Okanagan heading in right direction

SCOTT HENDERSON

Guest Column

It's been quite a year for the Okanagan. America's largest daily newspaper, USA Today, named the Okanagan the world's second best wine region to visit.

The $35-million technology incubator project, the Okanagan Centre for Innovation was approved for downtown Kelowna and many developers are reporting a good year in home sales, indicating a steady demand for the Okanagan.

This good news demonstrates the Okanagan is headed in the right direction as it is emerging as a global competitor in tourism, community building and technology.

Good thing as out-of-province money is a huge contributor the Okanagan economy. In Kelowna alone, tourism contributes $653 million annually in direct economic output for the area.

In addition, the real estate market is healthy as the Okanagan Mainline Real Estate Board reported sales improved by 23.8 per cent year-to-date compared to 2013. (7,993 units compared to 6,455 during the same period – January through November.

Our company, dHz Media, has been promoting the Okanagan since 2005 and one of our clients, Skaha Hills, a new residential community on the southwest slopes of Penticton over looking Skaha Lake, is benefiting from the increased interest in the Okanagan as it has nearly sold out its first phase of 47 homes in under four months.

If all goes as planned, technology professionals will be coming to the Okanagan as well to participate in the emerging economy and valley lifestyle. The announcement this summer of the Innovation Centre opening up raised awareness with media articles across Canada and in the Globe and Mail.

The emergence of the Okanagan Silicon Valley is an incredible success story. During the past three years, the tech industry, led by Accelerate Okanagan, has created 300 jobs and helped companies raise $10-million in start-up funding.

"Since we announced the plan for the Innovation Centre, we have had interest come in from across the country who want to get into the space," said Jeff Keen, a spokesperson for the Okanagan Center for Innovation.

Creating a sustainable knowledge based economy is key to building the Okanagan, says Keen.

Our company works with the Okanagan Chapter of the Urban Development Institute (UDI) whose mandate is to promote wise and efficient urban growth while generating job opportunities to provide for the needs of British Columbians today and in the future.

The UDI works with the public and government to achieve balanced, well-planned and sustainable communities. The Innovation Centre is a great example of what can be achieved when public and private stakeholders work together. Building a tech-incubator makes good growth sense.

Examining the reasons why tech professionals would want to move to the Okanagan explains why it is able to compete globally. There is a welcoming business community, A-list post-secondary institutions, world-class summer and winter recreational opportunities, and direct flights in and out of Kelowna International Airport to major centres across the continent and top-notch wineries.

While these great reasons are sound, a much simpler question demonstrates why the future of the Okanagan is bright and why it will be successful in building its technology sector: If you could work anywhere in the world, like technology professionals can, why would you not choose the Okanagan?

Scott Henderson, board director for the Urban Development Institute – Okanagan and managing director of dHz Media

EDITORIAL

Protests create a hit

One sure way to assure a B movie is a hit these days... tick of the North Korean government.

It seems almost bizarre, almost Hitchcockian, that The Interview has caused such a commotion.

The comedy, directed by Vancouver-born filmmaker Seth Rogen, is about a popular talk show host scoring an interview with Kim Jong un, which later leads to an assassination attempt on the dictator.

Since the film's completion (much of it was shot in Vancouver in 2013), there's been a cyber-attack, threats from the North Korean government that theatres that showed the film would be attacked, two delays in the release date of the film and even reaction from U.S. President Barack Obama.

Gee, Pineapple Express never got that kind of exposure.

After pulling the movie from major release, many independent theatres showed the movie in the U.S. and the end result was long line-ups on Christmas Day.

