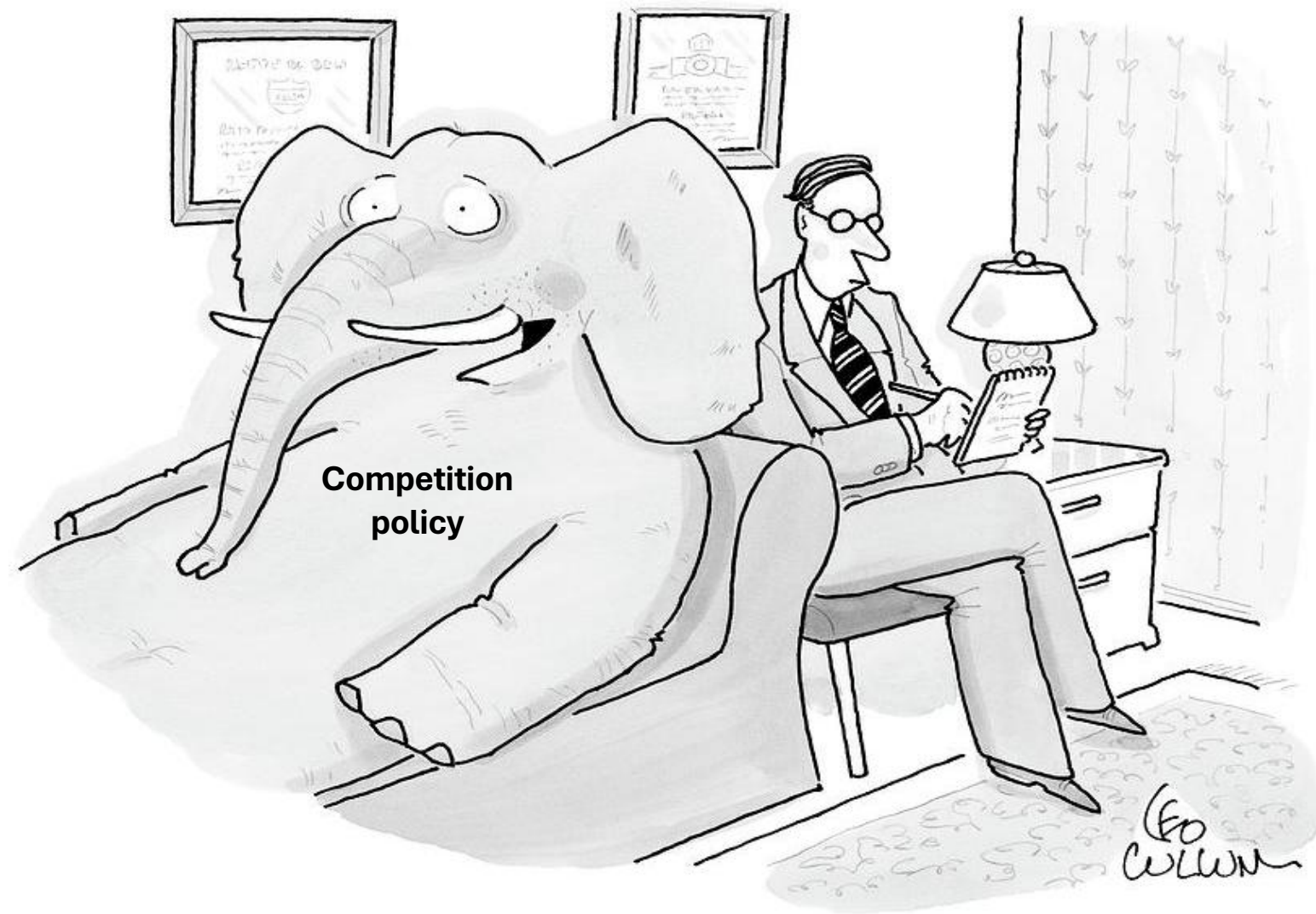


A National Competition Agenda For Economic Growth

CSLS Seminar Series
Matthew Chiasson
14 January 2026

Disclaimer: The views expressed in this presentation are those of the presenter and do not represent any official policies or positions of the Competition Bureau or the Government of Canada.





