

**Written Submission for the Pre-Budget
Consultations in Advance of the Upcoming Federal
Budget**

By: UNIFOR

GENERAL RECOMMENDATIONS:

Recommendation 1: That the government expand Buy Canadian procurement policies to ensure that companies selling into the Canadian market are required to build and source in Canada, including broadening coverage to additional materials beyond steel, aluminum and wood products.

Recommendation 2: That the government apply Buy Canadian requirements retroactively to strategic nation-building procurements over \$1 billion that have not yet been awarded, including the major VIA Rail procurement for its long-distance fleet.

Recommendation 3: That the government disqualify U.S. suppliers from preferential treatment in the forthcoming Policy for Reciprocal Procurement, regardless of FTA partner status, given non-preferential treatment afforded to Canadian suppliers.

Recommendation 4: That the government use all available statutory tools, including the Foreign Extraterritorial Measures Act, to protect jobs and prevent the offshoring of Canadian production, and consider imposing tariffs or other heavy penalties on firms that comply with unfair U.S. trade orders.

Recommendation 5: That the government integrate Worker-Centred Industrial Strategy principles – social dialogue, prioritizing job quality and retention, investing in transitional skills, adopting a whole-of-supply-chain approach, and leveraging sustained public investments – in the mandate and operations of the new Workforce Alliances.

Recommendation 6: That the government expand such tables to include additional key sectors vital for Canada's economic success, including telecommunications, hospitality, and others.

Recommendation 7: That the government provide targeted transfers to provinces and territories with existing tripartite labour structures (e.g., Quebec) to implement Worker-Centred Industrial Strategy approaches, avoiding duplication of efforts.

Recommendation 8: That the government establish strict requirements stipulating that firms receiving federal funding through facilities such as the Strategic Response Fund, Defence Investment Agency, etc., must adopt union neutrality agreements with strong oversight provisions.

Recommendation 9: That the government pursue the expansion of CUSMA’s Rapid Response Labour Mechanism to include U.S. facilities located in “Right to Work” states, which consistently engage in labour rights violations and unfair trading practices.

SECTORAL AND LABOUR STANDARDS RECOMMENDATIONS:

Automotive Manufacturing

Recommendation 10: That the government commit to pursuing a zero-tariff agreement with the United States, including commitments to address excessive vehicle imports and increase regional value content under CUSMA.

Recommendation 11: That the government prioritize the restart of auto assembly operations in Brampton and Ingersoll and support domestic parts supplier networks.

Recommendation 12: That the government establish a new tariff remission framework tied to domestic production, unionized operations, and Canadian-made components.

Recommendation 13: That the government strengthen its monitoring and enforcement of electric vehicle import rules to prevent quota circumvention.

Aerospace Manufacturing

Recommendation 14: That the government develop a comprehensive National Aerospace Strategy aligned with defence and civilian industry needs.

Recommendation 15: That the government commit targeted investments and funding for aerospace training and workforce development.

Recommendation 16: That the government establish a permanent Aerospace Industry Development Council with formal labour representation.

Transportation

Recommendation 17: That the government commit to principles of public ownership of airports and reject models of privatization that jeopardize the quality of employment, safety and service standards.

Recommendation 18: That the government pass legislation to decisively end contract flipping in federally regulated airport services and strengthen labour law enforcement in the sector.

Recommendation 19: That the government expand investments in passenger rail infrastructure and explicitly include rail infrastructure in Buy Canadian procurement policies.

Recommendation 20: That the government expand oil-by-rail infrastructure to strengthen domestic energy security.

Labour Standards & EI

Recommendation 21: That the government amend the *Canada Labour Code* to define deemed work to ensure compensation for all work-related duties, and establish minimum per-mile rates and compensation for non-driving work in the trucking sector.

Recommendation 22: That the government ensure no amendments to the Canada Labour Code undermine the right to strike effectively and freely bargain collective agreements in the federally regulated sector.

