technician
- ☐ Receptionist
- ☐ Recreation Supervisor
- ☐ Refrigerator Operator (Arena)
- ☐ Registered Nurse
- ☐ Research Assistant
- ☐ Roofer
- ☐ Seamstress
- ☐ Secretary
- ☐ Security Officer
- ☐ Sessional Instructor
- ☐ Shipper/Receiver
- ☐ Server
- ☐ Spray Painter
- ☐ Stationary Engineer
- ☐ Statistician
- ☐ Steamfitter
- ☐ Stenographer
- ☐ Storekeeper
- ☐ Supervisor
- ☐ Surveyor
- ☐ Switchboard Operator
- ☐ Systems Analyst
- ☐ Teaching Assistant
- ☐ Technician
- ☐ Tradesperson
- ☐ Truck Driver
- ☐ Typist
- ☐ Utility Worker
- ☐ Utility Operator
- ☐ Waiter
- ☐ Welder
- ☐ Word Processing Operator

## **SOCIAL SERVICES AND OTHER AGENCIES JOBS**

- ☐ Accountant
- ☐ Accounting Clerk
- ☐ Activities Aide
- ☐ Activities Instructor
- ☐ Administrative Assistant
- ☐ Administrative Officer
- ☐ Animal Control Attendant
- ☐ Animal Lab Technician
- ☐ Animal Warder
- ☐ Bookkeeper
- ☐ Bus Driver
- ☐ Buyer
- ☐ Building Maintenance Worker
- ☐ Call Centre dispatcher
- ☐ Caretaker
- ☐ Caretaker - Head
- ☐ Cashier
- ☐ Child Care Assistant
- ☐ Child Care Counsellor
- ☐ Child Care/Youth Worker
- ☐ Clerk
- ☐ Clerk - Audit
- ☐ Clerk - Payroll
- ☐ Clerk - Steno
- ☐ Clerk - Typist
- ☐ Community Health Worker
- ☐ Community Legal Worker
- ☐ Computer Operator
- ☐ Cook
- ☐ Cook Assistant
- ☐ Community Support Worker
- ☐ Coordinator
- ☐ Counsellor
- ☐ Counsellor - Behaviour
- ☐ Counsellor - Resident

- ☐ Customer Service Clerk
- ☐ Data Entry Clerk
- ☐ Data Entry Operator
- ☐ Data Processing Technician
- ☐ Day Care Worker
- ☐ Day Program Worker
- ☐ Dietary Aide
- ☐ Engineering Technologist
- ☐ Family Counsellor
- ☐ Family Outreach Worker
- ☐ Group Home Parent
- ☐ Hairdresser
- ☐ Handyman
- ☐ Health Care Aide
- ☐ Homemaker
- ☐ Housekeeper
- ☐ Housekeeping Aide
- ☐ Housekeeping Foreperson
- ☐ Instructor
- ☐ Infant Development Consultant
- ☐ Janitor
- ☐ Kennel Attendant
- ☐ Labourer
- ☐ Laundry Aide
- ☐ Library Assistant
- ☐ Library Technician
- ☐ Maintenance Helper
- ☐ Maintenance Worker
- ☐ Music Therapist
- ☐ Nursery School Teacher
- ☐ Nursing Aide
- ☐ Night Duty Attendant
- ☐ Orderly
- ☐ Payroll Clerk
- ☐ Planner
- ☐ Planning Assistant
- ☐ Preschool Teacher
- ☐ Program Assistant
- ☐ Program Leader
- ☐ Project Officer
- ☐ Psychologist
- ☐ Public Health Inspector
- ☐ Purchasing Coordinator
- ☐ Receptionist
- ☐ Recreation Supervisor
- ☐ Recreation Therapist
- ☐ Registered Nurse
- ☐ Registered Nursing Assistant
- ☐ Residential Support Worker
- ☐ Rehabilitation Officer
- ☐ Research Officer
- ☐ Secretary
- ☐ Self Help Worker
- ☐ Senior Counsellor
- ☐ Social Worker
- ☐ Special Services Worker
- ☐ Supervisor
- ☐ Support Worker
- ☐ Switchboard Operator
- ☐ Teacher
- ☐ Team Leader
- ☐ Technician
- ☐ Translator
- ☐ Typist
- ☐ Utility Worker
- ☐ Veterinarian
- ☐ Vocational Instructor
- ☐ Volunteer Coordinator
- ☐ Ward Clerk
- ☐ Security Guard
- ☐ Word Processing Operator
- ☐ Youth Counsellor

### **AMBULANCE PARAMEDIC JOBS**

- ☐ Emergency Medical Assistant I Part Time
- ☐ Emergency Medical Assistant II Part Time
- ☐ Emergency Medical Assistant III Part Time
- ☐ Emergency Medical Dispatcher Part Time
- ☐ Emergency Medical Dispatcher Full Time
- ☐ Emergency Medical Charge Dispatcher Full Time
- ☐ E.M.A. II Unit Chief
- ☐ E.M.A. III Unit Chief
- ☐ Infant Transport Team Paramedic
- ☐ Infant Transport Team Unit Chief

### **HEALTH CARE JOBS**

- ☐ Audiometrist
- ☐ Caseworker
- ☐ Community Health Worker
- ☐ Dental Assistant
- ☐ Dental Hygienist
- ☐ Dietician
- ☐ Detox Attendant
- ☐ Environmental Health Officer
- ☐ Health Education
- ☐ Long Term Care Worker
- ☐ Nutritionist
- ☐ Nursing Orderly
- ☐ Occupational Therapist
- ☐ Physiotherapist
- ☐ Psychologist
- ☐ Public Health Inspector

- ☐ Public Health Inspector Trainee
- ☐ Rehabilitation Officer
- ☐ Senior Wellness Worker
- ☐ Social Worker
- ☐ Speech Pathologist

### **TRANSIT JOBS**

- ☐ Accounts Payable Clerk
- ☐ Cost Reporting Clerk
- ☐ Finance Clerk
- ☐ Scheduling Assistant
- ☐ Secretary
- ☐ Secretary/Operations
- ☐ Secretary/Safety & Training
- ☐ Secretary/Technical Support
- ☐ Secretary/Wayside
- ☐ Support Shop Clerk
- ☐ Technical Support Clerk
- ☐ Vehicle Maintenance Clerk
- ☐ Truck Shop Tradesperson
- ☐ Vehicle Service Person
- ☐ Vehicle Technician
- ☐ Control Centre Instructor
- ☐ Skytrain Operations Instructor
- ☐ Network Administrator
- ☐ Systems Support Person
- ☐ User Support Analyst
- ☐ Programmer
- ☐ Customer Service & Operations Support Clerk
- ☐ Data Entry Clerk / System Support Clerk
- ☐ Data Entry Clerk/Word Processing Operator
- ☐ Parts Driver

- ☐ Draftsperson
- ☐ Electronic Technician
- ☐ Office Services Clerk
- ☐ Guideway Labourer
- ☐ Power Labourer
- ☐ Machinist
- ☐ Elevator/ Escalator Technician
- ☐ Payroll Clerk
- ☐ Buyer
- ☐ Senior Storeperson
- ☐ Receptionist/Switchboard Operator
- ☐ Records Management Clerk
- ☐ Skytrain Attendant
- ☐ Control Operator
- ☐ Relief Control Operator
- ☐ Guideway Serviceperson
- ☐ Plant Serviceperson
- ☐ Power Serviceperson
- ☐ Support Shop Serviceperson
- ☐ Storeperson
- ☐ Certified Partsperson
- ☐ Certified Storesperson
- ☐ Materials Clerk
- ☐ Parts Control Clerk
- ☐ Partsperson
- ☐ Shop Clerk - Wayside

- ☐ Information Systems Analyst
- ☐ Guideway Technician
- ☐ Power Technician
- ☐ Support Shop Technician
- ☐ Test Technician
- ☐ Plant Tradesperson
- ☐ Support Equipment Tradesperson
- ☐ Ride Quality Monitor
- ☐ Welder

#### **OTHER JOBS**

- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_

### (3) PICK YOUR TARGET

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Sometimes it is easy to pick which service to focus on – the one your employer is trying to privatize. However, if you are trying to bring work back in house you may need to choose which contracted out service to target. How you make this decision will vary from local to local but it should be based on a sound knowledge of your membership and your community, as well as the resources that you will be able to draw on for a campaign.

**EMPLOYERS OFTEN TARGET CONTRACT LANGUAGE THAT IS A BARRIER TO PRIVATIZATION IN A SHORTSIGHTED PURSUIT OF FALSE SAVINGS. WITH EACH ROUND OF BARGAINING, LOCALS MUST BE READY TO MOBILIZE TO DEFEND AND IMPROVE THIS LANGUAGE. IT IS EQUALLY IMPORTANT TO NEGOTIATE PROACTIVE LANGUAGE THAT ANTICIPATES NEW FORMS OF PRIVATIZATION (LIKE P3S OR 'ALTERNATIVE SERVICE DELIVERY'), AND TO TABLE PROVISIONS TO BRING WORK IN HOUSE.**

Ask yourself:

- *How much time and energy does your anti-contracting out committee have? Are there sufficient people on the committee to share the load so that members aren't overloaded?*
- *How active is your local's membership? You shouldn't plan on having your committee carry the entire campaign.*
- *How much time can your local realistically spend on the campaign - six months, a year, two years? Your employer can probably afford it if the time drags on and on. Can your local?*
- *Which service are you most likely to be able to bring back in house? Choose an achievable goal to start.*

Once you have targeted a service that you are going to bring back into your bargaining unit, you need to decide on a strategy. Then you can plan the tactics or series of steps and moves to implement your strategy. It is important to speak to your national servicing representative at this point because they can organize a team of CUPE staff, including researchers, communications specialists and campaigners to help you achieve your goals. Your servicing representative can also help access CUPE National's cost shared funds that will add to your available budget.

### (4) REVIEW YOUR COLLECTIVE AGREEMENT LANGUAGE

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How much protection does your local have?

Examine your collective agreement and determine exactly how much protection it provides your members. How close does it come to the model language below?

Make sure that improved protection from contracting out is a bargaining priority when it is time to negotiate. Know what improvements you want and the contract language that will ensure them. This is a bargaining item of major importance to your bargaining unit – worth the investment of time, effort and fight.

## (5) BRINGING IT TO THE BARGAINING TABLE

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Our first line of defense against privatization is our collective agreement. Negotiations to stop privatization typically involve language about contracting out and bringing work in house. These articles are a cornerstone of union and job security in any collective agreement.

There are four major areas to look at when drafting and reviewing collective agreement language:

- Getting ahead of privatization: notice, disclosure and consultation.
- Preventing privatization: contracting out language.
- Reversing privatization: language to bring work in house.
- Protecting benefits from privatization or delisting.

You will find a brief overview and a list of issues for negotiations, as well as sample CUPE collective agreement language in section 3.7 of this guide.

**NOTE:** Articles dealing with contracting out are strongest when they are clauses within the body of the collective agreement because they roll over into future agreements unless they are changed during bargaining. Letters of intent can be useful when dealing with a particular or one-time event like contracting back in a specific service, shift or classification. Letters of intent covering a new practice or procedure (such as disclosure and meetings regarding privatization issues) can also be useful as a trial basis for the duration of the collective agreement. However, you should try to cement these agreements by moving them into the body of the contract as soon as possible.

## (6) MODEL PROTECTION

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The best possible collective agreement language against contracting out contains three elements:

- A total ban on future contracting out.
- An agreement that work already contracted out will be brought back into the bargaining unit as soon as possible.
- In the meantime, all subcontractors will provide wages and working conditions at least equal to those in the collective agreement.

See section 3.7 for examples of contracting out language from across Canada.

## (7) HOW MUCH PROTECTION DO CUPE MEMBERS HAVE IN BRITISH COLUMBIA?

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CUPE Research has categorized the strength of contracting out protection in collective agreement language into nine classifications. Each classification is given a code number, as listed below from the best protection (Code 1) to worst protection (Code 9):

### CODE 1

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#### **Complete restriction on contracting out any work presently performed by the bargaining unit.**

Example A: **LOCAL 116 GRADUATE STUDENT SOCIETY ARTICLE 22.02**

*No work of the bargaining unit shall be contracted out without the written agreement of the Union.*

Example B: **UNITED WAY OF THE LOWER MAINLAND ARTICLE 34.01**

*The Employer agrees that work or services presently performed or hereafter assigned to the collective bargaining unit shall not be subcontracted, transferred, leased, assigned or conveyed to any other person, company or non-unit employees, unless agreed to in writing by the Union. This article shall not interfere with the provisions of Article 40.*

### CODE 2

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#### **No contracting out if bargaining unit members are able to perform the work.**

Example A: **LOCAL 2396 CITY OF TERRACE ARTICLE 16.01**

*In order to provide job security for the members of the bargaining unit, the City agrees that all work or services normally performed by the employees shall not be subcontracted, transferred, leased, assigned or conveyed, subject to the following:*

- (a) The employees are qualified to perform the work.*
- (b) The equipment necessary to perform the work is available.*
- (c) The work can be completed in the time available as governed by seasonal conditions.*
- (d) The work can be performed by the City to the economic advantage of the City.*

Example B: **LOCAL 2979 DISTRICT OF TUMBLER RIDGE ARTICLE 22.11**

*Effective March 23, 2011, The Employer will not contract out work presently performed by regular employees, and regular part-time employees who work twenty (20) or more hours per week on a continuous year-round basis, when such contracting out will result in:*

- (a) The layoff of a regular full-time employee, or the layoff of a regular part-time employee who works twenty (20) or more hours per week on a continuous year-round basis, or*

*(b) The failure to recall those laid off regular full-time employees, who have the qualifications, skill and ability to immediately perform the work in question, during their recall period under Article 10.04.*

*(c) The failure to recall those laid off regular part-time employees, who worked twenty (20) or more hours per week on a continuous year-round basis prior to their layoff and who have the qualifications, skill and ability to immediately perform the work in question, during their recall period under Article 10.04.*

### CODE 3

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#### **Employer may contract out but must guarantee the jobs of all present bargaining unit members (most common)**

Example A: **LOCAL 118 ALBERNI-CLAYOQUOT REGIONAL DISTRICT ARTICLE 30**

The Employer shall not subcontract where it would result in the lay-off of bargaining unit employees.

Example B: **LOCAL 498 CITY OF PORT COQUITLAM -ARTICLE 23**

**LOCAL 561 COQUITLAM PUBLIC LIBRARY - ARTICLE 13, SECTION 4**

**LOCAL 622 DISTRICT OF PITT MEADOWS - ARTICLE 24**

**LOCAL 1267 DISTRICT OF MISSION - ARTICLE 22.1**

*The Employer has the right to contract out any work; however, such contracting out shall not affect the continued employment of those persons covered by this agreement.*

Example C: **LOCAL 3570 SD#69 QUALICUM SCHOOLS ARTICLE 31.2**

*The Board agrees that, prior to contracting out services normally performed by regular or probationary employees within the bargaining unit, the Union shall be give assurance that the employees shall not lose time, wages, or jobs as a result. In the event there is a disagreement over the foregoing, there will be no contracting out until the matter is fully processed through the grievance procedure and, failing resolution, shall be finalized by the arbitration procedure.*

### CODE 4

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#### **Employer may contract out but must guarantee the job of some employees (i.e. permanent employees or those with a certain length of service)**

Example A: **LOCAL 622 DISTRICT OF MAPLE RIDGE ARTICLE 27.01**

*The Employer has the right to contract out any work; however, such contracting out shall not*

*affect the continued employment of those Regular and Part-Time Employees (including Probationary Employees) on the District's payroll as of 1999 January 11.*

Example B: **LOCAL 458 DISTRICT OF HOPE ARTICLE 24**

*The Employer has the right to contract out any part of its operation. No full time, regular employees in the service of the Employer at the time \_of signing this Collective Agreement will be laid off as a direct and immediate result of contracting out, providing the employee is among the twenty (20) most senior employees in the bargaining unit.*

## CODE 5

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**Employer may contract out but will try to find alternate work for employees who will be displaced.**

Example: **LOCAL 454, DELTA POLICE BOARD ARTICLE 18.1**

CONTRACTING:

*The Board agrees that any reports or recommendations made to the Board dealing with matters covered by this Agreement including recommendations for changes in method of operations that may affect wage rates, workloads or reduction of employment will be communicated to the Union at such interval before they are dealt with by the Board as to afford the Union reasonable opportunity to consider them and make representations to the Board concerning them and further that if employees are deprived of employment by any implementation of such change, they shall receive priority consideration for other employment with the Board.*

## CODE 6

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**Employer will consult with the union prior to contracting out.**

Example A: **LOCAL 3706 DISTRICT OF MACKENZIE - ARTICLE 30.01**

*In order to provide job security for the members of the Bargaining Unit, the District agrees that work that traditionally has been performed by bargaining unit employees Will not be contracted out.*

*The Employer will notify the Union of its intention to have work performed by contractors, and will, emergencies excepted, afford the Union the opportunity to review it, and discuss the viability of using employees to do the work, with the Employer prior to a final decision being made.*

Example B: **LOCAL 402 City of Surrey Letter of Understanding #2**

*This is to advise that before any existing bargaining unit work is contracted out, the City will consult with the Union a reasonable period in advance of the date on which the contracting out is to occur and will give consideration to alternatives the Union may propose.*

#### CODE 7

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##### **Employer will notify the union prior to contracting out.**

Example: **LOCAL 1767 BC ASSESSMENT AUTHORITY ARTICLE 31.01 (b)**

*The Employer agrees that if the need arises to contract out appraisal work, they will provide the Union with as much information as possible, and will make every effort to provide it 10 days in advance. In addition, any contract for appraisal work shall include a stipulation that all pertinent notes be made available to the Employer so that the work can be turned back to the regular employees in subsequent years when sufficient staff are again available.*

#### CODE 8

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##### **Employer may contract out but must require the contractor or subcontractor to provide a certain level of pay and benefits.**

Example A: **LOCAL 401 THE CITY OF NANAIMO ARTICLE 31**

*Every contract made by the employer for construction, remodeling, repair or demolition of any municipal works or for providing any municipal service or function shall be subject to the following condition: "minimum rate of pay for work performed under this contract or under sub-contract shall be as classified in the current agreement between the city of Nanaimo and the Canadian Union of Public Employees, local no. 401".*

#### CODE 9

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##### **All other types of contracting out language, including provisions to bring the work in--house.**

Example A: **LOCAL 358 THE OWNERS, STRATA PLAN 1601 ARTICLE 30.01**

*No employee will lose the employee's job or suffer a reduction in the employee's hours of work as a result of contracting out bargaining unit work to another employer unless such contracting out is approved by resolution, pursuant to the provisions of the Strata Property Act, by seventy-five (75%) percent of owners present in person or by proxy at a Special or an Annual General meeting of The Owners, Strata Plan 1601.*

Example B: **LOCAL 1804 THE DISTRICT OF STEWART ARTICLE 27.09**

*The Employer has the right to contract out work presently being contracted out.*

Example C: **LOCAL 1285 School District #20 KOOTENAY/COLUMBIA ARTICLE 5.11 (c)**

*Notwithstanding the above, this shall not affect the right of the BOARD to continue contracting out work that has been contracted out since March 27, 1998. If current contractors relinquish their contract or the Board cancels the arrangement, the Union and the Board will meet to discuss the feasibility of bringing the work back in house. (Note – this does not refer to present Transit situation)*

**Note:** This section has been included to help with identifying and strengthening the contracting language in your local's collective agreement with a goal of making incremental improvements to that language. It is important to identify the type of protection that currently exists and to bring proposals to the table that increase the level of protection by including stronger language or adding language to bring work back in house. If you are not sure which classification corresponds to the language in your collective agreement, please contact your CUPE national representative.

## **(8) INVOLVE THE MEMBERSHIP**

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An informed and involved membership is one of our best protections against privatization. In many cases, an employer confronted with an aware and concerned local will decide not to risk “rocking the boat.”

Here are some tips on promoting awareness among your members:

- Educate members on the dangers of privatization. Let them know immediately when there is a threat of possible contracting out, P3 or other form of privatization.
- Make reporting on privatization a regular item at local and shop steward meetings.
- Share information through internal bulletins and newsletters.
- Seek input from members. Make sure there are opportunities for them to talk about aspects of their work such as staffing levels, how their duties are organized and how contracting out would affect them.
- Ask your regional CUPE education representative to organize an evening or weekend workshop on privatization.
- Contact your National servicing representative to arrange for videos to show at your local meetings.
- Most importantly, when developing a fight back campaign reach out to the membership and try to capitalize on people's unique talents. Everyone can contribute something, it doesn't matter how small.

## (9) PUTTING YOUR CASE TO THE PUBLIC – COMMUNICATIONS

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**PRIVATIZATION IS NOT JUST A WORKPLACE ISSUE. IT HURTS EVERY MEMBER OF A COMMUNITY BECAUSE PRIVATE SERVICES COST GOVERNMENTS MORE THAN PUBLIC SERVICES, THEY PROVIDE LOWER QUALITY SERVICES AND OFTEN HIGHER USER FEES AND THE LOWER WAGES RECEIVED BY WORKERS MEANS THERE IS LESS MONEY TO SPEND IN LOCAL STORES.**

Broadening opposition to privatization is an important aspect of any successful campaign. This means that we should take every opportunity to build alliances with other progressive community organizations, develop coalitions to fight back and get the message out to the public.

## (10) HOW TO GET YOUR MESSAGE OUT – TALK, WRITE, LISTEN AND ENGAGE

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**Develop your message.** This is one of the hardest parts of any campaign. Your CUPE national communications specialist can help you craft the best message for your community. Here are some general tips:

- A good message explains, in a positive way, what your union stands for and is trying to accomplish.
- A good message is positive, reasonable, and helpful.
- A good message is clear, short and concise.
- A good message relates privatization to the needs of the public and shows how contracting out and privatization hurt ordinary Canadians and their families.
- A good message focuses on the impacts privatization has on the community and avoids reducing the issue to job-loss and protection of benefits. This does not mean that we should compromise our beliefs or be apologetic about our desire to defend our jobs and livelihoods. Our message should emphasize that the quality, efficiency and availability of threatened services will deteriorate if the services are contracted out. The community will suffer.

See “1.5 The effects of contracting out” for some of the ways that contracting out hurts the public.

**Get your message out.** There are many opportunities to communicate your message to the public. Your choice will depend on your resources and what works best in your community. A good campaign uses a variety of methods to reinforce its central message. See section 3.5 for more information about using the local media.

