

Breakdown of the Effects of CETA and Bill C-30 on the ships and sailors of the Canadian Merchant Marine.

CETA

- The **Maritime Transport Chapter of CETA grants Maritime Cabotage Rights** for transporting international cargo *to mostly low wage, Flag of Convenience operated European ships (paid on average 1/10 to 1/3 what Europeans or Canadians seafarers would) to all ports in Canada* (Chapter 14, Article 3, paragraph 2: *“A Party shall permit the international maritime transport service suppliers of the other party to supply feeder services between the ports of that Party.”*).
- **Until now, Canada’s Maritime Cabotage Trade has been reserved for Canadian ships and their Canadian crews.**
- **Most of these Cabotage Rights are only temporarily suspended by Reservation II-C-14,** which recognizes, for now, only European ship-owners’ Maritime Cabotage Rights to transport international cargo in the Halifax -Montreal Corridor, transfer empty containers between all ports of Canada and dredging.
- **Reservation II-C-14 can be revoked at any time without any consultation with European Authorities or any further approval from the Parliament of Canada,** in which case low wage European ships’ Maritime Cabotage Rights to all Canadian ports, granted in CETA’s Maritime Transport Chapter could shortly cause **Canadian ships to be priced out of the market,** possibly reflagged as European while their Canadian crews are dismissed and foreign ones retained.
- **Chief Canadian CETA negotiator Steve Verheul** acknowledged in testimony before the Senate-Committee on International Trade, 3/4/17: *“It’s always easy to further liberalize a trade agreement. That’s not usually a problem to negotiate, amend or just do it in practise.”*
- Without being revoked, **Reservation II-C-14,** with it’s ability to restore Maritime Cabotage Rights to low wage European ships at any time without any approval from Europe or the Parliament of Canada could prevent Canadian sailors from negotiating

with ship-owners for fear of provoking II-C-14s' withdrawal and flooding Canada with competition from low wage and, often, lower standard foreign ships.

- The ships and Canadian sailors of Canada's Merchant Marine would soon disappear in competition with Flag of Convenience operated European ships due to their great economic advantages, as well as often lower working and safety standards. (S.I.U. President James Givens, partial quote from transcript, 13/4/17, 12:09 pm: "... to ensure foreign operators are strictly adhering to Canadian rules and standards, including labour and prevailing wage. These ships are currently covered by Flag State law, **which makes it hard for Canadian Law to be implemented onboard these vessels.**")
- Labor representatives before the Senate-Committee on Foreign Affairs and International Trade, enquiring into bill C-30, made no mention while testifying before it's members on 13/4/17 of these immediate risks to Canadian seafarers and ships even though 4 of them represented Canadian seafarers (President Jim Given of the Seafarers International Union of Canada, President Jerry Dias and Angelo DiCaro of Unifor, President Terry Engler, Marine section, International Longshore Workers Union.) and another foreign ones (Peter Lahay, National Coordinator, International transport Workers Federation.)
- **The CETA Maritime Transport Chapter, mainly at Article 14-3.2, with Reservation II-C-14, represent 90% of CETA's threat to Canadian ships and seafarers (Other known ones reside in Bill C-30) and create a mistaken impression that only the Halifax-Montreal Corridor is subject to low wage European ships entering into Canada's Maritime Cabotage Trade.**
- **Government M.P.s, asked directly in Commons Debate on Bill C-30 by N.D.P. members 3 times whether 3000 seafaring jobs would disappear as a result of applying CETA never denied this , and asked a further 8 times about the consequences to Canadians of applying the Maritime Provisions, received no substantive replies.**
- **Liberal M.P. Linda Lapointe (Riviere des Mille Iles) asked in Commons Debate on Bill C-30 (Abbreviated quotes from transcript, 3/2/17, 10:25 am: "Mr. Speaker, I have a question for my colleague, who, like me, has been a member of the Standing Committee on International Trade for the past year.**

"... My colleague just said that **some workers make \$2 an hour. I would like to know where in Europe that is the case. After all, working conditions there are much like ours. I would be very surprised if that were true.** I would like my colleague to comment on that... I cannot imagine why she would consider saying no to signing this agreement."

Mme. Tracey Ramsey (Essex, N.D.P.): "Mr. Speaker, I sit on the trade committee with the member opposite. I am pleased to see her rise, because she was silent when all of these amendments came forward. She said not one word when all of these amendments came to the committee. Therefore, I

am very curious as to why she is rising in the house today, when **she was silent in the period when we were going clause by clause in committee... That is shocking to me. If there were legitimate concerns that she wanted to bring forward, why did she not do so when she had the opportunity with the minister and the chief negotiators?** Was she under a gag order? **That is how it appeared on the Liberal side during clause-by-clause."**

"... these amendments speak to the things that could fix this trade deal in a way that would represent Canadians' interests. There was no attempt to do so in the negotiating phases. Therefore, *as parliamentarians, we have a responsibility* to those we represent to bring forward the amendments that we feel will best benefit."

