

**Ontario Health Coalition Fact Sheet
Public-Private Partnerships (P3s)
May 2005**

Privatized P3 Hospitals: Premier McGuinty is breaking his promise

“We believe in public ownership and public financing. I will take these hospitals and bring them inside the public sector” --Dalton McGuinty, May 28, 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.”--Dalton McGuinty, September 26, 2003

Premier McGuinty is breaking his promise to Ontarians. Only one month after the election, the McGuinty government signed private P3 hospital deals in Brampton and Ottawa. Now, the Liberal government is on the verge of requiring all future hospital development to be private.

In recent months, officials at the Ministry of Finance and the Ministry of Public Infrastructure Renewal have told the Ontario Health Coalition that privatized **Public-Private Partnership** hospitals (P3s) will be considered for *all* new hospital construction. If the provincial government does not commit to building our hospitals publicly, they will be privatized.

Ottawa & Brampton Paying For Two Hospitals to Get One

- The cost of the Brampton privatized P3 hospital has almost doubled since the P3 project was first announced in 2001. The cost has gone up from approximately \$350 million to over \$550 million.
- The size of the deal is extraordinary. In total, including the building and the private contracts for services, the deal costs over \$2.6 billion.
- An independent economist reports that the cost is \$174 million higher (net present value) than if the hospital were to be built publicly. This higher cost includes only the higher borrowing rate for the private corporations. It does not include additional higher costs due to profit-taking, lawyers & consultant fees or other expenses, since those costs remain secret.

Late, More Expensive & Smaller

- Despite repeated claims by P3 pushers that these projects are "faster, better, cheaper", the Brampton privatized P3 hospital is now over a year behind schedule, more expensive than planned and the size of the planned hospital has shrunk.
- The Royal Ottawa Hospital privatized P3 project is also significantly behind schedule and costs have escalated from \$100 to \$125 million. This deal includes a long term privatization of the hospital services and lands for up to 66 years.

Please turn over®

Privatized P3 hospitals are more expensive

Privatized P3 hospitals are much more expensive than publicly built hospitals. Cost overruns and delays are common. Brampton's William Osler Health Centre will cost the public \$174 million more than if it were built publicly.

For-profit P3 hospitals mean less service

The added expense of the buildings means cuts have to be made to clinical services. On average, privatized P3 hospitals have 20% fewer beds than they would have if they were fully public.

Privatized P3 hospitals mean less care

Privatized P3 hospitals cut staff and reduce the quality of service wherever possible. In Britain, P3 hospitals have 11% fewer doctors and 14% fewer nurses. Fewer staff mean lower expenses and more profit for the private companies that operate P3s.

For-profit P3 hospitals are dangerous

There is a greater risk of infection in privatized P3 hospitals because cleaning and maintenance are run by for-profit companies who cut corners, reducing staff and training in order to increase their profits.

Privatized P3 hospitals are undemocratic

Privatized P3 hospitals mean losing community control over health care to private corporations. Because privatized P3 hospitals are built and operated by private companies they often involve secret deals resulting in a loss of accountability.

For-profit P3s attract disputes

Privatized P3 hospitals have been riddled with expensive legal disputes when private companies fail to live up to their contracts. In a number of cases, companies have forfeited their contracts or gone bankrupt forcing the public to bail out the project.

Privatized P3 hospitals are run for profit, not for patients.

If we don't act now *all* future hospital development throughout the province will be privatized P3 hospitals. *Privatized P3 hospitals cost more while delivering less.*

- **Write your local MPP, the Premier and the Minister of Health to tell them to reject any form of privatized P3 hospitals and that hospital construction must be publicly financed.**
- **Take a lawn or window sign to visibly express your opposition to privatized P3 hospitals.**

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