

**Hon. Guy Boutilier, Minister**  
**Alberta International, Intergovernmental and Aboriginal Relations**  
***How TILMA will affect Employers in Western Canada***  
**Speech to the Western Canadian Forum on Employment Law**  
Thursday, Feb. 1, 2007, Hyatt Regency, Calgary

An Alberta accountant has a chance at a major promotion in the next province. But the accountant is married to a teacher, who would need additional courses to be certified in B.C. Does one spouse lose an opportunity, because the family has one income until the teacher re-certifies?

After April 2009, it will not be an issue in Alberta or B.C. After that date, people in the trades and professions can accept opportunities in the other province without a delay to re-certify, the time and expense of additional training, or a break in earnings. And employers in Alberta and B.C. can draw on the entire workforce of both provinces.

This is the employment future in our two provinces under the most comprehensive free trade agreement in Canada. It could be your future, even if you do not live here. We believe our agreement is a model for the rest of Canada. Saskatchewan, Ontario and Yukon are asking questions.

So a big thank you, Bill, to you, your co-chair Linda French, and to your conference organizers for making time in your program for the B.C.-Alberta Trade, Investment and Labour Mobility Agreement, and its impact on our employment environment.

Trade, Investment and Labour Mobility Agreement is a mouthful, so we call it TILMA. I expect the acronym to become as recognizable in the next few years as NAFTA.

For one thing, the TILMA literally creates the second-largest economic region in Canada, with a marketplace of 7.7 million people—larger than Quebec, and a combined GDP of almost \$400 billion—second only to Ontario.

Under the TILMA, a business registered in one province automatically is recognized in the other—no residency required, no added cost. Government procurement including professional services like accounting, engineering and architecture, is open to suppliers in both provinces, at lower thresholds.

Commercial trucks need not be re-registered for temporary travel in the other province. Farmers will no longer have to restack their loads of hay at the border to comply with different transport regulations in the other province.

Of interest to you, professional and trade certifications will be mutually recognized where scopes of practice are similar, and without undermining the authority of regulatory bodies. That means TILMA will be an open door to employment opportunities and choice.

## CHECK AGAINST DELIVERY

Since our first Alberta-B.C. Cabinet meeting in 2003, it is our agreed policy to cooperate in support of dynamic economic growth and a high quality of life. So far, we signed 15 agreements, including joint tourism, jointly buying learning materials, environmental cooperation, sharing vehicle inspection stations and Olympic training facilities. Now, with the TILMA, we added interprovincial trade.

There is no good national measure on how much interprovincial barriers cost in fees, duplication, lost efficiency and lost opportunity. But the Conference Board of Canada estimates the TILMA has the potential to add \$4.8 billion to the GDP of British Columbia. That is just one province. No wonder that, for years, business has called for more open trade between provinces.

Canadian governments responded with the national *Agreement on Internal Trade*. Unfortunately, the AIT is neither comprehensive nor enforceable. For example, despite a ruling to the contrary, Quebec still refuses to allow the sale of coloured margarine, which limits market access for western oilseed producers.

With little progress in changing the national agreement, Alberta and B.C. created our own bilateral agreement. The TILMA enforces free trade through non-discrimination; that is, no preferential treatment for people, services or investments of either province, no subsidies that offer a competitive advantage, reconciled business registration and reporting, reconciled regulations so farmers don't have to re-stack their loads of hay.

Next, TILMA creates a level field, with the same rules for all sectors and all workers. We are working to recognize and reconcile existing standards and regulations, and will ensure new regulations are TILMA-compliant. We are negotiating with trade and professional regulatory bodies to reconcile or recognize occupational certifications. And we are negotiating to expand the TILMA to all public sector entities, including health authorities, municipalities, and post-secondary institutions.

In labour-short Canada, the TILMA gives business more people options, and workers more job choices. To workers, the B.C.-Alberta border will no longer mean re-qualifying; it will simply mean whether or not to pay a provincial sales tax, or having rain or snow in winter.

Some have suggested this really solves nothing, that B.C. and Alberta will simply poach each other's workers. We believe truly free trade will draw new investors, new businesses and more workers to the western heart of Canada's economy. Already, immigration is a priority for the Alberta government. The TILMA ensures that, whether a new Canadian qualifies to work in either in B.C. or Alberta, both provinces benefit.

Growing our own labour pool is another Alberta priority. By 2010, provincial program support, we expect one in five new workers entering Alberta's labour force to be Aboriginal.

I predict that TILMA provisions to streamline standards and certifications will make your jobs easier, but you and your colleagues will be busy with sheer volume.

## CHECK AGAINST DELIVERY

It is said, if Edison invented the light bulb today, some people would see it as putting the candle industry at risk. We saw that principle when NAFTA was negotiated. Under NAFTA, Alberta's exports have grown over 500 per cent. Now, the same voices that predicted doom from NAFTA are doing the same for TILMA.

Some critics claim—wrongly—that the TILMA subverts all government responsibilities to business interests. In fact, TILMA only applies to regulations that restrict trade, investment and labour mobility, not to all regulations.

Critics then claim that every regulation can be extrapolated to have an impact on trade. In fact, the TILMA recognizes and lists “legitimate objectives”—provincial responsibilities that lie outside the agreement. These include such public policy objectives as taxation and royalties, public safety and security, water and the environment, consumer protection, social policy and Aboriginal policies, labour standards and worker health and safety.

Critics have suggested that certification requirements will be “dummied down” to the lowest common denominator. Frankly, that is insulting to professional and trades people in both provinces, and to their regulatory bodies.

Occupational standards have developed independently, but the differences often are minor and unnecessary. We are negotiating with the regulatory bodies specifically to remove only the differences and duplication that present unnecessary obstacles, and to respect situations that require specific scopes of practice.

Moreover, we learned from the national *Agreement on Internal Trade* that any such agreement must be enforceable. TILMA relies first on dispute avoidance, then on consultation, and, if necessary, on some very big fiscal teeth, with up to \$5 million in fines.

We expect TILMA-style free trade will attract new investment, more business, and a larger and more diversified workforce. With less red tape and more competition, consumers can expect more choices and lower prices. And we expect the western shift in Canadian economic and political influence will gain momentum.

In a global economy, protectionism is an outdated, ineffective economic strategy. The world is moving to more—not less—free trade. We see it in the European Union. We see it in NAFTA. We see it in Canada's AIT. And we achieved it with the TILMA.

The TILMA comes into force this April 1, and we have a two-year transition until it is fully implemented on April 1, 2009. Get familiar with the TILMA. Both provinces post the agreement on their websites.

As agreements go, you will find this one short, just 39 pages including the table of contents. And you will find it remarkably easy to read, with plain language on every page. Watch for developments as we go through the transition.

*CHECK AGAINST DELIVERY*

In Alberta or B.C., be part of the discussions on how to reconcile and recognize labour certification requirements. Outside these two provinces, examine the benefits of your province or territory joining the TILMA, and tell your government.

When the TILMA is fully implemented in 2009, I expect other jurisdictions will be on board, and the employment environment in Canada will be forever changed.

Thank you.