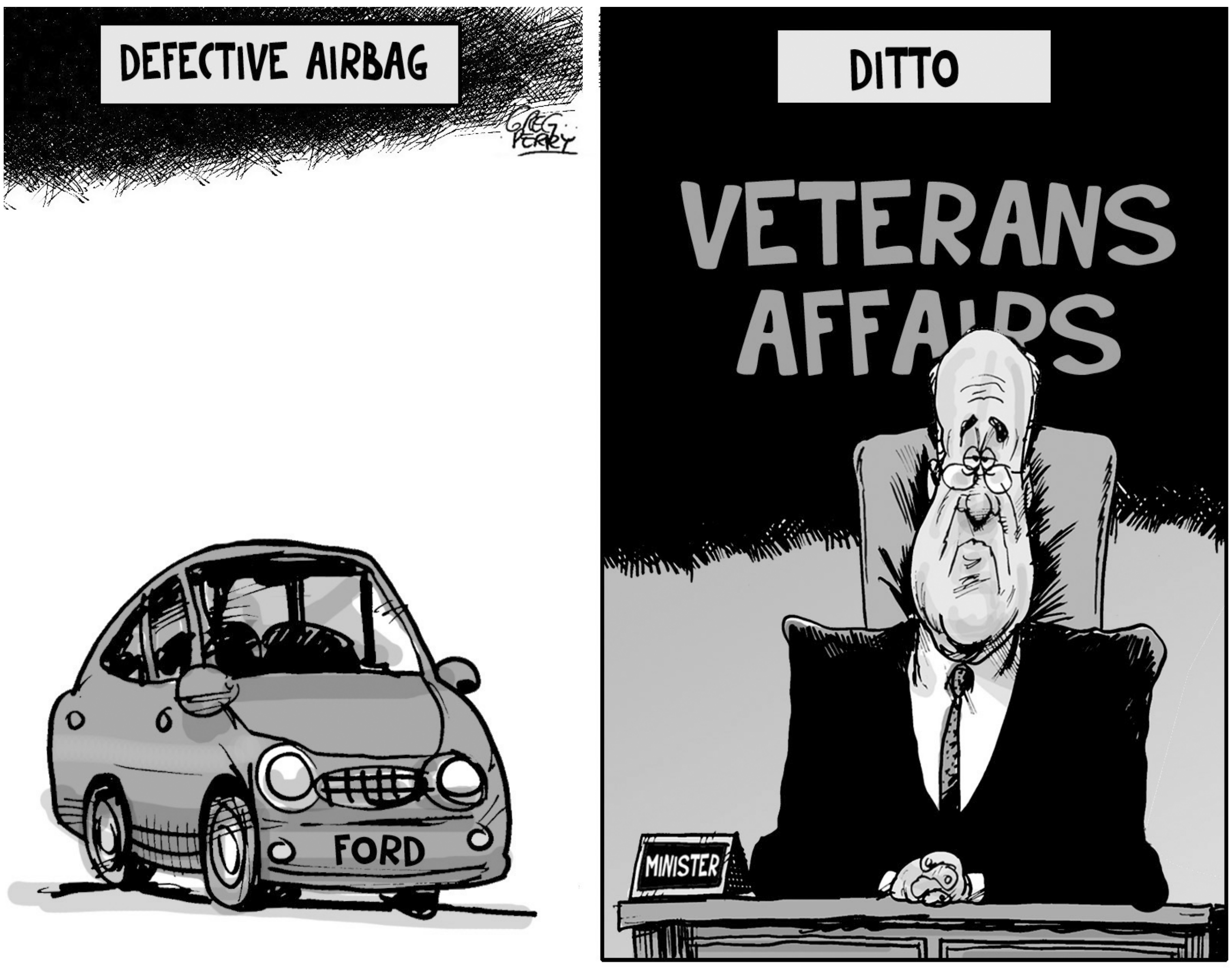
This happens from time to time. The Last Temptation of Christ, a 1988 Martin Scorsese film, likely wouldn't have drawn an audience outside of the New York City art house crowd had the Catholic church not protested its release.

It's surprising the reaction considering a decade ago, Team America World Police parodied the father of Jong-un and very little was said.

As journalists, we applaud all involved for sticking up for freedom of speech and expression by releasing The Interview.

But, at the same time, is it worth the risk to public safety over a comedy which apparently isn't even all that funny?

