

**JOINT PROPOSED GENERAL FRAMEWORK
QUÉBEC/ONTARIO – ECONOMIC PARTNERSHIP AGREEMENT**

PREAMBLE: Vision and Objectives of the Agreement

PART I: GENERAL

- Operating Principles
- Extent of Obligation

PART II: GENERAL RULES

- General Rules
 - ◇ Right of Entry and Exit
 - ◇ Reciprocal Non-discrimination
 - ◇ Alignment of Standards and Regulations
 - ◇ Transparency
 - ◇ Legitimate Objectives

PART III: SPECIFIC COMMITMENTS AND RULES

Labour Mobility

Main objective:

- Ontario and Québec commit to full labour mobility by:
 - ◇ attaining automatic recognition for professions which have already concluded effective mutual recognition agreements (MRAs);
 - ◇ giving priority to professions without effective MRAs, to develop bilateral agreements leading to implementation of automatic recognition;
 - ◇ pursuing automatic recognition for those trades not covered by the 2006 Québec-Ontario Construction Labour Mobility Agreement or the Inter-Provincial Red Seal program; and
 - ◇ furthering the work to complete the 2006 Québec-Ontario Construction Labour Mobility Agreement, using the processes established in that agreement.

Energy

Main objective:

- Creating an integrated market between Ontario and Québec for trade in energy products.
- Identifying and addressing financial, institutional and physical barriers to trade in electricity.
- Enhancing trade in energy products (known and unknown) to the mutual benefit of both Ontario and Québec, including, but not limited to petroleum, natural gas, biofuels (e.g. ethanol) and other fossil fuels.

- Memorandum of Understanding on energy cooperation covering:
 - ◇ energy efficiency and conservation and demand management;
 - ◇ renewable energy resources;
 - ◇ energy interconnections;
 - ◇ synergies between electricity systems;
 - ◇ emergency cooperation; and
 - ◇ building on larger regional synergies.

Financial Services

Main objective:

- Fostering an efficient, sound and fair financial sector within the Ontario/Québec economic region, by, among other things:
 - ◇ the two governments intend to undertake regular reviews of financial services regulatory legislation, such as that related to insurance and credit unions, at the same time, with an intent to share information and analysis and to promote common approaches;
 - ◇ Ontario has approved the group capital model for credit unions and caisses populaires and is finalizing regulations for consultation by Cabinet; and
 - ◇ Québec intends to reform and harmonize its regulations with respect to classes of insurance in the coming months.

Transportation

Main objective:

- Increasing the free, efficient and safe movement of people and goods through the Ontario/Québec economic region by:
 - ◇ harmonizing transportation regulations and operations, while advancing environmental protection and road safety;
 - ◇ implementing new technology and innovation such as speed limiters for large trucks;
 - ◇ harmonizing regulations with respect to, among other things, vehicle weights, dimensions and operations of commercial vehicles such as single wide tires; and
 - ◇ working together on emergency planning and cooperation such as border crossing operations.

Public Procurement

Main objective:

- Achieving a more open and transparent environment for suppliers.
- Fostering a climate of collaboration and cooperation in public procurement to maximize value for taxpayers and respond to public

demand for governments to be environmentally, economically and socially responsible.

Agriculture and Food Products

Main objective:

- Developing common positions on agricultural policy priorities, particularly with respect to the preservation of supply management within the context of ongoing WTO negotiations.
- Strengthening the economic ties, and thereby the competitiveness, of the agricultural and food sectors in Ontario and Québec, notably by facilitating mutual recognition and greater regulatory harmonization.
- Establishing a forum, led by agriculture ministers, to develop joint positions, facilitate greater collaboration and address bilateral trade issues.

Regulatory Cooperation

Main objective:

- In order to prevent unnecessary new barriers to trade, investment and labour mobility, Ontario and Québec will establish a government to government mechanism requiring each government to notify the other in advance of draft regulatory policies, regulations or administrative requirements and offering the other province an opportunity to comment. The mechanism should include periodic reports to each government concerning the consultation outcomes.
- For existing barriers not already covered by the above sectoral commitments and raised after the implementation of the agreement, the regulatory mechanism will allow for the review of such regulations with the objective of alignment.

PART IV: **DISPUTE RESOLUTION**

Main objective:

- Developing a binding and effective dispute resolution mechanism for specific commitments and rules under the Agreement.

PART V: **ECONOMIC CO-OPERATION**

Main objective:

- Establishing a Joint Economic Cooperation Committee to promote economic co-operation and to conduct joint work on manufacturing initiatives.
- Fostering a deeper, more integrated business environment between Ontario and Québec to promote the combined region's entrepreneurship, improve its productivity growth, and increase its global competitiveness by:
 - ◇ specific commitments to encourage greater information sharing;

- ◇ joint projects to enhance economic co-operation in key sectors; and
- ◇ key activities to promote the Region's unique strengths in trade and investment.
- Fostering enhanced industrial cooperation by:
 - ◇ supporting joint meetings of business councils and industry associations;
 - ◇ jointly promoting trade and investment at international events such as the Bio International Convention;
 - ◇ pursuing joint initiatives with respect to innovation and learning, such as developing a common Innovation Corridor; and
- Promoting sustainable development by jointly supporting the development of clean technologies and initiatives aimed at eco-conscious product development.

PART VI: **INSTITUTIONAL AND ADMINISTRATIVE PROVISIONS**

Ministerial Committee

- Responsibilities of Committee
- Structure and procedures

Sectoral Co-ordinating Committee

Private Sector Advisory Board

Administrative Facilities

- Secretariat
- Contact Point

Relationship to Other Agreements

Accession and Withdrawal

Entry into Force

PART VII: **DEFINITIONS**