

January 6, 2015

The Honourable Ed Fast
Minister of International Trade
111 Sussex Drive
Ottawa, ON
K1A 0G2

Dear Minister Fast:

In June 2013, you and my predecessor, the Honourable Keith Hutchings finalized an agreement whereby the Federal Government and the Province would establish a fisheries innovation fund that would provide for total expenditure of \$400M based on a 70/30 federal/provincial cost share in exchange for the Province agreeing to remove minimum processing requirements (MPRs) for fish and seafood destined to the European market.

As you are aware, eliminating this trade restriction was a crucial requirement in seeking to achieve the Canada-European Union Comprehensive Economic and Trade Agreement. As you are also aware, and as was demonstrated by the June 2013 agreement, the removal of MPRs represented a significant shift in fisheries policy in this province. Both of our governments agreed that this policy shift warranted and deserved assurances that a fisheries fund would be available to address industry development and renewal as well as worker displacement.

On May 20, 2013 you met with former Premier Dunderdale and Minister Keith Hutchings, then in his capacity as Minister Responsible for Trade, to encourage the Province to ‘think outside the box’ in reaching for measures that would compensate the province for agreeing to relax its MPRs for the EU. On June 1, 2013 you wrote to Minister Hutchings noting specifically that the Fund that we conceived, as outlined above, would “address industry development and renewal as well as worker displacement.” On October 22, 2013, your then Chief of Staff indicated in correspondence to Provincial officials that the Fund would “address industry development and renewal as well as displacement.” And then, on October 29, 2013, upon the formal announcement of the Fund, a member of your communications staff was quoted in a Canadian Press article that ran in the Globe & Mail as stating that “The program will address fish and seafood industry development and renewal as well as workers whose jobs are displaced.”

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The federal government has since made it clear, including in a meeting between Prime Minister Harper and Premier Davis that it does not intend to honour the terms of the June 2013 agreement. This Province is therefore suspending all participation in, and our commitment to be bound by the outcomes of any trade agreement currently under negotiation by Canada. Accordingly, the following provision must be included in any chapter that is related to matters within Provincial jurisdiction in all trade agreements negotiations to which Canada is party:

“With respect to Canada, this Chapter does not apply to any measure adopted or maintained by the Province of Newfoundland and Labrador.”

Specifically, this language must be incorporated into all relevant sections of the Trans Pacific Partnership, the Canada-Japan Economic Partnership Agreement, the Trade in Services Agreement, and all negotiations related to Canada’s participation in the World Trade Organization.

These agreements, once concluded, would not have any binding effect on matters within the jurisdiction of Newfoundland and Labrador.

Should the federal government fail to honour the terms of the June 2013 agreement to establish a fisheries fund, you will appreciate that the Province will reconsider its support for CETA.

Sincerely,



DARIN T. KING, Ph. D.
MHA, District of Grand Bank
Minister

c. Premier of Newfoundland and Labrador
Minister Hutchings, Department of Fisheries and Aquaculture