

Attitudes on ~~Privatization~~ Outsourcing

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Why Are They Outsourcing?

“Desperate government is our best customer. There will be a lot of desperate governments out there.”

- ❖ Infrastructure expected to be over **\$100 billion**.
- ❖ Private waste is a **\$50 billion** a year business.
- ❖ Chicago Parking LLC: **\$11.6 billion**
- ❖ Denver Northwest Parkway: **99 years**
- ❖ Indiana Toll Road: **\$447,000**



\$6,000,000,000,000

Why Are They Outsourcing?

181 (2009)

3.6 million

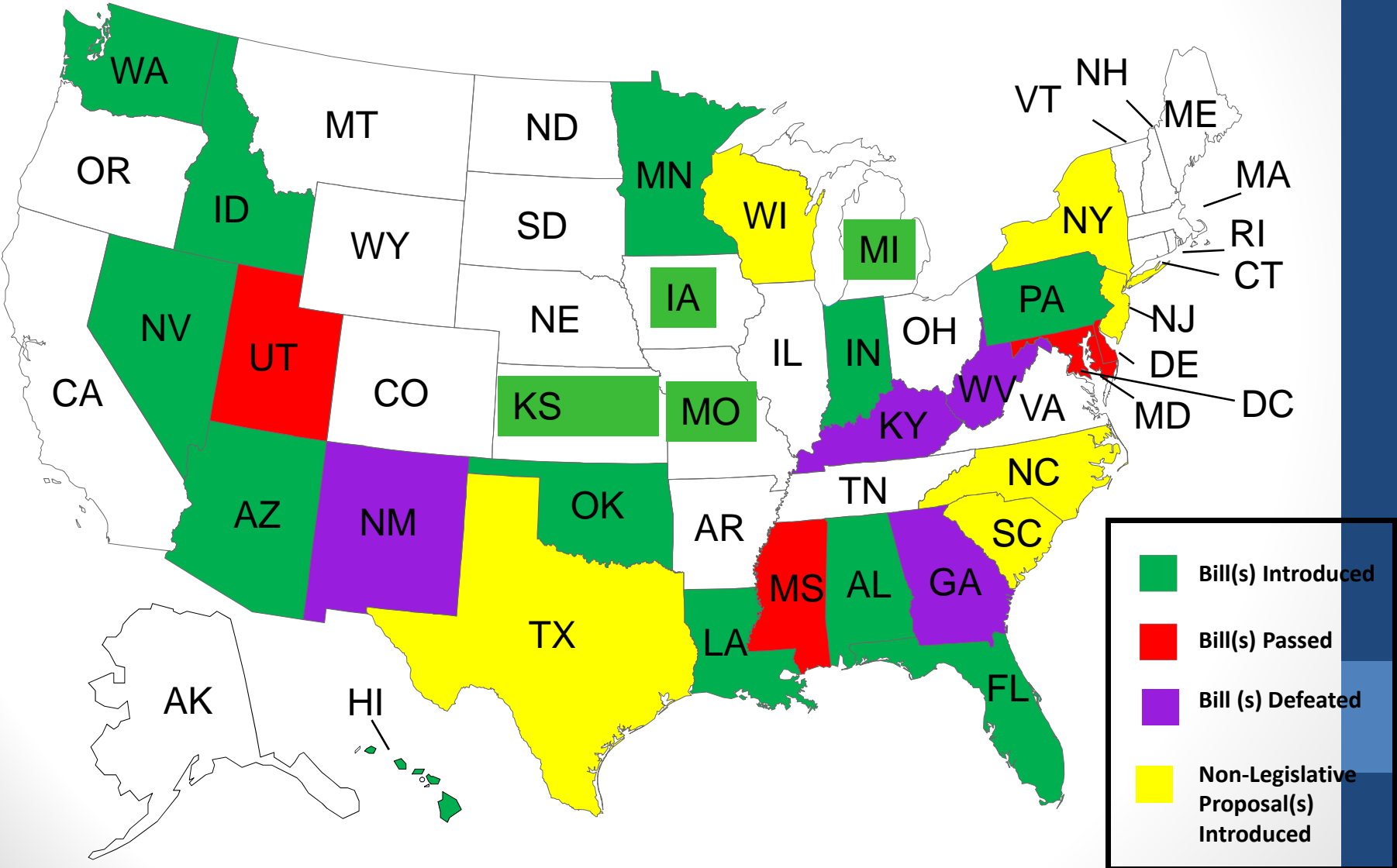
1% =
1/3

8

\$10
million

257 x YOU

2013 Privatization Bills



Overview

- Poll Conducted June 2013
- 784 Interviews
- National Sample of Registered Voters
- 3.5% Margin of Error

