



President
François Laporte
Président

August 24, 2018

The Honourable Chrystia Freeland, P.C., M.P.
Minister of Foreign Affairs
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Minister:

As your team returns to the NAFTA table, I want to commend you for your defence of Canadian interests and values over the past year of negotiations. We hope that your immediate discussions with your counterparts will be fruitful and lead to a trilateral announcement of a modernized NAFTA that works for workers.

Teamsters have worked closely with the USTR during the recent bilateral talks with the Mexicans over a range of priority issues, like workers' rights in an enforceable labour chapter, raising wages throughout the supply chains, and cross-border transportation services.

On the issue of cross-border services and good jobs, I would like to call your attention to the need to protect Canadian rail workers from companies wishing to replace them with American workers. We believe railway transportation services should be added to our country's list of non-conforming measures in the annexes to the services chapter in NAFTA.

This comes after the actions of Canadian Pacific Railway in Winnipeg in 2015, which led to dozens of Canadian railroaders being displaced or laid off. The company had replaced the Canadian workers who historically operated until the border, with American workers who operated from deep inside the U.S. all the way into Winnipeg. Historically, the Canadian crews stopped just over the U.S. border in Noyes, Minn., and handed the trains to U.S. crews (and visa versa).

CP wanted major concessions from the Canadian workers. We refused, took the issue before an arbitrator, and got the Canadians their jobs back. While the use of U.S. train crews has since stopped, we feel it is of the utmost importance that the federal government protect Canadian jobs.

We estimate that hundreds of our members in Canada could lose their jobs or see significant reductions in their income if rail companies opt to use American workers to operate freight trains deeper into Canada. Moreover, the practice poses a rail safety problem since American crews are not subject to the same safety regulations, protections, or laws. They also work longer hours and are more likely to be fatigued.

A similar situation has emerged on the U.S. southern border, where American companies started using cheap and unregulated Mexican labour to operate trains on U.S. tracks along the border states, over the strong objections of our fellow Teamsters in the United States.

Railway unions throughout North America are all asking for the principle of crew exclusivity in freight rail operations to be enshrined in NAFTA. Our members have no interest, at the expense of their sisters and brothers from other unions, to drive their trains deep into the territory of another party. I respectfully direct your attention to the attached tri-national rail union letter on this sensitive issue.

As your negotiators are aware, Mexico has maintained a NAFTA reservation for their workers, in an annex (attached to this letter) that simply requires that railway crew members be Mexican nationals. We hope you will table something similar. As trilateral talks resume, our negotiators must simply signal their intention to add rail to Canada's list of non-conforming measures

Rest assured that you would not be inventing new transportation policy. This is simply a matter of safeguarding Canada's current system of cross-border freight rail crew change locations – a system which has been in place for years. Note that passenger trains are not our present focus.

We look forward to being able to support a renegotiated NAFTA after all three parties agree to its new pro-labour provisions. Meanwhile, we remain at your disposal should you have further questions.

Yours truly,

A handwritten signature in blue ink, appearing to be 'G. Smith', written in a cursive style.

FL/cm

Encl. Tri-national rail union letter
NAFTA Annex I (Mexico)



ATTN: United States Trade Representative Ambassador Robert Lighthizer, Minister of Foreign Affairs Chrystia Freeland and Secretary of Economy Ildefonso Guajardo.

RE: The freight railway unions' letter of support for a renegotiation of the North American Free Trade Agreement that works for workers.

Twenty years ago, the railway unions of North America joined together in a “Trilateral Letter of Agreement,” attached and incorporated by reference hereto, in which our members declared “their unity in securing fair and equal treatment for the performance of their services.” In that spirit of solidarity, we come together again in support of the renegotiation of the North American Free Trade Agreement.

Collectively, we represent more than 143,000 freight and passenger rail workers, engineers, conductors, track maintenance workers and trainmen from Chiapas to New Brunswick. They have benefited from the economic integration of our three countries and the development of continental supply chains that are a legacy of NAFTA. Our employers, the freight rail companies, have invested in technologies and infrastructure that have contributed to more trade, economic growth and good jobs for a generation.

As you enter the last rounds of new NAFTA talks, we urge you to agree on the dramatic reforms that will make the final agreement work for workers, starting with a strong Labor Chapter. In this regard, we proclaim our solidarity with all the workers of North America whether in manufacture, agriculture, and service sectors. The new NAFTA must obligate the Parties to adopt and maintain strong labor laws that will be enforceable by trade sanctions.

Further, we urge you to commit, whether in the text of NAFTA 2.0 or in a simultaneous tri-national side agreement, to investing a minimum of 2% of gross domestic product annually on transportation infrastructure construction, repair and maintenance. Especially along our two borders, the bridges and interchanges should be upgraded as part of NAFTA modernization.

Finally, to protect our members, we unanimously request that you enshrine the principle of exclusivity into the cross-border services chapter. Freight rail crew changes happen at the border, at the interchanges. Our members have no interest, at the expense of their brothers and sisters in companion unions, to drive their trains deep into the territory of another Party.

We commend you for the progress you have made so far in modernizing the NAFTA. We hope that you reach a final agreement that will keep the freight rail trade flows growing and increase the incomes of our members and all workers in North America.

For Fair Trade,

Dennis Pierce
TRC President

Douglas Finnson
TCRC President

Victor Flores
STFRM President

Sector:	Transportation
Sub-Sector:	Land Transportation
Industry Classification:	CMAP 711101 Railway Transport Services (limited to railway crew)
Type of Reservation:	National Treatment (Article 1202)
Level of Government:	Federal
Measures:	<i>Ley Federal del Trabajo, Capítulo I</i>
Description:	<u>Cross-Border Services</u> Railway crew members must be Mexican nationals.
Phase-Out:	None