The most important thing to remember is to be creative – use whatever opportunities exist in your community. Here are some examples of communication tools CUPE locals have used in the past:

- **Door to door canvassing:** Talking to people face to face is still the most successful way to get your message out. It takes a bit of time, but is well worth the effort. Remember to bring along speaking notes and a handout you can leave with people.
- **Information booths:** Many CUPE locals host booths outside their local grocery store or community events like farmers markets, job fairs and salmon derbies. You can consider giving out coffee and doughnuts to raise the booth's profile.
- **Paid advertisements** – These can be newspaper ads, posters, radio ads or television. These can be expensive, but are a useful compliment to free/earned media options below. A national communications specialist can help you find out more about developing ads.
- **Letters to the editor** – These are short responses to articles that appear in your local newspaper. They are free, quick to write (only 150-200 words) and are a great opportunity to get your message out to a wide audience. You should take every opportunity to submit letters when you see an article that refers to privatization or public services in your community.
- **Op eds** – These are longer opinion pieces that appear in the editorial section of the newspaper. They can sometimes be difficult to get published, but when you are successful they can garner a lot of attention for your issue. Your national communications specialist can help you develop your letter and get it to the right media people.
- **Earned media (newspaper articles etc.)** – This is the best and cheapest way to get your message out. Earned media includes newspaper interviews, references to your issue in articles, coverage of questions you or your members asked at council meetings or public forums and stories about upcoming events or protests.
- **Public forums** – If there is time, consider organizing a public forum where experts, members and local service users can discuss the impacts that privatization will have on the community.
- **Film screenings** – There are some excellent films that explain the impacts of privatization. Screenings can sometimes be combined with public forums to increase the amount of information that is delivered. Contact your national servicing representative or CUPE BC's anti-contracting out committee for suggestions of appropriate films.
- **Social media:** This includes online services like Facebook and Twitter, as well as your local's webpage. Members and the general public are increasingly using these websites to organize events and spread the word about critical issues. You might consider developing a Facebook page for your local or campaign. For more information about how CUPE locals can use social media contact your servicing representative and they can put you in touch with CUPE National's social media communication specialist.

## (11) BUILD RELATIONSHIPS IN THE COMMUNITY

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Successful anti-privatization campaigns are not won by advertising alone. You need people power – people to crowd town hall meetings; people to be in council chambers at important meetings; and people to contact City Councillors when it's time to put the pressure on. These people are your members, your allies and the residents of your community.

**BUILDING STRONG RELATIONSHIPS WITH OUTSIDE ORGANIZATIONS IS A GREAT WAY TO GAIN POPULAR SUPPORT FOR KEEPING SERVICES PUBLIC. YOUR CAMPAIGN IS MUCH MORE CREDIBLE BY HAVING COMMUNITY GROUPS AND RESIDENTS SPEAK OUT AND MOBILIZE AGAINST PRIVATIZATION. THIS WILL GO A LONG WAY TO SILENCING THOSE WHO TRY TO SAY THAT YOUR LOCAL IS JUST PROTECTING ITS OWN MEMBERS' JOBS.**

**Here are the steps that can help you build relationships in the community:**

**Identify potential allies.** CUPE locals have allies in every community. Sometimes these are obvious, sometimes they are surprising. Make sure to explore every opportunity to build support with your neighbours. Like-minded groups might include:

- Other CUPE locals, unions and the local labour council
- Environmental organizations
- Your local Council of Canadians chapter and other social justice groups
- Ratepayer/neighbourhood associations
- Citizens and seniors groups
- User groups, like parents' associations, swim clubs or hockey clubs

**Start the dialog.** Once you have identified a few groups you think will support your campaign, try to set up meetings with them to discuss the issue. You will need to think about what kind of support you would like. Would you like to work with them in coalition? Would you like members to sign a petition or write a letter? Or would you like give their members an update? It is also a good idea to have a fact sheet or other material to distribute to interested members.

**Building a coalition.** If a coalition doesn't already exist to help you fight a privatization initiative, why not set up one with representatives from your local, the local labour council, citizen's groups and interested individuals? In her study of union coalitions, labour organizer Amanda Tattersall found that successful coalitions are based on frank and open communication about each organization's goals and what resources they can commit to the fight. Shared decision making is also important.

If you establish a coalition, consider having advertising, promotion and media relations go out under the name of this group to help build a "non-partisan, third-party" feel to the campaign and let your councillors and community know that it's not just the union that opposes privatization.

## (12) GET SUPPORT FROM ELECTED OFFICIALS

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Even one or two sympathetic members on the municipal council or school board can make a difference when contracting out is being debated. The best way to protect public services is to work to get progressive politicians elected. Between elections it pays for you to keep supportive officials informed and to make sure they have information to use to help keep services public.

Elected public officials are interested in high quality, efficient public services. In order to get re-elected they need the votes of people living in your community, including the votes of CUPE members and their families, friends and neighbours. CUPE's positive strategy gives us an advantage in dealing with elected public officials. We want to raise our families in safe, clean, well-maintained communities. We want high quality education and expanded social services. We want well run libraries, schools and transportation systems. We want public assets and enterprises that serve the needs of the public.

Section 3.6 provides detailed information on lobbying and setting up meetings with elected officials. For more information and help working with elected officials contact your national servicing representative who can put you in touch with CUPE's local government liaison, legislative coordinator and CUPE BC's political action committee. See section "3.1 CUPE's Who's Who and how they can help."

### **Here are some basic tips to get support from elected officials:**

- Make it your business to know everything you can about the people who are elected to public office in your community. Are they union members? Are they opposed to contracting out/privatization? Did they take an anti-contracting out/privatization stand during their election campaign? Did they have labour endorsement in the last election? How have they voted on issues in the past?
- CUPE BC provides locals with School Board Watch and Council Watch. These resources provide useful tools, instructions and templates to assist in this process. Attend council and school board meetings. Knowing that the union is watching can affect how officials vote on issues. It is also important to take notes on how officials vote or speak about public service issues.
- If no one can attend meetings, get all agendas, minutes and reports and read them carefully.
- Meet with friendly elected officials regularly to educate them about privatization and keep them up to date on issues that you care about. If you have community support, you might consider bringing members of your coalition to these meetings to show that this is not just a labour issue.
- Write letters, call or email elected officials to explain your position on issues. Encourage other members of the community to do so as well.
- Ask for an opportunity to speak at a council or board meeting so that you can present your case – preferably in the form of a brief. See section "3.4 Writing a brief."

### (13) FINDING YOUR PUBLIC EMPLOYER’S PRESSURE POINTS

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Most public employers are subject to political pressure. The following are some of the types of public employers that CUPE members deal with and some of the “pressure points” that make them open to political pressure.

#### **Municipalities**

- Citizens – voters – depend on public services.
- Many public services such as garbage collection, snow removal, etc. are very visible.
- Politicians are vulnerable to public opinion.
- Members of the council can be approached directly by users of the service.
- Decisions about who provides services are discussed at public meetings.
- The media covers municipal issues.

#### **School Boards**

- Schools and the quality of education are of vital interest to a large part of the community.
- School Boards are elected by the public and subject to public opinion.
- School Board meetings are open to the public.
- Tax payers are concerned about the use of tax dollars in education.
- Indirect pressure can be applied to school boards through provincial politicians.
- Education services receive a lot of media attention.

#### **Social Services**

- Many of these services have high visibility in the community.
- Tax payers are concerned about the use of public funds.
- Indirect pressure can be applied through municipal, provincial, and federal politicians.
- There is direct interaction between employer representatives and users of the services and their families.
- Citizens are concerned about employee morale as it affects the quality of the services.

## Libraries

- Libraries are a highly visible community service, used by all age groups.
- Members of the community – voters – make direct use of library services for research, business, education, children’s programs, recreational reading and access to the internet.
- Libraries are seen as an important component of quality education from kindergarten through post-secondary.
- There is direct interaction between library workers and users of library services.
- Citizens resent closures, reduced hours and cutbacks.
- Libraries are seen as “benevolent” community facilities.

### (14) USING LOCAL ELECTION CAMPAIGNS

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Get involved in campaigns to elect politicians who are sensitive to the needs and concerns of your local. Make sure politicians are informed about the issue and how contracting out/privatization can affect your community.

Get a commitment from candidates on the issue of contracting out and privatization before they get elected.

After the election, monitor the officials you helped to elect. Keep them well informed on the issue so that they have ammunition to use in council and school board debates. Hold them to their commitment and continue to press for concrete protection, such as a clause in your collective agreement which prohibits contracting out and other forms of privatization, or fair wage by-laws that remove a major incentive to contract out.

A good brief, prepared and kept up-to-date, is a valuable tool for dealing with local politicians, both before and after they are elected. See section “3.4 Writing a brief: How to document your case against contracting out”.

### (15) RESEARCH, DOCUMENT AND PRESENT FINDINGS

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Good solid information is essential when you launch a fight to bring services home. You must be able to substantiate and document any claims that you make or any data that you use. Faulty information will destroy public trust and your reputation with elected officials.

You must have pertinent information at your fingertips when you are lobbying elected officials keeping sympathetic officials informed.

See section 2.1 “Investigating the potential contractor” for ideas on the type of information to collect. You will also want to gather available data about the current cost of the service, how much similar privatized services cost in other communities and about your city or school board’s financial situation.

Identifying hidden costs and false savings associated with contracting out is an important means of exposing bogus claims and promises by contractors. For example, CUPE commissioned a study in British Columbia of 23 services contracted out by one municipality. The findings? Excessive supervision, restricted flexibility, lower standards and higher costs.

It was also found that the municipality gave contractors an unfair advantage by:

- Failing to apply the same work procedures and performance standards to contractors as public employees.
- Failing to enforce a “fair wage” policy.
- Failing to specify safe work practices in contracts or to enforce local safety standards on contracted work.
- Failing to apply the full overhead of contract development, supervision, administration and deficiency correction.

*False Savings, Hidden Costs* is a handbook produced by CUPE Research to assist member in calculating the costs of contracting out and privatization.

## (16) PREPARING A BRIEF OR SUBMISSION

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A brief is a document that sets out your arguments for keeping a service public or bringing one back in house. It is generally 5-8 pages and is backed up with solid information and facts. Preparing a brief involves a good deal of research, so it will be an enormous benefit if your local already has a well-maintained and current information bank to get you started.

The CUPE research branch and the CUPE BC privatization coordinator can assist you in developing your brief. Contact your national servicing representative for more information.

Preparing a brief will usually be the most comprehensive research task your local will undertake. But it is well worth the effort. Information is powerful. Gathering, organizing and analyzing the data provides you with an accurate picture of the situation. It will also help develop material and devise a campaign strategy.

A good brief will give you a basis from which to create materials to:

- Inform and motivate members via membership bulletins, newsletters and membership meetings.
- Present your case to the employer at presentations and meetings.

- Lobby elected officials and provide information to sympathetic officials.
- Develop advertising, leaflets, rallies and public forums.
- Create speaking notes and talk to family, neighbours, friends, recipients of services.

## ACCURACY REALLY COUNTS

Careful preparation of your brief is essential. It must be complete and it must be accurate. False information or half facts weaken our position and invite challenges and can result in defeat. Your brief should never distort facts or present false information. Remember, if the factual information exists, our opponents can always find it and use it to discredit our inaccuracies. Such mistakes can haunt and destroy a campaign. Leave it to the other side to make those kinds of mistakes. Then we can use our substantiated, documented information to refute and discredit them.

For practical step-by-step guide on how to research and prepare your brief see section “3.4 Writing a brief: How to document your case for public service work.”

## (17) ORGANIZE THE CONTRACTOR

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**WHEN ALL EFFORTS FAIL TO PREVENT PRIVATIZATION OR BRING A SERVICE BACK IN HOUSE, WE SHOULD ALWAYS ATTEMPT TO ORGANIZE THE CONTRACTOR. JUST BECAUSE THESE WORKERS ARE IN THE PRIVATE SECTOR DOES NOT MEAN THEY SHOULD NOT HAVE THE BENEFITS OF FAIR WAGES AND GOOD WORKING CONDITIONS.**

Unionizing contracted out jobs makes employers less inclined to view privatization as a cheap alternative. Unionization is also important in order to further justice for all workers. Contract employees should not be treated and paid as if they are second-class citizens.

Your CUPE national servicing representative is your first contact in the campaign to bring privatized work into CUPE. She/he will advise you on the next step.

## (18) FINANCING THE CAMPAIGN

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Campaigns to fight privatization or bring services back in house can be expensive, even with careful planning and strategies that capitalize on the free opportunities available. But a lack of finances should never be a reason not to fight back. The CUPE national defence fund has been set up to help CUPE locals with these campaigns. Your CUPE national servicing representative can help you access cost shared funding that will help bolster your resources. She/he can also work with you, CUPE’s research and communications representatives and the CUPE BC privatization coordinator to come up with the most efficient use of funding.

## PART THREE: TOOL BOX

This section of the binder is much like a tool box. It contains practical “how-to” information on many of the activities that your local can use in a campaign to prevent privatization or to bring work home. You will find suggestions for motivating and involving your membership, how to maintain an information bank, and how to make use of the media to carry your local’s message out into your community. There are samples of tools such as media releases, petitions and letters to the editor.

There is a list of CUPE committees and staff ready to assist your local in its fight to preserve or reclaim public service work, and a list of available resource materials.

Good contract language that protects us from contracting out/privatization is a goal that every local should strive for at the bargaining table. An overview of protective provisions from CUPE collective agreements around Canada is provided in Section 3.7.

### 3.1 CUPE WHO'S WHO AND HOW THEY CAN HELP

Your CUPE organization is the first place to look for assistance in mounting a fight to stop privatization or to bring CUPE work back home.

The following are some of the CUPE BC committees, offices and staff that can assist you:

#### ***CUPE BC's Anti-Contracting Out Committee***

The committee monitors all attempts to contract out and privatize CUPE jobs, raises awareness in all locals about privatization and contracting out and encourages locals to negotiate protection language for contracting out and to bring services in house. The CUPE BC website should be checked for current committee members. [http://www.cupe.bc.ca/anti\\_contracting\\_out\\_committee](http://www.cupe.bc.ca/anti_contracting_out_committee)

#### ***Your local Anti-Contracting Out/Privatization Committee***

If your local does not already have an anti-contracting out/privatization committee, you should set one up right away. This committee can assist the executive in identifying a service in your community that should be performed by CUPE members and carrying out a campaign to bring the service into your bargaining unit.

This committee should maintain close links with the CUPE BC anti-contracting out committee.

#### ***Your District Area Council***

The district council in your region should have an anti-contracting out committee set up to monitor any problems or issues within its boundaries. This information should then be passed to the CUPE BC committee.

#### ***Your CUPE National Servicing Representative***

The CUPE national servicing representative assigned to your local is your first line of defense. They can help plan your campaign, advise you on the most effective tactics, and act as your liaison with other National staff such as researchers and communications specialists.

#### ***BC Privatization Coordinator***

The privatization coordinator provides help developing and implementing local campaigns. They can assist you in making an action plan, compiling information, speaking to elected officials, planning events and working with community partners.

#### ***CUPE National Research Specialist***

The union's research specialists can provide assistance preparing briefs, developing speaking notes, making presentations, and compiling and analyzing information.

### ***CUPE National Communications Specialist***

CUPE national communication specialists can help you prepare for media interviews, develop a message box, write and design simple easy to understand and easy to read brochures and leaflets, plan public opinion surveys and structure your advertising campaigns. The Communications Branch is also in charge of preparing and submitting cost-shared applications for national funding.

### ***CUPE National Legislative Coordinator***

Sometimes during a campaign it becomes necessary to contact a government official like an MLA or an MP. The CUPE national legislative coordinator is responsible for arranging and tracking CUPE BC's lobbying activities with the provincial and federal government. They can also assist you with arranging meetings, developing your message, preparing for meetings and following up with letters and emails.

### ***CUPE National Local Government Liaison***

CUPE national's local government liaison is a key contact for municipal and school board politicians. They can assist you in finding and contacting friendly officials in your area, distributing information and arranging meetings.

### ***CUPE National Education Representative***

CUPE National's Education Branch has numerous workshops and courses on fighting privatization. They can arrange and help facilitate workshops for your local.

### ***CUPE National Contracting Out and Privatization Coordinating Committee***

This committee consists of one staff person and one elected representative from each province who advise and work with the national union on issues and campaigns related to contracting out and P3s.

<http://cupe.ca/nationalcommittees/contractingoutprivat>

## **3.2 HOW TO BUILD AND MAINTAIN AN INFORMATION BANK**

Good, solid, up-to-date information is the basis for a successful campaign – whether your local is fighting to keep a service from being contracted out or trying to bring one home. By asking the following questions, you can stay on top of contracting out/privatization threats. You will also have a solid base of information for your campaign. Your information bank will be your first stop when it's time to write a brief or lobby elected officials.

Not all of the following questions apply to every situation and some will apply to preventing the loss of a service while others apply to bringing a service home. You should select and adapt the questions to assist your local in developing a clear picture of your own situation.

***What is the effect on our members?***

Privatization: How many members now provide the threatened service(s)? How much seniority does each of these workers have with the employer? Has there already been attrition or layoffs in the bargaining unit? Can this be documented to support the statement that this backward march must be stopped?

In house: How many jobs would it provide for CUPE members? Has CUPE performed the service in the past?

***Do public operations provide high quality, efficient service?***

Privatization: Do we have data to show that CUPE members work hard to provide a high level of service?

In house: Did CUPE members perform the service in the past under similar circumstances and is there data to show that it was quality service, performed efficiently? Are CUPE members currently providing a similar service under similar circumstances in an efficient manner?

***Has there been public criticism of the service?***

Privatization: Has there been criticism of the service? If so, can it be corrected? If not, do we have documentation to use in supporting our case?

In house: Was there criticism of the service when CUPE performed it? Is there data to show that the service was of high quality and performed efficiently? Is there criticism of the service now? Do we have data to support that claim?

***Has there been praise for the service?***

Privatization: Can we gather information from the administration or users of the service to demonstrate that we have been providing a high quality service?

In house: Can we substantiate a claim (administrative reports, letters from users – including letters in newspapers, etc.) that CUPE provided quality service when we performed the work? If CUPE did not provide the service in the past, is there a similar service that we can use to demonstrate that we provide quality service?

***What are the employer's reasons for contracting out/privatizing the service?***

Privatization: What reasons has the employer used, or might use, for contracting out? Do we have any information that we can use to counter their arguments?

In house: Can we substantiate a claim that CUPE can provide quality service more efficiently and economically? If the employer gives reasons for continuing to contract out the service, can we counter them with factual information?

***What are the costs of the service?***

There are many hidden costs of privatizing. What overhead and equipment costs would still be paid by the employer if the service is contracted out, or are being paid now if the service is already contracted out? Will equipment be sold if the service is privatized?

Privatization: Can we provide data to show that the costs of the service CUPE provides is not excessive but within normal standards? Can we document a claim that contracting out would actually result in a higher cost?

In house: Can we document the hidden costs of privatizing the service? Can we support an argument that CUPE members could provide the service more economically?

***Have there been problems with contracting out/privatization in the past?***

Can we document problems with past or current examples of contracting out/privatization such as shoddy work, budget overruns, hidden costs, poor working conditions, health and safety hazards?

***What do we know about the potential contractors?***

Has the employer been lobbied by contractors? What kind of proposals have the contractors made? Can we refute their claims? Can we get any information about the contractors showing poor service, corruption, shoddy work, increased costs, etc.?

***Has this service been privatized elsewhere?***

Have other employers in your area or field of work privatized this service? If no, use this information to show that your employer is setting off on a reckless course. If yes, can you document problems?

***Could public operation be made better?***

Privatization: Can we document employer waste, inefficiency, or poor planning to show how money could be saved without eliminating jobs, harming services, and losing control over the work?

In house: Can we document management inefficiency or poor planning that could be improved by bringing the work in house?

***What is the effect on community?***

Privatization: How would contracting out/privatization of our services hurt the community? Would there be decreased or less efficient or convenient service, increased user fees, increased unemployment, lower wages?

In house: Could services be made more efficient, more convenient by having them provided in house? Can we show how our community benefits from the salaries earned by CUPE members who live in the community.

### ***What is CUPE's image in the community?***

Are CUPE members seen as community members, neighbours, families, fellow workers? Are CUPE members seen as being concerned with the community or only with their own jobs and wages? Are there areas where our image could be enhanced? What sort of activities can CUPE members undertake in order to improve our image and build community support?

### ***Who are our allies?***

What sort of contact and communication lines do we have with potential allies – members of other unions, service users, advocacy groups, community groups, etc.?

### ***What do we know about elected public officials?***

What do we know about the members of the municipal council and other elected officials who make decisions that affect our work? Which ones are opposed to contracting out/privatization? Did our local work in the campaign to get any of these members elected? Do we keep in touch with supportive elected officials to make sure they are well-informed and have the data they need to support their position.

## **(1) KEEPING YOUR INFORMATION BANK UP-TO-DATE**

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To be useful, an information bank should be kept up-to-date. Here are some suggestions for ways in which your local can make gathering information about contracting out/privatization part of your regular union activities.

### ***Local union meetings***

Make job security a regular agenda item for your local union meetings – general meetings, executive meetings, shop steward meetings, committee meetings. Ask your members about contracts or other forms of privatization such as “make work” projects or use of volunteers. Are there any threats of contracting out around the workplace? Is there information about inefficiency in a contracted service that we might make use of in a campaign to bring the service home?

### ***Use the shop steward system***

Shop stewards can be asked to gather information on privatization problems as part of their responsibilities. In some locals, shop stewards carry note pads and record any information that can be used to strengthen the local's case against contracting out/privatization or for bringing services home. The questions in the first part of this section, *How to build and maintain an information bank*, can be provided as a guide to the kind of information the shop stewards should note.

### ***Local union newsletter***

If your local has a newsletter or regular system of bulletins, ask the editor to include a regular column or article on contracting out/privatization. Perhaps you could start with a series of articles dealing with the different departments where your members work.

If your local does not have a newsletter, try to start one. It can be used to keep your members informed on important issues, including contracting out/privatization.

### ***Make regular requests to management***

Make regular requests to management for information on privatization of services, such as contractors, numbers of employees involved, costs, and so on. This information should be available to the public, so be persistent if you're met with resistance.

### ***Membership questionnaire***

Consider the idea of distributing a questionnaire to your members once or twice a year to gather information around areas to do with contracting out/privatization.

Make sure the information flow goes both ways – report the findings of the questionnaire to your members.

Make use of the information in meetings with the employer, preparing briefs, strategizing prevention or bring home campaigns, lobbying elected officials, etc.