Demographics	
Male	46
Female	54
White	73
AA/LAT/API	27
Age 18-49	36
Age 50-65	36
Age 65+	27
Democrats (3-1-3)	44
Independents (3-1-3)	13
Republicans (3-13)	36
College Graduate	44
Non-College Graduate	56

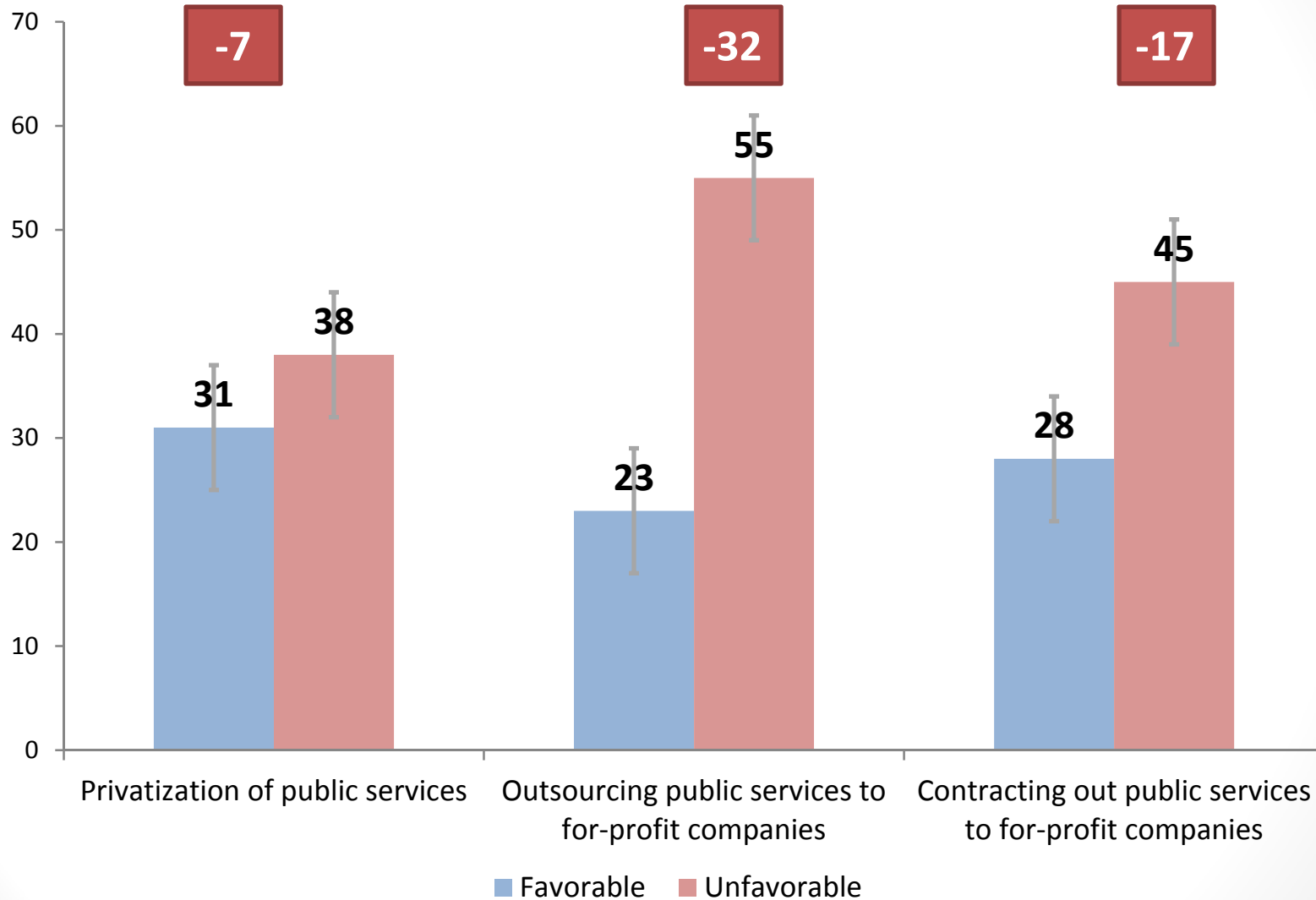
Key Findings

- A strong majority of voters are opposed to outsourcing with few undecideds.
- The top testing messages in support of outsourcing revolve around government is incompetent, that government is broke, and that government should run like a business.
- The top testing messages in opposition to outsourcing revolve around the ideas of control and specifically, ceding control to wealthy CEOs and Wall Street.



