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# In the interest of safety and security:

The case for ending the privatization of  
Department of National Defence services

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Public Service Alliance of Canada  
Alliance de la Fonction publique du Canada

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# Executive

The Public Service Alliance of Canada (PSAC) and the Union of National Defence Employees (UNDE) call on the Government of Canada to stop contracting out civilian work at DND bases and bring it back into the federal public service. Contracting out facilities management and maintenance, cleaning services, food preparation, and in some cases the general trades work erodes not only accountability and transparency to the public, but also contributes to increased cost and prioritizes shareholders and profit over well-paying jobs with benefits and the public good.

The data that anchors this report was collected through analysis of available tenders and contracts that the Department of National Defence (DND) posted on government platforms for cleaning and facilities maintenance. Yet information related to these contracts and the contracts themselves must be sourced via access to information request—an approach often blocked in the protection business interest.

Further scrutiny of the business interests of the private firms awarded Government of Canada and DND facilities cleaning and maintenance contracts is warranted. In situating these global firms in an international context, our report illuminates publicized corporate failings of some private sector firms that are time and time again awarded DND base contracts.

Importantly, and with respect to workers' employment rights and working conditions, contracting out not only causes but amplifies workplace injustice, frustrates collective bargaining and invites unforeseen risks. Again, the PSAC and UNDE call on the Government of Canada to stop contracting out. Public service employment is an economic engine not to be underestimated.

Finally, the report concludes with nine recommendations that signpost the union's campaign. Primarily, the return of contracted-out labour to the federal public service is central. Recommendations also focus on current practices, legislative obligations relative to employment equity, and issues with operational funding. Among them is the need to revise the *Access to Information Act* to remove the protections of private firms based on a logic of the maintenance of competitive advantage. This is a roadblock to public transparency and fortifies corporate secrecy while paying out large sums of taxpayer dollars to enrich private shareholders.

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**The case for privatization is, at best,  
weak or non-existent.”**

— Economist Joseph Stiglitz in *Privatization: Successes and Failures* (2008)<sup>1</sup>

## **1. Introduction**

To contract out public sector work means to pay a private, usually for-profit firm or consortium, to carry out work that would otherwise be done by public service employees. On most Department of National Defence (DND) bases, facilities management, cleaning, food preparation, grass cutting, and trades work are contracted out. In some cases, services that are critical to DND’s missions, such as helicopter maintenance and airport management, are contracted out. This report explains why the practice of contracting out federal public services is ill-advised. While many of the cases examined relate to cleaning, the conclusions are applicable to all services.

With DND worksites as its focus, this report shows the costs and impact of contracting out. Through evaluation of DND requests for proposals, access to information and privacy (ATIP) data, and employee testimonials, we make the case that contracting out of civilian work on DND bases and facilities is not in the public interest, provides greater risk to DND and the Government of Canada, and costs more to get less.

## TRANSPARENCY

The data provided in this report have been gathered from the Government of Canada public accounts website, tenders and contracts found on Government Services Canada's [buyandsell.gc.ca](http://buyandsell.gc.ca), other Government of Canada publicly available databases, ATIP request results, Statements of Work (SoW), information provided at labour-management committee meetings, and interviews with UNDE members from across the country. Some of these sources are listed in the appendices to this report.

It is important to note that many Government of Canada data sources are incomplete, inaccessible, opaque or frequently modified. An example is the Statement of Work (SoW) for the contract between Serco and DND for facility maintenance at Canadian Forces Base (CFB) Goose Bay. This SoW has clear provisions for quarterly audits to be conducted by the base commander or designate and for written responses to complaints. When we submitted access to information requests for these audits and responses, we were told by Public Services and Procurement Canada (PSPC) that they were with DND. We were told by DND that they were with the contractor. How could neither contracting body have a copy of audits that it required and supposedly conducted? It appears to us that either the required audits

were not completed, or Government of Canada officials did not keep a copy. This is a clear example of the need for open and transparent data management of readily available contracts, without redaction, and further illustrates the inappropriateness of using private contractors who can hide behind corporate secrecy and competition provisions in the *Access to Information Act* (the Statement of Work and related correspondence can be found in [Appendix I](#)).

Additionally, there are reasons to be concerned about amendments to contracts and the lack of transparency. Contracts accessed through [buyandsell.gc.ca](http://buyandsell.gc.ca) are negotiated for a certain face value based on a tender process. During the preparation and writing of this report, frequent amendments to contracts were made, many totaling in the millions of dollars. See [Box \(1\)](#)<sup>2</sup> for an example. These amendments - these additional costs - were not subject to the same scrutiny as a contract tender would be and again reflect an aberration from the expected process. The tendering process has requirements and restrictions to ensure fair, transparent bidding and awarding of contracts that are in the public interest. Repeatedly amending existing contracts to values that far exceed original values, or for extended periods of time, serves to undermine the intent of the process, and is not in the public interest.

## 1. Janitorial Services - Stadacona, CFB Halifax (W6837-165584/001/HAL)

### Related Tender Notices

Title of Related Tender Notice	Notice Type	Procurement Entity	End User Entity	Publication Date
Janitorial Services - Stadacona, CFB Halifax (W6837-165584/A)	Notice of Proposed Procurement (NPP)	Public Works and Government Services Canada	Department of National Defence	2016-02-15

### Related Contract History

Title of Related Contract History	Amendment Number	Value of Related Contract History	Award Date
IMPERIAL CLEANERS LTD (W6837-165584/001/HAL~000)	000	CAD 684 549.00	2016/04/05
IMPERIAL CLEANERS LTD (W6837-165584/001/HAL~001)	001	CAD 327 198.00	2018/04/10
IMPERIAL CLEANERS LTD (W6837-165584/001/HAL~002)	002	CAD -5 597.00	2018/05/15
IMPERIAL CLEANERS LTD (W6837-165584/001/HAL~003)	003	CAD -59 436.00	2018/09/06
IMPERIAL CLEANERS LTD (W6837-165584/001/HAL~004)	004	CAD 2 415.00	2019/02/24
IMPERIAL CLEANERS LTD (W6837-165584/001/HAL~005)	005	CAD 215 958.00	2019/05/16
IMPERIAL CLEANERS LTD (W6837-165584/001/HAL~006)	006	CAD 33 028.00	2020/02/25
IMPERIAL CLEANERS LTD (W6837-165584/001/HAL~007)	007	CAD 419 158.00	2020/04/15

As explained later, this may also allow contractors to skirt employment equity obligations.

