COMMENTARY

Canada Already Has $527-Billion Trade Partner. It's Canada.

Canada already trades $527 billion a year with itself. Removing needless internal barriers—and making Buy Canadian a habit—could make that market much stronger.

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Illustration: Nasty Canuck / AI-assisted

Canada moved $527 billion in goods and services across provincial and territorial borders in 2024. We spend plenty of time looking overseas for new markets. There is still a lot of work to do on the one we already have at home.

Canada has spent decades becoming very good at international trade. We negotiate agreements with countries thousands of kilometres away, organize trade missions around the world and spend years working through tariffs, quotas, standards, customs rules and market access so Canadian companies can sell abroad.

Then a Canadian business crosses a provincial border and occasionally discovers that Confederation came with terms and conditions.

That contradiction has always been a little strange. In 2026, with Canada trying to reduce its dependence on any single foreign market and build a more resilient economy, it is becoming harder to defend.

New Statistics Canada research estimates that **$527 billion worth of goods and services moved between Canada's provinces and territories in 2024**, equivalent to about **17 per cent of Canadian GDP**. Services accounted for roughly $306 billion of that total. Using 2022 employment data, Statistics Canada estimates that about **1.6 million Canadian jobs — roughly eight per cent of all jobs in the country — are directly linked to internal trade**, and that estimate doesn't include jobs supported indirectly through supply chains and the spending those jobs generate.

Half a trillion dollars and 1.6 million jobs are not a domestic sideshow. Canada is already one of Canada's biggest trading partners.

We should probably start acting like it.

The borders we can actually fix

Not every obstacle to internal trade was invented by a government. Canada is enormous, and geography still gets a vote.

Moving something from Halifax to Vancouver costs more than moving it from Hamilton to Toronto because fuel, drivers, weather and several thousand kilometres remain stubbornly resistant to legislation. Statistics Canada's survey of businesses involved in interprovincial trade found transportation costs to be the most commonly reported obstacle, with remote and northern businesses feeling the burden particularly heavily.

No gathering of premiers is going to make Winnipeg closer to Whitehorse.

But geography is exactly why Canada should be less tolerant of the friction we **can** control. Different permits, licences, product requirements, occupational rules, trucking standards and administrative systems can make it more complicated or expensive to cross an internal border. Some differences serve legitimate purposes. Provinces and territories have different circumstances, governments have responsibilities for health and safety, and federalism does not require every rule in the country to be identical.

A more useful test is whether a difference actually protects Canadians or mostly creates another form, another fee or another delay.

Statistics Canada found that **29.8 per cent of businesses engaged in interprovincial trade experienced at least one obstacle** when buying or selling across provincial or territorial borders. The rate was even higher in sectors such as agriculture, retail, wholesale and manufacturing. Those costs don't disappear: a business absorbs them, passes them along to customers or decides that expanding into another part of Canada isn't worth the trouble.

None of those outcomes helps build a stronger national economy.

One country, still more than one rulebook

There has been real progress, although it is important not to lump several different reforms together and pretend Ottawa has somehow abolished provincial borders by legislation.

The federal **Free Trade and Labour Mobility in Canada Act**, which came into force at the beginning of 2026, deals with **federal** barriers. Where a provincial or territorial requirement is comparable to a federal requirement covering interprovincial trade, the federal government can recognize the provincial or territorial standard as satisfying its own. The same principle can make it easier for a provincially certified worker to obtain authorization for a comparable occupation under federal jurisdiction. The Act does **not** erase provincial and territorial rules or give Ottawa authority to override them.

Province-to-province trade is being tackled separately through the **Canadian Free Trade Agreement** and a growing collection of mutual-recognition arrangements. One of the most important is the Canadian Mutual Recognition Agreement on the Sale of Goods. For many covered products — including clothing, furniture, electronics, vehicles, machinery and appliances — something that can lawfully be sold in one participating province or territory can generally be sold in another without another round of testing or certification, unless a government has specifically retained a requirement.

That is the kind of federalism Canada could use more often. Governments don't have to write the same rule word for word; they have to become more willing to recognize when another Canadian jurisdiction has already accomplished the same legitimate purpose.

