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Opening statement by ICBA Chairperson to the Joint Committee on EU Affairs

Introduction

Thank you for the opportunity to speak to the Oireachtas Committee on EU Affairs today and I am honored to do so along with two esteemed Canadian diplomats. However, my experience is a little different than theirs. While I am indeed Canadian – and a proud one at that - I have also lived in Ireland since 2007. I witnessed the tail-end of the boom and lived through the bust. I saw firsthand the challenges faced by many young families when jobs were lost, their homes went into negative equity, and mortgages became unaffordable. My wife is Irish, my two children are Irish, we own a home here, and we have an Irish managed pension. If that does not provide me with enough Irish street credibility, I should note that one of my paternal great-grand mothers was a Mellett from Mayo, and one of my maternal great-grandmothers was a Daley from Sligo.

About the Ireland Canada Business Association (ICBA)

I am here in a voluntary capacity representing the Ireland Canada Business Association (ICBA) which is an Irish, non-profit corporation, that was founded in 1978. The ICBA represents 100 companies doing business between the two countries – the core of which are Canadian companies with operations here. It is an organisation which has doubled in size over the past six years, in part because of the provisional ratification of CETA, and in part due to the prospect of Brexit.

The ICBA's position on CETA

It is the position of the ICBA that the immediate ratification of CETA is of great importance to the country's economy - and that not doing so will be detrimental to its post-Covid recovery. Ireland and Canada enjoy an incredibly strong business and cultural relationship. A failure to ratify CETA could weaken this relationship in the first instance and make Ireland less attractive to Canadian investment in the second instance – not to mention investment from other countries. Indeed, fifteen other Members States have already ratified CETA, leaving Ireland in the position of now playing catch-up with its EU counterparts.

We believe that based on the strong links between the two countries, as the closest Member State geographically to Canada, and the last English-speaking member of the EU, Ireland owes a duty of friendship to show leadership among EU Member States and ratify this deal.



Economic Impact of the Ireland-Canadian Relationship

The Ireland Canada relationship benefits the country in two major ways: inward investment into the Irish economy and exports outwards to Canada and the rest of North America.

If you take away anything from my remarks today it should be this: **the numbers do not lie.**

Inward Investment

- Canadian direct investment in Ireland stood at over 6.3B EUR at the end of 2019.
- There are upwards of 75 Canadian operational companies in Ireland, which employ approximately 15 000 people (including Canadian-owned Irish companies like Irish Life, Brown Thomas, Circle K [formerly Topaz] & Ted Castle).
- It is estimated that of those 15 000 employees, 7000 come from 'IDA companies' – in that the IDA has worked diligently to attract these companies to Ireland.
- As many as eight jobs are created in the wider economy for every ten created by IDA client companies. So, based on those 7000 jobs – they potentially support another 5600 jobs – bringing the tally closer to 20 000 jobs.
- Canadian investment does not only benefit Dublin. Regional investment is significant. SOTI and Celestica in Galway, Greenfield Global in Laois, Optel Group in Limerick, Vermilion in Mayo, as well as eSentire, Open Text and Irving Oil in Cork – and many more. It is unlikely that there is any area of Ireland that does not benefit from the Ireland-Canadian relationship - including those areas represented by the members of this Committee.

For over thirty years, the IDA has worked consistently to create the 'Ireland Inc.' brand to enormous success. Not ratifying an important trade deal like CETA damages that hard-earned reputation, and signals to other potential investors that perhaps Ireland is not as open to business as it once was.

Exports:

- There are over 600 Irish companies exporting to Canada which support over 25,000 jobs here. Apparently, there are even hockey sticks made in Sligo - which should be of welcome news to Ms. Harkin!
- Once fully ratified by all EU Member States, CETA will remove 99% of custom tariffs, increasing revenue for these exporters and expanding the remit of what can be exported. CETA also ends restrictions on access to public procurement contracts at the sub-national level.
- Since the provisional ratification of CETA, exports to Canada have grown by almost 1bn and resulted in a 27 percent increase in goods exported. Last year alone, Ireland enjoyed a trade surplus of €1.7bn with Canada, with €2.1bn of Irish goods being exported to the country.

There is no Irish businessperson who, if they were making 1.7 bn more than their partner as the result of a provisional agreement, would not formalize that agreement as quickly as possible.

Finally, the Canadian Chamber of Commerce and Ibec represent a combined 200,000 businesses employing more than ten million people in Ireland and Canada and they believe CETA represents a significant opportunity both countries.

Conclusion

At a time when we do not know the extent to which Brexit will have on the export relationship with our largest historic trading partner, Ireland needs to secure new export partners. CETA has already demonstrated that it provides Ireland that opportunity. At a time where our country's economy will be recovering from a global pandemic, winning international investment that will result in high-quality jobs has never been a greater priority. Indicating to the world that Ireland is still open for business by ratifying a lucrative trade deal like CETA, will do just that.

On behalf of the ICBA, I ask you to recommend the ratification of CETA to your colleagues in the Oireachtas without haste.

Thank you.

Chris Collenette

Chairperson, Ireland Canada Business Association