



## **News Release**

**For immediate release**

**August 5<sup>th</sup>, 2009**

### **Federation Presidents call for quick action on jobs, pensions and Employment Insurance**

**Regina, Wednesday, August 5, 2009** – Canada’s Territorial and Provincial Federations of Labour, representing more than two million workers, called on the Premiers to act immediately to revamp the Canada Pension Plan, to dramatically improve employment insurance benefits for Canadians and to jumpstart stimulus funding targeted to creating jobs for Canadians.

“Now is the time to implement concrete solutions. With more than 1.5 million Canadians unemployed, and less than 50 per cent of them receiving employment insurance benefits, our Premiers need to respond immediately to the crisis,” said spokesperson Larry Hubich, president of the Saskatchewan Federation of Labour.

Today the Federation Presidents also endorsed a new joint statement signed by over a dozen labour and civil society groups, including the Council of Canadians.

The statement calls on the Council of the Federation to reject any federal proposals that would eliminate or restrict their ability to ensure that public procurement policies maximize benefits to the local and Canadian economies.

“Canadians are tired of economic policies that move decent jobs offshore, and will only send our economy into a deeper recession. We need policies that protect jobs in Canada, not export jobs from Canada. More NAFTA and more free trade will mean higher unemployment,” added Hubich.

Premiers are expected to decide this week on a federal proposal regarding procurement under NAFTA and also to discuss pension reform.

“Local procurement policies are what keep communities strong,” said Hubich. “They create greater local employment, increase tax revenues, encourage communities to buy locally and environmentally sustainable goods and services, and can be drivers of innovation and economic diversity. They also allow governments to set proactive policies that are best for their communities.”

The Federation Presidents will also be making concrete proposals on pension reform aimed at extending coverage to the 65 per cent of working Canadians who currently have no pension.

The Federation Presidents will also join members of the Canadian Federation of Nurses' Union for this afternoon's Clinic in the Park.

For more information, contact Cara Banks at (306) 533-3423.

## **A statement on public procurement**

We believe that governments have a right and a duty to use public procurement as a tool for economic development, environmental protection and job creation. Therefore, we oppose the expansion of “free trade” deals to encompass more public procurement.

In response to “Buy American” policies, the Government of Canada has announced its desire to expand the North American Free Trade Agreement (NAFTA) to restrict provincial and municipal procurement. Such a step would abolish the rights of local and provincial governments to support local or Canadian suppliers, set minimum local content rules for materials or services on major projects, adopt ethical and environmental purchasing policies, enforce commitments to hire workers locally, or require companies winning public contracts to reinvest a portion of revenues or profits in Canadian communities.

U.S. federal, state, and local governments have successfully implemented “Buy American” procurement policies for more than 75 years. Today, in the midst of an economic recession, it is perfectly justified that U.S. taxpayer-funded stimulus funding should be used to stimulate local economic development.

Rather than attacking these successful and popular “Buy American” policies, Canadian governments should increase and speed up funding for public infrastructure projects and attach “Buy Canadian” conditions to this funding.

The opportunity exists to recognize integrated industries by negotiating managed trade agreements and sectoral arrangements with the United States. Such arrangements could provide mutual exemptions from procurement preferences for products manufactured in highly integrated industries.

We oppose expanding NAFTA to cover all sub-national procurement and the related effort to negotiate a “free trade” deal with the European Union that would also bind sub-national governments to NAFTA-like restrictions. This approach would drain needed stimulus from the Canadian economy, worsen the current crisis in manufacturing and interfere with provincial and municipal governments’ authority to provide and regulate local services.

In closing, we call upon provincial and local governments to reject any federal proposals that would eliminate or restrict their ability to ensure that public procurement policies maximize benefits to the local and Canadian economies.

Signed:

Alberta Federation of Labour

B.C. Federation of Labour

Canadian Auto Workers

Canadian Centre for Policy Alternatives

Canadian Labour Congress

Canadian Union of Public Employees

Council of Canadians

Fédération des travailleurs et travailleuses du Québec

National Union of Public and General Employees

Northern Territories Federation of Labour

New Brunswick Federation of Labour

Polaris Institute

Saskatchewan Federation of Labour

United Steelworkers

Yukon Federation of Labour