Leaked documents point to EU trade talks

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OTTAWA Leaked documents suggest Canada is seeking to carve out telecommunications and agriculture from any new trade agreement with the European Union.

But there is no exemption for water services, a sore point with critics of the negotiations with the world's richest market.

Trade Minister Ed Fast has called a European trade, services and investment pact one of the Conservative government's top priorities, arguing it will spur about \$12 billion in additional economic activity.

The government has said it wants to reach a deal this year with the 27 nations of the EU, and negotiations are set to resume again later this month.

But little is known about what has gone on behind closed doors since talks began in 2009.

The documents released Wednesday by RQIC, a network of Quebec civil society groups and unions, are the first public glimpse of the list of exemptions Ottawa and the provinces have proposed for protection under any new deal.

They represent the starting position submitted to the EU in October, however, and some may be dropped in future sessions. It is not known what is on the EU exclusion list.

A spokesman for RQIC said the group is still analyzing more than 200 pages of exempted items, but the lack of a set-aside for municipal water systems sticks out like a sore thumb.

"This opens open up any public procurement on water, any public contract will need to be opened up to multinationals," said Pierre-Yves Serinet of RQIC.

"Water is under municipal (control) but we know infrastructure is very old and needs big investments in the near future, so the control of drinking

water and also waste water is a big concern."

The Council of Canadians and the Canadian Union of Public Employees, in a release to be issued Thursday, argue the deal would mark the first time Canada has allowed drinking water to become part of a trade agreement. And it could open up municipalities to lawsuits from European water operators.