Finally, without transparency, it is impossible for the public to know if private firms that are receiving government funds to do work normally done by public service workers, are providing the service required. We've talked about the difficulty that we've had obtaining inspection reports that are required by Statements of Work. We're also concerned when contracts stipulate that the contractor must provide a certain number of workers, or a certain number of hours of work, and yet the details of what those workers are paid, what the contractor spends on supplies, and what they actually pocket as profit, are not available. For example, DND contracts with Dexterra to provide janitorial services for CFB Kingston.<sup>3</sup> In the Statement of Work for this contract, the contractor must, at all times, have onsite seven managers or administrators plus 32 full-time equivalent cleaners, not including holidays or other leave. If we assume, for the sake of simplicity, that these 39 workers each earn a minimum wage, the annual payroll would add up to \$1,050,504 (not including employer EI and CPP contributions), which is significantly more than the prorated Total Contract Value of \$3,202,226 for 6 years, as of this writing.<sup>4</sup> Obviously, these workers don't all make the same wage, and we would assume that the managers make more than minimum wage, but without transparency, public oversight of the spending of public money is not possible.

A welcome first step in an effort to stop contracting out and to bring work back into the public service, would be a complete, and unredacted, release of all contracts for civilian work in DND and Defense Construction Canada (DCC) facilities—a call long made by the Union of National Defence Employees (UNDE).<sup>5</sup>

## Some notes about data in this report

As discussed, the information provided in the body of this report and in the source table in Appendix II, that provides data for the tenders and contracts that DND has with various private companies for cleaning and facility maintenance, is as accurate as possible, but is not complete nor exhaustive. As contracts are amended regularly, we have taken a snapshot of as many of the contracts that we could find that are in effect as of September 1, 2020. Readers will see in the data sheet that some have passed their expiry date, but that optional extensions to contracts have been enacted. Readers will also see that several contracts are currently in the tender process and thus dollar values are either missing or are the approximation provided in the tender. Readers will see that a few contracts have passed their expiry date and have exhausted their optional extension years, and yet, for unknown reasons, have been extended again. Excluded from the data sheet are standing offers, temporary help service call-ups, and on-demand contracts, as their dollar values also cannot be determined. Also excluded are contracts for the Canadian Forces Housing Authority and most contracts that involve Defence Construction Canada (DCC).<sup>1</sup> Finally, there will be missing contracts that are organized through PSPC and didn't appear in our regular searches as relating to DND work. Ultimately, this means that any figures that we use are quite conservative and underestimate the magnitude of the expenditures on private contractors, and consequently, on private profits.

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<sup>1</sup> DCC, a crown corporation responsible for meeting infrastructure needs of DND, has authority over many contracts in the system. It is beyond the scope of this report to analyze the impact of DCC contracting out, but further examination is warranted in the future. A previous report and an Auditor General's report should be read to put this in context. Union of National Defence Employees. Review of Defence construction Canada. Ottawa: UNDE, 2012, 1-8.

## 2. Stop contracting out

The Public Service Alliance of Canada (PSAC) and the Union of National Defence Employees (UNDE) call on the government to stop contracting out civilian work at DND bases and bring it back into the federal public service. Based on publicly available information on [buyandsell.gc.ca](http://buyandsell.gc.ca) and access to information requests, a review of contracted out cleaning services on Canadian Forces bases that are either currently in force or in optional extension years showed \$250 million in private sector contracts awarded for cleaning and facility maintenance. These are jobs that in many cases have been, and should be, federal public service jobs.<sup>6</sup> The following table breaks down the approximate value of cleaning services-related contracts awarded by region.

Approximate Value of Base Cleaning and Facility Maintenance Contracts by Region	
Region	Approx. Value (\$M)
Atlantic	18.17
Central	3.4
North	114.16
Ontario	40.03
Pacific	6.38
Quebec	28.12
West	38.5
<b>Total</b>	<b>249.7</b>

Source: Compiled based on BuyandSell data.<sup>7</sup> <sup>ii</sup>

The cost of contracting out is more expensive and less efficient than using public service employees. In the end, public dollars end up in shareholders' and owners' pockets. For publicly-traded companies, as the world has learned, we must remember that their interests—the interest of the shareholders—come first. Companies like Serco, Aramark, and Dexterra take work out of the public service, thereby reducing transparency and leaving Canadians in the dark. How does this make sense for the good of the Canadian Forces or the Canadian public? And if such firms fail, as recently happened with the U.K. privatization giant Carillion, what is the government's plan?

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<sup>ii</sup> Missing from the dollar totals in the Western region is at least one large contract with CAE, Inc., a company that specializes in support services to government departments, including DND. CAE's main business is training; however, they provide facility management services at CFB Moose Jaw, which is contracted out, as described later in this report. We were not able to determine which of CAE's many contracts with DND reflect this particular work.

**In the 2018-2019 budget year, DND spent \$3,699,840,116 on contracted-out services, fully one third of its expenditures on personnel – both military and civilian (\$9,794,735,020).<sup>8</sup>**

## **2.1 Contracting Out: Paying more for less**

A growing global body of evidence demonstrates that privatization of public services is not the cost-saving panacea that it is frequently made out to be. Instead, as Philip Alston, the UN special rapporteur on extreme poverty and human rights, emphasized in a 2018 report, “private finance is more expensive than public finance, and public-private partnerships [P3] can also incur high design, management and transactional costs due to their complexity and the need for external advice.”<sup>9</sup>

In addition, a European Court of Auditors study on P3s in Europe found “considerable inefficiencies in the form of delays during construction and major cost increases.”<sup>10</sup> In terms of efficiency, a United Kingdom study found “no evidence of operational efficiency” in private finance initiative hospitals and concluded that “the cost of services, like cleaning, in London hospitals is higher under private finance initiative contracts.”<sup>11</sup>

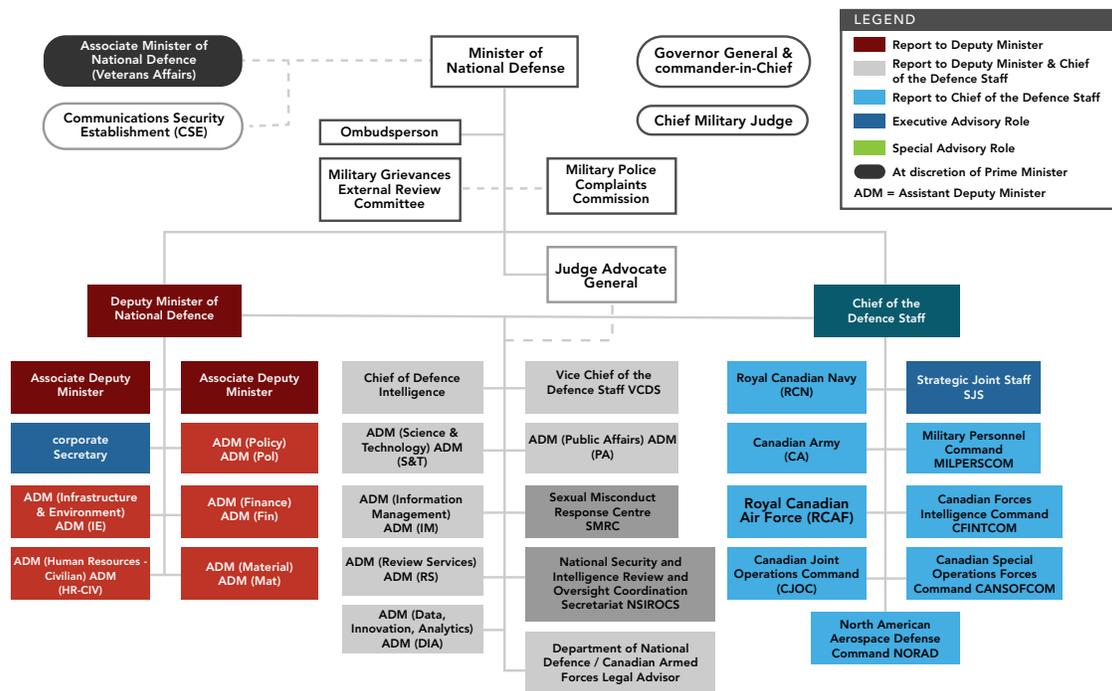
In the municipal sector, local governments are, more and more, making the decision to stop contracting out and to move previously privatized public services back into the public sector. The Columbia Institute’s instructive report, *Back in House: Why Local Governments Are Bringing Services Home* inventories 15 examples from across Canada of re-municipalization/insourcing as well as samples from the United States, the United Kingdom, and Europe. The conclusion is unequivocal: bringing these services back to the public sector is in the public interest.

