

A BRIEF HISTORY OF P3s

“The driving agenda is to open up a significant part of the nation’s social infrastructure to the private sector profiteering”

Report of the OFL delegation on the UK Experience with Public-Private-Partnerships (P3s)

United Kingdom - Private Finance Initiatives (PFIs)

Private Finance Initiatives (PFIs) were first introduced in the United Kingdom in 1992 by the Conservative government of John Major, who came to power after the removal of Margaret Thatcher as Conservative leader. The Major government continued the ideological agenda of the Thatcher government. The private financing model was expanded with the election of Tony Blair’s “New Labour” government in 1997.

In their Positively Public Briefing, UNISON, a large British public sector union states “the latest figures indicate that almost one-fifth of public services, worth 60 billion (British pounds), will be delivered by private and voluntary bodies by 2006-07.”

Ontario - P3s (2001 - 2003)

In Ontario, P3s may be found in a number of sectors but are most developed in the health care sector, particularly in hospitals. In January 2001, Tony Clement became Minister of Health in the Mike Harris Conservative government. He visited Britain and in December 2001 announced the first two Public-Private-Partnerships (P3) hospitals in Canada, the William Osler Health Centre in Brampton and the Royal Ottawa Hospital in Ottawa. This resulted in a strong and sustained community and labour’s opposition to these initiatives. An opposition which also included the Liberal Party of Ontario.

To quote Dalton McGuinty on September 26, 2003:

“I’m calling on Mr. Eves to halt any contract signings when it comes to P3s. I stand against the Americanization of our hospitals.”

A month after he won the 2003 provincial election he signed the P3 hospital deals for Brampton and Ottawa.

/2.....

Ontario – P3s and Alternative Finance and Procurement Methods (2005 -- ...)

Rather than abandon the P3 model, the Liberals embraced the idea and gave it a new name “alternative finance and procurement methods”. In May, 2005 David Caplan the Minister of Public Infrastructure Renewal released *ReNew Ontario 2005-2010*, the Liberal five-year privatization plan for the public sector, which includes at least 23 new hospitals to be financed and built using this model. After this announcement it was not surprising that the Conservatives congratulated the Liberal government for continuing their (Conservative) agenda of privatization of the public sector.

The Liberals continue to use this model to impose their health care vision on the people of Ontario. According to the Ontario Health Coalition (OHC), by August 2005 “Over \$3.3 billion in public hospital assets and services have been privatized through P3s since the Liberal government has taken power.”