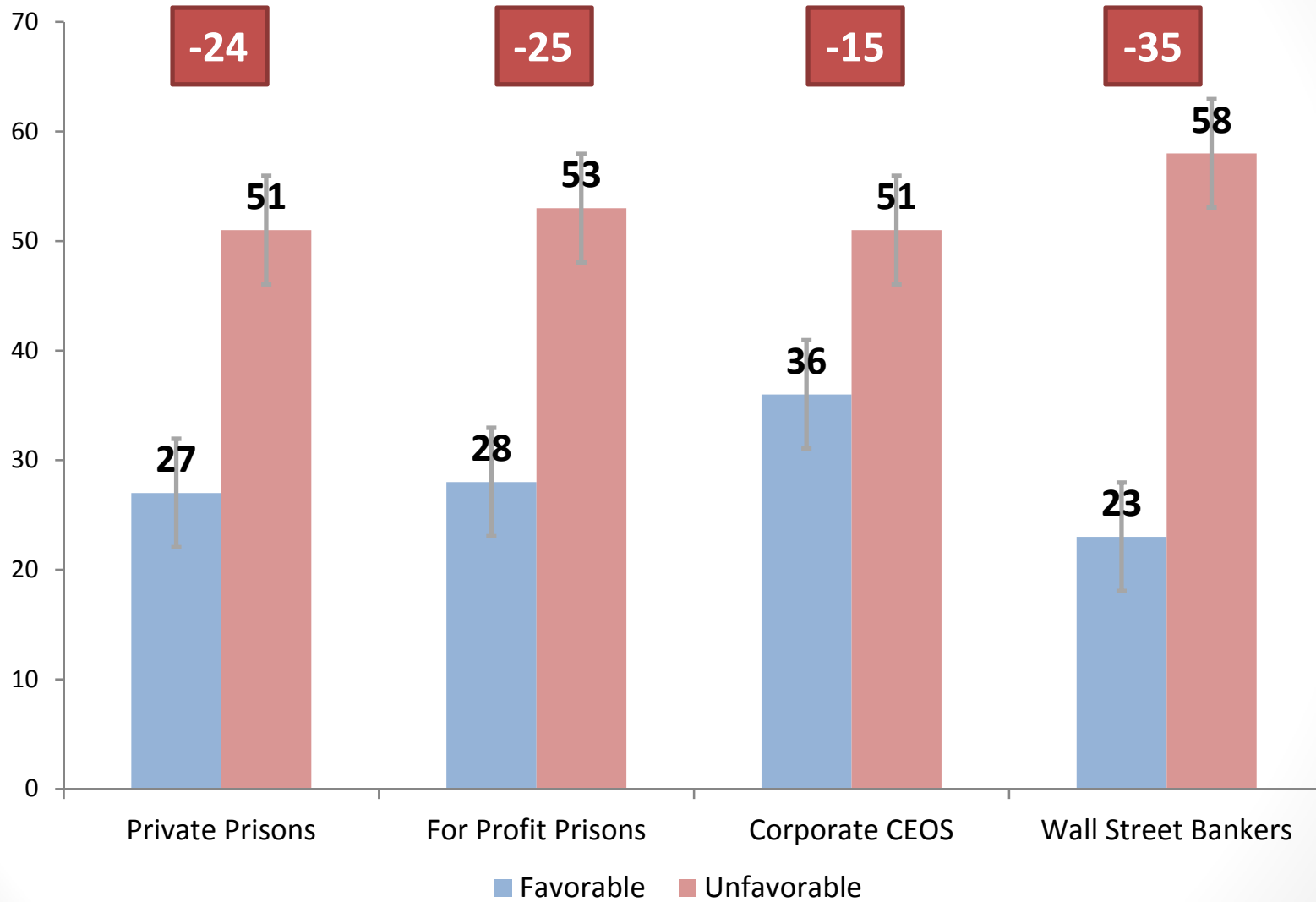
Favorability

Describing outsourcing.



