

Bulk water export backgrounder

While some provinces, including B.C., have banned the bulk export of water, others have not and there is no federal ban in place. This is a concern for many reasons, including the threats that these exports would pose for all of Canada's water under the North American Free Trade Agreement (NAFTA).

CUPE and other organizations have called for the federal government to take action to protect Canada's water from imminent export threats.

The federal government has shirked its responsibility on this issue by relying on the provinces for voluntary bulk water removal bans. This has resulted in a patchwork of legislation that ultimately leaves Canada's waters unprotected from international trade threats.

Under trade rules, the concern is that once one province opens the floodgates to water exports, it will be impossible to prevent other provinces from following suit.

Despite the federal government's claims, many are concerned that water is included in NAFTA as both a good and a service. Steven Shrybman, an Ottawa trade lawyer with the firm Sack Goldblatt Mitchell, believes that Canada could be compelled to continue bulk water exports to the United States under the North American Free Trade Agreement (NAFTA).

Trade rules create international pressure to deregulate and privatize, giving corporations the right to sue governments for actions that might restrict business operations. Corporations have already started to sue governments in order to gain access to domestic water sources. For example, Sun Belt, a California company, is suing the government of Canada under NAFTA because British Columbia (B.C.) banned water exports several years ago. The company claims that B.C.'s law violates several NAFTA-based investor rights and therefore is claiming US\$10 billion in compensation for lost profits. The mere fact that this suit has not been summarily dismissed illustrates the far-reaching effects of NAFTA.

The federal government must take immediate action to exempt water from destructive trade deals such as the NAFTA that would privatize, commodify, and put our precious water on the open global market for the highest bidder.

Bill C-6 gave the Foreign Affairs Minister the power to license bulk water exports and diversions. Given this and the trade situation, CUPE believes that the federal government must enact a legally binding water export ban.