



environmental  
defence

May 14, 2026

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

**RE: ERO 026-0301 Proposed amendments to the Water and Wastewater Public Corporations Act, 2025 and consequential amendment to the Safe Drinking Water Act, 2002**

**Legislative Amendments to Water and Wastewater Public Corporations Act, 2025**

The proposed amendment to the Water and Wastewater Public Corporations Act (WWPCA) outlined under ERO 026-0301 is an improvement to the initial legislation in Bill 60, however it is not enough to keep water public.

Ontario municipalities have a strong track record of managing water and wastewater systems because of decades of public investment from all levels of government. This has been successful because the purpose of government is to prioritize public good, not profit. This, combined with the legislative water protections through the *Safe Drinking Water Act* and the *Ontario Water Resources Act* allows for the delivery of safe, clean water to Ontarians, and the safe removal of wastewater from residents and businesses. Environmental Defence Canada believes that direct municipal governance is best for public services and the communities they serve.

Through Bill 98, ownership of shares of a water and wastewater corporation (WWC) is limited to "a municipality, the Province of Ontario, the Government of Canada or an agent of any of them." While on first glance, this might appear to be an improvement on Bill 60 (which provided no restrictions on who could or couldn't own shares in a WWC), Bill 98 provides no clear definition of "an agent." This could mean that a private entity could own shares, as long as they have been designated



as an agent by a municipal, provincial, or federal government<sup>1</sup>. The risk of water privatization is as present as it was before.

The WWPCA states that a designated WWC must be incorporated under Ontario's *Business Corporations Act*—the legislation governing for-profit business corporations in the province. The government's decision to exclude WWCs from incorporating under the *Not-for-Profit Corporations Act* is significant and concerning. The choice of corporate form has implications for how the WWC is governed and for what purpose it may operate. Even if shareholders are government entities, the service providers' legal obligation shifts from prioritizing the public interests of communities—such as, quality services, equity, health, working conditions, and environmental protection—to prioritizing corporate profit and related interests.

Additionally, the WWPCA does not require any study, public consultation or the consent of local governments before a WWC is established and designated. This is a major departure from the existing process for creating a Municipal Services Corporation (MSC) under the *Municipal Act*, which requires a business case, passage of a council by-law and public consultation to ensure transparency and accountability within communities.

### **Environmental and Financial Risks Associated with Water Privatization**

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<sup>2</sup>. Water privatization comes with significant risks such as:

- **Loss of public accountability and oversight:** Services can shift from elected councils to appointed boards with no municipal oversight 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.

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<sup>1</sup> Joel Bakan, Jim Stanford (May 2026): Did Ontario learn nothing from the Walkerton tainted water disaster [Op-Ed], *Toronto Star* [https://www.thestar.com/opinion/contributors/did-ontario-learn-nothing-from-the-walkerton-tainted-water-disaster/article\\_1d389903-55bd-453a-a264-81dc3e7858c0.html](https://www.thestar.com/opinion/contributors/did-ontario-learn-nothing-from-the-walkerton-tainted-water-disaster/article_1d389903-55bd-453a-a264-81dc3e7858c0.html)

<sup>2</sup> Emanuele Lobina, Satoko Kishimoto, Olivier Petitjean (Nov 2014): Here to Stay: Water Remunicipalisation as a Global Trend, Public Services International Research Unit (PSIRU), Transnational Institute (TNI) and Multinational Observatory



- **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.

In conclusion, WWCs are lacking important statutory requirements to ensure Ontario's water services stay publicly owned and managed, and safe. Ontario must further amend the WWPCA and avoid dangerous stealth water privatization. If the government is sincerely committed to public water, it must address the lingering issues in the act, including:

- The problematic requirement that WWCs be for-profit business corporations
- No definition of "an agent" when prescribing who can own shares in a WCC
- The lack of transparency requirements and unclear accountability structures
- The sweeping powers it gives the Minister of Municipal Affairs and Housing, including the power to direct municipalities to hand over their assets to these corporations—whether they want to or not

We thank you for the opportunity to comment on this proposal and ask the Ministry to further amend the WWPCA in addition to the proposed amendments outlined under ERO 026-0301.

Sincerely,

Rebecca Kolarich  
Program Manager  
Environmental Defence Canada