



Competition Bureau
Canada

Bureau de la concurrence
Canada

Canada 

What we heard at Canada's Competition Summit 2023



This publication is not a legal document. It is intended to provide general information and is provided for convenience. To learn more, please refer to the full text of the Acts or contact the Competition Bureau.

For information on the Competition Bureau's activities, please contact:

Information Centre
Competition Bureau
50 Victoria Street
Gatineau QC K1A 0C9

Telephone: 819-997-4282
Telephone (toll-free in Canada): 1-800-348-5358
TTY (for hearing impaired): 1-866-694-8389
Fax: 819-997-0324
Website: www.competitionbureau.gc.ca

This publication can be made available in alternative formats upon request. Contact the Competition Bureau's Information Centre at the numbers listed above.

Permission to reproduce

Except as otherwise specifically noted, the information in this publication may be reproduced, in part or in whole and by any means, without charge or further permission from the Competition Bureau, provided that due diligence is exercised in ensuring the accuracy of the information reproduced; that the Competition Bureau is identified as the source institution; and that the reproduction is not represented as an official version of the information reproduced or as having been made in affiliation with, or with the endorsement of, the Competition Bureau.

For permission to reproduce the information in this publication for commercial purposes, please fill out the Application for Crown Copyright Clearance at www.ic.gc.ca/copyright-request or contact the ISED Citizen Services Centre mentioned below.

ISED Citizen Services Centre

Innovation, Science and Economic Development Canada
C.D. Howe Building
235 Queen Street
Ottawa, ON K1A 0H5
Canada

Telephone (toll-free in Canada): 1-800-328-6189
Telephone (international): 613-954-5031
TTY (for hearing impaired): 1-866-694-8389
Business hours: 8:30 a.m. to 5:00 p.m. (Eastern Time)
Email: ISDE@ised-isde.gc.ca

© His Majesty the King in Right of Canada, as represented by the Minister of Industry, (2023).

Cat. No. lu54-122/2023E-PDF
ISBN 978-0-660-69176-3

Date: 2023-12-07

Aussi offert en français sous le titre *Ce que nous avons entendu au Sommet canadien de la concurrence 2023*

Introduction

“(…) our discussion today [at Canada’s Competition Summit 2023] is so important. We must consider the role that governments can play to nurture and stimulate competition in the economy.”

– **Matthew Boswell**, Commissioner of Competition, Competition Bureau Canada

To achieve long-term economic growth and prosperity, many countries around the world have identified the need to integrate competition considerations into all of their regulatory and policy development processes.

To better understand how public policies can drive competition and economic growth, the Competition Bureau hosted [Canada’s Competition Summit 2023: Exploring policy approaches to unlock competition](#) on October 5, 2023. Over 500 people attended the event, either in person or virtually, to learn more about the topic.

To open the day, Canada’s Minister of Innovation, Science and Industry, the Honourable François-Philippe Champagne, discussed the government’s plans for the future of competition policy. The remainder of the day featured seven sessions where domestic and international experts explored how competition considerations can be factored into policy development across all levels of the Canadian government, along with other relevant topics.

Five key takeaways were identified at the 2023 Summit.

KEY TAKEAWAY #1: Competition can help bolster the economy and productivity in Canada

The Centre for Productivity and Prosperity (HEC Montreal) researched the link between Canada’s declining productivity and the lack of competition in the country. They studied key indicators to assess the competitive pressure among businesses, including public policies and regulations. These indicators seem to suggest that businesses in Canada don’t feel sufficient pressure to be more productive. Their findings echo the ones from the Bureau’s recent [competitive intensity report](#) and the OECD’s most recent [survey](#) on product market regulation in Canada. More competition would benefit consumers (e.g. lower prices, higher product quality), as well as strengthen businesses (e.g. efficiency, greater resilience, ability to compete with businesses elsewhere in the world) and the overall Canadian economy.

It was noted that, in the United States, similar [studies](#) were released during the Obama administration. Some of the studies indicated that American concentration and non-competition levels were at all-time highs, while the American economy was experiencing weak growth and stagnant wages. To rebalance the economy, competition was identified as one of the key answers.

Several reasons to be optimistic about Canada's economic potential were noted, including a dynamic labour force, high education levels, inclusive participation by women in the workforce, favourable demographics and natural resources. Strengths in emerging sectors – like artificial intelligence, biotech, and quantum computing – were also mentioned.

“When you line up [competition] indicators one after the other and they all point in the same direction, you have to ask yourself questions.” [Translation]

– **Robert Gagné**, Director, Centre for Productivity and Prosperity, Walter J. Somers Foundation, HEC Montreal

KEY TAKEAWAY #2: Canada has a lot to learn from other countries on developing a whole-of-government approach to competition

A recurring theme at Summit 2023 was how much Canada can learn from the experiences of our international partners like the United States, Australia, and the United Kingdom.

The recent experience of competition revival in the United States was discussed at length. We heard about six important elements that Canada can learn from:

- 1) **Political support at the highest levels is important.** It's important to have people in senior positions in the government (i.e. from the White House – or the Prime Minister's Office in Canada) responsible for coordinating and prioritizing competition policy.
- 2) **Appoint enforcement officials who have the courage to make changes.** In the US, this meant appointing those who would execute the innovative program that the President was looking for and not necessarily those that you would expect be appointed.
- 3) **Initiate an aggressive whole-of-government approach to antitrust policy.** In July 2021, the President issued an [Executive Order on Promoting Competition in the American Economy](#) with 72 directives. It established a White House Competition Council within the Executive Office of the President to coordinate, promote and advance these efforts.
- 4) **Appoint members of the judiciary who are more conscious of economic justice issues.** In the US, judges who have clear and strong views about antitrust were appointed.
- 5) **The antitrust revival was an internal and external government initiative.** It's important to have the engagement of a broad spectrum of stakeholders, including academics, civil society, politicians and policymakers.
- 6) **Be aware, it's a long process.** It took the US about 10 years to get where they are today, and there is still work to be done.

