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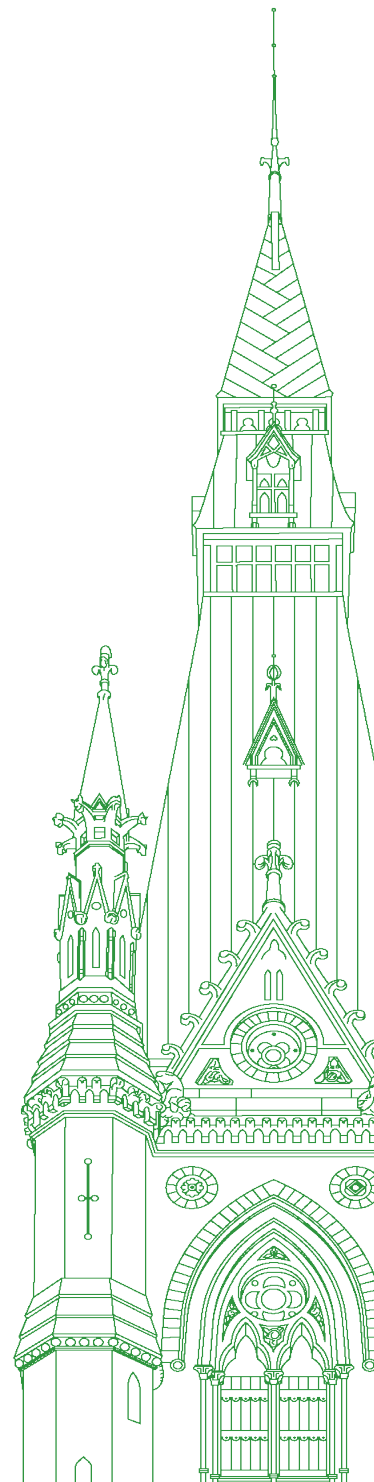
Standing Committee on International Trade

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Thursday, April 16, 2026

Chair: Judy A. Sgro



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• (1105)

[English]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): I'm calling the meeting to order.

This is meeting number 31 of the Standing Committee on International Trade.

You have received a draft study budget for the free trade within Canada study. Could we adopt that before I start with witnesses?

Some hon. members: Agreed.

The Chair: Pursuant to Standing Order 108(2) and the motion adopted by the committee on Thursday, February 12, 2026, the committee is commencing its study of free trade within Canada.

We have with us today, from the Canadian Federation of Independent Business, Corinne Pohlmann, executive vice-president, advocacy. Welcome back to our committee.

From Manufacturiers et Exportateurs du Québec, we have Julie White, president and chief executive officer, by video conference.

From QSL International Ltd., we have Robert Bellisle, president and chief executive officer, by video conference.

Welcome to you all.

We will start with opening remarks.

Ms. Pohlmann, I invite you to give opening remarks of up to five minutes, please.

Corinne Pohlmann (Executive Vice-President, Advocacy, Canadian Federation of Independent Business): Thank you for the opportunity to be here today to speak about the state of internal trade in Canada.

The Canadian Federation of Independent Business represents more than 103,000 small and medium-sized companies across every sector of the economy and every region of Canada. For our members, internal trade barriers affect their ability to grow, hire, move goods and compete every single day.

Our latest internal trade survey shows that 63% of smaller firms have sold goods or services, or purchased goods or services from another province or territory in the past 12 months, with about three in four stating that they would likely expand to new or additional markets across Canada if internal trade barriers were reduced.

CFIB's interprovincial trade report card from 2025 and our progress report from earlier this year show that Canada has finally

begun to make meaningful headway. In fact, more progress was made in 2025 than in the eight years following the signing of the Canadian Free Trade Agreement in 2017. Governments deserve recognition for that momentum.

Our message to you today is straightforward: Small businesses still do not experience Canada as one open domestic market. Much of the recent progress remains uneven, incomplete and fragile. Let me highlight a few key barriers that remain.

First, Canada is still operating as a patchwork of rules rather than as a single economy. Mutual recognition has been a major focus, and that is welcome. However, what CFIB hears from business owners is confusion. As of today, mutual recognition may exist in principle, but does not exist consistently in practice. Many provinces have adopted it with different scopes, different exclusions, additional paperwork and, in many cases, with reciprocal requirements attached. The result is that a product or service that is legal in one province often still needs to be reapproved in another. From a small business perspective, that's not real mutual recognition. It's old barriers wearing new labels.

Second, major sectors that matter most to small businesses remain excluded or are only partially addressed. This includes services, food, alcohol, and labour mobility, which are repeatedly identified in CFIB's research as some of the most persistent and costly internal trade barriers. This includes small business frustrations with differing occupational and health standards and safety equipment and needing to register in multiple worker compensation boards across the country.

Alcohol is another clear example. Businesses were told that direct-to-consumer shipping would be allowed, yet with the implementation deadline just a month away in May, most provinces have made little visible progress, with the exception of Manitoba and New Brunswick. That uncertainty is holding back investment and growth, especially for small producers.

The third barrier is that labour mobility continues to be undermined by regulatory duplication. Small businesses continue to face delays when hiring across provincial lines because of inconsistent certification requirements, duplicative paperwork and slow approval processes. CFIB's members tell us that this adds time and cost in a moment when skilled labour shortages remain a serious challenge. Internal trade reform will not succeed if workers still face barriers to moving to where the jobs are.

Finally, there's a lack of clarity and transparency for businesses on the ground. Announcing agreements or signing MOUs is not enough. Small business owners need to know what has changed, when it will change and how it applies to them. Too often the reforms are announced with no clear timelines, no plain language guidance and no accountability for results.

What does CFIB believe needs to happen next?

First, governments must fully and consistently implement pan-Canadian mutual recognition without reciprocal conditions and with very limited exceptions. Mutual recognition must be clear, automatic and enforceable or it will not deliver results.

Second, mutual recognition must be expanded to cover services, food, alcohol, and labour mobility. These are not small issues. They are central to the Canadian small business economy.

Third, governments need to publish clear implementation plans, including timelines, sector-by-sector coverage and practical guidance for businesses. If small businesses cannot see the change, it may as well not exist.

Finally, governments must avoid replacing old barriers with new ones. Pilot projects, carve-outs and slow phase-ins risk recreating the same fragmented system that has held Canada back for decades.

I think it is well understood that eliminating internal trade barriers is one of the fastest and most effective ways to improve productivity, competitiveness and economic resilience. We believe that Canada is closer than ever to achieving genuine free internal trade, but we're really not there yet.

Small businesses need governments to move from momentum to results and from announcements to implementation, so they can start to feel the impacts on the ground and can more easily operate and grow their businesses.

Thank you. I look forward to questions.

The Chair: Thank you very much.

Ms. White, it's on to you for up to five minutes, please.

[*Translation*]

Julie White (President and Chief Executive Officer, Manufacturiers et Exportateurs du Québec): Thank you very much, Madam Chair.

I would first like to thank you for giving me the opportunity to bring the voice of Quebec manufacturers to this committee today.

Manufacturiers et Exportateurs du Québec, or MEQ, is a business association that is obviously dedicated to growing Quebec's

manufacturing sector. Our association represents businesses of all sizes from all manufacturing subsectors in all regions of Quebec.

We represent members' interests, and we support them when it comes to challenges related to labour, competitiveness, innovation and exports. We're also a member of Canadian Manufacturers & Exporters, the trade and industry association founded in 1871.

First of all, it's important to remember that the manufacturing sector is a pillar of Quebec's economy. It ranks first among all sectors based on its weight in the gross domestic product, or GDP, and it contributes 12.3%. We employ over 501,000 Quebecers. We represent more than 86% of exports and we bring together more than 13,600 businesses. The latest data show that we generated over \$219 billion in overall sales. We are at the heart of the economic vitality in many regions of Quebec.

Unfortunately, of all the sectors, manufacturing has been hit hardest by the trade war. A recent study by Desjardins also showed that Quebec was more affected by this situation than the other provinces. For our members, this is a perfect storm that we must fight to remain competitive and get through this period of economic uncertainty.

At a time when we're facing geopolitical upheavals that we are not on top of, it's essential to focus on solutions that we are on top of in Canada.

We've had the opportunity to talk about these various solutions on a number of occasions, but facilitating free trade within Canada is clearly one of them.

Let's face it, this is not a new request from the economic realm. Provincial and federal governments of all stripes have been promising to move forward in this area for decades.

All good crises create opportunities, and we need to seize this opportunity to resolve this issue. We were talking about these challenges during the pandemic. However, no significant short-term changes ensued. If we don't make all the changes needed right now, they will very likely never happen. I agree with what my colleague said earlier, that the past few months have been key and we must continue in that direction.

When we talk to our members about irritants related to inter-provincial trade, it's important to tell you that the top irritant is transportation and the supply chain. Mr. Bellisle can talk about that later, but I thought it was important that I point it out. It's a major obstacle to maximizing the opportunities we have here in Canada. For example, I'm told all too often that it's much easier to send products to Florida from Quebec than from the Prairies. This is due to the availability of road infrastructure, differential trucking regulations, the resilience of our rail system and the lack of optimization of the St. Lawrence—Great Lakes corridor.

We've noticed, particularly since the last budget was announced, that significant progress has been made on some of those points, including the designation of the Contrecoeur project concerning the Port of Montreal, the money provided for port investments and the desire to establish a new container terminal in Quebec City with QSL.

That said, a number of projects have been dragging on for a long time, and they deserve to move forward quickly. If these projects had been ready prior to what we're experiencing now, they could have had an impact on the current economic benefits.

We mustn't let our drive to move forward on this issue falter. We really need to continue to speed up our efforts.

As for trucking, we remind you of the importance of ensuring more fluidity to reduce transportation times. Mutual recognition of regulations would be a good way to get there.

In that regard, in Quebec, we note that a law has been passed to apply mutual recognition of other provincial regulations to facilitate interprovincial trade. In addition, the act is simple.

It's unrealistic to think that we can harmonize all regulations in all provinces in various fields across Canada, particularly because of the very nature of our federation and the unique features of the various provinces, including French in Quebec. It's possible to simply and easily recognize the regulations of the other provinces.

• (1110)

That applies not only to trucking, but also to a differential set of regulations. Take the manufacturing sector, for example. We represent a lot of manufacturers in the food sector, so that's one of the points we have to look at.

The federal government should take a leadership role in this situation to ensure that everyone follows suit. It should also follow suit itself with respect to added regulations on top of certain provincial ones.

Today, our main recommendation is to accelerate things in this area, ensure the continuity of investments and speed up investments in the logistics chain to ensure that our Quebec manufacturers can better take advantage of all opportunities across Canada.

Thank you for your attention. I look forward to your questions.

[English]

The Chair: Thank you very much, Ms. White.

Mr. Bellisle, you have five minutes. Go ahead, please.

• (1115)

[Translation]

Robert Bellisle (President and Chief Executive Officer, QSL International Ltd.): Madam Chair, members of the committee, as president and CEO of QSL, I would like to thank you for this privilege to share our perspective on the essential role of marine transportation in the Canadian economy and to highlight how our sector is adapting to the current challenges and opportunities in the context of interprovincial trade.

[English]

I will speak to you today about the essential role of maritime transportation in Canada's economy, and more specifically about its importance to interprovincial trade, supply chains and competitiveness.

