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Kingston Health Coalition:

“Provincial Official Misleads City Council on St. Mary’s P3 Hospital”

Kingston: “Infrastructure Ontario did not provide Kingston City Council with the cost information it had been asked to provide,” said Ross Sutherland, Chair of the Kingston Health Coalition. “Instead it gave generalities, falsehoods and misinformation. It was insulting to Council and the residents of Kingston.”

Infrastructure Ontario (IO), the provincial agency telling Kingston to rebuild St. Mary’s as a privatized P3 hospital, had been invited by city council to provide the cost comparison between a privatized P3 St. Mary’s hospital and a public option: calculations that IO had promised Ontario’s Auditor General it would perform. Instead, Dale McClintock, IO senior vice-president, told council, "I believe a P3 will save 10...20...25 % over a traditional approach". No facts were given to support his opinion.

Last June a peer reviewed study of 23 P3 hospitals in Ontario found that they cost 16% more than building public hospitals. When asked about the study after the meeting, McClintock said that the authors did not understand construction.

“Does this mean that only the construction industry can decide how to finance and operate hospitals in Ontario?” questioned Sutherland. “This is a silly notion. Our democratic governments have built public hospitals for decades and many have worked very well.”

McClintock implied that the St. Mary’ rebuild would be similar to the KGH P3 renovation, as a defence for privatizing St. Mary’s. “This comparison is false,” commented Sutherland. “The KGH deal had no long term financial contract, no for-profit management and no for-profit maintenance: all key components of the St. Mary’s P3.”

“An arrangement similar to that used at KGH, with an RFP to design and build the project, might work well for the St. Mary’s rebuild,” commented Sutherland. “Limiting the private involvement to the design-build stage would not delay the project and save Kingston one hundred million dollars. IO is not open to this approach because the big money for the international finance consortiums is made in the long-term financing and operation agreements. McIntosh said the private investors made a 12% return on these equity investments.”

“They want us to take as a matter of faith that they know what is best for Kingston when all the evidence shows that the St. Mary’s P3 will be bad,” commented Sutherland. “We should spend the \$100 million dollars the P3 would waste on extra bank profits on health needs in Kingston.”

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