Alberta

News release

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Tuesday, April 15, 2008

Bill 1 to bolster Alberta-B.C. economic ties

TILMA strengthens province's economic position by removing trade barriers

Edmonton ... New opportunities for small businesses, skilled workers and their families are the cornerstone of new legislation introduced today by Alberta Premier Ed Stelmach.

Bill 1 paves the way for the full implementation of the unprecedented *Trade Investment and Labour Mobility Agreement* (TILMA), Canada's most comprehensive interprovincial trade agreement.

TILMA eliminates barriers facing skilled professionals or trades people, such as a teacher or welder, when they choose to pursue career opportunities in British Columbia or Alberta. It also reduces costs and duplicate registration requirements for Alberta and British Columbia business operators looking to expand across the provincial border.

"The TILMA has been a catalyst for how Canada and all provinces look at labour mobility and the exchange of goods and services," said Stelmach. "Bill 1 will help ensure that Albertans can quickly take advantage of opportunities on both sides of the border without being hindered by unnecessary government and regulatory red tape."

To fulfill their obligations under the TILMA, Alberta and B.C. both committed to ensuring all current legislation will be consistent with the agreement, when it comes fully into force in April 2009.

The Bill introduced today provides the mechanics to meet those obligations. Bill 1:

- reconciles corporate registration, which will help businesses, especially small businesses, by eliminating the need to register in both provinces.
- provides authority for Alberta to waive certain corporate presence requirements when energy regulators in both provinces agree to equivalent, high standards.
- amends the *Government Organizations Act*, consolidating provisions of the TILMA in one place to allow the agreement to operate smoothly.

"The TILMA creates Canada's second largest economy – a market of almost eight million people," said Ron Stevens, Deputy Premier and Minister of International and Intergovernmental Relations. "It will mean seamless access to a larger range of opportunities across all sectors of the economy."

The Alberta government continues to consult with municipalities, along with academic institutions, school jurisdictions, health authorities, occupational organizations, regulatory bodies, crown corporations and financial institutions to determine the extent to which they will be affected by the TILMA when it comes fully into force in April 2009. More information on the TILMA is available at www.tilma.ca.

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TILMA

What is the Alberta-B.C. *Trade, Investment and Labour Mobility Agreement*?

Alberta and British Columbia signed the *Trade, Investment and Labour Mobility Agreement* (TILMA) in April 2006. TILMA is a groundbreaking bilateral agreement between Alberta and B.C. on trade, investment and labour mobility. The TILMA came into effect on April 1, 2007 and will be fully implemented by April 2009.

Why the TILMA?

Because Alberta believes that there are further benefits to be derived in the pursuit to eliminate barriers to interprovincial trade and labour mobility. Alberta and British Columbia (along with all the provinces, territories and federal government) are both signatories to the pan-Canadian *Agreement on Internal Trade* (AIT) but agree that many barriers still remain despite that 1995 agreement.

What does the TILMA cover?

The TILMA agreement applies only to government measures that restrict trade, investment or labour mobility.
The TILMA does not apply to:

- water use, royalties, taxation, First Nations, regulated rates, social policy and labour and employment standards

The TILMA upholds important public policy in which governments are responsible for including public safety and security, environmental and consumer protection, protection of the health, safety and well-being of workers, and the provision of health services and social services within the province. Municipalities, crown corporations and the financial services sector, will be covered by the TILMA when it is fully implemented by April 2009. Consultations continue to determine how these sectors will be covered by the TILMA.

What is next for TILMA?

Over the next year, the province will continue to work with Alberta stakeholders, regulators, professional associations as well municipalities to finalize the TILMA. The TILMA will be fully implemented by April 2009.

The TILMA Timeline:

April 2006 – Alberta and B.C. sign the *Trade, Investment and Labour Mobility Agreement*
April 2007 – Certain sectors are covered under TILMA (commercial vehicles, government procurement)
May 2007 to April 2008 – consult with the MASH sector (municipalities, academic institutions, school boards, and regional health authorities) and regulators for professional occupations and tradespersons.
November 2007 to current – consultations with the financial services sector
April 2008 – Bill 1 introduction
April 2009 – Full implementation of the TILMA

Six concrete examples of TILMA benefits (upon full implementation in April 2009):

1. A flower shop in Grande Prairie wants to open a branch in Dawson Creek. A streamlined process will exist for the owner to register the company in B.C. by having already registered in Alberta. The owner will not have to provide a separate Annual Report to B.C. regulators and will save the extra-provincial registration fee to register the company in the other province.
2. A long-distance trucker drives the Trans-Canada between Vancouver and Calgary. She will not be faced with a host of differing and duplicative regulations on each side of the Alberta-B.C. border.
3. An engineering consultant in Alberta will have the same opportunity to bid on a government project in B.C. as a firm already located in B.C. Suppliers to governments in both provinces will be evaluated on a level playing field.
4. Registered commercial vehicles in Alberta will save money on registration because they no longer have to re-register their vehicles when crossing into B.C. when they operate there for an extended period of time.

5. A B.C. accountant wants to move his business to Alberta. His wife, a teacher, is reluctant to move because she would have to apply for recertification to continue working. Under TILMA, she can seek employment as a teacher without having to interrupt her career and wait to be recertified. The accountant will not have to incorporate again in Alberta.
6. A welder has his journeyman's ticket in B.C. and wants to work in Alberta. His ticket will be recognized without any reassessment or recertification.

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TILMA and the Agreement on Internal Trade (AIT)

Key Differences Between the TILMA and the AIT		
	TILMA	**AIT**
Trade	• Rules apply equally to the trade of goods and services in all economic sectors unless specifically excluded.	• Covers only certain sectors, with some major sectors, such as financial services and energy, excluded entirely.
Investment	• Rules apply equally to investment measures unless specifically excluded. • Puts Alberta and B.C. investors on a level playing field. • Economic interests of persons in the other province are taken into consideration when amending or establishing legislation or regulations. • Eliminates duplicate business incorporation requirements between Alberta and B.C.	• Limited investment coverage. • No obligation to reconcile differing business regulations. • Governments can maintain separate business incorporation requirements.
Labour Mobility	• Ensures all regulated professions and tradespersons can move to either province without having to be reassessed, take additional training or write redundant exams.	• Only recognizes where standards are equivalent. Does not deal with differences in standards between provinces that subject workers to reassessment, additional training and exams.
Agreement	• Comprehensive, simple, and enforceable. • Includes provisions for monetary penalties for governments that choose not to comply with any panel decision that finds their measures in breach of the agreement.	• Minimal coverage. • Difficult to interpret – trade rules do not apply equally across all sectors. • Many obligation outstanding since 1995 • Decisions of dispute panels are not enforceable – governments have chosen not to comply with six of the eight AIT panel decisions.

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