

Liberal Party of Canada

QUESTIONNAIRE FOR PARTY LEADERS

Canada-European Union Comprehensive Economic and Trade Agreement (CETA)

Dear members and supporters of the Trade Justice Network,

Thank you for your survey seeking the views of the Liberal Party of Canada on issues of concern regarding the proposed Canada-European Union Comprehensive Economic and Trade Agreement (CETA). We have compiled our answers and views into a single universal response to your survey questions which represents our overall views on the CETA.

The Liberal Party supports free trade and welcomes closer ties and more open trade with the European Union, which could open many opportunities for Canadian business. However, a Liberal government will make certain a CETA ensures Canadian interests, resources and workers are protected. A Liberal government will ensure that ongoing negotiations with the EU are carried forward with this priority foremost in mind.

CETA and opportunities for Canadians

The CETA has the potential to be of enormous value to Canadians. As a nation, we export 80% of our production and we depend on open borders and mutually beneficial trade for the success of our economy. We are among the most trade-reliant nations on the planet.

This deal will, if signed, be Canada's most comprehensive trade agreement ever—more comprehensive even than NAFTA. Studies forecast that Canada could realize gains of \$13.1 billion in GDP annually; up to \$18.6 billion each year for the EU. (Relative to population, the benefits are far greater for Canada.) The value of trade could increase by over \$40 billion between numbers for 2007 and 2014, an increase of about 23%. That's a big increase in economic activity, and a lot of jobs for Canadians.

Challenges and concerns

Again, however, Canada's government has an obligation to protect our interests, resources and workers. The Conservatives record in this regard has been dismal, as exemplified by their bungling of trade matters and disputes with the US. A Liberal government acknowledges the challenges ahead and is prepared to take them straight on.

Public procurement

One of the 'asks' from the EU is that we open up public procurement, not just at the federal level, but at the sub-national level--provinces, territories and municipalities. (NAFTA only covers the federal level, although a recent agreement between Canada and 37 of the United States was concluded as a reaction to 'Buy American' legislation, which opens up some sub-national procurement.) Of note is that this is the first major trade negotiation where the provinces and territories are at the table (at the EU's request). Areas of particular interest will be power generation, city transportation, waste management and water-treatment plants. Municipalities certainly wish to retain the flexibility to make their own strategic decisions about what is best for them in their own circumstances—quality of infrastructure and products, standards, local jobs, environment, cost, taxpayer value and the like.

Agriculture and GMOs

Most Canadian agriculture and agri-food enterprises, farmers and processors, fish and shellfish suppliers are supportive, as they stand to gain a great deal from increased access to such a large market. There is, however, significant concern in Europe about genetically modified organisms (GMOs). Although Canada is quick to stress that many of these concerns are not based in science, Canada needs to work at providing better information on this issue. On the other hand, we must also recognize legitimate concerns. Stronger and more comprehensive labelling requirements could help so that consumers can make informed choices. On our side, Canada is concerned about current European non-tariff barriers in the guise of regulatory standards, such as sanitary and phyto-sanitary regulations.

Arts & culture

Many in our arts and cultural communities see real advantages to opening up markets to Canadian video, film, music, and literary creators and distributors. On the other hand, there are corresponding concerns about protection Canadian culture. We must address the conflict between protection versus expansion.

In the very limited amount of information regarding the CETA and its negotiations that the Harper Conservatives have made public, talk regarding culture is of particular concern. Trade Minister Peter Van Loan has said that culture was not something to worry about in the negotiations. This is worrisome. We must both promote and protect Canadian culture.

Conservative secrecy

We have strongly condemned the Conservatives' closed-door approach to all things. They may well be the most secretive and least transparent government in Canadian history. Regarding the proposed perimeter security agreement with the United States – another deal sure to heavily impact trade and commerce – the Conservatives, as they so often did, chose secrecy over

openness. Liberals believe a negotiation of the magnitude of the proposed perimeter security agreement demands transparency. The Conservatives had an obligation to bring this deal before Parliament and a Liberal government will do so.

A Liberal government will adopt a responsibly open approach to all matters of public interest, properly balancing the needs of negotiators with the right of the public to consultations and information. In that regard, a Liberal government will consult with a broad range of stakeholders and experts on Canada-EU trade matters, just as we have done since negotiations toward a CETA began.

