



## **TRANS-PACIFIC PARTNERSHIP**

Good Afternoon,

Thank you for the opportunity to speak with you about the TPP.

I'm Kevin Rebeck, President of the Manitoba Federation of Labour (MFL), which represents over 100,000 unionized workers in a variety of sectors.

The MFL has a number of concerns with the TPP deal that the Harper government negotiated on Canada's behalf.

### **Corporations get more power to sue Countries.**

Investor-state dispute settlements (ISDS) is a provision in many trade agreements, which allows massive corporations to directly sue democratically-elected governments, in a unaccountable system separate from national courts, in order to expand their profits.

For example, Canada is currently being sued by drug company Eli Lilly for \$500 million after our courts refused to extend patents on several of their drugs.

### **Labour Mobility**

Chapter 12 of the TPP lays out the Labour Mobility provisions in a way that undermines the interest of Canadian workers. This provision takes the worst aspects of the temporary foreign workers program and strengthens them. The agreement prohibits Canada from imposing any limit on the number of foreign workers entitled to enter the country so long as they fall under one of the broadly defined categories of workers that Canada has agreed to admit. Canada is further, prohibited from administering a labour certification test before that worker can be given a work permit.

This agreement allows both domestic and foreign companies to bring in foreign workers to Canada to take jobs that Canadians are ready, willing and able to fill.

These workers will not be immigrants, will have no path to citizenship and will not fall under the existing TFW program. Under the existing TFW program, employers have to pay TFW the same wages as Canadians and train and certify up to Canadian standards. The TPP will not give these modest protections to exploitable foreign workers.

### **Canadian Job Loss**

The TPP puts at risk a number of existing jobs in Canada. A study by Unifor found the TPP could lead to the loss of 20,000 jobs in the Canadian auto sector by eliminating incentives to manufacture vehicles in Canada and increasing the incentive for companies to source auto parts from low-wage Countries. The TPP will give foreign dairy producers an even bigger share of our dairy market, 250 million liters of milk, and the production jobs that come with that, are at risk. While dairy farm owners (but not workers) have been promised a 15 year compensation package, it's clear the TPP will hasten the decline of Canada's dairy industry.

### **Higher Prescription Drug Costs**

Canada already has the second highest per capita drug costs in the world. The TPP gives even more monopoly patent protection to drug companies than they currently have, meaning it will take longer for Canadians to access cheaper, generic versions of the drugs. The TPP's concessions to drug companies could see Canadians paying over \$800 million annually in increased drug costs.

The TPP locks Canada into its current level of privatization and commercialization, effectively preventing any future innovation that involves expansion of comprehensive public services, such as a universal national public pharmacare program.

The extension of drug patents will also restrict the availability of generic drugs in developing countries.

### **The Environment**

The TPP will also make it harder for governments to set stronger environmental targets, like better air and water quality.

According to the CLC, close to 40% of legal challenges under NAFTA have involved corporations challenging government environmental policies, like banning gasoline additives and PCPs, or enforcing water protections.

By virtue of preventing governments from attaching conditions to procurement contracts to foster local economic development and ensure environmental standards, governments will also be restricted from taking needed action on climate change and transitioning to a lower carbon economy. For example, governments will have less flexibility to encourage the development of local green energy sectors to replace fossil fuel imports.

### **The TPP grows inequality**

Trade agreement advocates continue to assure us that workers' rights and living standards will be strengthened by trade deals. The global economy, business growth and profits cannot be the only considerations when countries enter trade deals.

Across the globe, as large corporate profits soar, they do so at the expense of citizens, workers and consumers. Work has become more precarious, income inequalities have grown, climate change continues to get worse and labour rights have been eroded.

### **Say NO to the TPP**

The merits of Canada joining the Trans-Pacific Partnership have not been demonstrated. The previous government undertook no economic or environmental impact analysis and no convincing case has been made to participate in the TPP.

The Labour movement is not opposed to trade. We understand that we need to compete with other markets and attract investment in Canadian businesses. We question at what cost? How much more should Canada sacrifice as we enter these deals and what do we truly gain?

Our new Government was elected to do a better job than Harpers secretive Government. Protecting Canada's interests by saying No to the TPP is a good start.

Thank you for conducting these consultations and taking the time to hear from Canadians and thank you for the opportunity to participate.