Maritime transportation is not a niche sector. It's a strategic pillar of our economy. Nearly 80% of the goods Canadians use move by ship at some point in their journey. While only about 5% of our trade with the United States is carried by marine transportation, half of Canada's total imports and exports rely on marine transportation shipping, whether it's finished goods, raw materials or critical industrial inputs. All of these are central to productivity, value creation and Canada's economic sovereignty.

Four major gateways structure our trade flows in North America: the east coast, the Pacific coast, the Gulf of Mexico and the St. Lawrence River-Great Lakes corridor. These corridors do not simply move goods; they support entire industrial ecosystems across both nations and their provinces or states.

QSL is a maritime company based in Quebec that operates in more than 66 port terminals across Canada and the United States, with over 2,000 employees. In Canada, we operate in Quebec, Ontario, New Brunswick, Nova Scotia and Newfoundland. From this vantage point, we see in real time how global economic shifts translate into pressures and opportunities for Canada.

We are currently witnessing significant changes across key sectors. Steel volumes have declined at several Canadian ports, reflecting the slowdown in the automotive sector and in parts of construction. In contrast, aluminum shipments, which once moved by rail to the United States, are now shifting modes and sailing to Europe. At the same time, the wind energy sector has experienced strong growth across Ontario, Quebec and the Atlantic provinces, with components and blades arriving from Europe and Canadian plants moving across the St. Lawrence River, a strategic corridor for the energy transition, while other wind projects are idling in the eastern United States.

The bulk sector, including infrastructure materials and critical minerals, is highly sensitive to geopolitical dynamics, investment cycles and commodity price fluctuations, with the exception of certain essential goods, such as sugar and road salt, which Canadians and Canadian industries rely on daily. The container sector, by contrast, is driven primarily by import and export volumes, with shipping routes shaped by trade flows and terminal handling costs. Maritime transportation plays a critical role across both sectors by offering flexibility and scale. When it operates efficiently, it lowers costs, strengthens supply chains and delivers tangible benefits for businesses and consumers alike.

This brings me to the role of the federal government. It controls several key levers, notably the Canadian port system, border services and aspects of the regulatory framework. It is therefore essential that it be effective in what it already controls. Recent federal programs supporting port infrastructure are welcome and long awaited. The policy direction is correct. The challenge is now execution, and execution must happen faster. The timing could not be better. The maritime sector is currently aligned, mobilized and supportive of the initiatives under way.

This level of alignment across our supply chain is rare and represents a real opportunity to move projects forward efficiently and deliver tangible economic results. However, lengthy consultation and permitting processes, whether environmental or regulatory, remain a major obstacle. These processes are costly for governments but even more so for businesses, particularly when timelines stretch over many years. Respecting environmental and regulatory requirements is not in question, but there is clearly room to streamline processes, reduce duplication among federal organizations as well as provincial and public entities, and shorten timelines without compromising standards.

[Translation]

To illustrate this, we kicked off a terminal project in Sorel-Tracy in 2020. Six years later, consultations are still ongoing, and approvals are pending. One can only imagine the economic benefits that this project might have generated.

[English]

The Chair: Excuse me, Mr. Bellisle. Could you wrap up in your last 30 seconds, please.

Robert Bellisle: Yes, absolutely.

[Translation]

The same goes for the request to designate the Port of Québec in Quebec City as an international container port. Naturally, we know that there are no environmental constraints, that no public funding is needed, and that the project would immediately free up a meaningful capacity to process international containers, while also improving productivity through economies of scale.

The St. Lawrence River is a natural strategic axis for short sea shipping between Atlantic Canada, Quebec and Ontario.

I will close by saying that, if we want to keep Canada competitive and face up to today's geopolitical requirements, interprovincial trade is crucial and we absolutely must ease regulations.

• (1120)

[English]

The Chair: Thank you very much.

We'll move on to our members.

Go ahead, Mr. McKenzie, for six minutes, please.

David McKenzie (Calgary Signal Hill, CPC): Thank you, Madam Chair.

Ms. Pohlmann, I will start with you.

The Canadian Free Trade Agreement entered into force on July 1, 2017. Its objectives generally were the improvement of internal trade in Canada.

As I understand it—and I have the benefit of some great research by the support people here at the House of Commons—two bodies were created. The CFTA, the Canadian Free Trade Agreement, established the committee on internal trade and the regulatory reconciliation and co-operation table. Both of those are governmental bodies.

I wonder if you have any insight into what they're producing and their effectiveness. Are they resulting in actual benefits in reducing barriers to internal trade?

Corinne Pohlmann: It's an interesting question.

We were big proponents of the Canadian Free Trade Agreement and had a lot of hope that it would lead to something. We have worked often with the people who are part of the regulatory co-operation table, the people in the civil service of the various provinces and the federal government who work together.

What I think happened, in my opinion.... They're both still active. They both still meet on a regular basis. They don't necessarily consult with the industry much, though we force ourselves into the conversation. They really were focusing on harmonization. They would focus on very specific measures and then work for what seemed like two or three years on trying to harmonize this one very specific measure.

Progress between 2017 and 2025 was extremely slow. I think they had a list of maybe 40 or 50 areas, and they maybe achieved harmonization on about 15. Then, of course, it would go to the provinces for ratification and that would take.... It was just a very lengthy process, with very little to show from it.

I think the idea was right, but maybe the mechanism of trying to harmonize was not necessarily the most effective and expedient. Hence, we have been big fans of mutual recognition as a means of getting there more quickly. Potentially harmonize as you go as well, but the mutual recognition is absolutely important in order for us to move towards that one domestic economy that I think we all see as being important.

David McKenzie: For clarity, mutual recognition means that our standards may not be the same, but we recognize what one province is doing in another province.

Corinne Pohlmann: That is correct, exactly. Your rules are this, our rules are this and they both seem to be working in our jurisdictions. We're going to recognize the company that has abided by your rules to do that in our province and not make them go through a whole new process or buy a whole bunch of new equipment.

David McKenzie: It sounds horribly logical. Sometimes that's a rare commodity here in government.

One of the things that comes out of a bit of a time frame that I have in front of me, respecting some efforts being made by the federal government, is, most recently, establishing a Canadian internal trade data and information hub. The federal government has been undertaking some efforts to create platforms to share internal data.

Again, this is not something your group is perhaps working on or responsible for in any manner. Do you have any insight as to whether this effort is working?

Corinne Pohlmann: I don't have as much insight on that.

We have been pushing them to have more data to understand where the progress is being made and what the actual data is telling us, because it was being done kind of ad hoc before that. I think data is what's important to really know if you're making any progress. That was a bit of why it was established, I think.

I don't know how well it's been working or what the data is showing at this point, but again, I think that in concept it's not a bad idea as long as it's producing the information on a timely basis and not two years later.

David McKenzie: Labour mobility has been a key issue, a key barrier to improved internal trade in Canada. Are we seeing progress on that? In particular, last year, the federal government made what I will characterize as another push on this front.

Corinne Pohlmann: There are improvements. Some provinces have made certain changes that have made some improvements in certain sectors, but generally speaking, we still hear about it being an issue. Obviously, in the professional realm, it can be a real issue because you have the colleges of each province that have different rules and regulations. There has been a little bit of progress here and there in various provinces to reduce some of the timelines.

In addition to that, a tradesperson with a Red Seal can work anywhere they want, but if they're in the process of getting trained, their training will look different from province to province. If they want to move while they're training, they may have to start all over again.

These are some of the little things that cause delays and make it much more difficult for people to move from one place to another where the jobs may be.

• (1125)

David McKenzie: Very often at this committee the devil is in the details. That's a perfect example of that.

Mr. Bellisle, is your company involved at all in the shipment of crude oil by tanker?

Robert Bellisle: Indirectly we are, because we have the largest shipping agency on the eastern seaboard so we do have contracts as ship agents for large companies that are in that market.

David McKenzie: I'm aware that crude oil moves by oil tanker from Montreal to Lévis, just outside of Québec City. That product, as far as I understand it, is refined there.

Are you aware of particular safety issues with that? This is an issue of concern for people in my constituency of Calgary Signal Hill because, of course, Alberta produces a great deal of crude oil and we'd like to ship more of it to the west coast. Safety of maritime shipping is a real concern.

Robert Bellisle: I can speak to two points on that.

One of the companies that does the shipment is Desgagnés, which I know personally. They're a large customer of ours. Safety is at the absolute forefront on their side. Valero, which is the refinery that operates, has safety at its absolute forefront as well. We're in good hands with those two companies in particular.

The Chair: Thank you very much.

Mr. Fonseca.

Peter Fonseca (Mississauga East—Cooksville, Lib.): Thank you, Madam Chair.

Welcome back to Ms. Pohlmann and the other witnesses.

In your opening statement, you mentioned that Canada has accomplished more in this last year in reducing interprovincial trade barriers than over the last eight years. That is great to hear. I know this has been a top priority for our government. All that are federal interprovincial barriers have been eliminated. I understand there are about 53 that have been eliminated. To help the provinces they've taken that leadership role as a catalyst of being able to see more of those barriers being eliminated across provinces.

You also said that there is still this patchwork of rules rather than one economy, and that old barriers are wearing new labels. We heard from MP McKenzie about the information hub and keeping tabs, keeping a score card.

Does the CFIB keep a score card in terms of what your top priorities are and how they're being addressed on interprovincial trade?

Corinne Pohlmann: In fact, we do an interprovincial trade report card. This is from 2025. We're in the process of doing one for 2026. This year will be our fifth year in a row where we actually try to track a series of indicators by province and through the federal government—we don't exclude them from that—on how they're moving forward in certain areas.

It's always a tricky thing to go through because you're picking and choosing those indicators that make the most sense when it comes to interprovincial trade. We have things regarding political leadership and progress on certain specific areas, whether it be labour mobility or, as I said in my remarks, recognizing the occupational health and safety standards of each province. These are the types of things we look at from year to year.

We've seen, through our own interprovincial trade report card, good progress by each province based on the initial indicators. We're actually in the process of changing those indicators to now make it clear that we need to see progress on the ground. It's good that we've made some progress on some of these things, but now we need to make sure that it's translating on the ground and that there's some consistency in how these new initiatives are going to be applied.

Peter Fonseca: Thank you for that.

To the SMEs that you work with, being a pan-Canadian organization, it's so imperative that you do that work, that you advocate for reducing these interprovincial trade barriers we have.

When it comes to the cost, and I'm sure that's what your members bring up, what are some of the single most expensive barriers that your members experience between provinces?

Corinne Pohlmann: Again, that's a very challenging question to answer. It really will depend on the sector you're in and what sorts of barriers you're facing from one province to the next. Most consistent, of course, are those I talked about—certain types of services, certain types of labour mobility in terms of bringing people from one province to another, and having to re-register at a workers' compensation board. If you're already in one, you have to re-register those people in another one even if they're only working for two or three months in that province.

It's a series of things that just add up. It becomes a cost of doing business, but we just know that it's adding up. We've seen many estimates out there of how much that could be reduced cost-wise if we actively eliminated some of those irritants that seem to happen right across Canada. It's hard to say; there's not one specific thing but a whole series of things. It will also change from sector to sector.

• (1130)

Peter Fonseca: In those conversations with those provincial ministers, what do they say? What are their barriers? What is impeding their progress?

