

September 27, 2007

TILMA's defeat at UBCM sends clear message to premier

VANCOUVER—Yesterday's overwhelming rejection of the Trade, Investment and Labour Mobility Agreement (TILMA) by delegates to the Union of B.C. Municipalities convention is a major setback for the BC Liberal government and has damaged the premier's credibility on trade issues, CUPE BC said today.

The A3 TILMA resolution mandates the UBCM to review the agreement between British Columbia and Alberta, "and enter into discussions with the provincial government and local governments, with the intent of either making changes to the agreement to more specifically address local government concerns, exempt local governments from the agreement, or request that the Province withdraw from the agreement altogether."

During the debate an amendment was put forward to remove the option of withdrawal from the TILMA, but the motion was defeated. In the end, all but four delegates voted in favour of the resolution.

"This result should send a clear message to Premier Campbell, and to Colin Hansen, that local governments have done their due diligence on the TILMA, and they don't like what they see," said CUPE BC president Barry O'Neill.

"Before the vote was passed, several councillors expressed concerns about the TILMA's potential to remove power from local governments and give protection to investors priority over public policy. These are not trivial concerns."

Specific issues of concern included thresholds for purchasing, restrictions on the ability of local governments to give out subsidies and grants, potential obstructions to local initiatives to protect the environment and the lack of precedent around dispute panel decisions.

O'Neill echoed BC NDP leader Carol James's observation that Hansen, the Minister of Economic Development, typically dismisses the concerns of municipalities by continuing to insist that they are misinterpreting the TILMA.

"Mr. Hansen should drop this patronizing attitude and take a more serious look at local concerns," said O'Neill.

James, in her address to delegates today, congratulated municipal politicians for their persistence in trying to get answers on the TILMA's true implications. She said that the provincial government owes municipalities a straightforward explanation of the trade agreement's reach.

"Accountability is not a four-letter word, Mr. Campbell," she said. "The province must put the TILMA into the legislature for proper, democratic debate."

UBCM Resolutions Summary

Municipal politicians at the Union of British Columbia Municipalities(UBCM) took strong stands on many issues at their convention this year, including ambulance and child care funding, infrastructure funding, water, industrial water licences and TILMA.

- **Ambulance and Child Care Funding**

Both resolutions demanding the provincial government restore sufficient funding to ambulance and child care services passed without amendment. Ambulance service response time has dropped to levels below those in the 1980s with 50 per cent more calls in the last decade alone and an aging population. The B.C. government's own Progress Board and the B.C. government's own Finance Committee have both called for increased childcare funding, particularly with cuts from the federal government. The B.C. government has actually cut childcare funding after the federal government did.

- **Infrastructure Funding**

Canada's infrastructure funding deficit is in the tens of billions of dollars. The UBCM passed many resolutions calling for greater federal and provincial support for infrastructure projects. The federal government today announced \$49.1 million for 199 new buses for TransLink (only half are new as the rest replace aging buses). Within that announcement, however, Public Safety Minister Stockwell Day reiterated the value of public-private partnerships, which can have extraordinary cost overruns, secret contracts, and onerous pressure on local governments to even prepare and manage privatization bids. Minister Day said privatization is necessary and "can be successful." Even privatized infrastructure projects that have not had massive cost overruns, still remove public accountability and autonomy.

- **Water**

Tofino's Resolution B27, the Water Declaration, was a strong resolution designed to entrench water as a common good and a public resource. While most delegates spoke strongly in favour of it, one person stood to propose an amendment to remove water delivery from the resolution. The amendment was soundly defeated and the Water Declaration passed.

- **Industrial Water Licences**

Industries given permission by the provincial government to generate hydro electricity for industrial purposes have been given the freedom by the B.C. Supreme Court to use that electricity for whatever they wish. They could wind down industrial activities, lay off workers, harm local economies and take part in the newly deregulating continental power market featuring blackout, billions in price gouging and Enron. The UBCM has voted in favour of asking the province to force industries to use their electrical power for industrial purposes.

- **TILMA**

Resolution A3, the Trade, Investment and Labour Mobility Agreement (TILMA), passed in overwhelming fashion. Economic Development Minister Colin Hansen did a poor job of addressing local governments' concerns at a 3-hour pre-convention workshop on Monday. TILMA allows a government-picked trade dispute panel that operates outside our court system to determine whether a local government's bylaw or regulation violates TILMA, with a penalty of up to \$5 million for each infraction. The Agreement states that only the province would have to pay the fine, however for months Minister Hansen has not stated that the provincial government will not come after local governments to recoup that cost.

On Monday he extended that ambiguity by not confirming that the province will not punish local governments. Also, on direct questioning he further could not guarantee that local governments' authority will not be reduced by TILMA. Like the Water Declaration resolution, when the convention debated the TILMA resolution, someone tried to amend it by limiting the options the UBCM could use in negotiating local governments' relationship to TILMA. That amendment was also soundly defeated and the strong UBCM motion against TILMA passed.