Intellectual property

There are also concerns about intellectual property. Canada is criticized internationally for being weak in these areas. We are moving toward significant improvements to our *Copyright Act*, which we hope will bring us in line with international standards. However patents, particularly for pharmaceuticals, will be more problematic. Our patent protection regime is criticized for not protecting brand-name drugs enough; on the other hand, the much lower cost of generic drugs is important for our overall health care costs. Canada is in an interesting position—we have both a thriving brand-name pharma industry and a thriving generic pharma industry. Those two are already at odds in terms of patent protection in Canada alone—these talks with the EU have stepped up the volume. We will proceed with this aspect of the negotiations very closely.

Labour mobility

Labour mobility is potentially another significant challenge. There is real enthusiasm for mutual recognition of qualifications, and the negotiators are working on building on the existing agreement between Quebec and France (which covers about 80 professions). The fact that we are still a long way from full labour mobility between our own provinces is somewhat problematic.

Other needs for Canada: Global Network Agreements

The Liberal Party believes there are other areas where the Conservatives have neglected Canada's place in the world. We have to take action to deepen relationships with the major emerging economies that are shaping the future of the world. The Liberal Party has proposed Global Network Agreements with China and India to collaborate in research and education, energy and sustainability, transportation, food security, health, immigration, culture, tourism and more.

This is the foundation of the Liberal Party's emphasis on "Global Networks". We should increase exchange and cooperation—the exchange of people, knowledge and ideas. The future of Canada in this competitive world must embrace the new global realities.

Liberals will engage diaspora communities in Canada, as well as Canadians living abroad, as key partners in promoting the human networks that generate economic opportunities.

A Liberal government's approach

This is a very brief summary of our views on the extremely complex CETA negotiations. In short, the opportunities for both Canada and Europe are extraordinary and we support the pursuit of this CETA with the EU. A Liberal government, however, will be vigilant in ensuring that Canada's interests in certain key areas are looked after.

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This federal election comes at an important moment in the ongoing negotiations toward a Canada-European Union free trade agreement, or CETA. The federal, provincial and territorial governments have been negotiating with the EU since October 2009. The deal as envisioned by the current government would be much larger and have much deeper impacts on the Canadian economy than NAFTA. Accordingly, the provinces and territories have been asked to the negotiating table and will be expected to make sacrifices in order to achieve their stated market access gains in the European market.

The Trade Justice Network is comprised of environmental, labour, cultural, farmers, Indigenous, student and social justice organizations who are critical of the CETA negotiations for their secrecy, but also for the impact the proposed deal would have on public services, local autonomy, environmental policy, Indigenous rights and cultural protections. To help our member organizations make an informed decision on who they should vote for in the next election, we would very much appreciate answers to the following questions about CETA:

1. What, in your view, are the major potential benefits and the major potential drawbacks of the Comprehensive Economic and Trade Agreement?
2. Does your party support the inclusion of an investor-state dispute settlement process in the CETA? If yes, please explain the value to Canadians of including this process in trade agreements. Should provincial and territorial governments be held liable for any damages when a provincial, territorial or municipal measure is found to violate investment protections in trade agreements like CETA or NAFTA?
3. Does your party support the inclusion of municipal drinking water services under the procurement, services and/or investment rules of CETA?
4. 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?
5. Would your party agree that labour mobility is a human right, not a commercial issue, and therefore should not be included in CETA?

6. Does your party support extended patent terms 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?
7. 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?
8. Does your party support a broad exclusion for health care that would stipulate that nothing in CETA shall be construed as applying to health care or public health insurance?
9. Will your party ensure that Canada's agricultural orderly marketing systems, including supply management and the Canadian Wheat Board, are not adversely affected by CETA?
10. Do you agree that in return for dropping high European tariffs on Canadian fish products that European boats should be allowed to catch more fish in or adjacent to Canadian waters?
11. 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?
12. Do you agree that Canada should use trade agreements to pressure trade partners, including the European Union, against adopting climate policy (ex. EU fuel quality standards) or public health measures (ex. restrictions on genetically modified organisms) that restrict Canadian exports or investment?