# Chapter 14: Labour – Text of the 2023 Canada - Ukraine Free Trade Agreement

The 2017 CUFTA will remain in force until entry into force of the 2023 modernized agreement. Until such time, please refer to the <u>2017 CUFTA text</u> for information on the existing trade agreement between Canada and Ukraine.

# **Article 14.1: Definitions**

For the purposes of this Chapter:

**ILO Declaration on Rights at Work** means the International Labour Organization (ILO) *Declaration on Fundamental Principles and Rights at Work and its Follow-Up* (1998), as amended in 2022;

**ILO Declaration on Social Justice** means *ILO Declaration on Social Justice for a Fair Globalization* (2008), as updated in 2022; and

**labour laws** means a measure of a Party that implements or otherwise relates to the commitments and rights set out in Section B (Obligations).

# **Section A: Shared Commitments**

#### Article 14.2: General Commitments

1. The Parties affirm their obligations as members of the ILO including those stated in the ILO Declaration on Rights at Work, such as the obligation to respect, promote, and realize in good faith the fundamental rights that are the subject of ILO Conventions, even if the Party has not ratified the Convention in question.

2. The Parties affirm their commitments to further the aims of the Decent Work Agenda that are enshrined in the ILO Declaration on Social Justice.

3. The Parties recognize the important role of workers' and employers' organizations in protecting internationally recognized labour rights.

# Section B: Obligations Footnote1, Footnote2

# Article 14.3: General Obligations

1. Each Party shall adopt and maintain in its labour laws the following internationally recognized labour principles and rights, taking into account its commitments, where applicable, under the ILO Declaration on Rights at Work:

- (a) freedom of association and the effective recognition of the right to collective bargaining Footnote3;
- (b) the elimination of all forms of forced or compulsory labour;
- (c) the effective abolition of child labour and a prohibition on the worst forms of child labour;
- (d) the elimination of discrimination in respect of employment and occupation;
- (e) a safe and healthy working environment;
- (f) acceptable minimum employment standards such as minimum wage, hours of work and overtime pay for wage earners, including those not covered by collective agreements; and
- (g) non-discrimination in respect of working conditions for migrant workers.

2. Each Party shall effectively implement in its labour laws the fundamental ILO Conventions and shall strive to ratify those fundamental ILO Conventions if they have not yet done so. The Parties shall exchange information on their respective situations and advances regarding the ratification of the fundamental ILO Conventions at the request of one of the Parties.

## Article 14.4: Fair and Balanced Labour Laws

1. Each Party shall ensure that its labour laws provide for high labour standards and shall endeavour to continue to improve those standards.

2. Each Party shall:

- (a) ensure that its labour laws promote best practices in labour relations and shall endeavour to improve those practices;
- (b) ensure that its labour laws do not undermine or erode the ability of employers and workers to meaningfully bargain collectively;
- (c) ensure that its labour laws do not prevent workers' organizations from negotiating collective agreements that include a requirement for workers covered by the collective agreement to pay a reasonable fee to the workers' organization;
- (d) adopt and maintain measures to prohibit and effectively deter employer interference with the organization of workers, including any exercise of undue influence, coercion, or intimidation by employers and any form of retaliation against a person involved in the organization of workers Footnote5;
- (e) establish a legislative framework that enables the adoption and maintenance of measures to ensure that workers' organizations are:
  - (i) representative of, and accountable to, their members; and
  - (ii) independent of the employer and the Party, including requirements that:
    - (A) leaders of workers' organizations are duly elected by the worker members they represent;
    - (B) workers vote to approve any collective agreement applicable to them;
    - (C) workers have timely access to by-laws of the workers' organizations representing them

and to collective agreements applicable to them; and

 (D) workers' organizations have a duty to represent their members.

3. A Party shall not provide special legal recognition to collective agreements between employers and workers unless such agreements are negotiated through workers' organizations that are:

- (a) representative of, and accountable to, their members; and
- (b) independent of the employer and the Party.

# Article 14.5: Levels of Protection

1. A Party shall not weaken or reduce the protections afforded in its labour laws.

2. A Party shall not waive or otherwise derogate from, or offer to waive or otherwise derogate from, its labour laws if the waiver or derogation weakens or reduces adherence to the rights set out in this Section.

