

Trade Justice Network - CETA

1. A ninth and possibly final round of negotiations toward a Canada-EU Comprehensive Economic and Trade Agreement will take place October 17 - 21 in Ottawa. What in your view are the benefits and risks of this agreement for the province?

Answer

Ontario's New Democrats understand that Ontario is a trading jurisdiction and that there are benefits to removing counter-productive obstacles to trade. However, we feel that in the present round of CETA negotiations the potential downside of an agreement outweighs the upside. We are particularly concerned that the whole area of domestic procurement by sub-national jurisdictions (provinces, cities) is on the table with the Europeans for the first time and that makes New Democrats very nervous – we very much believe in Buy Canada and Buy Ontario policies.

2. The provincial governments are at the negotiating table for the first time. They have been asked to put together ambitious offers for the EU, including commitments on government procurement, services and investment. These commitments will go beyond what Canada offered the U.S. in its 1988 free trade deal. Will you commit to making those offers public and debating them before a final agreement is signed with the EU?

Answer

An Ontario New Democratic government would ensure that the October round of the negotiations is very public and again, we are very concerned that provincial procurement, services and investment are on the table.

3. Does your party support the inclusion of an investor-state dispute settlement process in CETA? If yes, please explain the value to Canadians of including this process in trade agreements. Should provincial and territorial governments be held financially liable for any damages when a provincial, territorial or municipal measure is found to violate investment protections in trade agreements like CETA or NAFTA?

Answer

New Democrats believe one of the most controversial parts of the CETA discussions is the rights it will give multinational corporations to sue governments when public health, environmental or other policies interfere with profits.

The inclusion of an investor-to-state dispute settlement process in CETA is, in fact, one of Canada's only requests in the negotiations. There is no reason why two developed countries with strong legal systems should give extra rights to foreign corporations while

curtailing what publicly elected governments can do to protect human health, water, ecosystems and the planet.

An investor-to-state dispute process allows foreign investors to bypass the legal system and bring disputes it has with government policy to unelected trade panels. These panels, made up of corporate lawyers for the most part, hold hearings behind closed doors in boardrooms in Washington, Geneva or London. Their decisions are binding, and they can result in multi-million dollar fines against governments. This process is not only unreasonably expensive, it also fundamentally undermines public policy and puts environmental protection at risk.

4. Does your party support the inclusion of municipal drinking water services and water utilities under the procurement, services and/or investment rules of CETA?

Answer

According to Canadian trade negotiators, the EU has asked Canadian provinces to include drinking water and sanitation services in the Canada-EU Comprehensive Economic and Trade Agreement (CETA). It would be the first time that Canada has allowed our drinking water to be fully covered under a trade treaty, and the first instance that a trade agreement has covered municipal procurement of water services. The services and procurement commitments proposed in CETA would be protected by strong investor rights.

The effect of these new rights in CETA would be to lock-in existing private water contracts, restrict how local governments regulate the activity and investment of private water companies, and to encourage and facilitate the privatization of Canada's largely public water delivery and treatment systems. Our provincial governments cannot be allowed to sacrifice public water so large private EU water firms such as Veolia Environment and Suez can increase their profits. An Ontario New Democrat government would oppose such provisions.

5. Does your party support the right of provincial and local governments to “Buy Canadian” and/or to consider local economic development benefits when tendering public procurement contracts?

Answer

We very much support the right of provincial and local governments to Buy Canadian or Buy Ontario and to consider local economic development benefits when tendering public procurement contracts. A Buy Ontario program is at the heart of our job creation program and we do not want to hand the right to implement this program to foreign countries behind closed doors.

6. Would your party agree that labour mobility is a human right, not a commercial issue, and therefore should not be included in CETA?

Answer

We are concerned that labour mobility provisions in “free trade” agreements can sometimes result in a lowering of skills standards – in other words, a race to the bottom when it comes to skills. This is another concern we have about the present negotiations.

7. Does your party support extended patent terms and data exclusivity periods for medicines as demanded by the European Commission and the Canadian brand-name drug industry? Related to this, should the federal government be responsible for any additional costs for medicines incurred by the provinces and consumers due to strengthened patent protection under CETA?

Answer

The Ontario NDP is very concerned about the push by Europe, on behalf of the big pharmaceutical companies, to lengthen the period of monopoly drug patents and delay the availability of lower-priced generic drugs. We understand that there are estimates that these proposed changes would add almost \$3 billion annually to Canada’s drug bill and that very much concerns us.

8. Does your party support a broad cultural exemption in CETA that would exclude books, magazines, newspapers, publishing, broadcasting, film, video, performing arts and all other aspects of Canadian and European cultural industries? What about a broad exclusion for health care stipulating that nothing in CETA shall be construed as applying to health care or public health insurance?

Answer

Yes, we support both the exclusion of all of our cultural industries as well as our public health system.

9. Will your party ensure that Canada’s agricultural orderly marketing systems, including supply management, are not adversely affected by CETA?

Answer

The NDP appreciates that approximately 60% of the value of all agricultural products produced by Ontario farms is marketed through twenty-one provincial marketing boards and four representative associations. That amounts to about \$6 billion worth of farm commodities. In many cases, these marketing boards are an important source of price stability for Ontario farmers and we would be against them being put on the table in the CETA negotiations.

10. Do you support the maintenance of existing foreign ownership limits in telecommunications, fisheries and financial services under CETA? Related to this, should Canada protect its ability to screen foreign investment to ensure that it is of net benefit to Canada?

Answer

Yes, we support the maintenance of existing foreign ownership limits in telecommunications, fisheries and financial services. We also support the maintenance of foreign investment screening legislation and, if anything, want it enforced more strictly.