

Trade agreements and municipal autonomy

Questioning the Ontario–Quebec Economic Partnership Agreement

“We have also initiated discussions with Ontario to sign a trade agreement with this province. We are inspired in this respect with what the provinces of British Columbia and Alberta have done through the TILMA accord...”

– Quebec Premier Jean Charest,
May 14, 2008

What is OQEPA?

On June 2, 2008, at a joint cabinet meeting in Quebec City, the premiers of Quebec and Ontario announced that they were pursuing an Economic Partnership Agreement (OQEPA) to “make it easier for goods to move seamlessly and safely between the provinces.” While trade among provinces is largely a good thing, the Council of Canadians is concerned the agreement could end up boosting investors’ rights at the expense of municipal autonomy – especially if Ontario and Quebec follow the path set by Alberta and British Columbia.

TILMA and municipal autonomy

In April 2006, without prior municipal consultation, the premiers of Alberta and B.C. signed a Trade, Investment and Labour Mobility Agreement (TILMA) that imposes a blanket restriction on all provincial, municipal, school board and health authority measures that “operate to restrict or impair trade between or through the territory of the Parties, or investment... between the Parties.” Decisions on what constitute a restrictive government measure will be left up to unelected trade tribunals to decide, who will have the authority to impose financial penalties on the offending province of up to \$5 million. Under this model the corporate drive for profits will trump local democratic decision-making.

Ontario resolutions against TILMA and OQEPA

Municipal resolutions voicing concern or opposition to Ontario signing TILMA or any similar agreement with Quebec have been passed in 10 cities and at one regional council, including St. Catharines, Niagara Falls, Welland, Port Colborne, Thorold, London and Peterborough. While the Association of Municipalities of Ontario (AMO) is in contact with the McGuinty government regarding the new trade pact with Quebec, municipal leaders, and the larger public, remain largely uninformed about its details, and how closely it will resemble TILMA.

Municipal autonomy is the key to sustainable growth

The Province of Saskatchewan studied TILMA and decided not to sign the agreement, partly because of concerns among municipal leaders that it would put an end to “local choice” and the ability of cities and towns to set their own development agendas. It is common knowledge that cities are engines of growth, creativity and, increasingly, environmental leadership and sustainability. If Ontario were to sign anything like TILMA with Quebec, it would stunt this positive leadership by allowing corporations to challenge almost any government measure that interfered with profits.

What you can do

The McGuinty government needs to come clean about its “economic partnership” with Quebec so that Ontarians can debate the benefits and dangers of such an agreement openly and democratically. Municipal leaders and the AMO are in a perfect position to initiate this discussion because they stand to lose the most if a TILMA-like agreement is signed.

For more information about TILMA or the new Ontario–Quebec Economic Partnership Agreement, visit canadians.org, or call the Council of Canadians’ Ontario–Quebec Regional Office at 416-979-5554.