Corinne Pohlmann: It's a great question. Everybody seems to say the right thing, but when they come down to actually creating, for example, a memorandum of understanding, as we had many provinces do last year, only two provinces actually did it unilaterally. They put the legislation in where they will work with every other province in the country. They don't need to have a reciprocal arrangement. That was Quebec and British Columbia. All the others have reciprocal arrangements. You have an MOU with Ontario and Nova Scotia that they would work with each other.

That made a huge patchwork. From a small business perspective, let's say I'm an Ontario company and I want to do work in Nova Scotia, Manitoba and Alberta. Do we have arrangements with those

other four provinces to the same degree? It actually adds even more complexity to the whole thing. The mutual recognition agreement on goods which was just announced was good. It was something we really welcomed. All the provinces seemed to sign on to it. It's supposed to come into effect by June. We're again hoping to see that this may be for the good side of the equation and will help alleviate some of this reciprocity stuff that was happening, which was really confusing.

Again, we'll have to wait and see, because we see a lot of provinces put in exceptions, "All this, yes, but not this." It sounds a lot like what we've been going through. The devil is in the details, so as we sit on the other side of it here, we'll have to see what it looks by the end of the year, once these agreements are theoretically in place.

Peter Fonseca: We want to see our businesses be able to scale up. As they try to do that and you see these barriers in front of them, do they come to you and say what's impeding their progress and what's stopping them from being able to scale? We're always talking about scaling with the diversification of trade, and we talk a lot about international trade, but even within Canada, where the opportunity really does lie, what is it that is stopping them from being able to scale?

Corinne Pohlmann: It can be any number of things. It can be having to recertify the product they're trying to sell into another province. It can be that they need a specific type of skill set that they can't find in their community. They have to bring somebody from another province, but now that person can't work right away. They have to wait for six months for them to get recertified.

It can be other very specific small things. If you're in the alcohol trade, for example, and you're a small wine grower or a small beer brewery, it's very, very challenging to be able to get outside of your own province. That's one of the biggest barriers in that industry. I think it's the most visible for folks, but it's not the only one facing those kinds of barriers.

The Chair: Thank you very much.

We'll go to Monsieur Savard-Tremblay for five minutes.

[Translation]

Simon-Pierre Savard-Tremblay (Saint-Hyacinthe—Bagot—Acton, BQ): Thank you.

I'm going to start by asking all our witnesses questions about a very simple issue.

When we talk about lifting interprovincial barriers, all kinds of proposals are made. "Barrier" is a bit of a catch-all, by the way. Our committee is in a good position to know what it means. It can be anything and everything.

For example, we've often addressed the issue of non-tariff barriers, whether in the context of international free trade or interprovincial trade. We don't talk about tariffs, but about policy, regulations or ways to limit trade in one way or another.

On this committee, we've often talked about tariff barriers imposed by the European Union. It's not because there are tariffs, but because policies are being invented in terms of scientific or phytosanitary standards, in this case. Conversely, there are Canadian barriers on European electric cars. Anyhow, it's somewhat of a general term.

I support that, as a matter of principle. I'm here out of sympathy. What I have a problem with is this situation possibly undermining the Quebec model and Quebec's distinct nature.

We've often talked about professional orders when it comes to tariff barriers. Does everyone here agree that it's perfectly legitimate to put regulations in place?

Do you agree that the professional orders whose members practise their profession in Quebec can't disregard the knowledge of French requirement that's in effect in the province?

I invite each of the witnesses to answer those questions.

• (1135)

Julie White: I can start, if that's okay.

Simon-Pierre Savard-Tremblay: Okay.

Julie White: Obviously, the issue of interprovincial barriers is a broad one. I agree. That's why each province's model must be taken into account. We're in a federation, and we don't all have the same concerns. We agree that we have to work to build a stronger Canada-wide economy, but we still have to take into account certain aspects that are specific to each province. We have to take into account the requirement related to French in Quebec, but Quebec also has other unique features.

We rely heavily on the issue of mutual recognition. We think it's the way to go to preserve these concerns from one region to another.

Barriers can be related to credential recognition. There may be ways for professional orders to be more agile. The issue of professional orders has long been a major concern. It still is. For example, the Ordre des ingénieurs du Québec has made a lot of progress in this area in the manufacturing sector.

However, there's no doubt that professional orders, as a whole, are not necessarily extremely agile when it comes to recognizing diplomas beyond the specificity related to French. So it's important to work with them to speed things up, because we do have major concerns about certain trades.

Simon-Pierre Savard-Tremblay: Do you agree that it's legitimate to keep the requirement related to knowledge of French?

Julie White: We're not criticizing the French language. It's one of Quebec's unique features. That doesn't mean that the professional associations can't be more efficient than they are at the moment in terms of recognizing diplomas and speeding up the processing of files. That's one of the very big problems with this issue. It's not just about French.

Simon-Pierre Savard-Tremblay: Thank you.

Mr. Bellisle and Ms. Pohlmann, what do you think?

Robert Bellisle: The Government of Canada has port authorities, and they cover several provinces. As far as our company is concerned, within those provinces, our activities are carried out according to a common vision, and that is to align our requirements with those set in the provinces.

For example, we're headquartered in Quebec City. Although we operate our business under a federal banner, we adhere to the recommendations of the Office québécois de la langue française.

I think the two aspects can coexist. We have to work within a system. At the same time, we also have to be responsible and align ourselves with the stakeholders in the region in which we work.

Simon-Pierre Savard-Tremblay: Ms. Pohlmann, what are your comments?

[English]

Corinne Pohlmann: Yes, I would say that I very much agree with my colleagues here. We did say "limited exceptions". We didn't say "no exceptions" when it comes to what provinces can do. For me, the language of Quebec is French. Therefore, if you're going to be moving into the Quebec market, you should be able to function in French.

However, there are going to be points where you're going to need certain expertise and the ability for those people to work in Quebec is also important, even if they don't speak French, because you can't find that particular expertise in Quebec.

It's about making sure that you have the flexibility and the ability to ensure that you're bringing in the best people to do the job and to grow the economy, whether it be Quebec or elsewhere in Canada. That's really what we're trying to do here.

Quebec's working language is French. Everybody knows that. I don't think that's going to be an issue for our organization or anybody else's that it continues to be something important.

[Translation]

Simon-Pierre Savard-Tremblay: So you think that the way Bill 101 currently applies to professional orders operating in Quebec is legitimate. We can keep it that way.

Is that correct?

[English]

Corinne Pohlmann: I don't know all of the details of Bill 101 to say that, in actual fact, this is the case, but I do think it's important that anybody who is going to be moving into the Quebec market understands that it is the working language of Quebec, and therefore, the French language would be something that you should be able to use. I also feel there needs to be flexibility on the Quebec side, where you need those people who have the special skills in order to advance your economy.

The Chair: Thank you very much. I'm sorry. Your time is up.

We'll go to Mr. Mantle, please.

You have five minutes.

Jacob Mantle (York—Durham, CPC): Thank you, Madam Chair.

Thank you to our witnesses for their appearance and their valuable testimony.

Ms. Pohlmann, as of today, in your opinion, do we have free trade in Canada?

• (1140)

Corinne Pohlmann: I think my remarks made it pretty clear that as of today, right now, we are not working as one domestic economy, not at this point.

Jacob Mantle: We are not one Canadian economy, yet.

Corinne Pohlmann: No, I would say we're not, yet.

Jacob Mantle: Thank you.

Mr. Bellisle, I'll ask you the same question.

In your estimation, as of today, do we have free trade in Canada?

Robert Bellisle: I'll say it the same way, but in a different way.

It's funny that Canada has 50 free trade agreements around the world with one missing, I think, to make it 51, that magical number, and I think it's the interprovincial one.

Jacob Mantle: Thank you.

Ms. White, it's the same question for you.

In your estimation right now, do we have free trade in Canada?

Julie White: Well, I will say something similar to what my colleagues said.

[Translation]

The provincial governments and the federal government have expressed goodwill. However, there's still a lot of work to do to facilitate opening markets. So things are not perfect right now.

[English]

Jacob Mantle: Thank you.

Ms. Pohlmann, you mentioned several of the MOUs that have been signed among provinces. As I understand them, those MOUs are non-binding. Am I correct in that understanding?

Corinne Pohlmann: That is my understanding as well, which is why, for us, there's a lack of accountability here. If promises aren't fulfilled, there's no accountability for that.

Jacob Mantle: Would you be in favour, then, of commitments that are more legally binding among the provinces and between the provinces and the federal government?

Corinne Pohlmann: Yes, I think so. There needs to be some sort of mechanism so that, for example, if a business owner thought their goods should not have to be recertified, for example, they would have a mechanism they could go to to say that they thought this was going to be recognized in both places, but instead they were fined. That sort of system doesn't really exist in its current form.

Jacob Mantle: Mr. Bellisle, if I could paraphrase your comments, you made a comment in your opening remarks about the importance of logistics in the context of free trade in Canada, because if you can't move your goods somewhere, you can't sell them to your customer.

As someone in the port industry and port logistics, you mentioned your container terminal. I think you said it took six years to get it permitted. Is that right?

Robert Bellisle: Sorel is the one that's at the six-year mark and not yet permitted. With the Port of Quebec, we're three years into the process to have customs agency clearance.

Jacob Mantle: I understand that it's over 10 years for Roberts Bank terminal 2 on the west coast of the country, and they're still fighting about that now, so it's been three years, six years and 10 years.

Are those acceptable timelines for critical infrastructure like a port?

Robert Bellisle: The geopolitical landscape is moving at an extremely rapid pace. Just look at our cross-border economies, if you wish, and see how they've changed. We need to make sure that businesses can move at that same speed, so definitely we need to get the execution to go much faster. There are ways to get there much faster while still keeping safety and the environment at the forefront.

Jacob Mantle: Thank you.

Ms. Pohlmann, I'd be remiss if I didn't ask you about other activities that the CFIB undertakes, including its Paperweight Award and other awards that identify areas where the government could do better.

One of the ones that I think you handed out this year was to the CBSA, once again, for its customs and revenue management system. Could you explain why you gave them the Paperweight Award again this year?

Corinne Pohlmann: CARM, as it's known by most folks, was fully implemented in 2025, right when the tariffs were being implemented, so it added another layer of complexity to what was already going to be a fairly complex system.

As many of you know, it was meant to make things easier when you're importing products into Canada. However, they instead ended up changing some of the rules. They made it quite complex to register for the system. They added a security component to it that had never been there before that was adding costs to small businesses.

We continue to get complaints about the difficulty of using the CARM system to this day. It was a bit of a nightmare scenario when it was fully launched, which I think was last May, around the time when tariffs were at their peak.

The Chair: Thank you very much.

Please go ahead, Mr. Naqvi, for five minutes.

• (1145)

Yasir Naqvi (Ottawa Centre, Lib.): Thank you very much, Chair.

Thank you to all the witnesses for attending this very important discussion and providing your perspectives.

Ms. Pohlmann, I thank you for your testimony and the reports that you generated at the CFIB on the state of internal trade. It's an issue that I've been working on for some time.

I'd like to focus our discussion on the role of the provinces and territories, because they play a very important part in this endeavour. Of course, the federal government has a role in taking action.

You do advocacy at the provincial level as well. Can you speak to your experience as to the kind of work and pace and effort you're seeing right now at the provincial level in breaking down these internal barriers within Canada?