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Of the 15 case studies on bringing services back in house detailed in this report,” write the authors, “80 per cent were brought home, because—amidst other reasons—the price tag was better . . . Experience with out-of-house service delivery in Canada is showing that contracting out **can be more costly, impact quality of service, remove services from community control, and reduce flexibility to meet changing governance needs.**”<sup>12</sup>

Taking a simplified view of CFB funding, Base Commanders have budgets with rigid line items to which they must adhere. The Salary Wage Envelope (SWE) contains (limited) funds to pay wages and benefits to public sector workers. The Operations and Maintenance contract envelope (O+M) contains generous funds for contracted services. In addition, in some regions, the Real Property Operations department (RPOs) provides cleaning or maintenance services to a base, usually through private contractors. This creates a problem whereby Base Commanders lose the flexibility to use the public service rather than contract out, even if contracting out is more expensive. Key to making these decisions are the offices of the Assistant Deputy Minister of Defence (Infrastructure and Environment) (ADM-IE) and ADM (Human Resources – Civilian – HR-Civ).

### Organizational Chart - Department of National Defence and the Canadian Armed Forces



A good example of this problem took place at CFB Kingston. In a briefing note written in October of 2017, officials at CFB Kingston requested support to transition cleaning services to a contracted model, stating that new buildings had been added to their footprint without additional SWE funding to maintain them. It also stated that **public service cleaners were the preferred option** to maintain cleaning of many areas, including those with certain security requirements, that a reduction in cleaning standards was not an option, but that, in the absence of a clear national standard or strategy, the base was left with no option but to make other arrangements. Further, the officer writing

the note indicates that the proposal is **not a cost saving measure** and that costs will in fact increase from \$4.3 million to \$5.8 million for the same service, an increase of **35%**. His note further indicates that it is necessary to take this step as the rigid budgetary adherence to SWE versus Operation and Maintenance contract lines does not allow Base Commanders to move funds without a significant penalty (see [Appendix III](#)). A study at the base in 2013 showed clearly that cost savings could only be realized with a reduction in the quality of cleaning, and that previous contracting out efforts had resulted in significant skimping on quality in the pursuit of profits. ([Appendix IV](#))



In undertaking this facts-based analysis of cleaning requirements, it is crucial that it be understood that RMCC previously used contracted cleaning services from 1994 until 2001. The anecdotal assessments gleaned with respect to this particular approach were that inferior results were noted. During this lengthy period, the cleaning standard fell far below what was required for RMCC, especially in the critical residential spaces (Ref F & H). It was observed that in an effort to increase the profit margin the contract cleaners were using inferior or improper cleaning products which resulted in additional maintenance, environmental problems and health and safety issues resulting in unfit living conditions for Cadets (Ref F & H).”

If we assume that the Base Commander's calculations in the above example are indicative of the average excess cost of contracting out, i.e. that contracting out costs 35% more than keeping the work in house, the \$250 million spent on private contractors who secured cleaning and facility maintenance contracts is more than \$63 million over what would be spent if these jobs were wholly within the public service (approximately \$187 million). Given that DND has studies showing that contracting out results in "inferior results", there is no justifiable reason to continue the practice.

Another simple, but poignant example can be found in an examination of a recent situation again at CFB Kingston. Management at CFB Kingston made the decision to contract out lawn maintenance and groundskeeping – work that had been previously been performed in-house. Management proceeded with this decision despite the assertions, accompanied by a business case, of UNDE local and national officers, that sending the work to the private sector would not save money. Personnel were assigned elsewhere, and equipment was removed from the base inventory. In the spring and summer of 2020, the private contractor failed to meet the requirements of the contract. Scheduled military activities depend on grounds that are properly prepared. Public service workers were ordered to complete the work – without the necessary personnel and without the appropriate equipment – work that the contractor is being compensated for, thus the actual cost of completion is even greater than the cost of the contract. Groundskeeping may seem like a benign issue, but imagine if this were runway maintenance, or the security and safety measures in an armoury, or tending to harbour management.



## 2.2 Putting Canada in context: Contracting out failures in other countries

There are numerous examples of the poor outcomes of privatization in Canada and around the world. Several examples have been identified of problems with the quality of services delivered, fraudulent activity, and other scandals in public service contracts among the same companies that are regular National Defence contractors.

### SERCO

Serco is a British multinational that operates in many countries, doing contracts for public services. In the UK, Serco operates in six sectors of public service provision: Health, Transport, Justice, Immigration, Defence, and Citizens Services.

In Canada, they have been operating since the 1990s and have 100 offices in four provinces: Newfoundland and Labrador, Quebec, Ontario, and Saskatchewan.<sup>13</sup> They are currently contracted to provide operations of the entire military base at CFB Goose Bay for DND. Last year, Serco bought Alion Science & Technology Corporation's Naval Systems Business Unit, which included its Canadian business. This expanded Serco's work for the federal government.<sup>14</sup>

In Ontario, Serco runs the driver's license testing. In 2017, there were complaints about major delays and technological problems, as well as workers complaining of understaffing and poor training<sup>15</sup>. In April 2019, Serco was cited as having failed to meet its wait time targets 94% of the time at the Kitchener DriveTest centre.<sup>16</sup>

Serco is steeped in scandals around the world. In 2017, the "Paradise Papers" cited a noted law firm that stated that Serco was a "high-risk" client, expressing concern about its "history of problems, failures, fatal errors and overcharging."<sup>17</sup> We detail some of these scandals below.

