



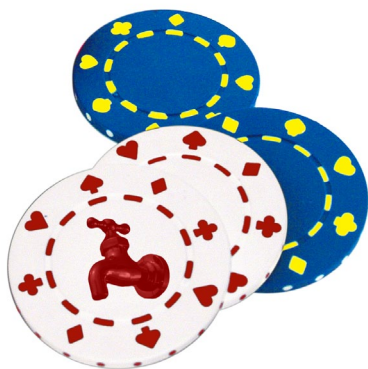
CETA and Water: Turning a public good into private profits

There is a water crisis in Canada. First Nations communities across the country remain on permanent boil water advisories while Indigenous communities in Manitoba suffer Third World-like conditions.

Canadian municipalities have been asking for billions of dollars for badly needed water system upgrades. The Harper government is not listening to these concerns. Instead, it is pushing privatization and public-private partnerships onto communities that cannot afford to fix water problems on their own. The government is also hoping its trade deal with the European Union will encourage more privatization of water and other social services in Canada.

According to Canadian trade negotiators, the EU has asked Canadian provinces to include drinking water and sanitation services in the Canada-EU Comprehensive Economic and Trade Agreement (CETA). It would be the first time that Canada has allowed our drinking water to be fully covered under a trade treaty, and the first instance that a trade agreement has covered municipal procurement of water services. The services and procurement commitments proposed in CETA would be protected by strong investor rights.

The effect of these new rights in CETA would be to lock-in existing private



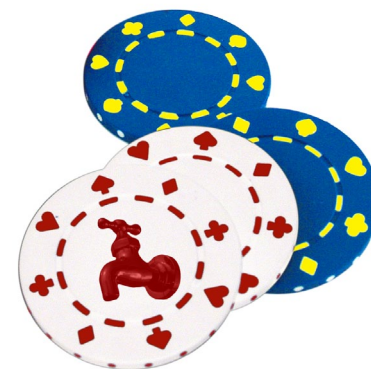
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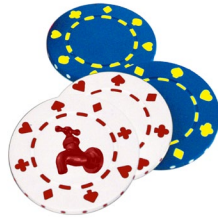


water contracts, restrict how local governments regulate the activity and investment of private water companies, and to encourage and facilitate the privatization of Canada's largely public water delivery and treatment systems. Our provincial governments cannot be allowed to sacrifice public water so large private EU water firms such as Veolia Environment and Suez can increase their profits.

Experiments with water privatization have failed all over the world to the point that there is now a growing trend in Europe, the United States and Latin America is to remunicipalize both private and public-private partnerships (P3) water projects. Water privatization fails because accountability disappears, water rates go up, workers are laid off, and service levels decline. There are no economic or social gains from agreeing to the EU requests as they relate to water services. There are only unnecessary and costly risks to Canada's municipalities and First Nations. Once public revenues are transformed into private profits, remunicipalization will become next to impossible under the services, investment and procurement rules set out in CETA.

WHAT CAN WE DO?

Provincial and municipal governments must take immediate action to protect Canada's public water systems from decay and privatization. As one of the wealthiest countries in the world, finding solutions the infrastructure crisis in municipalities and First Nations communities is a matter of political will, not adequate funding. We need to let as many local, provincial and federal decision makers as possible know about the risks of including water in CETA. For more information and a sample letter you can send to your elected representatives, visit www.canadians.org/CETA.



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