

Engineers Canada Submission to the Standing Committee on International Trade

2026 CUSMA Review

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Overview

Engineers Canada thanks the Standing Committee on International Trade for seeking the views of Canadians regarding the 2026 Review of the Canada-United States-Mexico Agreement. In 2017, faced with significant uncertainty about the future of this free trade agreement, Canada successfully defended its interests and strengthened our trade relationships with the United States and Mexico.

Building off that success, Engineers Canada believes that the federal government should ensure the broadest possible engagement of Canadian businesses, workers, regulatory bodies, public servants, public officials from across the political spectrum, and other affected parties to advance a positive outcome for Canada.

During the 2017 renegotiation and modernization of NAFTA, now CUSMA, we were pleased to see our recommendations reflected in Annex 15-C of Chapter 15 – Cross-border trade in services. We believe the 2018 changes in these areas should be maintained, and Canada should look to identify further ways to facilitate mutual recognition and labour mobility.

Canada's trade relations with the United States and Mexico are strong and are key drivers of prosperity for Canadians. In 2022, Canadian <u>engineering firms earned</u> around \$3.5 billion from service exports. Over 51 per cent of these foreign sales were to the United States. Maintaining these strong relations should be Canada's top priority for the 2026 CUSMA Review.

Priorities for 2026 CUSMA Review

As the Committee studies the priorities of Canadians for the six-year review of CUSMA in 2026, Engineers Canada recommends that Canada work to maintain the 2018 amendments to Annex 15-C of Chapter 15 – Cross Border Trade in Services, including:

1. Preserving the modernized definition of professional services and project-specific licenses.

Chapter 15 of the modernized CUSMA agreement addresses cross-border trade in services, including professional services. Prior to renegotiation, NAFTA provided for the temporary entry of business persons and professionals without clarifying that certain professional services require professional qualifications, such as an engineering licence. CUSMA now defines professional services as requiring "specialized post-secondary education, or equivalent training or experience, and for which the right to practice is granted or restricted by a Party." In Canada, engineering falls strictly within this definition, and the implications of Chapter 15 for the engineering profession are significant. Canada should work to preserve this definition of professional services.

Engineers Canada also advocated that the 2017 renegotiation include language encouraging the relevant bodies from CUSMA parties to work to recognize temporary and project-specific licensing or registration based on a foreign supplier's home licence without the need for further written

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examination. This change provides a framework for a fairer and less burdensome approach to meet project-specific needs without compromising public safety. This clause was included in Annex 15-C of the modernized CUSMA, and Canada should work to preserve it.

2. Advancing mobility of engineers between Canada, Mexico, and the United States

Canada's 12 provincial and territorial engineering regulators have long acknowledged the need to establish transparent and equitable systems for recognizing the credentials of engineers trained outside of Canada. For example, Engineers Canada, the United States Accreditation Board for Engineering and Technology, Inc., and Mexico's Consejo de Acreditación de la Enseñanza de la Ingeniería (CACEI) are all signatories to the Washington Accord. The Washington Accord is an international agreement that recognizes the approaches of signatories to accrediting engineering programs as comparable. The purpose of the accord is to facilitate the expeditious review of the academic credentials of an applicant engineer from one party by the licensing/regulatory body of another party.

Engineers Canada also advances labour mobility for foreign-trained engineers through mutual recognition agreements (MRAs) with various jurisdictions. Engineers Canada currently has mutual recognition agreements with two US jurisdictions. During the 2017 renegotiation, Engineers Canada and the regulators suggested new language to facilitate the development of MRAs between the parties. These additions help to provide a framework for forming MRAs with various US states and Mexico to facilitate the mobility of engineers between the CUSMA parties.

In Canada, each province or territory regulates the practice of engineering within their jurisdiction. These clauses are and must remain non-binding, which professional bodies may or may not follow depending on their jurisdictional needs. This means that only a provincial or territorial regulator can decide whether to ratify a country-specific MRA or provide a project-specific or temporary licence. That said, it is important that CUSMA provide a framework that reflects current best practices and advances voluntary steps toward mutual recognition.

Conclusion

As a highly globalized economy, Canada depends on trade to drive prosperity. To maximize the benefits of free trade agreements like CUSMA, prioritizing the mobility of highly-skilled labour is an important goal. Engineers Canada and the 12 provincial and territorial engineering regulators have played a leading role in developing accreditation and licensing regimes for engineers that recognize and incorporate foreign-trained talent into Canada's labour market. Engineers Canada has also advanced agreements that extend the right to practice in other jurisdictions to Canadian engineers. Agreements like CUSMA facilitate this by advancing best practices in mutual recognition and mobility for independent regulatory bodies to adopt according to their own needs and contexts.

Who we are

Engineers Canada is the national organization representing the 12 provincial and territorial engineering regulators that license the more than 300,000 members of the engineering profession across the country. Our organization has a long-standing history of collaborating with the federal government to inform and develop legislation, regulations, and policies. We are the only national voice of the engineering profession.