

November 19, 2025

Sent via email

Subject: Urging Coordinated Action to Reduce Internal Trade Barriers ahead of CIT Meeting

Dear Committee of Internal Trade:

The Canadian Federation of Independent Business (CFIB) is a non-profit, non-partisan organization representing the interests of over 100,000 small- and medium-sized enterprises (SMEs) across Canada. As the Committee on Internal Trade (CIT) prepares for its upcoming meeting, we urge you to prioritize coordinated action to reduce internal trade barriers.

This past year has marked a turning point for the internal trade file. What was once considered largely aspirational has begun to yield legislative traction, as highlighted in CFIB's 2025 edition of the [Interprovincial Cooperation Report Card](#). While these developments are encouraging, CFIB is concerned about the wave of Memoranda of Understanding (MOUs) signed over the summer. Commitments may signal political will, but they unfortunately do not amount to tangible progress. Many of the MOUs glaze over the persistent barriers and, to date, have yet to deliver measurable or tangible results.

For instance, CFIB welcomed your government's commitment to work with other provinces to implement a Mutual Recognition Agreement (MRA) on goods. However, small businesses still need clarity on whether this will be a fully implemented agreement without exceptions, or simply a symbolic signing in December. Furthermore, this agreement, while a positive milestone, does not address some of the most significant hurdles to trade, such as food, alcohol, or labour, and services (e.g., OHS and WCB).

With respect to food, CFIB has consistently advocated, and continues to advocate, for its free movement across provincial borders. Yet, there remains troubling lack of clarity on whether this issue will even be addressed at the upcoming meeting. When asked, different levels of government appear misaligned, often deflecting responsibility rather than working collaboratively towards a solution.

Regarding alcohol, CFIB applauded your government's commitment to enable direct-to-consumer (DTC) shipment of alcohol products. However, waiting until May 2026 without clarity for *potential* implementation is far too long for small Canadian producers who have been waiting decades to reach more customers. Moreover, as addressed in CFIB's recent [interprovincial alcohol trade report](#), this measure does not go far enough to address the barriers surrounding alcohol trade across the country. Producers looking to grow their business need to move pallets, not individual cases of their products.

DTC, while great for consumer choice, does nothing to adequately alleviate the regulatory, cost, and resource burdens businesses face when navigating provincial liquor boards.

Small businesses have raised these concerns for decades. Yet, despite recent momentum, many of these challenges remain untouched. This is why CFIB recommends all governments continue expanding the MRA discussion to include food, alcohol, labour and services, without further delay. True progress is not measured by how many agreements are signed, but by whether businesses and everyday Canadians actually experience fewer barriers and lower costs on the ground. In that same vein, repackaging longstanding initiatives as “new progress” does little to advance the file when no meaningful change has occurred (i.e., MOUs signed between provinces to address barriers that should have been solved eight years ago after the signing of the CFTA).

Additionally, CFIB continues to urge all governments to remain mindful and avoid the risk of creating new red tape. If each jurisdiction continues to pursue its own approach with varying degrees of exceptions, and a patchwork of agreements, the result will be a web of confusing and overlapping rules that create new layers of red tape rather than reducing barriers to internal movement of goods and services. Governments must therefore be deliberate and coordinated in implementation, ensuring new reforms lead to genuine simplification, not greater complexity.

When the Canadian Free Trade Agreement was signed eight years ago, Canadians expected meaningful improvements across the nation. However, years later, many of the same barriers persist, with little to no concrete action in sight. For this reason, CFIB will not be celebrating announcements or intent, but only concrete actions that deliver real results.

Internal trade will not resolve itself while problems persist and Canada faces economic and global trade pressures. CFIB will continue to voice the concerns of Canada’s small businesses and plans to release an updated internal trade snapshot in January, providing a jurisdictional scan and identifying areas for improvement. Further, CFIB will be closely reviewing the outcomes of this meeting. We will be looking for concrete action to eliminated barriers and full transparency on the progress of previously identified priorities - such as the trucking agreement, MRA on goods, MOU on DTC, and labour initiatives.

We urge the CIT to deliver meaningful, coordinated results for SMEs across Canada. To build confidence among small businesses, CFIB encourages the Committee to establish a multi-year action plan with clear timelines for implementation of MOUs and agreements, and accountability measures to ensure progress.

Thank you for your attention and ongoing efforts to reduce internal trade barriers. Should you wish to discuss these priorities further, please don’t hesitate to reach out.

Sincerely,

A handwritten signature in black ink, appearing to read "Corinne Pohlmann". The signature is fluid and cursive, with the first name being more prominent.

Corinne Pohlmann
Executive Vice-President, Advocacy

A handwritten signature in black ink, appearing to read "Keyli Loeppky". The signature is stylized and cursive, with a large initial letter.

Keyli Loeppky
Director, Interprovincial Affairs