

ANOTHER PUBLIC-PRIVATE PARTNERSHIP DISASTER

Canada: Abbotsford Regional Hospital and Cancer Center

The Abbotsford Regional Hospital and Cancer Center is another 3P disaster from around the world – a disaster much like the failures (SR 91 and SR 125) that have cost California taxpayers hundreds of millions more than they should have. Because they are so profitable, it is not a surprise that multi-national companies and Wall Street investment houses want to bring more such 3Ps to the “lucrative” California market.

What the experts say:

According to Stuart Murray with the Canadian Center for Policy Alternatives, “Before a single contract was even awarded, the Abbotsford P3 hospital total operating costs went from \$720 million to \$1.4 billion, a 94 percent increase in cost.”¹ The P3 hospital finally opened in August of 2008, three years late and 40 beds short. “British Columbia’s precious health care dollars need to be spent wisely in order to provide quality care,” said Joyce Jones, co-chair of the BC Health Coalition. “We need new health care facilities, but we can’t afford expensive P3 models.”²



The Public Interest Alternative

- Require competitive bidding.
- Require public oversight, design and inspection to ensure public safety and cost controls.
- Utilize tax exempt public financing which is as much as 35 percent lower than private borrowing.
- Tolls should be reinvested in our transportation and other public infrastructure.
- Prohibit non-compete clauses and cash payments that prevent improvements to competing public roads, increasing congestion.

¹ *Stuart Murray, “Value for Money? Cautionary Lessons About P3s from British Columbia,” June 2006.*

² *BC Health Coalition, “Abbotsford P3 Hospital – overtime and over budget,” August 28, 2008.*