Corinne Pohlmann: I would say that, at the provincial level, it varies quite a bit. There are provinces that are much more committed and focused than others, but most, if not all, have made some efforts to move the needle on internal trade, which is something we hadn't seen prior to 2020. There are definitely those that are much bigger advocates for moving things forward than others are. I think that's just the nature of it.

We use our abilities as an advocacy organization to put pressure on those we know are less keen to move quickly or have felt that they've done enough and are now moving on to other things. We're seeing a bit of that happening too. That's where we are with the provinces, but we continue to meet with them.

As I said, we're preparing for our next report card, which will come out in July. We're in the process of meeting all of the provinces. Unlike five years ago when we started this process, they now immediately respond when we ask for these meetings. They want to go through the report card with us, understand what we're tagging to them and where we're seeing them sitting in the overall count. They care more about it than they did in the past.

Yasir Naqvi: I will leave it up to you if you want to name names in terms of which provinces are doing well and which are laggards.

I'm not going to make you answer that question, but I do want to talk about challenges. What challenges are you seeing? What challenges are being enumerated or articulated to you, in terms of the pace that's required to create one economy, free trade within our country?

Corinne Pohlmann: What we've learned over the years, not just around internal trade but, I would say, around regulations writ large, is that it's often left to the bureaucrats or the civil service to actually manage the process, to implement it and to move it forward. However, it needs political commitment and political drive to make it actually achievable. Often I find when you leave it to just the civil service, they can get mired down quite a bit because they get focused on very specific things and they get worried about very specific regulations or programs. It needs that political drive in order for it to continue to move things forward.

That's where it can move from one province to the next. If the political drive is no longer there, then the momentum tends to slow down. That's been our experience when it comes to dealing with this.

Yasir Naqvi: You stated earlier that you've seen more progress in the last eight months than before, so you acknowledge that the current federal government's leadership on this is driving that change.

Corinne Pohlmann: The federal government has played a big role, and I would say this is going back even to the time of the Canadian Free Trade Agreement. In the previous government, the Liberal government, this has always been a focus. It's important that the federal government take a leadership role, show by example and push it forward, because it does make a difference. We see that when we talk to the provinces too.

Yasir Naqvi: Would you also agree that this project cannot be completely done unless and until provinces and territories play their very important role?

Corinne Pohlmann: They absolutely have to play a role because without them it's never going to actually be true free trade.

Yasir Naqvi: Thanks, Chair.

The Chair: Thank you very much.

Next is Mr. Savard-Tremblay for two and a half minutes, please.

[Translation]

Simon-Pierre Savard-Tremblay: Ms. Pohlmann, as we know, the Centre for Productivity and Prosperity at HEC Montréal published a report in 2025 stating that regulatory barriers played a fairly minor role in companies' decision not to participate in inter-provincial trade.

The study showed that only 8.6% of them chose not to participate due to barriers. Fewer than 1% of those businesses said that regulations were the primary reason. Rather, the distance between partners was cited as a major factor. I assume the study included a number of companies in your membership as well.

Can you comment on those numbers?

• (1150)

[English]

Corinne Pohlmann: Certainly, I think that it hasn't stopped a lot of companies from continuing to do business across Canada. However, what it has done is added costs to those businesses in order for them to do business across Canada, which we all pay for in the prices for what we do.

I do believe that, over the years, if a business really wants to grow and to move into a new market, they're going to do it. They're going to find a way to do it, but they're going to do it at a cost. It's not just a cost to the business. It's a cost to our economy and it's a cost to consumers.

This is, I think, what we're trying to achieve here. Even in our membership, almost two-thirds are trading with other provinces today, but three-quarters of them want to do more of it. They want to add on to it. They want to add new provinces. Because of those barriers, it's just adding extra costs that they are not necessarily prepared to take on, and that's the lost opportunity, in my mind.

[Translation]

Simon-Pierre Savard-Tremblay: If I understand correctly, you're saying that the vast majority of businesses that don't see regulations as a problem have a skewed perception of things.

Is that right?

[English]

Corinne Pohlmann: Are you asking whether they're incorrect in saying that it's not a major problem?

Again, I haven't seen this survey. I haven't seen to whom it was sent. I'm talking from a small business perspective, and from the perspective of small businesses, an extra cost is a big question mark in their minds, especially today, right now.

Costs have been mounting on small businesses over the last five years. It doesn't matter where they are in Canada, whether they're in Quebec or outside of Quebec. Their costs have been growing, and this is just another thing they have to factor in. That is going to prevent some of them from moving into other provinces, certainly.

[Translation]

Simon-Pierre Savard-Tremblay: Do I have any time left, Madam Chair?

[English]

The Chair: You have six seconds. I'm sorry. There's no more time.

Mr. Lawrence, welcome to the committee. You have five minutes, please.

Philip Lawrence (Northumberland—Clarke, CPC): Thank you, Madam Chair. It's a pleasure to be here.

I just want to continue from where my colleague, Mr. Mantle, left off.

You said that we don't have free trade in Canada, despite the Prime Minister's promise that by Canada Day we would have free

trade in Canada. You also stated, and I would agree, that there's been a lot of paper being pushed on this.

When we actually look at the results, we see that according to the IMF, Trevor Tombe and others, there are about \$200 billion that we could generate from additional economic activity. From your experience and that of your members, how much of that \$200 billion has been realized?

Corinne Pohlmann: I don't know that I can answer that question with any confidence. I don't know.

I think we're only starting to feel some of the changes that have been implemented, or at least attempted, on the ground. It's a bit premature to feel at this point that there is much that has been accomplished in that regard. For example, the Canadian Mutual Recognition Agreement that they signed last December comes into effect in June. Even the direct-to-consumer alcohol agreement only comes into effect in May.

Philip Lawrence: I apologize, but if I could interrupt you, I think it's important for us to clarify something.

Correct me if I'm wrong, but in order for the Canadian Mutual Recognition Agreement to be put in place on products or alcohol, we need the provinces to all sign on.

Corinne Pohlmann: Yes. I believe they all did sign on to the Canadian Mutual Recognition Agreement and have agreed that by June it will be implemented across Canada.

Philip Lawrence: However, they need to implement it in their own provincial legislatures.

Corinne Pohlmann: That's correct.

Philip Lawrence: Do you know how much of that legislation has been passed?

Corinne Pohlmann: We're monitoring at the moment. I think there are maybe three or four that have made movement in this area, but I don't know that for sure. We were also told by some of the federal officials that some of them don't have to introduce legislation, which doesn't make sense to me, but that is also part of it. Part of our next report card, too, is to try to understand whether that has been implemented, how it's been implemented and what it actually looks like.

Philip Lawrence: From my reading of the literature and from hearing economists, I think very little or marginal progress has actually been made in helping businesses in generating additional economic activity. It's my belief that you need national leadership, because we're caught in a prisoner's dilemma between provinces.

We know as a whole that if all of these barriers go down tomorrow, we're going to gain tens, if not hundreds, of billions of dollars in the economy. That doesn't mean that taking down an individual regulation will actually help. It could actually hurt the economy. One of the things that we proposed in the last election was to have the federal government actually take a leadership role and reward provinces when they are hurt financially by doing the right thing. Is that something your organization could see being of value?

Corinne Pohlmann: It would be something we'd have to ask our members about, certainly.

We have suggested in the past that the federal government can play more of a carrot-and-stick role as well. There are certainly transfers that happen to the provinces. Can you tie some of the changes that they need on internal trade to some of those transfers? We have asked for those sorts of initiatives. Those are the things that I think could potentially be helpful if some of these initiatives don't seem to be making any progress.

• (1155)

Philip Lawrence: I glanced over the first part of the question, so maybe I'll just return to that quickly.

Do you believe, as I do, that federal leadership is the absolute key here? In the absence of that, even well-meaning provinces will sometimes have to act against the interests of their own people. We need true national leadership. Ultimately, we will not get free trade in Canada, as the Prime Minister promised would be done almost a year ago, until the federal government really steps up.

Corinne Pohlmann: Yes, I think national leadership is critical to all of this, but I also know that the provinces have to play a role.

Philip Lawrence: Yes, for sure.

Thank you very much.

The Chair: You have one minute.

Philip Lawrence: I will give that to the committee. I'm a guest here.

The Chair: Thank you.

Madam Lapointe.

[Translation]

Linda Lapointe (Rivière-des-Mille-Îles, Lib.): Thank you very much, Madam Chair.

I'd like to welcome the witnesses to the Standing Committee on International Trade.

My riding, Rivière-des-Mille-Îles, includes Deux-Montagnes, Saint-Eustache, Boisbriand and Rosemère. It's the Lower Laurentians.

I'm sure you're aware that there are supply chains there. We're also very well represented in the manufacturing sector in terms of transportation and the aerospace sector.

Ms. White, I'd like to ask you two questions.

First, what kind of standard or regulation causes the most friction between provinces?

Second, could harmonizing the regulations improve Quebec's productivity and competitiveness?

Julie White: Thank you, Ms. Lapointe.

You do indeed have quite a few manufacturing companies in your riding. Two or three weeks ago, I went on a regional tour in your neck of the woods. We had the opportunity to speak with representatives of a number of companies. What we've done is survey our members on several occasions to get as much information as possible. The number-one thing we hear about business opportuni-

ties in Canada is that our market is relatively small compared to the international market or the U.S. market, in particular.

Quebec has some major sectors, such as aerospace, in which it's not very easy to do business with another province. That's not how it works. There is a market issue and a type of production issue, which means that companies don't necessarily consider the Canadian market. Eliminating interprovincial barriers won't change that. Some market realities are fixed.

For companies that have the potential to seek markets in Canada, the first thing that comes up is transportation logistics and improving that in terms of time and money. Both aspects are very important. As Ms. Pohlmann said, before deciding whether to develop a new market in Ontario or Manitoba, a business has to take costs into account, and that's still a business risk.

That's really the first thing, which is why it's important to fast-track all supply chain investments, be it in marine transportation or rail company resilience. In recent years, work stoppages have caused a lot of problems. Among other things, that has damaged people's perception of these means of transportation. Some called for simpler trucking rules.

That said, what's important to our members is not necessarily harmonization, once again, but rather recognition of the rules, because there are rules that can be adapted. Our members are used to following them in one way or another.

A number of member companies are already established in other provinces. Having a single Canadian rule for every aspect is not necessarily a good thing. People also want things to move forward quickly. Harmonization takes a lot longer than mutual recognition. If all the provinces agree on mutual recognition, that will reduce costs and the time it takes to adapt to different rules. It could indeed have an impact on productivity, but it would mainly affect business competitiveness. It's really about costs for everyone.

I don't know if my answer is clear.

Linda Lapointe: Yes, it's very clear. Thank you very much.

Mr. Bellisle, could there be rapid progress on some fronts if the rules were harmonized?

What would you suggest in that regard?

Robert Bellisle: We could do a mix of two things. The approval process, especially for infrastructure projects, is very long. If we mapped the approved projects, we could do some twinning, kind of like what's done in the industrial sector. For example, we could set one project aside and ask ourselves if the new proposed project meets the same requirements as the other one.

Using artificial intelligence, we could then speed up the project approval process. Every province could do it the same way. That would be a huge leap forward in terms of improving systems and reacting to what's happening in the markets.

• (1200)

Linda Lapointe: How much time do I have left?

[English]

The Chair: You have 30 seconds.

[Translation]

Linda Lapointe: Have you looked at how other federations operate, such as those in Germany, for example?

