



WORKING
TOGETHER FOR
SASKATCHEWAN

Saskatchewan Government and General Employees' Union

NEWS RELEASE

For immediate release

November 23, 2016

Restraint measures will undercut public services, but won't stop wasteful spending

www.sgeu.org

1011 Devonshire Drive North
Regina, SK S4X 2X4
(p) 522.8571
1.800.667.5221
(f) 352.1969

1114-22nd Street West
Saskatoon, SK S7M 0S5
(p) 652.1811
1.800.667.9791
(f) 664.7134

33-11th Street West
Prince Albert, SK S6V 3A8
(p) 764.5201
1.800.667.9355
(f) 763.4763

The restraint measures announced in the mid-year financial update will undercut the public services Saskatchewan families and communities rely on, but will do little to curb government's wasteful spending, according to SGEU.

"This new round of cuts will affect frontline staff and frontline service delivery to all Saskatchewan people, and those who need help the most will be hardest hit," says SGEU President Bob Bymoan.

"We are already facing a crisis in Social Services, and there are far too many vacant staff positions in the ministry already. A hiring freeze will only cause more hardship. Vulnerable families and communities need more, not less, support," Bymoan said.

Funding cuts to education and training will undermine employment prospects for Saskatchewan youth, and reduce chances for unemployed workers to transition into new jobs. Health care cuts put the safety and well-being of those who are ill and elderly at risk," he adds.

"Underfunding to community-based agencies that provide support and services to people living with disabilities, women and children in crisis, and other marginalized groups, is already taking a toll on staff and those who need their help."

Saskatchewan people are being asked to pay the price for government's mismanagement and wasteful spending, Bymoan says.

"How can government justify cutting frontline services when it is handing over more than \$2 billion to a corporation in France to build the Regina P3 bypass? Or when it pays two to three times more than the assessed value for land for the Global Transportation Hub?" asks Bymoan

"Austerity measures would not be necessary if government had not squandered money on pet projects such as LEAN, which cost \$40 million, or on huge increases in contracts to private consultants," Bymoan notes.

Restraint measures will undercut public services, but won't stop wasteful spending

November 23, 2016

Page 2 of 2

“Government says it needs to control labour costs, but where is the plan to control runaway spending on consultants?” he asks. “Government says it will cut \$700,000 in consultant costs from the Ministry of Highways – but that only scratches the surface of the money wasted on consultants.”

Public spending on consultants rose 228 per cent from 2009 to 2014, reaching \$120 million in 2014. The biggest spender was the Ministry of highways, which increased its payments to consultants by an incredible 400 per cent, to \$61 million in 2014.

“If it wants to find savings, government needs to stop using public funds to line the pockets of private consulting firms,” Bymoer says.

Government has also mismanaged major projects that resulted in huge costs to taxpayers, such as the Smart Meter fiasco, in which faulty meters had to be replaced at a cost of \$15 million. Taxpayers were also forced to cover the \$20 million in penalties that SaskPower paid to Cenovus Energy, as a result of Saskatchewan's underperforming \$1.5 billion carbon capture facility.

“Government has dug itself into this hole, and needs to take a hard look at its own wasteful practices before imposing more hardship on the vulnerable, and cutting vital public services that are essential to keeping communities and families in Saskatchewan strong,” says Bymoer.

- 30 -

For more information contact:

Susan Dusel
Communications Officer, SGEU
306-775-7249

Or

Bob Bymoer
President, SGEU
306-539-0030