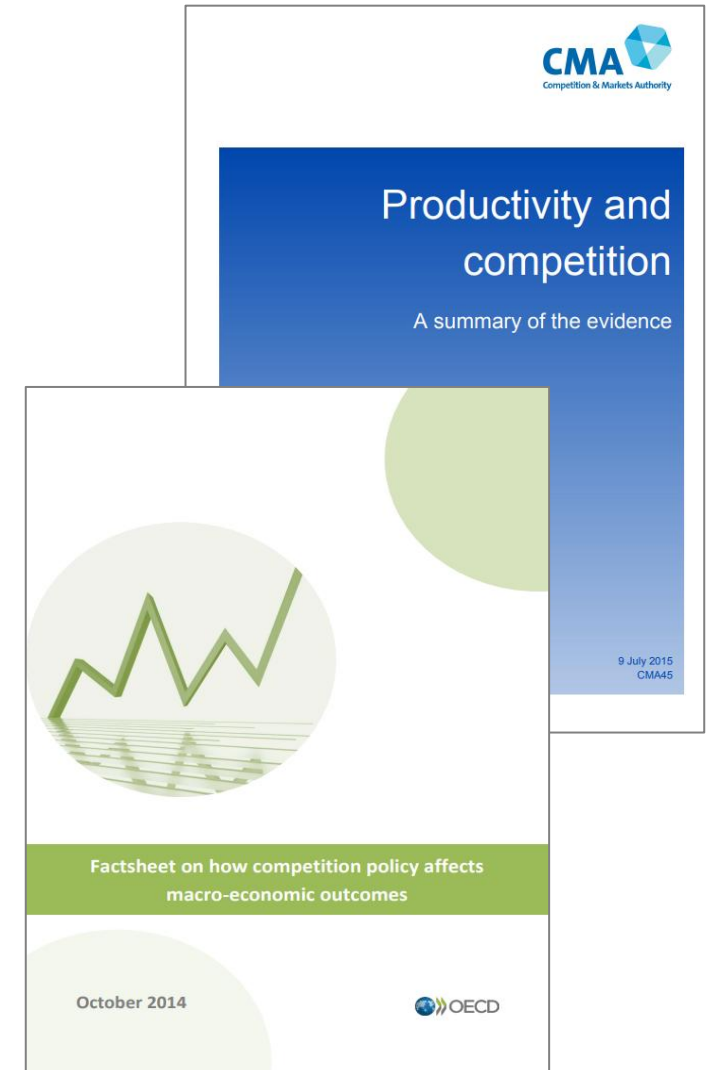
“Doc, after all these years, I finally feel seen!”

Basic idea

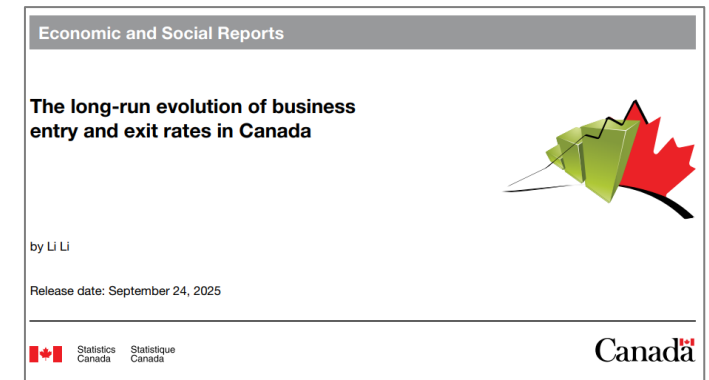
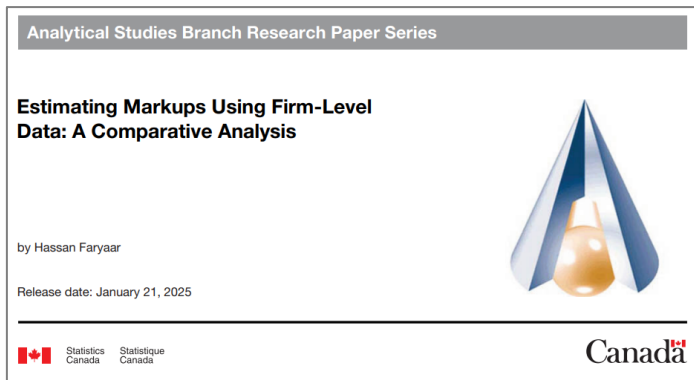
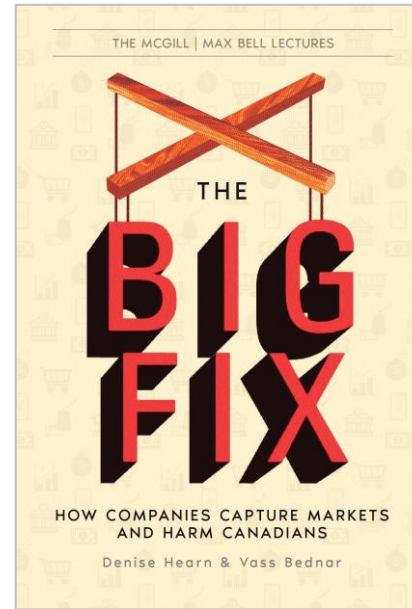
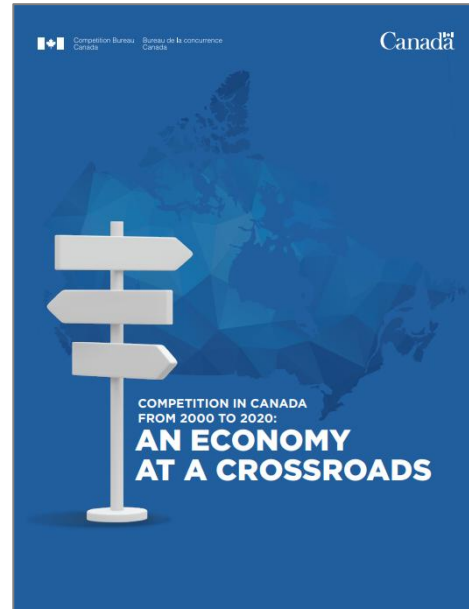
1. Competition drives productivity
2. Regulation is restricting competition
3. Improvements possible at all levels of government
4. Huge growth opportunity, but many sources of inertia
- 5. Policy Proposal: National Competition Agenda**
 - 10-year FPT reform program, inspired by Australia
 - Identify barriers, incentivize their removal, ensure accountability