Speakers throughout the day also mentioned other countries as examples. Pro-competitive initiatives – like the [UK's open banking](#) and [Australia's data portability](#) frameworks – could help unlock competition in many areas of Canada's data-driven economy. The government could also look at the work done by Australia, New Zealand and the European Union on easing trade barriers

by creating internal markets. This would help interprovincial trade barriers within the country, which many speakers mentioned as a significant barrier to competition in Canada.

“A real key to making this competition project work was having all the agencies who influence competition be involved. The key to it was having the heads of agencies come [to the White House] every 6 months to meet with the President in a somewhat public Competition Council meeting and share what they’ve done lately.”

– **Tim Wu**, Julius Silver Professor of Law, Science and Technology at Columbia Law School and the former White House Special Assistant to the President for Competition Policy

KEY TAKEAWAY #3: With competition becoming a “kitchen-table” issue in Canada, we must seize this opportunity to enact pro-competitive reform

During Summit 2023, we heard about barriers to competition created by certain government policies, such as foreign ownership restrictions, supply management regimes and interprovincial trade barriers.

Speakers mentioned that Canadian regulatory frameworks in many areas are not competition-friendly. In the financial sector, for example, businesses have to deal with a highly complex regulatory environment.

“We’ve got to make sure that on the one hand, we balance things out [regarding the regulatory framework]. On the other hand, we make it easy for Canadians to use the financial services they want to use to do what they need to do.”

– **Edward Kholodenko**, President & CEO, Questrade Financial Group

Interprovincial trade barriers were another area discussed by speakers. Provinces and territories often impose duplicative regulatory requirements on businesses, which can impede their ability to compete on a national scale. Canada could benefit from a more harmonized regulatory approach in many areas, especially interprovincial trade. Many speakers advocated for less regulation. They mentioned that regulators need to be careful about regulatory capture, where regulations benefit the regulated sector more than the public interest.

Another consideration raised was how competition assessments might be used. Creating an independent organization, whose role would be to conduct competition assessments on government policies was recommended. The Bureau has done some work in this area with the publication of a [step-by-step guide to competition assessment](#) on its website. Another suggestion was to complete a retrospective competition assessment to understand barriers to entry and why businesses are leaving Canada.

Finally, speakers mentioned that competition policy is just one part of the solution. We need other measures, including a strong competition enforcement framework, to make sure that we don't have overly concentrated industries and dominant players that abuse their power.

KEY TAKEAWAY #4: Canadians want and need more pro-competitive programs in order to reap the benefits of competition

The public's interest in competition is at an all-time high. Speakers believe that this awareness was likely brought about by affordability challenges, international developments and recent, high-profile, domestic competition cases.

At Summit 2023, we also heard that:

- [Canadians want more competition](#), and they believe [the government is not doing enough](#).
- Competition-based conversations must be public and become a part of the broader political process.
- Political efforts to spark change often occur at the margins and target sector-specific issues. We need more economy-wide political efforts to stimulate competition.
- It's important to use plain language to make technical concepts accessible to the general public. This will allow a more inclusive conversation about what the future of competition policy should look like.

As some speakers mentioned, we need a "competition culture" among policymakers, consumers and businesses, to make long-lasting and meaningful changes happen.

"People are interested in [competition and monopolization] from all across the political spectrum. If you go on Twitter, Reddit or comment sections of newspapers, you'll find people having long discussions about competition and monopolization on stories that are totally unrelated. I think right now this is resonating with people like nothing I've seen before, and it's folks from different sides – but especially younger Canadians."

– **Arshy Mann**, Podcast Host & Producer, Canadaland

KEY TAKEAWAY #5: It's essential to identify and publicize competition issues that are important to Canadians

Competition policy may not always be at the forefront of political discourse. However, it can gain attention when specific issues – such as telecom rates or grocery prices – become more important to consumers or businesses.

To achieve this, proactive initiatives – like conducting market studies, partnering with think-tanks and universities, and collaborating with stakeholders – are essential. These actions can help raise awareness about competition-related matters and ensure they align with the issues that Canadians care about, ultimately shaping government priorities.

“I would be very proactive by stirring the pot with market studies and partnerships with think-tanks and universities, and working with willing partners to raise the issues and call out anticompetitive behaviors and issues and try to tip the scale a little bit in favour of competition. There will be allies out there. People that care about these issues need to step up and be proactive, make the case for it. If you are passive and sit back, then the anticompetitive stakeholders will prevail.”

– **Michael Wernick**, Jarislowsky Chair in Public Sector Management, University of Ottawa; Former Clerk of the Privy Council and Secretary to the Cabinet of Canada

Conclusion

At Canada’s Competition Summit 2023, we heard different perspectives and experiences of thought leaders from the public, private, and academic sectors. It was a great opportunity to learn how to drive competition forward in Canada. But it was just the beginning.

We need to work together to hardwire competition principles into government decision-making.