The agreement is not universal. Food, alcohol, cannabis, tobacco, plants and live animals are among the categories outside the current goods agreement, which is a useful reminder that Canada's internal market is still very much a work in progress. Food in particular remains an active area of discussion rather than a problem we can declare solved.

Ministers responsible for internal trade met again in Iqaluit on August 27 and committed to push that work further. They want an agreement in principle by the end of this fall on model mutual-recognition legislation aimed at creating a more common Canadian market, while continuing work on labour mobility, food and agriculture, construction and other areas where unnecessary differences still raise costs.

Keep going.

A Canadian worker shouldn't become less qualified at the border

Labour mobility deserves similar care because Canada has already done more here than the usual political rhetoric sometimes suggests.

Under the Canadian Free Trade Agreement, a worker certified for a regulated occupation in one province or territory is generally entitled to certification for the equivalent occupation elsewhere without being forced through materially different training, work experience, examinations or assessments, subject to legitimate exceptions. Recent amendments add a **30-day service standard for applications**, while governments are rolling out digital credential registries and working to reduce duplication in areas such as occupational health and safety training.

So the problem is not that every nurse, electrician or engineer automatically has to start their education over after crossing a provincial line. The remaining friction is often less dramatic and more familiar: applications, delays, fees, credential verification, differing requirements and training that doesn't always transfer as cleanly as it should.

Those details matter when someone has a job waiting.

If a qualified tradesperson in Nova Scotia sees good work in Alberta, Canada should make the move reasonably straightforward. If a Manitoba engineering firm can serve a customer in Ontario, the provincial border should not double as an administrative moat. Professional standards should remain high, but Canadians should not have to prove the obvious twice simply because two governments developed slightly different ways of recording it.

Federalism deserves respect. Duplication does not deserve nostalgia.

Selling Canadian has to get easier too

There has been plenty of enthusiasm lately for buying Canadian, but that idea has a supply-side problem we don't talk about nearly enough.

Canadian companies have to be able to **sell Canadian**.

We can't encourage people to choose domestic products while maintaining a domestic market that makes those products unnecessarily difficult or expensive to sell across the country. A small manufacturer in Quebec should be able to think of British Columbia as part of its national market. A technology company in Newfoundland and Labrador should not have to rebuild its business model every time it adds another province. And a Saskatchewan food producer ought to have a clear path to customers elsewhere in Canada, even though food is one of the areas where governments still have work to do.

This matters especially to businesses in smaller provinces and territories. A company in Prince Edward Island should be able to look beyond its relatively small home market and see the rest of Canada as a realistic place to grow. Distance, competition and economics will still decide whether expansion makes sense. That's business. The provincial border itself should not make more of those decisions than necessary.

A freer Canadian economy therefore isn't just about goods on trucks. It includes services and workers as well, because modern businesses don't divide themselves neatly according to the constitutional boxes Canada inherited in 1867.

The objective isn't to abolish provincial authority. It's to make thirteen governments better at recognizing that they are regulating parts of the same national economy.

Canadians get a vote too

Governments can remove barriers and businesses can expand nationally, but there is another player in this economy: us.

Canadian consumers vote with their wallets every day. A grocery purchase or restaurant bill won't change the national economy on its own, but millions of Canadians make millions of those choices every week. Over time, where that money goes matters.

That is why Buy Canadian should become something more durable than a reaction to whichever trade dispute happens to be dominating the news.

A boycott is mainly about what we refuse to buy. **Buy Canadian is about what we choose to support.**

The difference is more than semantics. Boycotts often fade when the dispute that inspired them disappears from the headlines. A habit of considering Canadian companies, products and creators can survive the political moment, and it can extend well beyond checking the origin label on a bag of frozen peas.

Canadians spend money on clothing, furniture, vehicles, restaurants, hotels, airlines, tourism, banking, insurance, books, music, film, software, technology, telecommunications and professional services. The Canadian contribution isn't always as easy to spot as a maple leaf on a package, but that doesn't make it less real.

