

## **“STOP HYDRO PRIVATIZATION”**

### **Thursday, May 7, 2015**

Ontario’s public power utilities are now in greater peril than at any time since they were first established over 100 years ago. Premier Kathleen Wynne’s announcement that she plans to privatize a majority interest in Hydro One came as a shock to many people. The Liberal legislation, Bill 91, would privatize the province’s electricity system - a massive transfer of wealth and power from the people of Ontario to private owners. It would be a tipping point in the battle over Ontario’s public assets.

Despite the assurances of the Premier about future electricity rates, the private power lobby has decades of experience in overcoming regulations that stand in the way of super profits. Privatization of electricity always leads to higher electricity rates. Creeping privatization of Ontario’s electricity system has already caused rates to triple over the past 20 years! Soaring electricity rates hurt the province’s economy, are a huge burden on the public sector (hospitals and schools for example) and are a growing problem for working class people.

Privatization of Hydro One would be the largest privatization in Canada’s history. The Ontario Liberals sought no mandate for this deplorable policy during the 2014 election. Not only is there no mandate from the election, there are no public hearings.

The people of Ontario stand to lose a perpetual flow of funding for public services. Premier Wynne’s one-time cash grab would deprive future generations of this public income *forever*. This is a clear betrayal of the public interest.

Premier Wynne’s scheme is being promoted as a funding source for public transit. Everyone knows that Ontario needs more public transit. But the cost to the public for expanded transit will soar because Premier Wynne is making decisions that favour business interests.

Premier Wynne has a choice: Promote a disastrous privatization scheme OR create a responsible long-term plan for transit funding that includes ongoing revenues from our public Hydro One and revenues raised by cancelling multi-billion dollar corporate tax cuts.

The Liberal Government has stooped to using smokescreen terms like “asset recycling” to conceal the grim truth: this is outright privatization on a massive scale.

Loss of our provincial electrical utility is not the only bad news in Bill 91. The Liberals have revealed their true colours as aggressive privatizers by putting in Bill 91 measures that encourage municipalities to privatize their local electrical distribution utilities.

Bill 91 puts Toronto Hydro at great risk of privatization. Existing legislation requires that proceeds from the sale of more than 10% of a municipal utility be subject to a provincial tax of 33%. Bill 91 waives that tax for three years!

Although the government has made moves with a green tint, there is nothing environmentally responsible about privatizing a key instrument of public energy policy.

The Executive Board recommends that:

- 1) All affiliates communicate with their members about the harm that will be done to the working people of Ontario if our electrical utilities are privatized.
- 2) Labour Council and affiliates demand Liberal MPPs put the people first and vote against Bill 91.
- 3) Labour Council support the anti-privatization campaigns initiated by the unions most directly impacted by the Liberals plans.
- 4) Labour Council do everything possible to keep Toronto Hydro public.