## **3.3 BUILDING MEMBER INVOLVEMENT**

Membership participation in a campaign does not just happen – it must be cultivated and nurtured. Here are five important steps to get and keep your members involved in the activities of your local.

### **1. Keep members informed**

It is essential that your membership be kept informed. If they feel that they do not know what is going on there is very little incentive to participate in a campaign or other union activity.

Union newsletters and bulletins, educational sessions, and membership or committee meetings are all good ways of keeping your members informed. Some locals have also used special flyers, posters, and recorded hot line phone messages to provide instant information.

### **2. Motivate your members**

Motivation is a subject that every union local wrestles with from time to time. Some members take their union for granted and expect that someone else will do whatever is necessary to make it effective. Other members have been turned off because of lack of information or guidance.

To motivate your members around the issue of contracting out/privatization you should begin by showing them why they should be concerned about the problem and how much they can do to help.

Ask questions about their workplace: Is there mismanagement or inefficiency? Do they have suggestions for better ways to do the work? Have they heard rumors of contracting out? Talk about the initiatives that the union is taking to prevent contracting out or to bring a service home and offer them ways of getting involved in the fight.

### **3. Develop suitable tasks and tactics**

Everyone has something they can contribute to a campaign. Try to find out what skills and talents your members have and develop tasks that build on these talents. Make an accurate assessment of where your local is starting from. Do not be reluctant to begin at a very basic level of understanding and participation.

When defining tasks, you should remember to create reasonable time frames. Do not set your members up for disappointment or burnout. Be creative in devising a variety of tasks so that members at different levels of involvement and experience can be drawn in.

A task can mean anything including wearing campaign buttons, appearing at a meeting where your local's brief is presented, calling other members about a meeting to organize a committee or circulating a petition in your community. Consider a buddy system where a more experienced member is teamed with a less experienced one in order to develop skills.

### **4. Build on momentum**

There are many small accomplishments along the path to victory. Recognize this when building your overall strategy and timeline. Break a big campaign or task down into its component parts to make it more manageable and to keep members involved and motivated.

Small workplace meetings, followed by larger local meetings, can help to build momentum and give members a sense of planning, direction and confidence.

### **5. Acknowledge work done and celebrate small victories**

We all appreciate recognition and praise for a job well done. In fact, our employer's failure to do this is often given as a major reason for job dissatisfaction. We must be careful not to be guilty of the same failing with our own union members. An important component of building an active and involved membership is acknowledging the important work performed by individual members. Make sure the members know when someone has done a good job or taken on a task on behalf of the local. Recognition will help activists feel good about their union work and will encourage other members to become involved.

### 3.4 WRITING A BRIEF: HOW TO DOCUMENT YOUR CASE FOR PUBLIC SERVICE WORK

A brief is a document that lays out your case and substantiates it. Although it should be short and concise, it requires careful research and preparation. Writing a good brief will help you refine your arguments, structure your campaign, communicate your message to the public and gain the support of elected officials.

#### **The CUPE Research Branch**

The CUPE Research Branch can assist locals with preparing briefs for use in privatization campaigns. The national research specialist assigned to your sector can provide expertise and guidance in finding information, organizing data, and writing your document.

#### **The Anatomy of a Brief**

A brief is not a complicated document; but it must be focused, concise and clearly written. Often, a well-prepared brief will be only four or five pages long.

The organization of a brief follows the old directive: “Tell them what you’re going to tell them, tell them, tell them what you told them.” It consists of three basic sections: an introduction, the body, and the conclusion:

- *Introduction:* Indicates who you are and why you have written the brief. It also highlights, in point form, the main arguments that will be presented in the body of the brief.
- *Body:* In the body of the brief your arguments are developed in detail and substantiated with evidence.
- *Conclusion/Summary:* The conclusion of your brief is a short review of the main points in the body followed by your recommendations for resolving the situation. Your recommendations should be clear and to the point.

#### **Information Sources**

In order to convince readers of your arguments, your brief must be documented with solid information. This information is not neatly packaged, waiting for you to pick up. However, it is amazing how much information can be compiled if you know where to look. If your local has an up-to-date information bank and an ongoing information gathering process, you have a good head start on your brief. The key is to locate the relevant sources and select the appropriate information. A long, cumbersome brief crammed with extraneous statistics will not serve your purpose well.

Sources of information include:

### ***CUPE members***

If your local has been maintaining an information bank, you will probably have the kinds of information outlined *How to build and maintain an information bank*. Your brief can make use of information on:

- The function, delivery and organization of the service that is threatened.
- Years of service of employees and how many would be affected by contracting out.
- The impact that losing the service, or bringing it home, would have on employees or the community.
- Ways in which the service could be improved without contracting out.
- Community perception of the service.
- Impact of contracting out on the quality and level of service.
- Names of service users or community groups that would support the union's opposition to contracting out and possibly have valuable information.
- Cost information and assessment of management costing figures.
- Where to get relevant documentation produced by management.

Budget statements, documents on costs, council minutes, annual reports, consultants reports and citizen complaints are all sources of valuable information. CUPE members may be familiar with a contractor who has been used before and will be able to supply information about shoddy work or functions that the contract firm will or will not carry out.

CUPE members may also know individuals working for the contract company who would be willing to talk about poor working conditions, low wages, safety problems, etc.

Do not forget CUPE members who work in other departments. For example, office workers often have access to information and documents.

### ***Management***

Department heads, financial officers, and middle management personnel should be contacted for information. These are the individuals who usually document the cost of service, changes in productivity, the health and safety record of the department, absentee rates, citizen responses to service, etc.

Middle management is often opposed to contracting out since it results in a loss of control and diminishes their status. They may also be aware, through interaction with their counterparts working for other employers of the poor practices of contract firms.

In addition to obtaining information, try to secure active support from middle management personnel. It will be a valuable support for the union's position. Politicians rely on these administrators for information, advice and recommendations.

### ***CUPE BC Anti-Contracting Out Committee***

Some examples of the kind of information that can be acquired through this committee are:

- The experience of other CUPE locals and employee groups with the contractor in question.
- Campaign literature used by other locals to fight contracting out.
- Information on the way to coordinate your efforts with other CUPE locals facing similar problems.

### ***CUPE National Research Branch and the BC Privatization Coordinator***

CUPE national staff members can help you by supplying:

- Copies of local union briefs from across the country.
- Union, government, business and academic documents on privatization.
- Analysis of cost projections and value for money assessments.
- Detailed information on collective bargaining, trends in contracting out and the state of the economy.
- Comparisons of service costs and quality between your community and others.

### ***Corporate Research Sources***

Sometimes detailed research into the ownership, control and behaviour of contractors can be very useful in privatization campaigns. The CUPE Research Branch can help you compile information on the contract firm such as:

- Who controls and owns the company.
- True profits, assets, and volume of business.
- Relationships with other corporate entities through joint-ventures, ownership directorship, business partnerships and more informal working arrangements.
- Legal problems, labour practices and community/environmental record.

### ***Internet Searches***

The internet can be a quick and convenient way to access the information you need for your campaign. Use it to look into the companies bidding on services in your community, compile information about your municipality, and find newspaper reports and stories. It is important though to thoroughly cross check the evidence you collect. Remember that accuracy is paramount when writing a brief.

## **3.5 USING THE MEDIA**

Using existing media sources is one of the quickest and easiest ways to get your message out to the public. However, getting your issue picked up by the news media takes planning and some basic skills.

**Here are some tips that will help you communicate effectively:**

*Choose a spokesperson:* It is a good idea to identify several members who feel comfortable speaking with reporters. Then choose one who will serve as the main spokesperson and steer reporters to them.

*Develop your message:* Having a clear, concise and consistent message is key to convincing people to support your campaign. A good message should be no longer than a few sentences and should be easily communicated to media.

*Develop a strategy:* Having a communications plan is as important as a good message. Make sure you know who you are trying to speak to and how and when you want to get your message out.

- Who is your audience: You are most likely trying to speak to the users of the public service that is being privatized. Who are they? Seniors? Youth? Parents? The general public? Different messages and mediums might work better for each one of these populations. Where does your target audience get news?
- Coverage: Does a particular newspaper, radio station or TV station serve your target audience? For example, if the service you are concerned about is mainly used by the elderly, a heavy metal rock radio station would be an unlikely choice.
- Opportunities in regular features or columns: Does the radio station have a phone-in show? Do they do interviews on various subjects? A current affairs show? Does the cable or community TV station produce features or forums on issues of concern to the community? Does your community newspaper have a labour columnist? Is there a columnist that does human interest items? Are there ever guest columnists? Would the newspaper accept a feature story submitted by a non-staff member? If not, would they assign a staff reporter if you suggested a story?
- When does the newspaper publish – Daily? Weekly? Is the radio phone-in show in the morning or afternoon? Is the current affairs radio show mainly for commuters? What's on the TV around lunch time – some have noon hour shows aimed at people who stay home during the day.
- Choosing a media source: Television, print newspapers and radio continue to be the leading sources of news for Canadians. Increasingly, younger people are turning to the internet and social media forums, like Twitter, for their daily dose of information. It is a good idea to use multiple sources to get your message out, especially if you have a large target audience.

*Think in "quotables":* Reporters are looking for a good quote from you that sums up your side of the story.

*Let the media know how to reach you* and be available at the phone number you give them. Return phone calls promptly.

*If approached by the media, do not say 'no comment.'* If you cannot respond right away, tell the reporter you'll get back to them with an answer. If you cannot comment, find someone who can.

*Prepare a simple one-pager* of facts and/or basic background information for the media about your union local and who you represent. Do not assume reporters know that CUPE stands for the Canadian Union of Public Employees or what kind of work members do.

*Personal contacts are more effective than a news release.* Keep track of who is reporting on what issues and follow up by phone or e-mail with additional information. On-going contact will help develop a relationship of trust. Then reporters will seek you out for comment.

*Keep the media informed.* Make sure the media in your community knows who you are and how to reach you if they need information or want a comment or interview. A good way to start is by putting together a media kit. This can be as simple as a manila envelope with a news release, a sheet of facts and background information, a copy of your brief, and a contact name and phone number.

## HOW TO MAKE YOUR ISSUE “NEWS”

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Your objective is to inform the public about your position on a particular issue and convince others to join you to protect public services. You want to use the media to take your information to the public, but your message must be newsworthy to get editors and reporters to pay attention.

News is information people need to make rational decisions about their lives in a democracy. It is a break from the normal flow of events, something new.

Reporters personalize and dramatize their stories to catch readers’ interest and to capture the feeling of being there. What is newsworthy is often determined by factors called “news value.”

Here are some examples:

- *Impact* – events that affect many people, e.g., an airline strike or a major storm.
- *Timeliness* – events that are immediate or recent, e.g., election results, how workers vote in tight negotiations, a city’s proposal to privatize a recreation facility.
- *Prominence* – events with well-known persons or institutions, e.g., CUPE’s National President draws media as the representative of hundreds of thousands of CUPE members across Canada.
- *Conflict* – events reflecting clashes between people or institutions, e.g., fist-waving protestors on the steps of Parliament.
- *Bizarre* – events that deviate sharply from everyday life, e.g., an unemployed worker who wins a lottery.
- *Currency* – events and situations being talked about, e.g., the ongoing cutbacks and changes to health care.

## HOW TO WRITE A NEWS RELEASE

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A news release is used to inform an editor that you have information of interest/concern to their audience. The release outlines the story, provides basic information and indicates where more information can be found.

### **Here are some tips for writing effective news releases:**

- Use a standard form. Editors are accustomed to seeing news releases arrive in a familiar form, so your best chance to have your information used is to submit it in the familiar form. Consult a news writing stylebook (e.g. The Canadian Press) or contact the CUPE Communications Branch for help.
- Your first paragraph should be short – one or two sentences and should state the story’s focus. You do this by answering the questions who, what, where, why and when.
- The following paragraphs substantiate the focus set out in the first paragraph. Keep them short.
- Use a direct quotation from someone involved in the story – probably your local president or spokesperson. Quotes make the release more interesting and can introduce a human interest or more emotional element. Try to only quote one person per release.
- Be brief, concise and factually accurate. Avoid embellishing or being creative.
- Try to keep the release to one page. If you go to two pages, use two sheets of paper. Editors do not turn pages over to look at the back. Put “more” at the bottom of the first page. Put “-30-” or “End” at the bottom of the final page.
- Keep the release short and include a backgrounder or fact sheet if it is necessary to include background and statistics.
- Stay on message. Make sure your release reiterates the central message of your campaign.
- Avoid jargon.
- On first mention, use full names. Then use initials or last names when it is a person’s name.
- Spell names correctly.
- Make sure you provide a contact name, phone number and email address if you have one.
- Date the release with the date you are sending it.
- Fax, e-mail or hand deliver your news release to your list of media contacts.
- Make sure your news releases are posted to your website in an easy to find location.

- Follow up your news release with a phone call to each media outlet to ensure receipt.

## TIMING

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Find out about deadlines. Your community newspaper may come out on Wednesday but the deadline for material will be several days earlier.

[See Part 4 Resources for a sample news release]

## HOW TO WRITE LETTERS TO THE EDITOR

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The *Letters to the Editor* page is the second-most-read section of the newspaper. They are a very effective tool for taking your message to your community. Encourage members in your local to write letters. It can be one of the tasks that you use to get members motivated and involved.

### Here are some tips:

- Pick a single issue to concentrate on. If you have a lot of issues, write more letters.
- Keep it short (300 words is good, 150 is better, 50 best).
- Keep it timely and topical, e.g. refer to a previously published article.
- Write in a natural, courteous manner – you are talking to your neighbours and people in your community. Attack issues and policies, not people.
- Be positive and stress alternatives.
- Be accurate. Mistakes damage your credibility.
- Sign your letter and provide an address and phone number. Your letter won't be published unless the editor can verify it.

### Make good use of your letters

Send copies of your Letter to the Editor to your elected public officials. In a covering letter state what newspapers you sent the letter to and everyone that you have sent copies to. This is a good way to take your message to the public and at the same time put pressure on elected officials.

[See Part 4 Resources for a sample letter to the editor.]

## FACE-TO-FACE: HOW TO BE INTERVIEWED

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**Think about your audience.** Remember that you are talking *through* the reporter to members of the community.

**Know your message.** Show members of your community how privatization hurts them. Do not generalize. Use specific examples and evidence where possible.

**Be prepared.** Think about what questions you might be asked and how you might answer them. Avoid saying “no comment”; it wastes an opportunity to get your message out.

**Be honest.** If you do not know something, do not make it up. Tell the reporter you will get back to them.

**Listen carefully.** If you do not understand the question, ask the reporter to repeat it.

**Take your time.** Ask the reporter to repeat the question while you are thinking of how you will phrase your comment.

**Avoid yes/no answers.** The reporter wants you to tell your story.

**Find the soundbite.** Quick, direct answers are most effective. Once you have answered the question, stop talking.

**Expect repetitive questions.** It’s a technique to get short, jargon-free answers from you.

**Appearances.** Do not wear gaudy clothing. Do not chew gum. Skip sunglasses and hats that shadow eyes. Wear your union button where the camera can pick it up.

**Remain calm and positive.** Turn negative questions into positive answers. Talk about “we” and “our members” rather than “they”.

**Stress your main point.** If the reporter tries to take you off track calmly say, “I’ll have to speak with my members before commenting on that point but what I can say is (and stress your main message again in another way).”

## OTHER WAYS OF REACHING YOUR COMMUNITY WITH YOUR INFORMATION

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You know your own community better than anyone. Try to think of the most effective ways of getting your information to residents – this can vary from community to community. Consider posters, leaflets, door-knocking campaigns, handing out literature in a shopping mall, taking advantage of a community event or visit by an important politician where there will be a ready-made crowd.

### Leaflets

A simple leaflet printed (or photocopied) onto a single sheet of coloured paper (bright but not so vivid a colour that the print is difficult to read!) can be very useful for handing out at events or malls, taking door-to-door, or leaving in stacks in public places.

Keep it short and simple – this is not a brief. If you can add a graphic or some other visual interest, all the better.

## **Paid advertising**

Before considering paid advertisement make sure that you have used all the free media opportunities that are available to you. A well placed article, letter to the editor or simple face-to-face leaflet drive is often more effective than paying for advertisement. If you are considering placing a paid advertisement in your local newspaper or on radio or TV, contact the CUPE communications department for assistance.

[See Part 4 Resources for a sample newspaper ad and leaflet.]

## **Social Media in Campaigns:**

Effective use of social media can be an extremely useful way of delivering campaign messages both externally to the public and internally to the membership. Social media provides a venue for greater interaction, rapid delivery of campaign updates, and delivers the campaign messages to a broader audience. It is a useful tool to engage and educate members and the public about the specific campaign issue.

**SOCIAL MEDIA SHOULD NOT BE AN AFTERTHOUGHT IN A CAMPAIGN. IT SHOULD BE PART OF THE INITIAL CAMPAIGN PLANNING PROCESS AND SHOULD BE COORDINATED WITH OTHER FORMS OF COMMUNICATION BEING USED.**

A number of platforms exist that should be used in organizing members around campaigns including Facebook, Twitter, Instagram, YouTube, and others. Your campaign team should look at how all social networks can be used to strengthen your message and amplify your campaign.

Your CUPE national communications representative can help you evaluate and plan how social media can be used in your campaign.

## **3.6 HOW TO LOBBY ELECTED PUBLIC OFFICIALS**

### **WHAT IS LOBBYING?**

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At a very basic level, lobbying can include informal meetings, one-on-one conversations, formal presentations or simply distributing information. The main goal is to convince the person you are speaking to of your point of view and garner their support.

### **TIPS FOR AN EFFECTIVE LOBBY:**

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CUPE national's legislative coordinator and local government liaison can help you prepare for lobbying. It is especially important that you contact the legislative coordinator before speaking to provincial MLAs or federal MPs to make sure that you follow government lobbying procedures.

**Before requesting a meeting:**

- Have a clear understanding of the issue(s) you want to discuss. Have key facts on hand and be prepared to provide two or three persuasive arguments.
- Double check your facts.
- Keep it short. A short, well-prepared presentation is more impressive and effective than a long, rambling one.
- Have background information. Keep in mind that the politician may know less than you and may not know what questions to ask. Be prepared to provide research and other supporting documents.
- Choose a spokesperson (it does not have to be the same person as you chose for interviews).
- Prepare a draft agenda for the meeting so that both sides know in advance what is being asked and what information can be provided.

**Requesting a meeting:**

- Contact the politician's office and request a meeting. Be prepared to be as flexible as possible.
- Have a clear and concise reason for requesting the meeting. Be honest about what you would like to discuss.
- If you are unsuccessful, try again.

**During the meeting:**

- Be on time. If you are going as a group, plan to meet at a location close to the meeting 10 to 15 minutes early.
- Take charge. You asked for the meeting so discuss your issues.
- Give the politician a chance to speak. You want to know what they think. Treat all questions calmly and seriously. You can learn a lot from the questions they ask.
- Provide any written documentation you have. It is a good idea to provide your brief and a one page summary of your position at the end of the meeting.
- Do not prolong the meeting beyond the allotted time unless the politician indicates that he or she wants to continue.

**After the meeting:**

- Summarize the meeting for your records.

- Provide any follow-up information that may have been requested as soon as possible.
- Send the politician a thank you letter. You may also want to offer to meet again in the future or to provide additional information.
- Do not let the contact fade after one meet. Try to establish regular, informal meetings or phone/email follow-ups as appropriate.

## MAKING FORMAL PRESENTATIONS

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Formal presentations at council meetings, public forums or town halls meetings are very effective tools to convince people of your point of view. It is usually possible to speak to City Councils and School Boards during meetings. This is often called making a formal delegation. This is a great way to let politicians know that you are concerned about an issue and share information that you have gathered.

### Here are some tips for giving good presentations:

- Develop a clear, concise presentation that supports your position.
- Provide examples to illustrate your case, but do not overload the presentation with details.
- Repeat your point at least twice. The best presentations begin with a clear statement of the central argument, provide evidence to support this argument and then end by re-stating the main point asking for the action requested.
- Distribute briefs and fact sheets to politicians in advance. If the meeting is public, have additional copies for distribution.
- If the issue affects the community, work with allies to broaden the constituency. Sometimes it may be advantageous to have coalition partners make their own presentations.

## MAKE USE OF PETITIONS TO SHOW PUBLIC SUPPORT

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**REMEMBER, ONE OF OUR STRENGTHS AS CUPE MEMBERS IS OUR CLOSE CONTACT WITH THE PUBLIC WE SERVE AND THEIR SATISFACTION WITH THE HIGH QUALITY SERVICES WE PROVIDE. THE MEMBERS OF OUR COMMUNITY ARE OUR NATURAL ALLIES. THIS IS A RICH AND POWERFUL SOURCE OF SUPPORT DURING A CAMPAIGN TO PREVENT CONTRACTING OUT OR TO BRING A SERVICE HOME.**

One way of demonstrating public support is to circulate a petition and ask community members to sign it.

A petition signed by a hefty portion of the community is a good tool for putting pressure on elected officials.

It is a good psychological tool to be able to carry a stack of petitions with hundreds or thousands of signatures (depending on the size of your community) into a meeting with a council or board where you are presenting your local's position on contracting out. The names on the petitions are the very people that elected officials depend on for re-election.

It is always better to ask an individual to sign a petition rather than just leaving them around to be signed. For one thing, it provides you with an opportunity to speak to the person and present your position and possibly provide more information. It also eliminates the number of signatures by "Minnie Mouse" and "John Lennon" that inevitably turn up on untended petitions and reduce the validity of your action.

### 3.7 SAMPLE CONTRACT LANGUAGE

Our first line of defense against privatization is our union contract, negotiated through collective bargaining. Negotiations to stop privatization typically involve language about contracting out and bringing work back in house. These articles are a cornerstone of union and job security in a collective agreement.

The following is an overview of sample collective agreement language for local bargaining committees, bargaining councils and staff representatives. For collective bargaining courses and resources to take on privatization, contact CUPE's union education staff in your area, and check out [www.cupe.ca](http://www.cupe.ca).

#### GETTING AHEAD OF PRIVATIZATION: NOTICE, DISCLOSURE AND CONSULTATION

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Locals are best prepared to defend public services when they bargain and enforce contract language that gives the union warning about any employer plans to privatize. With plenty of notice, locals can build a case showing the employer why services should stay in house. A lengthy notice period also helps the union and community organize to challenge any privatization. The longer the notice period the longer a local has to conduct corporate research, build coalitions, lobby and make presentations – all part of a winning campaign to keep services public.