Competition is a key driver of productivity

- Extensive economic literature
 - Cross-industry studies
 - Cross-country studies
 - Event studies
- Established causal mechanisms
 - **Within-firm effects** (productive efficiency)
 - **Between-firm effects** (allocative efficiency)
 - **Innovation effects** (dynamic efficiency)



Canada has broad-based competition problems



Regulatory barriers are partly to blame

Ottawa

Do you have a permit for that? NCC shuts down kids' lemonade stand

'I felt sad because I like selling lemonade. It was really fun and there were lots of customers'

[Idil Mussa](#) · CBC News · Posted: Jul 03, 2016 3:54 PM EDT | Last Updated: July 3, 2016



“I can say with some confidence that they got an additional lesson today on business, at least in Ottawa here, and that's a valuable lesson, too.”

– Kurtis Andrews (Dad)

New Brunswick

Parking a food truck in Campbellton? It could cost you \$500K

Bangkok Food Truck travels New Brunswick feeding hungry people, but it won't stop in Campbellton any time soon



[Bridget Yard](#) · CBC News · Posted: May 29, 2017 7:00 AM EDT | Last Updated: May 29, 2017

“I don't know what's going on there. We want to be there so bad.”

– Jariya O’Brien (Owner, Bangkok Food Truck)

Ottawa

Ice cream shop wants Ontario's milk rules to change

Merry Dairy says Ontario's milk rules are 'punishing' small producers



[Dan Taekema](#) · CBC News · Posted: Aug 04, 2022 4:00 AM EDT | Last Updated: August 4, 2022

“It just seems absurd...It's punishing the small producer in a way.”

- Marlene Haley (Owner, The Merry Dairy)

She wants to sell coffee from her curbside trailer. Instead she's been ground down by the city's baffling bylaws

City council is being asked this week to allow a pilot project that would let a coffee trailer operate in downtown Toronto.

Updated April 22, 2025 at 11:47 a.m. | Dec. 18, 2024 | 2 min read



"[Coun. Dianne] Saxe said that despite the bylaws being "really clear and really rigid" that there isn't "any rationale or logic" as to why a parked trailer must have its own motor."

Edmonton

Navigating trade tricky in border city of Lloydminster, which straddles two provinces

Business owner says some trade barriers are 'archaic'



[Julia Wong](#) · CBC News · Posted: Mar 22, 2025 6:00 AM EDT | Last Updated: March 24

“They would make sandwiches at their main store and they were not allowed to sell them in the gas station four blocks over.”

- Blaine Stephan (Past president Lloydminster Chamber of Commerce)

British Columbia

'Prohibition-style' raids on B.C. whisky joints mean double trouble for single malts

Officials seized hundreds of bottles of booze obtained through the Scotch Malt Whisky Society