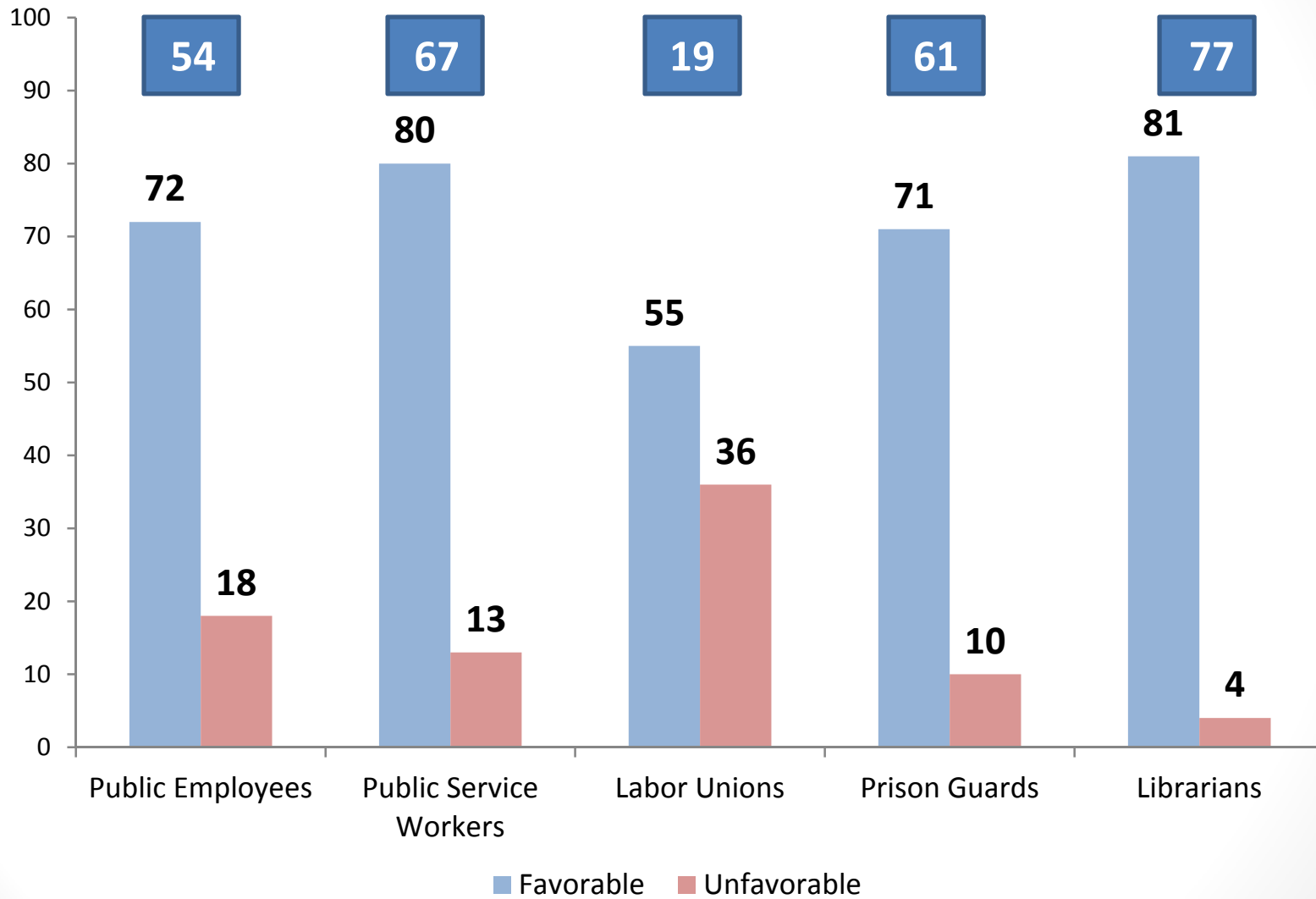
Favorability

Opposition



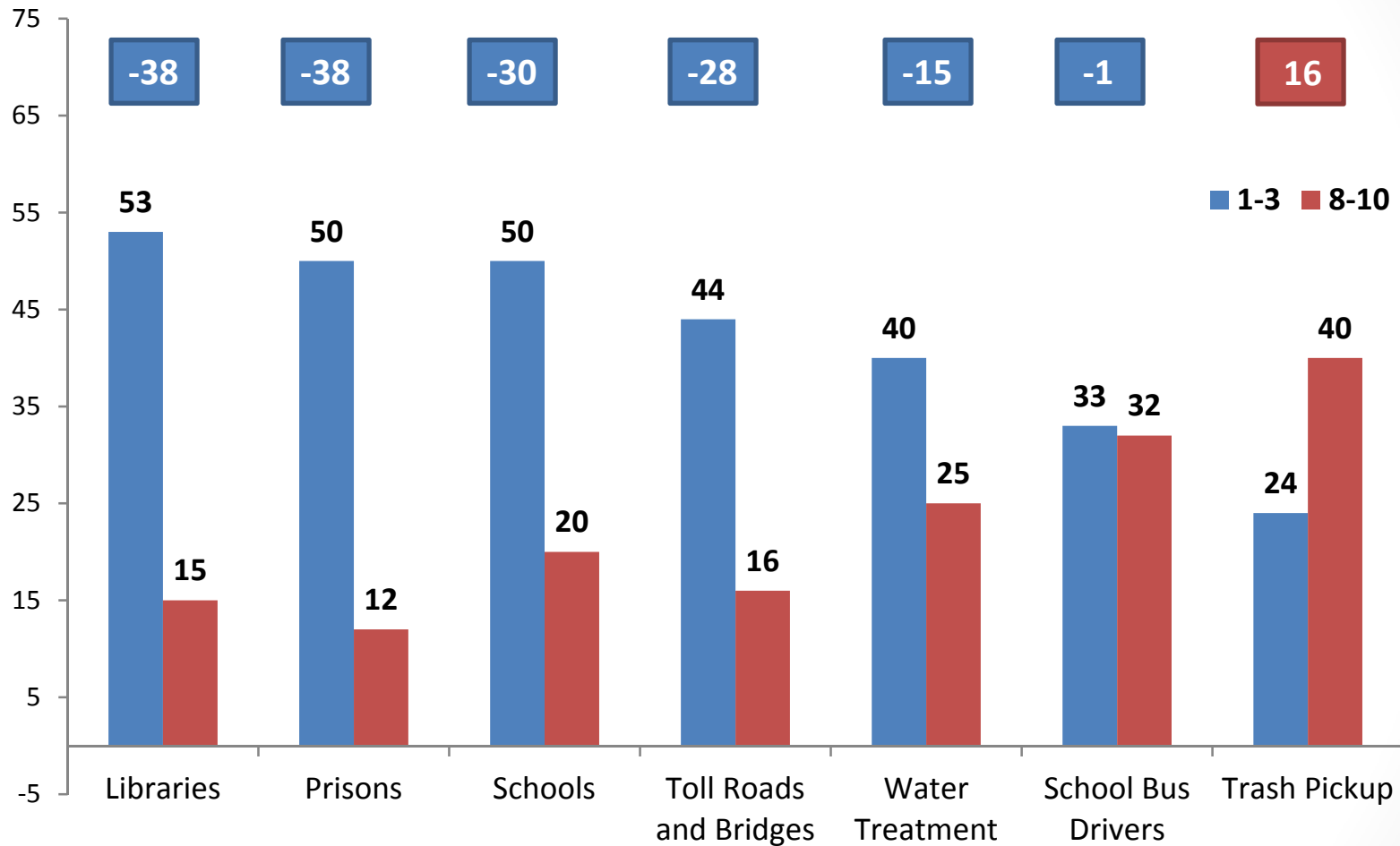
Favorability

Messengers