### FRAUD AND ABUSE IN PRISONS AND DETENTION CENTRES

Serco runs private prisons and immigration detention centers in the UK and Australia. There are many horror stories from those institutions; for example, at Yarl Wood women's immigration removal centre in the UK, several detainees alleged Serco guards sexually assaulted them.<sup>18</sup>

In Australia, a prison contract was taken away from Serco after it was discovered inmates had fight clubs. As well, Serco guards have been accused of excessive force in dealing with prisoners and detainees.<sup>19</sup> At Australia's Acacia prison, run by Serco, prison guards have recently threatened to walk off the job because of very invasive body scans that show their genitals.<sup>20</sup>

In Britain, Serco supplies electronic tagging devices for offenders and asylum seekers. They recently faced a scandal regarding billing of prisoner electronic tags which resulted in court charges of fraud. The UK Serious Fraud Office (SFO) made a Deferred Prosecution Agreement (DPA) with Serco in July 2019, stating, "The Serco division has taken responsibility for three offences of fraud and two of false accounting after a 'concerted effort to lie to the Ministry of Justice' in order to profit unlawfully for electronic monitoring services at the expense of taxpayers between 2010 and 2013."<sup>21</sup>

## PUTTING PATIENTS AND COMMUNITIES IN JEOPARDY IN HEALTH CARE SECTOR

In the UK, Serco operated in the health care sector for many years until scandals resulted in the company withdrawing from the sector in 2013.<sup>22</sup> Those scandals included not staffing enough doctors for a community, providing false information to the National Health Service (NHS)<sup>23</sup>, and clinical failures including losing and mislabelling lab samples.<sup>24</sup>

In Australia, Health department staff at Fiona Stanley Hospital had to start supervising Serco staff because of major problems with the delivery of their contract to provide sterilization services. These problems included blood and body tissues being left on medical instruments on numerous occasions.<sup>25</sup>



## PRIVATIZING THE PANDEMIC RESPONSE IN THE UK WITH DISASTROUS RESULTS

Despite previous scandals in the UK, in 2020 Serco was contracted by the British government to do contact tracing,<sup>26</sup> which will ask thousands of people who have been sick with the COVID-19 virus to share the details of their friends and acquaintances. Subsequently, the company made an error that resulted in leaking the email addresses of 300 of contact tracers.<sup>27</sup> The Labour Party has asked for an inquiry into the data breach<sup>28</sup> and questioned why the government is using this scandal-plagued company to perform this important job in the fight against the virus.<sup>29</sup>

After hiring hundreds of people to work on the contact tracing project, Serco promptly “let go” many of them, after they were sitting at home with no work to do.<sup>30</sup> The scheme has been called a “shambles”, as other problems have been revealed. For example, contact tracers have not been given criminal record checks, leading one employee to comment:

“If I was a sex offender or a domestic abuser, this could lead me to victims. I’m stunned at the complacency.” As well, security flaws have been found which may make the contact tracing app easy to hack, resulting in the launch being delayed.<sup>31</sup>

According to a recent New York Times article, “Contact tracing was supposed to be the bridge between lockdown and a vaccine, enabling the government to pinpoint clusters of infections as they emerged and to stop infected people from passing on the virus. Without it, a World Health Organization official said recently, England would be remiss in reopening its economy. But the system, staffed by thousands of poorly trained and low-paid contact tracers, was rushed out of the gate on May 28 before it was ready, according to interviews with more than a dozen contact tracers, public health officials and local government leaders.”<sup>32</sup>

More controversy arose recently when an email was leaked in which a chief executive of Serco stated (about the contact tracing project): “I very much doubt that this is going to evolve smoothly”, but “if it succeeds...it will go a long way in cementing the position of the private-sector companies in the public-sector supply chain.”<sup>33</sup>

In a recent poll, nearly half of UK residents said they don’t trust private companies like Serco to run the contact tracing program effectively.<sup>34</sup> Many are calling on the government to end the contract with Serco, citing numerous problems in this and other government contracts.<sup>35</sup> Due to ongoing problems, the contact tracing system was not fully in place until September 2020.<sup>36</sup> The UK’s response to the pandemic has been very weak, and in fact, during much of the the first wave, the UK had more deaths than any other European country. This problematic response has been linked to cuts and privatization in the NHS, including the problems with Serco’s contact tracing project.<sup>37</sup>

Allyson Pollock, a professor of public health at Newcastle University, has said, “The government has dismantled, fragmented and eviscerated so much of its health service over the last 20 years that it was much more difficult to get a coordinated system.” As a result, she went on to say, “We’ve had far more deaths than we should have. And lockdown has had to go on much longer than in other countries because we’ve let the virus rip for so long.”

In fact, other EU countries that are using the public service to do contact tracing are having much greater success — for example Germany.<sup>38</sup>

Given that Serco currently holds the contract to maintain a strategically critical Canadian air base, how can we trust that the government will not be left both holding the bill and scrambling to meet operational readiness should the company face financial difficulties. Given their cavalier attitude toward safety and security, how can we trust that the safety of our troops and our national security is not at risk while the company operates the base?

## ARAMARK

Aramark is an American food service, facilities, and uniform services provider to clients in areas including education, healthcare, business, prisons, and leisure. It operates in the US, Canada and an additional 20 countries. Currently, Aramark provides janitorial and accommodation services at CFB Moose Jaw for DND.

## FOOD SAFETY ISSUES

For years, Aramark has had several problems with food safety in its food service operations in the US and Canada. In Canada, there have been problems with their food at universities, including at Memorial University and Ryerson.<sup>39</sup> At Memorial, long standing problems included mouldy food and undercooked meat being served, and bugs in the food.<sup>40</sup> These problems came up in 2015 and then again in 2019, when 1200 students signed a petition asking for better food quality.<sup>41</sup>

At the University of Toronto, students successfully pressured the university to end its contract with Aramark and bring most food services back in-house.<sup>42</sup>

In the US, university campuses contracting to Aramark have also reported problems with food safety.<sup>43</sup> Also, there have been many instances of Aramark serving rotten or contaminated food in the prisons where they have catering contracts.<sup>44</sup> Notably, once the prison food services were brought back into the public sector last year, things improved.<sup>45</sup>

## LABOUR LAW VIOLATIONS

According to reports, in the US, "Aramark has also been the subject of a number of scandals regarding labor practices and business ethics. These include firing workers for reporting unsanitary food conditions, paying fringe wages, not paying for all hours worked, not paying backpay, and firing or eliminating the positions of those who file Equal Employment Opportunity Commission (EEOC) claims."<sup>46</sup>

Here in Canada, a complaint of workplace racism against Aramark recently surfaced. A cafeteria worker in Halifax who claimed she faced racial discrimination at work and complained to the Nova Scotia Human Rights Commission has received an apology and a cash settlement from Aramark. Aramark also committed to giving human rights and cultural sensitivity training to its Nova Scotia managers as part of the settlement.<sup>47</sup>



## DEXTERRA (FORMERLY CARILLION)

Dexterra (Outland-Carillion) emerged from the acquisition of Carillion Canada by Fairfax Financial Holdings in 2018, following the bankruptcy of its parent company in the UK.<sup>48</sup> With operations in 11 of 13 provinces and territories, they provide “ongoing maintenance and operations to clients in the aviation, defence & security, retail, commercial, private industry, healthcare, education and government sectors.”<sup>49</sup> Prior to the changeover to Dexterra, John MacCuish served as Executive Vice President of Services at Carillion Canada, in charge of P3s.<sup>50</sup> Upon the creation of Dexterra, MacCuish became its CEO.<sup>51</sup>

Carillion’s collapse was the biggest failure of privatization in the UK and around the world. The company, which held many public service contracts, was poorly managed and its failure put thousands out of work and many public sector projects in jeopardy.<sup>52</sup> Although Dexterra is a new entity, it arose from the ashes of the Carillion crisis and has continued to carry on their not-so-good reputation delivering public services.