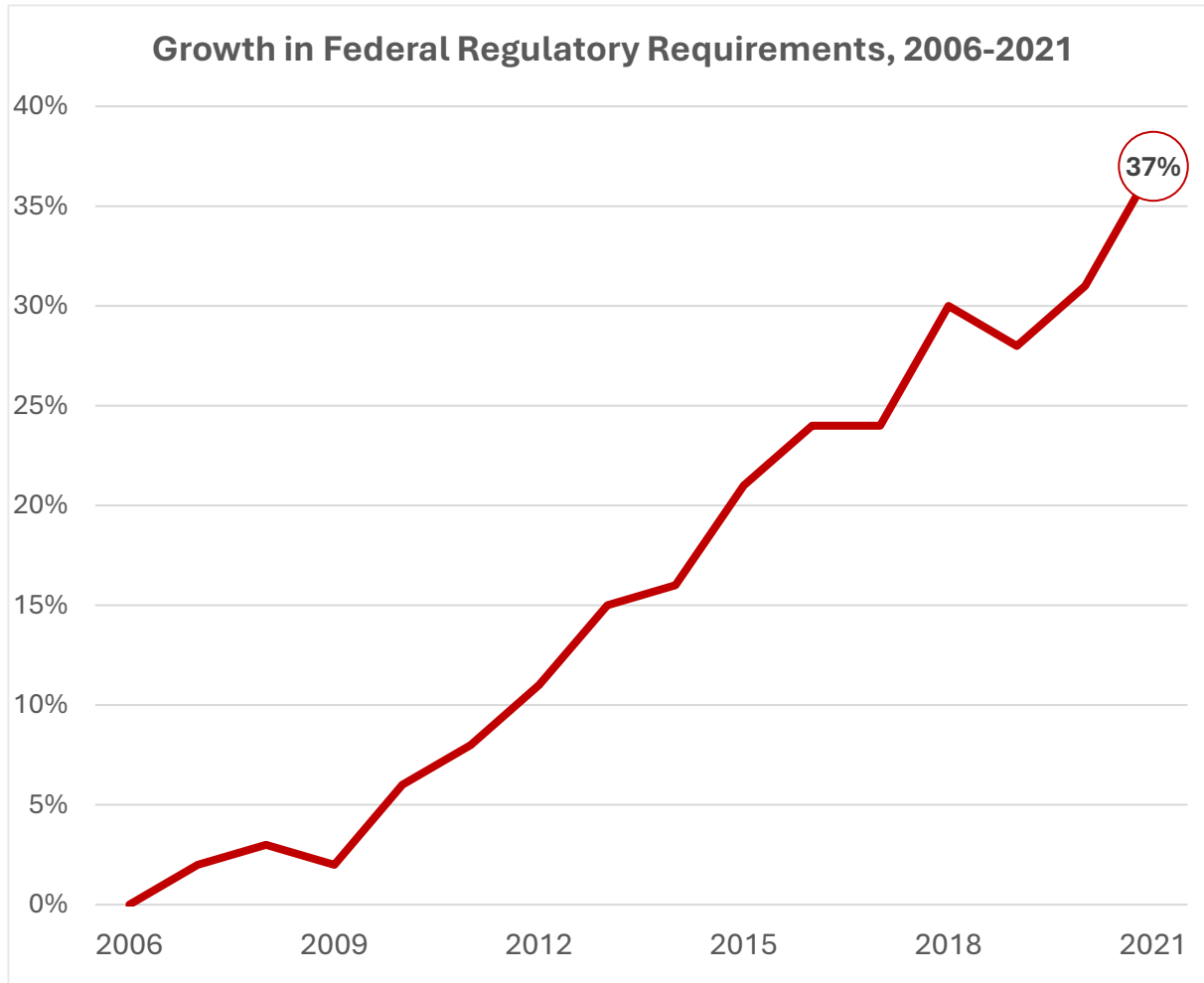


[Liam Britten](#) · CBC News · Posted: Jan 19, 2018 8:52 AM EST | Last Updated: January 19, 2018

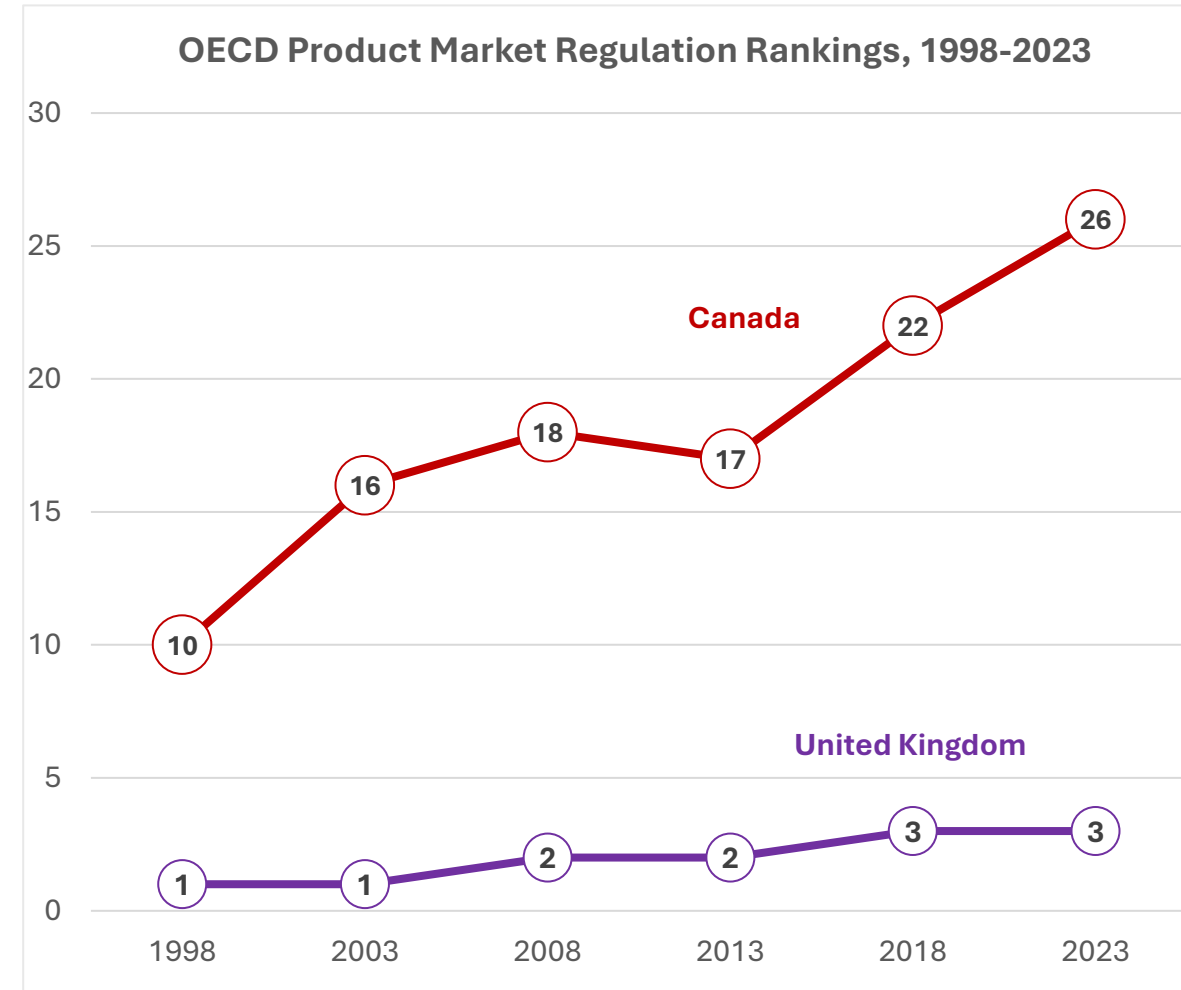
“We're trying to support having something a little more unique and being competitive...You have to pull in bottles that are unusual to lure in your customers and your clients.”