Recommendation 23: That the government make permanent the temporary Employment Insurance (EI) measures and Temporary Special Measures under the Work-Sharing Program, which were introduced in response to the impact of U.S. tariffs.

Recommendation 24: That the government extend timelines for filing unpaid wage complaints with the Labour Program from 6 to 12 months.

Mines and Minerals

Recommendation 25: That the government attach labour conditions, including prevailing wages, apprenticeship requirements, and union neutrality covenants, to federally funded mining and critical minerals projects.

Recommendation 26: That the government establish a Just Transition framework for workers in mining and critical minerals sectors, to develop targeted supports for workers whose jobs may be at risk due to increasing electrification and decarbonization in the sector.

Recommendation 27: That the government expand training programs and work with provinces and territories to develop mining-specific Red Seal certifications.

Recommendation 28: That the government implement additional measures to restrict foreign ownership and prioritize domestic processing of critical minerals.

Energy

Recommendation 29: That the government work with provinces to expand methane emissions regulations to cover mid-stream and distribution as outlined in Unifor's Keep it in the Pipe campaign.

Recommendation 30: That the government establish industrial policies and domestic content regulations to reinforce Canada's chemical and biofuels sectors to ensure a sovereign feedstock to stop Run-to-Fail ownership programs in Canada by global chemical companies.

Recommendation 31: That the government use Canadian-owned CANDU technology in nuclear sector procurement to secure a sovereign design, build, and fuel supply chain for reactor and isotope production.

Forestry

Recommendation 32: That the government implement a national forestry industrial strategy focused on sustainability and domestic demand.

Recommendation 33: That the government introduce a softwood lumber duties buy-back program.

Recommendation 34: That the government establish a Forest Industrial Conversion Fund tied to job retention and domestic production.

Telecommunications

Recommendation 35: That the government require telecommunications companies receiving public funds to maintain Canadian-based employment.

Recommendation 36: That the government amend the *Telecommunications Act* to require the maintenance of all human resources directly or indirectly related to telecommunications systems in Canada.

Recommendation 37: That the government strengthen domestic control over telecommunications infrastructure and data, ensuring that all network operations centre work is done in Canada and data storage is localized on Canadian-operated and owned infrastructure.

Recommendation 38: That the government implement a comprehensive regulatory framework through formal union labour involvement to protect telecommunications workers from the impacts of artificial intelligence.

Media

Recommendation 39: That the government commit to preserving the *Online News Act* and *Online Streaming Act*.

Recommendation 40: That the government protect Canadian news content from use by artificial intelligence systems without permission, compensation or attribution.

Recommendation 41: That the government expand the Journalism Labour Tax Credit to include broadcasters and close the loophole in Section 19 of the *Income Tax Act* which allows Canadian businesses to deduct advertising expenses placed on foreign digital platforms.

Recommendation 42: That the government allocate at least 25% of federal advertising spending towards Canadian news outlets.

Fisheries

Recommendation 43: That the government renew and expand funding commitments to the Atlantic Fisheries Fund (AFF) to ensure continued investments in vessel modernization, infrastructure revitalization, processing upgrades and sustainable fisheries.

Recommendation 44: That the government halt any planned cuts to the Department of Fisheries and Oceans (DFO), including cuts to staff and resources for fisheries science and management.

Recommendation 45: That the government commit to transitioning B.C. fisheries to an owner-operator model, including implementing an immediate freeze on the sale/transfer of licenses and quotas to foreign owners, and the introduction of fleet separation.

Health Care and Child Care

Recommendation 46: That the government maintain the Canada Health Transfer (CHT) growth guarantee of 5% beyond 2027-28, rather than linking it to

a three-year moving average of Gross Domestic Product (GDP) given the projected slowdown in economic growth over the next few years.

Recommendation 47: That the government maintain \$1.2 billion per year in transfers to support home and community care and mental health addiction services, rather than allow this funding to lapse in 2026-27.

