

Office of the President and  
Chief Executive Officer

Cabinet du président  
et chef de la direction

August 13, 2014

Council of the Federation

Dear Premiers:

Our Chambers would like to take this opportunity to wish you a productive annual Council of the Federation meeting in Charlottetown from August 26-30<sup>th</sup>. While Canada faces many economic and social challenges, we believe that there is one issue that must be given significant attention by our governments: the removal of barriers to internal trade and mobility.

Internal trade barriers continue to impede the free movement of people and goods between Canada's provinces. Such barriers often arise as a result of minor differences in standards, certifications or regulations. The red tape that these differences impose on businesses and the economic toll they place on our competitiveness have become intolerable.

The Agreement on Internal Trade (AIT) was negotiated twenty years ago and does not respond to today's economic and commercial realities. While there have been some helpful changes over the years - in particular to the chapter on labour mobility- the agreement as currently written no longer does our economy justice.

As Canada continues to remove the barriers between our country and the rest of the world, it is time to make the creation of an integrated, efficient Canadian economy a priority. In particular, as we move closer to a final agreement with the European Union, we run the risk of having a more open trading relationship with Europe than we have internally. How can we expect our businesses to be able to compete with the twenty-eight countries in the European Union if they are unable to efficiently access markets closer to home?

The costs imposed by these internal barriers limit consumer choice, complicate unnecessarily the process for Canadians wanting to work in other regions of Canada, and impose a multi-billion dollar drag on Canada's economy. These costs are being recognised both here at home and, increasingly, abroad. For example, the OCED recently urged Canadian governments to harmonize certification requirements for apprenticeship programs as a means to improve interprovincial mobility.

We urgently call on you and the federal government to adopt a renewed commitment to break down the remaining barriers to internal trade and mobility in Canada. We believe that all of Canada's governments should strive for a more modern agreement on internal trade. At a minimum, the existing agreement should be strengthened and updated to reflect the realities of our modern, trade dependent economy, with the onus

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being placed on those proposing impediments to the ability to do business throughout Canada to justify these barriers and with the ability to resolve disputes in a timely manner.

Together, our network of Chambers of Commerce is comprised of more than 450 local chambers of commerce and boards of trade representing more than 200,000 businesses and industry associations of all sizes and sectors in every region of Canada. We wish you every success as you prepare for your important deliberations and we stand ready to work with you and the Government of Canada to create an efficient and competitive Canadian economy.

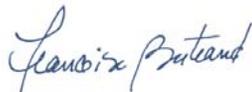
Sincerely,



The Hon. Perrin Beatty  
President and CEO  
Canadian Chamber of Commerce



Valerie Roy  
Chief Executive Officer  
Atlantic Chamber of Commerce Inc.



Françoise Bertrand  
La Présidente-directrice générale  
Fédération des chambres de commerce du Québec



Allan O'Dette  
President and CEO  
Ontario Chamber of Commerce



Chuck Davidson  
President and CEO  
Manitoba Chambers of Commerce



Steve McLellan  
Chief Executive Officer  
Saskatchewan Chamber of Commerce



Ken Kobly, FCGA  
President and CEO  
Alberta Chambers of Commerce



John R. Winter  
President and CEO  
BC Chamber of Commerce



Allen Stanzell  
President  
Northwest Territories Chamber of Commerce



Peter Turner  
President  
Yukon Chamber of Commerce

C.c. - The Right Honourable Stephen Harper, P.C., M.P., Prime Minister of Canada