

ECONOMIC UNION

Canadian
economic
union

121(1) Canada is constituted an economic union within which all persons may move without discrimination based on province or territory of residence or former residence and within which all goods, services and capital may move without discrimination based on province or territory of origin or entry into Canada or of destination or export from Canada.

Non-
discrimination

(2) Neither Canada nor a province shall by law or practice discriminate in a manner that contravenes the principle expressed in subsection (1).

Derogation

(3) Subsection (2) does not render invalid a law of Parliament or a legislature enacted in the interests of public safety, order, health or morals.

Idem

(4) Subsection (2) does not render invalid a law of Parliament enacted

(a) in accordance with the principles of equalization and regional development recognized in section ---; or

(b) in relation to a matter that is declared by Parliament in the enactment to be of an overriding national interest.

Idem

(5) Subsection (2) does not render invalid a law of a legislature enacted in relation to the reduction of substantial economic disparities between regions wholly within a province that does not discriminate to a greater degree against persons resident or formerly resident outside the province or against goods, services or capital from

outside the province than it does against persons resident or goods, services or capital from a region within the province.

Customs
union
continued

(6) Nothing in subsection (3), (4) or (5) renders valid a law of Parliament or a legislature that impedes the admission free into any province of goods, services or capital originating in or imported into any other province or territory.

Legislative
authority
not extended

(7) Nothing in this section confers any legislative authority on Parliament or a legislature.

- Section 121 is repealed.

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FOR DISCUSSION PURPOSES ONLY

CONFIDENTIAL

1. Add to section 91 the following heads of jurisdiction immediately following head 91.2:

2.1 Competition

2.2 The establishment of product standards throughout Canada.

2. Add to section 91 the following new subsections:

(2) The authority of Parliament to make laws in relation to the regulation of trade and commerce extends to the making of laws in relation to the regulation of trade and commerce in goods, services and capital.

(3) The authority conferred on Parliament by heads 91/2.17 and 91/2.27 does not render invalid a law enacted by a legislature that is not in conflict with a law of Parliament enacted under either of those heads.