

## Canada, EU free-trade deal could be signed later this year

**Gordon Campbell, Canada's high commissioner to the United Kingdom speaks to CTV's Question Period's co-host Kevin Newman in an exclusive interview.**

*Updated: Sun Mar. 11 2012 12:20:34 John Size, CTVNews.ca*

Canada is closing in on a free-trade agreement with the European Union that could generate \$12 billion for the economy and create up to 80,000 jobs, a top diplomat says.

But it seems few Canadians are aware of the highly secretive talks, although a number of municipalities across the country say they want to opt out, including Toronto.

Politicians in Canada's biggest city are worried the Canada-European Union Trade Agreement (CETA) will limit its ability to buy locally, or demand a local component in procurement contracts once a deal is signed with the 27-member EU. Council passed a motion last week seeking an exemption.

While Canada's High Commissioner to the United Kingdom defends the deal as necessary to grow the Canadian economy, Gordon Campbell steered clear of specifics in an interview with CTV's Question Period Sunday.

"They've got some very intense negotiations they're going on with now, but I think by the end of year we will have an agreement ready for consideration," the former B.C. premier said.

While the free-trade deal with the U.S. in the 1980s stirred up emotional debate around job losses and sovereignty, the agreement with the EU has, so far, ruffled few feathers even though it can't be ratified without the approval of all 10 provinces.

Campbell brushed off opponents of the deal such as unions that claim CETA will cost between 30,000 and 150,000 Canadian jobs, saying these groups don't mention that the economy is dependent on trade to survive.

"If you want to have the additional increase in our economy, if you want to create opportunities in Canada, it comes from trade," Campbell said, adding it accounts for 60 per cent of our economic output.

Europe has suffered its share of economic turbulence recently with its debt crisis threatening the global economy. EU members have been forced to offer billions of dollars in financial bailouts to countries like Greece that are at risk of defaulting on debt.

Even though the EU is struggling to control the crisis, Campbell insists the time is right to move on CETA since it's Canada's second-largest trading partner behind the United States, with a total economy generating \$17 trillion.

"If Canada can successfully conclude the CETA trade agreement we'll be the only country in the world that has a trade agreement with both the United States and with the European Union," he said.

The provinces may be in the same position as municipalities. If they want the CETA deal to go through, they may need to give up a portion of local control.

Don Drummond's recent report to the Ontario government said the agreement could have profound effects on health spending.

Ontario may also want to protect key sectors like its hydro-electric infrastructure and its green energy initiatives.

"The provinces and municipalities have been involved in this throughout," Campbell said.

"The provincial ministers of trade and the federal minister of trade were at a joint statement last week saying this was the most important economic trade deals that they can make," he said.

But will Canadians have a say on CETA once it's ready for ratification, likely later this year?

"We're not having a thousand community negotiations," Campbell said, suggesting the deal will only be signed if it has a net benefit to Canadians.

"The negotiations will be presented both to the European Union and to Canada, and people will have to decide whether it's the right deal for Canada at the time," he said.