



The Corporation of the Town of Milton

NOTICE OF MOTION - COUNCILLOR BEST

INTRODUCTION DATE: May 30, 2022

SUBJECT: Reducing Interprovincial Trade Barriers for Ontario
Chicken Products

CONSIDERATION DATE: June 20, 2022

REQUESTED BY: Councillor Best

SECONDED BY: Councillor Tesser Derksen

BE IT RESOLVED that the Mayor send a letter of support (attached in Appendix A) on behalf of Milton Council to the federal Minister of Agriculture and federal Minister of Intergovernmental Affairs, Infrastructure and Minister of Intergovernmental Affairs, Infrastructure and Communities with respect to reducing Interprovincial Trade Barriers for Ontario chicken products.

To:

Hon. Marie-Claude Bibeau
Minister of Agriculture and Agri-Food

Hon. Dominic LeBlanc
Minister of Intergovernmental Affairs, Infrastructure and communities
House of Commons
Ottawa, Ontario,
K1A 0A6

Dear Ministers Bibeau and LeBlanc

I am providing this Letter of Support for Meat & Poultry Ontario and their member Sargent Farms; a family business in my riding. Sargent Farms has contributed and supported the growth of our community since 1943, directly employing 280 people, and they are distributing their chicken products all across Ontario. They are working to reduce Interprovincial Trade Barriers, and I ask that you consider the pilot projects being proposed by the Ontario Ministry of Agriculture, Food and Rural Affairs. This project proposes to pilot solutions that will enable all provinces to participate without risk to food safety.

In the latest federal budget, released in April 2021, the government's \$101.4 billion commitment in spending to stimulate the economy, included \$21 million in federal support to tackle the removal of internal trade barriers. Eliminating inter-provincial trade barriers has been a long-standing issue that has affected Canadian business competitiveness and has directly and negatively impacted the Canadian consumer. Furthermore, the pandemic has significantly affected businesses in this sector, has highlighted the vulnerability of our supply chain, and current inflation pressures and protectionist policies from our major international trading partners, accelerates the need for Canada to establish a comprehensive plan to address interprovincial trade.

Deloitte's, November 2021 paper "[*The case for liberalizing interprovincial trade in Canada*](#)", prepared for a cross-governmental team, "Working Group on Interprovincial Trade Barriers", specifically highlights the following:

- The effect of interprovincial barriers imposes an equivalent of 6.9% tariff overall,
- The cost of food products has increased by approximately 30%; and,
- The cost of agriculture has increased over 20%

Furthermore, according to the 2019 World Economic Forum's Global Competitiveness Index, Canada ranked 32nd in domestic competition and 53rd with respect to prevalence of nontariff barriers.

If successful measures are implemented to eliminate these barriers, Deloitte estimates that:

- Canadian GDP can see an initial increase of 3.8% or roughly \$80B
- Where Ontario, Quebec and Alberta being the biggest markets would see roughly 66% of this increase or \$53B – \$23B for Ontario

Small and mid-sized business are the backbone of our economy and can drive significant economic growth if the right programs are in place to support them. We are supportive of this initiative and Sargent Farms already has identified retail channels that would like to take their products to other provinces. We

ask that you speak with Ontario's Minister of Agriculture Food and Rural Affairs to discuss their proposed pilots to enable select and focused interprovincial trade.

Thank you,

Cc: