

The Honourable Chrystia Freeland, PC MP
Minister of Foreign Affairs
125 Sussex Drive
Ottawa, ON
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cc. The Honourable Andrew Leslie, PC MP

May 2, 2018

Minister Freeland,

Canada's current trade model negatively impacts the sustainability of our economy, our environment and our communities. It jeopardizes the rights of Indigenous peoples, workers' rights, women's rights, and the right of communities to protect the air, land and water they depend on. This trade model privileges corporate rights and profits at the expense of people. We — members of Canada's labour, trade justice, and climate movements — call for an alternative model.

If Canada wishes to be a climate champion and to promote prosperity and sustainability for all, its trade policy must support its climate objectives. The ongoing NAFTA negotiations present a unique opportunity for Canada to pursue a new model for more socially just, equitable and sustainable trade.

Since 1994, NAFTA has exacerbated many negative trends, including: a rise in economic inequality; the expansion of corporate rights over worker and community rights; environmental degradation; deterioration of agricultural systems and farmer livelihoods, and; regulatory cooperation efforts that have resulted in a lowering of public interest regulations (e.g. public health, food safety, consumer protection).

Recent climate policy and objectives, such as those outlined in the Paris Agreement, are in large part a global reaction to the irreversible damage inflicted by our current economic and trade systems and a far-reaching acknowledgement that the decarbonization of the global economy is essential. The Pan-Canadian Framework on Clean Growth and Climate Change is based on the core principle that economic development and the implementation of bold climate action go hand in hand.

Canada's labour, climate, and social justice communities have come together to outline our shared principles and values for an alternative economic exchange/cooperation model — and the process for negotiating such an agreement or relationship:

1. Negotiations must be open, transparent, democratic and inclusive;
2. Any new agreement must require all Parties to adopt, maintain and implement key international commitments, including to protect Indigenous rights and sovereignty as outlined in the UN Declaration on the Rights of Indigenous Peoples (UNDRIP). Indigenous communities must be key players in any negotiation process;
3. No trade agreement should favour corporate interests over the public interest or hamper Parties' ability to regulate in the public interest. This means that investor-state dispute settlement (ISDS) - NAFTA Chapter 11- or similar mechanisms (e.g. CETA's Investor Court System) must be eliminated;

4. Any new agreement must include stronger environmental protections which require all Parties meet the standards set by their own domestic environmental laws and by multilateral environmental agreements, including a Party's greenhouse gas reduction commitments under the Paris Agreement;
5. All Parties must eliminate fossil fuels subsidies and present a roadmap on how they intend to do so;
6. A new NAFTA agreement must eliminate all energy proportionality rules. The proportionality rule (see Articles 605 and 315) requires Canada or the United States to maintain the same proportion of total supply they have been exporting to the other at any time, even in the event of regional shortages. Mexico is exempted from this rule. This rule benefits mostly the United States and it blocks Canada's ability to reduce its fossil fuel production to meet its climate commitments;
7. A new agreement must ensure strong labour rights, including for migrant workers, that result in a demonstrated adherence to international labour standards, including the right to free collective bargaining and association;
8. All labour and environmental standards must be enforceable through comprehensive, independent and proactive monitoring mechanisms that allow for trade sanctions to be imposed. Citizens must be able to enforce all labour and environmental provisions;
9. Public services must be protected. This means excluding from an agreement public services like education, health care, culture and telecommunications, energy and water;
10. Trade rules should not restrict government procurement policies, an important resource for local economic and social development. This includes green government purchasing, which is included in the Pan-Canadian Framework on Clean Growth and Climate Change;
11. An agreement must ensure local/national sovereignty over food and agriculture policy. This includes the protection of Canada's supply management system;
12. Finally, all trade agreement must involve a gender analysis (i.e. a gender impact assessment of trade and trade agreements).

An alternative model of trade must be rooted in principles of equity, the primacy of human rights — including the rights of Indigenous peoples, women and girls, workers, migrants, farmers, and communities — and social and ecological justice. Furthermore, if Canada wishes to be an international champion of action on climate change, its trade policy must be compatible with its climate objectives.

Signed:

Canadian Association of Physicians for the Environment (CAPE)
Canadian Engaged Buddhism Association
Canadian Environmental Law Association
Canadian Federation of Students - La Fédération canadienne des étudiantes et étudiants
Canadian Labour Congress
Canadian Union of Public Employees (CUPE)
Coalition Climat Montréal
Citizens' Alliance of P.E.I.
Citizens' Climate Lobby Canada
Climate Action Network Canada – Réseau action climat Canada (CAN-Rac Canada)

Common Frontiers
Council of Canadians
Council of Canadians, Fredericton Chapter
CUPE Prince Edward Island Division
CWA Canada, The Media Union
Earth Action PEI
Environmental Coalition of Prince Edward Island
For Our Grandchildren
Green 13
Green Neighbours 21
IAVGO Community Legal Clinic
Jardins sans frontières
Just Earth
MacKillop Centre for Social Justice
Maritime-Guatemala Breaking the Silence Network PEI Chapter
National Farmers Union
National Union of Public and General Employees (NUPGE)
Oxfam Canada
Passive Buildings Canada
Pax Christi Toronto
PEI Coalition for a Poverty Eradication Strategy
PEI Food Security Network
PEI Health Coalition
People's Climate Movement (in the G.T.A.)
Public Service Alliance of Canada
Rapid Decarbonization Group
Registered Nurses' Association of Ontario
Save Our Seas and Shores - PEI Chapter
Sierra Club Canada Foundation
The Climate Reality Project Canada
Trade Justice Network
Trade Justice PEI
USC Canada
Unifor
United Steelworkers
Vegans & Vegetarians of Alberta
World Federalist Movement - Canada