



## REFERRAL OF MEMBER MOTION BY CITY COUNCIL

### Request to protect City of Toronto interests and existing powers in any trade agreement signed between the Government of Canada and the European Union

<b>Date:</b>	December 6, 2011
<b>To:</b>	Executive Committee
<b>From:</b>	City Council
<b>Wards:</b>	All

### **City Council Decision**

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City Council on November 29, 30 and December 1, 2011, referred Motion MM14.14 to the Executive Committee.

### **Recommendations**

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Councillor Glenn De Baeremaeker, seconded by Councillor Kristyn Wong-Tam, recommends that:

1. City Council request the Province of Ontario issue a clear, permanent exemption of the City of Toronto from the Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA) and that it otherwise protect the powers of municipalities, hospitals, school boards, utilities, universities and other sub-federal agencies to use public procurement, services and investment as tools to create local jobs and otherwise support local economic development.
2. City Council request the Federal Government to protect the powers of the City - to create local jobs, protect the environment, and provide services and programs as it sees fit - from any restrictions to those powers in the CETA.
3. City Council request the Province of Ontario to explain the scope and content of trade negotiations with the EU, including the details of its procurement, services and investment offers.

4. City Council request the City Manager to review the available information on the impact the CETA will have on municipal governments, with special emphasis on the programs mentioned above and report to the appropriate committee on how to protect any the City's interests that might be impacted by the new trade agreement.
5. City Council sent this resolution to the Association of Municipalities of Ontario (AMO) and the Federation of Canadian Municipalities for consideration and circulation.

## **Summary**

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The Government of Canada and the European Union are negotiating a Comprehensive Economic and Trade Agreement (CETA) with participation from the Province of Ontario, other provinces and territories.

This agreement has far reaching implications for City procurement policies and could negatively affect City initiatives such as: supporting Woodbine Live, promoting local jobs, creating financial incentives for the film industry or development industry to invest in Toronto, or to use public spending as a tool for economic development, environmental protection or to support small businesses.

Trade negotiators are proposing, under the CETA, a dispute resolution mechanism that could utilize a private tribunal, which could have the authority to impose fines with no right of appeal as opposed to the open and transparent provincial court system currently in use.

In the CETA, Canada has exchanged an initial procurement offer with the EU (listing sub-federal entities that will be bound by the rules of the procurement chapter) that may include the City of Toronto and that would explicitly tie the City, for the first time, to the terms and conditions of an international trade agreement.

The EU is insisting on full access to procurement by municipalities, school boards, universities, hospitals, utilities and other provincial agencies, which may include the City of Toronto.

The Union of British Columbia Municipalities (representing 150 municipalities) along with over 20 other municipalities across the country have asked their provincial and federal governments to ensure their existing rights are protected under any new trade agreement and that they be excluded from the CETA.

(Submitted to City Council on November 29. 30 and December 1, 2011 as MM14.14)