

Abstract

What has happened in respect of the private alternatives? – A survey of the school and health care and care sectors

This study analyses the establishment, spread and development of alternative forms of undertakings in child caring, schooling, care for the elderly and the handicapped, health care etcetera from 1988 to 1994.

Alternative undertakings working in cooperation with the public sector are a relatively new phenomenon in Sweden but have stood out as one of the more important alternatives in the public debate concerning the design of the future welfare sector. This study, therefore, has focused on the form such enterprises should take in adjusting to working side by side with the public sector.

Particulars about the private forms of undertakings in the public sector are based on information from Statistics Sweden and its central register of undertakings.

To demonstrate the present frequency of private alternatives we describe the situation from June 1994. To illustrate the development we have abstracted information concerning 1988, 1991 and 1993. The extent of the spread is based on information concerning the number of employees in the private alternatives relative to those in the public sector. The study also describes the differences between different types of municipalities. The number of employees is the measure taken. The results are given both per sub sector and as a total.

Approximately 50 000 out of nearly 1 000 000 employees in these sectors – or 5,5 per cent – were employees in private, as opposed to public undertaking sectors. This development is in its initial stage and might well accelerate in the future.

In 1988 the number of employees in the private alternatives relating to child care and the school system were very few but have then

multiplied. The number of employees has increased overall but primarily in the traditional public sector.

In June 1994 only four municipalities in Sweden were completely lacking in private alternatives in all of the sub sectors studied in this report. Excluding the health care sector, 61 municipalities lacked private alternatives. During this period limited companies have been the dominant legal entity form for alternatives and have become even more so. The fastest increase, however, has occurred in the number of economic associations. In 1988 very few were employed by these; in 1993, however, their share of the employees had increased 8 times. There is an obvious tendency for the limited companies primarily to be established in the more densely populated municipalities, while the economic associations have a proportionately stronger position in the more sparsely populated municipalities.