PRIVATIZATION QUIZ ANSWERS

1. b) laundry services. In May, 2013, 3S Health announced that K-Bro Linen Inc., an Edmonton-based for-profit company, would receive a contract to provide all laundry services for health regions in Saskatchewan. Province-wide, 220 full-time equivalent laundry positions will be lost within the health regions. K-Bro pays poverty-level wages.Current public sector collective agreements provide for starting wages for laundry from $15.61/hour to $17.78/hour. K-Bro proposes a starting wage rate of $10.75/hour to $12.75/hour.

   d) knee surgeries. Third-party delivery of surgical and diagnostic services (CT scans) was introduced in 2010 as part of the Saskatchewan Surgical Initiative in order to reduce patient wait times. About 10 per cent of all surgeries performed in the last year were performed in third-party facilities.

   Regina Surgical Centres Inc. and Aspen Medical Surgery Inc. are the current third party vendors contracted by Regina Qu'Appelle Health Region (RQHR); Saskatoon Surgical Centres Inc. (under the name Prairieview Surgical Centre) is contracted by Saskatoon Health Region.
   Procedures performed vary by site, but include cataracts, dental, knee and shoulder arthroscopies, knee ACL (anterior cruciate ligament) repair, select gynecological procedures, select ENT (ear nose throat) repairs, and select plastic surgeries.

2. c) 60 per cent. By 2010, government had contracted-out at least 60 per cent of its IT services to at least 70 different private, for-profit companies.

3. a) According to Erin Weir, economist with the United Steelworkers' Union, ISC made a $20 million profit in 2012. Sixty per cent of ISC is being privatized. The people of Saskatchewan will be losing 60 per cent of that profit, or $12 million.

4. a), b), c) A range of community programs, such as the Teen and Young Parent Program and the Saskatoon Family Support Centre have been eliminated. The intention is to out-source services to private agencies. In 2012, child welfare residences were cut: Eden House, Regina; Saskatoon Treatment Group Home; Prince Albert Adolescent Group Home. Dales House, Regina, and Red Willow in Saskatoon are slated for closure. Family support programs, such as Family Preservation and Family Builders Programs have been cut in recent years.

5. d) B.C.’s public stores. In B.C. - where there are both public and private liquor stores - prices in the private outlets are on average 10 - 15 per cent higher than in public stores, according to a 2010 report. Saskatchewan’s public stores have the next lowest prices. Many beer, wine and spirits are cheaper in Saskatchewan than in Alberta or B.C.'s private stores, according to 2012 research that surveyed 13 popular products. Prices in Saskatchewan's public stores are lower than the Alberta average for 70 per cent of beer products, 76 per cent of spirits, and 86 per cent of wines, according to a comprehensive study by a University of Saskatchewan business professor. Professor Colin Boyd says that prices are higher with private, stand-alone liquor stores because higher total overhead costs must be passed on to the consumer.

6. c) Wayne Henuset, who also operates one of Regina’s private wine stores.

7. d) Cava was order to shut its doors for secretly importing millions of dollars of wine from Alberta and France in order to avoid paying Saskatchewan taxes.

8. d) over $1 billion, and the profit has been steadily increasing. In 2012-13, net liquor revenue was $232 million. New private stores will siphon off some of this profit.

9. a), b), c), d) – And Regina’s new ambulatory day surgery centre.

10. a). The Brampton Civic Hospital, which was built as a P3, was hundreds of millions over budget. It was estimated that $200 million could have been saved by having government borrow the money.

    b) conservative estimates are that private P3 contractors build in a 10 – 15 per cent ‘rate of return’ or profit for themselves.

    c) – not necessarily. d) Does sometimes happen.

11. d). $30,000.

12. c) 15 per cent. This has meant that government needs to contract out many of its services because it does not have the staff to do the work.

13. a) $350,000. The sale to Bluepoint took place in 2010.

14. b) In June, 2012, Bluepoints sold the network to Rogers Media, for $3 million.

15. C) 20 per cent.