"The other thing that shocks me about the member opposite is that she did not support my proposal to have more people appear before the committee. We heard from a very limited number of voices. In fact, the witnesses brought by the Liberals were all for CETA, so there was no balance in the conversation. There was an unwillingness by the government to listen to any opposing views or any concerned Canadians."

Even **though** the Bill had been on the Commons roster for months, had spent several days in house Debate, and **Mme. Lapointe had been on the committee doing clause-by-clause examination of the Bill, she still did not seem to realize that the crews on most European ships are not from the E.U.**

Bill C-30

- **Clause 92 of Bill C-30, sections 2.3 and 2.4, grants exemptions to European ship-owners from complying with Canadian Laws**, including the Temporary Foreign Worker Program, which, as stated in the federal guide entitled "Working temporarily in Canada" on page 9, will not only void the requirement to seek Temporary Foreign Worker Permits for crewmembers of foreign owned ships not registered in Canada primarily engaged in transporting international cargo while their ships are plying Canadian Maritime Cabotage Routes under CETA (therefore preventing foreign seafarers from being paid median Canadian wages but , as stated on page 5 of the same guide, **because no Labour Market Impact Assessment need be performed for foreign workers in Canada because of a Free Trade agreement, such as CETA, no Canadian need be considered for these jobs.**
- Since most cargo carried on ships in Canada is international, **this exemption will make it likely that no Canadian or foreign seafarers will be employed at Canadian median wages on these Routes** (page 9 of the Government of Canada information guide "Working temporarily in Canada" stipulates that **foreign crew members of foreign owned ships not registered in Canada need only primarily transport international cargo in order to be exempt from work permit requirements and, therefore, Canadian wages.**

- **Labor representatives before the Senate-Committee** enquiring into Bill C-30, **made no mention of these immediate risks to Canadian seafarers** should Bill C-30 be approved in its present form, **while testifying before its' members** on 13/4/17, **even though 4 witnesses represented Canadian seafarers** (President James Given of the S.I.U. of Canada, President Jerry Dias and Angelo DiCaro of Unifor, President Terry Engler, Marine section, I.L.W.U.) and another, foreign ones (Peter Lahay, National Coordinator, I.T.F.).
- President Given of the S.I.U. of Canada stated (Abbreviated quote from transcript of Senate-Committee Hearing, 13/4/17): “... **The problem is inspections on the vessels, and especially inspections on this, are few and far between. They haven't been done and there aren't enough people to do them...**”.

President Given may be referring to the **effects of personnel reductions in government agencies such as Transport Canada made under Prime Minister Harper and largely remain uncorrected by the present government**, which has made the carrying out of their responsibilities more difficult.

The S.I.U. of Canada was forced to undertake a lawsuit against the Government of Canada for a perceived extended failure of some of its' agencies, such as Transport Canada and Employment and Immigration Canada, **to enforce immigration laws and others including the Coastal Cabotage Act which**, according to Mr. Given's testimony to the Committee, **may have cost thousands of Canadian seafaring jobs**. **The lawsuit was only set aside because such agencies** under the federal government (which cannot figure out how much to pay its' employees or who they are), **charged previously with failure to enforce Canadian laws, apparently undertook to do so once CETA was implemented**.

The Advisory group which has undertaken to assure future compliance, is made up of such agencies as Transport Canada, previously charged because they were not perceived to be enforcing Canadian law and, perhaps without additional resources, must now, for example, find a way to assure that empty containers, carried by foreign ships in Canada under CETA, are, in fact, empty.

- The Senate-Committee heard 3 witnesses from the **Canadian Ship-owners Association although this entity had not existed as such since 28/9/16**, over a month prior to the signing of CETA in Brussels on 30/10/16 (when it was amalgamated into the Chamber of Marine Commerce, a bi-National Maritime Shipping Association). It was represented by Acting President Kirk Jones, a former President of the Canadian Ship-owners Association; President Serge Le Guellec of Desgagnes Transport and Maitre Daniel Hohnstein of Tereposky & De Rose, LLP.
- **The Committee invited an actual Canadian seafarer (4/4/17) to testify before it** on Thursday, 13/4/17 at 1130am **on the effects of CETA's Maritime Provisions on the ships and sailors of the Canadian Merchant Marine**: A day after receiving a written copy of the individual's Intended-testimony (11/4/17), **the Invitation was withdrawn**; **The individual, like thousands of other Canadian sailors, would have told of the likelihood**

of financial hardship and job-losses brought about by CETA's impending implementation.