Provisions dealing with notice and disclosure are ideally included in clauses covering job security or contracting out. They can also be negotiated as a letter of intent or memorandum of understanding that is appended to the collective agreement.

Contract language covering notice of privatization plans and disclosure of information can include:

- All information about a service members currently provide that is under review for potential privatization.
- All information about a new service or facility that would normally be included in the range of services provided by the organization (e.g. municipality, school board or hospital) and by CUPE members.

- An obligation for the employer to consult with the union and fully consider options other than privatization through contracting out, P3s or alternative service delivery.
- Disclosure of all existing contracts for work that could be covered under the local's collective agreement. This should include information about the contractor, the length and cost of the contract, as well as the cost of negotiating and supervising the contract.

## **SAMPLE LANGUAGE – NOTICE AND DISCLOSURE TO THE UNION**

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### **MUNICIPAL SECTOR**

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#### **CUPE 1839, Town of Bonavista – NL (2007-2010)**

##### **26.01 Contracting out**

- (a) The Employer will give the Union at least three (3) months' notice of its intention to contract out any work or service normally performed by members of the bargaining unit.
- (b) If at any time the potential for contracting out arises the Employer agrees to a three (3) month period of notification to actively explore through discussion with the bargaining unit, the options available to forego such a need to contract out such work.

#### **CUPE 108-01, Halifax Regional Municipality – NS**

##### **2004-2008**

17.03 In order to provide job security for the members of the bargaining unit, the Employer agrees to provide the Union with reasons and with a minimum of thirty (30) days' notice prior to contracting out work or services performed by members of the bargaining unit if such contracting out will cause the lay off or termination of permanent, full-time employees.

#### **CUPE 416, City of Toronto – ON**

##### **2005-2008**

##### **28.01**

- (b) The City agrees to notify the Union in writing three (3) months in advance of any additional contracting out of work, other than work that is presently contracted out.
- (c) The City will convene a meeting with the Union within five (5) working days of delivery of written notification to the Union of its intention to contract out or privatize the work. The City will make available to the Union an outline of the type of work in question, and the reasons for the contracting out.

The City will also provide information with respect to the cost, and other pertinent information which would allow the Union to make a complete submission to the appropriate Division Head and to the appropriate Committee of Council. The Union shall make such submissions within forty-five (45) days of the delivery of the City's information.

#### **CUPE 109, City of Kingston – ON**

##### **2008-2010**

###### **Memorandum of Understanding**

The Employer and the Union agree to the following:

1. Except in case of an emergency, the Employer agrees to notify the Union in writing ninety (90) calendar days in advance of any additional contracting out of work normally performed by the Employees of the Bargaining Unit other than Work that is presently contracted out.
2. The Employer shall set up a meeting with the Union within five (5) working days of delivery of written notification to the Union of its intention to contract out or privatize the Work. At that meeting, the Employer shall identify the Work to be contracted out and the reasons that have led to the decision to recommend the contracting out of the Work.
3. During the meeting, the Employer agrees to provide all information to the Union including costs, and any other relevant information. The Union acknowledges that information provided by the Employer may be confidential and the Union agrees that it will maintain the confidentiality of that information and not disclose it to any person other than a member of the Union Executive. Following receipt of the information, the Union may make a submission or provide comments on the Employer's plan to the appropriate Commissioner within forty-five (45) days of delivery of the Employer's information. The Commissioner will give due consideration to the Union's submission before making a final decision as to whether or not such work will be contracted out.
4. If the contracting out of work normally performed by Employees of the Bargaining Unit would result in the reduction of full time employees in the Bargaining Unit, the final decision as to whether or not such work will be contracted out shall be made by the Employer's City Council.

#### **POST-SECONDARY SECTOR**

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#### **CUPE 1356, York University, Custodial/Trades – ON**

##### **2008–2011**

###### **Article 25 – General**

25.08 The parties recognize that the University contracts out bargaining unit work on occasion. It is agreed that no current bargaining unit member shall be placed on layoff or have their classification reduced as a result of such practice. Further, it is not the intent of the University

to use this practice to limit increases to the bargaining unit when such increase is appropriate and economically and operationally feasible. The University agrees to notify the Union at least two (2) weeks in advance of contracting out work normally performed by bargaining members except in cases of emergency where such notice would not be possible.

## K-12 SECTOR

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### CUPE 1571, York Catholic District School Board – ON

#### 2008-2012

##### **Letter of Understanding**

###### Contracting out

The parties agree to the following understandings regarding contracting out:

CDSB is committed to open communication and a transparent process in regards to the contracting out of work that may be considered bargaining unit work. No bargaining unit work shall be contracted out without prior notice given to the union unless it is an emergency situation.

The use of contracted service providers shall be discussed with the union at the regular joint workload committee meetings during the term of the 2008-2012 collective agreement.

### CUPE 1011, The Halton District School Board – ON

#### 2008-2012

##### **Letter of Agreement – Contracting out**

In conjunction with Article 7, Clause 7.06 the undersigned representatives of both the Board and the Union agree to the following:

The Board agrees that it will discuss with the Union, any future changes to the current practice of contracting out that would affect CUPE local 1011 members before any final decision is made by the Board. These discussions will take place through a joint committee comprised of three (3) representatives of the Board and three (3) representatives of the Union, plus appropriate resources. Both parties agree that they will evaluate the viability of any suggestions made by the committee. The suggestions of this committee will be considered by the Board before any final decision is made by the Board.

## PREVENTING PRIVATIZATION: LANGUAGE ON CONTRACTING OUT

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Contracting out language can range from placing obstacles in the way of privatization to an all-out ban. Bargaining committees should review their current language, analyze any grievances lost due to weak contracting out language and develop proposals to strengthen the language.

Language on contracting out tends to be defensive, placing restrictions on the employer – such as protecting members against layoff due to contracting out. However, bargaining units can also shrink through attrition if the local's work and bargaining unit are not protected. Contract language should

require that employers hire new workers instead of contracting out when members resign or retire. When contracting out goes ahead, the contractor should be obliged to observe the same terms and conditions with the contractor as the collective agreement that covered the workers before privatization.

Contracting out language can include:

- A total prohibition against contracting out under any circumstances.
- Restrictions or conditions on an employer when contracting out work normally performed by CUPE members. This list goes from most to least effective in terms of contracting out restrictions:
  - a) no contracting out except in an emergency where no members are available to perform the work.
  - b) no contracting out if it reduces the hours of any bargaining unit position
  - c) no contracting out if it reduces the number of bargaining unit positions
  - d) no contracting out if it results in a layoff of any members
  - e) no contracting out if it results in a layoff of members who were employed as of a certain date or with a certain amount of seniority.  
(For example, no contracting out if it results in the layoff of a member with five years or more seniority).
  - f) no contracting out if there are members on a layoff recall list who can perform the work.
- Provisions requiring a successor employer or contractor to honour existing collective agreements (“successor rights”).
- Provisions that there will be no contracting out beyond the current practice.
- Provisions that require union agreement for the use of volunteers, co-op
- Students or workfare placements doing work of the bargaining unit.

## SAMPLE LANGUAGE – CONTRACTING OUT

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### HEALTH SECTOR

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#### CUPE 1252, The Hospital Boards – NB

##### 2008 - 2011

12.01 No employee as described in Article 2.02 shall be laid off or suffer a reduction in pay or have his hours of work reduced as a result of the Employer contracting out, subcontracting, transferring, leasing or assigning any work or services of the bargaining unit, except in emergency situations.

#### Ontario Council of Hospital Unions (OCHU)

##### Full Time Agreement 2006-2009

10.01 The Hospital shall not contract out any work usually performed by members of the bargaining unit if, as a result of such contracting out, a layoff of any employees other than casual part-time employees results from such contracting out.

10.02 Notwithstanding the foregoing, the hospital may contract out work usually performed by members of the bargaining unit without such contracting out constituting a breach of this provision if the hospital provides in its commercial arrangement contracting out the work that the contractor to whom the work is being contracted, and that any subsequent such contractor, agrees:

(1) to employ the employees thus displaced from the hospital; and

(2) in doing so to stand, with respect to that work, in the place of the hospital's collective agreement with the union, and to execute into an agreement with the Union to that effect. In order to ensure compliance with this provision, the hospital agrees that it will withdraw the work from any contractor who has failed to meet the aforesaid terms of the contracting out arrangement.

## SOCIAL SERVICES SECTOR

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### CUPE 523, 1936 and 3999 – Community Social Services Employers Association

#### (CSSEA) – BC

#### 2006-2010

28.6 The Employer shall not contract out bargaining unit work that will result in the layoff of employees

### CUPE 3223, Durham Region Children's Aid Society – ON

#### 2008-2011

#### Article 32 Technological Change and Contracting Out

32.01 For the purposes of this article "Technological Change" means the introduction of computer equipment different in nature or type from that currently utilized, a change, related to the introduction of this equipment, in the manner in which the employer carries on his operations affecting one or more employees.

The Society shall retain the responsibility and the right to determine the methods through which services are provided. The Employer will undertake to keep the Union apprised of any technological changes and to consult with the Union regarding the potential impact of such technological changes. In the event that an employee with three (3) or more years' service is displaced from his/her job by technological change and/or contracting out, the Society will take one or a combination of the following actions:

a) Relocate the employee in another job in his/her area of competency, if such is available within the Society. Such relocation will be pursuant to Article 17.

b) (i) For Employees with three (3) years of service and less than ten (10) years of service, if (a) is not possible, but a position is available for which the employee could be retrained within a period of six (6) months, assume responsibility for the retraining of the employee. Such time spent in retraining shall be considered time worked. The employee shall not be paid for retraining in excess of his/her normal hours of work.

(ii) For Employees with ten (10) or more years of service, if (a) is not possible, but a position is available for which the employee could be retrained within a period of twelve (12) months, assume responsibility for the retraining of the employee. Such time spent in retraining shall be considered time worked. The employee shall not be paid for retraining in excess of his/her normal hours of work.

c) If one of the foregoing actions is unattainable, and it is necessary to terminate the employment of the employee, provide him/her with six (6) months' notice of termination and provide him/her with a separation settlement of one (1) week's salary per year of service.

32.02 The Society shall provide all affected employees with the necessary skill training if computers or other technological equipment becomes a requirement of his/her job.

32.03 Any position(s) created as a result of technological change shall not be posted or filled until such time as the Employer has explored with the displaced employee(s) referred to in article 32.01 whether the displaced employee could be retrained for the newly created position in accordance with Article 32.01.

## MUNICIPAL SECTOR

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### **CUPE Local 401, City of Nanaimo**

#### **2011-2013**

#### **27. Job Classification and Reclassification**

(a) The Employer will establish job classifications in its operation and the employees appointed to each of such classifications will be paid for all time worked with the Employer while so classified, at the prevailing rate of pay for each such classification. The Employer will endeavour to maintain the number of employees assigned to each classification. A reduction in the number of employees rated in any classification will only be made in the event that the Employer considers such a reduction to be justified owing to the fact that the number of employees in such classification cannot be gainfully employed as such.

#### **32. Contracting Out**

##### **Restrictions on Contracting Out**

The Employer agrees that all work or services performed by the employees shall not be contracted, sub-contracted, transferred, leased, assigned, or conveyed, in whole or in part, to any other plant, person, company or non-unit employee if it would result in lay off of any permanent employee, or failure to recall those employees on layoff who are able to perform the work.

### **CUPE 745, Municipal Corporation of the Town of the Pas – MB**

#### **2008-2009**

#### **16.01 Restrictions on Contracting out**

The Employer agrees that it is preferable to have bargaining unit work performed by Employees in permanent jobs. The Employer therefore agrees that it will not contract out work without considering the following and will notify the Union, in writing, prior to any contracting out taking place

Contracting out will not take place when the following conditions can be satisfied:

- a) In the opinion of the Employer, the skills and equipment required to perform the work are available within the organization in sufficient quantity and quality to meet the time and cost parameters offered by a Contractor, and
- b) The skills and equipment available within the organization can be so re-allocated without undue interruption to other regularly required or scheduled work.

No employee, within the bargaining unit, shall be terminated or laid off as a result of any work being contracted out.

#### **CUPE 1002, City of Portage La Prairie – MB**

##### **2005-2007**

23.01 Should the Employer contract out work, no permanent or temporary employee will be terminated, laid-off, or have their work day or work week reduced as a result of contracting out.

#### **CUPE 5167, City of Hamilton – ON**

##### **2004 - 2006**

22.1 No Bargaining Unit Employee shall be laid off or terminated as a result of the Employer contracting out any of its work or services.

22.2 Prior to contracting out work now performed by the bargaining unit, or where the Employer introduces technological change which affects the wages or employment status of an Employee, not less than ninety (90) days prior to the introduction of the change, the Employer shall, by written notice, furnish the Union with all information in its possession of the planned change or changes. Such notice shall contain the information known to the Employer respecting the nature and degree of change, date or dates on which the Employer plans to effect the change, and location or locations involved. This is to allow the union to make any representations it wishes.

Following the said disclosure, representatives of the parties will meet for the purpose of engaging in discussions with a view to resolving any issue that may relate to the adverse effects noted above.

#### **Local 1012, City of Terrace – BC**

##### **2007-2009**

##### **16.01 Restrictions on Contracting Out**

In order to provide job security for the members of the bargaining unit, the City agrees that all work or services normally performed by the employees shall not be sub contracted, transferred, leased or conveyed, subject to the following:

1. The employees are qualified to perform the work.
2. The equipment necessary to perform the work is available.
3. The work can be completed in the time available as governed by seasonal conditions.
4. The work can be performed by the City to the economic advantage of the City.

## UNIVERSITY SECTOR

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### **CUPE 116, University of British Columbia – BC**

#### **2005-2010**

##### **24.03 Contracting out**

It is agreed between the parties that this Article shall prevail over other provisions or articles of the Collective Agreement, Letters of Understanding, any other ancillary documents, or practices.

The University shall not contract out services or work where the University has employees that normally provide the work or services, except in the following circumstances:

1. The University does not have the equipment necessary to provide the required work.
2. The University does not have employees who regularly perform such work or are skilled in such work and where such jobs will not be required on a continuing basis in the future.
3. Emergency situations.

In the above noted circumstances, no employee shall be laid off, suffer a reduction in classification, or have recall withheld because of contracting out.

Where the University is considering contracting out work or services, the University will consult with the Union before calling for tenders or awarding contracts. The consultation process shall be governed by the Letter of Understanding: Contracting out of the Collective Agreement.

Notwithstanding the above, the University may contract out renovation, maintenance, repair or construction project work valued at fifty thousand dollars (\$50,000.00) or more. For the purposes of determining total project value, the costs of material, labour, and administrative costs will be included in the total. Employees affected by this provision shall be assigned other work in their current classification at their current rate of pay. Once these assignments have taken place, priority may be given to filling future vacancies in the same classifications with individuals affected by this provision.

Any posting or seniority requirements under the Collective Agreement may be waived in order to place an employee into a vacancy. It is also understood by the parties that the positions affected by this provision shall be reduced through attrition.

### **CUPE 1356, York University, Custodial/Trades – ON**

#### **2008 – 2011**

25.08 The parties recognize that the University contracts out bargaining unit work on occasion. It is agreed that no current bargaining unit member shall be placed on layoff or have their classification

reduced as a result of such practice. Further, it is not the intent of the University to use this practice to limit increases to the bargaining unit when such increase is appropriate and economically and operationally feasible. The University agrees to notify the Union at least two (2) weeks in advance of contracting out work normally performed by bargaining members except in cases of emergency where such notice would not be possible.

## K-12 SECTOR

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### **CUPE 801, Sunshine Coast School District #46 – BC**

#### **2006-2010**

4:03 (d) No employee in the bargaining unit shall be laid off or suffer a loss of hours of work or pay as a result of the contracting out of bargaining unit work.

(e) In order to provide job security for the members of the bargaining unit, the employer agrees that all work or services performed by the employees shall not be subcontracted, transferred, leased, assigned, or conveyed, in whole or in part, to any other plant, person, company or non-unit employee, unless mutually agreed to.

### **CUPE 1479, Algonquin and Lakeshore Catholic School Board District – ON**

#### **2008-2012**

##### **6.05 Lease-back Schools**

The Board agrees that it will not enter into any lease agreement to construct a new school that would include, as part of the lease arrangement, the performance of services of the nature currently performed by employees in the classifications covered by this agreement in any of the Board's schools or buildings.

6.06 In order to provide job security for the current members of the bargaining unit, the Board agrees that all work or services which are currently performed by bargaining unit employees shall not be subcontracted, transferred, leased, assigned, conveyed, privatized, in whole or in part, to any other plant, person, company, or non-bargaining unit employee. This paragraph will not operate so as to prohibit the contracting out of work or services of the same type performed by the current bargaining unit employees provided:

- a) That such contracting out is in addition to the continued work of bargaining unit members;
- b) That such contracting out is restricted to periods of peak demands.

Notwithstanding the provisions above the Board may contract out any construction, alteration repair, or demolition of buildings, structures, or other facilities of the Board where a General

Contractor is engaged or where the work to be performed is beyond the capability of the Board's internal resources in terms of tools, equipment, and human resources, etc.

6.07 The Board and the Union agree that all work and services currently contracted out or otherwise performed by persons other than bargaining unit members will be subject to an ongoing joint review

to determine which work and services might be performed by members of the bargaining unit (contracting in).

## **CUPE 1022, Hastings and Prince Edward District School Board No. 29 – ON**

### **2008-2012**

#### **6.05 Lease-back Schools**

The Board agrees that it will not enter into any lease agreement to construct a new school that would include, as part of the lease arrangement, the performance of services of the nature currently performed by employees in the classifications covered by this agreement in any of the Board's schools or buildings.

6.06 The Board agrees that no employee in the bargaining unit shall be laid off or have their regular hours of work reduced as a result of bargaining unit work being performed by persons whose regular job is not in the bargaining unit, as a result of contracting out, or as a result of the use of volunteers.

The regular hours of work for a position occupied by an employee referred to above shall be the hours in effect as at the ratification date of this Agreement. Regular hours for positions created during the term of this Agreement shall be those established on the posting.

6.07 In order to provide job security for the current members of the bargaining unit, the Employer agrees that all work or services which are currently performed by bargaining unit employees shall not be sub-contracted, transferred, leased, assigned, or conveyed, privatized, in whole or in part to any other plant, person, company, or non-bargaining unit employee. The foregoing will not operate so as to prohibit the contracting out of work or services of the same type performed by the bargaining unit members, provided that such contracting out is in addition to the continued work of the bargaining unit members or is restricted to periods of peak demands.

The Employer agrees that all work and services currently contracted out or otherwise performed by persons other than bargaining unit members will be subject to an ongoing joint review to determine which work and services might be performed by members of the bargaining unit (contracting in).

6.08 Both Parties recognize the value and contributions of volunteers and co-op students and the desirability of their participation in appropriate activities.

Both Parties agree that co-op students may perform bargaining unit work when their assignment is in addition to the members of the bargaining unit from the classification to which the work normally belongs.

Both Parties agree that volunteers may be utilized in accordance with historical practices. Concerns relating to the use of volunteers will be promptly examined by the Parties whom shall attempt to resolve the issue by consensus prior to referral to the grievance procedure.

No other persons not in the bargaining unit shall work on any jobs in the bargaining unit except in cases agreed to by the Union.

The Board and the Union agree that the Board shall not enter into any formal or informal agreements with any level of government or agency thereof that provide additional human resources, without the consent of the Union, which will not be unreasonably withheld.

6.09 No bargaining unit work shall be done under the auspices of an “Ontario Works” (Workfare) or similar program without the written consent of the Union.

## REVERSING PRIVATIZATION: LANGUAGE TO BRING WORK IN HOUSE

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Bringing work back in house is just as important as fighting privatization. There are several ways of tackling this through collective bargaining. The most common approach is to get the employer’s commitment to meet with the union, review current contracted out services and to contract them back in.

This language can be negotiated:

- As a subsection to expand the scope (or bargaining unit recognition) clause to include a new or expanded facility or service;
- As part of a job security or contracting out clause;
- As a letter of intent or understanding that brings work in house; or
- To introduce a new shift, classification or an additional number of members who will perform contracted in work.

## SAMPLE LANGUAGE – PROVISIONS TO BRING WORK IN HOUSE

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### MUNICIPAL SECTOR

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#### **CUPE 416, City of Toronto – ON**

##### **2005-2008**

#### **Joint Committee – Contracting In**

28.02 The Union and the City shall establish a joint committee to review all operations and services for the purpose of contracting in wherever feasible.

### HEALTH SECTOR

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#### **Ontario Council of Hospital Unions (OCHU)**

##### **Full Time Agreement – 2006-2009**

#### **10.03 Contracting-In**

Further to Article 9.08(d) (i) (1) the parties agree that the Redeployment Committee will immediately undertake a review of any existing sub-contract work which would otherwise be bargaining unit work and which may be subject to expiry and open for renegotiation within six (6) months with a view to

assessing the practicality and cost effectiveness of having such work performed within the Hospital by members of the bargaining unit.

## POST-SECONDARY SECTOR

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### CUPE 917, University of Victoria – BC

#### 2005-2010

31.04 Within the scope of the jobs performed in University departments by regular members of the bargaining unit:

31.04 (a) the Union will notify the University at the beginning of a quarterly period of the types of contracted out work that is within the scope of the bargaining unit that the union would like to

review. These requests will be sufficiently defined so as to allow the data collection process to proceed efficiently and without undue resource expenditure:

31.04 (b) the University will meet quarterly with the Union to review the information provided and discuss alternatives to the contracting out of the work within the scope of the bargaining unit, including discussions of whether this work could be performed by members of the bargaining unit. The parties will exchange agenda items 30 calendar days prior to the meeting.

### CUPE 1356, York University, Custodial/Trades – ON

#### 2008 –2011

Letter of Understanding

Staffing of Newly Owned University Buildings

The University agrees that newly owned University buildings for which an occupancy permit has been received during the term of the collective agreement (“new buildings”) will be covered by the certificates issued by the Ontario Labour Relations Board dated March 1, 1971 and August 19, 1998.

The Union agrees that, in staffing the new buildings, new classifications may be created for bargaining unit positions. Wages for these new classifications may be different than the wages for any classifications outside of the new buildings in accordance with Article 23.04.

## K-12 SECTOR

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### CUPE 1022, Hastings and Prince Edward District School Board No. 29 – ON

#### 2008-2012

6.07 In order to provide job security for the current members of the bargaining unit, the Employer agrees that all work or services which are currently performed by bargaining unit employees shall not be

sub-contracted, transferred, leased, assigned, or conveyed, privatized, in whole or in part to any other plant, person, company, or non-bargaining unit employee. The foregoing will not operate so as to prohibit the contracting out of work or services of the same type performed by the bargaining unit

members, provided that such contracting out is in addition to the continued work of the bargaining unit members or is restricted to periods of peak demands.

