Next Meeting: Tuesday, October 13, noon to 5 PM at CUPE, 20 James Street, Ottawa. (Near downtown, off Bank St, north of the Queensway)

Meeting Notes - CANADIAN WATER: EXPORTS?; PRIVATIZATION?
(nascent "Canadian Water Working Group")

Meeting held: September 29/98 at Canadian Environmental Law Association (CELA), Toronto

Present: Lois Corbett (Toronto Environmental Alliance - TEA), Kathy Cooper and Sarah Miller (CELA), Maude Barlow and Jo Dufay (Council of Canadians - COC), Ron Crawley, Morna Ballantyne and Paula Fletcher (Canadian Union of Public Employees - CUPE), Jamie Linton, Nick deCarlo (Canadian Auto Workers - CAW)
Regrets: John Jackson, Paul Muldoon (CELA), Randy Robinson (OPSEU), Steven Shrybman (West Coast Environmental Law)
Others interested in these notes: Brennain Lloyd (Northwatch - northeastern Ontario)
For circulation to others: send an email to KC at CELA. Email stringer at end of notes.

Structure of Notes: have combined assorted comments into 1) the"go-round" (under the 3 categories noted); followed by 2) thematic grouping of issues discussed, 3) research needs identified and 4) preliminary discussion of a national campaign. Detailed contact information also noted.

1. Go Round: Issues to Discuss, Who's Doing What, Time/Money/Staff Contributions

Nick deCarlo, CAW - CAW interested in this work; can build into educational work; not directly relevant to members but lots of interest among CAW members and trade issues of interest; watching brief for now; will take back and discuss involvement. Ability to participate dependent upon breadth of campaign and positions taken (e.g., endorsement of user fees would be problematic).

Jamie Linton - working on position paper for COC (more in issue notes below); propitious time to take action on this issue

Lois Corbett, TEA - TEA has formed a water caucus of interested TEA members and other groups; election polling of candidates revealed deep ignorance among municipal politicians on water issue especially need for conservation but also water quality issues; desire to use CELA's educational materials during upcoming provincial election including targeting the 905 belt around Toronto (Harris' electoral stronghold).

Ron Crawley and Morna Ballantyne, CUPE: CUPE has done anti-privatization work for several years with increasing focus on water. Comprehensive policy developed at recent convention. Primary focus on privatization of municipal water systems. Also concerned about exports since is the same companies. With water focus, is an issue to alert public to privatization problems elsewhere. Campaign being developed. National campaign with strategic targets across Canada where privatization is occurring. E.g., New Brunswick (privatization of trans-Canada hwy

construction), Alberta (hospital privatization in contravention of Canada Health Act), BC (garbage collection, water), Ontario (water) and other examples. For Ontario, assumption that Toronto water privatization is a likely target. Also interested in national level work. Doing focus groups on messages and content (finding strong distaste for negative messages; strong positive reaction to "public" works). Lots of research to circulate. Circulated at this meeting: "Behind the Pretty Packaging: Exposing Public Private Partnerships" (part of the CUPE Power Tools Series); 3 Corporate Cash-In Fact Sheets - company profiles: Philip Services Corporation; Suez Lyonnaise des Eaux; and United Utilities (North West Water, Canada); and internal draft of "Water Privatization: Coming to a Community Near You?" CUPE has national office working group on privatization; significant resources devoted to research, communications and community mobilization. About $1 million allocated this year and additional money being spent for specific strategic campaigns funded 50-50 with local affiliates (good way to get community buy-in). Are affiliated and communicating, via the CLC, with Public Service International and anti-privatization effort occurring at international level. Also have a video in preparation.

Paula Fletcher, contract work for CUPE: Detailed review of RFPs for Toronto sewage sludge management. Multinationals bidding. Can provide information on these RFPs and the companies. Same actors as for water privatization (and those interested in exports). Toronto privatization issues lurking; need some spotlights on situation. Also doing local organizing in Sault Ste Marie around Lake Superior permit. Very big issue and lots of community opposition.

Jo Dufay and Maude Barlow, COC: COC interested in knowing what research is needed, what complementary work can each of us do. COC Discussion Paper in preparation (notes below re: same). Timing is crucial on water issues. Immediate need for citizens movement against the privatization of water. Need for strategy and identification of research gaps. COC interest in this issue since FTA in 88 and through NAFTA, recent Nfld and Ontario export-related activities and through MAI campaign. Use COC paper to help frame the larger discussion and help put the pieces together. Ongoing work (research and campaigning) as part of the International Forum on Globalization with intention therein to focus on water. Will direct significant staff time to this work and strong likelihood exists of raising money at international level for this work. COC has 50 chapters across the country - loud.