- Susie Sirri (Grand Hotel Nanaimo)

Our regulatory environment has become more restrictive over time



Source: Author's calculations based on [Gu \(2025\)](#)

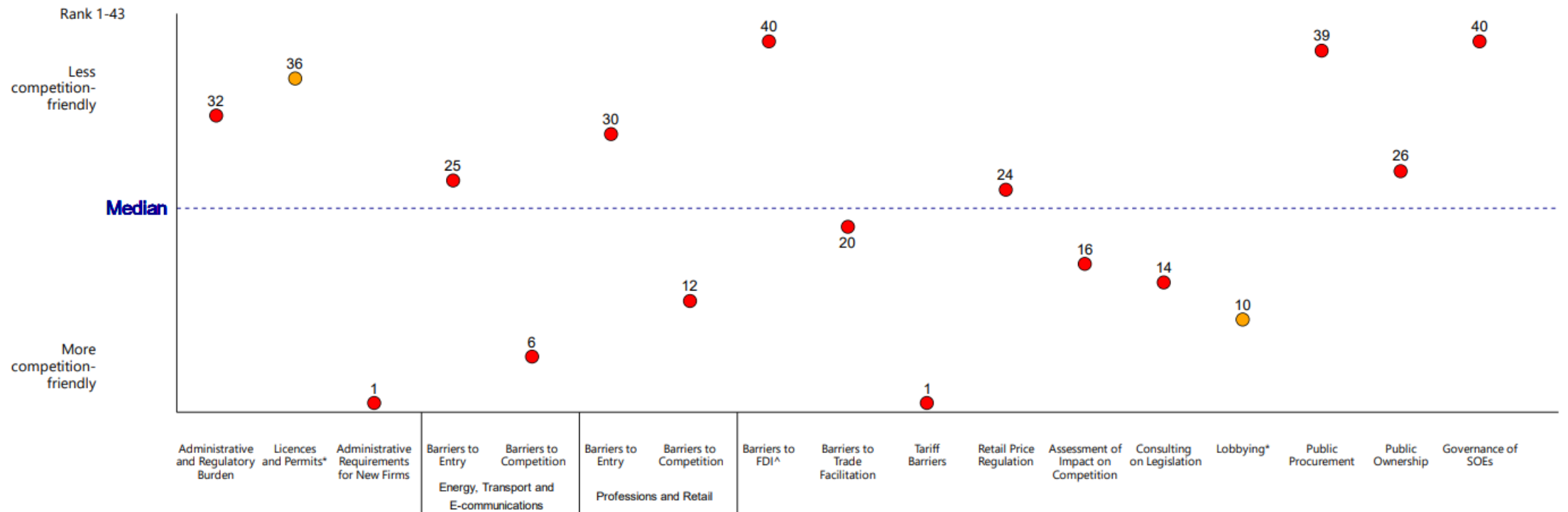


Source: [OECD Product Market Regulation indicators](#)

We now lag on many cross-cutting areas of regulation relative to OECD peers

To make the country's regulatory framework more conducive to competition, Canada could better align the governance of state-owned enterprises and the public procurement framework to OECD best practices. Additionally, the country could address its high barriers to foreign direct investment and reduce the administrative and regulatory burden imposed on businesses.

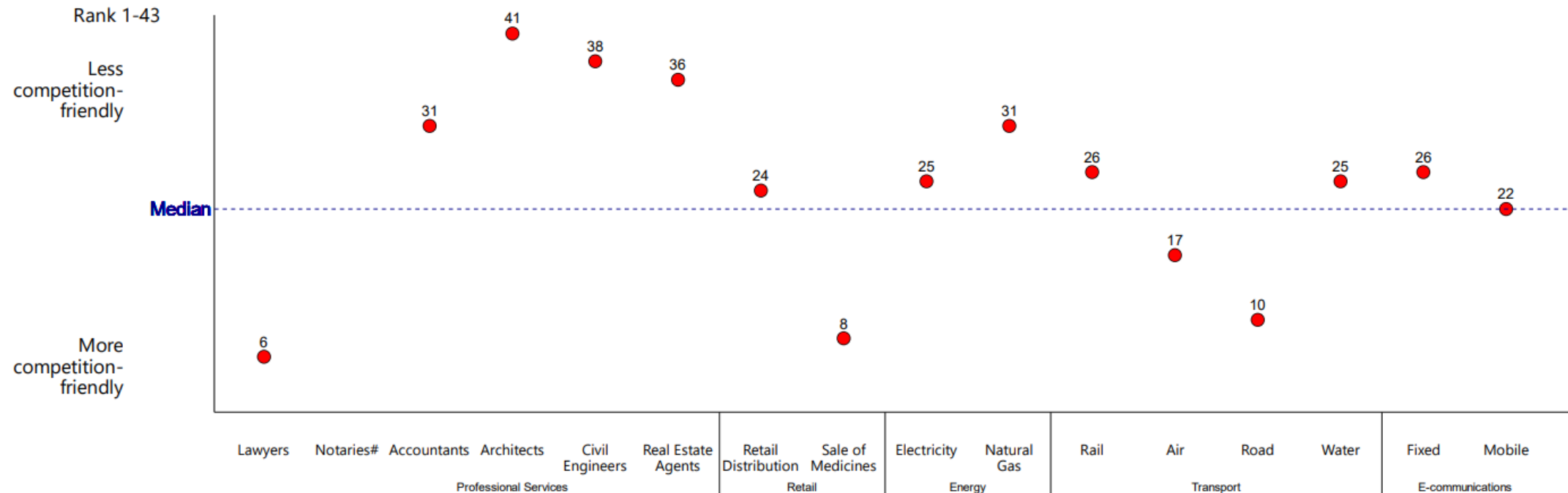
Figure 2: Economy-wide Product Market Regulation indicators: Canada's ranking⁺



