

## BACKGROUND

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April 28, 2006

Ministry of Economic Development

### **B.C. - AB AGREEMENT ON TRADE, INVESTMENT AND LABOUR MOBILITY**

#### **Economic Importance of the Agreement**

- Joint GDP of both provinces is 30% larger than that of Quebec: B.C. and Alberta together have the second largest economy in Canada.
- Investors can establish in B.C. or Alberta and have access to one combined, strong, competitive economy.
- Conference Board of Canada has estimated a combined economy could:
  - add \$4.8 billion to real GDP and
  - create 78,000 new jobs in B.C. alone.
- B.C. and Alberta will continue to be seen as the most open economies in Canada, if not North America. We are leading the country in economic competitiveness.

#### **The Agreement includes:**

- Once fully implemented, all government measures affecting trade, investment and labour mobility in all sectors of the B.C. and Alberta economies will be covered.
- This means that:
  - businesses only need to register once for both provinces;
  - investment rules will be the same in each province;
  - standards and regulations will be reconciled, transportation will be streamlined and workers certified for an occupation will have their qualifications recognized in both provinces.
- An effective dispute resolution mechanism. If a province fails to abide by the findings of a panel in a dispute, that province could be required to pay up to \$5 million in penalties.
- AIT continues to apply, but the BC-Alberta Agreement has gone further. It includes broader coverage and greater opportunities for BC business, investors and workers.

#### **The Agreement excludes:**

- Measures relating to aboriginal peoples, water, taxation, health and social policy, and labour standards.

#### **Agreement Outcomes:**

- Potential to add 4.8 billion to real GDP.
- Eliminate unnecessary duplication.
- Elimination of subsidies.
- Remove costs and barriers to workers, consumers, investors and businesses.