

Canada-EU Free Trade Deal: Stephen Harper Accused Of 'Bullying' Provinces

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Prime Minister Stephen Harper has been accused of “bullying” provincial governments into signing on to the Canada-EU free trade deal, after Newfoundland’s premier disclosed the federal government tried to pressure her into agreeing to unfavourable terms.

According to the St. John’s Telegram, Premier Kathy Dunderdale told the city’s Board of Trade earlier this week that [Harper’s former chief of staff, Nigel Wright, had attempted to pressure her into changing fisheries policy for the EU trade deal](#), in exchange for a \$1 billion loan guarantee for the Muskrat Falls hydro-electric project.

Dunderdale said Wright — who is now [embroiled in the Senate expenses scandal](#) — dangled the loan carrot for Muskrat Falls in front of her [in exchange for Newfoundland rescinding a policy that requires fish caught in the province to be at least partly processed locally](#), according to the Canadian Press.

According to Dunderdale, the EU is demanding the change as part of negotiations, which are expected to wrap up in the coming weeks.

Dunderdale said she refused the offer and hung up on Wright.

“Poor old Nigel Wright, ears still ringing when I smacked the phone up,” she said, as quoted at the Telegram.

Dunderdale's refusal didn't appear to jeopardize funding for the Muskrat Falls hydro-electric project, as the federal government announced a loan guarantee for it days after the phone conversation took place.

Dunderdale's claim is raising concerns among some advocacy groups that the Harper government may be strong-arming provinces into accepting a trade deal they may not want.

"We always suspected the Harper government would bully the provinces into submission to EU demands in the Canada-EU negotiations and now we have hard proof," Stuart Trew, trade campaigner for the Council of Canadians, said in a statement.

"The public needs to know right now which other provinces have been bullied in this way, for what policy changes, and which ones caved in to federal pressure."

The Council of Canadians has been among the most vocal critics of the Comprehensive Economic and Trade Agreement (CETA), as the EU free trade deal is officially known.

The group argues CETA "is barely about trade at all" and is rather a back-door way for the Harper government to "further deregulate and privatize the Canadian economy while increasing corporate power and undermining our democratic options for the future."

Among the largest concerns for opponents of CETA is a clause that Ottawa has reportedly agreed to that would extend the length of drug patents. Depending on the details of the extension, the change could add \$900 million to \$2 billion in health care costs to Canadians.

Opponents are also concerned about the effects of a clause that would ban municipalities from "buying locally." Critics worry the end of that rule could mean job losses as municipal contracts go to companies from out of country.

A number of Canadian cities have raised concerns about this, and several cities, including [Toronto](#), Hamilton, Ont., and [Nanaimo, B.C.](#), have asked to be exempted from the trade deal.

Despite repeated snags in negotiations and objections from provinces and cities, Harper remains optimistic about the free trade deal.

He said in March that “considerable progress” had been made on it, and vowed to sign “[a deal that is comprehensive and in the best interests of the Canadian economy.](#)”

Harper suggested Canada needs to sign a free trade agreement, or be left out when the U.S. signs one with Europe.

“It would be an added benefit to us to get this done long before the Americans do such a deal,” Harper said.