



BUSINESS COUNCIL
OF ALBERTA



FROM BARRIERS TO BREAKTHROUGHS:

Early Steps to Unlock Canada's
Investment Potential

Policy Report

July 2025

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About the Business Council of Alberta

The Business Council of Alberta is a non-partisan, non-profit organization dedicated to building a better Alberta within a more dynamic Canada. Composed of the chief executives and leading entrepreneurs of the province's largest enterprises, Council members are proud to represent the majority of Alberta's private sector investment, job creation, exports, and research and development. The Council is committed to working with leaders and stakeholders across Alberta and Canada in proposing bold and innovative public policy solutions and initiatives that will make life better for Albertans.

Land Acknowledgement

In the spirit of truth, reconciliation, and respect, we honour and acknowledge the lands upon which we live and work as guests, including the traditional territories of the First Nations in Treaties 6, 7, and 8 and the citizens of the Métis Nation of Alberta. We thank the First Peoples of this land, which we now call Alberta, for their generations of stewardship, and we seek to walk together in the spirit of truth and reconciliation to build a shared future for all in Alberta.

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INTRODUCTION

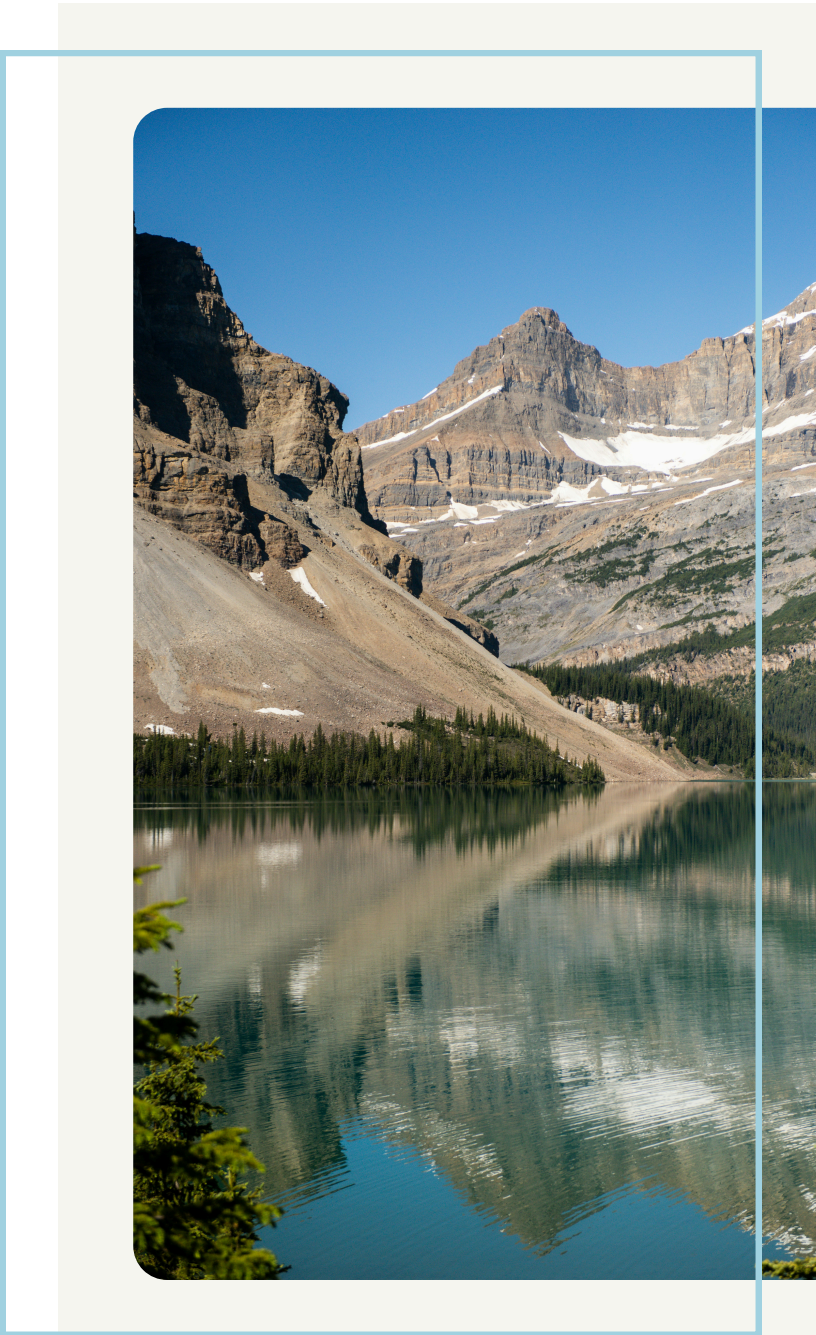
Economic growth in Canada has stalled over the last decade—and with it, our standard of living has begun to slip. A major reason behind this worrying trend is that business investment—a critical driver of growth—has been weak, suffering under a federal policy environment that has ranged from unhelpful to counterproductive.

