

November 21, 2025

Local Government Policy Branch 777 Bay St., 13th Flr. Toronto, ON M7A 2J3 Canada

RE: ERO 025-1098 Proposed amendments to the Municipal Act, 2001 to transfer jurisdiction over water and wastewater to the lower-tier municipalities in Peel Region and a standalone statute to authorize the establishment of water and wastewater public corporations

Environmental Defence Canada (EDC) opposes the proposed <u>Water and Wastewater Public Corporations Act</u> as it paves a dangerous path towards water privatization in the province. EDC asks that the Ministry of Municipal Affairs and Housing (MMAH) remove the proposed <u>Water and Wastewater Public Corporations Act</u> as described in Schedule 16 of Bill 60.

Ontario municipalities have a strong track record of managing water and wastewater systems due to the decades of public investment from all levels of government. This allows for the delivery of safe, clean water to Ontarians, and safe taking away of wastewater from residents and businesses. EDC believes that direct municipal governance is best for public services and communities.

The province is proposing to transfer water and wastewater responsibility to a "public corporation" which is required to be incorporated under Ontario's *Business Corporations Act*. Though the public corporation is a public entity on paper, its structure—which could be managed by appointed officials rather than elected representatives—would result in a corporatized model. Under the *Business Corporation Act*, the only possibility for water is for the entity to be "for-profit" meaning that there is no option to establish it as a "non-profit."

This is concerning as water privatization raises significant risks such as:

- Loss of public accountability and oversight: Services can shift from elected councils to appointed boards which lowers democratic oversight. This means that there are no requirements to have public meetings and maintain public records, undermining transparency.
- **Increased water rates:** Privatized, for-profit services can result in higher costs for residents because of the corporation's responsibility to make money.



- This directly translates to prioritizing corporate profit and interest over the public's interest.
- **Environmental impacts:** Water privatization can lead to increased water extraction, reduced investment in conservation measures, and cut corners on wastewater treatment which could result in water contamination.

Municipalities, including Hamilton, Ontario have tried privatization before, with disastrous environmental and financial outcomes. Since the early 2000's, there have been hundreds of worldwide cases of water "remunicipalizations"—the process that brings water back under public control—in response to the failure of water privatization. The province should learn from history's mistakes and ensure that this never happens again, instead of quietly opening the door to another catastrophic conclusion.

Due to the detrimental impacts caused by water privatization, and that as-is this proposed legislation does not ensure that the provision of water and management of wastewater remains wholly under public control, EDC asks that MMAH amend Bill 60 to remove the proposed *Water and Wastewater Public Corporations Act.* Water must be defended as a public right, and this proposed act does not establish a public agency to serve the public. It is not for sale.

We thank you for the opportunity to comment on this proposal and ask the Ministry to remove the proposed *Water and Wastewater Public Corporations Act* as described in ERO 025-1098.

Sincerely,

Rebecca Kolarich Program Manager Environmental Defence Canada