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Why keeping it public protects the environment

Who should run important public services that directly affect the environment – like water and sewage treatment, hydroelectric power generation and public parks? Should it be our governments, or private corporations?

Many communities, in B.C. and around the world, are being pressured to move to privatized services – through what are called public-private partnerships or P3s. And this raises many questions. Whose interests are taken into account? Whose voices are heard? What price do we pay – in terms of openness, costs, public accountability, service standards, health and safety – when private corporations take control of public services?

Democracy is good for the environment

Democracy is not just about holding elections. Democracy means that average citizens can raise concerns and, if they are persuasive, make changes. When it comes to the environment citizen activists around the world have changed the way governments do things. Whether it is damming rivers to create power or operating sewage and water treatment facilities – all citizens should have a say. With private corporations, it is the company's shareholders who have a say.

Governments are governed by rules to make them open and accountable. Within some limitations, Freedom of Information rules mean every citizen can demand to know what governments are doing. Our Auditor General can demand to see the province's books. In many situations B.C.'s Ombudsman can fight to make sure citizens are treated fairly.

Private companies do not have the same requirements for openness and transparency. Once public assets are turned over to private interests, we often are unable to get important information about things like environmental risks or damage or environmental assessment of projects. These become subject to "commercial confidentiality" to protect the business. Our communities need that information so they can make decisions about the environment, public services and health and safety.

Environmental risk and damage are public responsibilities in the end

Local governments traditionally contract the design and construction of projects like water and sewage treatment to private companies. P3s are different. They involve contracts that are decades long including things like private financing and private operation.

Some governments argue that privatizing public services reduces costs and risk to taxpayers. But experience shows us corporations charge a hefty premium to take on risk.

And when contracts go off the rails (like London's Metronet subway system) the public still ends up with the problem and ultimately pays the price to clean up the economic and sometimes, environmental mess.

In Canada, the City of Hamilton had to foot the bill for the clean-up when its private sewage operator allowed millions of litres of sewage to spill. And Halifax cancelled a half-billion dollar sewage treatment contract because the corporate partner was not willing to accept the risk and costs if it failed to meet environment standards.

Trade deals and privatization are a bad mix for the environment

Once private operators get involved in environmental projects they become subject to trade deals. Metro Vancouver stopped a proposed P3 for water treatment when it realized the project would be subject to the North American Free Trade Agreement and would be almost impossible to return to public operation. The new Trade, Investment and Labour Mobility Agreement (TILMA) between B.C. and Alberta guarantees even more rights for investors at the expense of local governments.

Privatizing and deregulation go hand-in-hand

Governments promoting privatization claim that regulations will protect the environment even if private corporations provide the services. But the same governments who promote P3s also push for deregulation. The B.C. government favours self-regulation by companies involved in an industry. Meanwhile, staff and budget cuts over time have reduced the provincial government's capacity to implement existing regulations.

Corporate priorities are different than the public's priorities

When our local governments run environmental services they have two priorities: our citizens and the environment.

Adding private corporations to the mix means government must accommodate the corporate goal of maximizing profits – which can lead to cutting corners on services and safety. This is a serious concern for areas like sewage, water treatment and small hydroelectric projects that affect our health and our environment. Government's also seek cooperation within and across public sector institutions – to improve service, introduce innovation and maximize resources. This is made much more difficult when we introduce a competitive corporate model that must take proprietary interests into consideration.

British Columbians are becoming more conscious of the need for a healthy environment and governments are following our lead. An important part of this is to say loud and clear that we want our governments, not corporations, to maintain control of important services like water and sewage treatment, parks and hydroelectric power.