Information

OFL/FTO

## WHAT ARE P3s?

**The Ontario government is privatizing key parts of our public services, including education and health care. Privatizing public services is not good policy. Let's stop it now.**

***Ontario Federation of Labour***
***Expose and Oppose Privatization Campaign, 2006***

The Public-Private-Partnership (P3s) is an ideological shell game. As noted in the Ontario Federation of Labour's (OFL) November 2005 Convention Policy Paper *Public-Private Partnerships (P3s) and the Transformation of Government:*

> "...P3s are part of an array of government policies which, taken together, seek to reduce the size of the public sector, increase opportunities for private profit in the provision of public services, and reduce both the pay and benefits of the workers who perform those services and the influence of the unions that represent them."

The paper further notes that:

> "In essence, what a P3 does is drive a wedge between public services and their delivery, creating a category of services that are still public services, but which are privately delivered."

The Canadian Labour Congress (CLC) in their 2005 Convention Policy Paper *Public-Private Partnerships:* ***Against the Public Interest*** notes that:

> "The most unique element of P3s is private financing in which the private partner, rather than the government, borrows the money to finance the initiative. While the private sector borrows the money, governments and the public must pay back the private partner for the principal sum and all the borrowing costs. P3s are so attractive to the private sector because they provide a stream of guaranteed revenue and profits. In return, the public gets reduced access to poorer services."



**ONTARIO FEDERATION OF LABOUR/FÉDÉRATION DU TRAVAIL DE L'ONTARIO**
15 Gervais Drive, Suite 202, Don Mills, Ontario M3C 1Y8 • Telephone: (416) 441-2731 • Fax (416) 441-1893