

October 18, 2013

Canada reaches agreement on deeply flawed trade agreement with Europe *Postal services only partially protected and many concerns remain*

The federal government has reached an agreement with the European Union (EU) on the Comprehensive Economic and Trade Agreement (CETA). A leaked document indicates that CETA only partially protects postal services. Reports to date indicate that the agreement may also:

- Unfairly restrict how local governments spend money and ban “buy local” policies.
- Add up to \$3 billion to the price of drugs.
- Increase Canada’s trade deficit with Europe, leading to significant job losses.
- Undermine protections for health care and culture.
- Create pressure to increase privatization of local water systems, transit and energy.
- Allow European corporations to challenge our laws, policies and programs through investor-state provisions, including environmental and health measures.

Next steps?

Media reports indicate that CETA still needs some fine-tuning to make it legally coherent and that it could take another 18 to 24 months before the EU gives final approval to this trade deal. Canada is expected to follow a similar time frame. Normally, our federal government tables international agreements like CETA in the House of Commons prior to ratification. Once the government tables a trade deal, the House has 21 sitting days to consider it. But the government retains authority to decide whether to ratify an agreement after the parliamentary review.

What we know

CUPW has not seen the final text, only a few leaked documents. We should know more once the government publicly releases CETA.

We do know that all services are covered by the provisions of CETA, unless our federal government takes a reservation in an annex to the agreement.

What about postal services?

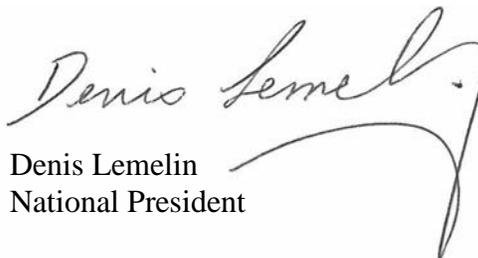
In July, a federal government representative told CUPW that Canada had taken an Annex II reservation for postal services. However, a leaked document indicates that the government has moved to a weaker Annex I reservation.

An Annex II reservation would have protected existing or future non-conforming measures and allowed for future policy changes. For example, an Annex II reservation would have given our government the policy flexibility to reverse postal deregulation that is not working.

Instead of adopting this stronger provision, it appears that Canada has taken an Annex I reservation that will protect Canada Post's existing exclusive privilege to handle letters, but lock in this or any future government’s decision to deregulate Canada Post.

The union will provide an update on CETA and postal services once the government publicly releases the text of the agreement.

In Solidarity,



Denis Lemelin
National President

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