## STANTON HOSPITAL

The new Stanton Hospital (“New Stanton”) in the Northwest Territories, where PSAC-UNW members work, has been a controversial P3 from the beginning. The \$350-million hospital was built as a P3, financed by the territorial government and built by Carillion Canada.<sup>53</sup> When Carillion filed for creditor protection in 2018, Dexterra became the new partner in the Stanton hospital project. Dexterra has been contracted to provide facility management for the next 30 years. It provides the hospital’s food, housekeeping, laundry, security and building maintenance.

A number of problems have occurred since the new facility opened in May 2019, including a nurse shortage that has been so severe that it has impacted patient safety.<sup>54</sup> As well, there have been sanitary issues related to a shortage of cleaners, including feces being spread on the floor due to the improper use of floor cleaning machines.<sup>55</sup> Water leaks and mould have also been a problem at the hospital since it opened just over a year ago. As well, when construction workers came in to do repairs, they were not properly trained and had never done work in hospitals before.<sup>56</sup> Further problems were reported in December 2019; a news article at the time stated that “Yellowknife’s new hospital is too hot, too cold, and leaking water in a number of areas – causing a ‘significant impact on operations’ and leaving staff angry and dispirited.”<sup>57</sup>

In February 2020, senior healthcare officials presented the long list of problems to the NWT legislature, including “inadequate provision of food, poor cleanliness of rooms, problems with water pressure, toilet overflows, water leaks, and cold air entering the building in extreme conditions.”<sup>58</sup> Dexterra is said to have underestimated the staff that it needed to run the hospital. By March, many MLAs voted to ask the Auditor General of Canada to investigate the hospital’s costs and “long-term financial implications.”<sup>59</sup>

The problems at Stanton Hospital have led the NDP in Saskatchewan to draw links with another problematic P3 there, North Battleford Hospital, that had been with Carillion and then was taken over by SNC Lavalin.<sup>60</sup> That P3 has had a number of problems since it opened, including water advisories.<sup>61</sup>

## CALIAN (CGY)

Calian is a company that specializes in defence technologies. Historically, Calian has had a very close relationship with the Department of National Defence but they have a rapidly growing health services division which also serves Veterans Affairs, the RCMP and Correction Services Canada.

In 2017 Calian's health services contract with DND was worth nearly \$75,000,000.<sup>62</sup> Their other large contracts are for training services (they operate the Canadian Army Simulation Centre) and for "other services".

Health services make up an important and growing part of Calian's business. Calian's 2017 financial report notes that their DND health services contract will be worth up to \$1 billion over its full 12-year period.<sup>63</sup> This is largely to provide health services on bases to active Canadian Forces members. They have leveraged this relationship into other opportunities which they have branded as "corporate social responsibility activities." Calian acquired Primacy Management Inc. in 2012, which works with Loblaw Companies Ltd on an exclusive basis to "design build and manage all in-store health clinics in support of Loblaws' health and wellness initiatives."<sup>64</sup>

They have grown that part of their business to 150 clinics. The press release that Calian issued at the time of the acquisition described Primacy as working "for Loblaws" and discusses "synergies" between Calian's military health services business and Primacy's civilian offerings. Primacy is essentially a property management company that manages space that Loblaws has set aside for their clinics by recruiting doctors, collecting rent from them and providing other services to manage the clinics (e.g. cleaning, furnishing).

With much fanfare, Calian launched a program in 2015 which places military families with doctors at Primacy clinics when those families must move. Under Corporate Social Responsibility, Calian's 2017 report notes that it has placed over 850 patients in this way since the program launched.<sup>65</sup> While this is certainly a helpful service, it is also a way to funnel more public money through Calian to Loblaws. The result of this is that certain family doctors are given what could be described as preferential treatment by virtue of their relationship with Calian and Loblaws. Loblaws and their affiliate bread companies were one of the primary actors in the illegal bread price fixing scheme.<sup>66</sup>



## 2.3 Impacts on health, safety, and human rights

Contracting out sets up scenarios in which firms underbid to secure contracts. Low-cost services, however, have a high impact. Whether it's part-time hours, cutbacks on chemicals used to clean DND facilities, toilet paper, or hand soap, consistently cutting corners to mitigate losses of a lower value contract amplifies workers' stress and risks creating health and safety issues. Further, it is these inconsistencies between contractors that put workers health and safety at risk.

As part of each contract's Statement of Work, regular audits are required, which include the reporting of complaints. Unfortunately, the reporting of such complaints is unavailable through access to information requests. In fact, as described above, when we requested these records, Public Service and Procurement Canada and National Defence both deferred that responsibility to the private contractor. We are still waiting on several similar responses to similar access to information requests.

### COMPROMISING HUMAN RIGHTS

Some of the companies that DND uses for its service contracts have also been involved in human rights abuses, such as mistreatment of prisoners and asylum seekers. Here are some examples.

In Scotland in 2018, Serco suddenly issued eviction notices to hundreds of asylum seekers who were temporarily housed as part of a contract they had with the government.<sup>67</sup> In response, the opposition parties in parliament wrote a joint letter to the Home Secretary, stating: "We share the view that this action by your accommodation provider will trigger a humanitarian crisis in Glasgow, leaving an estimated 300 already vulnerable men, women and children destitute."<sup>68</sup> After Serco threatened to lock them out of their homes, some asylum seekers went on a hunger strike.<sup>69</sup> The plans were paused pending legal action, and subsequently Serco lost the contract.<sup>70</sup>

Serco's housing for asylum seekers also came under scrutiny because of allegations of "dirty, substandard, unsafe and unsuitable accommodation."<sup>71</sup> The complaints led to an inquiry, which found evidence of poor conditions and poor treatment of asylum seekers. The company was also fined for breaching its contract.<sup>72</sup>

Responding to the controversy, Labour parliamentary candidate Paul Sweeney said: "Serco's business model is essentially one that trades on human misery."<sup>73</sup>

Aramark, like Serco, is one of the contracting giants involved in the controversial privatized housing for asylum seekers in Europe. Aramark Ireland Holdings Ltd holds contracts for on-site catering, cleaning and facilities, energy, and property management in several centres, which have been faced with criticism from human rights groups and politicians.<sup>74</sup>