— Penticton Editor James Miller



Private healthcare can work

But there are risks in a publically-funded system

By STEPHEN DUCKETT
Special to Okanagan Sunday

If you look at an old map of Canadian healthcare policy, just near Privatization Island is a big warning: "Here be dragons."

So it proved for Alberta Health Services last month when a seemingly innocuous decision — to swap the tender for laboratory services from a United States-based transnational corporation to an Australian one — provoked a furore of discontent.

Part of the problem is that 'privatization' has two meanings. One is about increasing private funding of healthcare, which in the Canadian context is unequivocally bad.

It breaks the compact between Canadians that they are all in the same boat in terms of access to healthcare and strikes at one of the key differences between the U.S. — where the spectre of bankruptcy or no care looms, even under Obamacare — and Canada, where people can sleep easy knowing they are protected against the costs of healthcare.

But Alberta's controversy over lab contracts is about a different sort of privatization. It is about who delivers care in a publically funded system. Opponents wrongly evoked images of the Americanization of the health system and bemoaned profit-making in healthcare.

Of course, swapping one private corporation for another doesn't change incentives. Nor is this the first excursion of profit making into healthcare: linen, food, security services are all provided by profit-making groups across Canada.

In fact, most medical services are provided by private physicians — often structured as professional corporations — who make their income from billing provincial governments. Some provinces have contracts with private corporations to provide direct care such as cataract procedures or residential aged care.

Privatization of health delivery can work in a publically-funded system, but it is not free from risks, as I experienced in my time in Alberta. I inherited a number of private contracts, many of which were poorly specified. My departure contract precludes my detailing all their problems but some general lessons can be drawn from what is in the public domain.

First, negotiated contract prices may be too high. A contract for elective orthopaedic procedures in Calgary paid higher prices than what it cost in Calgary's public hospitals.

Second, the contracting arrangements may be exposed to political meddling and provide no incentive to deliver the public sector the best price. Alberta's cataract contracts were the best example of this.

Third, the contracts often have built in price and volume escalators which don't give public managers the control they need in times of financial cutbacks.

Facing an effective billion dollar cut by the provincial government, I couldn't look for the same savings from lab services in Edmonton we found in Calgary and the rest of the province because of the nature of existing contracts.

Poor specification of contracts and lock-in arrangements constrain future administrations, yet private providers often require long-term contracts, especially where they need to build facilities to meet the contract terms and these facilities can't be used for any other purpose.

Another risk stems from poor costing processes in Canadian hospitals where few hospitals undertake routine costing of patient care with proper allocation of overhead costs.

Poor contracts are endemic in the health sector partly because it is often difficult to specify adequately the product being purchased. Although advances in patient classification systems have improved our ability to describe the volume of patients or nursing-home residents who are to be treated or cared for under a contract, quality measures are still in their infancy.

The quality metrics included in a contract should be clear and public. What is the standard of care expected? How will the purchaser know it is being delivered? Is there arms-length separation of patient assessment and provision?

Finally, contracting will only yield savings if there is a market — where providers compete for best value in terms of price and quality. Absent a market, even a local one, purchasers could be hostage to monopoly providers or exposed to protect local inefficient suppliers for political reasons.

The response to privatization of health delivery should not be a knee-jerk one, that this is a no-go area for Canada. Rather, public purchasers should be held to account for the nature of the contracts they sign and should not be able to hide behind confidentiality clauses.

They should disclose the prices being paid for services and demonstrate that they have negotiated a good deal for the public taxpayer. Transparency won't solve all the issues of private sector contracting in healthcare, but without it, the risks will almost certainly outweigh the benefits.

Stephen Duckett is an expert advisor with EvidenceNetwork.ca and the former president and chief executive officer of Alberta Health Services. Distributed by Troy Media.

The SUNDAY Okanagan

Terry Armstrong
Publisher
The Okanagan Valley Newspaper Group

Published every Sunday at 550 Doyle Ave., Kelowna, B.C., V1Y 7V1 by Continental Newspapers (Canada) Ltd.
Offices in Penticton at 101-186 Nanaimo Ave. West, V2A 1N4