

(Check against delivery)
Hon. Gary Mar, Minister
International and Intergovernmental Relations
Key Note Address to Alberta Professional Regulatory Bodies
September 18, 2006

The B.C.-Alberta *Trade, Investment and Labour Mobility Agreement* (TILMA) is the new free trade agreement between British Columbia and Alberta.

Signed in April of this year, it is Canada's most comprehensive internal trade agreement. It creates a B.C.-Alberta single market of 7.5 million people and Canada's second largest economy.

In this more open and competitive economy, goods, services, investments, and workers move freely. Companies have greater opportunity to grow at home and compete nationally and internationally. Investors, businesses, workers, and consumers benefit from growing prosperity.

Barriers to Trade

Borders between provinces may look like:

- ◆ Just lines on a map,
- ◆ Or a friendly roadside sign to tourists.

...but to businesses, professionals, trades workers and others, borders between provinces are often seen as impediments.

Some of these impediments are tied to delays in assessments of credentials...

...and duplicate registration requirements for truckers and small business and other compliance requirements. There is a cost to these barriers -- in cash, in time and in missed opportunities.

By signing this comprehensive agreement, and with two and a half more years of hard work...

...British Columbia and Alberta are removing most of those costs, and turning them...

- ◆ Into potential savings,
- ◆ Investments, and
- ◆ Fuel for growth.

Just think of it.

Interprovincial non-tariff barriers cost an estimated 1 per cent of the GDP. The conference board of Canada recently pegged the cost at \$7 billion in lost income nationally.

But that estimate is from a report using data from the mid 1990's. In 2005, the combined GDP of British Columbia and Alberta was almost \$400 billion. One per cent is almost \$4 billion last year alone, over \$500 for every man, woman and child. That is scandalous. Worse, it is entirely unnecessary.

Think of what our economies could do with that kind of money freed up for investment, skill development, and other competitive advantages.

Businesses, consumers, and workers across Canada have long advocated for a freer Canadian trade environment. And so far, Canadian governments responded with the national *Agreement on Internal Trade*.

That Agreement gave us modest improvements to interprovincial trade and mobility.

Still, some provinces try to deny modest access to certain areas of their markets.

Time for Free Trade

Someone once said if Edison were to invent the electric light bulb today, stakeholders and headlines would scream... “Candle Industry at Risk”.

Protectionism is the enemy of trade, at any level. British Columbia and Alberta realize our best economic protection is full-out cooperation.

And now is the time:

- ◆ When the economic balance of power in Canada is shifting west,
- ◆ When the global trend is to broader and more open and more inclusive economic unions, and
- ◆ When our standards and regulations already are – generally speaking – so similar.

Over the years, Alberta and B.C. have responded separately to the same concerns over differences in occupational qualifications... business registration... investment regulations, and more.

As a result, we developed similar legislation and regulations to establish and meet the highest professional, business and industry standards.

Where our requirements are not similar, the steps needed to reconcile them ...while time consuming ...are absolutely critical.

The TILMA represents the commitment by both provinces to accomplish this by April 2009. By working together to mutually recognize or reconcile the way we recognize the credentials and competencies of our professionals and trades workers...
...our governments intend to deal with those impediments to crossing the continental divide.

In effect, we will create a single marketplace with not only:

- ◆ Enhanced labour mobility, but also
- ◆ Streamlined business and transportation registration requirements, and
- ◆ An open market for investment, energy, financial services, and government procurement.

With a market of 7.5 million people and a combined GDP of almost \$400 billion, we have the second largest economic region in Canada. Only Ontario is bigger.

And our share of the national GDP is growing.

In the four years between 2001 and 2005...Ontario and Quebec's combined share of the national GDP was down almost 2.5 per cent.

The combined share for B.C. and Alberta was up by almost the same amount... 2.4 per cent.

We are convinced our agreement will build on that momentum...and will invite:

- ◆ More investment,
- ◆ More business,
- ◆ More workers, and
- ◆ More opportunity.

Of course, those who would lament the loss of the candle industry to electric lights will argue that greater labour mobility...

...will exacerbate an already tight labour market.

Now...there is no doubt the candle industry took a hit from electric lights. And in fact we do not dismiss concerns of labour supply.

The Alberta government is currently working on strategies:

- ◆ To increase our own home-grown supply of skilled people, and
- ◆ To attract and recognize people trained elsewhere.

But we also see the agreement as being part of its own solution. The Alberta experience shows that an open, dynamic and growing economy is highly attractive to skilled people.

We fully expect the size, dynamics and potential of:

- ◆ Our combined market,
- ◆ An open investment climate,
- ◆ Healthy competition,
- ◆ Lower business costs,
- ◆ And access to more job opportunities,

...will attract more people to both our provinces.