Aramark is also currently under fire for threatening to evict 90 employees from their housing at Yosemite National Park, amidst the COVID-19 crisis.<sup>75</sup> Initially, although the park had been closed, they had allowed workers to stay for free in the housing that they had been living in while working there. In the beginning of May, Aramark told them that they have until May 21 to vacate the housing, despite a state emergency order that prohibited evictions during the pandemic.<sup>76</sup> Some of these employees had been living there for 10 years.<sup>77</sup> Recently, after the evictions went public, the company agreed to provide two more weeks for the employees to move out but did not rescind the eviction notices.<sup>78</sup>

## 2.4 Contracting out undermines free collective bargaining and harmonious labour relations

In 2019, UNDE's access to information request (Appendix V) for the contract between DND and GDI Integrated Facility Services (GDI Canada), a firm that provides janitorial services to the DND base in Petawawa, revealed that in the event of a strike or lockout, the contractor (GDI Canada) must provide full services. The 'lockout/strikes' clause reads as follows:

### c) LOCKOUT/ STRIKES

*i) In the event of a strike by the Contractors personnel or a lockout imposed on those personnel by the Contractor, the Contractor must, with the assistance of its supervisory personnel, provide full services, failing which, Canada reserves the right to terminate the Contract for default and use the contract security to fulfill the Contractors obligation to complete the Work.*

*ii) In the event of a strike by DND personnel or a lockout imposed on those personnel by the DND, the PA may, on giving notice, suspend the activities of the Contract or substantially reduce the scale of the Contract for the duration of the strike by or lockout imposed on DND personnel.*

Alarming, not only does this language undermine free and fair collective bargaining, it highlights the extent to which DND will go to sign contracts with private sector firms that do not respect the rights of workers.

Through this contractual language, the Government of Canada has incentivized and encouraged its contractor, and also out-of-work Canadians, to engage in highly destructive and anti-social behaviour: strike-breaking.

The use of strike-breakers (euphemistically referred to as 'replacement workers', and less-euphemistically called 'scabs') is well-known to cause a host of serious problems: labour disputes are prolonged at great cost to families and communities, and the prospect of violence on picket lines (normally a rare and exceptional thing) is drastically increased. The natural balances meant to be struck via collective bargaining are disrupted, and constructive and harmonious labour relations become impossible. Trust is irreparably damaged, and employment and collective bargaining relationships become toxic for years to come.

It is for these reasons that some Canadian jurisdictions, such as British Columbia and Quebec, have banned the use of replacement workers. Instead of implementing a similarly forward-thinking approach in the federal jurisdiction, we instead see the Government of Canada leaning on its contractors to hire and use scab labour during labour disputes.

It is also notable that care seems not to have been taken in the drafting of the DND contract with GDI to align with and reflect the reality of public service labour relations legislation. The contract suggests that DND personnel could be locked out by their employer. Unlike private sector labour relations legislation in most jurisdictions, a lock-out of employees is not permitted under the *Federal Public Sector Labour Relations Act*. The existence of language in the contract that suggests a lock out of DND employees could occur must be taken as indicative a lack of knowledge, care and attention by the government that is reflective of its overall negligent approach to the issue of contracting out: expedience is placed before excellence, and sloppiness is okay. Justice doesn't matter.

Further problems in this particular contract are seen in clauses that prohibit employees of the contractor from interacting with military and civilian personnel on base. This situation has already resulted in at least one worker being disciplined and threatened with dismissal for trying to have a conversation with a Base Commander.

## CONTRACTING OUT CAUSES WORKPLACE INJUSTICE, FRUSTRATES COLLECTIVE BARGAINING AND INVITES UNFORESEEN RISKS

When the Government of Canada contracts work out of the public service, the effect is to perpetuate the existence of what might be called an "underclass" of Canadian workers, particularly where functions are outsourced to personnel or "temp" agencies. Working side-by-side with members of the federal public service in the delivery of critical public services, the precarious workforce of "temps" experiences radically inferior entitlements in virtually every aspect of their working life: wages, medical benefits, paid sick leave, paid vacation, and pensions. In every one of these respects, the individuals who perform contracted-out public services will receive less than those they work beside.

The use of temp agency workers raises additional, unique considerations when it is the Government of Canada that chooses to exploit those workers. In Canadian law, it is well established, since the Supreme Court of Canada decision in *City of Point Claire*,<sup>79</sup> that in a tripartite relationship of employee-temp agency-client, the party who exercises "fundamental control" over the employment relationship in all its various dimensions is to be treated as the "true employer" of the employees. There have been many cases in which labour relations tribunals in Canada have found that the client which has hired a temp agency to provide labour is at law the true employer, because of the degree of control it exerts over the employment of the temps and direction of the work. This jurisprudence is a critical element of employment justice and viable collective bargaining, for it is also the "true employer" who is required to collectively bargain with a union that represents the workers in question.

Yet, when the Government of Canada contracts out work, but then continues to exercise “fundamental control” over the work and the people who perform it (which happens all the time), the legal doctrine of “true employer” cannot be accessed by those workers and their unions. This is because an earlier Supreme Court of Canada decision (*Canada (Attorney General) v. PSAC and Econosult, 1991*)<sup>80</sup> ruled that in the case of Canada’s public service, it is only if a person has been formally appointed to a position under the *Public Service Employment Act* that they can be found to be an employee in the public service. The effect of this decision is to permit the Government of Canada to engage temp workers, exercise fundamental control over them, but escape the obligations it would otherwise face as their employer. This is because neither employees nor their unions can compel the “true employer” to negotiate or bring that “true employer” to justice. This is a form of economic and social abuse in which no right-minded Canadian government should engage or be permitted to engage.

There is still a further issue raised by the contracting out of federal public service functions in Canada: the unknown and unforeseen risks presented by conflicts of laws and jurisdictions. Under the division of powers in Canada’s constitution, employment law and employment relations are presumptively governed by provincial law. Provincial jurisdiction is the rule, and federal jurisdiction is the exception. When examining whether a particular employer is subject to provincial versus federal labour and employment laws, a “functional test” is applied, and that test starts with the presumption of provincial jurisdiction.

The reason this matters in the context of contracting out by the federal government is that when work is contracted out and is no longer performed or “owned” by the government, it often becomes subject to provincial jurisdiction. Many federal government workplaces are filled with temporary and contract workers who are governed by a different regime of laws, regulations and jurisprudence than those applicable to federal public service employees. Employment standards, human rights, occupational health and safety, labour relations – all these important areas of law (and others) may therefore differ between individuals who all work towards delivering a single federal government program or project. What are the effects of having differing standards and laws applying to various people who are all supposed to be working together efficiently towards the same goal? It is difficult to see or theorize any positive effects. In terms of negative effects, we may ultimately find that we learn the answer the hard way, only when such a conflict of jurisdiction and laws has already resulted in harm that could easily have been avoided.

Recent changes to the *Canada Labour Code* have created a gap in legislation such that cases of complaints of workplace violence and harassment, including sexual harassment, between workers of different employers are not subject to the stringent third party investigation requirements that are in place for workers of the same employer. Contracting out of DND public sector work, by definition, brings workers from a different employer into the federal public service workplace, and therefore can, and has, resulted in cases that cannot be properly investigated, leaving workers vulnerable to harassment, violence, and discrimination. All these situations can and should be prevented by bringing all civilian defence work back into the public service.

