



CANADIAN FEDERATION  
OF NURSES UNIONS  
LA FÉDÉRATION CANADIENNE  
DES SYNDICATS D'INFIRMIÈRES  
ET INFIRMIERS

## POSITION STATEMENT

### Trade Agreements

September 2022

The CFNU believes trade agreements ought to focus on the facilitation of international trade as part of a global endeavor to improve the living standards of people everywhere. Evidently, the international trade in technology, medicines, skills, etc. are essential to building and operating an effective and progressive public health care system. So too are the rights of democratically elected governments to legislate freely in the best interests of the people, to improve and expand public health care programs and remove barriers to people accessing health. Trade agreements should synchronize with democracy to enable governments to flexibly deliver needed and wanted services and programs to the public and thereby improve the standard of living. Trade agreements should not serve to strengthen the power of a few multinational corporations at the expense of the democratic will of sovereign nations and people.

Guided by this vision for international trade, the CFNU believes the following protections must be included in any international trade agreement.

- Complete protection for public services and public infrastructure from any kind of investor-state dispute settlement mechanism.
- Complete protection for public programs aimed at health and wellness, including mental health, aged care, prescription drugs and blood products, from any and all obligations of national treatment, most-favoured nation and market access.
- Complete protection from any mandated concessions to domestic pharmaceutical and intellectual property law that would increase the profit-making of pharmaceutical companies by increasing prescription drug prices and overcharging patients and public treasuries.
- Complete protection for democratic decision-making over policies relating to the movement and accreditation of health professionals between states.
- Complete protection for governments of all levels to freely make procurement decisions as they see fit.

These values and protections have informed CFNU's positions on many of the recent international trade agreements.

Similarly, trade agreements that constrain or remove the rights of democratic governments must be opposed.

The US-Mexico-Canada trade agreement (USMCA), signed in 2018, renegotiated the terms of the original NAFTA. The CFNU commented publicly on the threat that lengthened data protection provisions in the agreement posed to the affordability of already-expensive biologic medicines. Independent estimates put

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the cost of this change to Canadians at \$169 million per year by 2029.<sup>1</sup> The CFNU opposes this concession to Big Pharma interests.

During the negotiations process for the Trans-Pacific Partnership (TPP) trade deal, the CFNU publicly opposed provisions that would lengthen patent terms for profitable Big Pharma and needlessly increase drug prices for everyone. Some estimates put the overall increase in drug costs for Canadians from the TPP at over \$600 million annually.<sup>2</sup> The increase in prices and hindering of generic production would have also undermined access to medicines globally. The CFNU also publicly opposed the investor-state dispute settlement (ISDS) chapter in the TPP because of the constraints it places on the freedom of democratically elected government to make laws in the public interest. The ISDS mechanism empowers multinational corporations to sue the public when they allege government actions could negatively affect corporate profits. In practical terms, this means Canadian governments could be sued for choosing to expand public long-term care or launch national pharmacare coverage. Furthermore, ISDS undermines the ability of governments to return services into the public sector once they have been privatized.

Taken together, these provisions of the TPP took direct aim at the freedom of democratically elected governments to make laws and launch programs to improve health care and public services for the public. While the TPP failed to enter into force as the United States withdrew, it has developed into the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which was ratified by Canada and seven other countries in the Asia-Pacific region.

As of August 12, 2021, there had not been a reported case of a claim commenced under the CPTPP's ISDS regime. Furthermore, a trend is emerging in international free trade agreements in which states are moving away from ISDS.

The CFNU also opposed measures in the Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union that would lengthen patent terms and introduce new ISDS provisions. The lengthened patent terms in CETA are estimated to cost Canadians an additional \$850 million per year due to higher prescription prices.<sup>3</sup>

The CFNU opposed the Free Trade Agreement signed between Canada and the United States in 1989, a precursor to the NAFTA signed in 1994.

Going forward, the CFNU will continue working with the Canadian Labour Congress (CLC) on advancing a just and progressive agenda for Canada's international trade agreements.

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<sup>1</sup> [https://www.pbo-dpb.gc.ca/web/default/files/Documents/Reports/2019/CUSMA/CUSMA\\_prescription\\_drug\\_expenditures\\_Canada\\_EN.pdf](https://www.pbo-dpb.gc.ca/web/default/files/Documents/Reports/2019/CUSMA/CUSMA_prescription_drug_expenditures_Canada_EN.pdf)

<sup>2</sup> <https://nursesunions.ca/canadas-nurses-call-code-blue-on-ceta-tpp-trade-agreements/>

<sup>3</sup> <https://nursesunions.ca/canadas-nurses-call-code-blue-on-ceta-tpp-trade-agreements/>