

ANOTHER PUBLIC-PRIVATE PARTNERSHIP DISASTER

Canada: The Sea-to-Sky Highway

The Sea-to-Sky Highway 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:

“The Sea-to-Sky partnership will cost taxpayers over \$220 million more than a traditionally procured and financed project,” according to a 2006 study by Simon Fraser University.¹ According to Partnership BC, the private financing costs of the Sea-to-Sky Partnership will be 23% higher than if the project utilized tax-free government financing at an increased cost to taxpayers of \$300 million.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“The Real cost of the Sea-to-Sky P3, A Critical review of Partnerships BC’s Value for Money Assessment,” by Marvin Shaffer

²“Project Report: Achieving Value for Money, Sea-to-Sky Highway Improvement Project,” Partnerships British Columbia