Outsourcing By Service

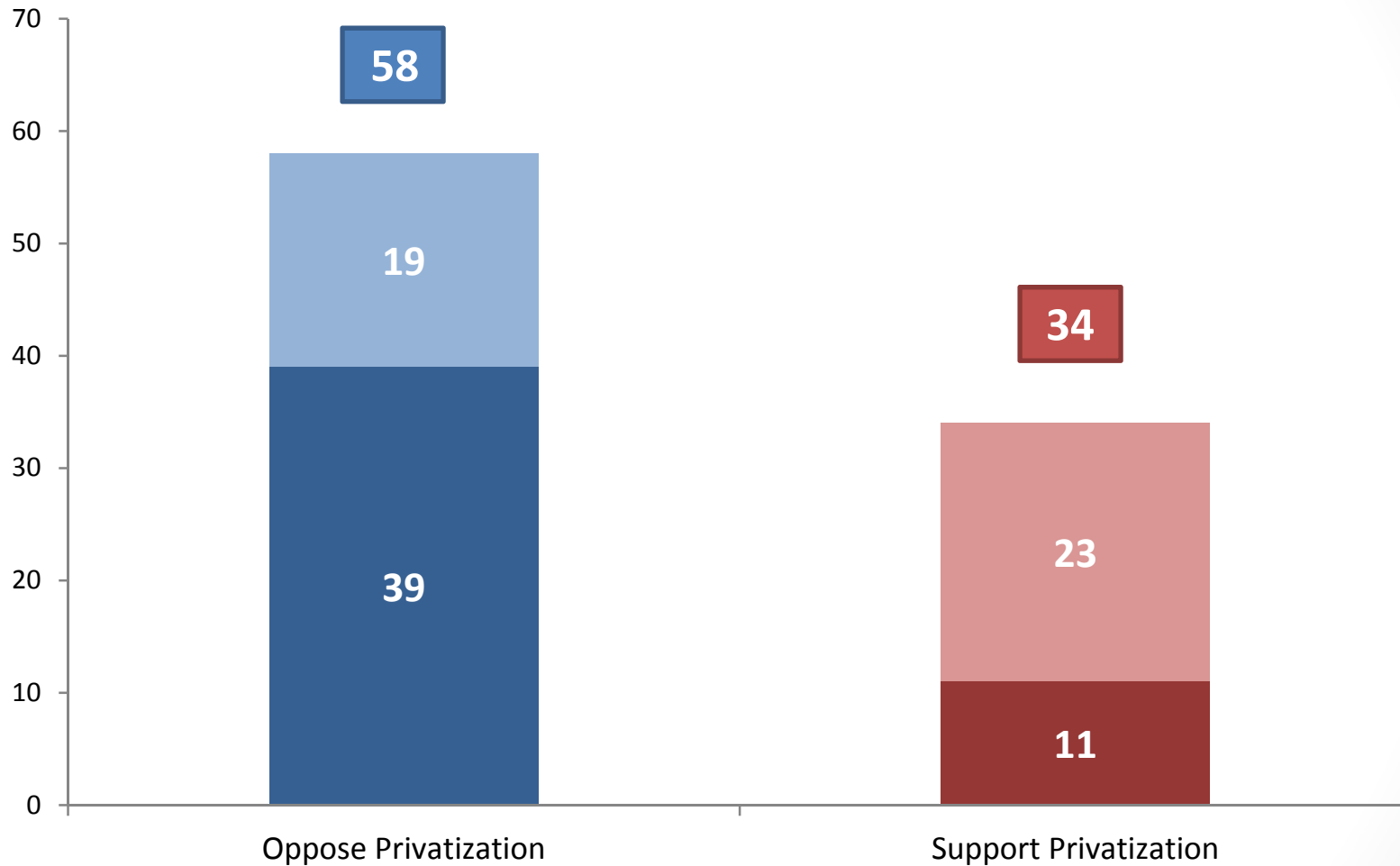
Interesting lack of consistency among front facing services.



