

Backgrounder – *Canadian Prosperity Act*

Overview

- The *Canadian Prosperity Act* is a new Senate bill to be introduced by Senator Marty Klyne (Saskatchewan) on October 30, 2025. The bill's purpose is to support the cooperative improvement of internal trade and competition in Canada, fostering greater prosperity. Eliminating internal trade barriers is a [joint goal](#) of Canada's First Ministers.
- The bill would empower the Competition Bureau to make recommendations to reduce barriers to internal trade, including any unnecessarily anticompetitive regulations. The bill would require the federal government to respond to any recommendations as regards reducing federal barriers to internal trade. It would also encourage provincial, territorial, and municipal governments to respond to any recommendations as regards reducing barriers to internal trade in their jurisdictions.

The bill's details

- The bill would amend the *Competition Act* to provide that the Commissioner of Competition may, in a market or industry inquiry report, make recommendations to a responsible federal, provincial, territorial, or municipal institution respecting barriers to trade within Canada that, in the Commissioner's opinion, unduly affect the state of competition in the market or industry.
- The bill provides that the head of a federal institution must respond to any recommendation made to the institution within 120 days. It requires the Commissioner to publish the response received on a publicly available website.
- The bill provides that the head of a provincial, territorial, or municipal institution may respond to any recommendation made to the institution within 120 days. It requires the Commissioner to publish the response — or, if no response is received, a notice to this effect — on a publicly available website.
- In the bill, the head of an institution is the relevant federal, provincial, or territorial minister, municipal chief officer, or CEO (in the case of Crown corporations).

The bill's origins

- Competition law falls within federal jurisdiction. In 1889, Canada enacted the world's first competition law. The *Competition Act* has received important [updates](#) in recent years.
- The Competition Bureau already conducts industry inquiries and market studies and makes recommendations to enhance competition. Since 2015, the Bureau has made 89 submissions to federal, provincial, and other regulators and policymakers on how to reduce barriers to competition. Since 2008, the Bureau has released [10 reports](#) following market studies, identifying competition issues and suggesting potential solutions. A study is now underway on small and medium businesses.
- In 2023, the Bureau [recommended](#): "Wherever possible, regulators and other implicated government bodies should be required to respond to Bureau recommendations within a reasonable time period."
- The *Canadian Prosperity Act* is inspired by the [Senate Prosperity Action Group's 2021 report](#), which recommending removing barriers to internal trade and reducing any excessive regulatory burdens.