Submission to
The House of Commons Standing Committee on International Trade

Bill C-4
An Act to implement the Agreement between
Canada, the United States of America
and the United Mexican States

Presented by
Canada’s Building Trades Unions

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Ottawa, Ontario

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Who are We?

This submission is made on behalf of Canada’s Building Trades Unions (CBTU), we are the International Unions that have jurisdiction in the construction, maintenance and fabrication portions of Canada’s Construction Industry (we will use Construction as the generic for the Industry even though it is much more than simply the ‘building’ of something). Construction is one of the largest sectors in the Canadian economy, representing approximately 14% of Canada’s GDP. This industry is found in every Canadian city, town and village and our more than 500,000 members are employed constructing everything from a garden shed through to the biggest buildings in Canada, virtually every refinery, generating station, nuclear plant and such commercial and institutional construction that it includes roads, bridges, hospitals and all forms of civic infrastructure. Our work is not just done on site but is done in a number of facilities that provide modules or other components that are incorporated into the structures that we work on. Finally, once structures are built we are employed in their renovation, maintenance and repurposing.

The International Craft Unions that compose CBTU are:

- International Association of Heat and Frost Insulators and Allied Workers/Association internationale des poseurs d’isolants
- International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers /Fraternité internationale des chaudronniers, constructeurs de navire en fer, forgerons, forgeurs et aides
- International Union of Bricklayers and Allied Craftworkers /Union internationale des briqueteurs et métiers connexes
- United Brotherhood of Carpenters and Joiners of America/Fraternité unie des charpentiers et menuisiers d’Amérique
- International Brotherhood of Electrical Workers / Fraternité internationale des ouvriers en électricité
- International Union of Elevator Constructors /Union internationale des constructeurs d’ascenseurs
- International Union of Operating Engineers / Union internationale des opérateurs-ingénieurs
- International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers/ Association internationale des travailleurs en ponts, en fer structural, ornemental et renforcement ferrailleurs
- Labourers’ International Union of North America / Union internationale des journaliers d’Amérique du Nord
- International Union of Painters and Allied Trades/ Fraternité internationale des peintres et métiers connexes
- Operative Plasterers’ and Cement Masons’ International Association of the United States and Canada Association internationale des ouvriers plâtriers, cimentiers applicateurs et tireurs de joints
- Sheet Metal, Air, Rail and Transportation Workers / Association internationale des travailleurs du métal en feuilles
Introduction

Although CUSMA does not have a direct impact on the CBTU nor the construction we represent; its efforts to improve labour standards among the three countries will have an indirect positive impact on our sector.

Therefore, the impending ratification of the updated Canada–United States–Mexico Agreement (CUSMA) offers us an important opportunity to voice support for this vital trade deal.

As mentioned, CUSMA includes a comprehensive labour chapter, fully subject to the dispute settlement provisions of the Agreement, which aims to raise and improve labour standards and working conditions in all three countries by building on international labour principles and rights. Labour standards and working conditions have always been a priority for the CBTU and our affiliates. We realize these improvements are targeted to our trading partners, but that is a testament to the level of labour standards and working conditions we have achieved in Canada and continue to advocate for and strengthen them in this country. Specifically, the chapter on labour includes an Annex on Worker Representation in Collective Bargaining in Mexico, under which Mexico commits to specific legislative actions to provide for the effective recognition of the right to collective bargaining. We applaud and support the Government of Canada in its goal to level the playing field on labour standards and working conditions to ensure parties do not lower their levels of protection to attract trade or investment but raise them to the higher standard.

Canada’s Building Trades Unions are pleased with the added provisions that provide commitments to ensure greater protection for fundamental principles and rights at work. These include:

- To prohibit the importation of goods produced by forced labour;
- Enforce obligations related to discrimination, including discrimination based on sex, sexual orientation and gender identity;
- Address violence against workers exercising their labour rights, including single instances of violence, or threats thereof; and,
- Ensure that migrant workers are protected under labour laws.

Canada’s Building Trades Unions supports these commitments believing stronger labour rights will lead to stronger health and safety laws not only for construction workers but for all workers.

Along with stronger labour provisions, we believe that increased fair trade leads to stronger economies. This new agreement will reinforce the strong economic ties between the three countries and support well-paying middle-class jobs, which will strengthen the economies of all three countries.

We also support other significant gains that have been achieved for Canadian workers. These were described earlier to day in the Canadian Labour Congress’s submission. Some of the highlights are:
The elimination of the chapter 11 Investor-State Dispute Settlement (ISDS) provisions under the North American Free Trade Agreement (NAFTA) which prioritized the rights of foreign investors and corporations over the rights of sovereign governments.

Increased North American content requirement for vehicles (from 62.5% to 75%) and new labour-value content requirement that stipulates 40% of the material and manufacturing costs of an automobile and 45% of a truck will have to originate in facilities where direct production workers have an average hourly base wage of at least US$16 per hour.

The elimination of NAFTA's energy chapter, including the proportionality clause that required Canada to export a fixed share of our energy production to the U.S, even in times of energy shortages.

A strengthening of NAFTA's general cultural exception, and its expansion to include digital industries (chapter 32).

A clear general exception for Indigenous Rights, which implies that nothing in the agreement prevents North American governments from fulfilling their legal, social, economic, cultural and moral obligations to Indigenous peoples.

Tariffs on steel and aluminium have been removed.

Canada’s Building Trades Union’s together with our full affiliation with the North American Building Trades Unions further welcomes the vital improvements to CUSMA that were negotiated towards the end of 2019 between House Democrats and the US Trade Representative (USTR), and which were recently passed by the US Senate. These include:

- The removal of language that allowed a responding party to block the formation of a dispute settlement panel.
- A reversal of the burden of proof on labour and environmental violations, which now presumes that labour and environmental violations occur in a manner affecting trade or investment between the parties, unless a responding party demonstrates otherwise.
- The removal of language in Article 23.6 that rendered the prohibition of goods produced in whole or part through forced and compulsory labour effectively unenforceable.
- The removal of language in Article 23.7 which stipulated that Parties only have to address cases of violence against workers that are occurring "through a sustained or recurring course of action or inaction."
- The introduction of a bilateral Rapid Response Labour Mechanism that allows for an independent investigation of potential violations of freedom of association and collective bargaining rights at specific facilities, and where violations are found to occur, the imposition of penalties on goods that are not produced in compliance with these obligations.
- The removal of provisions requiring 10 years of market protection for biologics.

An area that still needs attention:

Canada’s Building Trades Unions would have liked to see greater access for qualified construction workers between Canada, the United States and Mexico. With similarities in training and accreditation for these skilled trades in both Canada and the United States specifically, we believe shortages in labour supply can have a North America solution. We understand that Canada’s negotiators attempted to include this in the negotiations, but that ultimately it didn’t make it into the text of the agreement. We thank our negotiators for
listening to the CBTU and our affiliates who strongly advocated for this and We stand ready to consult with the Government of Canada to further explore areas of mutual benefit.

**Conclusion**

Canada’s Building Trades Unions supports Bill C-4, An Act to implement the Agreement between Canada, the United States of America and the United Mexican States. We urge all parties to pass Bill C-4. We believe the provisions and commitments included in CUSMA will continue reinforcing the strong economic ties between the three countries and support well-paying middle class jobs into the future.

Respectfully submitted

Robert Kucheran, Chairman
Canadian Executive Board