A vehicle assembled in Ontario can contain parts from several countries while supporting Canadian manufacturing jobs and suppliers. A Canadian software company may produce something that never arrives in a box. Musicians, filmmakers and game developers create Canadian intellectual property rather than physical products. A vacation in Nova Scotia instead of somewhere outside Canada keeps money moving through Canadian hotels, restaurants, attractions and communities.

None of this requires turning a Saturday shopping trip into an audit of everyone's patriotism. Canadians have budgets. Price, quality and availability all affect what people can reasonably buy, and plenty of things simply aren't produced here.

The habit can be much simpler:

Is there a good Canadian option?

If there is, give it a serious look.

Canadian first doesn't mean Canadian only

Canada is a trading nation, and we are better off because of it. Other countries make things we want and need, just as they rely on Canadian energy, agriculture, minerals, technology, services and manufactured goods.

Buying Canadian should therefore never become shorthand for pretending we can or should make everything ourselves.

When a strong Canadian choice exists, considering it helps Canadian workers and companies compete. When it doesn't, Canadians should be perfectly comfortable buying from countries that want a genuine two-way relationship with us — countries prepared to maintain open and fair trade, honour their commitments and buy Canadian products while selling us theirs.

That isn't economic isolation. It's diversification with a little judgment attached.

Canada needs enough domestic capability and enough reliable trading partners that no single foreign government, supplier or disrupted route can put an important part of the economy in a chokehold. The objective is not self-sufficiency for its own sake; it is having choices.

That principle also explains why strengthening internal trade is complementary to international trade rather than an alternative to it. A company with customers in several Canadian provinces is better positioned to weather trouble in one foreign market. A manufacturer with more domestic suppliers has options when an overseas supply chain breaks. Workers whose credentials travel more easily have a larger Canadian employment market.

A stronger Canadian economy at home makes us a better trading partner abroad.

We don't need the biggest number to make the case

Some estimates of what Canada could gain by eliminating internal trade barriers are enormous. Statistics Canada's analysis cites studies suggesting GDP could eventually be **$92 billion to $200 billion higher**, although it also notes substantially more conservative estimates depending on how researchers measure the barriers and how businesses respond to their removal.

Those numbers deserve caution. There isn't a forgotten $200-billion cheque sitting behind a provincial licensing counter, and not every cost of doing business across Canada can or should be regulated away.

Fortunately, we don't need the largest theoretical estimate to make the case.

The real number is already impressive enough: **$527 billion in internal trade is happening now.**

Businesses are already crossing provincial borders. Canadians are already working in different jurisdictions and buying products and services from other parts of the country.

The opportunity is not to invent a Canadian market. It is to make the one we have work better.

That has become more important because Canada's external trading environment is less predictable than it was even a few years ago. The United States will remain an enormously important customer and partner; geography and deeply integrated supply chains make that relationship indispensable. Canada should also keep pursuing customers and suppliers in Europe, Asia and elsewhere, particularly among countries interested in open, reciprocal and dependable trade.

But diversification doesn't begin at the airport.

Canadians buying more from Canadians is diversification too.

One Canadian economy takes some work

There isn't one switch Ottawa can flip to make Canada a seamless national market. Much of the remaining work belongs to provinces and territories, some of it belongs to the federal government, and some will require regulators and professional bodies to become more comfortable recognizing standards developed elsewhere in Canada.

Businesses have responsibilities as well. Buying Canadian is a much easier habit to develop when Canadian companies offer good products at competitive prices and make them easy to find and buy across the country. Consumers, for their part, don't have to turn every purchase into a political statement. They can simply make Canadian origin one of the things they consider.

Do that consistently and the effect starts to compound: fewer unnecessary barriers, a larger effective market for Canadian businesses, more mobility for Canadian workers and more Canadian consumers consciously supporting the economy they live in.

Not every purchase needs to be Canadian, and nobody should buy an inferior product simply to prove a point. When a good Canadian choice is available, though, giving it a fair shot is a small decision that becomes meaningful when enough of us make it.

Canada has spent decades working hard to open markets around the world, and we should keep doing exactly that. There is still something mildly absurd about travelling halfway around the planet looking for new customers while leaving unnecessary obstacles between the ones already living here.

Our next great trade opportunity doesn't require a passport.

We already live in it.

It's Canada.

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