

NEW WEST PARTNERSHIP

BACKGROUND

- The *New West Partnership* is a new and far-reaching economic partnership between the Governments of British Columbia, Alberta and Saskatchewan. The three provinces commit to ongoing collaboration on innovative ways to strengthen the economy of the West.
- Through the *New West Partnership*, the three provinces will foster strong, vibrant and lasting prosperity for the region and our people. Innovative and competitive businesses will be even more attracted to the region.
- The *New West Partnership* focuses on four areas key to economic growth in the West:
 - trade;
 - international cooperation;
 - innovation; and
 - procurement.

TRADE

- The *New West Partnership Trade Agreement* is a comprehensive agreement to remove barriers to trade, investment and labour mobility between British Columbia, Alberta and Saskatchewan.
- The agreement covers all public sector entities, including government ministries and their agencies, boards and commissions, Crown corporations, municipalities, school boards and publicly-funded academic, health and social service organizations.
- The *New West Partnership Trade Agreement* comes into effect on July 1, 2010. Saskatchewan will fully implement the agreement by July 1, 2013. An implementation schedule is attached as Appendix A.
- The *New West Partnership Trade Agreement* satisfies Saskatchewan's concerns regarding public ownership of Crown corporations and the ability of municipalities to support economic development.
- The key elements of the *New West Partnership Trade Agreement* are:
 - *non-discrimination*: workers and businesses from the three provinces will be treated equally;
 - *transparency*: provinces will notify each other to ensure that new measures, including standards and regulations, are not unnecessarily different or result in new impediments to trade, investment or labour mobility;
 - *legitimate objectives*: provinces continue to have the flexibility to protect important public interests, such as public security and safety, human, animal or

plant life or health, the environment, the health and safety of workers and the provision of social services and health services;

- *streamlined regulations*: unnecessary differences in provinces' business and occupation-related regulations and standards will be eliminated;
- *procurement*: public procurements will be conducted openly and transparently, ensuring equal opportunity for suppliers in all three provinces. Information on the procurements covered by the agreement is attached as Appendix B; and
- *dispute resolution*: the three governments demonstrate their serious commitment to the *New West Partnership Trade Agreement* by including the possibility of financial penalties up to \$5 million if a government is found to be non-compliant with its obligations, and that government subsequently fails to bring itself into compliance.

INTERNATIONAL COOPERATION

- Under the *New West Partnership International Cooperation Agreement*, Saskatchewan, Alberta and British Columbia will collaborate on high-quality, cost-effective joint international initiatives, including:
 - undertaking joint missions or marketing visits;
 - sharing resources in international markets, such as co-locating marketing offices or personnel; and
 - sharing market intelligence in areas of common interest.
- The first major outcome of the *New West Partnership* will be a joint mission led by the three Premiers to China and Japan from May 14-22, 2010.

INNOVATION

- Under the *New West Partnership Innovation Agreement*, the provinces will work together to coordinate provincial activities in research and development (R&D), including:
 - maintaining and sharing information on R&D activities in each of the provinces; and
 - undertaking joint innovation projects or activities.
- Initial joint activities the provinces will undertake include:
 - advancing carbon capture and storage technology;
 - exploring opportunities in value-added forestry to support diversification of this sector; and
 - sharing information on R&D activities for the purpose of identifying further opportunities for collaboration.

PROCUREMENT

- Under the *New West Partnership Procurement Agreement*, the provinces will work together to jointly purchase goods and services in order to achieve efficiencies and cost-savings.
- This could include joint purchasing of health supplies or common government supplies (e.g., paper or office supplies) and the standardization of procurement templates and contracts.

APPENDIX A

**NEW WEST PARTNERSHIP TRADE AGREEMENT
IMPLEMENTATION SCHEDULE**

<p><i>New West Partnership Trade Agreement</i> comes into effect</p> <p>British Columbia and Alberta fully comply with the agreement</p> <p>Saskatchewan fully complies, subject to the transition measures listed below, which will come into effect by the date specified</p>	<p align="center">July 1, 2010</p>
<p><i>Saskatchewan-Specific Transition Measures</i></p>	
<p>Ministries to post all tendering on a common electronic tendering system</p> <p>Reconcile differences in commercial vehicle registration rules</p>	<p align="center">One Year Later (by July 1, 2011)</p>
<p>Mutually recognize or otherwise reconcile differences in regulations and standards that restrict or impair trade, investment or labour mobility</p> <p>Mutually recognize or otherwise reconcile differences in business registration and reporting requirements</p> <p>Non-discriminatory procurement rules to apply to Crown corporations, municipalities, health regions, school boards, and publicly-funded universities and colleges</p> <p>All tenders to be posted on a common electronic tendering system</p>	<p align="center">Two Years Later (by July 1, 2012)</p>
<p>Mutually recognize or otherwise reconcile differences in measures related to financial services that restrict or impair trade, investment or labour mobility</p>	<p align="center">Three Years Later (by July 1, 2013)</p>

APPENDIX B

NEW WEST PARTNERSHIP TRADE AGREEMENT PROCUREMENT

Procurements at or above these thresholds must be conducted openly and transparently and ensure equal opportunity for suppliers in all three provinces.			
	Goods	Services	Construction
Ministries and Departments Government Agencies, Boards and Commissions	\$10,000	\$75,000	\$100,000
Crown Corporations*	\$25,000	\$100,000	\$100,000
Municipalities* Health Regions* School Boards* Publicly-Funded Universities and Colleges*	\$75,000	\$75,000	\$200,000

NOTE: These thresholds are not automatic triggers for joint purchasing agreements under the *New West Partnership Procurement Agreement*.

* Applies to Saskatchewan after July 1, 2012.