Impact assessment of liberalisation – and alternative strategies?

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The debate on liberalisation

- "More outsourcing and exposure to competition can save the public for (14.7 billion.) " (DI, CEPOS, etc.)
- "to ensure that tasks are performed ... best and cheapest (Competitive tendering should) be raised to 31.5% in 2015 to municipalities in all" (Government "recovery plan")
- "Denmark needs a pragmatic softening of borders between the private and public sector ... we must develop and test ways of forming public-private corporations" (Fair solution)



A strategi based on facts?

OAO, LO (TUC)
 and FTF join with
 "AKF" to look at the facts....





An example: The health sector

Is the private sector more efficient than the public?



CEPOS (right wing "thinktank"): "Private hospitals are 19 per cent. cheaper than the most efficient public hospitals"

"Resultatet er umiddelbart ikke overraskende. Erfaringer fra særligt udlandet viser samme tendens. I 1999 valgte man f.eks. i Sverige at udleje det offentlige hospital, St. Görans Sjukhus, ud til Capio, som er en af Europas førende private leverandører af sygehusydelser. Efter de første par år lykkedes det at reducere enhedsomkostningen med 30 pct. Det betyder, at hospitalet kan behandle 100.000 flere patienter årligt for de samme ressourcer. Den succes bør gentages i Danmark", siger specialkonsulent Mia Amalie Holstein, CEPOS





Alternative assesments

- 2) Health economics 17:1057-1071: "Does ownership matter?" in Germany:
- "Private and non-profit hospitals are on average **less** cost efficient..than public"



AKF-analysis

- 70 danish studies and 175 international studies (english or nordic language) has been selected (out of >1500)
- So far 33 danish studies has been evaluated and described.
- 17-19 has been "approved"



The work on the "metastudy"

- Assesment of the international studies
- Report on the individual studies
- Overall picture on assesment of the impact on:
- A) productivity in general?
- B) working-conditions– in general?
- C) differens between sectors?

Preliminary results

Out of 17 danish studies:

- 11 studies have conclusions on the economics of outsourcing.
- 8 studies include some positive outcome (from 0 to 33%)
- 3 studies have also a negative outcome (from 0 to -36%)
- 4 studies have also a "neutral" effect (in ex: only 45% of the cases have a positive effect)



Alternative strategies:

1) Best practice?

Copenhagen, AArhus, Esbjerg, Syddanmark, Helsingor, Hoje Taastrup, Gentofte, Greve, Sjaelland, Viborg....

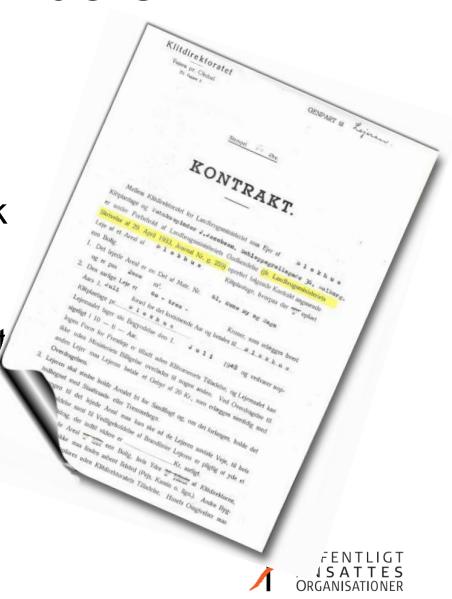




Call for tenders?

Aarhus – transport sector:

- Normal outsourcing in transport-sector will result in 5-20% cut back in pay
- 2. With no competition on pay, the public transport company got the contract (60% on price 40% on quallity)



2) Internal reorganisation?

- NO conflict between productivity and working conditions?
- No conflict between involvement / participation and the need for productivity?
- YES to participation AND coresponsibility in decisionmaking?
- Day to day decisions on productivity – how to do it?



