

WikiLeaks Reveals the Canadian Broadcasting Corporation (CBC) and Canada Post May Be Sold Under TPP Agreement

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The CBC Ottawa Broadcast Centre and head office of the Canadian Broadcasting Corporation on Sparks Street in Ottawa. A confidential letter published by WikiLeaks on Wednesday reveal that the Crown Corporation could be sold under the Trans-Pacific Partnership agreement. Photo: OBERT MADONDO/The Canadian Progressive

A secret letter leaked by <u>WikiLeaks</u> on Wednesday reveals that the Canadian Broadcasting Corporation (CBC) and Canada Post could be sold under the Trans-Pacific Partnership (TPP) agreement, being negotiated by Canada and 11 other countries this week in Maui, Hawaii.

The confidential letter, titled, "<u>State-Owned Enterprises</u> (<u>SOE</u>) <u>Issues for Ministerial Guidance</u>" (PDF), reveals the perils Canada's key Crown Corporations now face under the Harper government's burgeoning privatization and trade agenda.

The leaked document was prepared for a TPP Ministerial Meeting held in Singapore in December, 2013. According to the whistle-blowing website, the document "indicates a wideranging privatisation and globalisation strategy" whose main aim is to undermine state-owned enterprises (SOEs) – publicly owned corporations whose mandate is to deliver the public good with no or minimal commercial considerations. That will change under the TPP.

"Even an SOE that exists to fulfil a public function neglected by the market or which is a natural monopoly would nevertheless be forced to act 'on the basis of commercial considerations'," said WikiLeaks in a press release introducing the leak. "Foreign companies would be given standing to sue SOEs in domestic courts for perceived departures from the strictures of the TPP, and countries could even be sued by other TPP countries, or by private companies from those countries."

The Council of Canadians, which leads the Canadian <u>campaign</u> against the TPP and other reckless trade agreements, is concerned that the "essence and mandate" of both the CBC and Canada Post "are being traded away in favour of private corporate profit" under the TPP.

"The very mission of the CBC - telling the bilingual and multicultural story of Canada - will be reduced to simple profit making," said Sujata Dey, the Council's trade campaigner. "Likewise, Canada Post will no longer function as a nation builder, but as a private company."

Friends of Canadian Broadcasting says Harper's "hidden agenda to damage public

broadcasting" started in November, 2007, when he appointed Hubert Lacroix, a Montreal lawyer and Conservative Party supporter, as the President and CEO of the CBC. In 2014, Lacroix announced that the CBC would lay off between 1,000 and 1,500 employees by 2020. He also announced plans to shut down key in-house production of popular feature documentaries.

Meanwhile, since 2012, the Harper government has slashed the CBC's budget by a quarter of a billion dollars. Garry Neil, the Council's executive director, noted that, due to these cuts, the CBC is "already acting too commercially and straying from its essential public service mandate."

Professor Jane Kelsey of the University of Auckland, who <u>analyzed the leaked TPP document</u>, found that the rules being pursued under the TPP "go beyond anything in the World Trade Organization (WTO) and Free Trade Agreements (FTAs)." She suggested that the document set out a number of obligations, including the requirement by state-owned enterprises to act on the basis of "commercial considerations", while abandoning their role of providing the public good.

"It looks like SOEs are not allowed to get government support or noncommercial assistance," said Kelsey. "That kind of support is often essential for SOEs that provide public functions that are not profitable or are even loss-making."

Kelsey may as well have been referring to Canada in general and Canada Post in particular. The Crown Corporation is on the fast-track to privatization through its ongoing five-year "restructuring plan", which has already resulted in job cuts, higher mail prices, and the phasing out of home delivery in numerous communities around the country. The draconian restructuring exercise will rob 1.17 million Canadian households of door-to-door delivery in 2015, according to the *CBC News*.

A <u>memo obtained by *Blackblock's Reporter*</u> through an access to information request last year reveals that Harper commissioned a confidential study into the privatization of Canada Post.

"There have been other successful privatizations of national post services," the memo said, according to Blackblock's Reporter. "To privatize something, one has to show investors they will actually get a return."

Then there is the Canadian Wheat Board, privatized by the government in 2012. The CWB is now owned by G3 Global Grain Group, a Winnipeg-based partnership between U.S. agribusiness giant Bunge Ltd and Saudi Arabia's SALIC Canada Limited. According to the CBC News, SALIC Canada Limited is "a subsidiary of Riyadh-based Saudi Agricultural and Livestock Investment Company, Saudi Arabia's main agriculture investment vehicle."

"The TPP erects a 'one size fits all' economic system designed to advantage the largest transnational corporations. In this leak we see the radical effects the TPP will have, not only on developing countries, but on states very close to the centre of the Western system," said WikiLeaks' founder and editor, Julian Assange. "If we are to restructure our societies into an ultra-neoliberal legal and economic bloc that will last for the next 50 years then this should be said openly and debated."

If it's signed, the TPP will become the world's largest economic trade agreement,

encompassing more than 40 per cent of the world's GDP. The 12 parties to the TPP are: United States, Canada, Chile, Australia, Peru, Mexico, Vietnam, Malaysia, New Zealand, Japan, and Singapore. The WikiLeaks document indicates that "developing countries such as Vietnam, which employs a large number of SOEs as part of its economic infrastructure, would be affected most."

With the 2015 federal election around the corner, Canadians may as well consider voting to save the CBC and Canada Post.

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