Dispute Resolution

So committed are we to our trade, investment and labour mobility agreement...we backed it with a dispute resolution process that learned from the agreement on internal trade.

The process is fully accessible to governments, regulatory bodies and individuals... which means you can take direct action.

Under TILMA, dispute resolution is not only accessible...

...it is also cooperative, consultative, and enforceable.

And it supports the most open free trade agreement in Canada.

TILMA General

Our agreement comes into force on April 1, 2007. On that date:

- ◆ Energy and investment markets will be fully open and accessible, and
- ◆ There will be fewer business subsidies to harm the marketplace or hinder investment.

Commercial truckers in Alberta and B.C. will no longer have to meet duplicate registration requirements.

Companies in each province will be able to bid on more government procurement, and most professional services will be open for tender.

On full implementation in April of 2009:

- ◆ Businesses registered in B.C. will be considered registered in Alberta,
- ◆ And the credentials of regulated Alberta professionals and skilled trades people will be recognized in B.C. and vice versa.

TILMA will also be extended to trade, investment and labour mobility in the broader public sector, including municipalities, school boards, health and financial services.

TILMA Labour Mobility

I want to emphasize that we will not be “dumbing down” professional standards.

Our two provinces will reconcile them to the highest level. And we’ll do it on a profession-by-profession basis.

Alberta and B.C. will mutually recognize credentials so that someone who meets standards there will also meet standards here ... without the need for additional training and examination.

To ensure the public interest and integrity of professions is preserved... ..both Alberta and B.C. maintain their right to require registration and licensing of professionals by their regulatory authorities.

As I mentioned earlier, the B.C.-Alberta agreement breaks new ground and goes farther than any previous interprovincial trade agreement.

The TILMA requires more than simply agreeing to an accommodation mechanism to bring each province in line with the standards of the other...

This is about aligning our requirements so that additional assessment, training and examinations for professionals are not required when they seek work in the other province.

Alberta and B.C. have also committed to reconciling differences in permitted scopes of practice...

...and cooperating in the future to ensure our requirements are compatible and conducive to full labour mobility.

However, our provinces each retain sole responsibility...
...to protect our water, environment, consumers, public health and safety, and workplace health and safety.

We each retain sole responsibility for social, and aboriginal policy.
But outside of these legitimate government objectives...all other areas of:

- ◆ Policy and legislation
- ◆ Regulation and guidelines, and
- ◆ Administrative procedures,

...that affect trade, investment and labour mobility...
...will be subject to our free trade provisions.

And that kind of potential is the best economic advantage we can have.

Reaction to TILMA

The governments of British Columbia and Alberta believe strongly in this agreement and are committed to its full implementation.

It puts Alberta and B.C. at the front of a wave that is building within Canada.
Saskatchewan has already indicated it wants to see how it might fit into the agreement.

And, Quebec and Ontario recently reached an agreement of their own on labour mobility in the construction trades.

While that agreement is a reflection of the national interest in improving labour mobility ... the B.C.-Alberta agreement offers a universal approach that we frankly believe is better.
And there are many who agree with us.

The Canadian Chamber of Commerce says about the TILMA...
“...the agreement will give businesses and workers in both provinces seamless access to a large range of opportunities across all sectors including energy, transportation, labour mobility, business registration, and government procurement”.

The Canadian Council of Chief Executives says...
“...with this agreement, you have ensured further prosperity for your provinces and increased opportunity for all who live in this newly enlarged economic space. Perhaps most importantly, you have set the standard for interprovincial trading relationships”.

Roles of Government and Regulators

I see the implementation of TILMA as a partnership...
...a partnership built upon cooperation and trust.

No one knows the interests of Alberta’s professionals, and the public they serve, better than the colleges, associations, institutes, and societies established to carry out this mandate.

The Government of Alberta has provided its direction in terms of domestic trade policy through the signing of this comprehensive agreement with B.C.

And as a government, we are prepared to consider any amendments required to existing legislation to ensure the TILMA objectives are fully realized.

However it is you... the folks in this room today... who will be the absolute key to the success of the upcoming consultations and negotiations.

B.C. is also undertaking a similar initiative with its professional bodies.

My B.C. colleague, the Honourable Colin Hansen, is also committed to ensuring full labour mobility for Alberta professionals seeking recognition of their qualifications in B.C.

Conclusion

I look forward to working with you to take these bold steps to ensure that professionals who want to move easily between Alberta and B.C. can do so...
...and take full advantage of job opportunities in both provinces.

It is one more way the B.C.-Alberta Trade, Investment, and Labour Mobility Agreement will help our province reach its full economic potential ... for the benefit of all Albertans.

Thank you.