

# Alternative Mandate Letter on Trade

Send this letter calling on the Minister of Foreign Affairs to push for trade agreements that put people ahead of corporations, instead of prioritizing the rights of multinationals at the detriment of our climate and our societies.

November 19, 2019

TO: The Honourable François-Philippe Champagne, Minister of Foreign Affairs,  
CC: The Honourable Mary Ng, Minister of International Trade, The Right Honourable Prime Minister Trudeau and your Member of Parliament

To the Honourable François-Philippe Champagne, Minister of Foreign Affairs,

Congratulations on your appointment to cabinet during the 43rd government of Canada.

While no party received a majority of seats in this last election, Canadians from coast-to-coast-to-coast overwhelmingly voted for parties that promised progressive action on issues around inequality and climate change.

The Council of Canadians is a grassroots-based social action organization that advocates for clean water, fair trade, climate justice, public health care, and a vibrant democracy. In this minority parliament, the government will need to listen to Canadians and work to implement our priorities. Our supporters have tasked us with holding the government accountable and pushing for change on issues that matter to them. We issue you this mandate letter on behalf of our supporters.

Founded around the inception of the first free trade agreement, the U.S.-Canada Free Trade Agreement, the Council of Canadians has been a watchdog on trade agreements, helping to defeat the Multilateral Agreement on Investments and the Free Trade of the Americas Agreement. Our concerns are twofold: these agreements give corporations incredible power and priority over governments and sound public policy. As well, these agreements contain policies that increase international wealth inequality and exacerbate the climate crisis, both defining issues of our times.

We would like to highlight a few of the agreements that your government is currently working on.

The Canada-U.S.-Mexico Agreement (CUSMA) has yet to be ratified by the U.S. Congress and the Canadian government. While there were two substantial changes to the agreement – namely the removal of the investor-state dispute mechanism between the U.S. and Mexico, and the removal of energy proportionality which mandated energy export levels to the U.S – there are still major drawbacks to the new agreement.

In particular, the agreement has pharmaceutical provisions that give biologics, a new class of drugs made out of human or animal tissue, 10 years of data exclusivity. In Canada, we currently give eight years of data exclusivity. The agreement also enshrines a complex system of “regulatory cooperation” where corporations have a back-door channel to mold and challenge our regulatory bodies. As well, supply management sectors received a major blow when the U.S. was given access to Canadian supply-managed markets.

U.S. Democrats have been demanding that the agreement be substantially changed in order to support people and the environment over Big Pharma and corporations. We ask the Canadian government to be an ally to this movement while reasserting the progressive changes needed within the document. We cannot rush through such an important agreement.

The Canada-European Comprehensive Economic and Trade Agreement (CETA) is still in play within Europe where all 28 member states need to ratify. The agreement has not been fully ratified in France where it is inspiring wide-spread revolt. And in December, the agreement will go to the Netherlands where it does not appear to have a majority, as the Labour party no longer supports it.

Our European allies are asking, at a minimum, that investor-state dispute settlement (ISDS) mechanisms be dropped from the agreement. As dropping ISDS was already agreed to in the CUSMA with our U.S. allies, certainly we can do the same for our European allies. ISDS, as we have documented, has allowed multinational corporations to undermine and assert power over governments when they attempt to put in environmental and social policy that hampers the corporate bottom line.

Your government must also put a hold on Mercosur negotiations. Mercosur's biggest economy is Brazil, a country with a dubious human rights and environmental record. European countries have refused to enter into a trade agreement with such a flagrant violator of international norms, and we too must follow suit. Canada also needs to step back from its traditional support of the mining sector's demands that ISDS be enshrined in these accords. The Canadian mining industry has aggressively used ISDS to destroy human and environmental rights in these regions. For corporate responsibility to have any true meaning, mining corporations' use of ISDS must end.

Trade is a critically important issue. However, the many trade agreements we have entered into have been poor at increasing exports. CETA is a case in point. There has been virtually no export growth within two years of the agreement. We have had more export growth with countries we do not have free trade agreements with.

These agreements have less to do with actual trade, and more with enshrining a series of pro-multinational rules. As corporate globalization creates more and more international havoc and political reaction – from Brexit, to Trump, to progressive populists – we must do better.

In this minority government, Canadians make up the balance of power. The Council of Canadians looks to your government to push for a substantially different trading rules system that promotes development, and not the rights of multinationals at the detriment of our climate and our societies. You have been entrusted with tremendous responsibility. We hope we can count on you to deliver this important mandate.

I await your response.