On a scale of 1-10, with 10 being extremely supportive and 1 being not supportive at all, how supportive would you be if the following services in your community were controlled by a for-profit corporation?

Outsourcing Support & Opposition

Opponents of outsourcing have strong views, and few are undecided.



Q13. When a for-profit company assumes control of a public service, it's usually called "privatization." Generally speaking, do you support or oppose the privatization of government services to for-profit companies?

Pro-Outsourcing Messaging

New Approach Message Tests The Highest

Message	Convincing	Unconvincing	Con/Uncon
Government Is Incompetent - We've seen time and again that government just can't do the job and keep costs down. We've seen how big government handles services. It's time to try something else.	60	38	22
Run Gov. Like A Business - Some say government should run more like a business. The private sector is much more flexible and innovative than the government, which means businesses can provide better quality services than the government.	58	41	17
We Are Broke - State and local governments are broke. Our roads and bridges are in terrible shape and we can't afford to fix them. If private companies want to step in and assume responsibility for them in exchange for money up front that helps with our budget shortages, we should let them.	55	43	12
Anti-Union - Privatization will be much cheaper because government union bosses will no longer be able to force taxpayers into paying outrageous pensions and salaries to public employees.	50	49	1
Yellow Pages - We should follow a "Yellow Pages" approach to public services. If you can find a private company in the yellow pages that can do the work, then the government doesn't need to do it.	44	55	-11

Anti-Outsourcing Messaging

Top 3 Testing Messages

Message	Convincing	Unconvincing	Con/Uncon
Wall Street/Foreign Control - Many of the companies that privatize public services are controlled by Wall Street banks, and many are even based in foreign countries like France. Our tax dollars should stay in our communities, not to profit Wall Street or be sent overseas.	75	25	50
Cut Corners - When corporations cut corners to make a profit, the quality of the work suffers and the public's health and safety is put in jeopardy.	74	24	50
Corporate Control - We shouldn't hand over control of public services to big corporations because they are in business to make a profit, not protect things like our public health and safety. Corporate CEOs make decisions that affect us all, but taxpayers don't have any say in who they are, how they operate and, unlike politicians, we can't vote them out.	73	26	47

Anti-Outsourcing Messaging

Other Tested Messages

Message	Convincing	Unconvincing	Con/Uncon
CEO Compensation - Many of the companies that privatize public services are run by wealthy CEOs who make millions each year in salary and bonuses. Our tax dollars should not be used to make CEOs rich.	70	29	41
Monopoly - If a single company is given control of a particular public service, it instantly becomes a monopoly. You're stuck with them and have no say if they raise rates and reduce quality of services.	69	30	39
Fine Print - Handing over control of public services to private companies will ultimately cost taxpayers more because contracts include outrageous fine print that shields the company from losing money, even if they aren't delivering the services they promised. Some companies even demand that their contracts last for decades.	62	36	26
Low Wages, Low Quality - Private companies will reduce costs by hiring low wage, low skilled workers to provide public services. That will hurt the quality of services we rely on most.	61	37	24
Low Wages, Local Economy - Privatizing public services will hurt the local economy because the company would cut workers' pay. That means less money being spent at local small businesses.	59	39	20