## **A Canadian example – the pandemic and contracting out**

The COVID19 pandemic has exposed many of the problems that have been documented to occur with privatization across industries, and around the globe. At CFB Moose Jaw (15 Wing Moose Jaw), many services are contracted out that, at other bases, are provided by civilian workers employed by the Department of National Defence. Mega-corporations, CAE and Aramark, hold major contracts at the base. CAE has also contracted out work to both ATCO and Sodexo. Unlike many workers in private contractor roles, workers at Aramark, ATCO, and Sodexo are all represented by UNDE-PSAC.

When the pandemic began, the Government of Canada and the Department of National Defence began to institute federal provisions to protect workers and prevent the spread of the virus. It is important to note that DND needs to be “operation” ready at all times. Work from home and distancing provisions were, and still are, necessary to ensure that all CAF and civilian defence workers are kept healthy and safe in order to be ready to protect the rest of the country and activities abroad when called upon, as we saw when military personnel were assigned to long-term care facilities in Quebec. At this time, 15 Wing went into a state of “minimum manning”, with the majority of CAF and civilian defence workers working from home. Flights in and out of the base were cancelled. Core military functions were maintained but only critical activities were to continue. Many facilities were closed (e.g. recreation facilities), and few personnel remained on base. Nearly all travel was cancelled, and events and visits ceased. While DND employees, both CAF and civilian, were provided with these provisions, and were therefore as protected as possible, from infection, and from infecting their families and co-workers, employees of private contractors did not have the same protections. It is important to note that DND was not penalizing contractors for reducing workers hours or for allowing them to work from home. Contractors were continuing to be paid. In fact, DND instructed contractors to limit work to “only essential core activities as identified by the respective Technical/Procurement Authority”.

UNDE-PSAC officers and staff were notified that many of their members who work in food service, cleaning, facilities maintenance, and firefighting, working for private contractors, were required to work regular hours, regardless of whether there was work to do. These contractors were putting their workers, DND CAF and civilians at risk by doing this. They were not given the ability to complete the essential tasks they have and then go home to isolate, but instead were directed to do “busy work” including tasks that

were not in their normal job description. For example, airfield firefighters were told to paint. Some contractors gave verbal notice of potential layoffs. One contractor ordered their workers not to talk to anyone about health and safety concerns, except their managers (a fundamental breach of collective agreement provisions). Other workers were told that they were to "reflect on how fortunate you are to have jobs", that "health and safety responsibilities for yourself and your co-workers is up to you". Some workers were required to use vacation, sick or other leave should they need to isolate. This created a situation where some workers felt pressured to be at work instead of at home self-isolating, immunocompromised workers had no alternatives but to work, and workers feared being disciplined or fired for taking too much time off. Workers reported that the work being assigned was not critical. They also reported being worried that they would put their jobs at risk by pointing out health and safety issues, or by grieving the situation. The contractors wanted to go over and above to prove they are the "best" contractor to hire. Contractors showed clearly that they were only concerned about their bottom line, and not the health and safety of their workers or others on base.

This situation put these workers at risk, put the DND workers left on base at risk, and created two classes of workers – those who were protected by their employer, and those who felt disposable. It took many phone calls and emails over several weeks to contact or to even just get a reply from the human resource and management departments of the contractor. These head offices are not located in the province of contract. Contractor managers ignored union representatives' attempts to contact them. When contact was made UNDE-PSAC officials were told "you will not contact the client (CAE/DND) to discuss" and "these employees should be lucky they are still working, those without a union have been laid off". Immediately after these conversations with management, employees were told not to talk to anyone about their work only their immediate management. When the workplace issues were brought to DND managers, UNDE-PSAC officials were told that DND "couldn't tell the contractors how to manage their workforce". Only through intervention by UNDE-PSAC officers and staff — including senior elected officials, June Winger and Mona Simcoe and only when the Deputy Minister was brought into the situation, did these contractors make some movement to rectify their processes. UNDE-PSAC officials are still trying to rectify concerns after eight months with the second wave of this global pandemic on the horizon.

# 3. Public sector workers: An engine of the economy

A strong public service helps strengthen the economy.

A 2019 socio-economic report suggests that hiring more public sector workers would benefit the Canadian economy and support a strong, diverse middle class. Public sector jobs contribute to a social context which favours growth through creating stability hubs throughout economic cycles and by mixing up industries and economic growth in non-urban regions. Further, public sector employment maintains a strong middle-class and reducing gender-based and race inequities in the workforce.<sup>81</sup>

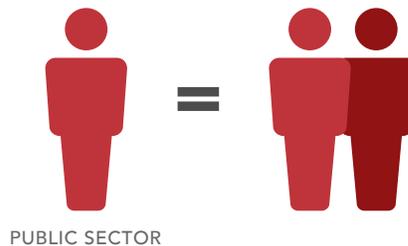
## ECONOMIC BENEFITS

Each dollar spent by the public sector adds \$1.77 in economic benefits to the national economy and raises the GDP by \$1.22.



## JOB CREATION

Every full-time job created in the federal public sector contributes to the creation of 1.91 jobs.



## BENEFITS FOR FEMALE WORKERS

Hourly wages of women working in the public sector rose to 90% of the hourly wage of men over the last two decades, compared to an increase to 80% of men's wages in the private sector.



We call on the government to undertake efforts to contract in—this is the task of bringing those jobs that were previously contracted out to private sector firms back into the public service – all civilian work that supports DND military personnel, whether on base, in offices, or on missions.

Monica<sup>iii</sup> worked for a large private cleaning company that holds a contract for a DND base in a small city. This company has dozens of active contracts with the Government of Canada worth millions of dollars.

During her time there, Monica experienced many of the situations that we discuss in this report.

Monica had one employer – the private contractor - but often was given direction from DND managers on site. Her employer told her that the DND managers were “difficult”, setting her up with expectations for conflict. She in fact found them to be pleasant to work with. She wasn’t, however, comfortable sharing with them that her employer had directed her to water down cleaning supplies, or that her supplies, such as laundry soap, were rationed, and she often ran out. Frequently she felt like she had two employers.

Monica received no health and safety training for her job. She only received WHIMS training after some time in the role. She was trained on cleaning procedures for one location but not for others that she was assigned to. In particular, she was directed to clean medical facilities with no specific training, until a health professional in the building complained about her work. During her time with the company, Monica was pregnant and experienced severe morning sickness. She was not provided with appropriate support and would have to wait for hours to find her employer in order to be able to leave work, even if actively vomiting.

Aside from the interactions with DND managers, interactions with other public service civilian and forces personnel was frowned upon. Monica and her coworkers “worked around DND personnel” and weren’t allowed to attend DND events – going away parties for colleagues or celebrations. Monica’s co-workers who had been on base when the work was in the public service, shared with her stories of comradery and collegiality – when all base workers - cleaners, administrators, military personnel – worked together and supported each other.

