July 15, 2011

Office of the President and Chief Executive Officer

Cabinet du président et chef de la direction

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Dear Premiers:

The Canadian Chamber of Commerce wishes you a productive annual Council of the Federation meeting in Vancouver on July 20-22 and asks that you include in your deliberations issues our members believe you have the power to significantly influence. These issues are internal trade barriers; Canada-U.S. security and economic competitiveness; the Canada-EU Comprehensive Economic and Trade Agreement (CETA) negotiations, and measures to encourage older Canadians to remain in the workforce.

The Canadian Chamber's members include approximately 192,000 businesses of all sizes in every region of Canada represented by our network of more than 420 local chambers of commerce and boards of trade as well as corporations and industry associations.

Internal Trade Barriers

While we work to create a strong North American business environment, we must also ensure that Canada is able to compete internationally. The inefficiencies of our diverse system of provincial/territorial regulations hobble Canada's ability to compete. Removing internal barriers will not only increase the economic opportunities amongst the provinces and territories but will place Canada in a better position vis à vis our main international competitors. The Canadian Chamber of Commerce applauds the work being done by the Council of the Federation to remove the remaining barriers to interprovincial trade and urges you to consider the *New West Partnership Trade Agreement* as a model for a pan-Canadian accord.

Canada-U.S. Security and Economic Competitiveness

On February 4, 2011 Prime Minister Harper and President Obama announced their shared vision for addressing the security priorities of each country, while fostering an environment for efficient trade between our nations. The leaders created two high level working groups, the Regulatory Cooperation Council (RCC) and the Beyond the Border Working Group (BBWG), to manage this initiative.



Each year approximately \$645 billion in trade crosses the Canada-U.S. border. Eight million jobs in the U.S. and 3 million in Canada depend upon this trade relationship as does the prosperity of both countries. The creation of the BBWG and the RCC is an important step in addressing the issues that have led to our border – and trade - becoming more inefficient over the past decade.

The success of RCC and the BBWG depends upon continued support for their work and political engagement at all levels in Canada and the U.S. The Canadian Chamber of Commerce urges all premiers to work with their U.S. colleagues to support this important initiative.

Canada-EU Comprehensive Economic and Trade Agreement (CETA)

Canada needs to pursue opportunities that allow our businesses to grow, innovate and expand their foreign trade and investment. The EU single market is the world's largest economy and Canada's second largest trade and investment partner after the United States.

A high-quality Canada-EU CETA will generate more than \$40 billion in economic gains resulting from open market access across the goods and services sectors and enhance two-way investment. It will facilitate trade procedures for businesses, reduce technical barriers, strengthen intellectual property protection and send a clear message of support for open, rules-based global trade and investment.

With the eighth round of negotiations in Brussels upon us, the business community is highly aware of the significant benefits that will flow from an early signature of the Canada-EU CETA. Provincial/territorial government procurement, interprovincial/territorial trade barriers and questions of intellectual property must not become major obstacles for the EU in these negotiations, given the opportunities that are at stake for Canadian businesses in the European market.

Encouraging Older Canadians to Remain in the Workforce

Canada is undergoing a major demographic shift characterized by a rapidly aging workforce. The potential impact on our economy is significant when the workforce is not replacing itself and demographic predictions indicate ever increasing shortages of skilled labour. The retention of older workers is a significant issue for policy makers and employers.

The Canadian Chamber makes the same request to the provincial and territorial governments that we have made to the federal government, i.e., to ensure public policies encourage the retention of older worker in the labour force. Measures to do so could include working with the business community and federal government to develop harmonized and flexible part-time pension policies that provide incentives for Canadians to make a gradual transition out of the labour force after age 65 and promote continuous learning for/ training of older workers.

Please accept my best wishes for your meeting. I look forward to learning of its outcomes and would be pleased to discuss any or all of these issues with you.

Sincerely,

Perrin Beatty

President and Chief Executive Officer

c.c.: Hon. John Baird, Minister of Foreign Affairs

Hon. Edward Fast, Minister of International Trade and Minister for the

Asia-Pacific Gateway

Hon. Diane Finley, Minister of Human Resources and Skills

Development

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