

Backgrounder

Why were the changes made to Labour Mobility Chapter of the Agreement on Internal Trade (AIT)?

The Labour Mobility Chapter of the AIT has been in place since 1995. Professional regulatory bodies and other stakeholders have taken steps to comply with its obligations. Many regulatory bodies have established mutual recognition of workers' qualifications but labour mobility barriers continue to exist.

Premiers moved to make labour mobility a priority in 2004, and through the Council of the Federation requested that the Labour Mobility Chapter of the AIT be reviewed and recommendations made on ways to make it stronger and more effective in achieving full labour mobility for all Canadians.

Changes to the Labour Mobility Chapter are a common sense approach. They not only ensure that professionals and skilled trades are recognized as equivalent throughout Canada but they also address the demand for skilled labour.

What are the changes with regard to labour mobility?

Any worker certified for an occupation by a regulatory authority of one province or territory will be recognized as qualified to practice in that occupation by all other provinces and territories, and this recognition will be granted expeditiously without further material training, examinations or assessment requirements.

Exceptions to full labour mobility must be clearly justified as necessary to maintain a legitimate objective. Examples of legitimate objectives include public health, safety and well-being, security and consumer protection.

The right of provinces and territories to adopt occupational standards at an appropriate level to ensure the protection of the public interest have not been taken away. However, the amendments do stipulate that provinces and territories make every effort eliminate or reduce barriers to labour mobility.

The Interprovincial Standards Red Seal Program as a well-established means of establishing common interprovincial standards for trades will continue to be recognized.

What do the changes to labour mobility mean for Saskatchewan?

Workers will now be able to move without restriction from one jurisdiction to another in order to access employment opportunities. Given the shortage of skilled professionals and trades people in Saskatchewan, this will make it easier for individuals to work in the province and for employers to recruit employees.

The changes will not result in a lowering of standards established by regulatory bodies. If Saskatchewan deems an occupational certification from another province or territory poses a potential risk to the public interest, it must clearly demonstrate an exception to labour mobility on the basis of achieving a legitimate objective.

The Ministry of Advanced Education, Employment and Labour (AEEL) continues to work collaboratively with provincial Ministries, federal, provincial, and territorial governments, and regulatory bodies, to implement the amendments to the labour Mobility Chapter and achieve full labour mobility.

Why were the changes made to the Dispute Resolution Chapter of the Agreement on Internal Trade?

Provinces and the business community have said that the dispute resolution is not effective. To address this concern, Canada's premiers directed that changes be made to the dispute resolution provisions of the AIT to make it more effective and enforceable.

What are the changes to the AIT's dispute resolution process?

The changes are intended improve compliance with a panel's ruling. Prior to these changes, the measures to enforce compliance with a ruling were limited.

- Under the new rules, when a Party refuses to comply with a panel ruling, the changes implement the creation of a compliance panel with the authority to:
 - award of a monetary penalty of:
 - up to \$250,000 for a jurisdiction with a population under 250,000;
 - up to \$750,000 for a jurisdiction with a population between 250,000 and 750,000;
 - up to \$1.5 million for a jurisdiction with a population between 750,000 and 1.5 million; and,
 - up to \$5 million for a jurisdiction with a population over 1.5 million; and,
 - suspend the dispute resolution privileges of a Party until it changes its measure.

To ensure fairness, the changes also include an appeals process to ensure the dispute panel acted within its authority and did not err in accordance with certain legal and procedural requirements.

What do the changes to the AIT's dispute resolution process mean to Saskatchewan?

Saskatchewan can have confidence that a more effective internal trade agreement will reduce trade barriers. Saskatchewan is an export based economy and internal trade is important.