

Advocacy Win

March 2014

Accelerating Interprovincial Collaboration/ New West Partnership

Our Success: Following the Saskatchewan Chamber's recommendation, the government of Saskatchewan joined with Alberta and British Columbia in the New West Partnership Trade Agreement, a free trade agreement that created Canada's largest, barrier-free, interprovincial market. The Saskatchewan Chamber's timely informational campaign and ongoing encouragement of free trade played a vital role in building the necessary support for this partnership locally and was essential in ensuring the political palatability of this agreement.

Background

As Alberta and British Columbia reached an interprovincial free trade agreement in 2006, the Saskatchewan Chamber of Commerce urged the Government of Saskatchewan to become a participant. After this initial opportunity for inclusion passed, the Chamber continued to push for a reduction of trade barriers and the creation of a free trade region including Saskatchewan.

With the objective of strengthening Saskatchewan's businesses environment through enhanced market access, and creating further inducement for Saskatchewan businesses to establish operations within different regions, the Saskatchewan Chamber actively engaged in the provincial dialogue on interprovincial free trade with a submission on the State of Internal Trade in Saskatchewan to the Standing Committee on the Economy, numerous letters and meetings, as well as formally adopted policy positions.

The interprovincial free trade discussion in Saskatchewan was plagued with initial hesitancy from the government, the general public and even several members of the business community because of uncertainty and protectionism. The Chamber's information campaign was key to building a broader acceptance of free trade in the province and in 2010 the Saskatchewan Chamber of Commerce was successful when the Government of Saskatchewan signed the New West Partnership Trade Agreement (NWPTA) with Alberta and British Columbia.

The NWPTA came into effect July 1, 2010 and has been fully implemented since July 1, 2013. Following the Saskatchewan Chamber's recommendation, the Government of Saskatchewan joined with Alberta and British Columbia in a free trade agreement to create Canada's largest, barrier-free, interprovincial market. The NWPTA requires that government and public entities remove impediments across all economic sectors. The Agreement is comprehensive, applying to all government measures (e.g., legislation, regulations, standards, policies, procedures, guidelines, procurement, etc.) affecting trade, investment and labour mobility.

Recent Developments:

To further bolster Western Canada's interests and economic ties in China, Alberta, Saskatchewan and British Columbia opened a shared Western Canada Trade and Investment Office in Shanghai. This office was part of the New West Partnership's commitment to collaborate on cost-effective international initiatives, including sharing resources in international markets.

Previous Policy

2011

Accelerating Interprovincial Collaboration

Background

Canada's western provinces are currently forming plans to create an "energy powerhouse" that will boost sales of energy-related commodities to China, India and other booming Asian economies. Under the recently formed New West Partnership, British Columbia, Alberta and Saskatchewan aim to improve access to Asian markets, as well as develop Canadian resources in partnership with Asian investors. With a widely criticized lack of focus on Asian trade by the federal government, Canada's three western provinces have united to improve trade ties with the region.

Issue

Under the New West Partnership agreement, the provinces aim to streamline regulatory processes and promote the region as a source of energy commodities and a destination for energy-related investment and partnerships. The reduction of regulations to allow for freer trade between these provinces has been focused on before, but more interprovincial collaboration is needed to further address the issue.

Recommended

- 1) That the Government of Saskatchewan aggressively pursue further interprovincial regulatory alignment, trade barrier reduction and infrastructure collaboration with British Columbia and Alberta. Under the New West Partnership, streamlining regulatory processes is part of the agreement.
- 2) That the Government of Saskatchewan take the lead within the New West Partnership to promote sales of commodities that are unique to our province such as uranium and potash.

Previous Policy

2007

Alberta-British Columbia Trade, Investment, and Labour Mobility Agreement

Background

On April 28th, 2006, the Government of Alberta and British Columbia signed a groundbreaking agreement to eliminate barriers to trade, investment and labour mobility. The agreement created the second largest economic region of Canada and came into effect April 1, 2007.

This agreement will:

- Streamline business registration and reporting requirements so that businesses registered in one province are automatically recognized in the other;
- Enhance labour mobility by recognizing the occupational certifications of workers in both provinces;
- Provide open and non-discriminatory access to government procurements; and
- Create a clear, comprehensive, and enforceable dispute avoidance and dispute resolution mechanism.

Given the current and expected accelerating growth of this economic region (Alberta and British Columbia), Saskatchewan businesses could gain enhanced market access to this region if the Government of Saskatchewan were to join as a signatory to this nation leading agreement. Conversely, should Saskatchewan not become a signatory to this agreement, our Province's non-participation would serve as a further inducement for Saskatchewan businesses to establish operations within the signatory region.

The Saskatchewan Chamber of Commerce as well as the proponent Chambers of this resolution have consistently supported the reduction of internal trade barriers within Canada and between provinces. The B.C./Alberta initiative is a tremendous first step in this reduction of internal trade barriers that will help bind our country together.

Issue

The Government of Saskatchewan has not yet signed onto this agreement. Failure by the Government of Saskatchewan to become a signatory could simultaneously:

- Partially inhibit new opportunities for Saskatchewan based businesses in the fast growing Alberta/BC region;
- Encourage Saskatchewan businesses to establish operations within the signatory region, potentially at the expense of investment in Saskatchewan, thereby slowing growth and job creation efforts in Saskatchewan.

The Government of Saskatchewan has not yet agreed, despite clear evidence of benefit provided by respected groups like the Conference Board of Canada.

Recommended

That the Government of Saskatchewan expeditiously attain co-signatory status to the British Columbia-Alberta Trade, Investment, and Labour Mobility Agreement.