Can you give us some examples of countries where internal trade works very well?

[English]

Corinne Pohlmann: Australia.

[Translation]

Linda Lapointe: Thank you.

[English]

The Chair: To our witnesses, thank you very much. Every time you are with us, especially Ms. Pohlmann, it's very informative. We appreciate that.

We will suspend for a moment while our next witnesses come to the table.

• (1200)

(Pause)

• (1200)

The Chair: I call the meeting back to order.

We have with us today the honourable Dominic LeBlanc, Minister responsible for Canada-U.S. Trade, Intergovernmental Affairs and One Canadian Economy.

That's a small order you have.

From the Department of Foreign Affairs, Trade and Development, we have Martin Moen, associate assistant deputy minister of trade policy and negotiations. From the Privy Council Office, we have Jeannine Ritchot, assistant deputy minister of intergovernmental affairs, multilateral relations and internal trade.

Welcome to all of you. We very much appreciate your being here today. We will start with opening remarks and then proceed to rounds of questions.

Minister, I invite you to speak to the committee for up to five minutes. There will be ample time for questions from the committee following that. I'll turn the floor over to you, sir.

Hon. Dominic LeBlanc (Minister responsible for Canada-U.S. Trade, Intergovernmental Affairs and One Canadian Economy): Madam Chair, thank you.

Colleagues, thank you for inviting me, and thank you for welcoming my colleagues from the international trade department and the Privy Council Office.

Madam Chair, through you, thank you to committee members for the important work they're doing on internal trade and free trade within Canada. We think of trade as being outside our borders. We've learned in recent months and years that there's a huge opportunity within Canada. As you know, 520 billion dollars' worth of goods and services move across provincial and territorial borders each year. This is significant, but even more economic activity could be generated if trade within Canada were more open and efficient. The benefits would accrue to actors across the entire supply chain and the Canadian economy, from the manufacturer to the retailer, to ultimately, of course, benefit all Canadians.

• (1205)

[Translation]

Building one Canadian economy is one of the key missions the Prime Minister has established for our government because it's one of the key elements we control to help create jobs and grow businesses and, of course, make life more affordable for Canadians. We've all taken decisive action on this by removing federal barriers to internal trade.

[English]

The Free Trade and Labour Mobility in Canada Act, which Parliament adopted last June, makes it easier for Canadians to work and do business across Canada. Through this act, as colleagues know well, we removed red tape by recognizing provincial requirements for the sale of goods or the provision of services across the country when they overlap with federal rules, allowing workers licensed or certified by a province or territory to work in a comparable occupation in the federal jurisdiction without needing to be re-certified. We also removed all the remaining federal exemptions in the Canadian Free Trade Agreement, which, coupled with the legislation I mentioned, means that federal barriers to internal trade are gone.

The work ahead now rests with provinces and territories, our partners in the federation. We are working in concert with them—it's a shared objective among first ministers across the country—to ensure that we get true free trade within Canada.

In November 2025, for example, I was at a meeting in the Northwest Territories. We signed the Canadian Mutual Recognition Agreement on the Sale of Goods making it easier for businesses to sell their products across the country by ensuring that if one jurisdiction deems a good safe for consumption, it's deemed approved in other provincial and territorial jurisdictions across the country.

All governments also agreed to a new memorandum of understanding on interprovincial trucking to improve the efficient movement of goods across the country, including measures such as common standards for signs, flags and lights to reduce necessary border stoppages.

As well, as colleagues know, we negotiated a new chapter, the financial services chapter, in the Canadian Free Trade Agreement, which provides greater transparency and predictability to firms across the country.

On an individual basis, many jurisdictions have shown very considerable leadership on their own. The Government of Ontario, for example, was the first jurisdiction in Canada to follow our lead in removing its exemptions to the Canadian Free Trade Agreement.

Even with these accomplishments, though, we think, collectively, that we can do much more work.

[Translation]

Mr. Carney met with his provincial and territorial counterparts in January. At that meeting, the Prime Minister of Canada and his counterparts were very clear about how we must have a shared ambition with respect to internal trade.

I've since met with my fellow ministers responsible for internal trade, and we agreed on a clear road map a few weeks ago. We agreed to harmonize building codes and prefabricated housing approvals by 2026 and to advance digital credential recognition by 2027. We also agreed to extend mutual recognition to the service sector before the end of the year and—I hope we can discuss this—to launch a network of internal trade commissioners to increase interprovincial trade in things such as food and alcohol.

• (1210)

In closing, we are working with our provincial and territorial colleagues to come up with concrete collaborative solutions to eliminate any remaining barriers. As I told you, all premiers of all governments across Canada, no matter their party, wants to build one Canadian economy.

[English]

Thank you, colleagues, for the work you're doing on this issue. I look forward to the conversation over the next number of minutes.

Thank you, Madam Chair.

The Chair: Thank you very much.

We will move on to our members.

Mr. Lawrence, you have six minutes, please.

Philip Lawrence: Thank you, Madam Chair.

Thank you for being here, Minister. As one of your critics, I thought we might spend a little more time together, but I know you've been very busy.

By the way, do we have a deal in CUSMA yet?

Hon. Dominic LeBlanc: I'm happy to discuss that.

Philip Lawrence: I'm just having a little fun here.

Hon. Dominic LeBlanc: I've taken note of how much you miss me and how you want to spend more time with me. I'm very touched by that, Mr. Lawrence. Thank you.

Philip Lawrence: We spent a lot of time together during Bill C-5 and, I might say, with your excellent staff as well.

Hon. Dominic LeBlanc: We did. I see you early in the morning for breakfast.

Philip Lawrence: You do, actually. I won't go any further on that.

In all seriousness—

Hon. Dominic LeBlanc: In the dining room of the hotel.

Philip Lawrence: Absolutely, yes. Let's clarify that.

Hon. Dominic LeBlanc: There might be confusion there.

Philip Lawrence: With respect to interprovincial trade barriers, Minister, we can all agree about the seriousness and the benefit for Canada. Whether it's according to the IMF or Trevor Tombe, the numbers are in the hundreds of billions of dollars that can be created by eliminating these interprovincial trade barriers.

I would agree with you insofar as saying there's been a lot of paper that has been signed, but results matter at the end of the day. The \$200-billion number was often thrown around, including in your own party platform where you said, "We will reduce internal trade costs by up to 15% and expand our economy by up to \$200 billion, that is up to \$5,000 for every Canadian."

How much of that has been realized so far?

Hon. Dominic LeBlanc: Madam Chair, through you to Mr. Lawrence, that is a critical question. Thank you for asking it.

You're right. We've taken note. We've talked about this in the House of Commons, and many of us have talked informally about the potential upside economic benefit. In a federation like ours, obviously, we do our part and work with our provincial and territorial counterparts. There is still more work to be done.

To be honest, a great number of the barriers that are visible to Canadians, to Canadian small businesses and to Canadian companies seeking to enlarge their markets are, in fact, under provincial jurisdiction. If you look at where the federal government has authority, we all know the sectors of the economy. They haven't traditionally been where we see the barriers that provide that headwind.

Maybe my colleague Jeannine has a specific number in terms of what we think the GDP growth of the country has been in terms of the result of removing the federal barriers. If we don't have that precise number, I'm happy to ask our colleagues at the Department of Finance to try to quantify that and get back to the committee, Madam Chair, through you.

Philip Lawrence: Do you have that? If you don't, that's fine. I appreciate the undertaking to provide it.

Hon. Dominic LeBlanc: I'm happy to get the best estimate we can from the Department of Finance and our colleagues, because it's a very good question.

Philip Lawrence: If you can get an accurate number and get it back to me, that would be amazing. That's terrific.

You talked about two things on the idea of it being a provincial issue. I agree that they have to be good partners with the federal government.

One thing is that the Prime Minister, during the campaign, didn't state that important fact. In fact, he promised free trade in Canada by Canada Day—that he was able to deliver that. Now you're coming to committee and saying that, no, that's actually impossible. To me, that's a promise broken.

Would you not agree with me on that, Minister?

Hon. Dominic LeBlanc: It won't surprise you, Mr. Lawrence. Of course I don't agree with that.

Philip Lawrence: I thought you were going to agree.

Hon. Dominic LeBlanc: You've simplified the promise.

Philip Lawrence: David Akin is here. He would have a great story on that.

Hon. Dominic LeBlanc: You simplified the promise. I get it.

I guess we could have had sort of a caveat at the beginning of the platform that Canada is a federation. There are sovereign governments with jurisdiction in different parts of the country. We can control what we can control.

All teasing aside, Mr. Lawrence, in the federation there is a great deal of common interest. Some provinces have been ahead of the Government of Canada for a number of years. Years ago, the premier of Alberta, former premier Kenney, passed legislation on mutual recognition in terms of labour requirements for different professions way ahead of any other province.

There's been a lot of common interest. It's come into focus with the election campaign, sure, but also because of the challenges with respect to the United States.

• (1215)

Philip Lawrence: I have just a couple of the other issues about the requirement for federal leadership. My belief and what we all know is that if all the barriers were put down tomorrow, the economy would benefit by tens of billions, if not hundreds of billions, of dollars. Oftentimes, removing regulations or removing the barriers can actually be against the province's self-interest.

Would you agree with me, Minister, so far as to say that we really require federal leadership in order to overcome some of the self-interest—rational self-interest, I might add—of the provinces?

Hon. Dominic LeBlanc: Your question is a good one, Mr. Lawrence. I would agree that the Government of Canada absolutely has to play a leadership role in the federation. Two things can be true at the same time. We have to respect the proper provincial jurisdiction in this regard.

I have said this to premiers, and I've said it publicly as well. The first 75% of those barriers are the easiest ones to remove. The next 20% are a little harder. The last 5% will be, to your point, amongst the most difficult, politically, in provinces big and small. Everybody's thinking now of examples that we all know.

I am encouraged by the courageous leadership of a number of provinces, recognizing.... We hear premiers say that we need to be

our own best customer and we need to have confidence in each other. If a province says that this good is safe for sale, then why wouldn't we have faith in one another and trust one another? The provinces are saying this to one another and publicly. That's why I'm optimistic that the final part can be achieved quickly, but you're right. The last elements will be harder than the first tranche.

Philip Lawrence: I have one quick question to end, Minister.

When will we have free trade in Canada?

Hon. Dominic LeBlanc: I'll speak to what we can control. I want to thank the Conservatives for having supported that legislation last June which eliminated federal barriers to free trade in Canada. We have achieved that by July 1. Coming back to the platform here, we're obviously pleased with our election platform.

Madam Chair, we will continue to show the leadership that Mr. Lawrence indicated, and work with our partners in the federation as quickly as possible. I wish it was all by July 1. We'll control what we can control. We'll be good partners and encourage and work with a lot of the goodwill that's in the federation to finish the job.

The Chair: Thank you very much.

Mr. Lavoie, go ahead, please, for six minutes.

[Translation]

Steeve Lavoie (Beauport—Limoilou, Lib.): Thank you, Madam Chair.

Minister, thank you for being here. Thank you to the witnesses. We're pleased to welcome you to the committee.

When the announcement was made last spring, my reaction was like that of some of my constituents: Why hadn't we thought of opening this market before? That may seem simple to some people, but, in reality, it's not, and there are many reasons why.

Today, almost a year later, I have a question. You may have started answering it earlier, but I'd like us to talk about more concrete things.