# Article 14.6: Enforcement of Labour Laws

1. Each Party shall effectively enforce its labour laws through appropriate government action, including by:

- (a) appointing and training inspectors;
- (b) monitoring compliance and investigating suspected violations, including through on-site inspections;
- (c) seeking assurances of voluntary compliance;
- (d) requiring record keeping and reporting;
- (e) encouraging the establishment of worker-management committees to address labour regulation of the workplace;
- (f) providing or encouraging mediation, conciliation, and arbitration services;

- (g) initiating, in a timely manner, proceedings to seek appropriate sanctions or remedies for violations of its labour laws; and
- (h) ensuring remedies and sanctions imposed for violations of its labour laws are effective and appropriate, and implemented completely and in a timely manner, including by ensuring the timely collection of monetary penalties and the timely reinstatement of an affected worker.

# Article 14.7: Forced or Compulsory Labour

1. The Parties recognize the goal of eliminating all forms of forced or compulsory labour, including forced or compulsory child labour.

2. Accordingly, each Party shall prohibit the importation of goods produced in whole or in part by forced or compulsory labour, including forced or compulsory child labour.

# Article 14.8: Violence Against Workers

1. The Parties recognize that workers and labour organizations must be able to exercise the rights set out in Article 14.3 in a climate that is free from violence, threats, and intimidation, and the imperative of governments to effectively address incidents of violence, threats, and intimidation against workers.

2. Accordingly, a Party shall not fail to address violence or threats of violence against workers, directly related to exercising or attempting to exercise the rights set out in Article 14.3, in a matter related to trade or investment Footnote6.

# Article 14.9: Public Awareness and Procedural Guarantees

1. Each Party shall promote public awareness of its labour laws, including by ensuring that information related to its labour laws and enforcement and compliance procedures is publicly available.

2. Each Party shall ensure that a person with a recognized interest under its law in a particular matter has appropriate

access to administrative, quasi-judicial, or judicial proceedings for the enforcement of the Party's labour laws.

3. Each Party shall ensure that proceedings before administrative, quasi-judicial, or judicial bodies for the enforcement of its labour laws:

- (a) are fair, equitable, and transparent;
- (b) are conducted by impartial decision-makers who meet appropriate guarantees of independence and impartiality, including not having an interest in the outcome of the matter;
- (c) comply with due process of law;
- (d) do not entail unreasonable fees or time limits, and are not subject to unwarranted delay; and
- (e) are open to the public, unless the law or the administration of justice requires otherwise.
- 4. Each Party shall ensure that:
  - (a) the parties to these proceedings are entitled to support or defend their respective positions, including by presenting information or evidence; and
  - (b) final decisions on the merits of the case:
    - (i) are based on information or evidence in respect of which the parties were offered the opportunity to be heard;
    - (ii) state the reasons on which they are based; and
    - (iii) are available in writing without undue delay to the parties to the proceedings and, consistent with its law, to the public.

5. Each Party shall provide that parties to these proceedings have the right, under its law, to seek review of the decisions and, if warranted, the correction of decisions issued in these proceedings, in accordance with due process.

6. Each Party shall ensure that the parties to these proceedings have access to remedies under its law for the effective

enforcement of their rights under the Party's labour laws and that these remedies are executed in a timely manner.

7. Each Party shall provide procedures to effectively enforce a final decision in these proceedings.

8. Each Party shall ensure that its competent authorities give due consideration, in accordance with its law, to a request by an employer, worker, or their representatives, or another interested person, to investigate an alleged violation of that Party's labour laws.

9. Each Party shall ensure that investigations into alleged violations of its labour laws:

- (a) are fair, equitable, and transparent;
- (b) are conducted by investigators who meet appropriate guarantees of impartiality, including not having an interest in the outcome of the matter;
- (c) do not entail unreasonable fees or time limits or are subject to unwarranted delay;
- (d) provides a person directly affected by the alleged violation of the labour laws with a reasonable opportunity to present and respond to relevant information and evidence during the investigation; and
- (e) documents and communicates decisions made in the investigation and the reasons upon which they were based to a person directly affected by the alleged violation of the labour laws.

# **Section C: Institutional Mechanisms**

#### Article 14.10: Labour Council

1. The Parties establish a Labour Council (the "Council") composed of senior governmental representatives at the ministerial or other level from the ministries responsible for labour issues, as designated by each Party.

