



PRIVATIZATION QUIZ 2018

1. Which of the following is not an example of public services that the Saskatchewan government privatized last year?

- a. Courthouse security
- b. Air travel for public officials
- c. Hearing aid services
- d. None of the above

2. Thanks to its government contract, Texas-based company Synergy collects over \$1 million per year by charging Saskatchewan inmates for phone calls. How much of that money goes back into the corrections system, and how much is pocketed by Synergy?

- a. 75% for corrections, 25% for Synergy
- b. It's an even 50/50 split
- c. 10% for corrections, 90% for synergy
- d. None to corrections; it all goes to Synergy.

3. How many public sector jobs in Saskatchewan have been lost to privatization since 2007?

- a. At least 500
- b. At least 1,200
- c. At least 1,500
- d. Over 2,000

4. How much annual public revenue can Saskatchewan expect to forego annually due to the privatization of 40 public liquor stores?

- a. \$6 million or more
- b. \$12 million or more
- c. \$25 million or more
- d. \$50 million or more

5. A former minister responsible for the Saskatchewan Transportation Company once said the Crown bus line "is safe" from privatization, and suggested it could be "labelled as a utility." How long afterward did government announce it was shutting down STC and selling its assets?

- a. 8 months
- b. One year
- c. Two years
- d. Five years

6. In the UK, 450 government construction, maintenance, and food services contracts were jeopardized when mega-corporation Carillion went bankrupt. In Saskatchewan, the Canadian arm of Carillion is expected to provide 30 years of maintenance on what P3 project?

- a. The Regina Bypass
- b. The Saskatchewan Hospital North Battleford
- c. The Swift Current Long-Term Care Home
- d. The bundle of 18 elementary schools

7. In December 2017, the provincial government began a program to sell 300,000 acres of Crown-owned agricultural land. Farmers and ranchers currently leasing the land may now buy it at a 10% discount, and those who want to continue leasing will get ____.

- a. A 25% discount.
- b. The same 10% discount.
- c. No discount.
- d. A 45% price increase.

8. Which of the following public facilities has the Saskatchewan government outsourced cleaning services at?

- a. Courthouses
- b. The Legislative Building
- c. The Saskatchewan Disease Control Lab
- d. All of the above

9. In July 2017, the president of SGI told media that he had met with ___ companies about a partial sale of the publicly-owned insurance provider.

- a. Zero
- b. Five
- c. Nine
- d. Sixteen

10. As of June 2017, what share of damage estimates was SGI outsourcing to private contractors?

- a. 10%
- b. 22%
- c. 52%
- d. 91%

BONUS QUESTION: What notable government asset does US president Donald Trump plan to privatize?

- a) The International Space Station
- b) Yellowstone National Park
- c) The White House
- d) New Jersey



QUIZ ANSWERS

1. D) None of the above. Each of these services has been recently privatized. In March 2017, the Executive Air service was wound down, to be replaced by private charter flights. In its 2017-18 budget, the Sask Party terminated the publicly-run Saskatchewan Hearing Aid Plan, saying that private practitioners would take over. And in January 2017, the Ministry of Justice replaced 14 armed Deputy Sheriffs of Court Security with unarmed Commissionaires at the entrances of Saskatchewan courthouses. (An OH&S investigation later brought back the Sheriffs, but government retained the security contractors too.)

2. C) 10% for corrections, 90% for Synergy. The Ministry of Justice's inmate trust, which pays for things like newspapers and recreational equipment, gets just a tenth of the proceeds of inmate phone calls. And under its 7-year contract, Synergy charges high prices – \$2.50 for a 20-minute call – to ensure that it makes a healthy profit off its captive market.

3. B) At least 1,200. A study of privatization and contracting out tallied 1,227 direct job losses to privatization over the last decade. These range from small examples, like the 15 jobs lost when Greenwater Provincial Park privatized its cabins in 2010, to mass layoffs like the 224 jobs that disappeared when STC was eliminated.

4. D) \$25 million or more. In a 2016 study, researcher David Campanella compared the costs and benefits of government's plan to privatize 40 SLGA liquor stores.

Factoring in taxes, operating costs, wholesale costs, and price markups, he found that SLGA can expect to take in upwards of \$25 million less each year, compared to if the stores had been left in public hands.

5. A) 8 months afterward. In July 2016, then-STC Minister Jennifer Campeau told the Leader-Post that STC was "safe" – that it was "a needed service" and that customers could expect "business as usual." When the next provincial budget was released in March 2017, Campeau had been replaced as minister by Joe Hargrave, who announced that STC was "unsustainable" and that its operating costs would be "redirected to other priorities."

6. B) The North Battleford Hospital. Carillion Canada leads the private consortium responsible for the new hospital. On top of involvement in financing and building the facility, Carillion holds 80% of the responsibility for maintaining the hospital over the next 30 years. Though Carillion Canada initially said its operations would be unaffected by the collapse of its UK-based parent company, the Canadian company quickly filed for creditor protection. The Ontario opposition is now questioning whether Carillion will need a government bailout to continue its road-maintenance contracts.

7. D) A 45% price increase. In order to encourage farmers and ranchers to buy land from government instead of continue leasing it, those who want to keep leasing must now pay steeply increased fees.

8. D) All of the above. In March 2017, the Sask Party government announced it was privatizing cleaning services at 95 public buildings, at a loss of 230 jobs. Along with those listed in the question, health clinic, correctional and young offender facilities, group homes, and many other facilities had their cleaning turned over to private contractors.

9. C) Sixteen. Three months after Bill 40 was passed, allowing for the sale of up to 49% of Saskatchewan Crowns, SGI president Andrew Cartmell told reporters that he'd had preliminary discussions with 16 companies interested in owning part of the insurance provider. (In October 2017, before any talks were finalized, government announced it would repeal the provision of Bill 40 that allowed for partial sale of the Crowns.)

10. C) 52%. SGI has contracted out a record amount of the estimates side of its business, with over half of estimates now performed by the private sector. According to the Canadian Office and Professional Employees Union, which represents SGI workers, SGI paid out \$8.5 million on independent adjusters' fees from 2014 to 2016.

Bonus Question: A) The International Space Station. The Trump Administration's proposed 2019 budget would end direct government funding for the station in 2025, "after which NASA would rely on commercial partners for its low Earth orbit research and technology demonstration requirements."

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