The Employer agrees that all work and services currently contracted out or otherwise performed by persons other than bargaining unit members will be subject to an ongoing joint review to determine which work and services might be performed by members of the bargaining unit (contracting in).

## PROTECTING BENEFITS FROM PRIVATIZATION OR DELISTING

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Locals preparing for collective bargaining should review benefit coverage for services that have been privatized or delisted. This includes government-provided services such as workers' compensation, and extended health benefits such as vision or PSA tests, and chiropractic care. Depending on how benefits are referred to in your agreement – either as an article or an appendix – locals should include language requiring the employer to cover or arrange coverage if government-provided services are delisted. If a government resumes coverage of delisted benefits, language can be negotiated to prevent duplication.

## SAMPLE LANGUAGE: PROTECTING BENEFITS FROM PRIVATIZATION OR DELISTING

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### MUNICIPAL/SOCIAL SERVICES SECTOR

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#### **CUPE 3899, Hamilton Wentworth Children's Aid Society – ON**

**2004-2008**

Workers Safety & Insurance Board

18.06 (b) Should W.S.I.B. be privatized, the Employer shall arrange insurance coverage for workplace injuries and occupational diseases at the Employer's expense.

#### **CUPE 1766, Haldimand Norfolk Children's Aid Society – ON**

**2005-2008**

Benefits (note: the language below anticipates delisted services being reinstated by government)

24.02 The Employer agrees to pay 100% of the premium costs for the following benefits for each eligible employee and eligible dependents of employees. All benefits will be subject to the terms and conditions

of the governing master insurance policy. Eligible employees are those who have been continuously employed by the Employer in a permanent position for 6 months. The parties agree that the reinstatement of any benefit delisted by the government from the provincial health insurance plan will not result in the duplication of coverage for services under the extended health care plan

### MUNICIPAL SECTOR

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#### **CUPE 905, The Corporation of the Town of Markham – ON**

**2007-2010**

## Memorandum of Agreement

### Health and Welfare benefits

#### 1. De-listed OHIP items

The Parties agree that the Extended Health Care Plan will be amended to reflect that the de-listed OHIP items (Physiotherapy, Chiropractic, and Optometrist examinations), delisted in 2004 will be covered by the plan to the extent formerly covered by OHIP before they were de-listed.

## POST-SECONDARY SECTOR

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### CUPE 1004, Faculty Association of the College of New Caledonia – BC

#### 2004-2009

#### Appendix C - Benefits (Excerpt)

##### Extended Health Care

- 80% reimbursement of eligible expenses after a \$25 annual deductible per family
- \$300 Vision Care payable annually
- Hearing Aids to a maximum of \$600 every four years
- Charges for nicotine patch treatment
- Visits to registered psychologists to a maximum of \$500/year or '10 sessions whichever is the greater (Subject to Carrier availability)
- A Blue Net Card
- Coverage for all eligible drugs
- Coverage for all Medical Services Plan Delisted Services [emphasis added]

# PART FOUR: RESOURCES

The following are some documents from CUPE British Columbia and CUPE National that can help you prepare for a presentation, speak to your members and the public or develop a brief. Also included are two quickstep guides to fighting privatization. Use these to remind yourself and your local what to do when faced with contracting out.

The CUPE Research Branch has put together a large number of briefs against contracting out and privatization. There are useful studies in almost every major jurisdiction and sector within the union. You may find these documents very helpful in developing and winning your campaign.

For more information or to get a copy of relevant materials contact your national servicing representative or the CUPE BC anti-contracting out committee or refer to our CUPE BC website.

## OTHER KEY RESOURCE MATERIALS ON PRIVATIZATION

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Privatization Watch, CUPE National, Ongoing monthly publication

A Guide to Evaluating Public Asset Privatization, In the Public Interest (USA), 2011

The Conference Board on P3s: Biased and superficial, CUPE National, 2010

A White Elephant in Wine Country: The South Okanagan Events Centre, Penticton BC, CUPE National, 2010

Review of P3 Hospitals in Quebec, Auditor General of Quebec, 2010

Briefing Note for the Auditor General of Quebec and the Public Accounts Committee of the British Columbia Legislature regarding Recent Reports from British Columbia and other Jurisdictions on the Use of Public Private Partnerships, CUPE BC, 2010

Review of Partnerships BC's Methodology for Quantitative Procurement Options, Shaffer, M., August 2009

Women and Water in Canada: The Significance of Privatization and Commercialization Trends for Women's Health, The National Network on Environments and Women's Health, 2009

Bad Before, Worse Now - The Financial Crisis and the Skyrocketing Costs of Public Private Partnerships (P3s), Mackenzie, H., 2009

PUBLIC PRIVATE PARTNERSHIPS: UNDERSTANDING THE CHALLENGE, The Columbia Institute, 2009

Pay More Get Less: P3 Schools Fail to Make the Grade, CUPE Saskatchewan, 2009

Public Private Partnerships (P3s) and Municipalities: Beyond Principles, a Brief Overview of Practices, Hamel, P.J., 2007

Submission to the Auditor General of British Columbia on Public Private Partnerships, CUPE BC, 2005

Who Benefits - Corporations or Communities? The Clear Choice About Water, CUPE National, 2005

Privatization of public services: What does it mean for women?, Stinson, J., 2005

## ONLINE RESOURCES AND WEBSITES

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CUPE BC Privatization Campaign: <http://www.cupe.bc.ca/campaigns/keep-it-public>

CUPE National Privatization Campaign: <http://cupe.ca/privatization>

Canadian Centre for Policy Alternatives: <http://www.policyalternatives.ca/>

The Columbia Institute: <http://www.columbiainstitute.ca/>

The Council of Canadians: <http://www.canadians.org/>

American Federation of State, County and Municipal Employees (USA), Privatization Updates: <http://www.afscme.org/news/publications/privatization>

Cornell University (USA), Database of US Contracting Back In: <http://www.mildredwarner.org/restructuring/privatization>

Food and Water Watch (USA): <http://www.foodandwaterwatch.org/>

CorpWatch (USA): <http://www.corpwatch.org/section.php?id=187>

UNISON (UK) Private Finance Initiatives and Public Private Partnerships: <http://www.unison.org.uk/pfi/>

Corporate Europe Observatory: <http://www.corporateeurope.org/>

Public Services International Research Unit (International): <http://www.psirui.org/>

## VIDEOS

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The Case Against Water Privatization, Big Picture TV, 2010 <http://www.5min.com/Video/The-Case-Against-Water-Privatization-516923359>

FecalCorp: Public Private Partnerships, CUPE BC, 2010  
<https://www.youtube.com/watch?v=MQwN9cjwXF0>

Tapped, Stephanie Soechtig, 2009

You, Me and the SPP, Paul Manly, 2009

End Privatization, CUPE National, 2008

FLOW: For the Love of Water, Irena Salina, 2008

Thirst, Alan Snitow and Deborah Kaufman, 2004

Bring the work back home and keeping it there, CUPE BC, 1994

The Future of Water in Abbotsford, CUPE BC, 2011.

<https://www.youtube.com/watch?v=wIFVUSm9vX0>

## **CONTRACTING IN THE “7-STEP” QUICK REFERENCE GUIDE**

- 1) **IDENTIFY COMPANY (contracting in)**
  - \* When contract expires;  
**IDENTIFY SERVICE (being contracted out)**
  - \* When service is going to tender.
- 2) **CONTACT AFFECTED MEMBER(s)**
  - \* Alert Executive;
  - \* Alert all Stewards and Members calling for help through information bulletins or phone tree.
- 3) **ESTABLISH A COMMITTEE**
  - \* Establish a budget to implement a full fight-back campaign;
  - \* Use Stewards and affected Members.
- 4) **CONTACT NATIONAL REPRESENTATIVE**
  - \* To assist local committee in developing a full blown campaign with time lines;
  - \* Get research and communications support (CUPE BC), slogans, press releases, ads, presentations;
  - \* Fight back plan...cost sharing financial support.
- 5) **IDENTIFY AUDIENCE**
  - \* Gain support of community allies for rallies, presentations, participation and lobbying.
- 6) **MEET WITH EMPLOYER**
  - \* Ask to turn down contracting out proposal and/or delay decision;
  - \* Request contracting-in service or,
  - \* Maintain current service.
- 7) **IF UNSUCCESSFUL – DON'T GIVE UP!**

**CUPE BC Anti-Contracting Out Committee**

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## **ANTI-CONTRACTING OUT THE “3-STEP” LOCAL EXECUTIVE GUIDE**

### **1) GATHER INFORMATION**

- \* *Talk to members*
- \* *Talk to foreman/supervisor*
- \* *Talk to employer*
- \* *Discuss options other than contracting out*

### **2) CONTACT NATIONAL REPRESENTATIVE**

- \* *Find out if issue is happening elsewhere*
- \* *Request that research resources be made available*
- \* *Ensure that communication resources be made available*
- \* *ACO Committee members may be included as resources*

### **3) BUILD YOUR FIGHT-BACK CAMPAIGN**

- \* *Develop a campaign plan involving members*
- \* *Involve the community at large where applicable*
- \* *Involve Political Allies (elected or appointed officials)*
- \* *Request National Representative obtain cost-share funding*

**KEEP YOUR MEMBERS INFORMED OF PROGRESS  
THROUGHOUT ISSUE**

**CUPE BC Anti-Contracting Out Committee**

## **WHAT ARE P3S? (Public-Private Partnerships)**

**P3s are another term for the privatization of public services.**

### **WHO ARE THESE COMPANIES?**

**They are usually big corporations with no links to and no interest in the community.**

### **WHY DO THEY COME?**

**Some governments buy into the ideology that the private sector can do everything better.**

**Over the long run the companies get long-term control of public sector assets and all the profits to be made. It is not benevolence.**

### **WHEN DO THEY COME?**

**Whenever there is a need for new infrastructure or a facility and a government is looking to offload its responsibility.**

### **WHERE DO THEY GO?**

**To small and big communities from Vancouver's Canada Line to French Creek's water system.**

### **HOW LONG DO THEY STAY?**

**They often get contracts for 35 years and longer, just enough time for the decay of the new service to start.**

**CUPE BC ANTI-CONTRACTING OUT COMMITTEE**  
**[www.cupe.bc.ca](http://www.cupe.bc.ca) and follow the links to the ACO Committee**

# P3 ACTION PLAN

## MEMBER

If you suspect a threat of a P3, alert your local Executive

## EXECUTIVE

Verify P3 project  
Contact your National Representative & the ACO Committee  
Form an Anti-P3 Committee

## COMMITTEE

Build your fight-back campaign/Action Plan;  
Identify/contact allies, such as labour groups, Chamber of Commerce,  
Councilors and members to assist in developing an action plan;  
Involve the community at large;

**CUPE BC ANTI-CONTRACTING OUT COMMITTEE**  
[www.cupe.bc.ca](http://www.cupe.bc.ca) and follow the links to the ACO Committee

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## FAQ about public private partnerships

**Question:** What is a public private partnership?

**Answer:** A public private partnership (P3) is a form of privatization. P3s are multi-decade contracts for private management of public services or infrastructure. They can include private financing, ownership and/or operation. The most common form is one in which the private sector designs and builds something like a hospital, school or bridge and has a very long-term contract (20 or 30 or even 40 years) with government to operate the facility. The private partner usually provides some portion of the up-front money to build the project and then is reimbursed with payments over the life of the contract.

P3s usually result in higher costs, lower quality and loss of public control.

**Question:** What about claims that P3s save money?

**Answer:** Put simply, P3s don't save money. It costs the private sector more to borrow money than governments. And the cost for private sector borrowing is increasing in the present credit crunch. Private companies also expect to make profits of between 10 and 20% on money they invest in these projects. Negotiating public private partnership contracts is a long and expensive process. Monitoring and enforcing the contracts add another cost. All of these extra costs for the private sector means extra costs to the public paying for the service. At the same time, wages and benefits paid to employees are generally lower and service levels often suffer.

**Question:** Don't P3s avoid government "debt"?

**Answer:** No. These long-term contracts obligate governments to massive payments for decades to come. Whether it is called government debt or a long-term contract, the fact is that for several decades taxpayers will be forced to pay for P3 services. The difference is that with publicly built and operated projects, government can make changes to meet future needs. With a P3 they are tied to a contract, whether it is still needed, whether it is outdated, whether it is affordable or not.

**Question:** What about the claim that P3s are worthwhile because the private sector takes on the risks of the project, for example the risk that something will go wrong in construction or in the operation of the service?

**Answer:** Risk transfer is the big argument for P3s, but it doesn't hold water:

- Risk can be transferred to the private partner with publicly managed projects just as it can with P3s.
- It costs money to get the private sector to take on these risks. Studies in the UK have suggested it can add as much as 30% to the cost of the contract.
- Often the risk doesn't actually get transferred and government ends up holding the bag. A major study in Britain found that risk in P3 projects was not effectively transferred from the public sector.
- In several major P3 projects that have failed, despite contract provisions that held the private sector responsible, the public sector ended up paying the bills after the private sector corporation involved in the project collapsed.

**Question:** What about the claim that public private partnerships are on time and on budget?

**Answer:** P3 projects take longer than traditional projects because they are so complex to negotiate. They may technically be "on time" because the extra months or years spent negotiating the agreement are not included in the official timetable. As to being "on budget", again, the costs of P3 projects have repeatedly skyrocketed between the time of announcement and the final agreement. The Abbotsford Hospital construction cost was originally estimated at around \$200 million, and eventually ended up costing \$355 million. The Canada Line almost doubled, from about \$1.2 billion to over \$2 billion.

**Question:** What about public accountability in P3 contracts?

**Answer:** Private corporations, including P3 corporations, are less accountable than government. They do not have the same reporting requirements. Information is often kept secret to protect commercial interests. In BC, even mayors and councillors deciding on whether to commit taxpayer money to P3 projects, have been denied access to the detailed financial information they needed to make informed decisions.



# THE DRIVE TO PRIVATIZE

Why public is better for our communities ... and for local business

## WHY KEEPING IT PUBLIC PROTECTS THE ENVIRONMENT

Many communities in B.C. and around the world are being pressured to privatize services. This raises many questions:

- Whose interests are taken into account when public services are privatized?
- Whose voices are heard?
- Can we hold non-elected private corporations accountable for the public trust?
- What are the environmental and health and safety costs of privatization of basic services?

The majority of water services in Canada are publicly operated. However, evidence from those that are private shows us that privatization is a bad deal for communities, the economy and the environment. Here's why.

Democracy is good for the environment

Few people would argue that elections give us the chance to vote in favor of environmental protection. Democracy is not just about holding elections. Democracy means that average citizens can raise concerns and influence what governments do. Citizen activists around the world have worked hard to create and change environmental policies.

Whether it is damming rivers to create power or operating water and wastewater treatment facilities, all citizens should have a say. When services are operated publicly they do. With private corporations, it is the company's shareholders who have a say. Boards of directors and corporate CEOs are concerned with profits and the bottom line, not about honouring the concerns of users and residents.

Governments must be open and accountable. Freedom of Information rules mean everyone has the right to know what governments are doing. Our Auditor General can look at the government's books. In many situations B.C.'s Ombudsman can fight to make sure citizens are treated fairly.

Private companies do not have the same requirements for openness and transparency. Once public assets are turned over to private interests, communities are often unable to get important information about things like environmental risks or damages, or environmental assessments of operations. These become subject to "commercial confidentiality" or "business secrets". Residents need that information so they can make informed decisions about their communities, public services and health and safety.

Environmental risk and damage are public responsibility in the end

Local governments traditionally contract the design and construction of projects like water and wastewater treatment to private companies. Public private partnerships are different; they involve multi-decade contracts for the private operation of public services.

Some governments argue that privatization reduces public costs and transfer risk to the private sector. But experience proves that when problems occur, corporations are reluctant to take on the cost and responsibility of environmental clean-up. When they do, they charge a hefty premium. This means that the public ultimately pays the price to solve economic and ecological problems.

In Canada, the City of Hamilton had to foot the bill when its private wastewater partner allowed millions of litres of sewage to spill into the harbour. The City of Brussels, Belgium, has been forced to take its' private wastewater operator to court to get them to stop pumping raw sewage into their watershed.

Halifax cancelled its half-billion dollar contract because the corporate partners were not willing to accept the risk and costs if it failed to meet environmental standards. Public operation of the wastewater treatment system has proven less expensive and far safer.

Corporate priorities are different from public priorities

When local governments (the public) run environmental services, like wastewater treatment, they have two main priorities: protecting the community and the environment.

Private companies, on the other hand, prioritize profits above all else. This often leads to cutting corners on services and safety. This is a serious concern when it comes to water and wastewater services, which are fundamental to human and environmental health.

Public operation is more flexible and responsive

Environmental technology and understanding change rapidly. Public operation and control over water and wastewater services means that governments can respond to residents' concerns and introduce sustainable technology as it emerges. This is what happened in Whistler and Kamloops – both Municipalities were able to introduce cutting-edge technology because they decided to keep services public.

Contracts with private companies are designed to ensure stability over the lifetime of the agreement, which in many cases is decades. Any new technology, even if it cuts costs or increases efficiency, comes at an additional price to the contract.

Governments also seek cooperation within and across the public sector – to improve service, introduce innovation and increase efficiency. This is much more difficult when operation practices are locked down through private contracts and a competitive corporate model based on proprietary interests is introduced.

British Columbians are becoming more conscious of the need for a healthy environment and governments are following the lead. An important part of protecting our watersheds and ecosystems is to protect public services.

**Let your government know that you want them, not corporations, to control and operate water and wastewater systems.**

Why Privatization doesn't work: Useful research and analysis about public private partnerships

There is a growing body of research and analysis that provides concrete critiques of privatization and public-private partnership arrangements, including issues related to business case evaluation of public private partnerships and the so-called "public sector comparator."

This document provides a brief synopsis of some key documents and their links. A list of these documents is as follows:

1. Back In House: Why Governments are Bringing Services Home by the Columbia Institute (2016)

Available at: [http://cupe.ca/sites/cupe/files/back\\_in\\_house\\_e\\_web\\_2.pdf](http://cupe.ca/sites/cupe/files/back_in_house_e_web_2.pdf)

The report looks at the emerging trend of bringing services back in house after outsourcing does not prove to produce the cost savings as previously expected. It examines Canadian local governments, 15 case studies about returning services, and looks at the various reasons for insourcing such as better quality control, flexibility, efficiency, etc.

2. Private Profit at a Public Price: Deciding the Future of the Public-Private Partnership Schools in Nova Scotia (June 2016) by the Canadian Centre for Policy Alternatives

Available at:

[https://www.policyalternatives.ca/sites/default/files/uploads/publications/Nova%20Scotia%20Office/2016/06/Private\\_Profit\\_at\\_a\\_Public\\_Price.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/Nova%20Scotia%20Office/2016/06/Private_Profit_at_a_Public_Price.pdf)

The report summarizes the issues of 39 P3 schools and found that evidence shows that the schools had a high cost for the government and yielded high profits for the developers. It found that the P3 schools program was a failure, costing tens of millions of dollars more than traditional procurement, which was partly due to the lack of any evidence-based decision making processes prior to committing to the P3 approach. The report concludes that all 36 schools be purchased by the government as their leases expire.

3. THE THEORY AND EVIDENCE CONCERNING PUBLIC PRIVATE PARTNERSHIPS IN CANADA AND ELSEWHERE (Calgary School of Public Policy – 2016)

<https://www.policyschool.ca/wp-content/uploads/2016/05/p3-boardman-siemiatycki-vining.pdf>

4. What provincial auditors have said about P3s (CUPE – 2015)

[http://cupe.ca/sites/cupe/files/cupefacts\\_-\\_what\\_provincial\\_auditors\\_have\\_said\\_about\\_p3s.pdf](http://cupe.ca/sites/cupe/files/cupefacts_-_what_provincial_auditors_have_said_about_p3s.pdf)

5. The 2014 Summary Financial Statements and the Auditor General's Findings (October 2014) by the BC Auditor General, Carol Bellringer  
Available at: <http://www.bcauditor.com/sites/default/files/publications/reports/AGBC%20ROPA-FINAL.pdf>

For the first time, the AG compares how much it cost the government to borrow money on its own, compared to borrowing through public private partnerships to build roads and hospitals. She found that the government paid nearly twice as much through P3s (7.5%) as it would if it borrow money on its own (4%). She also found that the government sold millions of dollars of assets in order to balance the books.

6. Review of Partnerships BC, Internal Audit by BC Ministry of Finance (December 2014)  
Available at: [http://www.fin.gov.bc.ca/iaas/pdf\\_docs/Review%20of%20PBC.pdf](http://www.fin.gov.bc.ca/iaas/pdf_docs/Review%20of%20PBC.pdf)

The Ministry of Finance conducted an internal review of Partnerships BC and found that there were multiple issues of conflict of interest in its practices and questionable assumptions about the profitability of P3s in comparison to publicly funded projects. The review also suggested that the cost/benefit of projects at or below the \$50 million threshold is unclear, and that the P3 screen threshold should be raised to \$100 million.

7. 2014 Annual Report (December 2014) by the Office of the Auditor General of Ontario  
Available at: <http://www.auditor.on.ca/en/content/annualreports/arreports/en14/305en14.pdf>  
The Auditor-General of Ontario concluded that P3s cost Ontario taxpayers nearly \$8 billion more on infrastructure over 9 years than it would have, had it built the projects itself. Her audit looked at 74 P3 projects and found that the province assumes that P3s carry less risk of cost overruns than the public sector would, but that there is no empirical data to back that assumption. P3s are more expensive than publicly-funded projects because private companies pay about 14 times what the government would pay for financing, and receive a premium from taxpayers in exchange for taking on the project.