Sarah Miller and Kathy Cooper (CELA): CELA work on this issue through entire Great Lakes saga including Great Lakes United Sustainable Water Task Force and publication of "Fate of the Great Lakes" report; Bill 107 (municipal privatization) analysis and large campaign in Ontario; trade issues raised throughout FTA, NAFTA, GATT/WTO and MAI debates and most recently with Lake Superior water permit; will be intervening, with Great Lakes United in Appeal Board hearing (more in issue notes below). Ongoing work at CELA to popularize into educational materials: trade analysis; Harris government's moves to facilitate municipal privatization; Appeal Board Hearing into Nova Group appeal of decision to revoke Lake Superior water-taking permit. Significant staff time available but very limited money for travel or publication of materials (push materials instead via email and website); useful database of strategic but not plentiful contacts. Also doing detailed review and analysis of multitude of changes (in Ontario) affecting legal, policy and jurisdictional changes affecting municipalities.

2. Issues

Nova Appeal:
Hearing dates: preliminary meeting to determine parties on October 16th and hearing scheduled for December 7 - 22 and will resume in January, if necessary. CELA (and Great Lakes United) will be requesting full party status. Other interventions expected by Great Lakes Commission, State of Michigan, some First Nations (North Shore Tribal Council? and others) and perhaps the City of Sault Ste Marie (mayor has publicly stated opposition). Much will depend on the Board members in terms of the scope of issues they will be willing to address. Big money behind this appeal. Whose money? This matter pulls together the big issues we are addressing (exports, private companies, private vs. public control, conservation, etc.). Need to discuss what we can do on the ground to make a large splash. New bedfellows exist in the Sault as a result of this issue. Forest fight is very divisive. Those who have been on opposite sides of forestry debates in agreement now in opposition to water exports. New alliances at municipal level. Passionate opposition in the Sault to this proposal. Has been good media coverage.

Conservation:
Spell out differences between individual efforts at conservation and issues arising with distribution systems. Spell out issues around conservation for industrial uses. Industrial conservation can mean large scale changes in production processes. Lack of conservation can mean pipelines (e.g., Honda plant in Aliston, Ontario). Could application of conservation mean avoiding need for so much water? Address major users, e.g., Ontario Hydro, brewers, etc. Address cost and conservation correlation. Get smart with our arguments. Same arguments are being used for water privatization as are being used for privatization of daycare. Articulate why privatization is an unhelpful "solution". On exports, if we are against water exports, crucial to not be hypocritical, i.e., must also be strongly advocating conservation. Show the link between conservation debate and the commodification of water. At international level, who else should we be connecting with; what international fora are relevant?

Cost Issues:
Thrust in conservation arguments is to achieve it via pricing. "We pay more for cable TV than for water". Not just a Canadian trend. Countries signing onto this notion all over the world. International trend that needs critical evaluation. Confront notion of water as a commodity. Recognize that water has an economic value. Connection between consumption and cost - inverse correlation Essential thrust has merit and need to use it to our advantage. E.g., if privatize, will mean higher costs (to pay for the BMWs). Willingness to pay more exists. That may change if money goes into private profits rather than improving the system..

Infrastructure costs: Is there a Crisis?
Need for cash injection characterized as a crisis. Not a crisis in terms of availability of (relatively) clean water. Definitely is a need for huge injection of cash to upgrade and build more infrastructure. Estimate of $80 to $90 billion necessary on water and wastewater sector over the next few decades. To address deterioration and build more, especially more sewage treatment plants. Keyed into population growth statistics.

Connection to public-private partnerships (PPP). CUPE work is exposing that it is more expensive to finance via PPP. Accounting tricks and manipulation. While public money can be raised more cheaply, it shows as a public debt. If use private sector investment, cost is charged back to municipalities through leasing charges and public pays more while private sector takes on none of the risks (e.g., of system breakdown). Clear that there is a huge investment needed and this issue is key to bringing labour and environmentalists issues together. Essential for us to have a comprehensive alternative strategy.

Analysis needs to identify barriers to private investor involvement and activity underway to overcome them. Barriers for private sector include differential status of municipalities in three areas. Municipalities are: GST exempt; have ability to borrow at preferential rates; and have ability to levy development charges. Concerted efforts underway to blur the lines between public and private to help private sector, e.g., obtaining "municipal status" according to Revenue Canada, to enable GST exemptions. Can expect similar actions that are occurring through international banking to be applied, e.g., preferential borrowing, investment and tax breaks. Are also a range of legislative changes (in Ontario at least and likely elsewhere) to smooth the way for privatization (e.g., Bill 107, changes to the Development Charges Act, etc.). Federation of Canadian Municipalities also moving away from expectation of federal government injection of cash and embracing notion of PPP. More notes below under research needs and national campaign.

User Fees:
With user pay metering, how to guarantee low income access. Any endorsement of user fees will be problematic with e.g., CAW membership, and others. Need to be very clear. Understand each others opinions. As a conservation mechanism are they valid? Valid with a caveat? Spell out equity issues and how to address them e.g., assurance of free water (paid for through public funding) for all to ensure adequate water for drinking, cooking and sanitation and then charge beyond that level. Ensure charging for large industrial use, again, perhaps beyond a baseline level. Spell out cost of treatment. Who bears the cost? Historical problem of money being raised by municipalities and going into general revenues rather than directly into water and sewage system construction and/or maintenance.

