

BE A PUBLIC SERVICE VOTER

ELECTION 2020 – PRIVATIZATION

Privatization can take many forms: sale of Crown corporations, contracting out, public-private partnerships (P3s) and social impact bonds, to name a few. Since 2007, the Sask. Party government has embraced all these privatization models to enrich out-of-province corporate interests at the expense of workers, communities and the public interest. The government has used P3s to evade transparency, accountability and oversight of major infrastructure projects that add billions to our growing provincial debt.

The Sask. Party record:

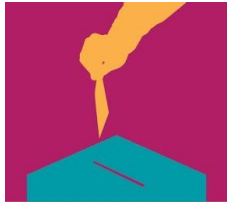
Sale of Crown assets

The Sask. Party government privatizes the Saskatchewan Transportation Company (STC), Information Services Corporation (ISC), Saskatchewan Communications Network (SCN) and outsources SaskTel e-mail and conference call services to an out-of-province private company.

The Sask. Party government privatizes 40 public liquor stores. Out-of-province corporations reap the benefits while nearly 200 hundred good-paying jobs throughout the province are replaced with near-minimum wage jobs.

Contracting out

- In 2010 the Sask. Party government begins contracting out certain day surgeries to privately operated for-profit clinics in Regina and Saskatoon. Waiting lists for many surgeries have increased in recent years, even before the COVID-19 pandemic struck.
- In 2013 the Sask. Party government privatizes the majority of the province's hospital and health centre laundry services to Alberta-based K-Bro Linen Systems, destroying many good-paying unionized jobs in the process.
- In 2016 the Sask. Party government violates the Canada Health Act by allowing patients to pay out of pocket for private, for-profit MRI scans provided another scan is provided for free to someone on the public wait list. The MRI wait list doubles between 2015 and 2019.



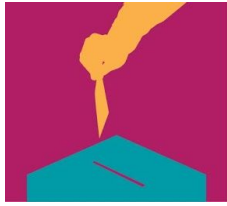
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Public-private partnerships

- In 2010 the Sask. Party government partners with Amicus Health Care, a large for-profit chain, to build a 100-bed special care home in Saskatoon. The project, similar to a P3, costs \$11 million to \$20 million more than if the province had built the facility, according to economist John Loxley.
- In 2014 the Sask. Party government announces that the new \$407 million Saskatchewan Hospital in North Battleford will be built using a public-private partnership (P3) model. Within months of facility's opening in 2019, it is discovered that the roof needs replacing and drinking water contains high levels of lead or copper. In 2020 a construction audit identifies an additional 22 areas of concerns.
- The Sask. Party government enters into a P3 with a foreign conglomerate for the Regina Bypass project. The project is initially estimated to cost \$400 million, but costs balloon to nearly \$2 billion. The project is plagued by structural deficiencies, including roundabouts too narrow for large trucks and farm equipment.
- In 2013 the provincial government announces a \$635 million P3 agreement for the construction and maintenance of nine joint-use elementary schools in Regina, Saskatoon, Martensville and Warman. In the 2018-19 provincial budget, the government sets aside four times the amount per school for maintenance of the new P3 schools as it does for the remaining 621 schools in Saskatchewan. A CCPA-Saskatchewan study also finds that public sector workers are relied on to address many contract deficiencies.

Social impact bonds

- In 2014 the Sask. Party government announces its first social impact bond (SIB) project for the Sweet Dreams home in Saskatoon, a supported living arrangement for 14 single mothers and 20 children. According to the contract, if the project achieves its objectives (keeping children out of foster homes), the government pays back the private investors plus 5% interest charges.
- The Sask. Party government uses the privatized service delivery model again in 2016 for the Mother Teresa Middle School Inc., founded by Regina business tycoon Paul Hill. According to the terms of the contract, the province will re-pay the Mosaic Company Foundation its \$1 million investment with 1.3% added if 82% of students graduate from Grade 12 on time.



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What Saskatchewan needs:

- An immediate halt to further privatization schemes, including outright sales of Crown corporations, P3s, contracting out and social impact bonds.
- Contracting in of MRI, CT, surgical, laundry and other health services.
- Re-establishment of a publicly owned and operated provincial bus service and contracting-in of outsourced Crown services.
- A comprehensive review by the Provincial Auditor of the Regina Bypass, Sask. Hospital and P3 school projects to uncover the true cost of these projects to the Saskatchewan treasury.
- Use of the traditional public procurement model, instead of costly and secretive P3s, for all future construction and maintenance of hospitals, nursing homes, schools, roads and other public infrastructure.

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