Recommendation 48: That the government fulfill its commitment to implement universal pharmacare across Canada by signing agreements with the remaining provinces and territories by the end of 2026.

Recommendation 49: That the government increase transfer payments for early learning and child care to guarantee \$10/day child care across the country.

BACKGROUND & CONTEXT

Unifor is Canada's largest union in the private sector representing 320,000 members across all major sectors of the economy. Unifor members find themselves on the front lines of a Canadian economy that is increasingly showing cracks, under pressure from both U.S. tariffs and an economic slowdown that had already begun prior to the current trade war.

Tariffs imposed by the Trump Administration on critical Canadian exports – including automotive vehicles, steel, aluminum and wood products – have created spiralling economic uncertainty, leading to stalled and cancelled investments.

Thousands of jobs have been lost and many more find their employment at risk. Canadian workers have simultaneously borne the brunt of a post-pandemic cost-of-living crisis, which has dampened domestic demand and

contributed to a slowing Canadian economy.

Most of the sectors and industries that Unifor represents have been grappling with ongoing structural challenges – outsourcing, workforce restructuring, contract flipping, privatization of public assets, automation, decarbonization, foreign ownership, and pre-existing tariffs, to name but a few – which have only been compounded by the current trade war and economic slowdown.

Budget 2026 offers a critical opportunity to expand support for Canada’s economy and its workers during this time of crisis. Federal policies must reflect the realities of those who work on the ground. More ambition is needed to shore up domestic industrial capacity and ensure that our industries are a source of good, union jobs.

Unifor’s recommendations are grounded in three major policy pillars – Sell Here, Build Here; Worker-Centred Industrial Strategies; and Promoting Good, Union Jobs – which respond to both ongoing and future challenges faced by a number of critical industries where Unifor members work, including some of those outlined below.

Auto Sector

U.S. tariffs pose an existential threat to the North American auto sector, impacting half a million jobs, including nearly 40,000 Unifor members. Resolving this dispute must be the federal government’s highest priority as talks progress toward a renewed CUSMA. Until then, Budget 2026 must contain additional targeted measures and supports based on the principle that if you sell in Canada, you must also build in Canada.

Aerospace

Despite the positive implications of the Defence Industrial Strategy, Canada still needs to chart a dedicated and ambitious national framework for its

aerospace sector – one that prioritizes policy coherence, effective investments, and workforce development measures.

Transportation

Canada's marine, rail, road, and air infrastructure and services are a backbone of the economy. Employers continue to take advantage of legislative loopholes that have resulted in unpaid work, wage theft, and the erosion of working conditions, while contracting-out, contract-flipping, and unregulated automation have undermined effective labour law enforcement. More investments are needed to increase the resilience of the sector in the face of climate change.

Energy

To sustain Canada's energy sector for future generations, smart regulations are needed to support sustained investment. Emissions must be reduced across the entire supply chain from extraction to use. Regulations should ensure domestic production of conventional fuels, chemicals, and biofuels while reducing their climate impacts. Continued investment is necessary to sustain access to international markets for our products while generating good union jobs.

Forestry

Canada's forestry sector was already facing a series of crises before the current U.S. trade war, including the long-running softwood lumber dispute. The federal government must provide urgent support to help the forestry sector survive the trade war, while at the same time undertaking measures to transform the sector so it becomes more sustainable, innovative, and resilient.

Telecommunications

Over the past decade, Canada has lost thousands of good jobs in the telecommunications sector through offshoring (e.g. overseas call centres and

other functions). The sector receives public financial support through subsidies and contracts, yet jobs continue to leave the country.

Media

The financial model that supported Canada's media sector, and in particular local news, is broken, and news businesses continue to close local outlets or fold altogether. The federal government must do more to protect our digital sovereignty to ensure that Canadians have effective democratic control of our digital ecosystem, free from external interference.