\*(Existing entries to be re-formatted & itemized; web link should be directly below title as per above; "still current" means that current web link is still applicable, otherwise, please insert the new link as typed below)

8. Asking the Right Questions John Loxley for CUPE (2012)  
Available at: [http://cupe.ca/updir/P3%20Guide\\_ENG\\_Final.pdf](http://cupe.ca/updir/P3%20Guide_ENG_Final.pdf)

Review of Partnerships BC's Methodology for Quantitative Procurement Options November 2009 (still current)

Evaluation of Public Private Partnerships: Costing and Evaluation Methodology January 2009 (still current)

Annual Report of the Auditor General of Ontario on the Brampton Civic Hospital Public-Private Partnership Project November 2008 (still current)

Report of the Quebec Auditor General to the National Assembly, 2008-2009 Review of Hospital P3s March 2009 (still current)

The Real Cost of the Sea-to-Sky...(still current)

HM Treasury: October 2007 (still current)

Public Private Partnerships in Canada Theory and Evidence (2014)

[http://d3n8a8pro7vhmx.cloudfront.net/cupebcvotes2014/legacy\\_url/950/2006\\_04\\_vining.boardman.pdf?1460990474](http://d3n8a8pro7vhmx.cloudfront.net/cupebcvotes2014/legacy_url/950/2006_04_vining.boardman.pdf?1460990474)

Public Private Partnerships (P3s) and Municipalities: Beyond Principles...

Available at:

[https://www.fcm.ca/Documents/reports/Public\\_Private\\_Partnerships\\_P3s\\_and\\_Municipalities\\_Beyond\\_Principles\\_a\\_Brief\\_Overview\\_of\\_Practices\\_EN.pdf](https://www.fcm.ca/Documents/reports/Public_Private_Partnerships_P3s_and_Municipalities_Beyond_Principles_a_Brief_Overview_of_Practices_EN.pdf)

Public Private Partnerships: Understanding the Challenge. A Resource Guide

Available at:

[http://www.columbiainstitute.ca/sites/default/files/resources/columbiap3\\_eng\\_v8-webpdf.pdf](http://www.columbiainstitute.ca/sites/default/files/resources/columbiap3_eng_v8-webpdf.pdf)

Value for Money?

[http://www.policyalternatives.ca/sites/default/files/uploads/publications/BC\\_Office\\_Pubs/bc\\_2006/P3\\_value\\_for\\_money.pdf](http://www.policyalternatives.ca/sites/default/files/uploads/publications/BC_Office_Pubs/bc_2006/P3_value_for_money.pdf)

Report of the House of Commons Transportation (still current)

How to Make the Public Sector Advantage Disappear (still current)

Evaluating the Operation of PFI

Available at: <http://image.guardian.co.uk/sys-files/Society/documents/2004/11/24/PFI.pdf>

When Public Relations Trump Public Accountability

Available at: <http://www.ontariohealthcoalition.ca/wp-content/uploads/FULL-REPORT-January-7-2008.pdf>

Less ideology, more case studies (still current)

Asking the Right Questions?

<http://cupe.ca/asking-right-questions-guide-municipalities-considering-p3s>

Also the Early Warning Signs Guide?

<http://cupe.ca/guide-early-warning-signs-privatization>

CUPE profiles of P3 water corporations:

<http://cupe.ca/profiles-canadas-public-private-partnership-industry>

CUPE P3 case studies: <http://cupe.ca/p3-case-studies>

13 years on, BC Finance Ministry finds big problems with its public private partnership program

<http://www.policynote.ca/13-years-on-bc-finance-ministry-finds-big-problems-with-its-public-private-partnership-program/#sthash.qQqRIM4z.dpuf>

Backgrounder on MMBC

In 2011, the Government of BC shifted responsibility for end-of-life management of residential packaging and printed paper from government and their taxpayers to the businesses that produce these materials. In other words, a service that was previously the responsibility of local government now became that of private industry.

Multi-Material BC (MMBC) was formed in 2014 to help businesses meet their obligations under the new regulation. Financed by private industry and structured as a non-profit organization, MMBC's goal was to take over recycling operations with its own network of private and not-for-profit contractors. MMBC began contract negotiations with local governments across BC and successfully took over full responsibility for recycling services that used to be provided by municipal governments, including that of the City of Vancouver in September 2016.

Long-term, the transfer of recycling from the public to the private sector results in the loss of public service jobs and takes quality control away from municipalities. MMBC also has the ability to fine municipalities, for instance when residents unwittingly put too much 'garbage' in their recycling bins. So instead of truly taking responsibility for all recycling, costs are still being downloaded to municipalities and local taxpayers.

There are currently several emerging areas of concern in regards to MMBC:

1. MMBC's approach to removing recycling from the domain of local governments is a new 'outsourcing' model that is being pioneered in BC and closely watched across the country. MMBC is, in fact, a member of a larger national organization called Canadian Stewardship Services Alliance (CSSA), which operates 'stewardship programs' in Saskatchewan, Manitoba, and Ontario. In all three provinces outside of BC, CSSA programs provide varying levels of funding to municipal government and First Nations to operate their own recycling programs. Pending the success of MMBC, a similar business model could be targeted at other provinces as well.
2. The province has refused to endorse a Metro Vancouver Bylaw that would require that the recycling of waste stay within the region, which effectively allows the export of commercial

waste to other countries. Because recycling materials are sold on the open market after they are separated, the ability to resell to the US or overseas lowers revenues for local recycling facilities. When local recycling facilities charge higher prices to recover their costs, it becomes increasingly difficult for local municipalities to contain costs, and makes organizations like MMBC look increasingly attractive, and well on their way to monopolizing the recycling industry. A continued lack of interest from provincial government to support local waste or environmental legislation could result in the successful privatization of all recycling services, harm to locally run recycling depots, and, on a larger scale, grave environmental consequences from the exportation of waste, as plastics can be burned offshore to produce heat and power.

According to MMBC's 2015 Annual Report, the following communities have elected to have MMBC directly manage their recycling service as of fall 2016:

- City of Vancouver
- City of Langley
- City of Pitt Meadows
- City of Revelstoke
- City of Prince George
- City of Quesnel
- City of Coquitlam
- Regional District of North Okanagan
- Central Kootenay
- Kootenay Boundary
- Village of Anmore
- University Endowment Lands

## Evaluation of Public Private Partnerships: Costing and Evaluation Methodology

Ron Parks and Rosanne Terhart of Blair Mynett Valuations Inc

January 2009

The B.C. division of the Canadian Union of Public Employees retained forensic accountants Ron Parks and Rosanne Terhart of the firm Blair Mackay Mynett Valuations Inc to review and comment on costing and evaluation methodology used for public private partnership projects (P3s) in B.C.

With mounting evidence that privatization projects do not deliver either savings or efficiencies, set against the B.C. government's policy promoting P3s as vehicles to save money, CUPE sought an impartial assessment of private projects in the province.

Using material accessed by CUPE under Freedom of Information (FOI) provisions, Parks and Terhart provide their views on four P3 projects: the Abbotsford Regional Hospital and Cancer Centre, the Sea-to-Sky Highway Improvement, the Academic Ambulatory Care Centre (Diamond Centre) and the Canada Line.

Parks and Terhart found that P3s cost more, that the process for evaluating them is biased, and that there is a lack of solid information available to the public.

**PS cost more.** In their analysis of why P3s cost more, Parks and Terhart take aim at the discount rate (assumed interest rate) used by Partnerships BC to compare P3s to publicly procured projects. They review how Partnerships BC reworks the actual (nominal) costs, dramatically decreasing the estimated cost of P3s, mainly by using inflated discount rates.

The difference in the actual cost between a publicly procured project and a P3 can be substantial. For example, the nominal cost of the Diamond Health Centre as a P3 was \$203 million, as compared to \$89 million for public procurement – a difference of \$114 million or nearly 130 per cent (of the \$89 million).

Before discounting, the P3 option for the Diamond Centre is more than double that of public procurement. However, as the report demonstrates, using a 7.12 per cent discount rate the P3 project cost was reworked down to \$64 million and the publicly procured project to \$81 million – a difference of \$17 million in favour of the P3. The \$114 million public procurement advantage becomes a \$17 million private sector advantage.

Parks and Terhart conclude that if the B.C. government applied a more appropriate discount rate, the cost of P3s would exceed a public procurement approach for the projects reviewed. Current borrowing rates for the B.C. government are between 2.35 and 4.38 per cent. The rates used by Partnerships BC on the four projects reviewed range from 6.0 to 7.5 per cent.

The report identifies steps taken in other jurisdictions to address the use of inflated discount rates and improve methodology on public versus P3 cost comparisons. For example, in the United Kingdom, the recommended discount rate is 3.5 per cent. On projects valued at hundreds of millions of dollars – a small change in the discount rate makes a substantial difference.

**The process for assessing P3s is biased.** Parks and Terhart point to two key areas: the difference in cash flow (when money is spent during the life of the project) and the way in which risk transfer is assessed.

In terms of cash flow, they find that because the cash costs to government in P3 projects occur much later in the life of a project than in a public project, this, combined with the overly high discount rate, almost always serves to portray the P3 as offering more value for money.

Looking at risk, Parks and Terhart note that in the case of the Sea-to-Sky project, the value of risk transferred to the private sector is double-counted – effectively included in the discount rate, and given an additional value on its own, which adds to the public project cost estimate. They refer to the 2008 Annual Report of the Ontario Auditor General, which raises “significant questions” as to the legitimacy of the value of risk nominally transferred to private partners. Parks and Terhart note that the Ontario AG comments parallel their view that the methodology used to procure, evaluate and report the benefit of P3 projects is biased in favour of P3s.

**A lack of public accountability and transparency.** Parks and Terhart were asked if the B.C. government is allowing the release of information sufficient for the public to be confident their interests are protected in P3 projects. They reviewed the information CUPE was able to get through FOI provisions and reviewed the denials of information by government. They find that the government is not releasing sufficient information and that there is a general lack of transparency and public accountability.

Parks and Terhart note that much of the information that CUPE requests was denied. Critical information and documentation in support of the Value for Money reports was, for the most part, denied. Specifically, with the exception of the Diamond Centre project, basic information such as the comparative nominal cash flows for the Public Sector Comparator and the P3 were not provided.

As well, the report notes that information requested by CUPE on the Bennett Bridge and the Britannia Water Treatment projects was denied. For both projects, information was withheld because it was considered “potentially harmful to the interests of the public” and/or classified as cabinet secrets.

**More information: *Evaluation of Public Private Partnerships*** builds upon previous research, notably the 2006 review of the role of the B.C. Auditor General in reviewing P3s (Ron Parks) and a 2006 review of the Sea-to-Sky Value for Money Assessment (Marvin Shaffer, CCPA). CUPE has also developed a document outlining the history of requests made for disclosure of information about P3 projects in B.C. All documents are available at [cupe.bc.ca](http://cupe.bc.ca) or at [keepitpublic.ca](http://keepitpublic.ca)

## CETA

### **What is it?**

The Comprehensive Economic and Trade Agreement (CETA) is a tentative trade agreement between Canada and the European Union that, if enacted, will eliminate 98% of tariffs and other obstacles for business between the two partners. It is Canada's largest bilateral initiative since NAFTA.

### **The History**

The former Harper government announced the start of negotiations on CETA in 2009. The details of CETA remained a secret until the negotiation process ended in August 2014, and the citizens of Canada and Europe were given their first opportunity to see the 1600-page proposed agreement on September 26, 2014. CETA is highly controversial, sparking mass demonstrations in Europe, a joint statement from more than 100 civil society organizations on both sides of the Atlantic opposing the agreement, and more than 3 million Europeans signing a petition against it. On October 30, 2016 at the EU-Canada Summit, CETA was adopted by the EU Council and signed by Canada's Prime Minister, Justin Trudeau. Most of the agreement will take effect on a provisional basis, and full implementation will begin after ratification by all regional and national legislatures.

### **Why CETA is Bad for Canada and Public Services**

CETA only partly addresses the trade in goods and is a drastic experiment, as it is endorsed by research that's based on theoretical projections, as opposed to past precedent. They create new rules that bypass local legislation and decision-making processes. These rules will let transnational corporations bypass our public court system and sue governments over legislation or policies made in the public interest. The claims will be heard by secretive, pro-investor arbitration panels. It only takes two of three arbitrators – all corporate lawyers whose pay depends on the number of cases – to override legislation enacted by democratically-elected governments. These back-door policies undermine the democratic structures designed by our governments to protect the public, our healthcare, education, financial, and cultural institutions.

CETA would also have an adverse impact on public services and local procurement. The proposed rules prohibit governments from obliging foreign investors to purchase locally, transfer technology, or train local workers. They would also entrench commercialization such as public private partnerships, which would threaten public service jobs with those in the private sector, and make it more difficult for governments to reverse failed privatizations and bring work and services back in house.

## At a Glance:

<b>CETA gives:</b> <ul style="list-style-type: none"><li>• international competitors the right to bid on mid to large projects in cities, First Nation communities and provinces;</li><li>• corporations new markets, opening up public services to privatization;</li><li>• pharmaceutical companies longer patents, so people will have to pay more for drugs;</li><li>• foreign corporations the right to sue countries when government regulations interfere with their profit margins; and</li><li>• energy corporations the ability to send more tar sands crude to European markets.</li></ul>	<b>CETA takes:</b> <ul style="list-style-type: none"><li>• power away from cities to create local economic development programs;</li><li>• away environmental and public health protection and exclusions;</li><li>• away the ability of small farms to sustainably provide local food; and</li><li>• away the ability to create alternative energy and environmental policies.</li></ul>
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## TPP

### What is it?

The Trans-Pacific Partnership (TPP) is a tentative trade agreement between among twelve countries on the Pacific Rim, which together comprise 40% of the world's economy. The twelve countries involved in negotiations are Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States, and Vietnam. If enacted, the TPP will lower non-tariff and tariff trade barriers, lower standards for economic actions to the lowest common denominator, and establish an investor-state dispute settlement mechanism that allows companies to sue governments.

### The History

The TPP began with the P4 trade agreement between four countries (Brunei, Chile, New Zealand, and Singapore) in 2006, which removed tariffs on most goods, and promised cooperation on employment practices, intellectual property, and competition policies. In 2008, additional countries, including Canada under Harper's Conservative government joined the discussion. Negotiations were conducted in secret, concluding on October 5, 2015. Justin Trudeau signed on behalf of Canada in February 2016, and a version of the TPP text was made public on November 5, 2016. To take effect, the deal must be ratified by February 2018 by at least 6 countries that account for 85% of the group's economic output, which essentially requires that Japan and the US be on board. However, following the November 2016 US election of Trump, the Obama administration decided not to pass the TPP in Congress, leading many to believe that the TPP is effectively a dead deal. However, Trudeau's Liberal government continues to consult Canadians on the TPP from November 2016 to January 2017, and is now moving Canada toward various bilateral trade talks that do not depend on US participation.

### Why TPP is Bad for Canada and Public Services

Since most trade with other TPP countries is already 97% tariff free, it is corporations that will gain the most from the deal. The TPP limits the ability of democratically elected governments to regulate

industry or pass laws that might infringe the profits of foreign companies – even if those laws and regulations are in the best interest of the health and wellbeing of its citizens. Meanwhile, the investor-state dispute settlement (ISDS) provision would allow massive corporations to directly sue democratically-elected governments, while prohibiting a government from suing investors.

This means that local governments trying to contract services back in house, oblige contractors to meet living wage policies, or implement alternative energy initiatives would become the target of legal action by foreign companies. International competition for local contracts would put downward pressure on the incomes of local citizens, and copyright and patent extensions would prevent drugs and educational materials from moving into the public domain, driving costs up significantly.

### At a Glance

<p><b>TPP gives:</b></p> <ul style="list-style-type: none"> <li>• international companies the right to bid on government contracts;</li> <li>• foreign corporations the right to sue countries when government regulations interfere with their profit margins;</li> <li>• companies extensions on patents and copyrights, they profit more, while the public will pay more for drugs, books, &amp; education;</li> </ul>	<p><b>TPP takes:</b></p> <ul style="list-style-type: none"> <li>• away local jobs and better wages, as locals must compete with international companies;</li> <li>• power away from municipalities to create enforce a living wage or choose to spend money locally; and</li> <li>• away environmental and public health protection such as food safety and alternative energy initiatives.</li> </ul>
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For more information about the CETA and TPP, please visit the following websites:

<http://canadians.org/>

CUPE Resources on Trade

[www.cupe.ca/trade](http://www.cupe.ca/trade)

<http://cupe.ca/stop-trade-deals-undermine-local-power>

Trade Justice Network

[www.tradejustice.ca](http://www.tradejustice.ca)

Canadian Centre for Policy Alternatives

<https://www.policyalternatives.ca/projects/trade-and-investment-research-project>

## PART FIVE: CAMPAIGN EXAMPLES

## **SAMPLE CAMPAIGN**

### **WASTEWATER TREATMENT IN THE CAPITAL REGIONAL DISTRICT – CUPE 1978**

#### **Overview of Issue**

In 2006, after changes to provincial and federal wastewater regulations, the Capital Regional District (CRD) started planning for sewage treatment to be implemented in the region. Seven affected communities in the CRD started to work together and the 'Core Area Liquid Wastewater Committee' was formed.

Wastewater treatment was a highly controversial issue in the community with many groups actively involved for a number of different reasons.

From 2006-2010 there was a large focus on whether the service would be public or private. There was a large debate in the community and amongst key decision makers on whether to go with a traditional design-build procurement approach or to go with a Public-Private-Partnership (P3).

CUPE Local 1978, with the assistance and support of CUPE BC and CUPE National, undertook an extensive public campaign urging residents to support a fully public service.

Ultimately a hybrid approach was chosen – the main wastewater treatment plant and all of the system's conveyance would be publicly owned and operated and the resource recovery portion of the system would be built as a P3. CUPE considered this a big win given the fact they had been potentially facing the largest ever P3 in BC.

By 2010, a plan had been put in place and the implementation phase had begun. That plan included a fully public wastewater treatment plant and a P3 bio solids energy recovery centre. However, various political agendas that played out in the run up to and after the November 2014 civic elections, resulted in a scuttled plan and the region starting over in 2014.

One of the main issues that blocked the 2010 plan was the failure of Esquimalt Council to approve rezoning changes that would allow that plant to be built at McLoughlin point.

In 2014 the CRD started a new planning phase for wastewater treatment and started to explore alternative options to the 2010 plan. While this round of planning focused largely on site selection and technology options there was a risk that the entire project could become a P3. Because of this CUPE re-engaged in the "Keep it Public" campaign.

This round of planning ended abruptly in May 2016, when the CRD ceded control of wastewater planning to a project board appointed by the BC Government. The project board had to meet a deadline of September 30, 2016 for a plan to be approved or risk losing Federal funding.

On September 14, 2016 the Project Board presented their recommendation for wastewater treatment to the CRD Board. In terms of procurement the same approach as the 2010 plan was recommended and

ultimately approved. The CRD was able to successfully meet the September 30 deadline and the then moved to the implementation phase.

### **Campaign Tactics**

Early on CUPE Local 1978 worked with CUPE National and CUPE BC to mount a campaign. Because this was an extensive campaign with several different phases many campaign tactics were undertaken. Some of the key tactics are highlighted below:

- Community Coalition formed (Greater Victoria Water Watch)
- Facebook Page, Campaign Website
- Campaign Bulletins
- Press Releases and Web Stories on the CUPE BC website
- Campaign Conference Calls (weekly and/or bi-weekly)
- Community Engagement (information tables at community events)
- Hosting Campaign events
- Meetings with CRD Directors and other elected officials or key decision makers
- Attending and Monitoring CRD Meetings, CRD sponsored Community Engagement session and other CRD events related to wastewater
- Monitoring various social media outlets
- Radio Ads
- Newspaper Ads
- Letters to the editor
- Community-wide mailing
- Handouts/Pamphlets
- Campaign Coordinator identified and booked off to work on campaign activities
- Outreach to potential allies and community groups interested in this issue

## **SAMPLE CAMPAIGN**

### **GARBAGE COLLECTION IN REVELSTOKE – CUPE 363**

In the spring of 2015 CUPE Local 363 learned that the City of Revelstoke was contemplating privatizing their curbside garbage collection service. Through their national servicing representative the local alerted CUPE National staff at the BC Regional Office and an initial conference call was set up shortly after.

The first step in a privatization campaign is often an initial meeting or conference call and the main purpose is to assess the current situation and identify what information we have and what information we need to get. The participants in the initial meeting or call are typically the CUPE local involved and their servicing representative, the Anti-Privatization Coordinator for BC, a communications representative, a research representative and the Local Government Liaison for BC.

During our initial meeting we determined that the best way to proceed with this campaign was to put together a proposal to present to the City of Revelstoke. To gather additional information the Anti-Privatization Coordinator met with the members who provided curbside garbage collection in Revelstoke. Through this we were able to gather a lot information about the how the service was working and potential options for improvements to the service.

From here the Privatization Coordinator worked closely with the local and their servicing representative to start putting together the proposal. The proposal included some general information on why privatization hasn't proven to deliver on promises made, information on the re-municipalization trend we are seeing in various parts of the world, and also included three options for service delivery and several ideas on how to improve the service and make it more efficient.

CUPE Local 363's proposal was considered by the employer and ultimately presented as the preferred option to City Council. In October 2015 it was announced that curbside garbage collection would continue to be provided by CUPE 363 members.

**SAMPLE PRESENTATION TO COUNCIL**

**Submission from Canadian Union of Public Employees**

**Local 402-01**

**To the Mayor and Council of the City of White Rock**

**On the possibility of contracting out garbage collection and recycling**

**January 26, 2015**

## ***Introduction***

As Mayor and Council will know, CUPE Local 402-01 represents approximately 100 employees who do a wide variety of work for the Council serving the citizens of White Rock.

White Rock is a unique community and as a small community located within a larger population it is highly valued by its citizens. As a smaller community we face different challenges than the large cities of Surrey and Vancouver.

As your employees, we have a long standing relationship, which goes back to 1958 when your employees received their first union charter. That was prior to the creation of the Canadian Union of Public Employees. In the nearly 60 year relationship with your unionized employees there has been one work stoppage as part of a labour dispute.

Along with you, your employees share a commitment to serving the people of White Rock.

### ***The Issue: Possible contracting out of garbage and recycling***

The City of White Rock is considering issuing a Request for Proposal looking at the possibility of contracting out garbage collection and recycling which is presently carried out by your own employees.

This is based on a report from Dillon Consulting. The final draft of this report was submitted in December 2014.

The report states:

“The following best practice research considered the following alternative approaches:

- Moving from public waste collection to private waste collection.” (Page 78)

It is important to note that while the Dillon report submits arguments both for and against contracting out these services they provide no evidence at all that contracting out is a “best practice.”

If contracting out was a “best practice” you would expect to see a continually growing number of local governments using the practice for a growing number of services. Evidence does not support this.

