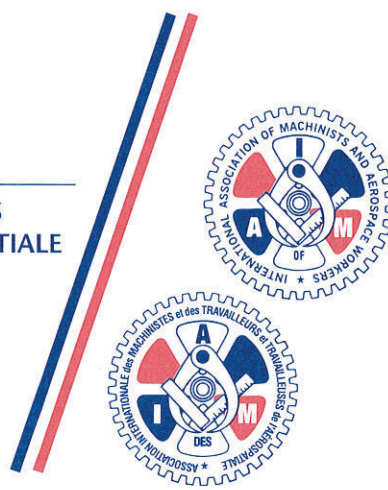


INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS

ASSOCIATION INTERNATIONALE DES MACHINISTES
ET DES TRAVAILLEURS ET TRAVAILLEUSES DE L'AÉROSPATIALE

OFFICE OF THE GENERAL VICE-PRESIDENT
BUREAU DU VICE-PRÉSIDENT GÉNÉRAL
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June 27, 2012

David Emerson, P.C., O.B.C.
Head
Aerospace Review
235 Queen Street, Room 141-F
Ottawa, Ontario K1A 0H5

Dear Mr. Emerson:

The International Association of Machinists and Aerospace Workers (IAMAW) is a union representing over 10,000 workers in the Canadian aerospace industry, employed by several firms across the country, including Bombardier, Rolls Royce, Magellan, AvCorp, Messier-Dowty and Arnprior Aerospace.

We are pleased to offer our views to the review commission, even though labour participation does not seem to have been a major consideration in the development of the review. The 2011 federal budget described the review as an AIAC consultation. We also note that the review's advisory committee has no labour representation, and union participation has been limited to a single working group, out of six (and primarily on one sub-committee of that working group).

We are, nonetheless, prepared to offer our views to the review commission.

We also wonder how the review will fulfill its broad mandate and an ambitious program of study and analysis in less than a year.

As a participant in the Canadian Aerospace Partnership (CAP) initiative, an ongoing multi-partite forum in which you were actively involved, we believe that the industry might have been better-served if that process had been allowed to continue.

In this brief submission, we intend to comment, at least in general terms, on the full scope of the review's inquiries, and not limit ourselves to narrow issues concerning the supply of skilled labour.

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Aerospace is a very important sector in the Canadian economy. It is a sector in which Canada has long held a world-class standing at every level in the supply chain. It is also an industry with long-term growth potential worldwide. As a centre of high-technology, high-skilled employment, it can be a key industry in a renaissance of the manufacturing sector in this country.

The development of the aerospace industry around the world has, almost from its inception, been shaped by national industrial strategies and strong, direct government involvement, both in military and civilian fields.

This has been as true in Canada as elsewhere. Over many decades, Canadians, through their governments, have provided financing, R&D support, civilian and military procurement policies and direct investment to build this industry.

Unfortunately, we are concerned that ill-advised government policies are undermining this industry. We lack of a coherent strategy for the industry to build Canadian capacities for innovation and a growing role in global markets.

Like other internationally-traded sectors, Canadian aerospace is has been hurt by the rapid appreciation of our dollar versus competing currencies. We are also concerned that international treaties increasingly impede our ability to leverage our strengths in this sector, undermining many of the policies and programs that have built this sector.

In the face of global competitors, new and old, we need more, not less, active public policies to maintain and develop this sector. Public investment must go where it is most effective in creating long-term stable employment. Rather than across-the-board corporate tax cuts, support for this and other industries must be tied to binding commitments on investment, research and development, job creation and training in Canada.

We are concerned that the government is using the myth of a coming labour shortage as an excuse to attack the standards and protections for current workers, and short-change new entrants. Rather than cutting the protection offered by the Employment Insurance system, we need to upgrade its protections, to provide workers with the support they need to move, to upgrade their skills and find suitable work.

In a rapidly-changing, technologically-advanced sector like aerospace, it is essential that the workforce have the breadth and depth of training to adapt to change, to innovate and continuously improve their products.

Ultimately, Canada's ability to compete effectively depends on the skills and capabilities of Canadian workers – their ability to build and maintain aircraft and components that are safe and reliable - rather than blueprints or equipment that are easily transferable.

The government and some employers seem, unfortunately, to be seeking short-term “fixes” – minimal training and the increased use of temporary foreign workers – when we have so many unemployed and underemployed young Canadians who would benefit from the broad and deep training, particularly apprenticeships, that would prepare them for a life-long career.

We hope that “competency-based” training is not a code-word for quick, cheap and narrow preparation that qualifies a worker to do a single task, with little or no transferable skill.

We need to be providing more broad skills training, particularly apprenticeships, that produce well-rounded tradespersons. At a minimum, the Quebec training levy system needs to be extended to the rest of Canada.

Finally, we need an industrial strategy for this sector – not the product of a one-shot review, but an ongoing long-term project that brings together all of the stakeholders to continually adjust and adapt to changing conditions in a changing world. It will take judicious use of all of the means at our proposal – financing and public investment, tax policies, training to build Canadian capacity, procurement – to keep aerospace as a vital and growing part of Canadian industry.

We would be happy to meet with the Commission to further discuss our views.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Dave Ritchie", enclosed within a large, loopy circular flourish.

Dave Ritchie
General Vice President
International Association of Machinists
and Aerospace Workers
IAMAW