

# P3s: Pay more, get less

## Why the Nova Scotia government should avoid any more of these costly deals

Nova Scotians know all too well that so-called Public-Private Partnerships (P3s) are a really bad deal for taxpayers. We end up paying more... while getting less. And yet the McNeil government is seriously considering more of them for our province.



### P3 hospital to replace QEII?

Recently, Health Minister Leo Glavine told a radio show that the province is considering the P3 model to replace the aging QEII hospital complex in Halifax. He might want to take a closer look at the multi-million-dollar corruption scandal currently surrounding Montreal's new 'super hospital' — also a P3.

He should also review the policy change from the Trudeau government which says provinces are no longer required to follow Stephen Harper's old dictate that infrastructure projects looking for federal funding must consider the P3 option.

### P3 toll highways

A report prepared for the Premier by one of his own deputy ministers warned against the dramatically higher costs P3s create for taxpayers. It cited the Cobequid Pass toll highway as one example of this. The report by Peter Vaughan estimates that more than \$300 million in tolls were produced by this stretch of highway, for a deal that saw private financiers put up just \$66 million. That's a return on investment of more than 350%!

And yet, in June of this year DTIR Minister Geoff MacLellan put forward a proposal for eight new toll highways across the province.

### P3 schools

As each of the contracts for 39 P3 schools signed 20 years ago begin to expire next year, the province must decide whether to renew the lease, end the contract or buy the school.

Exactly how bad these deals have been for NS taxpayers, has been well documented by our own Auditor General and others. Recently, in fact, we learned that the 20-year P3 leases have already cost taxpayers \$726 million — and some of those leases don't expire until 2018!

The Liberal government now has a chance to right a historical wrong by picking up the \$230 million worth of options on the schools and bringing them back into public hands — where they belong.

### How is this fiscal restraint?

The premier is preaching fiscal restraint. We keep getting told there's no money for important services, there's no money for wage increases and that we have to balance the budget.

The finance minister has asked public sector unions to help him 'identify savings.' A great place to start would be by putting an end to costly and secretive P3 contracts that end up turning hard-earned taxpayers' money into huge corporate profits.

A message from CUPE Nova Scotia,  
representing more than 19,000 working  
women and men across the province

# CUPE