- **The Senate-Committee** on Foreign-Affairs and International Trade, having been **informed of known faults in CETA (Article 14-3.2, Reservation II-C-14** in written Brief received by the Senate-Committee Clerk on 3/5/17) and Bill C-30 (Clause 92, sections 2.3 and 2.4), in the same Brief as well as in e-mails sent to all 15 Committee members on 1/5/17 and 5/5/17, **did not recommend to the Senate that it consider withholding approval of Bill C-30 until serious weaknesses in CETA's Maritime Provisions, which threaten the continued existence of the Canadian Merchant Marine and thousands of Canadian seafaring jobs, be either revised or withdrawn.**
 - **The Senate-Committee, after unanimously approving Bill C-30 without Amendments and without Recommendations**, in passing it on to the Senate for consideration, **only chose to append a 2 page list of "Observations": A "Recommendation" is a "Strong suggestion", whereas an "Observation" is not even a Suggestion.**
 - The "Observations" were at least 9 in number and in ascending order of importance (maritime concerns were # 7). These "Observations" have apparently not yet been made public.
 - Committee Chair Senator A.Raynelle Andreychuk stated (abbreviated quote from video, 10/5/17,4:26 pm.): "... we did say to the government officials that **more and more is going from "Acts" into "Regulations"** and that's been troublesome to us so that's why the **accountability is not just to be with "Acts" but for "Regulations"** more and more..."
 - Senate-Committee Chair Senator A. Raynelle Andreychuk (Abbreviated quote from video capture 10/5/17, 4:31 pm) also stated: "**...C-30 requires Amendments to make it workable...**")
 - **The Senate-Committee chose not to make Bill C-30 workable through "Amendments" (Laws) by not itself making any, nor did it recommend that the Senate do so.**
 - Therefore, **the Senate-Committee** on Foreign Affairs and International Trade, **rather than:**
1. **Recommending that the Senate consider not approve Bill C-30 until such weaknesses in the Maritime Provisions of CETA (Including Article 14-3.2 and Reservation II-C-14) , which can easily restore Maritime Cabotage Rights granted to low wage European ships in the Maritime Transport Chapter to trade in all ports of Canada without further approval from the Parliament of Canada and **which threaten the continued existence of the Canadian Merchant marine and the livelihood of its' thousands of Canadian seafarers, be revised or withdrawn, or;****

2. **Itself amending Bill C-30 to remove exemptions granted to European ship-owners** that permit them to not even have to consider retaining Canadian seafarers and avoid complying with Canadian laws that include seeking Temporary Foreign Workers Permits for their sailors (which would grant them median Canadian wages) or;
3. **Recommending to the Senate that it do so;**

Has contented itself with issuing a list of “Observations”, which haven’t even the force of suggestions.

- **Instead**, according to statements made above by the Senate-Committees’ Chair Senator Andreychuk:
 1. **While ignoring the major weaknesses in the Maritime Provisions in CETA** (including Article 14-3.2 and Reservation II-C-14) **which threaten the existence of the Canadian Merchant Marine and the livelihoods of its’ sailors and families;**
 2. **The Chair seemed intent on allaying witnesses’ fears** and those of concerned Canadians, at least in regard to Bill C-30 (with it’s exemptions to European ship-owners at Clause 92, sections 2.3 and 2.4, including not hiring Canadians or paying foreign seafarers equivalent wages) **not through amendments**, as the Committee approved Bill C-30 without any at the beginning of the Hearing;
 3. **Nor through Recommendations to the Senate**, as none were made.
- **Whereas a “Law” (or *amendment*) could effectively address a concern by making it changeable only by a greater authority, such as Parliament** and not merely by government, a “Regulation” can not only be issued by a government but **also be changed or withdrawn entirely by it *without any reference to any other authority, such as the Parliament of Canada.***
- **Talks between stakeholders such as the S.I.U. of Canada and Government agencies in the Advisory Group** (at least some of which were involved in the S.I.U. of Canada’s lawsuit on perceived failure to enforce Canadian Cabotage and immigration laws) **may have been encouraged by discussions with Chief Canadian CETA negotiator Steve Verheul of Global Affairs Canada or prompted by the Senate-Committees’ “Observations”** attached to Bill C-30.
- **While not dealing with CETA’s most serious threat** (Article 14-3.2 and Reservation II-C-14) **to the continued existence of the Canadian Merchant Marine, its’ thousands of Canadian seafaring jobs and Canada’s Maritime Transport Industry, should such talks seek to gain employment for Canadians and commensurate wages for foreign sailors on European ships under Bill C-30 through “Regulations”, this will likely prove illusory and disappointing as “Regulations” can be changed or withdrawn at any time** by the

government and its' agencies, without any recourse to the Parliament of Canada, which could have better guaranteed positive outcomes through laws.