While there is no broadly based survey information on the use of contracting out in Canada, such surveys have been conducted in the United States by the International City County Management Association (ICMA) in 2007 and 2012. Professor Mildred Warner of Cornell University examined the two surveys to determine directions in contracting out between the two survey periods. She found:

“For the period 2007 to 2012, new outsourcing accounted for 11.1% of all services and new insourcing accounted for 10.4% of all services in the paired sample. This is almost even between new contracting and reversals.”<sup>1</sup>

Warner found that in the United States stable public delivery of services was much more common than stable contracting out.

The ICMA reported further on this in 2013 saying:

“In these days of decreasing local government budgets and staff, privatization of services is looking more and more appealing. However, before you start privatizing all your local government services, think about this: in 2012 18 per cent of local governments brought previously privatized services back in house.”<sup>2</sup>

It would also have been useful for the report to examine some recent negative experiences with contracting out. The City of Toronto recently contracted out a significant portion of its garbage collection to Green for Life Environmental (GFL). Last year GFL was deemed ineligible to renew its contract in Etobicoke because of a drop in its safety rating.<sup>3</sup>

In 2009 Port Moody brought its garbage collection back in house because of the large numbers of complaints from citizens about the quality of the service.<sup>4</sup>

Other communities have also brought garbage collection services back in house over issues of cost and quality of service. The suggestion that outsourcing garbage and recycling is a “best practice” is an unsupported assertion.

***If you contract out, you will still be paying for everything***

In any consideration of contracting out delivery of a service, people need to look at not just the price of the contract but also the costs that they will have to retain. Some of these are costs that will be paid directly by the City and some are costs that will be paid but hidden in the contract.

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<sup>1</sup> Warner, Mildred E., Insourcing versus outsourcing in the United States or Reverse Privatization in the Heartland of Capitalism, April, 2014, [http://www.municipalservicesproject.org/userfiles/Warner\\_InsourcingandOutsourcing.pdf](http://www.municipalservicesproject.org/userfiles/Warner_InsourcingandOutsourcing.pdf) downloaded 20 January 2015

<sup>2</sup> Is privatization the Answer? the International City County Management Association, October 25, 2013, [http://icma.org/en/icma/knowledge\\_network/blogs/blogpost/1818/Is\\_Privatization\\_the\\_Answer](http://icma.org/en/icma/knowledge_network/blogs/blogpost/1818/Is_Privatization_the_Answer) Downloaded 20 January 2015

<sup>3</sup> Hui, Ann, Private waste-collection firm loses Etobicoke contract, Toronto Globe and Mail, 11 June 2014.

<sup>4</sup> Mackenzie, Angela, Port Moody dumps garbage contractor over complaints, Coquitlam Now, 27 June 2009

### 1. Negotiating the contract

As the Dillon report points out, contracting out “will require an increase in administration efforts to negotiate a contract with a private collector and placing staff in new areas/positions.” (Page 81)

All this will come with a cost. In particular, negotiations for a contract will be costly, complex and risky considering that any private garbage hauler will probably have a legal department larger than the size of the entire staff of White Rock.

### 2. Dealing with complaints

The Dillon report contains a great deal of information on the effort currently involved in dealing with complaints. The report says:

“One of the recurring challenges with the current solid waste system is the amount of time staff spend on handling customer complaints. The majority of complaints relate to the customer having received a noncompliance notice. The most common reasons for the non-compliances include: garbage containers exceed the 60 lb weight limit, garbage is set out in tied bags instead of containers (results in maggots and spilled liquids), recyclables are not properly sorted into the three streams and green waste containers exceed the weight and number of bags limits. On average, 37 hours of staff time is spent on handling waste management complaints each week. This equates to roughly \$91,000 per year in salary time (including benefits) related to handling complaints.” (Page iv)

The following is a chart from the report showing where the work dealing with complaints occurs.

TABLE 3: AMOUNT OF TIME STAFF SPEND ON WASTE MANAGEMENT RELATED COMPLAINTS	
Role	Number of Hours Per Week
Administrative Assistant	10
Receptionist	10
Collection Operators	5
Foreman	5
Manager of Municipal Operations	5
Director of Engineering and Municipal Operations	2

While some of these costs could be included in a contract the reality is that citizens will continue to call the city to deal with their complaints and the record of some private firms suggests complaints will increase. Citizens will expect the City to respond.

### 3. WorkSafe BC claims

The City currently carries significant expenses related to injuries on the job of waste management. The City will continue to carry these costs if the work is contracted out. Depending on the technology used, this is a work process prone to injury. This will continue even if the work is contracted out and as such the contractor will carry these costs. However, the contractor will not “eat” the costs; they will be charged back to the City as part of the contract price.

### 4. Bylaw enforcement

There are serious questions about who will enforce bylaws if this work is contracted out. As the Dillon report notes, “Currently, the City’s waste collectors will issue a violation tag if the waste set out is not compliant with Bylaw No. 1515 (e.g., weight of container exceeds the maximum allowable limit, too many garbage containers set out, etc.) and leave the waste at the curbside.” (Page 70).

Will the private operator become bylaw enforcement operators for the City? There will be little incentive for them to do so as this will increase their collection time and costs. It is likely that this will continue to be another cost carried by the City.

## 5. Equipment costs

There is a cost to purchasing equipment for use for garbage collection and recycling. This cost will either be paid for directly by the City to deliver its own service or it will be paid for by the contractor and charged back to the City. The question is which is more cost effective?

The Municipal Finance Authority has an Equipment Financing Program that currently has a borrowing rate of 1.79 per cent. Extra amounts can be paid at any time and there is no penalty for early payout.<sup>5</sup> The borrowing falls under the MFA’s Triple A credit rating.

If a private company borrows the money for the equipment they will pay a higher rate of interest. Most companies do not have a Triple A borrowing record. The company is likely to amortize the cost of the equipment over roughly the same period as the borrowing period for a City purchased vehicle. The city will still be paying for the vehicle; they will just pay more and will not own it at the end of the day.

Despite the fact the City will already be paying for the equipment of the private operator, the Dillon report advises taking on one more cost in the event the City decides to bring the work back in house as other local governments have done. The Dillon report says:

“Should a contracted approach be selected, a reserve account consisting of revenues from the sale of the collection vehicles and reduced maintenance costs could be established. These revenues could be used to hire additional staff and/or provide an opportunity to partially finance the purchase of collection vehicles in the future should the City decide to discontinue with the contracting out of the service (ISWMP, 2012).” (Page 79)

We ask Council: would you be prepared to maintain a permanent reserve account to buy equipment? Failure to do so would leave you at the mercy of a private company.

### ***The real question is service***

Professor Warner’s study found that in 2007 61.2 per cent of local governments contracting work back in did so because they found service quality was not satisfactory. In 2012 the figure was 51.4 per cent. In both years more than half of respondents said they had contracted back in because cost savings were insufficient.

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<sup>5</sup> <http://mfa.bc.ca/clients/equipment-financing> Downloaded 20 January 2015

As the Dillon report acknowledges:

“Disadvantages of private waste collection includes: a reduction in the level of direct contact with residents and the ability to make periodic adjustments to the collection system (e.g., during the contract period).” (Page 80)

The reality is that employees of a contractor work for the contract. The City’s employees work for the City and the people of White Rock. It makes a difference.

Many City workers involved in this work live here. City employees know many of the people they serve. They act as ambassadors for the City answering questions from residents and cleaning up messes. They report issues to the foreman such as damaged street signs. They help seniors where they can and make sure cans are properly put back. They are the eyes on the City for local government.

None of this will be in the contract for a contracted out service.

Our final comment with respect to services is that in past citizen surveys your garbage and recycling operations have had among the highest levels of satisfaction of any city services.

### ***Conclusion***

Any anticipated costs savings from contracting out are unlikely to happen. The City will pay to negotiate and then manage the contract as well as for dealing with complaints. The City will continue to pay for costs such as WorkSafe and equipment. The difference is that at the end of the day they will pay more for equipment and the contractor will own it.

There is no evidence that contracting out waste management is a “best practice.” There is evidence that in many places work is being contracted back in at least as fast as it is being contracted out. For the main part, it is contracted back in because of poor service.

The Dillon report suggests poor service can be dealt with by the contract. In many places the contract has not proven sufficient to protect citizens. Even at best, citizens can only expect the absolute minimum provided for in a complex contract. People working for a contractor will go no further than the contract.

Unfortunately, there are sometimes disagreements between an employer and their employees. But in the 60 year relationship between the City of White Rock and their unionized employees, this has happened very rarely.

In reality, we are the City’s partners in delivering services to the City of White Rock. For citizens, we are the face of local government. As we deliver services, including waste management, we know the citizens and the citizens know us. These relationships serve both the people of White Rock and the people elected as our local government.

We hope the City will agree to continue and build on this relationship.

## **SAMPLE PRESENTATION TO A BOARD**

Presentation to the CRD Project Board

August 4, 2016

Good morning and thank you for the chance to speak this morning. My name is Rick Illi, and I am a resident of the region, and the President of CUPE Local 1978 representing CRD employees.

From the beginning – back in 2006 when the sewage treatment project was first mandated - CUPE members and many others in the community have been focused on ensuring that new wastewater treatment is a public service.

Throughout the many public consultations that have occurred over the years it has been clear that CRD residents want this infrastructure to be publicly owned, operated and maintained.

CUPE strongly believes that a publicly owned and operated wastewater system is the best choice for CRD residents from the perspective of affordability, public health and safety, environmental concerns and public accountability.

Decisions about how our wastewater treatment evolves should be based on what is in the public interest, not what is in the interest of one or more private companies who have a piece of the project. And any resources that come out of treating our wastewater should be returned to the community instead of contributing to the profits of a private corporation.

While there is not much experience in Canada with private water and wastewater, there are cautionary tales both here and abroad and some important research that reinforces our belief that public sewage treatment will ensure the best value and service for taxpayers.

There is mounting independent evidence from Auditors General across the country – in Quebec, Ontario, Alberta and BC – that promises of cost savings, value for money and risk transfer for P3 projects simply don't hold up when looked at objectively. There is also a good deal of evidence that due to the significantly lower borrowing costs enjoyed by municipalities and governments, private sector financing means more expensive projects.

The 2014 report of BC's auditor general was very critical of the much higher debt levels for governments associated with P3s. Looking at 16 P3 projects in the province, Carol Bellringer found that government had paid almost twice as much for borrowing with P3 projects as compared with public procurement alternatives.

In December 2014 Bonnie Lysyk, Ontario's Auditor General, reviewed 74 P3 projects and again found that the province had paid \$8 billion more than if the projects had been conventionally procured and financed. She also called into question the assumption that governments can limit risk, saying that there is "no empirical data" to back that claim.

We don't need to look any further than the CRD for an example of a municipality that has decided to end their contract with a private corporation and operate their wastewater treatment facility themselves. Sooke recently decided to end their contract with EPCOR and a staff report estimates they can save \$225,000 per year by operating the system themselves.

And, this April the Government of Alberta announced that it won't launch any new public private partnerships as it considers the results of a review of the use of partnership arrangements. Transportation and Infrastructure Minister Brian Mason stated that the review raised real questions about the overall benefit to government and the public of using P3 procurement.

The Comox Valley Regional District recently held a referendum, where they asked residents to support a 30-year P3 deal for wastewater treatment. In the end 75 percent of voters said no and the community rejected for profit wastewater.

Kamloops, Whistler, Abbotsford, the Comox Valley Regional District, French Creek, Sooke and White Rock have all said no to for profit water or wastewater services. While residents elsewhere may support for profit infrastructure, BC residents want to see their water and wastewater services delivered publicly. This should be honoured by the Project Board as they move forward with selecting a procurement model.

In closing we are hopeful that the Project Board will be able to advance this project and come up with an affordable, accountable, and public solution for residents.

Thank you for your time.

## **SAMPLE PRESENTATION TO A COMMITTEE**

Keep It Public Presentation to the Core Area Liquid Waste Management Committee

February 24, 2015

Good morning. My name is **Rick Illi** and I am a resident of the region, a CUPE member and **President of CUPE 1978** representing workers in the CRD.

For more than a decade now the CRD has been working on implementing sewage treatment in our region and, as many of you around this table have said, this will likely be the biggest infrastructure project that will happen in the CRD for years to come. This is why it is so important to find the right solution.

From the beginning CUPE members and many others in the community have been focused on ensuring that new wastewater treatment is a public service. Public services ensure accountability and transparency, are cost efficient and provide quality local jobs.

Today could be a pivotal day and we encourage you to consider the following points as you decide on a path forward.

### Publicly owned and operated as a theme throughout consultation

There have been many opportunities for public input both when developing the current funded and approved plan, and also over the past year while the CRD has explored new options for sewage treatment. One thing that residents have consistently said is that this infrastructure should be publicly owned and operated.

Most recently we 'publicly owned and operated' come through as a theme in phase two of public consultation.

CRD residents clearly see the importance of public infrastructure and that should be honoured.

### No further expansion of Private Operation

During the initial planning phase for sewage treatment there was a robust discussion about procurement, and after hearing from residents the CRD board went ahead with a plan that included a fully public wastewater treatment plant and a P3 solids energy recovery centre. While ideally the entire project would be publicly owned and operated, we ask that the CRD honour their previous commitment and not have any expansion of the P3 portion of the project.

Whether we are looking at the wastewater treatment process itself, the range of resource recovery opportunities available or assessing potential levels of integration with other CRD services - all of these important pieces will be more responsive to the goals of the CRD and the long-term needs of residents if they are kept in public hands.

### Integration of Solid Waste

The Integrated Resource Management Task Force has been working to explore the potential integration of municipal solid waste with liquid solid waste and is recommending further exploration of integration and a potential pilot project.

CUPE local 1978 members currently work at Hartland Landfill and should integration of waste streams occur we have concerns around whether this would expand the private operation of this project. Should the CRD decide to integrate solid waste with liquid waste we would not want to see a private operator take over management and operation of Hartland Landfill.

### Private Transition back to Public

We remain concerned about the existing P3 and would like to see a plan to transition the solids-energy recovery portion into public delivery as quickly as possible.

CUPE suggests that any portion of the project that does go ahead as a P3 should be transitioned back into public hands in a timely manner. 30 years is too long for a private corporation to make money off of CRD resident's sewage.

### P3 Funding

With a new federal government in place will the P3 Canada fund continue to exist? The Liberal Government has already committed to eliminating the mandatory P3 screen that was a requirement for projects seeking money from the Building Canada Fund, and it remains unclear what changes they will make to infrastructure funds.

Although we understand that it is not this committee's intention to re-examine procurement or funding options we would encourage elected officials to ask the new federal government if the \$83 million committed to the solids energy recovery centre must remain tied to the Public Private Partnership fund.

If the P3 fund is changed or eliminated we would encourage you to pursue an entirely public project moving forward.

## **SAMPLE NEWS STORY**

CRD once again approves primarily public plan for sewage treatment

VICTORIA – Decades of discussion about sewage treatment the Capital Regional District (CRD) came to an end yesterday when the CRD Board approved a plan for new sewage treatment infrastructure to be built in the Core Area.

The plan includes a publicly owned, operated and maintained wastewater treatment plant to be built at McLoughlin Point in Esquimalt and a P3 bio solids treatment facility to be built at the Hartland Landfill in Saanich. Conveyance updates will also be done throughout the Core Area.

CUPE National President Mark Hancock presented to the CRD board on September 14 on the importance of public sewage treatment, as did CUPE 1978 President Rick Illi.

“Less than one percent of municipalities in Canada have privatized their water or wastewater systems through a P3, and several municipalities in BC who had private systems have recently returned to public operation. In making the decision to go primarily public, the CRD board has taken a big step in the right direction,” said Hancock. “There is solid evidence from independent sources that says P3s don’t live up to expectations and don’t deliver on promises made. We know that public financing and delivery are more affordable and accountable. CUPE will continue to push for federal infrastructure funds that recognize the value of public water and wastewater. “

Illi said that when the previous plan for sewage treatment fell apart in 2014 there was great concern that this entire project would become a P3 and he thanked the many CUPE members, and community members who worked hard to ensure that there was no further expansion of the P3 portion of this project.

“While we don’t have an entirely public project we do have a primarily public project and that is good news for residents in this region.”

In 2014 when the original plan for sewage treatment fell apart the Core Area Liquid Waste Management Committee (the committee charged with putting together a plan for sewage treatment) went back to the drawing board to look for a new solution. After many months of consultation a decision still couldn’t be reached and in May of this year the Provincial government stepped in and appointed a ‘Project Board’ to finalize a plan.

The Project Board spent three months reviewing the work the CRD had done on planning for sewage treatment and in the end they recommended a similar plan but one they felt addressed the needs of Esquimalt – the community set to host the wastewater treatment plant.

Notably the Project Board recommended the same procurement model, public operation and maintenance for the wastewater treatment plant and private operation and maintenance for the bio solids treatment facility.

The Project Board will now work to confirm senior level funding commitments and if confirmed will begin work to implement the plan the CRD Board approved.

## **SAMPLE BACKGROUNDER**

### **CRD Wastewater Treatment – Keeping it Public**

Planning for new wastewater treatment in the Capital Regional District (CRD) is once again reaching a critical point – with implications for keeping this important service in public hands. CUPE has been working hard on this issue since 2006, when the BC Liberal government mandated new secondary treatment that will be required to meet new federal guidelines by 2020.

#### **Background**

In 2010, after almost four years of discussion and planning, the CRD approved a mostly public plan for sewage treatment that included a centralized treatment plant at McLoughlin Point in Esquimalt, conveyance system upgrades, and a P3 bio solids processing facility at the Hartland Landfill. The project had a budget of \$788 million, with approximately \$500 million committed from the Provincial and Federal governments, including P3 Canada funding.

The first plan went off the rails in 2014 when Esquimalt Council denied the rezoning permission needed for the McLoughlin Point treatment plant. Since then, new consultations and work have been ongoing to find alternative sewage treatment options for the region. In March, 2016 - just under the wire - the CRD board approved a new conditional plan with two sites (Clover Point and McLoughlin or Macaulay) as well as a bio solids processing facility at Hartland, conveyance system upgrades and a possible third facility in the future.

P3 Canada, which had already granted a one-year extension (to March 2016), has given the CRD a new deadline of September 30, 2016 to have a finalized plan in place. The B.C. government has also recently stepped in to offer assistance to the struggling CRD, engaging Partnerships BC to review potential private sector technology options for the project. The review should be completed by the end of May. While the focus of public discussion is on plant location and what technology will be used, the issue of keeping it public has never been more important.

#### **Challenges and solutions**

Cost for the region's taxpayers is a key issue, and there is much evidence that public solutions are more affordable. We need look no further than neighbouring Sooke, which is ending a contract with the more expensive private operator to bring a P3 sewage treatment plant back into public operation.

Accountability and transparency – so important for residents in the CRD – always suffer in secretive and complex private deals and in the face of proprietary technologies and the corporations that accompany them.

CUPE has continued to participate in the sewage planning process and we will be speaking up for publicly owned and operated wastewater treatment. Now, more than ever, it is essential to advocate for publicly owned and operated infrastructure so that the CRD ends up with wastewater treatment that is affordable and accountable to residents.

## **SAMPLE EMAIL TO SUPPORTERS**

**Dear CUPE member,**

**The CRD Board will meet this Wednesday (September 14) to decide on the future of sewage treatment. While we have gone many years without a plan for sewage treatment, the CRD must have a plan in place by September 30 to keep \$500 million of funding from the Provincial and Federal governments.**

**CUPE National President Mark Hancock will be attending this meeting to urge the Board to implement a fully public solution. I encourage you to attend the meeting and show your support for public services, further details about the meeting are below.**

**In solidarity, Trevor Davies**

**WHO:** CUPE National President Mark Hancock will present to the Capital Region District Board on Wednesday September 14th. CUPE members from Local 1978 and other Victoria Area locals will attend the meeting supporting publicly owned and operated sewage treatment.

**WHAT:** The BC Government appointed project board recommendations, made public on September 7th, will be considered by the Capital Region District Board. CUPE Local 1978 has been long campaigning for a publicly owned and operated sewage treatment plant in the CRD.

**WHEN:** 9:30AM, Wednesday, September 14<sup>th</sup>

**WHERE:** CRD Board Room - 625 Fisgard Street, Victoria, BC

## **SAMPLE LETTER TO EDITOR**

March 22, 2011

Letter to the Editor

Abbotsford Today

(contact info)

Dear Editor:

I just took action and I hope you will too. Today is World Water Day, an international day to promote and protect the human right to water.

There is a water crisis around the world, and you and I may not see the effects of it on a daily basis, but one out of six people worldwide doesn't have access to clean water. At the same time, corporations are trying to control access to this precious resource through water privatization.

We have just discovered that we in Abbotsford B.C. Canada may soon have a foreign for profit corporation operating our water system.

Can you stand with me on World Water Day by taking action to ban water privatization around the world?

Take Action Here:

<http://www.foodandwaterwatch.org/>

Signature of sender

Contact Info

## SAMPLE LOCAL PLANNING SURVEY



sample

### Privatization, P3 and

#### Local Planning Survey for CUPE Locals in BC

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**Please return to CUPE BC Secretary- Treasurer Mark Hancock by February 28, 2007**

**Fax Number: 604-291-9043**

Because of the large number of privatization and P3 fights we are facing, CUPE BC Division and CUPE Regional are asking Locals to give us some information. We are asking you to report for each of your bargaining units:

- 1) if any new infrastructure or construction projects are planned for the next year,
- 2) if you know if the employer is looking at private management or operation of these projects, and
- 3) whether or not your Local has a Local Action Plan in place.

#### Section 1

Local Number: \_\_\_\_\_ Employer: \_\_\_\_\_

#### Section 2 – Construction and Infrastructure Projects

Is your employer planning any construction or infrastructures projects in the next two years? Some of these might include the following, but the list is not inclusive.

- |                      |                         |
|----------------------|-------------------------|
| • Schools            | • Swimming pools        |
| • Sewage projects    | • Ice rinks             |
| • Water purification | • College or University |
| • Recreation centers | • Other                 |

Projects planned in the next two years

Type of Project?

Community (location)?

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

*(If there are more than three projects planned, please submit on a separate sheet)*

### **Section 3 – Privatization and P3 Projects**

We are looking for information on whether your employer is looking at handing management of new or existing facilities over to the private sector. Water and wastewater operators and recreation companies have been particularly aggressive in this area recently, but there are many other examples both large and small.

**Have you heard anything about your employer handing operation or management of any of your work over to a private company?**

Type of Project?

Community (Location)?

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

*(If there are more than three projects planned, please submit on a separate sheet)*

#### Section 4 – Local Action Plans

Local Action plans are a tool for locals to deal with any issues they might face and to plan and evaluate their work over the year.

