

Important progress by provinces on Buy America, EI, trade: Canadian Chamber

Ottawa, August 7, 2009 – In light of the statement issued today from the Council of the Federation’s meeting in Regina, The Canadian Chamber of Commerce, Canada’s most influential business group, welcomes the recommendations of the Premiers to simplify and streamline the EI program, that they are standing behind the federal government in the fight against Buy America, encouraging trade negotiations with the EU, and pressing to remove barriers to internal trade.

EI

The Canadian Chamber has proposed that eligibility requirements and duration of benefits be standardized in Economic Regions with an unemployment rate of 10 percent or less. The Chamber is proposing a 560-hour threshold for these regions, which is at the mid-point of the program's current eligibility criteria.

The Chamber has called on the federal government to operate the EI program as a true insurance program - one that provides income support to those are temporarily unemployed through no fault of their own.

“While the Premiers have proposed an enhancement of training, other active employment, and maternity benefits under the EI program, we strongly believe that the social-program aspects of EI should be funded out of general revenue given that the original mandate of the EI program was to provide unemployment insurance”, says Perrin Beatty, President and CEO of the Canadian Chamber. “In light of the rapid aging of the Canadian population and the pressure this will place on public finances, the Canadian Chamber welcomes the Premiers call for a national summit on retirement income,” stated Beatty.

Buy America

The Canadian Chamber of Commerce is pleased with our provincial and territorial premiers standing behind the federal government in the fight against Buy American.

The Buy American provisions in the U.S. stimulus package have blocked Canadian companies from bidding on billions of dollars of state- and municipal-level public procurement contracts. Similar protectionist measures are popping up in other pieces of legislation before Congress. Canadian municipalities are even threatening to retaliate by blocking U.S. firms from bidding on local procurement contracts.

The Canadian Chamber does not believe that a tit-for-tat trade war will fix the problem. In a letter, co-signed by the Canadian Chamber and provincial and territorial chambers of commerce, the premiers were urged to support the federal government in seeking a waiver for Canada from current Buy American provisions and in negotiating a reciprocal procurement-liberalization agreement with the United States to keep markets open between our two countries. We are pleased with the premiers’ support.

Internal trade and EU negotiations

The Canadian Chamber welcomes the progress made on removing barriers to labour mobility in Canada. We need to build on this and fully remove all barriers to trade, investment, and labour mobility. In addition, the Premiers’ support for negotiations for Canada to enhance its economic partnership with the EU is another positive step forward.

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