



What is privatization?

Public private partnerships What are they?

Discussion of privatization and P3s is not new in B.C. In 1999 the B.C. government published a *Guide for Local Government on Public Private Partnerships*.

The guide describes P3s as:

“arrangements between government and private sector entities for the purpose of providing public infrastructure, community facilities and related services. Such partnerships are characterized by the sharing of investment, risk, responsibility and reward between the partners. The reasons for establishing such partnerships vary but generally involve the financing, design, construction, operation and maintenance of public infrastructure and services.”²

P3s are a form of privatization that moves control of public assets and services to the private sector. There are many P3 models. Appendix A outlines 10 possible models as described in the municipal government guide. At one end is the common design/build approach, where a public organization hires a contractor to design and build a facility. At the other end is the build/own/operate model, which is full-scale privatization of a facility.

The guide stresses that P3s are not just for infrastructure projects:

“Public private partnerships can be an effective and innovative way of delivering a range of local government services and facilities. While large infrastructure projects tend to capture the most public attention, public private partnerships can also be used to deliver services that do not involve capital projects. Examples include provision of data services, refuse collection and road maintenance.”³

The Campbell government has gone much further than this, even identifying certain health services as appropriate for P3s.