- At a Seafarers International Union meeting in Montreal on 6/3/17, **Canadian seafarers were told by the President that they would be able to work at Canadian wage rates aboard European ships trading on Cabotage routes granted by CETA, then understood to be the Halifax-Montreal Corridor** and that foreign seafarers remaining would receive the same: The President may have been unaware of Clause 92, sections 2.3 and 2.4 which exempt European ship-owners from any such undertaking.

According to **the Senate-Committee's apparent intended manner of altering the known and expected effects of Bill C-30's known faults**, such as Clause 92, sections 2.3 and 2.4, **not through amendments but "Regulations"**, **Canadian Seafarers may be led to believe there are secure jobs even on European ships**, though, as Article 14-3.2 of the Maritime Transport Chapter, mitigated by Reservation II-C-14, perpetrates **the illusion that CETA's Maritime ambitions are limited to a few Canadian ports**, that secure jobs for Canadians and similar rates for foreign sailors on European ships through **"Regulations" is likely a mirage that will vanish suddenly by government executive fiat** through its federal agencies, without any appeal possible to Parliament, and likely occur any time after CETA's provisional implementation.

- At a Union meeting in Montreal on 6/3/17, **Canadian seafarers were told by the President that they would be able to work at Canadian wage rates aboard European ships trading on Cabotage routes granted them by CETA, then understood to be the Halifax-Montreal Corridor** and that foreign seafarers remaining would receive the same: The President may have been unaware of Clause 92, sections 2.3 and 2.4 which exempt European ship-owners from any such undertaking.
- **Perhaps it was the strength of the "Observations"**, attached to CETA's Enabling Legislation, **that led to the Senate-Committees' report on Bill C-30 being accepted, considered and approved by the Senate within hours of its' receipt without any amendments.**

Canadian seafarer employment contracts since CETA's approval.

- **Within days of Royal Assent for Bill C-30 being received (16/5/17), the first major Canadian seafarers' contract vote since CETA's approval was held for Canada Steamship Lines, Self-Unloaders, with votes to follow in all of Canada's 3 largest maritime shipping companies over the rest of 2017, including Algoma Central Marine and Desgagnes Transport.**

- **The Seafarers International Union of Canada is the largest Maritime Union in Canada for unlicensed seafarers (all except captains and officers) and represents them in all 3 of Canada's largest Maritime Shipping companies (Canada Steamship Lines, Algoma Central Marine and Desgagnes Transport)**
- Mention of the C.S.L., Self-Unloaders contract offer received very poor reaction from sailors at the S.I.U. of Canada's Montreal meeting on 6/3/17: **A rejection of the offer could result in a 72 hour strike.**
- **Canadian seafarers have not had a major strike since 1966.** Though contract talks leading to a vote can be a fraught time, **I have not seen this degree of pessimism about their outcome in my entire career, which began in 1976.** Contract offers later this year threaten to mimic the C.S.L. one.
- **The President of the S.I.U. of Canada, Mr. James Given, besides being Chair of the International Transport Workers Federation Cabotage Task Force), may also have a Brief on Cabotage in Canada from Canadian ship-owners** (E-mail from President Given, 21/11/16: "We are also working closely with the Canadian Ship-owners who have given us the lead role in strengthening Cabotage in Canada...")
- **The S.I.U. of Canada, through its' affiliation with the American Federation of Labor (A.F.L./C.I.O.), is affiliated with the Conference on Foreign Relations, a powerful U.S. economic Lobby** whose Montreal Chapter has held several pro-CETA conferences ("**The Canada-EU Agreement: A new momentum for Quebec**";, 21/10/16; Canada's Trade Outlook: **The Honourable Chrystia Freeland** (Canadian Minister for International Trade), 5/1/17; **The Honourable Liam Fox (U.K. Minister for International Trade)**, the EU: The UK's Global Trade Outlook, 27/1/17.
- At the S.I.U. of Canada Montreal quarterly meeting on 5/12/16, **the question was raised during General Assembly whether the Seafarers International Union of Canada could fulfill its' obligations towards its' members *while fulfilling those it has to its parent organization, the Conference on Foreign Relations.***

Marc de Villers,

Wheelsman, M.V. "Camilla Desgagnes".

CDN63142X,

marcdevillers@icloud.com

514-404-6008.

,