What concrete initiatives has the government come up with, in collaboration with the provinces, to facilitate, encourage and help businesses increase interprovincial trade?

Where are these initiatives at?

Hon. Dominic LeBlanc: Thank you. That's a very good question.

I can give a few very concrete examples, and Ms. Ritchot or other colleagues can talk about others.

According to the internal trade ministers who were in Yellowknife for the meeting held in November, which was five months ago, the Canadian Mutual Recognition Agreement on the Sale of Goods should have been signed years ago. You're absolutely right.

I don't think Canadians were aware of that, but it wasn't deliberate. It's a bit like for Mr. Lawrence's question. Over the years, the provinces and territories, for reasons that were entirely legitimate and appropriate for them, put together a series of measures that got in the way of Canadian free trade. I would say that mutual recognition on the sale of goods is very important.

We took it to the next level, the sale of services, which makes up a larger portion of the economy than the sale of goods. We made this a priority.

I'll move on to another example. Again, this is in the hands of the provinces, but I find it very encouraging. Eleven of the 13 jurisdictions have agreed to allow direct-to-consumer sales of alcohol as of next month. If you own a vineyard in Nova Scotia and you want to sell your products in Quebec or British Columbia, or vice versa, you'll be able to do so. The provinces have agreed to make that possible by the end of next month. We don't have a horse in this race, but we encourage the provinces to proceed. We're quite happy that they've agreed to do this. That's another example. The other two jurisdictions are going to take a little bit longer.

Those were two concrete examples.

Another great example is trucking. It used to be that if you went from the Port of Halifax to Toronto to change the tires on your truck, you had to satisfy various requirements with respect to tires, first aid kits and fire extinguishers. All of that has been vastly improved thanks to such an agreement.

I tried to cover everything.

• (1220)

Steeve Lavoie: That's perfect.

We studied the Canada-United States-Mexico Agreement. Now we're looking at Mercosur and the agreements that were signed in Asia.

There's a lot of talk about going to Europe and doubling strategic infrastructure for that part of the world. I would like to compare that to infrastructure within Canada.

In Canada, what infrastructure investments are needed to increase and foster internal trade?

Hon. Dominic LeBlanc: That's a very good question.

We can all think of something. For me, what comes to mind is ports, such as the ones in Montreal, Vancouver and so on, which are very important.

Steeve Lavoie: There is also the Port of Québec.

Hon. Dominic LeBlanc: There are also the ports in Saint John, New Brunswick, and, yes, Quebec City.

It goes without saying that a lot of those goods are transported by truck, so highway infrastructure is very important. For Newfoundland and Labrador, ferries are obviously very important. There has

to be a ferry system to support trade. When the cost of crossing the Confederation Bridge between my province and Prince Edward Island dropped from \$50 to \$20, that directly benefited the people of Prince Edward Island and the people of other provinces who wanted to exchange goods.

Regarding rail, I'm not an expert, so I don't know all the details. However, I've attended a lot of meetings during which the major rail companies talked to us about their intermodal stations.

Some areas have huge ports. In Winnipeg, my colleagues are talking about an inland port. At the end of the day, logistical infrastructure is what makes trucking or rail efficient and prevents delays. For example, a rail car might be idle for two weeks, or it could be idle for only two days.

It's kind of the same thing as for international trade, but it's for local trade and internal trade.

Steeve Lavoie: Thank you.

[English]

The Chair: Thank you very much.

We'll go to Monsieur Savard-Tremblay for six minutes.

[Translation]

Simon-Pierre Savard-Tremblay: Thank you, Madam Chair.

Minister LeBlanc, Ms. Ritchot and Mr. Moen, thank you for being with us.

I don't think anyone has a problem with removing barriers per se. Of course, we have to remember that we're not talking about tariff barriers. There aren't any, and interprovincial tariffs are illegal. However, I worry that the term "barriers" could be used to refer to any policy, program or regulation that may be bad but is still legitimate as long as it is implemented democratically by one of the provincial legislatures.

Minister, I know you're a francophone, so you care about the French language. One thing that often comes up in conversations about interprovincial barriers is professional associations.

Do you feel it's important not to interfere in any way in the primacy of French as implemented by the Government of Quebec or the knowledge of French requirement for professional associations operating in Quebec?

• (1225)

Hon. Dominic LeBlanc: That's an excellent question, Mr. Savard-Tremblay.

I want to make sure I grasped the question correctly, because I don't want to say "yes" if the answer is actually "no".

I can assure you that, in our past and future meetings and conversations with the Government of Quebec, we would never undermine the province's rightful and essential duty: protecting the French language.

That's a roundabout way of answering "yes" to your question. If the question is whether we made a commitment to our partners in Quebec, as witnessed by the other provinces, to do nothing that will diminish the ability of the Government of Quebec to make necessary decisions on such matters as protecting the French language, then the answer is absolutely "yes". We supported that. We said that. I think I was there when Mr. Carney said the same thing to Mr. Legault a few months ago.

You don't have to worry. We agree with you on that.

Simon-Pierre Savard-Tremblay: Quebec's distinct character is still being respected, then.

Is that correct?

Hon. Dominic LeBlanc: Yes.

Simon-Pierre Savard-Tremblay: Nevertheless, you have come to a decision about Quebec's place in the free trade agreement with Canada and in the agreement on trade with the other provinces.

If I understand your government's rationale correctly, given Quebec's importance in this regard, you would negotiate an economic and trade agreement with a sovereign Quebec.

Is that correct?

Hon. Dominic LeBlanc: Okay. I see. You want us to talk about all kinds of hypothetical situations.

Simon-Pierre Savard-Tremblay: Of course.

Hon. Dominic LeBlanc: As I'm sure you can understand, I don't want to get into that, except to tell you, as a sovereigntist, that I was very reassured to see that certain ministers in the current Quebec government are very enthusiastic about free trade that, as we all agree, respects language issues.

Quebec has been a leader in buying Canadian products and making sure that Quebec products can be sold in other parts of the country, just as products from other parts of the country can be bought in Quebec. In every conversation I've had, the Government of Quebec has been a leading advocate of free trade in Canada.

I may have just answered your question. Given how enthusiastic members of the Quebec government are, we must not change the current constitutional structure.

Simon-Pierre Savard-Tremblay: We disagree here. I have already said that you were one of the only ministers who gave clear answers to questions. You're letting me down today.

Hon. Dominic LeBlanc: It's such a hypothetical question.

Simon-Pierre Savard-Tremblay: I would point out that even Jacques Parizeau's government signed a free trade agreement in early 1995. Our party has always advocated for partnership with Canada, should such a happy outcome arise.

In 30 seconds, I'd like to ask you if there are any consequences to be expected. When there's a free trade agreement, the same thing

happens. Some companies benefit from the barriers, despite everything.

In this case, are there any consequences for companies that developed their business plans based on existing barriers?

Is there an assistance plan, if applicable?

Hon. Dominic LeBlanc: That's a very good question. I don't want to assume whose names will be on the witness lists, but that will be an interesting question to ask provincial government representatives. In private conversations, they recognize exactly what you're saying, Mr. Savard-Tremblay.

I'm thinking of a scenario where a company decides to put out a call for tenders to buy an ambulance for a small Atlantic province and a Quebec supplier wins. However, there's a local company that manufactures ambulances. It employs 80 people. In the past, the province in question could buy its ambulances only from local suppliers. The types of political and economic impacts on those companies are immediately clear.

That's why I commend, without wanting to be pedantic, the courage and willingness of the provinces to accept the fact that it's in the interests of Canada, the Canadian economy and Canadian workers to remove and reduce these barriers, particularly because we have to face a tariff threat from the Americans that we don't have control over. Our provincial partners are demonstrating great courage in those conversations.

• (1230)

[English]

The Chair: Thank you very much.

We'll move to Mr. Mantle for five minutes, please.

Jacob Mantle: Thank you, Madam Chair.

Thank you, Minister, for your attendance here.

In your estimation, do we have free trade in Canada presently?

Hon. Dominic LeBlanc: As I said to your colleague earlier, Mr. Mantle, the Government of Canada, in terms of what jurisdiction we have, has created a circumstance of free trade. Now we're working with our partners in the federation to do the remaining work that will in fact create a common market, a free trade circumstance, across the country.

Jacob Mantle: They're still working toward that goal.

Hon. Dominic LeBlanc: Again, I don't want to sound like it's a constitutional lecture, but in a federation, you can imagine, Monsieur Savard-Tremblay, if we were to bigfoot a province and try to impose something juridically, constitutionally, it wouldn't be successful. It's not a good way to build partnerships to try to do that, so that's why I'm optimistic that we can do that collaboratively.

Jacob Mantle: Thank you.

You did mention constitutional jurisdiction, so I'll put to you, are you willing to use the constitutional authority that the federal government has to create free trade in Canada?

Hon. Dominic LeBlanc: It's a hypothetical question. I don't think we'll have to consider that sort of option—

Jacob Mantle: Are you suggesting that the powers in the Constitution are hypothetical, that paragraph 92(10)(a) is hypothetical?

Hon. Dominic LeBlanc: No, but I'm not going to give you legal discussion of the government's constitutional options when I'm confident that we can achieve it collaboratively, because provinces in many respects are leading this conversation. I get you want to have a clip of me talking about a constitutional sledgehammer, but I'm not going to go there.

It's an interesting discussion. You should invite some law professors or deans of faculties of law—

Jacob Mantle: Minister, I would settle for some constitutional courage from the federal government.

Let me give you a law professor, Professor Malcolm Lavoie, who's an adviser to Alberta right now. He's a pre-eminent scholar on this. He says, for example, "Interprovincial trucking undoubtedly falls under Parliament's section 92(10)(a) power over interprovincial undertakings. Parliament would merely need to reassert its authority in order to bring greater harmonization to the trucking industry."

Do you agree?

Hon. Dominic LeBlanc: Again, far be it from me to argue with an august legal scholar like you just cited. The good news though is that is hypothetical, because we've achieved it by signing a mutual agreement with the provinces and territories. We've been able to achieve that without—

Jacob Mantle: Has trucking been harmonized? Are you announcing that today?

Hon. Dominic LeBlanc: I'm not announcing anything. It's not a surprise. As I said earlier in November, the provinces signed an agreement to remove the barriers on interprovincial trucking.

Jacob Mantle: Well, I guess we'll wait to see if that actually happens, because that hasn't happened as of today, and I wish the federal government would exercise some courage there.

Minister, you opened the door to a few questions on our Canada-U.S. relationship and I wanted to ask you about that.

Last week, Mr. Greer was at the Hudson Institute and said, "We've worked really closely with the Mexicans over the past year; they resolved a lot of issues, the Canadians, we have some issues with them that haven't been resolved". Then the U.S. ambassador said that there have been no "substantive" discussions in five months.

What are the issues that haven't been resolved and why aren't we at the table?

Hon. Dominic LeBlanc: Madam Chair, through you, I disagree with I think two premises of the question. We are at the table—

Jacob Mantle: Do you disagree with Mr. Greer?

Hon. Dominic LeBlanc: It was Mr. Greer who said that. I think you were quoting the ambassador—

Jacob Mantle: Mr. Greer said that they "have some issues" with the Canadians "that haven't been resolved".

Do you disagree with him?

Hon. Dominic LeBlanc: No, we're at the table, to the later part of your question—

Jacob Mantle: You disagree with the ambassador.