Federal Water Policy:
federal policy document is drafted (vague content) and is in circulation though few have seen it. Will be posted to internet shortly. Result of provincial discussions this past summer. Takes broad scope of "water issues". Context for us: this is a national process and is fairly far along. Three months of discussion so far between feds and provinces. Carriage by Environment Canada but is an Interdepartmental Committee on Water. No indication yet if will be public hearings.

COC Discussion Paper: review of early draft
Need to promote public dialogue on the principles to include in a national water policy. COC paper covers 3 areas: 1) outline of status of federal government initiative on water policy; 2) role and strategy for COC; and 3) preliminary list of 10 principles for COC policy. Discussion of principles: show the political context; provide the "crisis definition". Show the need for citizen, environment, labour alliance against the water company stealth and be for something vs. against

or casting issues in negative way. E.g., principles for Canada to be a model and to truly live up to United Nations description/ranking. Use language about public health and equity (ensuring adequate supply of essential water for drinking, cooking and sanitation), talk about ecosystem health, public, non-profit control, create and maintain good jobs, conservation to reduce waste, manage a precious asset, maintain good infrastructure. Lay out the visionary alternative and then spell out the details. Maintain all the negative language about not privatizing, exemption of trasnfers from trade agreement, prohibiting export, not a commodity, but use to buttress the positive argument rather than leading with negativity. Revisit discussion about bottled water. Much more here - Jamie took notes and is revising.

3. Research Needs

a) Undress "Best Practices" - need for a fact sheet for members, activists, etc, to show "best practices" is a means of paving the way for privatization (without conservation). CUPE has done a lot of work on "best practices" and needs more information on water conservation issues.

b) corollary of a): flesh out issues to clarify and resolve what keeps labour and environmentalists apart on conservation issues.

c) Whose money is behind the Nova Group appeal.

d) OPSEU model - need more information. Apparently spells out concerns re financing of municipal infrastructure via lower wages. What else?

e) Are there any active international treaty-based activities in this area that would be useful to us?

f) Need for more information on the annual "international water summit". Most recent: 170 corporate and political types; spin-offs from this international work descending upon countries.

g) more information on the Centre for Business Intelligence (despite the oxymoron): organized the Canadian water summit and the international summit

h) public health links. Links between public water and public health.

4. National Campaign?

What would it look like?
Can we form a coalition/working group? Who else should be involved? Spell out next steps. Decide upon and assign research pieces. What/how immediately do we want to get a public presence out? Decide on a place/role for this group/campaign within the context of the planned assault (at international level right down to municipal level).
Can we put together a fight back and be a force within the federal government process? Note that the feds are selectively targetting who they speak to. How can we ensure that we are the group they must consult with; be a force to be reckoned with.

A national "working group" is easiest for CUPE to participate in. Need also for ongoing on-the-ground involvement. One in every 60 Canadians is a member of CUPE. With family relationships etc., makes for much larger reach into Canadian homes and livelihoods. We don't get people mobilized unless there's an issue, especially a local issue. Talk about issues where they relate to people's jobs. Can show that primary source of good jobs in Canada is in the public sector. CUPE very interested in assisting with local campaigns but federal government is also a really good target for CUPE.
Need to connect with CLC Environment Committee (big campaign in the works on clean water). Public health experts are natural allies. Use health contacts developed during Regulatory Efficiency Act fight.
First Nations - natural allies given historical situation but complicated. Harken back to Green Plan and proposal for Clean Water Act; major component of bill was ensuring provision of clean water on reserves. But, companies are actively courting band councils and AFN leadership is in support of privatization initiatives. If possible, send information to First Nations Environmental Network (FNEN) upcoming meeting, or at least to key contacts. Set up meeting with Phil Fontaine and invite to next meeting of this group.
Where do we fit within the alternative federal budget process?
Inject PSI work into this effort.
Desire to tie in what we want to do in a national campaign to the upcoming Ontario election; influence voting and community coalition building
For municipal infrastructure, comprehensive alternative strategy necessary spelling out who would pay; show the alternative to the private sector making the massive injection of cash. Where else is the money going to come from? What is available via federal grants to municipalities? How can conservation and social equity be built in?
Out the companies. Reveal the stealth that is occurring to takeover municipal water and wastewater works.
Are we going to include hydro power in this work? Implications in Quebec.
All of us take questions back to respective groups.
CUPE interested in a working group and needs 10 principles for a good water policy around which to frame the CUPE campaign.
Reconvene this group and develop something to take to a larger group of people (including women's groups, anti-poverty organizations, etc. etc.) Next meeting should talk through user fees issue in more detail. Need information on international issues for this discussion. Talk about user fees in context of conservation, equity and funding. Do we need a discussion paper?
Need other voices: First Nations, Quebec, B.C. For next meeting, Maude will contact Phil Fontaine and Steve Shrybman, Sarah and Jamie will find Quebec allies. Kathy will seek out contacts with FNEN.

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