



Council of the Federation Initiative Takes Steps to Improve Domestic Trade

Fredericton, New Brunswick, August 11, 2004 – Premier Bernard Lord and Manitoba Premier Gary Doer released a comprehensive progress report today on important advances that the provinces and territories have made toward reducing barriers to internal trade.

The two premiers announced that all immediate and short-term actions identified in the Council of the Federation's workplan on Internal Trade have been implemented, including agreement by all provinces and territories to cover procurement by crown corporations. Improvements have also been made to the dispute settlement and decision-making process for the Agreement on Internal Trade (AIT).

"We are extremely pleased with progress to date, and we recognize a great deal of work remains to be completed" Lord said. "Clearly, there is renewed momentum. The continued close involvement of the Council of the Federation will be critical in ensuring this momentum continues."

"Our collaborative work has been extremely successful in driving forward an initiative that had been stalled by long-standing challenges," Doer said. "Given the economic importance of domestic trade in Canada, we viewed it as crucial that premiers help to move forward on the removal of barriers to trade among jurisdictions."

Domestic trade in Canada amounts to \$232 billion in economic activity per year, highlighting the importance of quickly removing remaining barriers to trade between jurisdictions.

To build on existing progress made at the Council of the Federation meeting, July 28-30, the premiers identified the following next steps for provinces and territories:

- To honour the current Agreement on Internal Trade, including appointing panellists to dispute settlement panels;
- To invite the federal government to engage in the Internal Trade process to support the further implementation of the workplan; and
- To work aggressively to implement the workplan and report to the Council on future progress on the longer-term action items.

New Brunswick's and Manitoba's ministers responsible for internal trade have been charged by their premiers to re-engage with their federal counterpart.

The two premiers were given a mandate by the Council of the Federation in December 2003 to co-lead on one of the initial priorities identified by the Council, to enhance internal trade as a component of strengthening the economic union. They released their first Report on Internal Trade in February 2004.

Premiers Lord and Doer will continue to co-lead on this initiative.

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For Information:

Chisholm Pothier, Office of Premier Lord, (506) 444-2286
Jonathan Hildebrand, Office of Premier Doer, (204) 945-1494.