

Strengthen Municipal Infrastructure

Most of Canada's municipal infrastructure needs to be updated or replaced, from sewer systems to recreation facilities, roads and bridges. The deficit for drinking water in Ontario alone is estimated to be at least \$30 billion. Federal and provincial governments have been offloading responsibilities onto local governments for years, without any new or growing revenue to help deliver quality public services or improve infrastructure.

In place of funding, the Harper government is seizing the opportunity to promote public private partnerships (P3s). A P3 is when a government or public entity agrees to pay a private company to build, operate and deliver (and sometimes fund and own) infrastructure or services that would normally be provided by the public sector. The Conservatives' new Building Canada Fund requires that large projects go through a costly "P3 screen", wherein municipalities must "fully consider" going the P3 route. But P3s are more expensive, less accountable, and compromise local control.

What do we want?

- Long-term, reliable funding for municipalities so that governments can invest in quality public infrastructure and services.
- Current funds should be made permanent and indexed to grow with inflation.
- The GST to be increased to 6 per cent and be directed to municipalities for investment in public infrastructure.
- Sufficient funding to protect and improve water and wastewater treatment plants and keep them publicly owned, operated and financed.
- Authority and flexibility for municipal councils to be leaders on protecting the environment. P3s hinder public innovation, flexibility and control.

Pressure to privatize

- P3s are an extremely poor investment for taxpayers. The return on infrastructure investment is siphoned off for private profits, instead of being reinvested into public services. Meanwhile, municipalities are left holding the bill for decades to come, having lost control of their assets and services.
- The previous Liberal government also used infrastructure money to encourage privatization. Under Harper, things have become worse. The only new infrastructure money in the 2007 budget will go to P3s.
- Visit www.endprivatization.ca for more information.

COPE491



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