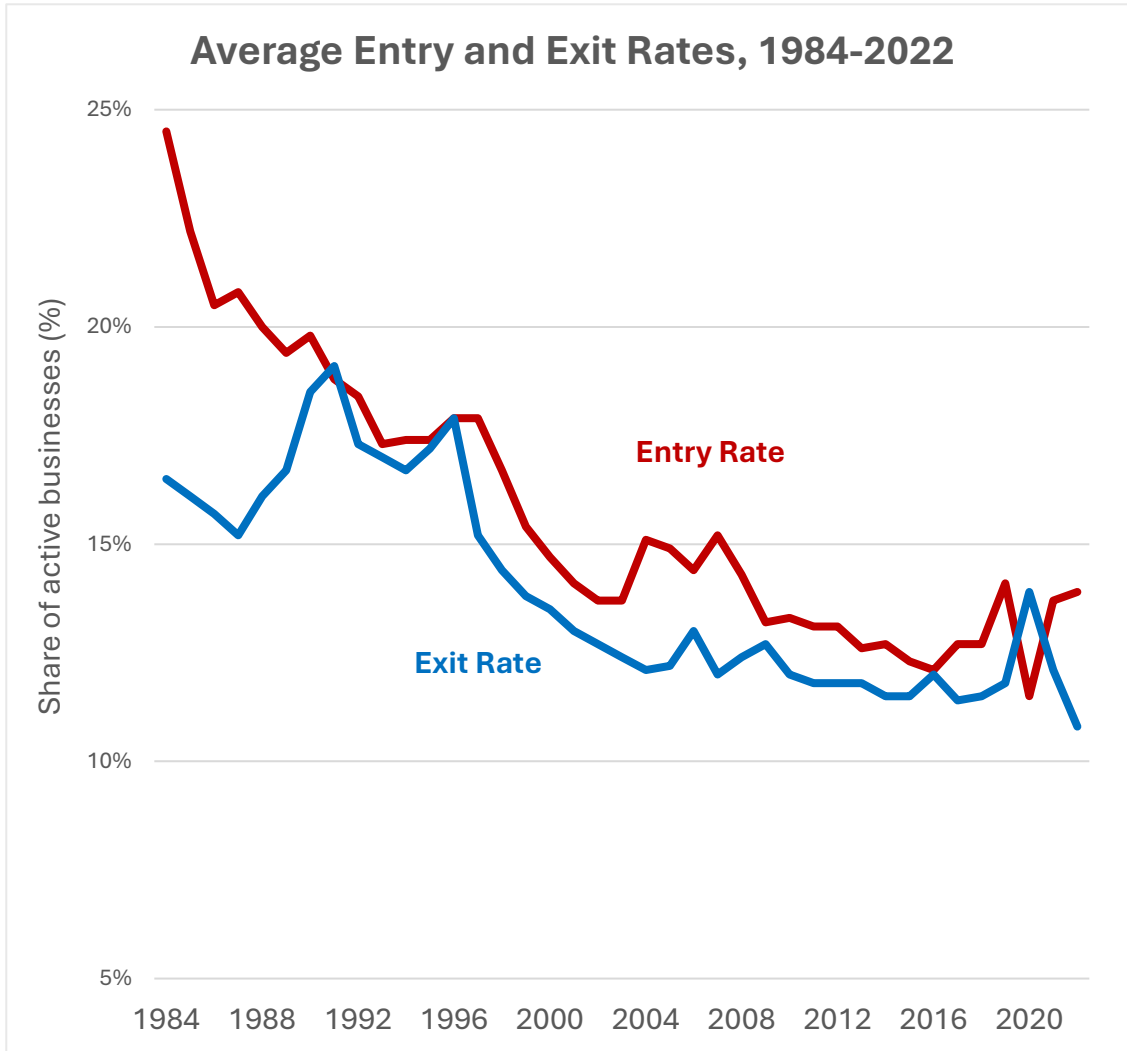
...and have less competition-friendly regulation in key sectors spanning FPT jurisdiction

There is significant potential to make Canada's regulatory framework in the services sectors more conducive to competition. Professions are more stringently regulated than the average OECD economy, except for lawyers. Regulatory barriers could be reduced in retail distribution and in the energy, rail, and water transport sectors, as well as in the fixed e-communications sector.

