

REVISED 9.1

CITY OF HAMILTON

MOTION

General Issues Committee Date: December 12, 2011

MOVED BY COUNCILLOR B. McHATTIE.....

SECONDED BY COUNCILLOR

Canada – European Community Free Trade Agreement – Impact on City of Hamilton

WHEREAS the Canadian government is close to concluding negotiations with the European Union (EU) on a Comprehensive Economic and Trade Agreement (CETA), with participation from provinces and territories; and

WHEREAS the City of Hamilton recognizes the importance of trade to local, provincial/territorial and national economies but also the impact that trade agreements can have on the powers of local governments; and

WHEREAS 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 Hamilton and that would explicitly tie Hamilton to the terms and conditions of an international trade agreement; and

WHEREAS the EU is insisting on full access to procurement by municipalities, school boards, universities, hospitals, utilities and other provincial agencies, which could significantly reduce the freedom of these bodies to hire or source locally on public contracts, or to use public spending as a tool for economic development, environmental protection and support for local farmers and small businesses; and

WHEREAS procurement rules in the CETA combined with investment protections related to transit, water, electricity and other public services delivered locally may lock in privatization and make it prohibitively expensive to apply new regulations, to re-municipalize services, or create new municipal programs; and

WHEREAS Hamilton already has an open and fair procurement policy, and that it is not the international norm for municipal governments to be covered by procurement agreements such as the one proposed in the CETA; and

WHEREAS disputes by private firms against local policy decisions could be taken before private trade tribunals that lack transparency and have the authority to impose fines;

THEREFORE BE IT RESOLVED:

- (a) That Council support the approaches being taken at the federal level by the Federation of Canadian Municipalities (and their guiding principles), and at the provincial level by the Association of Municipalities of Ontario;
- (b) That at the local government level, request that the Province of Ontario issue a clear, permanent exemption for the City of Hamilton from the Canada-EU CETA, and that it otherwise protect the powers of municipalities to use public procurement, services and investment as tools to create local jobs, protect the environment, and support local development;
- (c) That the Province of Ontario disclose its initial procurement, services and investment offers to the EU, explain the impacts CETA would have on municipal governance, and give M.U.S.H sector entities the freedom to decide whether or not they will be bound by the procurement, investment and regulatory rules in the agreement;
- (d) That this resolution be sent to the Association of Municipalities of Ontario, the Federation of Canadian Municipalities, and area M.P.s, and area M.P.P.s.