

# ALERT

A special bulletin for all  
BCGEU members at Maximus

Please post  
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## CCPA report questions benefits of privatization at MSP and PharmaCare

A report released today by the Canadian Centre for Policy Alternatives (CCPA) concludes that privatizing the Medical Services Plan (MSP) and PharmaCare has meant an erosion in customer service, reduced public accountability and deterioration in the quality of work life for employees. The report was written by Penny Gurstein, a professor with the School of Community and Regional Planning at UBC, and Stuart Murray, the former public interest researcher at the CCPA.

"From Public Servants to Corporate Employees: The BC Government's Alternative Service Delivery Plan in Practice" examines the privatization of MSP and PharmaCare and includes a case study of the Accenture takeover of BC Hydro. BCGEU members at MSP and PharmaCare and union staff were interviewed for the report. Its findings reinforce concerns the BCGEU has been raising since the government announced its privatization plans in 2004.

Maximus workers express strong concerns in the report about the "cultural shift" away from the ethic of public service to the corporate culture in a multi-national which is focussed on profits and returns for the corporation and its shareholders.

According to Gurstein, "privatization leads to an erosion of the "intrinsic satisfaction" that public employees used to get from public service delivery." Corporate failure to recognize the importance of good public service affects overall morale. The CCPA study confirms this happening at Maximus.

The study indicates that customer service at MSP and PharmaCare has suffered since Maximus took over. The new system of handling work at Maximus means customers

are not able to easily get the information they need especially if questions go beyond "the basics". Inadequate training, constantly changing technology and a push to promote "quantity" over "quality" have all contributed to the problem at MSP and PharmaCare since privatization.

The CCPA report also raises concerns about the lack of public accountability and transparency that comes with privatization and the creation of an arms length relationship with government. Despite Freedom of Information legislation, it is very difficult to get information on contract terms, and the level and quality of service. As the report points out, the process of restructuring has been largely invisible to the public.

"This report confirms what we have been saying for over three years— that privatization of public services has not delivered innovation and improvement in service," says George Heyman, BCGEU president. "On the contrary, it has created a situation where the workers delivering the service have experienced a decline in morale and engagement."

"It is time for government to take a fresh look at ways to make innovation within the public sector," says Heyman.

A copy of the report is available on the CCPA web site: [www.policyalternatives.ca](http://www.policyalternatives.ca). Click on "BC Office" in the left-hand margin. Then click on "Publications".

