

P3 INFRASTRUCTURE WRONG CHOICE FOR NOVA SCOTIA, SAYS SOCIAL MOVEMENTS

Halifax, NS – Representatives from three of Nova Scotia's most visible social movements are condemning the provincial government's continued persistence to use public-private partnerships, P3s, to build infrastructure in Nova Scotia. The government will hold a news conference later today with Partnerships BC, a BC provincial crown corporation which is, according to their website, a “company responsible for bringing together ministries, agencies and the private sector to develop projects through public-private partnerships.”

“Nova Scotia has a horrible record with P3s,” says Rick Clarke, President of the Nova Scotia Federation of Labour. “When the Liberals commissioned P3 schools in the early 90s, we ended up with \$30 million in cost overruns and communities lost control of their schools.”

The government is proposing to use P3s for roads, health facilities, correctional facilities and courts. While services will suffer, public control weaken and cost escalate in these sectors due to P3 models, other sectors may be threatened.

“Other jurisdictions have started with P3s in health facilities and roads but have then moved towards P3s for other sectors such as water and sewage services,” says Cliff White, Regional Organizer with the Council of Canadians. “Essentially P3s are a money grab by the private sector; their aim is to ensure decades of guaranteed profits for the companies involved. Unfortunately, it’s the tax payer who ends up paying for those profits while control over public institutions is lost and accountability and transparency are diminished.”

Partnerships BC also provided the “project management services” for the construction of the Abbotsford Regional Hospital and Cancer Centre in British Columbia. According to a study by the Canadian Centre for Policy Alternatives, “Value for Money” by Stuart Murray the Abbotsford Hospital's “total operating costs for the entire life of the project went from \$720 million to \$1.4 billion, a 94 per cent increase.”

The full study which looks at costs and the beds situation is available here http://www.policyalternatives.ca/documents/BC_Office_Pubs/bc_2006/P3_value_for_money.pdf. (The Abbotsford Hospital case study is on page 34 of the report)

“Partnerships BC is heavily involved in projects like the Abbotsford Hospital which have seen dramatic cost overruns,” says Kyle Buott, Coordinator of the Nova Scotia Citizens' Health Care Network. “Also, though they claim the project finished on time, 40 beds, which is generally how we measure the size of hospitals, are scheduled to open after the main parts of the hospital open. The project was also delayed for three years from when the original process was started.”

The Federation of Labour, Council of Canadians and Health Network urge the provincial government

to abandon its privatization ambitions and commit to public sector ownership of infrastructure.

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