Our Message in Action



Taxpayer Empowerment Agenda

Transparency, Accountability,
Shared Prosperity and
Competition

The Taxpayer Empowerment Agenda

Plank	8-10	1-3	Sup/Opp
Require companies that privatize public services to pay their employees a living wage and reasonable benefits.	78	6	72
Make it easy to cancel a contract if it ends up costing more than the company promised.	71	9	62
Require any company being paid with tax dollars to open their books and meetings to the public, like government does.	74	10	64
Require a study to determine how privatization would affect the community and post the results online before any decision to privatize is made.	69	9	60
Require a thorough cost analysis of all bids and guarantee taxpayers a minimum of 10 percent cost savings before a service will be privatized.	64	8	56
Require that no contract can be longer than 20 years.	66	14	52
Ban any company that has broken the law or evaded their taxes from taking over public services.	68	16	52

Regardless of how you feel about privatization, tell me whether you support the below proposed laws, with 1 being “I don’t support at all” and 10 being “I support that 100 percent,” tell me whether you support laws that would:

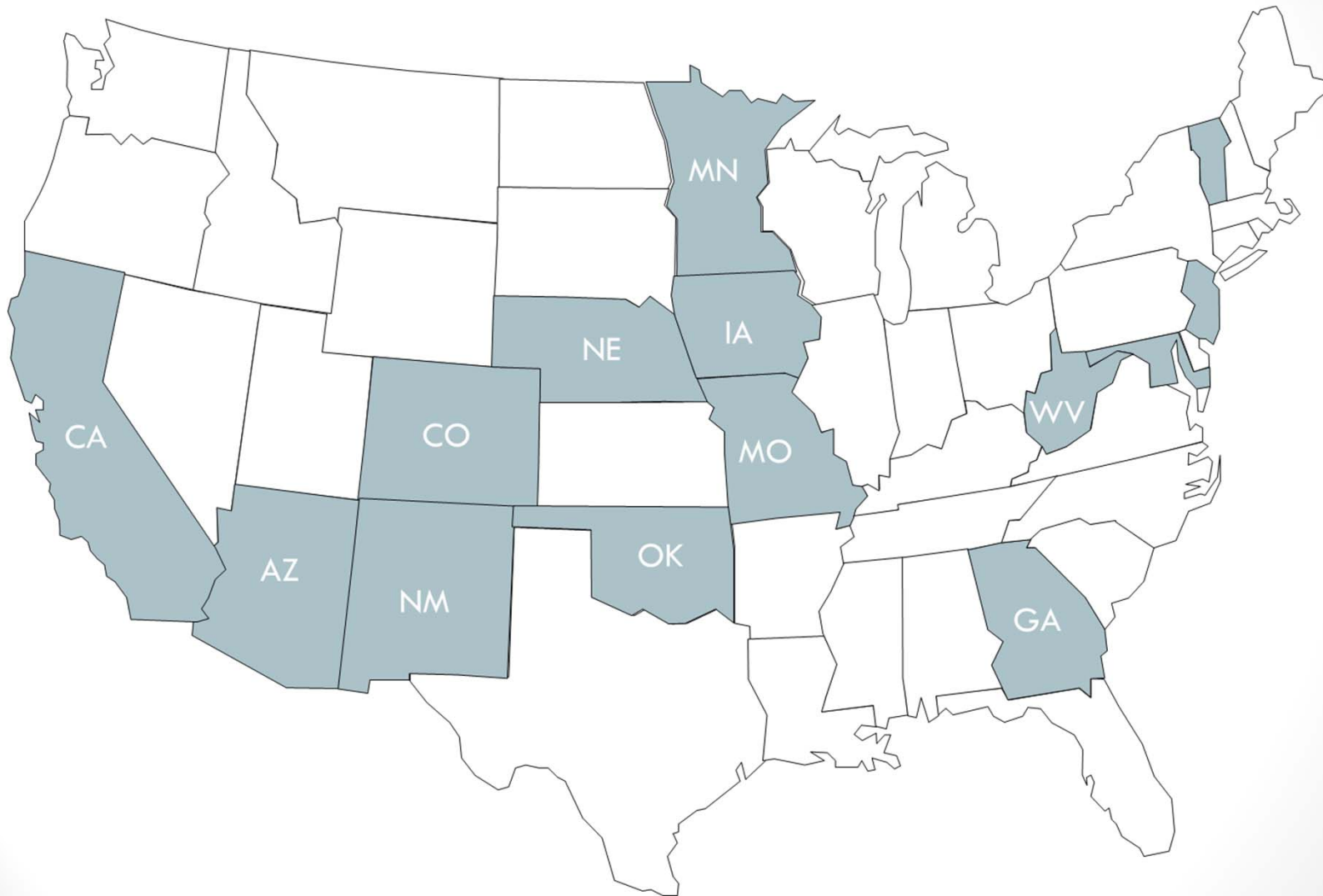
The Taxpayer Empowerment Agenda

Plank	8-10	1-3	Sup/Opp
Many contracts put taxpayers on the hook for guaranteeing company profits. For example, private prison contracts often demand that prisons be filled, or else taxpayers have to pay the company for empty prison beds. Would you support a law that would ban contract language that shields private companies from risk and losing money?	68	16	52
Require that current public workers have a chance to present their own proposal to save money for any work under consideration for privatization.	62	9	53
Require state and local governments to regularly figure out and post online how much they are spending on private contracts and how many workers are employed by private contracts, the same way they must report these things for public work.	62	13	49