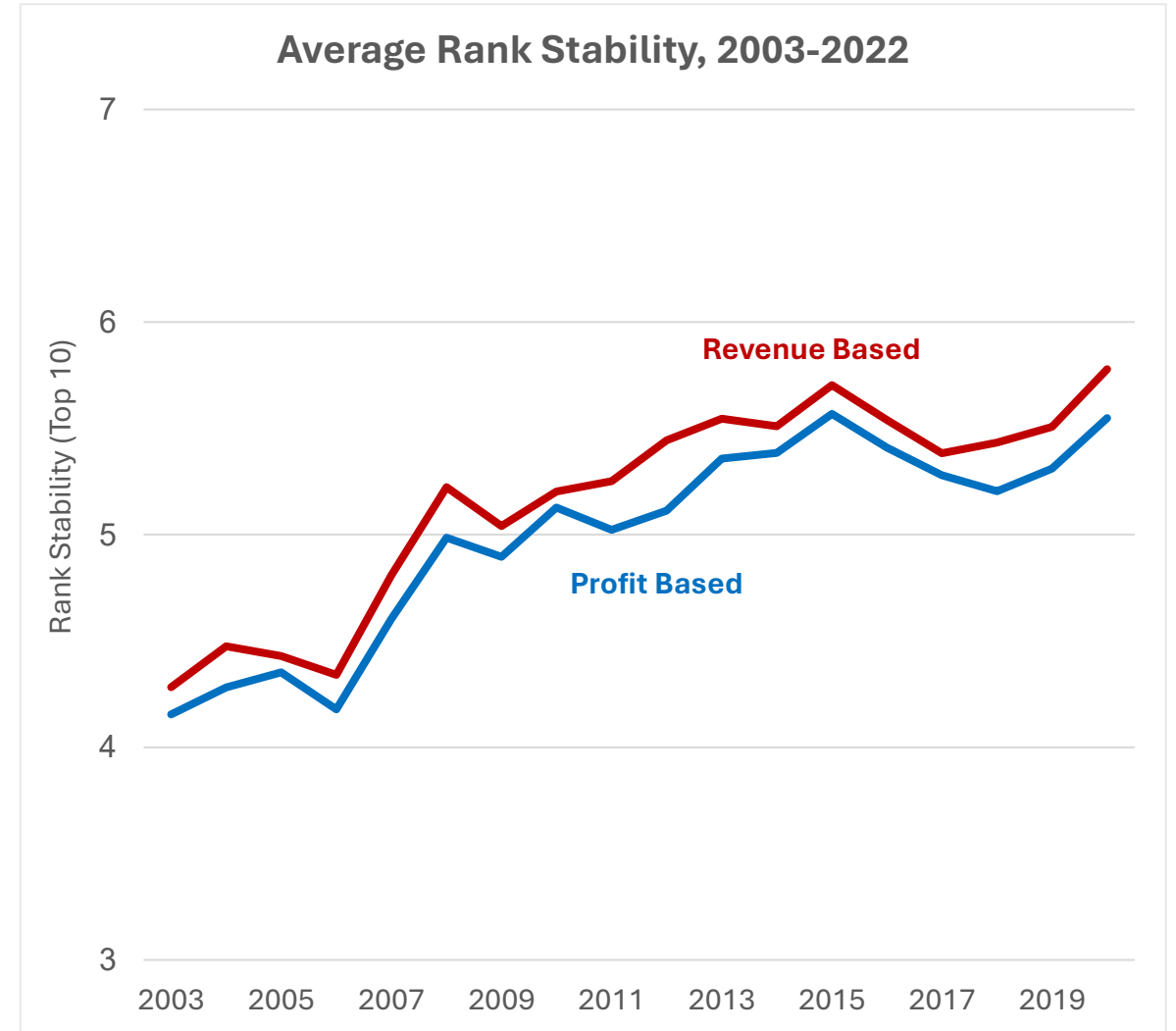
Figure 5: Product Market Regulation indicators for service sectors: Canada's ranking⁺



Meanwhile business dynamism is in long-term decline



Source: [Macdonald \(2014\)](#) and StatCan [Table 33-10-0164-01](#)



Source: [Competition Bureau \(2023\)](#)

Growing economic consensus that we need pro-competitive reform



OECD Economic Surveys: Canada 2025

May 2025
Volume 2025/12



“[M]uch of the evidence on what drives Canada’s shortfalls in productivity growth points to **a need for greater competition and business dynamism**. Canada’s natural disadvantage in having dispersed and relatively small markets has to be countered by **making sure regulatory barriers are as low as possible.**”

Studies suggest this could unlock significant long-term benefits

Target area	Estimated benefits	Authors
Internal trade barriers	4-8% GDP	Manucha & Tombe (2022)
FDI restrictions	2-5% GDP	Iorwerth & Rosell (2018)
Professional services	4.5% GDP	Cette et al (2025)
Retail payments	Up to \$7 billion	Koeppel & Kronick (2023)
Supply management	Up to \$6.7 billion	Geloso et al (2017) citing Cardwell et al (2015)

Even partial progress on some of these measures at a fraction of the low-end of estimated benefits would be significant, and there are many other target areas

Policy Proposal: National Competition Agenda

FPT governments would commit to a 10-year pro-competitive reform program based on three pillars

1. **Stock review of regs** with a competition lens
2. **Federal transfer scheme** to incentivize reform
3. **Accountability unit** to coordinate/report on outcomes



