

April 23, 2012

City of Barrie
70 Collier Street, Box 400
Barrie, ON L4M 4T5



Dear Mayor and Councillors,

On behalf of the 618,000 CUPE members in Canada, I am writing to thank-you for raising your concerns about the Comprehensive Economic and Trade Agreement (CETA) that is currently being negotiated between the European Union and Canada.

More than 50 municipal governments across the country have now passed resolutions calling for greater transparency by the federal and provincial governments around this far reaching trade, investment and labour mobility agreement.

This month, the House of Commons Standing Committee on International Trade concluded its study of the CETA negotiations and presented a report to the House of Commons. The dissenting opinions filed by NDP and Liberal MPs on that Committee support your call for greater transparency as well as raising other issues. These dissenting opinions are attached here for your information.

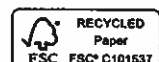
CUPE is one of many civil society organizations with significant concerns about the impact of CETA on municipal governments.

Let me highlight our key concerns here.

Canadian municipalities stand to lose their longstanding ability to use the procurement of goods and services to maximize benefits to the local economy or support policy goals such as environmental protection and local job creation. CUPE does not accept the rationale that the gain will be lower prices with competition from EU companies; the lowest price is not always the best deal for local businesses or communities.

Further, the investor-state dispute settlement mechanism used in NAFTA has proven to be an expensive way to deal with complaints by foreign investors against Canadian government policies. Let's not repeat this mistake in CETA. Democratically elected municipal governments making prudent and transparent policy decisions should not be held more accountable to foreign corporations and private tribunals than to their own citizens and domestic courts.

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Canadians learned from NAFTA that public services like water services and transportation require broad and clear reservations in trade agreements to protect them from privatization now or in the future. CUPE has a long-standing interest in protecting public services. CETA and other new trade agreements like it threaten the integrity of our public services by limiting the ability of governments to expand public services or return privatized sectors to the public sector without fearing claims for compensation by foreign corporations.

The EU demand to increase patent protection and delay the availability of generic drugs will increase Canadian pharmaceutical costs by \$2.8 billion per year. This adds considerable and continuing costs to municipal employee benefit plans.

CUPE is urging federal, provincial and territorial governments to engage in meaningful public consultations on CETA to enable citizens and communities to be fully informed and register their views.

On behalf of CUPE, once again, thank-you for raising your concerns.

Sincerely,

A handwritten signature in black ink that reads "Paul Moist". The signature is written in a cursive, flowing style.

PAUL MOIST
National President

Att.

cc: C. Fleury; S. Marshall

mf/cope491