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The jurisdiction for municipal infrastructure is quite clear. It is provincial. This is one of the most basic provincial responsibilities and one that should not be interfered with at a time when all levels of government are trying to rationalize and streamline governmental programs.

As well, any such new initiative would be totally inconsistent with the federal government's own imperative of deficit reduction. However, this does not mean that the federal government has no interest in a fiscally sound solution to the infrastructure problem. The federal government, in fact, has come up with a realistic and permanent solution in its federal water policy—realistic water pricing.

Realistic water pricing would make users conscious of the real value of the resource and delivery systems and would reduce the demand on those systems. It would encourage efficiency through improved technology and lead to water conservation. Indeed, provinces should prepare timetables and require municipalities to submit plans to bring their water and pollution control systems up to standard.

The Canadian municipal water industry is large and diversified. One indicator of its size is that the industry pumps over five billion cubic metres of water through its systems every year. What is too often forgotten is that there is a return trip for this water and a substantial and costly job of cleaning up the water through sewage treatment. This is a major industry in its own right, generating \$3 billion in annual revenues. It serves municipalities of all sizes and types in every area of the country.

Since water is produced to potable standards, this industry has heavy responsibilities in the public health area. It delivers service around the clock at bargain basement prices, an average of about 60 cents per cubic metre as of 1991. Because the industry is so well run it rarely reaches the public spotlight. But believe me, there is no more important industry in the country or one that touches more Canadians' everyday lives and yet the municipal water industry is currently beset with problems. Perhaps the most serious of these involves insufficient money to repair, upgrade and expand its physical plant to assure its long-term viability.

Private Members' Business

Why should these problems have arisen? It is because the industry has catered to our every wish for water servicing, giving us all the water we want and at the prices we want. This is the key to answering why the industry has such financial difficulties.

These issues lie at the centre of the private member's motion. They deserve our careful consideration in assessing the options available to reach a solution.

First of all, let us begin with the stated policy of this government. The green plan and the federal water policy both support the user-pay principle for water servicing. The water policy states this in terms of using realistic pricing to meet the full cost of supplying water and treating the resulting waste.

The federal government has consistently declined to co-sponsor a general financing program for repairing, upgrading and expanding water systems. Instead, the federal water policy maintains that there should be much more emphasis placed on demand-side measures to improve municipal water management.

These measures include more effective pricing arrangements for water servicing, better public education, the adoption of universal metering and much more research and development of new equipment and new management methods.

I know that in my municipality in the city of North York, when we changed our water pricing from a bulk discount to a flat rate for everybody, we had enormous changes with major manufacturers where they suddenly put in recycling equipment and practised conservation. Throughout this country there are many municipalities that do not even have water meters on every home and business in their particular municipality. These are simply measures that are no longer acceptable in this day and age. So the issue of water pricing is a crucial one. It both explains why the Canadian industry is financially non-viable at the present time and offers the solution to the problem.

Municipal water services are extremely cheap in Canada today. The average residence pays under \$20 per month to have water delivered through the public system and the waste removed. This is less than the monthly cost of cable television.