

# FEDERAL BUDGET

CUPE

2010

## WATER

### What's in the budget?

The only new announcement specifically targeting water and wastewater infrastructure is the extension of the First Nations Water and Waste Water Plan for the next 2 years. The funding commitment is undeclared and it appears the government may be considering options other than public financing stating they are looking for “*ways to more effectively support access by First Nations to alternative sources of financing, and approaches to improve the life-cycle management of capital assets*”.

\$8 million of new money is being allocated to Environment Canada to implement an action plan to protect the Great Lakes. This is funding provided to support the *Canada-United States Great Lakes Water Quality Agreement*.

\$18.4 million over two years in new money will be allocated to the Canadian Environmental Sustainability Indicators initiative to sustain the government's annual reporting on environmental indicators. This initiative will produce a set of environmental indicators that will include water quality.

### What does it mean?

Water and wastewater facilities currently need \$31 billion invested for upgrades and repair; funding for new buildings and the incorporation of costs related to new waste water regulations could increase this amount even further. Government cost estimates for these new federal wastewater regulations are between \$10-13 billion.

New Federal wastewater regulations are currently undergoing public consultation. It is disappointing to see there is no new funding to augment the costs associated with their implementation. This cost should not be offloaded onto municipalities who are struggling to raise funds to support current water and wastewater facility repair and upgrades.

Commitment to Year 2 stimulus spending is welcome but does not sufficiently address our water and wastewater needs. \$1 billion over 5 years falls short of alleviating the deficit and water projects prioritized under the *Green Infrastructure Fund* require matching funds that are difficult for communities to raise.

Recognizing the need to continue funding the First Nations Water and Waste Water Plan for the next 2 years is important but without a definitive commitment to funds, concerns are raised. Conditions in First Nation communities amount to a public health crisis; there were 124 drinking water advisories documented by Health Canada last October alone. A genuine federal commitment to address this issue is long overdue. Claims that “alternative sources of funding” are being sought by the government raise alarm bells that signal that the government is attempting to place our water, and the health of First Nations' communities, in the hands of the private sector.

Water is increasingly being viewed as a lucrative commodity and is being sought after for sale by the private sector, for profit.

In the absence of proper regulation, and in a climate of increasing underfunding, this is an ever increasing threat. We cannot allow our water to be privatized and water operators to be contracted out because the government has refused to recognize water as a human right that must remain publicly owned and operated.

### **What would have been better choices?**

We need a *National Water Strategy* that includes a long term commitment to the public provision and control over our water. This strategy needs to be supported by national drinking and wastewater regulations that preserve the environment and keep our families safe. A long term strategy would allow for planning that incorporates pro-active measures to curb water pollution, would support innovation and the preparation of a plan to address the impact of climate change on our water systems.

One way to do this would be to establish a *National Water Infrastructure Fund*. If the government invested \$3.7 billion immediately, and continued to invest \$3.1

billion over the next 10 years, the deficit facing our municipal water and wastewater infrastructure could be addressed.

An additional fund could be established to fund the costs (estimated to be between \$10-13 billion) related to new wastewater treatment regulations.

Investment in training and recertification of water operators continues to be necessary particularly in light of the fact of the Federal government is in the process of implementing new waste water regulations. Such investment would amount to a credible example of green job growth, something that is otherwise mostly missing from this budget.

Eliminate the requirements to pursue P3s through the Building Canada Fund and the PPP Canada Inc. Given the crisis facing our water and wastewater facilities, we know the current funding arrangements are not sustainable economically, socially or environmentally. Funding needs to come from somewhere, but in the interest of our health and our quality of life this funding needs to be public

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March 5, 2010