2. The Council shall meet within one year of the date of entry into force of this Agreement and thereafter as often as it considers necessary to discuss matters of common interest, and to oversee the implementation of, and review progress under, this Chapter.

3. In conducting its activities, including meetings, the Council shall provide a means for receiving and considering the views of an interested person on matters related to this Chapter. If practicable, meetings shall include a public session or other means for Council members to meet with the public to discuss matters relating to the implementation of this Chapter.

4. The Council may consider any matter within the scope of this Chapter and take any other action in the exercise of its functions.

5. The Council shall review the operation and effectiveness of this Chapter within five years of the date of entry into force of this Agreement and thereafter as may be decided by the Council.

#### Article 14.11: National Administrative Office

1. Each Party shall designate a National Administrative Office for this Chapter within its ministry responsible for labour issues, or an equivalent entity, as a contact point to address matters related to this Chapter.

2. Each Party shall notify the other Party promptly in the event of any change to its National Administrative Office.

3. The National Administrative Office of each Party shall serve as a point of contact with the other Party to:

- (a) facilitate regular communication and coordination between the Parties, including responding to requests for information and providing sufficient information to enable a full examination of matters related to this Chapter;
- (b) assist the Council;
- (c) report to the Council, as appropriate;

- (d) receive and independently review public submissions in accordance with Article 14.13;
- (e) act as a channel for communication with the public in their respective territories; and
- (f) work together, including with other appropriate agencies of their governments, to develop and implement cooperative activities, guided by the priorities of the Council, areas of cooperation identified in Article 14.14, and the needs of the Parties.

4. The National Administrative Office of a Party may develop and implement specific cooperative activities with the National Administrative Office of the other Party.

5. The National Administrative Offices of the Parties may communicate and coordinate activities in person or through electronic or other means of communication.

### Article 14.12: Public Engagement

Each Party shall establish or maintain a national labour consultative or advisory body or similar mechanism, for members of its public, including representatives of its labour and business organizations, to consult with, and provide views to, on matters regarding this Chapter.

#### Article 14.13: Public Submissions

1. Each Party, through its National Administrative Office designated under Article 14.11, shall provide for the receipt and consideration of written submissions from a person of a Party on matters related to this Chapter in accordance with its domestic procedures. Each Party shall make readily accessible and publicly available its procedures, including timelines, for the receipt and consideration of written submissions.

2. Each Party shall:

 (a) consider matters raised by the submission and provide a timely response to the submitter, including in writing, as appropriate; and • (b) make the submission and the results of its consideration available to the other Party and the public, as appropriate, in a timely manner.

3. A Party may request from the person or organization that made the submission additional information that is necessary to consider the substance of the submission.

## Article 14.14: Cooperation

1. The Parties may develop a plan of action for cooperative labour activities between them to promote the objectives of this Chapter.

2. In carrying out the plan of action, the Parties may, commensurate with the availability of resources, cooperate through:

- (a) seminars, training sessions, working groups, and conferences;
- (b) joint research projects, including sector studies; and
- (c) other means on which the Parties may decide.

3. The Parties may develop cooperative activities in the following areas:

- (a) information sharing: exchanging of information and sharing of best practices on issues of common interest and on relevant events, activities, and initiatives organized in their respective territories;
- (b) international forums: cooperation within international and regional forums, such as the ILO, on labour-related issues;
- (c) fundamental rights and their effective application: laws and regulations, and practice related to the core elements of the ILO Declaration, namely, freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labour, the effective abolition of child labour, and the elimination of discrimination in respect of employment and occupation;

- (d) worst forms of child labour: laws and regulations, and practice related to compliance with ILO *Convention Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour*, adopted at Geneva on 17 June 1999;
- (e) labour administration: institutional capacity of labour administrations and administrative, quasi-judicial, and judicial bodies;
- (f) labour inspectorates and inspection systems: methods and training to improve the level and efficiency of labour law enforcement, strengthen labour inspection systems, and help ensure compliance with labour laws and regulations;
- (g) labour relations: forms of cooperation and dispute resolution to ensure productive labour relations among workers, employers, and governments;
- (h) working conditions: mechanisms for supervising compliance with laws and regulations pertaining to hours of work, minimum wages and overtime, and employment conditions;
- (i) occupational safety and health: prevention of occupational injuries and illnesses;
- (j) union-based apprenticeship programs: creation and operation of union-based skills training programs for new and transitioning workers; and
- (k) any other area that the Parties may decide.