Hon. Dominic LeBlanc: We're at the table discussing those very issues with the Americans. I had a conversation with Secretary Lutnick early last week. My colleague Janice Charette and Ambassador Wiseman are at those tables discussing those very issues. I had a very cordial, productive conversation with Ambassador Greer about those issues and—

Jacob Mantle: Could you tell us what those issues are?

The Chair: Allow the minister to finish, please, Mr. Mantle.

Jacob Mantle: I'd just like to know what those issues are.

Could you maybe give us a list of those as bullet points for us? You don't have to go through all of them. Maybe provide the top ones that are sticking points. I don't think we've had an update on what those are.

I have 30 seconds left. Maybe you could give us bullet points of a few of the ones at the top.

Hon. Dominic LeBlanc: No, I'm not going to give bullet points of the details of the specific conversations we're having.

Ambassador Greer—

Jacob Mantle: I didn't ask for that, Minister. I just said "issues".

• (1235)

Hon. Dominic LeBlanc: You asked for a list of bullet points a second ago.

Jacob Mantle: I asked for the top issues. That's all.

Hon. Dominic LeBlanc: You'll notice that Ambassador Greer didn't enumerate them either. However, the Office of the United States Trade Representative publishes something called the national trade estimate, which has a series of non-tariff barriers it believes apply to different jurisdictions. Canada has a list. That would be a good place for you to start.

What the Americans say to us privately is often consistent with what they say publicly. You've seen the President, Secretary Lutnick and Ambassador Greer talk about these issues. We continue to remain engaged in conversations with them to resolve those issues.

I'll finish with this. We're not prepared to deal with things as one-offs. If we're going to resolve some of these issues that Ambassador Greer referred to, Canada is ready and willing to do that work, but as part of a deal and a larger agreement that brings relief to sectors of the Canadian economy that are under considerable pressure now and greater certainty to the CUSMA review process.

I'm not dealing with your point list as one-offs, but as part of a larger agreement. Canada is absolutely ready to do that work.

The Chair: Thank you very much, Minister.

We'll go to Madam Lavoie for five minutes.

[Translation]

Linda Lapointe: Who are you talking about, Madam Chair?

Voices: Oh, oh!

[English]

The Chair: I'm sorry. It's Madam Lapointe.

[Translation]

Linda Lapointe: Minister, Mr. Moen and Ms. Ritchot, welcome to the committee.

Building one Canadian economy is really very interesting. In fact, many people wondered why this hadn't been worked on more intensely before. It took a crisis south of the border for us to wake up a bit.

Earlier, I referred to a point you had brought up. You raised the idea of having an internal trade commissioner. I'm very interested when you talk about food and alcohol; particularly food, since I come from that sector.

I'd like to hear your comments on that.

Hon. Dominic LeBlanc: Ms. Lapointe, thank you for your question.

You raised two issues.

I did indeed talk about that in my opening remarks. I have some good news: The provincial premiers agreed to establish this kind of internal trade commissioner service in the meeting with the Prime Minister at the end of January.

When we travel internationally, as David McKenzie and I did when we went to Mexico, we see all the extraordinary work that Martin Moen's colleagues are doing in our embassies and in Canada to help Canadian businesses diversify their markets, seek out clients or build economic relationships outside Canada.

Like many provincial governments, the Government of Canada provides well-oiled services. In fact, I had incredible support on the trade mission I led to Mexico a month and a half ago. However, we never focused on the way they do things for the reasons you mentioned in your question.

For example, the Government of Canada and the provincial economic development departments never told the regional development agencies how we could help businesses in Atlantic Canada, for example, diversify their sales, their clients and their business opportunities in Quebec or the rest of Canada. As for the regional

development agencies in Quebec, it's Canada Economic Development for Quebec Regions. For us, it's the Atlantic Canada Opportunities Agency, or ACOA. There are offices in every region of the country.

You're surely better informed on this than I am, but I want to tell you that in early May, in Montreal, there will be a sort of trade show for a few days that will bring together agri-food businesses from across Canada.

ACOA, with the help of the four Atlantic provinces, is currently putting together a delegation of Atlantic business people, whom it will take to Montreal to inform and, with the help of the governments of Quebec and Canada, talk to about business opportunities across Canada. That is exactly what's done abroad.

I have written to my minister colleagues in charge of the regional development agencies to talk to them about this. For his part, the Prime Minister has asked the provincial premiers to designate a lead representative within the provincial departments to join Canada's economic development agencies. The good news is that a lot of work has already been done.

If you're interested, we can arrange for one of the people in charge to provide better examples than just the ones I have given. It's really encouraging and interesting. The provinces have responded well. They were excited.

● (1240)

Linda Lapointe: Thank you very much.

Yes, the Salon international de l'alimentation is a big show that invites people from around the world. In fact, I wonder why there isn't any promotion for everything Canada is doing in agri-food processing.

In my riding, which is in the Lower Laurentians, this industry is very strong. In particular, I'm thinking of companies like O Sole Mio, St-Hubert, Groupe Commensal and Plaisirs gastronomiques.

Hon. Dominic LeBlanc: Do you have the McCain products?

Linda Lapointe: No, we buy those from the Maritimes.

Hon. Dominic LeBlanc: That's fine.

Linda Lapointe: We don't produce them.

However, all the St-Hubert, Commensal and Plaisirs gastronomiques products come from my part of the country. There are even products from La Petite Breton. We produce a lot of it, but it's important to sell it.

Hon. Dominic LeBlanc: I have often visited St-Hubert restaurants.

Linda Lapointe: The St-Hubert plant is in Boisbriand.

Hon. Dominic LeBlanc: I take the half chicken, not the quarter chicken.

Linda Lapointe: Everything you buy in the supermarkets comes from Boisbriand, which is in my riding. It's important to sell it across Canada.

Hon. Dominic LeBlanc: You're absolutely right.

Linda Lapointe: It shouldn't be promoted just in Quebec.

You mentioned trade commissioners. When we hear from witnesses, we often hear that we do need to focus on promoting products outside the country.

If you're saying that it can be done internally, through Canada Economic Development, I strongly encourage you to do so. More products from my part of the country will be sold across Canada.

Hon. Dominic LeBlanc: That's true across Canada, Ms. Lapointe.

[English]

The Chair: Minister—

[Translation]

Hon. Dominic LeBlanc: As I said, if you're interested, I will gladly request either a written submission or a meeting where those in charge can come and explain to you what we're building.

Thank you.

Linda Lapointe: Thank you.

[English]

The Chair: Thank you very much.

Monsieur Savard-Tremblay, you have two and a half minutes.

[Translation]

Simon-Pierre Savard-Tremblay: Minister, could you comment on the motion that was adopted unanimously in the National Assembly last year, which condemned the desire to create one Canadian economy instead of 13?

Hon. Dominic LeBlanc: Remind me what it's about. There are often unanimous motions in the National Assembly; we agree on that.

Simon-Pierre Savard-Tremblay: You say they happen often. Is that correct?

Hon. Dominic LeBlanc: Yes. Remind me what it's about, then.

Simon-Pierre Savard-Tremblay: It was about a year ago. I believe it was in March or April. The National Assembly had condemned the desire expressed at the time—it was during the election, I believe—to create one economy, not 13.

Hon. Dominic LeBlanc: No, I don't have much to say about that.

Since then, as I said, I was present, along with ministers from the Government of Quebec, at the meeting between Mr. Legault and Mr. Carney. There's a tremendous amount of will.

As I said, for a variety of reasons, I was encouraged to see that Quebec was one of the leaders when it came to the idea of diversifying trade across Canada.

Simon-Pierre Savard-Tremblay: It's because Quebec has always been a trading and free-trading nation. The province was at the forefront when the matter was debated in the 1980s. We can't be against that, of course. Any opposition would be in the event that Quebec's specific identity would disappear. That's where the problem lies.

I'll move on. There have been surveys of businesses, including HEC Montréal, which doesn't oppose trade, in life.

Ultimately, it was said that the main obstacle wasn't the issue of regulations; it wasn't really that, but the issue of distance.

Have you looked into this matter?

Hon. Dominic LeBlanc: You're absolutely right, that's still a problem.

I took part in conversations where the Premier of British Columbia said he wanted to buy Canadian steel or aluminum for some major projects. However, he found that the cost of transporting those products from Ontario or Quebec to the west was often higher than the cost of importing from another country.

That's why Mr. Carney, my colleague Mélanie Joly and, I think, François-Philippe Champagne announced programs specifically to try to recognize that transportation costs, within reason, shouldn't prevent a province or large corporation from buying a Canadian product or good.

Geography and the cost of transportation are important aspects to consider. I'm not an expert on railways, but I can understand that the cost of transporting steel by train to Prince George, British Columbia, can be very high.

It's important to work on that. It's important to be responsible. I would have no problem accepting that the Government of Canada is helping these companies trade. I think we're doing so.

• (1245)

[English]

The Chair: Thank you very much.

Mr. Groleau, you have five minutes.

[Translation]

Jason Groleau (Beauce, CPC): Thank you, Madam Chair.

Good afternoon, Minister. It's a pleasure to have you here today.

I'm going to ask you to don your other hat. My riding is close to the American border, in Beauce. As you know, we do a lot of business there, in a number of sectors. In particular, we're leaders in the steel industry in North America.

You seem to be having a lot of fun today, but businesses are really not having any fun right now. It was said that they were going to hit a wall, but they have reached that point.

My question is quite simple. There have been many issues to address over the past year, and the priority issue hasn't been resolved yet.

You're responsible for negotiations with the Americans. Where are you on that?

Hon. Dominic LeBlanc: I'd like to thank the member for his question.

This picks up a bit on the questions his colleague asked.

We have always said that the Government of Canada was ready to very quickly reach an agreement that would be in the best interests of the Canadian economy. We have done a great deal of work, and we're continuing to work on it. We're consulting with businesses and union representatives. That work is ongoing.

There were times last fall when we were close to reaching an agreement that would have improved the situation of our steel and aluminum producers. That would have opened the door to energy exports from Canada to the United States. The Americans decided to suspend those negotiations. Talks resumed a month and a half ago. We continue to work with them in a fairly collaborative way on a number of fronts.

Jason Groleau: Where have you gotten, Mr. LeBlanc?

Hon. Dominic LeBlanc: We have gotten to doing the work that needs to be done. At the end of October, last fall, I thought we were going to resolve or improve part of the situation. We're now back to the drawing board.

Jason Groleau: My question is simple. Is progress being made?

I understand what you have done in the past, but have things progressed?

Hon. Dominic LeBlanc: Yes, they have.

Jason Groleau: When are we going to resolve this? We're up against the wall. You know that.

Hon. Dominic LeBlanc: I can assure you that progress is being made. We're in contact not only with the Americans, but also with our friends in Mexico. The country's Secretary of Economy, Mr. Ebrard, is in Montreal, Quebec. He speaks French very well. We will be meeting in early May.

That said, if you're asking me when the American government will agree to such an agreement, you will understand that I'm not going to venture into that territory. I would very much have liked to give you an answer.

Jason Groleau: Is that your priority?

Hon. Dominic LeBlanc: That's a huge priority for us. I can't speak for the Americans, but I think we have a lot of things that the U.S. government needs to strengthen its economy. That's why I remain optimistic. We'll get there.

Jason Groleau: Thank you for that.

Your government has appointed an ambassador to the United States who is against supply management. We have not only steel producers, but also agricultural producers.

