

CME urges Toronto to open procurement market on a reciprocal basis in Canada-EU trade talks

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As Toronto's City Council considers a motion today that could limit the extent to which the city opens its procurement market in a trade deal with the European Union, Canadian Manufacturers & Exporters (CME) is urging leaders to consider the benefits of shared access to opportunities on both sides of the Atlantic.

In a letter to Mayor Rob Ford and City Councillors last week, CME appealed for Toronto to include its municipal procurement market in any forthcoming Canada-EU trade agreement, and meet the high level of ambition pursued in the deal to ensure that Canadian businesses get reciprocal access to European procurement markets.

"Speedier, more transparent, more efficient, and more competitive procurement practices will provide an advantage to Canadian manufacturers in securing domestic contracts," says CME President & CEO, Jayson Myers. "It's critical that municipal procurement contracts are offered on a reciprocal basis to suppliers in other countries that keep their markets open for Canadian exporters. It makes for a much more competitive manufacturing sector here in Canada."

In fact, more than 57 per cent of Ontario's manufacturing production is directly exported.

With the value of public procurement in the EU and its member states being larger than the entire Canadian economy, Canadian businesses have much more to gain from opening procurement markets on a reciprocal basis in a joint agreement.

In its letter to City Council, CME expressed concerns that the motion could potentially have a negative effect on Canada's ability to negotiate an ambitious agreement, noting that increasing procurement thresholds and removing certain contracts would lower the value of the pact.

"Toronto accounts for a significant share of Canada's municipal procurement, and diminishing the value of procurement opportunities lower our chances of securing a deal that delivers maximum benefits to Ontario manufacturers and exporters," says Myers. "Our objective is to open procurement markets around the world so companies offering the best product, service and value can compete. On an even playing field, Canadian manufacturers need no protection to succeed."