



**CANADIAN FEDERATION
OF INDEPENDENT BUSINESS**

In business for your business™



An External Perspective on Internal Trade

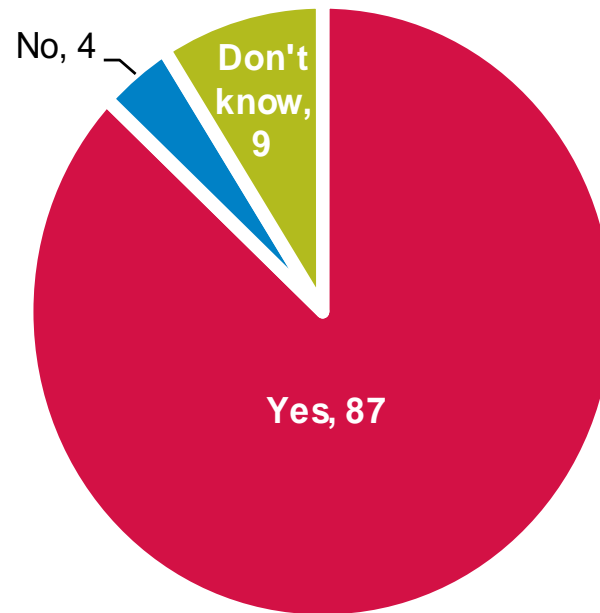


Laura Jones, Chief Strategic Officer and Executive Vice-President

About CFIB

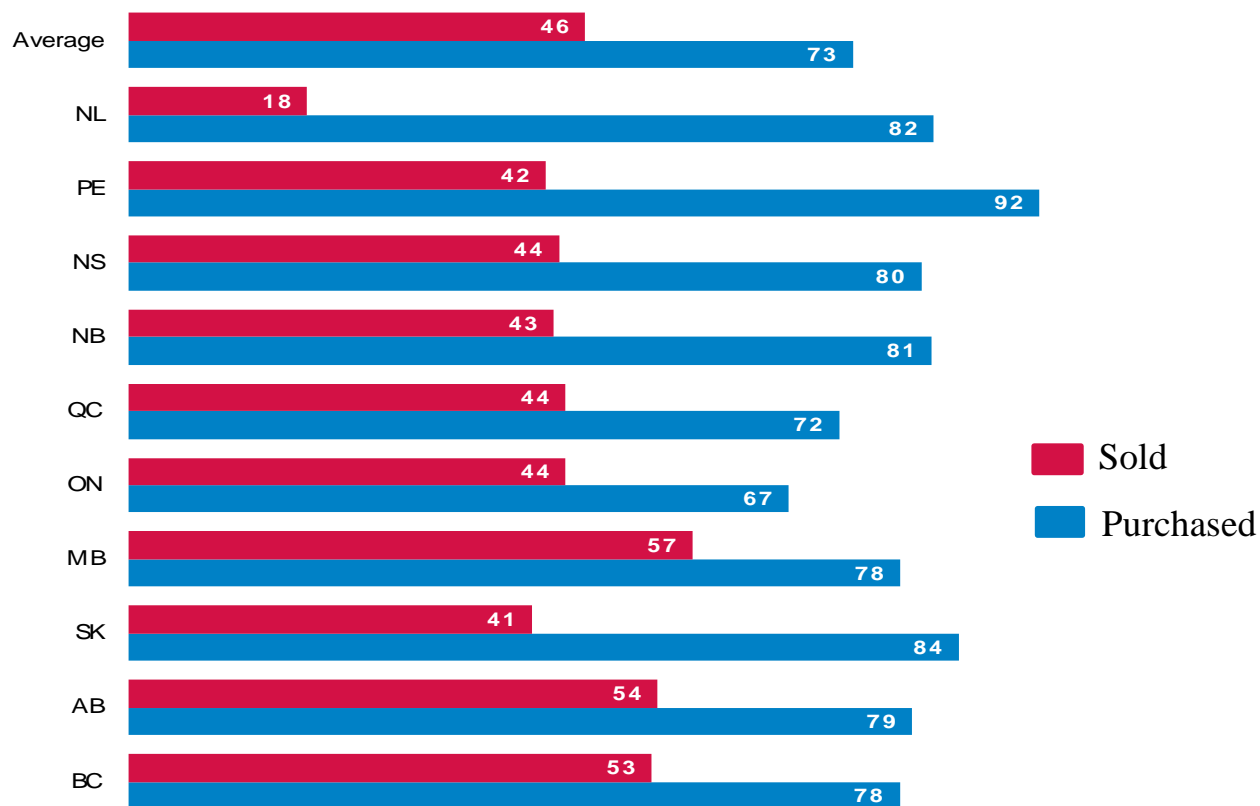
- Represents independent small- and medium-sized businesses
- 110,000 business members across Canada
- Non-partisan, not-for-profit organization
- Deals with federal, provincial and municipal issues
- Represents all sectors, all regions
- One member = one vote

Should Premiers commit to reducing trade barriers across provincial/territorial boundaries?



