

Public-private partnerships called minefield

KEVIN DOUGHERTY

The Gazette

Wednesday, November 10, 2004

A public-sector union leader said yesterday the Charest government is walking into a "minefield" in promoting public-private partnerships for major construction projects.

But a construction-industry representative branded Bill 61, to create an advisory agency on PPPs, too timid, suggesting the idea should be expanded to cover small construction projects as well.

Pierre Hamel, speaking for the Association de la construction du Quebec, said very few Quebec construction companies could handle large PPP projects, such as the new billion-dollar teaching hospitals affiliated to McGill and the Universite de Montreal.

Hamel said he realizes big international consortiums, with experience building PPPs in other countries, have an advantage landing such deals. "It would be big foreign companies," he said.

But Hamel would oppose a Quebec clause, restricting outside companies from bidding, because that would lead to protectionist retaliation, notably from Ontario and New Brunswick, hurting Quebec construction companies.

He added, while Quebec construction firms are out of the running to manage large PPPs, foreign companies could hire them to do the work.

Treasury Board President Monique Jerome-Forget noted municipal governments can develop PPPs without going through her proposed agency.

Carole Roberge, president of the Syndicat des professionnelles et professionnels du gouvernement du Quebec, who called PPPs a "minefield," argued their costs and risks can't be calculated.

She added they would provide "a gold mine" for the lawyers who write and enforce the detailed PPP contracts.

Roberge said Jerome-Forget is taking an "ideological" position, by saying the private sector is a better manager.

"Where is the government going with PPPs?" Roberge asked.

kdougherty@thegazette.canwest.com