



TILMA Talking Points

What is TILMA?

TILMA is the Trade, Investment, and Labour Mobility Agreement, signed by British Columbia and Alberta, which comes into effect April 1st, 2007.

Saskatchewan, along with other provinces, is considering signing on.

An Alberta cabinet minister says TILMA is “everything Canadian business asked for”.

Labour Mobility

TILMA is supposed to improve labour mobility for several professions across provinces. But labour is already mobile; in most professions, workers don't encounter major hindrances when they move to a different province.

If there are professions or industries where labour mobility is an issue (trucking is one example that is often cited), then there are ways to deal with that. We don't need TILMA, which restricts the province's ability to govern in the public interest under TILMA's trade and investment provisions, to solve labour mobility issues.

For professions in which different provinces require different sets of credentials, there is a risk that under TILMA, provinces would have to harmonize the requirements downward to the lowest common denominator. For example, where provinces have subdivided their Red Sealed electricians and carpenters to partial trades, Saskatchewan could be pressured to do the same.

Trade and Investment: Good-bye Democracy

The provinces of Canada are already signatories to the Agreement on Internal Trade (AIT), designed to lower the already very negligible trade barriers among provinces.

TILMA was designed to add teeth to the AIT, by including an enforcement mechanism similar to the one in NAFTA. Governments or private businesses can sue a government (provincial or municipal) for up to \$5 million for regulations or programs that impede trade or potential profits. The dispute panels that deal with complaints are appointed bodies, whose rulings are binding.

All of Saskatchewan's existing regulations and programs that might be seen to interfere with a corporation's profits, or a government's ability to trade, are subject to complaints under TILMA.

Any new regulations or programs that the Saskatchewan government might create in the future, must also comply with TILMA.

If there is the threat of being taken to a dispute panel every time a government regulates, or creates a subsidy for an industry, (and potentially fined up to \$5 million), then TILMA acts as a major disincentive to regulate at all.

That's putting private profits ahead of the public interest.

Legitimate Objectives

Governments who sign TILMA can defend their regulations or policies by arguing in front of a panel that its regulation is a "legitimate objective". But the list of what qualifies as a legitimate objective is short.

Also, a government needs to prove that the same objective could not be reached via a less trade-restrictive measure. Governments are under serious pressure to deregulate and to avoid regulation under this agreement.

The Most Far-Reaching Trade Agreement Yet

TILMA says that every industry and type of law is subject to challenge, unless it is specifically exempted. This makes it the most far-reaching trade agreement yet.

Potential Breaches of TILMA

- Trade Union Act
- Local hiring provisions
- Northern Development Fund
- Municipal bylaws on land use

Under TILMA, B.C. and Alberta are committed to extending TILMA's reach to municipalities, school boards, publicly-funded academic, health and social service entities, financial institutions and Crown Corporations by April 2009.

Some exemptions include measures related to:

- Aboriginal peoples
- Water
- Taxation
- Assistance to non-profit organizations

- Social policy including labour standards, minimum wages, social assistance benefits, and workers' compensation.

Is Saskatchewan Going to Sign TILMA?

The Calvert Government has hired the Conference Board of Canada to study the merits of signing the TILMA. Since the Conference Board has already released studies supporting TILMA (including one study done for the B.C. government), we can expect a similar response for the Saskatchewan government.

The Premier and the Minister of Government Relations Harry Van Mulligen have promised to hold public consultations before they make a decision on TILMA. Brad Wall has said that if the SaskParty forms government, it will sign TILMA. Now is the time to pressure the government not to sign TILMA.

Links on TILMA:

SFL Ad Hoc Trade Committee webpage

<http://www.sfl.sk.ca/trade.php>

TILMA (the text of the agreement)

http://www.ecdev.gov.bc.ca/ProgramsAndServices/Trade/Joint_Trade_Agreement_April_2006.pdf

Canadian Centre for Policy Alternatives

http://www.policyalternatives.ca/documents/Saskatchewan_Pubs/2006/TILMA.pdf

Briarpatch Magazine

<http://briarpatchmagazine.com/news/?p=366>

Relentlessly Progressive Economists

<http://progecon.wordpress.com/tag/tilma/>

Council of Canadians

<http://www.canadians.org/DI/issues/TILMA/background.html>

The Tye

<http://thetye.ca/Views/2007/01/24/TILMA/>

Making the Links radio interview with Ellen Gould

<http://www.makingthelinksradio.ca/Audio/tilma.mp3>

For more information on TILMA, or to obtain a guest speaker at your local meeting on TILMA, contact the SFL, at (306) 525-0197 or sfl@sasktel.net