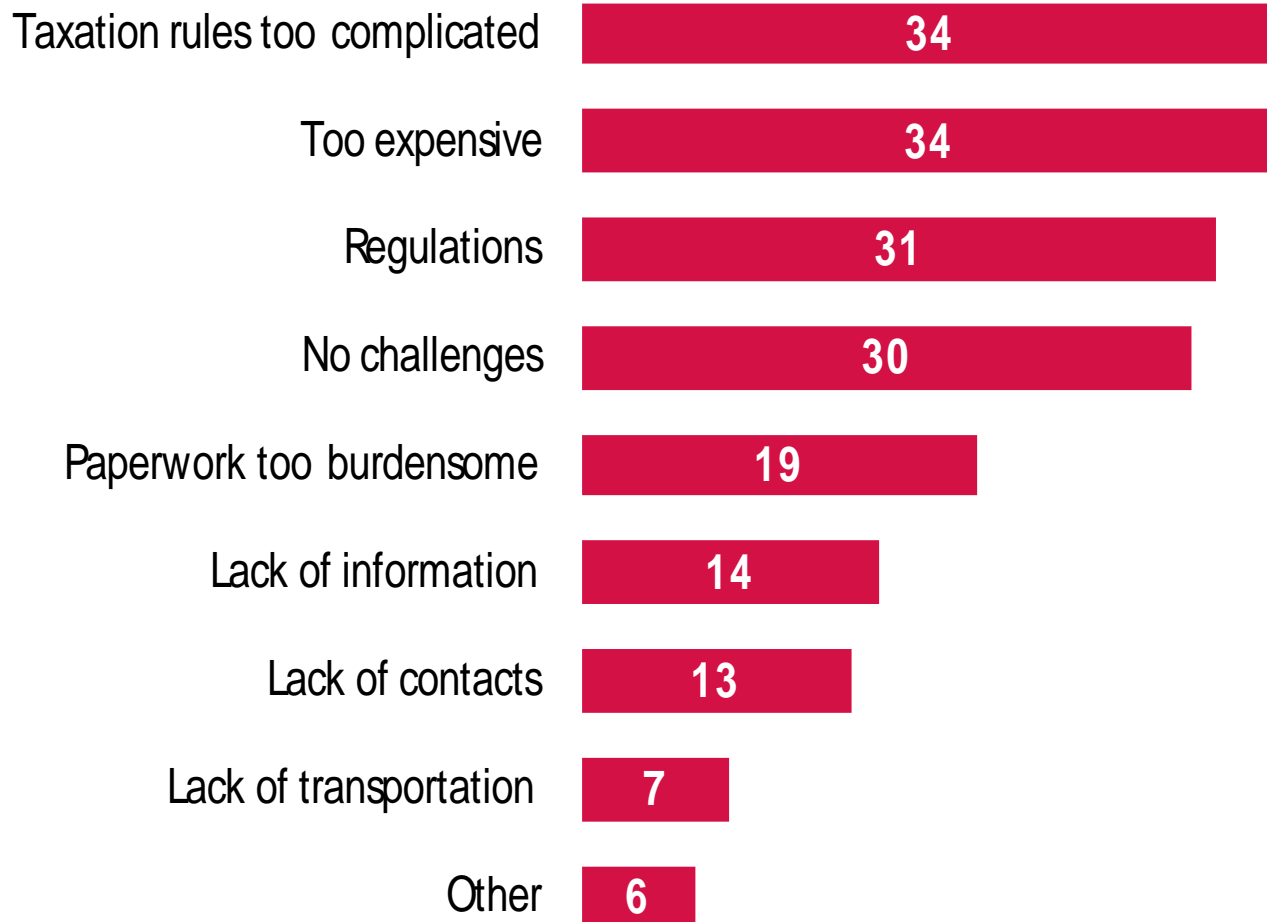
Source: CFIB, Survey on Internal Trade, April-May 2014, n=6,340

Share of SMEs who sold or purchased goods or services in another province during last 3 years (in%)



Source: CFIB, Survey on Internal Trade, April-May 2014, n=6,340

Challenges when trading internally (% response)



Source: CFIB, Survey on Internal Trade, April-May 2014,
n=6,340

Principles for Internal Trade Agreements

It should be as easy to trade with another province or territory as with another country



The federal government should take a leadership role in ensuring an open marketplace in Canada



All businesses should have open access to all markets within Canada



There should be appropriate consequences for government that create barriers



Provincial and territorial governments should protect local businesses from competitors in other provinces and territories



■ Agree ■ Disagree ■ Don't know

From our members: internal trade barriers

As a trucking company, we have to be mindful of different permit regulations in different provinces, and at different times of the year. This can lead to administrative challenges and operational inefficiencies.

– Vehicle transport company, Ontario

From our members: internal trade barriers

Different tax structures, the high cost of transport, and restrictions on certain food products, has made us have to purchase American and European imports over Canadian made products.

– Specialty food store, Ontario

From our members: internal trade barriers

Required to register for and administer workers compensation in each (multiple) province, plus be registered with construction safety associations in each province. Surely registration and good standing in one provincial jurisdiction should be sufficient.

- Commercial diving, New Brunswick

Canadian Free Trade Agreement (CFTA) – Golden Scissors Award!



Canadian Free Trade Agreement (CFTA) – RCT

✓ Aligning regulations for wide-load transportation

✓ Common corporate registry

Recognizing additional trade and professional certifications from other provinces

✓ Mutually recognizing food inspection

Improving mutual recognition of Worker's Compensation

✓ Improving mutual recognition of Occupational Health & Safety

Will CFTA be better than AIT?

- Takes time to set up a new process but....
- We are 18 months in and little signs of progress to date.
- What issues have been resolved?
- How are people's lives better? We still can't ship wine! C'mon
- Is this a big enough priority for the provinces?

Concluding thoughts

- Current mood from stakeholders on CFTA is turning from cautious optimism to more pessimistic.
- Some concrete “wins” for citizens soon would improve the mood.
- External stakeholders want this to work.