

The CETA and British Columbia: Impacts and Opportunities



Trade Policy and Negotiations Branch
Ministry of International Trade

University of Victoria, European Studies Feb 18.16





Overview

- Ministry of International Trade
 - Services for investors and business
- British Columbia economy
- CETA Impacts on British Columbia
- CETA Opportunities
 - For British Columbia
 - For EU Companies, Workers & Investors



B.C.'s MINISTRY OF INTERNATIONAL TRADE

- Fosters connections with governments and businesses in priority markets, particularly in Asia.
- Engages B.C. exporters to connect to customers globally who may be served by B.C.'s goods and services
- Attracts strategic investment to B.C.'s priority industry sectors
- Fights protectionism and enhances market access
- Leverages investment capital programs (venture capital and infrastructure) to support a competitive business environment
- Promotes multiculturalism in our communities and uses it as a bridge to our priority markets

TRADE POLICY AND NEGOTIATIONS BRANCH

- Leads B.C.'s efforts to reduce or eliminate trade and investment impediments in other markets: “The Barrier Busters”
- Advances B.C.'s interests with the federal government in international trade negotiations
- Works to strengthen regional trade and commercial relationships with Alberta and Saskatchewan through the New West Partnership Trade Agreement and Canada through the Agreement on Internal Trade





BC Economy

- GDP expected to grow at an average 2.2 per cent annually through 2024
- Employment growth projected 1.2 per cent
 - 1 million job openings by 2020
- Favourable tax rates
- Proximity to US and Asian markets





B.C.'S TRADE PRIORITIES

- Key Asian markets identified in the *B.C. Jobs Plan*: China, India, South Korea, Japan
- Diversity: While B.C.'s top export destination remains the U.S., exports to Asia-Pacific are catching up.
- Asia-Pacific was the destination for over 40 per cent of B.C.'s exports in 2014 (US was 50 per cent).
- EU: important because it is a market of 500 million affluent consumers that buy value-added products.
- Keep pace with others (e.g. Australia)



CANADA-EUROPEAN UNION COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT (CETA)

- Province attended negotiating sessions
- Comprehensive: tariff and non-tariff barriers, goods and services, regulatory cooperation, investment, labour mobility, and procurement
- Expected to be in force in 2017
- Canadian public opinion has been overwhelmingly positive. Four out of five respondents (81%) in a CTV news poll said they are supportive
- The poll found support for the free-trade deal is strongest in B.C. at 89 per cent.



CETA Impacts on BC

- Regulations in line with obligations of the CETA
- Increased exports
- Competitively priced imports and inputs
- Government procurement open and transparent – NWPTA thresholds much lower than CETA thresholds
- Opportunity to access a large pool of skilled workers to meet projected demand
- Collaboration and sharing knowledge and research in science, technology and innovation: clean technology, aerospace, digital media





OPPORTUNITIES OF THE CETA

- Eliminate tariffs on key B.C. goods imports and exports
- Reduce non-tariff barriers (*i.e., duplicative certification*)
- Improve labour mobility (*i.e., temporary entry and qualification recognition*)
- Improve market access for professional services (*e.g., engineers, architects, tourism*)
- Improve access to government procurement to the *local government level*
- Attract investment



Opportunities for EU Companies

- Tariffs removed on imports and key inputs (value added goods, processed foods)
- Access to skilled BC workers
- Access to investment opportunities in BC:
 - Liquefied natural gas
 - Technology
 - Clean technology (wood pellets, fuel cells)
- Municipal government procurement
- BC as a hub to Trans Pacific Partnership countries

Opportunities for EU Workers

- Temporary entry provisions: intra company transferees
- Mutual Recognition Agreements
 - Professionals and skilled workers
- BC Job Openings over 10 years

2014-2024 LABOUR MARKET OUTLOOK HIGHLIGHTS

TOTAL JOB OPENINGS	935,000 (100%)
» Replacement	640,000 (68%)
» Economic growth	295,000 (32%)
SUPPLY ADDITIONS	940,000 (100%)
» New entrants	421,000 (45%)
» Net in-migration	325,000 (34%)
» Other mobility	194,000 (21%)



Opportunities for EU Investors

- Liquefied Natural Gas
- Technology
- Clean and Green Technology
- Clean Energy (wood pellets, lithium batteries)
- Digital Media



Ministry of International Trade

Janel Quiring

Director, International Trade Policy

Janel.Quiring@gov.bc.ca



www.britishcolumbia.ca