

Business groups throw support, en masse, behind Canada-EU trade deal — with copy of letter

BY JASON FEKETE, POSTMEDIA NEWS MARCH 12, 2013

Some of Canada's largest business groups have thrown their support behind the federal government's efforts to secure a free-trade deal with the European Union.

In a letter sent Tuesday to International Trade Minister Ed Fast, the Canadian Chamber of Commerce, Canadian Council of Chief Executives, Canadian Federation of Independent Business, Canadian Manufacturers & Exporters and other groups have thrown their "full support" behind the government to finalize "a balanced agreement."

"We are confident that a comprehensive final agreement between Canada and the European Union will generate significant benefits for the Canadian economy," the groups said in the letter (which is posted below).

"As associations representing businesses of all sizes with significant interests in the EU market, you can count on our full support as you seek to finalize a balanced agreement that benefits Canadian businesses, workers and communities in all regions and sectors of Canada's economy."

Prime Minister Stephen Harper initially pledged to complete negotiations on the Canada-EU Comprehensive Economic and Trade Agreement by the end of 2012, but talks are still ongoing as the two sides try to resolve a few thorny issues.

The agreement would give Canadian companies preferential access to an EU market of 500 million consumers in 27 member states.

The deal is expected to immediately eliminate tariffs on approximately 98 per cent of European goods in Canada and lead to what some observers believe could be a three-to five-per-cent drop in the price of

consumer goods coming from Europe.

There remain concerns, however, among some provinces and major cities that the deal will drive up the costs of pharmaceutical drugs in the health-care system and erode the autonomy of municipalities when awarding contracts for projects and services.

The federal government has been fighting for greater market access into Europe for beef, pork and other agricultural producers, as well as for Canadian automobile and parts manufacturers.

In return, trade specialists believe the Conservative government will agree to partially open up Canada's supply-managed dairy sector, which features tariffs of 200 to 300 per cent on imports.

Europe is also demanding greater ability to bid on government construction projects and service contracts within Canada — a key concern to major cities such as Toronto, Mississauga and Hamilton, which have asked for exemptions from the deal.

© Copyright (c) [Postmedia News](#)