

## **P3s could have alleviated Spadina subway extension woes?**

by [LINDSEY COLE](#) May 19, 2015

Several provincial politicians were on the same page when it came to how the Spadina subway extension was rolling out, stating perhaps a public-private partnership (P3) could have alleviated some of the problems that have plagued the project.



Liberal MPP Peter Milczyn, who is the parliamentary assistant to the minister of economic development, employment and infrastructure, NDP Critic for Finance and the Treasury Board MPP Catherine Fife, PC Transportation Critic MPP Michael Harris and Ontario Green Party leader Mike Schreiner were asked to take part in a panel discussion on P5s: Political Perspectives on P3s, during the Transport Futures P3s in Motion Conference.

During the discussion questions arose about how the Spadina project could have been handled differently, providing an opportunity for the politicians to share their views.

Recently, Toronto city council approved the Toronto Transit Commission's (TTC) plan to reset construction on the Spadina subway extension by hiring a new third-party project manager. Council voted to increase its capital budget and 2016-2024 capital plan for the Toronto-York Spadina Subway Extension (TYSSE) by \$150 million. The cost increase will be split between the City of Toronto (\$90 million) and the Regional Municipality of York (\$60 million), Daily Commercial News previously reported.

Initially, the cost of the 6.2 kilometre extension from Downsview Station to Pioneer Village Station in Toronto was estimated to be \$1.5 billion. This was increased to \$2.1 billion in 2006

when the extension was expanded 2.4 km from Pioneer Village Station to Vaughan Metropolitan Centre Station in York Region. The current cost of the project is \$2.78 billion.

"When I was at that table, I had been arguing for a P3 or an AFP (Alternative Financing and Procurement) approach to it," said Milczyn, who is a former TTC commissioner and Toronto city councillor.

"You have better project management procedures in place that hold the contractor and the subtrades more to account. In that particular case certainly the project management could have been done much better and I think it would have been under a P3 or AFP model."

Harris shared similar views.

"That is an absolutely perfect example of how AFP or P3 could have been put into place," he said. "It is hard to deny that the P3 model would have saved taxpayers money. Some of these delays and cost overruns could have been adsorbed by a private sector company if the project was procured through a P3 model from the outset."

Fife stated it seemed like politics got in the way of proper planning.

"The design and the build of these projects, when they are constantly in flux because of politics, because of horse-trading, then you have cost overruns," she added.

Schreiner said overall there needs to be a business case to prove what the best method of delivery is depending on the project.

"We need to make our decisions based on what is going to provide the most efficient and effective public policy outcome for the taxpayers," he said.