**Does your Local have a current Local Action Plan?**

Yes ☐ No ☐

*(If you have a current plan please attach it to this survey)*

**If you do not have a current LAP, have you ever had one?**

Yes ☐ No ☐

If yes, what was the most recent year? \_\_\_\_\_

#### Section 5 – Contact Information

Name of person filling out this survey: \_\_\_\_\_

Position in the Local: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-Mail: \_\_\_\_\_

# VoteNoP3 in the CVRD

## VOTE NO ON QUESTION 2

in the Comox Valley  
Regional District South  
Sewer referendum on  
entering into a 30-year  
"Partnership Agreement"  
with an unknown private  
corporation.

### TOP 5 REASONS TO VOTE 'NO' FOR A PUBLIC-PRIVATE-PARTNERSHIP (P3)

1. A P3 project will be more expensive
2. A P3 will lock us into a 30-year deal that will restrict innovation
3. A P3 will give us less transparency, less control and less accountability
4. A P3 will put private profits ahead of the needs of our community
5. P3s aren't the standard for water and wastewater projects in BC. Many other BC communities have said 'NO' to P3s for their water and wastewater services. Kamloops, Whistler and Abbotsford all rejected P3 deals and Sooke and White Rock recently cancelled their contracts with for-profit corporations. The majority of water and wastewater systems are publicly owned, operated and maintained.

The tide is turning on P3s, countries like England, Scotland, and France (all early adopters of P3s) are all ending contracts with private corporations and instead opting to operate services themselves. In Canada we are also seeing evidence that existing P3s aren't delivering on the promises made. Nova Scotia, New Brunswick, Quebec, and British Columbia have all uncovered examples of P3s being more expensive than the public alternative. Recently the Ontario Auditor General reviewed 74 P3s and found they cost Ontario an estimated \$8 billion more than if they had been publicly financed and delivered, or over \$1,500 per household in the province. Our Auditor General in BC found that we are paying nearly twice as much to borrow through P3s than we would if we borrowed these funds on its own. And, most recently following a review on P3s Alberta's government has decided not to proceed with any further P3s.

A P3 is just too risky for CVRD residents - please vote 'NO' on Question 2 in the South Sewer referendum on June 18 and let's keep sewage affordable, accountable and public.

[www.facebook.com/VoteNoP3inTheCVRD](http://www.facebook.com/VoteNoP3inTheCVRD)



Authorized by CUPE Local 556, PO Box 3454 Courtenay  
BC V9N 5N5, cpe0556@hotmail.com - registered sponsor  
under LECFA.

**WHEN?**  
Saturday June 18, 8 am to 8 pm

## WHO?

You are eligible to vote in the south sewer referendum if you meet all of the following requirements:

1. You must be 18 years of age or older on voting day. (June 18, 2016)
2. You must be a Canadian citizen
3. You must have been a resident of BC for at least six months immediately before you register to vote
4. You live in the communities of Royston, Kilmarnock or Union Bay (see maps)



**VoteNoP3**  
in the CVRD

## WHAT?

VOTE NO on Question 2 and stop a 30-year Public Private Partnership (P3) for sewage treatment in the CVRD.

## WHERE?

There are two locations you can vote at:

1. Royston Elementary School located at 3830 Warren Avenue, Royston
2. Union Bay Community Church Hall located at 5533 Island Highway, Union Bay

## HOW?

Bring two pieces of identification. At least one must show a signature and one must show actual residential address. Photo ID is not required.

SAMPLE COMMUNITY MAILING



## Dear Neighbour,

Very soon we will get details about the future of our region's sewage treatment. Elected Capital Region District representatives will soon vote on whether or not to proceed with a publicly owned, operated and maintained sewage treatment system or with a private for-profit system (also known as a Public Private Partnership or P3).

We are concerned that if the region's sewage treatment goes to a private for-profit corporation it will be more expensive, less accountable and less transparent for taxpayers. A private for-profit project means that CRD residents will be paying for a private company's profits for decades to come.

Citizens for Public Sewage

<https://www.facebook.com/citizensforpublicsewage/>

## Public sewage treatment works

### Did you know?

- The CRD already operates six public treatment plants across the region including:
  - Saanich Peninsula
  - Port Renfrew
  - Cannon Crescent – North Pender Island
  - Schooner Way – North Pender Island
  - Ganges Harbour – Salt Spring Island
  - Maliview – Salt Spring Island

## Public sewage and water treatment are overwhelmingly common across BC

Communities across BC have rejected private for-profit water and wastewater treatment:

### Comox Valley Regional District

In June, 75 percent of residents voting in a referendum said 'no' to entering into a 30-year deal with an unknown private corporation to operate sewage treatment in the region.

### Sooke

In April, the District of Sooke cancelled their contract with for-profit water corporation EPCOR after analysis showed significant savings in the District providing the service themselves.

### White Rock

The City of White Rock also just ended its contract with EPCOR and is moving towards public ownership and operation of the City's water.

### Abbotsford

In 2011, more than 70 percent of Abbotsford residents voted in a referendum against entering into an agreement with a private for-profit water corporation.

## We aren't the only ones that think long term for-profit contracts are too risky

Independent reports across Canada have uncovered evidence that P3s are more expensive than the public alternative. A review of 74 P3 projects by the Ontario Auditor found they cost \$8 billion more than if they had been publicly financed and delivered - over \$1,500 per household. The BC Auditor General found that borrowing costs for P3s were nearly double the public alternative. Following a review, Alberta's government decided not to proceed with any further P3s.

## What role should the private sector play?

The public sector and private sector often work together very effectively. Public infrastructure is most often built by the private sector and then operated and maintained by the public sector. The private sector also plays an important role in developing new technologies and finding new innovative solutions that local governments can purchase and implement. Although the public and private sectors work well together in many areas, businesses should not operate, manage or own public drinking water or wastewater systems. This is something local governments, with elected officials, are responsible for providing. This ensures public services respond to the needs of the community and are safe and affordable for all.

The bottom line is that privatization puts profits ahead of the needs of our community. Private corporations are accountable to shareholders—not the community. If a private operator takes control of our sewage any revenue generated will be distributed to shareholders instead of that money staying in the community to lower user rates or improve community services.

## November 19 Vote to keep Abbotsford water public



[www.waterwatchma.ca](http://www.waterwatchma.ca)

# Water for Life Not For Profit!

**ABBOTSFORD** - On November 19, 2011 Abbotsford residents will be voting in a referendum on the future of our drinking water.

The city has proposed a public private partnership (P3) that would hand control of our drinking water supply to a private for-profit corporation for the next 30 years.

We have a chance to keep our water in public hands by voting 'No' to the P3 plan in the Nov. 19 referendum. If we opt for the P3 option, there would be no going back.

Water Watch Mission-Abbotsford is a group of community volunteers who believe the public should maintain control over water. We believe that water is a right - not a commodity. We believe that there are other ways to secure our future water needs that are more economical, more transparent, and more productive than the P3 Stave Lake plan (See Story on Page 2).

After looking at other P3 water projects around the World ( See Story on Page 2) Water Watch Mission-Abbotsford has serious concerns about the possible impact of such a project here.

Cost estimates for the Stave Lake project have already shot up from an initial estimate of \$160 million, to \$ 237 million in the 2010 Master Water Plan, to roughly \$345 million today. And that latest estimate pays for only half the water capacity projected for Stave Lake in the 2010 Plan - much more money for much less water.

This sharp increase in pre-contract estimates is typical of most P3 proposals. Based on the experience with other P3s, the costs will only continue to rise. With the higher cost of private financing and operation, the total annual municipal payments for Stave Lake over 25 years are now pegged at \$13.8 million per year.

## United We Stand – Divided We Fail

**MISSION** - Originally the plan to upgrade water supply was for neighbours Mission and Abbotsford to look at a shared system. What about that original deal? At the time, both communities agreed that they would only pursue P3 funding if both municipalities were on board. After studying the details, Mission pulled out.

Abbotsford City Councillor Patricia Ross has said that going ahead without Mission feels "like a hostile takeover."

Mission Mayor James Atebe has said his community wants a choice. Atebe made it clear that Mission does not support the P3 project and that they are exploring other options.

Mission has decided to lobby Ottawa for alternatives to P3 funding. It has also voiced concerns about Ottawa's

Abbotsford's own updated Business Casesays it would cost \$1 million less per year to run a public Stave Lake treatment plant than as a P3. That's 28% per year cheaper to operate it publicly. (\$2.36 million per year for the P3, \$1.715 million for public operation).

Private profit, bonding, insurance and unnecessary bureaucracy all make the P3 model more expensive to run. Normally, projects like this in Canada are designed and built by private contractors, then run by the public. In this case the design/build was not even considered.

The City of Abbotsford claims that the construction costs of a P3 will be cheaper than building it in the normal way, but that is only because they did even consider the option of "design/build" and because the City evaluated its costs using an unrealistically high discount rate of 6%.

"Design/build" construction plus cheaper public operation would keep construction costs down. So why not even consider "design/build" construction? We think it is because the federal Harper government's P3 agency says it won't give grants to "design/build" projects. This means that Abbotsford's Business Case doesn't look at the option that makes most sense for Abbotsford, instead removing that option from its reports under pressure from the federal government.

Another reason the Stave Lake proposal is more expensive than a normal public project is because under the P3 model some \$100 million of financing will be borrowed by the private contractor, rather than the City directly.

That's unnecessarily expensive, because it's always cheaper for a city to borrow money than for a private company to borrow money. Currently, the City of Abbotsford can borrow money from the Municipal Finance Authority for an interest rate of 3.6%. Compare that to the P3 plan for a private company to borrow instead at an interest rate of 6.85%. The P3 financing plan is much more expensive.

insistence that municipal water development be tied to P3s.

The key decision that made Mission think twice about going forward with the P3- were the concerns from the community about the private sector operating the Stave Lake facility and the loss of control to a private partner.

Water Watch Mission-Abbotsford Spokesperson Janet Chalmers says that "Mission was right not to let the City of Abbotsford drag us into an expensive long-term plan like the Stave Lake P3 that we could regret - especially by being locked in for the next 30 years."

" We have the time and we should be using it to work closely with all our neighbouring communities on a comprehensive regional water supply plan," she added.

## INSIDE:

P3 Water Projects Around the World

P3 Disasters in B.C.

Checking Out Our Options

The advantages of a Regional Approach

## Get involved!

Want to get involved with Water Watch Mission-Abbotsford and help spread the word to **VOTE NO** in the November 19 referendum?

Here's how to get involved:

Become a Water Brigadier (free t-shirt included!) email us at [waterwatcha@live.ca](mailto:waterwatcha@live.ca) to sign up)

Attend Water Watch Events, Community Events and Local Council Meetings visit: [waterwatchma.ca/events](http://waterwatchma.ca/events) for details.

Send a letter to the Abbotsford mayor and council letting them know how you feel about P3s and public water at [mayor@abbotsford.ca](mailto:mayor@abbotsford.ca)

Most importantly, get out and **VOTE NO ON NOV. 19** The Referendum question will be included your Municipal Election ballot.

Visit our website at : [www.waterwatchma.ca](http://www.waterwatchma.ca) for all the latest details and events. or contact us by email at [waterwatchma@live.ca](mailto:waterwatchma@live.ca)



## The P3 experience worldwide

Before we vote on the P3 water plan for Abbotsford, let's take a look at other examples of water P3s around the province, the country and the world. The first impact is virtually always increased rates and taxes.

### Hamilton

The City of Hamilton experimented with a P3 for their water and sewer system from 1994-2004. P3 promoters promised cost savings but, what they really got was a reduced workforce, a spill of 180 million liters of raw sewage into their harbor, the flooding of 200 homes and businesses, four different contractors over the ten years and major additional costs. They city was also caught up in years of litigations after the contractors refused to pay for any of the damages. When the P3 contract came up for renewal in 2004, the city opted to bring water and sewage treatment back into the public sector.

### Kamloops

When Kamloops was considering a water project in 2000 pro-P3 consultants estimated the cost of a P3 project to be \$60 million. The city decided on a unique public/public training partnership with Thompson Rivers University and The Kamloops Centre for Water Quality was built as a public project for 20% cheaper, at an actual cost of \$48.5 million.

### Paris

After a quarter century of private operations, Paris brought its drinking water services back in-house on January 1, 2010. Since bringing the service into public operation, Paris has saved 35 million Euros per year and the City recently announced a reduction in water rates of 8%. In contrast, over the 25 years of private operation, rates rose 260%.

### Brussels

At the end of 2008 a new wastewater P3 run by Aquiris saw the company demand an extra 40 million Euros from the municipality. The extra wasn't in the contract, so they were turned down. Through 2009, the company began losing money quickly. In December of 2009, the company just shut down the new plant altogether and – unbeknownst to the municipality – pumped wastewater into the ocean for ten days. Numerous lawsuits followed.

### Water P3s in the U.S.

After studying public and private water in 37 U.S. states, Food and Water Watch reported in 2009 that: "Compared to local governments, private utilities charge the typical household 33 per cent more for water...and 63 per cent more for sewer service."

Unfortunately, it isn't just water P3s that have had troubles, privately financed and operated P3s have seen increased costs and reduced accountability in many other sectors. Here are some examples of how P3s have gone wrong here in B.C.

In the U.S. chart below the gray bars show how water prices jumped after privatization – source: foodandwaterwatch



### The Abbotsford Heat

The 10-year P3 for the Abbotsford Heat at the Abbotsford Entertainment and Sports Centre (AESC) is costing Abbotsford ratepayers a bundle. In 2010, municipal fees and the arena deficit totaled \$3.4 million, after a similar loss of \$2.6 million in 2009. The latest estimate of the loss by the Heat alone is \$1.4 million.

The City guarantees a budget of \$5.7 million for the Heat each year and is on the hook for any budget shortfalls. Annual arena deficits are on top of the subsidy for the Heat.

### Sea-to-Sky Highway

SFU adjunct professor Dr. Marvin Shaffer found that the Sea-to-Sky highway improvement P3 cost \$220 million more as a P3 than if it had been a public project.

### Canada Line

The Canada Line rapid transit P3 was projected to cost \$1.7 billion when the federal government committed its funding and the Board of TransLink authorized a P3.

After the P3 negotiations concluded and a contract was unveiled, the actual cost was \$2.1 billion – an increase of \$400 million.

### Parks Report on B.C. P3s

B.C.'s foremost forensic auditor Ron Parks and his colleague Roseanne Terhart, studied four B.C. P3 projects in 2009. Their evaluation of the Sea-to-Sky Highway Improvement Project, Abbotsford Regional Hospital and Cancer Centre, the Diamond Academic Ambulatory Care Centre and the Canada Line found that the P3s cost more than if done publicly (in the case of the Diamond Centre 130% more).

They also found that the process for assessing P3s in B.C. is biased and the B.C. P3s lack public accountability and transparency.

## Water 'shortage' long way off

By Ed Regts

**ABBOTSFORD** - The city of Abbotsford claims that if no water supply action is taken we will be short of water by 2016 and that the only way to avoid a catastrophe is to proceed with the Stave Lake P3. That's the only way to proceed - there is no fallback plan available.

To offset this scary scenario, the city has with great fan fare announced that under the P3 proposal the federal government will contribute a \$65.7 million 'grant' (of taxpayers' money). The strings attached are that the Stave Lake project must be designed, built and operated by a private company. Due to the large estimated capital cost, this will likely be a large multinational conglomerate.

In stark contrast to the dire predictions of shortages, there is actually excess capacity in the present water system - which can be accessed much more cheaply than the P3 proposal. For example, upgrading the current Norrish supply line and Treatment plant would provide enough capacity to meet our water needs for at least the next decade, and that's not even counting conservation efforts.

The advantage of a Norrish upgrade is the high elevation of the water source which lets us take advantage of gravity. The Stave Lake P3 option would have to be pumped some distance at considerable power cost through a yet to be built pipeline.

The city itself has indicated the financing under the P3 scheme will be more costly than under a traditional plan whereby the city finances all the required borrowing. Similarly, the city's research indicates that P3 operating costs would also be more costly than if the operations remain under city control. So any savings would have to come from the design and build part of the equation. But, the design and build concept is just as economical either way, so there is really very little to favour the P3.

Two major areas of concern are the proposed contract with a P3 operator and the agreement with Hydro for the water from Stave Lake. In regard to the operation of two plants - the P3 with higher operating costs and the public-owned Norrish Plant with lower operating costs - the private plant will likely have a minimum supply which it requires to meet expenses. That could mean that either the higher cost plant will be activated or else the private contractor will be paid for water it does not supply. The concerns with the Hydro agreement are the costs for water purchases, whether or not there are penalty clauses for demand during peak hydro demand and the term of the agreement. And what happens when the agreement with Hydro expires?

The Stave Lake P3 proposal leaves many question unanswered and provides a more costly solution to our water supply issue. The more logical solution is upgrading our existing facilities. Before embarking on a plan where control of our water is handed over to a private corporation lets develop what we already have.

Ed Regts is a retired Abbotsford City Chief Engineer with 30 years experience.

# VOTE NO P3 WATER

# This P3 is a BAD DEAL

[www.waterwatchma.ca](http://www.waterwatchma.ca)

Here's why:

1. It's more expensive paying for private profit with taxpayers' money and rate hikes
2. The term is too long to be locked in for 30 years with an unnamed foreign consortium
3. We need a regional water supply solution with our neighbour Mission
4. Private control of public water is less transparent and less responsive
5. Water is a right, not a commodity - The United Nations

Abbotsford's referendum on a proposed P3 drinking water scheme will be on the municipal election ballot

## GET OUT & VOTE NO P3

## SATURDAY, NOVEMBER 19



Paid for by Water Watch Mission - Abbotsford



ਪਾਣੀ ਜੀਵਨ ਲਈ.  
ਮੁਨਾਫੇ ਲਈ ਨਹੀਂ.

**19 ਨਵੰਬਰ ਨੂੰ**  
**ਪੀ-3 ਦੇ ਵਿਰੁੱਧ ਵੋਟ ਪਾਉ**

**ਵਾਟਰ ਵਾਚ ਮਿਸ਼ਨ—**  
**ਐਬਟਸਫੋਰਡ**


**WATER WATCH**  
MISSION - ABBOTSFORD

**WATER FOR LIFE**  
NOT FOR PROFIT

   [www.waterwatchma.ca](http://www.waterwatchma.ca)

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SAMPLE CAMPAIGN POSTER



# Community Conversation

**Prince George residents speaking with their City Council about what they want their community to look like**


**Tuesday November 13**


**COLLEGE OF NEW CALEDONIA**  
Community Presentations  
will begin at **6 pm**

The core services review will affect everyone in Prince George. This evening will give Prince George residents a chance to react to the final core services review report and share their community vision for the city of Prince George. Each resident will have up to 2 minutes to talk about their corner of the community, sign up to speak at

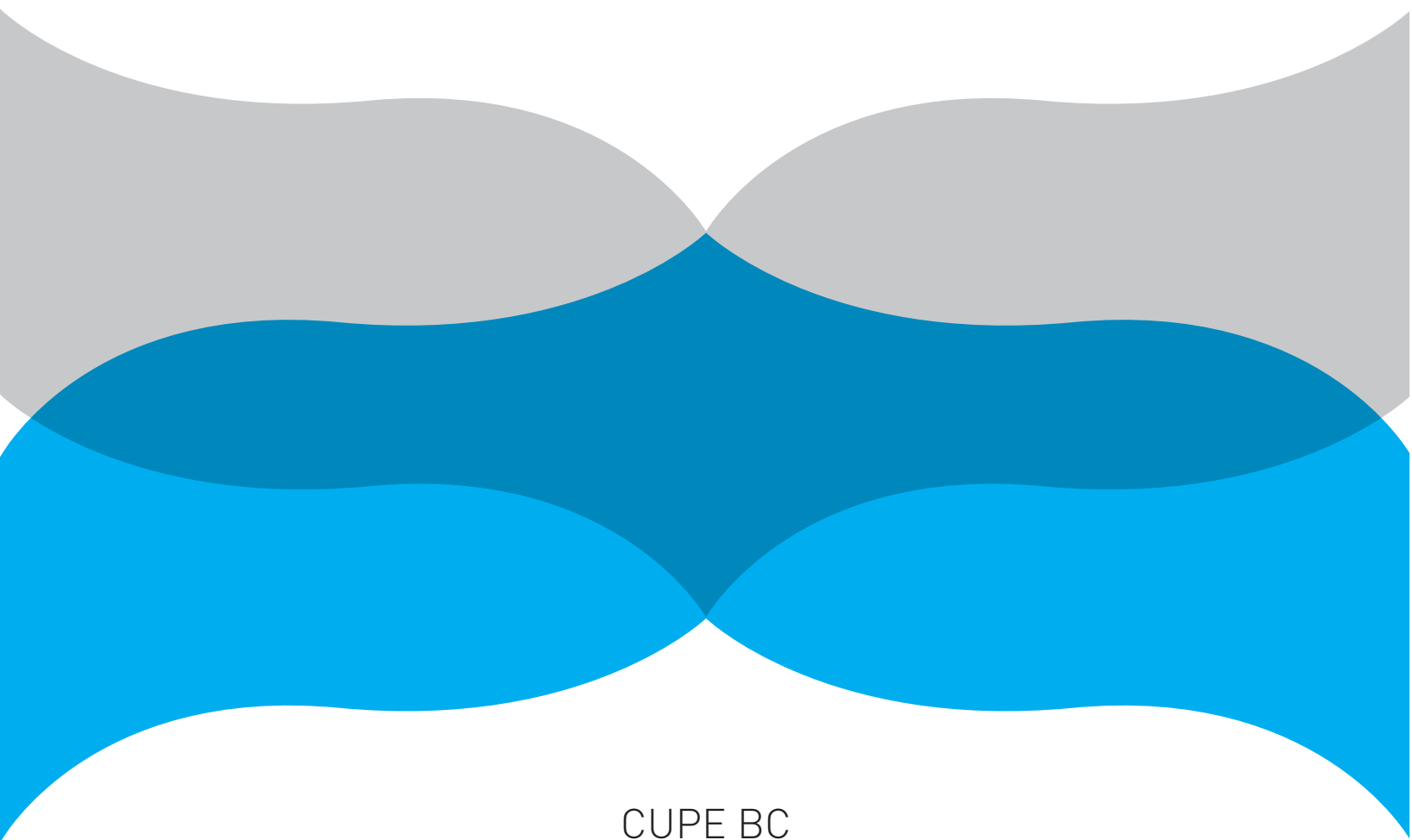
**[iheartpg2012@hotmail.ca](mailto:iheartpg2012@hotmail.ca)**

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