Do you think it's a good thing to appoint someone who is against supply management when all parliamentarians are in favour of it? I find that to be a terrible choice.

First, is that a good appointment? Second, are you going to sacrifice supply management?

Hon. Dominic LeBlanc: As to whether that's a good appointment, I would say that it is. Are we going to sacrifice supply management? Absolutely not.

Jason Groleau: You're confirming that you won't give up an inch.

Is that so?

Hon. Dominic LeBlanc: That's confirmed.

Jason Groleau: You're confirming that you will not touch supply management in any way, shape or form.

Is that correct?

Hon. Dominic LeBlanc: This is the third time you have asked me the same question.

Jason Groleau: I love it.

Hon. Dominic LeBlanc: I understand. I used to be an opposition member. I very much understand the nature of your work, and I respect that.

The Prime Minister decided to appoint Mr. Wiseman. I, for one, have seen the exceptional work he has been doing since arriving in Washington. I talk to him often. He does important work for Canada. I'm very proud of that.

Jason Groleau: However, it must not be helping you.

Hon. Dominic LeBlanc: I'm encouraged by the work he's doing. However, you will also understand that it isn't Mr. Wiseman who determines the Canadian policy on supply management.

A bill was passed unanimously by all political parties. I'm sure he is aware of that. He also heard the comments of his boss—my boss—that we're not going to negotiate this.

I understand that you're trying to make a connection, but there is no connection between Mr. Wiseman's important and effective work and the Government of Canada's position on protecting supply management.

• (1250)

[English]

The Chair: Thank you very much.

Mr. Naqvi.

Yasir Naqvi: Thank you very much, Chair, for acknowledging me.

Minister, welcome back. It's always good to see you.

I want to go back to the aim of this study while you're here, which is to talk about internal trade and the work that is being taken up by both the federal government and the provinces. I am quite mindful of sections 91 and 92 as well.

Hon. Dominic LeBlanc: You were attorney general of Ontario. You'd be a leading scholar in this area.

Yasir Naqvi: Well, I don't know about the leading scholar part, but I've definitely had some involvement on the internal trade part and the role the provinces play in that regard.

I appreciate the fact that you're raising that the federal government has done the important work necessary at the federal level, which is within our jurisdiction, and now a lot of the difficult, challenging work needs to happen at the provincial level. I'm interested in learning from you the kind of vigour and expectations that are being set at the first ministers table. Whether it's in your FPT context or it's the Prime Minister, what kind of engagement are we on? Are we setting up deadlines? Are we setting up milestones to meet in accomplishing this very important goal?

Hon. Dominic LeBlanc: Mr. Naqvi, that's a very good question.

I think you've worked with the Prime Minister enough to know that he is extremely focused on outcomes and results. He transmits that in his conversations with provinces, such as the Premier of Manitoba this week. He is relentless in asking them to continue to step up. Expediting major projects, "one project, one review", as an example, speaks to better internal trade indirectly as well.

At the first ministers table at the end of January, just to use the most recent example, I was in those meetings with him. At the dinner the night before with the premiers and then the meeting the following day, he was insistent that there be specific timelines, for example, around mutual recognition in terms of labour mobility in the skilled trades to deal with some of the urgencies in housing, construction and major projects. He's very much focused on that.

Madam Chair, in terms of the specific question, Jeannine could probably add some better examples.

Jeannine Ritchot (Assistant Deputy Minister, Intergovernmental Affairs, Multilateral Relations and Internal Trade, Privy Council Office): Thank you, Madam Chair.

Yes, I can say that we have supported the Prime Minister in organizing a number of first minister meetings that there have been since November 2024. Internal trade has been top of mind for all first ministers.

At the last first ministers meeting, which Minister LeBlanc has referenced, there were a number of key commitments that have hard deadlines, and all first ministers did, indeed, agree to those.

The specifics I can offer to that end are that the first ministers stressed the need for expanding the mutual recognition agreements by the end of 2026. That is what Minister LeBlanc referenced, that there has since been agreement to expand services.

They also agreed to promote greater harmonization for the approval of new building materials and prefabricated homes by the end of the year. That's a very active space as well.

On labour mobility, I believe the minister has already mentioned some of the work being done on digital credential recognition for tradespeople by spring 2027 and accelerating work to prioritize occupational health and safety requirements in the construction sector by fall 2026.

There are ambitious timelines being pursued by all.

Yasir Naqvi: Thank you.

Minister, I think you quite ably said that the first 20% will be the easy stuff and that the next 10% is going to be somewhat challenging, but we'll figure out a way, and then there's just the little part,

which is going to be the political challenge. I think we all understand those realities.

Do you think the moment we find ourselves in with everything that's happening around the world vis-à-vis the United States that the political moment may be here and that the premiers and your counterparts who you're dealing with are cognizant, aware and willing to really push the agenda?

• (1255)

Hon. Dominic LeBlanc: Madam Chair, very directly, Mr. Naqvi, absolutely.

If you think about 11 out of 13 jurisdictions agreeing to allow direct-to-consumer alcohol sales by the end of next month, in a few weeks from now, and enthusiastically and happily agreeing with each other in front of everybody, that was imperative. Think how hard it's been, and think of the different provincial monopolies that have existed for decades.

There's an example. We talk about the hardest part. That's one of the most visible. Some people have private members' legislation on this issue, which is very interesting. "Free the beer"; we've heard that. We've taken note of Mr. Poilievre's news conference with respect to this. We agree with that, but so do the provinces in the sense that they have taken these concrete steps.

I'm optimistic that the moment behooves all of us to continue that progress and to get to a real free trade economy within the country. I have a lot of optimism about that.

The Chair: Thank you very much.

Given the fact that we did start a few minutes late, Minister, and we're so happy to have you here, we'll have a minute go over to Mr. Chambers, and a minute can go over to this side, and a half of a minute can go over to Mr. Savard-Tremblay.

Go ahead, Mr. Chambers.

Adam Chambers (Simcoe North, CPC): Thank you.

Minister, there seems to be a mistaken impression or a narrative that a member of Parliament, in order to serve their country, has to serve on the government side of the House.

If I could leave you with some inspiration, I'm wondering why the government hasn't taken it upon itself to strike an all-party committee, similar to what they do with NSICOP, allowing members of Parliament from all parties to join, which could assist the government in its negotiations with the Americans in order to bring this deal to a quicker resolution.

Hon. Dominic LeBlanc: A quicker resolution.... The speed of the resolution is not only in the hands of the Government of Canada or Canadians.

We're always interested, Mr. Chambers, in working with parliamentarians. I've had conversations with a number of your colleagues that I thought were very constructive, and your leader, when he travelled in the United States, was also very constructive in this regard. I think we should be happy as parliamentarians by this shared purpose.

I don't think we need another structure to do the work that Canadian industry expects us to do. The challenge is to get the Americans to a position where they want to make a deal that's in the interest of both economies.

Adam Chambers: Thank you.

Briefly, I have one final question. I won't ask whether you believe what the ambassador has said, but why is it the impression of the Americans that there have been no substantive discussions in five months on this very important deal that is a priority for your government, as you say?

Hon. Dominic LeBlanc: That's a good question. I would speculate on why certain things in public opinion in the United States are what they are, but I'm not sure it's particularly constructive.

This is in the public record. As I said earlier, we had made considerable progress. I was with the Prime Minister when he went to the White House, the Oval Office and the working lunch afterwards in October. In the days and weeks that followed, Mr. Sabia and I and then Ambassador Hillman advanced things considerably. The Americans decided to suspend that work. That was of public record. The conversations have restarted, but—

Adam Chambers: I think they said you decided to suspend that work.

Hon. Dominic LeBlanc: —they restarted in private.

As I said, my conversation with Secretary Lutnick on Monday last week was a 45-minute positive private conversation.

The Chair: Thank you very much.

Mr. Zuberi, go ahead with a short question, please.

[Translation]

Sameer Zuberi (Pierrefonds—Dollard, Lib.): Thank you, Madam Chair.

Thank you, Minister, for being here.

[English]

When it comes to internal trade, it's important for workers to move across the country, in particular those who have to have their qualifications recognized. We're in very challenging times right now with respect to the economy and people finding employment, especially young people. When it comes to the recognition of competencies among provinces, can you share a bit about what you are doing to break down those barriers to help our workers in Canada get employment across the country, in all provinces?

Hon. Dominic LeBlanc: Madam Chair, through you, Mr. Zuberi's question is a very good one.

At this time, whether for major projects or housing—we all understand some of the acute challenges around the availability of housing supply, as it speaks to the cost of housing—labour mobility

in regulated sectors across the country will be critical. The provinces, as Madam Ritchot mentioned, have committed to.... Some provinces have advanced on their own—I mentioned Alberta previously—very considerably in terms of mutual recognition of, for example, skilled trades.

If we want to build the port at Contrecoeur in Montreal, do LNG projects on the west coast—pick your major project—or build residential housing developments big and small in communities big and small across the country, then access to skilled labour is a critical challenge. A lot of skilled labour workers in Atlantic Canada earn their living in western Canada and in other parts of the country. The faster and the more seamless the recognition, the high standard recognition of their competencies....

We had a conversation with provincial ministers about things like, as examples, harmonizing high standards around workplace safety, avoiding falls when you're working on scaffolding or with heavy equipment at heights. Different provinces have different regulations. Some may be more effective than others.

The provinces themselves are saying that instead of forcing somebody to take a third course in workplace safety with respect to a particular issue, they could have common standards and common training. The Government of Canada would be very happy to help the provinces achieve that, as an example.

• (1300)

Sameer Zuberi: Are you making some advances in that regard?

Hon. Dominic LeBlanc: Very much so.

The Chair: Thank you.

Ask a very short question, Monsieur Savard-Tremblay.

[Translation]

Simon-Pierre Savard-Tremblay: Thank you, Madam Chair. I'll try to be as brief as possible.

Minister, the lifting of interprovincial trade barriers was the intent of Bill C-5, which was rammed through in June.

You have told us about your work with the provinces. Will you commit today to never imposing an energy project on a province that doesn't want it?

Hon. Dominic LeBlanc: Energy projects come under a fairly wide net. Again, this is a hypothetical situation.

Based on the conversations I have had with officials from various provinces and territories—I think you're concerned about one of the territories—I'm convinced of one thing. The Prime Minister was very clear in his answers. It's about working with our provincial, territorial and indigenous partners. I'm not going to venture into discussing a hypothetical situation. We're nowhere near the idea of imposing an energy project.

Simon-Pierre Savard-Tremblay: Let us take a scenario where there's a pipeline project, for example, and a province doesn't want it. The province clearly states that it doesn't want the pipeline to go through its territory. It doesn't want it there.

What would you do?

Hon. Dominic LeBlanc: We will work with the provinces in question to ensure that we don't reach that impasse.

[*English*]

The Chair: Thank you very much.

I have a point of clarification, Minister. You will recall that, back in 2003, Prime Minister Chrétien appointed me to chair an urban task force. One of the key recommendations was the elimination of

interprovincial barriers. I have to say that I'm encouraged by what I'm hearing today, that we're actually getting some serious progress. I would ask that you keep your feet to the fire and continue to work with the provinces, because I think it's a real win for Canada.

Hon. Dominic LeBlanc: Thank you, Madam Chair.

The Chair: Thank you all very much for being here.

We will adjourn the meeting.

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