4. The Parties may also develop cooperative activities in the following areas to further gender equity in the field of labour and employment:

 (a) non-discrimination: eliminating discrimination in respect of employment and occupation including by engaging men and boys in addressing gender inequality in the workplace;

- (b) pay equity: developing analytical and enforcement tools related to the realization of equal pay for work of equal value;
- (c) capacity-building: building capacity and enhancing skills of women workers and union leaders;
- (d) labour practices: sharing of best practices on how to address unconscious bias;
- (e) occupational health and safety: mainstreaming of gender considerations in the prevention and compensation of occupational injuries and illnesses;
- (f) policies and practices: advancing care policies and programs that include a gender and shared social responsibility perspective;
- (g) statistics: using gender-focused statistical indicators, methods and procedures in the field of labour; and
- (h) violence: preventing workplace gender-based violence and harassment.

5. The Parties may establish cooperative arrangements with the ILO and other competent international and regional organizations to draw on their expertise and resources to achieve the objectives of this Chapter.

#### Article 14.15: Labour Consultations

1. The Parties shall endeavour to come to an understanding on the interpretation and application of this Chapter.

2. A Party may request consultations (requesting Party) with the other Party regarding any matter under this Chapter by delivering a written request to the National Administrative Office of the other Party. The Parties shall make every attempt, including through cooperation, consultations, and the exchange of information, to address a matter that might affect the operation of this Chapter.

3. Labour consultations shall be confidential and without prejudice to the rights of a Party in any other proceedings. The

Parties may decide to make the fact, timelines, and general subject-matter of the consultations publicly available.

4. If the Parties fail to resolve the matter, the requesting Party may request consultations under Article 14.16.

## Article 14.16: Council Consultations

1. A Party may request that the Council representatives of the other Party convene to consider the matter at issue by delivering a written request to the other Party through its National Administrative Office. The Party making that request shall inform the other Party through its National Administrative Office. The Council representatives of the consulting Parties shall convene no later than 30 days after the date of receipt of the request, unless the Parties decide otherwise, and shall seek to resolve the matter, including, if appropriate, by consulting independent experts and having recourse to such procedures as good offices, conciliation, or mediation.

2. If the Parties are able to resolve the matter, they shall document any outcome including, if appropriate, specific steps and timelines that are decided by the Parties. The Parties shall make the outcome available to the public, unless they decide otherwise.

3. If the Parties fail to resolve the matter within 75 days after the date of receipt of a request under paragraph 1, the requesting Party may request the establishment of a panel under Article 28.7 (Establishment of a Panel), as provided in Chapter 28 (Dispute Settlement).

4. A Party shall not have recourse to dispute settlement under Chapter 28 (Dispute Settlement) for a matter arising under this Chapter without first seeking to resolve the matter in accordance with Articles 14.15 and 14.16.

5. Council consultations shall be confidential and without prejudice to the rights of a Party in any other proceedings. The Parties may decide to make the fact, timelines, and general subject-matter of the consultations publicly available.

# Footnotes

# Footnote 1

To establish a violation of an obligation under this Section, a Party must demonstrate that the other Party has failed to meet its obligation in a matter related to trade or investment.

Return to footnote1referrer

# Footnote 2

For purposes of dispute settlement, a panel shall presume that a failure is related to trade or investment, unless the responding Party demonstrates otherwise.

Return to footnote2referrer

# Footnote 3

For greater certainty, the right to freedom of association includes protection of the right to organize and the right to strike.

Return to footnote3referrer

# Footnote 4

For greater certainty, non-discrimination in respect of working conditions for migrant workers means providing migrant workers in a Party's territory with the same legal protection as the Party's nationals in respect of working conditions.

Return to footnote4referrer

# Footnote 5

For greater certainty, such measures shall ensure that employees are not required, as a condition of employment or in order to avoid any employment sanction, to listen or otherwise attend to communications by the employer intended to persuade the employee not to be represented by a workers' organization.

Return to footnote5referrer

# Footnote 6

For purposes of dispute settlement, a panel shall presume that a failure is in a matter related to trade

or investment, unless the responding Party demonstrates otherwise.