

Facts

The 1994 Agreement on Internal Trade negotiated between Ottawa, the provinces, and the territories, failed to eliminate barriers. Its successor, the Canadian Free Trade Agreement, came into force in 2017, but almost half of its 345 pages contain exceptions and opt-out measures, rendering it ineffective.

From an economic point of view, interprovincial barriers have the same effect as customs tariffs imposed on imports from other countries. According to a recent Statistics Canada study, the level of trade within Canada corresponds to what would be expected if each province imposed a 7% tariff on “imports” of goods and services from other provinces.

A 2016 study published in the Canadian Journal of Economics concluded that interprovincial trade barriers cost Canadians roughly \$100 billion in lost economic opportunities annually. This is equivalent to a staggering \$7,500 per household every year.

Our Plan

Freeing our economy from these interprovincial trade barriers would help families and businesses. It would also increase competition, raise productivity, and unite our country.

A People's Party government will:

- Reassert the authority and leadership of the federal government on internal trade.
- Use section 91(2) of the Constitution, which gives Ottawa exclusive power to regulate matters of international and interprovincial trade, to force provinces to apply the principle of mutual recognition where applicable. This principle means that if a worker, product or service meets regulatory standards in one province, then other provinces will trust that they meet their own standards.
- Appoint a Minister of Internal Trade whose sole responsibility will be to conduct studies, raise public awareness, counteract the influence of special interests that benefit from interprovincial barriers, and put pressure on provincial governments to get rid of them.