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June 6, 2018

Francois-Philippe.Champagne@parl.gc.ca

The Hon. François-Philippe Champagne, P.C. Minister of International Trade House of Commons
Ottawa, Ontario K1A 0A6

Minister Champagne,

On behalf of Unifor, I am writing to express our union's deep frustration with your decision to table implementing legislation for the Comprehensive and Progressive Agreement for Trans Pacific Partnership in the coming weeks.

In your remarks to the Standing Committee on International Trade on June 5, 2018, you expressed a desire for Canada to be part of a "first wave" of agreement members to ratify the deal, suggesting that the implementing legislation could receive royal assent in the fall of 2018.

Minister, as you are well aware, workers in Canada's core export industries are facing unprecedented economic uncertainty, most notably in our auto, steel, aluminum and forest-products industries. For these industries and associated supply-chains, the North American market is of paramount importance. Signaling your intent to move quickly to implement the terms of the CPTPP, a trade agreement that will expand Canada's trade imbalance, accelerate what is a one-sided trade advantage enjoyed by Japanese auto exporters into Canada's market, and yield marginal benefits (at best) to Canada's overall economy is simply the wrong move at the wrong time.

I appreciate the desire of this government to explore new trade diversification measures. I also appreciate that this government has expressed a willingness to reflect on the failings of our current trade model and to explore new, progressive objectives in our global trading relations. Unfortunately, the CPTPP reflects neither of those goals and should not be ratified.

It is difficult to view this proposed agreement as anything other than one of political expedience. The projected \$4.2 billion economic boost CPTPP will bring to Canada over the span of two decades, equates roughly to a single day's economic output. In our view, the risks and uncertainty that CPTPP rules pose for auto, dairy, culture and other major industries, along with an entrenched investor-state dispute system, far outweigh any stated benefit.

There is still an opportunity to change course or, at the very least, delay implementation until there is clarity in new rules governing trade in North America resulting from NAFTA's renegotiation.

It is imperative that Canada's advocacy for a "rules-based" global trading system include some measure of consistency and universality with our trading partners. This is as important for cross-border competition as it

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is for upholding and enforcing fundamental human rights and work standards. Implementing the CPTPP, in its current form, would reflect an incoherent and disjointed trade policy.

I would be happy to discuss this matter further. Please feel free to contact my office at 416-497-4110 extension 6555.

Sincerely,

## Jerry Dias National President, Unifor

JD:AD:nmcope343

cc: Hon. Chrystia Freeland, Minister of Foreign Affairs
Hon. Mark Eyking, Chair, Standing Committee on International Trade
Tracey Ramsay, Vice-Chair, Standing Committee on International Trade
Dean Allison, Vice-Chair, Standing Committee on International Trade
Christopher Berzins, Director of Policy to Canada's Minister of International Trade