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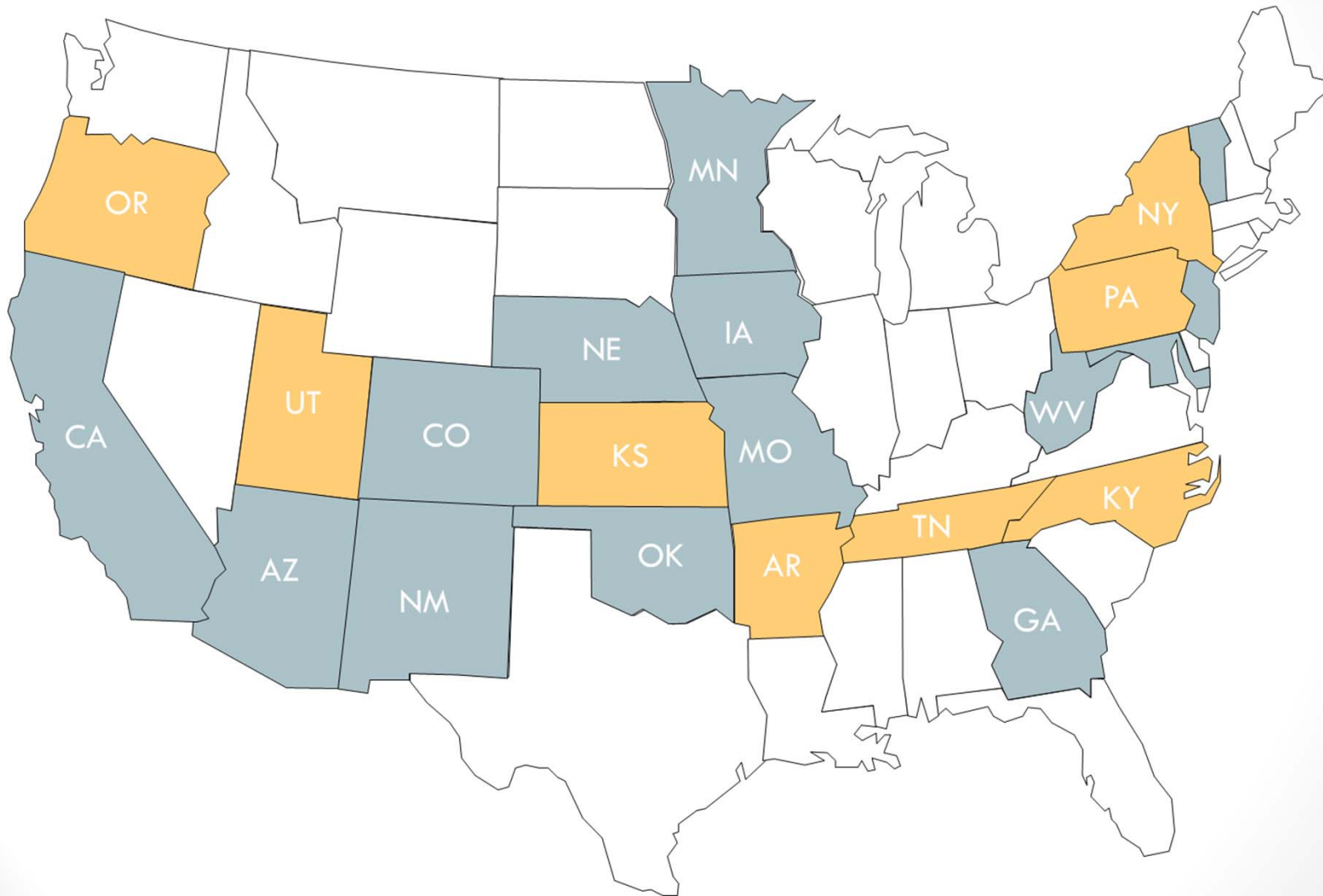
TEA “Flooding the Zone” Across the US

States in process of filing legislation



TEA “Flooding the Zone” Across the US

States in process of filing legislation plus commitments



The Message in Action

