

Ottawa Journal: Canada and Trade

By David Tilson, MP

Dufferin-Caledon

On July 11, the Government of Canada and Ukraine held a ceremonial signing of the Canada-Ukraine Free Trade Agreement (CUFTA). Canada and Ukraine will now proceed with their respective domestic implementation process in order to bring CUFTA into force.

I support the Canada-Ukraine Free Trade Agreement which, it must be remembered, was successfully negotiated and concluded last summer by the previous Conservative government.

The Canada-Ukraine Free Trade Agreement will continue to strengthen the Canada-Ukraine partnership in peace and prosperity. No government has done more to support Ukraine during its crisis than the previous Conservative government, with Prime Minister Harper being the first G7 leader to visit Ukraine following the beginning of the crisis and travelled to Ukraine a total of four times between 2013-2015.

The Ukrainian people continue to face enormous security and economic challenges, and Canada must remain a trusted and steadfast partner during Ukraine's time of need instead of moving to normalize and improve relations with Vladimir Putin.

Total bilateral merchandise trade between Canada and Ukraine averaged \$289 million in 2011-2015, and is expected to expand by 19 percent as a result of the implementation of this trade. Once the Agreement enters into force, Canada and Ukraine will immediately eliminate duties on 99.9 per cent and 86 per cent of respective current imports, thereby benefiting both Canadian and Ukrainian exporters and consumers.

Canada's gross domestic product (GDP) would increase by \$29.2 million under CUFTA; similarly, Ukraine's GDP would expand by \$18.6 million. Canada's exports to Ukraine would increase by \$41.2 million. Canada's export gains would be broad-based with exports of pork, machinery and equipment, transport equipment, other manufactured products, motor vehicles and parts, as well as chemical products leading the way.

The previous Conservative government established market access for beef to Ukraine in July 2015. Canada exported \$35.5 million worth of agriculture and agri-food, and seafood products to Ukraine in 2014.

With respect to the Trans-Pacific Partnership agreement, American President Barack Obama and Mexican President Enrique Pena Nieto are promoting the ratification of the TPP in their respective countries. The Liberal government officially signed the Trans-Pacific Partnership on February 4, 2016, but they refuse to commit to ratifying the agreement, putting Canada's economy and future growth at risk.

Trade can grow our economy without spending billions of dollars we don't have. Ongoing delays by the Liberal government are nothing but stall tactics, because this government is incapable of making a decision and would rather outsource Canada's foreign trade policy.

It's time for the Liberal government to be open with Canadians as well as our allies and tell them whether they support the biggest trade agreement in over 20 years.

Ratifying the TPP will send a clear signal to Canadian businesses allowing exporters the opportunity to prepare and take advantage of this preferential market access with lower tariffs and further integration of global supply chains.

Ratifying the TPP will preserve Canada's privileged access to our largest trading partner ? the United States ? and strengthens our partnership within NAFTA. The prospect of Canada being outside of the TPP while our NAFTA partners ratify the agreement would be catastrophic to our economy, global supply chains and lead to job losses. The TPP agreement will set the rules for trade within North America and in the Asia-Pacific region for generations to come.

One in five jobs in Canada and 60 percent of our nation's GDP is directly linked to exports. The TPP represents a market of almost 800 million consumers with a combined GDP of \$29 trillion, which is 35 per cent of global GDP. Canada's exports to TPP countries in 2014 accounted for 81.1 per cent of the total value of Canadian exports totalling \$759.4 billion.

The Government of Canada consulted with stakeholders throughout the entire negotiation process with many organizations opting to sign a non-disclosure agreement for increased access to the negotiations.

No organizations were prevented from participating in the consultation process. A recent study by the Fraser Institute said that the TPP could boost Canadian exports by \$15.7 billion and could increase Canada's GDP by \$9.9 billion.