Reasons to believe this could work

Many details would need to be worked out, but this approach:

- Was extraordinarily successful in Australia (> 2.5% GDP boost)
- Respects cooperative federalism
- Aligns reform incentives
- Creates broad base of beneficiaries
- Builds on internal trade momentum
- Makes 'dull-but-important' work more salient

Thank You / Questions

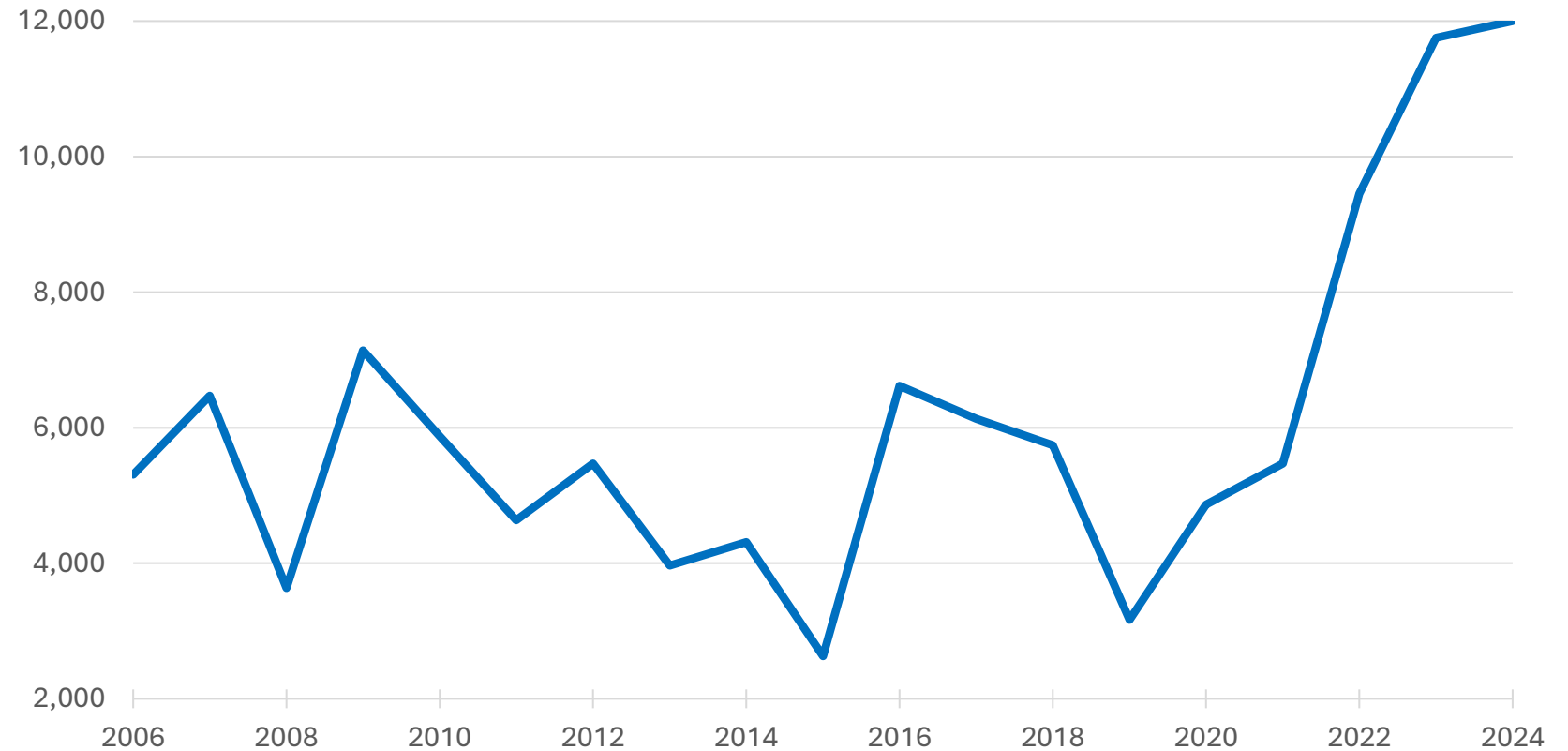
Annex: Extra Slides

Competition issues are breaking through in Parliament

Competition Words

- Anti-competitive
- Affordability
- Barriers to Entry
- Cartels
- Competition
- Gouging
- Mergers
- Monopolistic
- Oligopoly
- Price Fixing
- Profits
- Regulatory Barriers

Competition Words in House of Commons (Total)



Source: OpenParliament.ca

Canadians want to see more competition

Ipsos

- 88% of Canadians believe that we **need more competition** ([Jan 2022](#))

Léger

- 80% of Canadians have **experienced problems** due to lack of competition, compared with 65% in EU ([Jan 2022](#))

Mainstream
Research

- 92% of Canadians believe that high market concentration is **driving up prices** ([Mar 2023](#))

CFIB

- 66% of SMEs report **an increase in the presence of corporate giants** making it harder for their business to compete ([Jan 2023](#))

Abacus Data

- Respondents preferred policies that would **create a more competitive environment** for businesses to succeed ([Oct 2024](#))

Angus Reid

- Vast majority of Canadians (95%) believe Canada should work quickly to **eliminate interprovincial trade barriers** ([Feb 2025](#))