Trends towards direct funding in health and social services:
Implications for labour markets and unions

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Agenda

• Public sector restructuring...only different
• Case description of Ontario’s developmental services sector
• Discussion
  – Labour markets
  – Unions
• Implications & conclusions
Public sector restructuring...

- New Public Management (Managerialism)
- Closure of state run institutions (privatization)
  - Province retains provision (funding) of services
  - Delivery contracted with transfer payment agencies (Non profit agencies – 3rd sector)
- Commodification of disability
  - RFPs (contract tendering)
  - Accountability metrics
  - Political shift from citizens to consumers
...only different

- Closure of institutions driven by pressures by disability rights movement
  - Independent Living Movement & NPM
  - Individual control of funds & cost less

- Community Living Movement
  - Families in 1950’s
  - John F. Kennedy, Burton Blatt “Christmas in Purgatory”, Geraldo Rivera (Willowbrook)

- Large institutions remain in Texas and Alberta
Ontario case description

• Part of a larger research project on IR in the developmental services sector

• Qualitative interviews (40)
  – Union staff, front line workers, families, government officials, employers

• Quantitative studies
  – IR practices and employee outcomes
  – Displacement effects of state closure
Ontario case description

- First state institution 1876 – 16 at peak
- Final closure March 31, 2009 (30 year trend)
- Community Living Movement
  - Family-based, grassroots rights movement
  - Family associations became Transfer Payment Agencies which now deliver all public services
- 2008 Social Inclusion Act
  - Individualized funding for direct purchase of services
Discussion – labour markets

• Privatization
  – De-unionization (wage effects)
  – Institutional stickiness (re-unionization of sector)
  – Growth of part-time casual labour (turnover)

• Hyper-marketization through direct funding
  – Informalization of labour markets (Craig’s List)
  – Family incentives in context of inadequate resources
  – Deregulation of qualifications and training
Discussion - unions

• 50%+ union density in sector
• Collaboration with family groups and agencies in campaigns to increase sector funding
  – 2007 political victory to increase funding
• Conflict with family groups over individualized funding (agencies sceptical towards DF)
• Unions in reactive stance – “Just Say NO”
  – Have already lost public policy fight 2008
Implications and conclusions

• Community unionism?
  – Mixed interests
  – Exercise of power (strikes & vulnerable people)

• Can progressive coalitions overcome job control unionism?
  – Unions and institutional transformation

• Lessons from other jurisdictions?
  – SEIU coalitions In Washington and lessons from home services sector