



**Federal-Provincial/Territorial Conference of Ministers
Responsible for Internal Trade**

Progress achieved on an action plan to improve internal trade

Halifax, Nova Scotia – September 7, 2006. The Committee of Federal-Provincial-Territorial Ministers responsible for Internal Trade (the Committee) met today in Halifax, and was joined by Premier Gary Doer of Manitoba on behalf of the Council of the Federation. The federal government was represented at the meeting by The Honourable Maxime Bernier, Minister of Industry. Premier Doer and the Committee reached agreement on an ambitious action plan to make major progress on internal trade.

A key component of today's action plan is a strategy to improve labour mobility. Ministers and Premier Doer announced that by April 1, 2009, Canadians will be able to work anywhere in Canada without restrictions on labour mobility. While previous efforts have resulted in progress, today's announcement will result in full compliance by all regulatory bodies. The Committee welcomed a proposal from the Forum of Labour Market Ministers (FLMM) to ensure compliance with the labour mobility provisions of the AIT in response to direction from the Council of the Federation.

The Council of the Federation's Workplan on AIT and their summer communiqué also directed that the FLMM consider improvements to AIT labour mobility provisions by reviewing elements of the recently concluded Quebec-Ontario Cooperation Agreement on construction labour mobility, as well as the Trade, Investment and Labour Mobility Agreement recently signed by Alberta and British Columbia. The Council of the Federation mandated the FLMM to establish a process of mutual recognition for recognizing the foreign credentials of professionals in Canada.

Eleven provinces and territories and the federal government have agreed to move quickly to finalize the AIT Chapter on Energy. Nunavut is not yet a signatory to the AIT.

The Action Plan also calls for progress in the following areas:

- Ministers of Agriculture will report back by December 2006 to the Council of the Federation and the Committee on Internal Trade with an action plan for the completion of an Agricultural and Food Goods Chapter that includes all technical measures, ensuring that any new agreement does not interfere with Canada's orderly marketing systems.

- Agreement within twelve months on revisions to the Agreement on Internal Trade (AIT) to ensure that there is an effective, fair, efficient, accountable and enforceable dispute resolution process. Ministers also insisted on the administrative nature, instead of judicial, of such a process. Ministers will report back to Council of the Federation in August 2007 in order to ensure that enforcement provisions will be in place by September 2007.
- Lead jurisdictions will continue work on the development of measures to ensure that each government will take into account trade/mobility effects when changing or introducing regulations.

Ministers also agreed to consider the Trade, Investment and Labour Mobility Agreement signed by Alberta and British Columbia and the Quebec-Ontario Cooperation Agreement with a view to identifying elements that could be imported within the AIT.

The Honourable Richard Hurlburt, Nova Scotia Minister of Economic Development, chaired the meeting and welcomed the progress on an Action Plan that embraces efforts across a full range of internal trade issues. The Action Plan follows up on the agreement at the July 28, 2006 meeting of the Council of the Federation to “establish ambitious timeframes for internal trade reform.”

Mr. Hurlburt welcomed the collective efforts of all Ministers to reduce and eliminate barriers to internal trade and mobility. “I believe that Ministers have taken a major step forward today in ensuring our efforts to increase trade within Canada will lead to substantial progress as quickly as possible,” he said.

Premier Doer joined Mr. Hurlburt in welcoming the new action plan, stating that, “I am delighted to see the commitment of all governments to move ahead ambitiously to improve interprovincial trade and believe that the Action Plan that we have agreed to today will serve as the basis for solid progress in addressing remaining internal trade barriers.”

The federal minister of Industry, The Honourable Maxime Bernier, welcomed the significant progress made on internal trade. “This meeting was an excellent example of collaborative federalism. The new government believes that one of the keys to a strong economic union is reducing and eliminating internal trade barriers. Canadians should and will be able to work and live wherever they wish across the nation.”

Today’s action plan builds on the Council of the Federation’s priority of strengthening the economic union, including enhancing internal trade and their Workplan which was approved in February 2004. The Workplan has led to a number of successful initiatives to improve the Agreement on Internal Trade, including:

- Successful completion of negotiations to cover Crown Corporation procurement under the Procurement Chapter of the AIT.
- Improvements to the AIT dispute resolution mechanism, including actions to improve procedural fairness, streamlining the consultation requirements into a single mechanism; allowing original panels to determine if panel reports have been complied with; ensuring that appointments of panellists where a Party fails to name one.

- Re-engagement of governments on internal trade. Ministers Responsible for Internal Trade have become re-engaged on issues, meeting in-person or by conference call 4 times since January 2004, after having not met in over 2 years prior to establishment of the Workplan.

Premier Doer will recommend to Premier Williams, chair of the Council of the Federation, that ministers meet again in January 2007, with Newfoundland and Labrador in the chair, to continue their work to strengthen the Canadian economic union.