Most concerning, Monica was assigned by her employer to clean secure areas but didn’t have appropriate security clearance. National Defence security protocols were repeatedly compromised when she would be let into the secure area by a co-worker who did have a security card.

In the end, Monica left her job, for work at McDonald’s because the chain provided better pay, the opportunity for pay increases, and the availability of benefits for full-time work — all things that she needs to raise her growing family. Monica would have preferred to stay on base, not as a private contractor employee, but as a public service worker, providing quality services to CAF personnel, while still being able to raise her family, and contribute significantly to her community. Until DND stops contracting out, and brings this work back in house, workers like Monica will go through unsafe, and unsatisfactory situations, and will need to look elsewhere for decent work.

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<sup>iii</sup> Name changed to protect the worker

## PRINCIPLES NECESSARY FOR A REPRESENTATIVE PUBLIC SERVICE

The Canadian Parliament over the years has passed legislation to ensure both that Canadians have access to good government jobs, and that Canadians receive service from a public sector workforce that is qualified, capable and representative. These principles are enshrined in the *Public Service Employment Act* (PSEA): fairness, transparency, access, representativeness, and merit.

Similarly, the *Employment Equity Act* (EEA) intends to:

...achieve equality in the workplace so that no person shall be denied employment opportunities or benefits for reasons unrelated to ability and, in the fulfilment of that goal, to correct the conditions of disadvantage in employment experienced by women, Aboriginal peoples, persons with disabilities and members of visible minorities by giving effect to the principle that employment equity means more than treating persons in the same way but also requires special measures and the accommodation of differences.<sup>82</sup>

This legislative agenda is meaningless, however, considering the Government of Canada's ongoing outsourcing of federal public sector work. Using contract workers, temporary help agency workers and full contracting-out runs counter to the principles inherent in both critical pieces of legislation.

*The Employment Equity Act* and the Federal Contractors Program require that all federally regulated businesses and all contractors with contracts over \$1 million implement employment equity in their workplaces. However, employment equity audit results or processes are not disclosed by the government, so it is impossible to tell whether the government is simply taking contractors at their word when they attest to their employment equity practices.

Contractors who are exempt from the Federal Contractors Program, due to the initial contract being valued at less than \$1 million, can circumvent the requirements as they aren't required to abide by provisions of the Federal Contractors Program

when contracts exceed \$1 million due to amendments. In an analysis of contract amendments available on the Government of Canada's Open Data set, DND amended at least 824 contracts in the year 2016-2017. While some information about the actual contracts and payments to these contractors is sometimes available (albeit, often redacted or otherwise opaque), nowhere in the government reporting is there a consistent or comprehensive tracking of the people who make up this substantial portion of the workforce. Given the frequent reports of racism, sexism, homophobia, transphobia and other forms of discrimination on military bases, it is of paramount importance that all workers have the opportunities inherent in the EEA and in the *Canadian Charter of Rights and Freedoms*. The best way to do this is to ensure that they have one employer – DND – that is directly subject to the EEA provisions, that has a unionized workforce that fights for the rights of its members.

# 4. Recommendations

The Department of National Defence should:

- return contracted-out work to the federal public service
- cancel current and future plans to further contract out work
- embark on an ambitious public sector hiring and human resources plan that includes genuine adherence to the principles in the PSEA and EEA
- reinvest the millions of dollars by bringing federal public service jobs back to DND and into the Canadian Forces, to provide services including upgrading inferior housing and real property, training of personnel, and developing genuine efforts to tackle systemic racism, discrimination and sexual harassment within the Forces
- fill vacancies created by retirements, promotions, transfers or other separations, with federal public service workers
- increase the Salary & Wage Envelope (SWE) to ensure that each base and facility has the budgetary capacity to properly staff all departments with public service workers
- begin an immediate, transparent and thorough review of Defence Construction Canada (DCC), with a view to ensuring that all work is done by public service workers
- take measures to ensure that all contracts with a value over \$1 million, either at initial face value, or through amendments, are subject to the Federal Contractors Program

Finally, we call on the government of Canada to:

- revise the *Access to Information Act* to remove the protection of competitive advantages and corporate interests that block public transparency

## NOTES

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<sup>2</sup> <https://buyandsell.gc.ca/procurement-data/contract-history/W6837-165584-001-HAL-6>

<sup>3</sup> <https://buyandsell.gc.ca/procurement-data/contract-history/W6837-184717-001-KIN-6>

<sup>4</sup> <https://buyandsell.gc.ca/procurement-data/contract-history/W6837-184717-001-KIN-6>

<sup>5</sup> Report of the Auditor General of Canada to the Board of Directors of Defence Construction (1951) Limited—Special Examination—2016 [https://www.oag-bvg.gc.ca/internet/English/parl\\_oag\\_201705\\_08\\_e\\_42231.html](https://www.oag-bvg.gc.ca/internet/English/parl_oag_201705_08_e_42231.html)  
[https://www.oag-bvg.gc.ca/internet/Francais/parl\\_oag\\_201705\\_08\\_f\\_42231.html](https://www.oag-bvg.gc.ca/internet/Francais/parl_oag_201705_08_f_42231.html)

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<sup>7</sup> Disclaimer – Minimal approximation

<sup>8</sup> [https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#orgs/dept/133/infograph/financial/..-\(panel\\_key.-.historical\\_g\\_and\\_c\)](https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#orgs/dept/133/infograph/financial/..-(panel_key.-.historical_g_and_c))

<sup>9</sup> United Nations General Assembly, “Report of the Special Rapporteur on extreme poverty and human rights,” A/73/396, September 26, 2018, 11, <https://undocs.org/A/73/396>

<sup>10</sup> *Ibid.*, 11.

<sup>11</sup> *Ibid.*, 12.

<sup>12</sup> Keith Reynolds, Gaetan Royer and Charley Beresford, *Back in House: Why Local Governments are Bringing Services Home* (Vancouver, BC: Columbia Institute Centre for Civic Governance, 2016), 6, [https://cupe.ca/sites/cupe/files/back\\_in\\_house\\_e\\_web\\_2.pdf](https://cupe.ca/sites/cupe/files/back_in_house_e_web_2.pdf)

<sup>13</sup> About Serco Canada, <https://ontariosecuritytesting.com/about-serco-canada.html>, accessed July 29, 2020

<sup>14</sup> “Serco Acquires Alion’s Naval Systems Business Unit”, *Canadian Defence Review*, January 8, 2019, <http://www.canadiandefencereview.com/news?news/2711>

<sup>15</sup> Pam Seattle, “Transportation minister seeks answers in drive test wait times”, *680 News*, September 13, 2017, <https://www.680news.com/2017/09/13/transportation-minister-seeks-answers-in-drive-test-waittimes/>

<sup>16</sup> Faisal Ali, “Stuck in traffic jam before they even get behind the wheel”, *Woolwich Observer*, April 25, 2019, <https://observerxtra.com/2019/04/25/stuck-in-traffic-jam-before-they-even-get-behind-the-wheel/>

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