

P3s and AFPs: WHAT'S THE DIFFERENCE? Any Difference is Pure Spin

In an attempt to bridge the gap between the McGuinty Liberals' campaign promise to oppose so-called Public-Private Partnerships (P3s) and its decision, once in office, to embrace the privatization of public service delivery, the Ontario Government has adopted Alternative Financing Procurement (AFP) as its new buzz word.

The McGuinty Government argues that the two are different: that an AFP is not a P3. But the facts don't support their argument.

In attempting to distinguish AFP from the Canadian P3 record, the Government has adopted five principles which, it argues, set AFP apart from other models:

- Protection of the Public Interest
- Value for Money
- Appropriate Public Control/Ownership
- Accountability, and
- Fair, Transparent and Efficient Processes

The critical "principle" – the only one that is more than an obvious piece of political rhetoric – concerns public control and ownership.

Indeed, Public Infrastructure Renewal Minister David Caplan has built his defence of Ontario's massive P3 hospital program against the labour movement and the Ontario Health Coalition's campaign for public ownership and public service delivery.

Caplan has argued that the fact the hospitals to be built under this program will be publicly owned at the end of the agreement period makes them indistinguishable from conventionally financed public hospitals.

The fact that legal title to the properties will be public at the end of the agreement period, however, is a mere technicality.

What matters is how these schemes affect rights of ownership and public policy control during the life of the agreement.

What matters is what it costs the public over the life of the agreement.

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What matters is the quality of services.

The fact that, under an AFP, legal title remains in public hands does not mean the people of Ontario will have public service delivery.

Under the Government's criterion of ultimate public ownership, Highway 407 would qualify – it involves a 99-year lease.

In short, whether the initials are P3 or re-labelled AFP, Ontario is faced with the privatization, in whole or in part, of the delivery of public services.

Source: *Public-Private Partnerships (P3s) and the Transformation of Government*, Ontario Federation of Labour.