Canada’s future prosperity depends on reversing this trend.

To build real, lasting prosperity, we must restore investor confidence in Canada. Now is the time to act: in a time of heightened global uncertainty and geopolitical turmoil, countries around the world are seeking reliable trading partners, and investors are looking for stable, competitive policy environments. Canada can offer both.

The federal government recognizes this and has made a push to catalyze private sector investment. The recently-passed *One Canadian Economy Act (C-5)* sets out a path to remove internal trade and mobility barriers (through the *Free Trade and Labour Mobility in Canada Act*) and accelerate the approval of major projects deemed to be in the national interest (through the *Building Canada Act*). These are positive steps forward, but they’re not enough.

Earlier this year, the Business Council of Alberta (BCA) released [A Strong Canada. A Good Life.](#)—a platform of policy priorities for the federal government aimed at building a country with good jobs, rising wages, a skilled workforce, and the resilience to withstand tomorrow’s challenges.



Increased business investment that drives a growing economy is how we create that future. Building on [A Strong Canada. A Good Life](#), BCA has identified several key areas where immediate action is needed to unlock that investment. Broadly, this will require **strengthening the overall investment climate** and **unleashing the potential of Canada's natural resource sector**. But even before that, Canada must **send a clear and credible signal** that it is serious about ushering in a new era of economic ambition and business leadership—and that governments, industry, and Canadians across the country are aligned in that vision.

Other areas require deeper exploration. To this end, over the next few months, we'll be digging into some of the most pervasive barriers to investment. Once that work is complete, we aim to share our findings in a series of detailed reports that will offer practical solutions and clear next steps to tackle these high-impact challenges.

But we don't have the luxury of time. That's why **Part I** of this paper details what Canada can do now: immediate, actionable steps that build on BCA's existing work and lay the foundation for long-term prosperity. Meanwhile, **Part II** outlines those critical issue areas you can expect to hear more about from BCA in the coming months.

Lasting change won't happen overnight—but the work must begin now. By taking meaningful action today, we can send the right signals, build momentum, and unlock the capital investment needed to usher in a new era of prosperity for Canada.



PART I:

IMMEDIATE STEPS TO IGNITE PROGRESS



SHOW THE WORLD CANADA IS READY TO LEAD

Ambition must begin with a clear message: this is a new era of business in Canada—one defined by competitiveness and a commitment to growth. Communicating that shift will require strong leadership and a bold vision.

The Prime Minister has already begun this process. He has expressed his ambition for Canada to be the [strongest economy in the G7](#) and has emphasized that [attracting capital investment](#) is key to achieving that goal. At the G7 Summit in Alberta, he reiterated that Canada “[has the resources the world wants](#)” and is ready to meet this moment. Since then, he has continued these efforts by building important alliances in Europe.

This needs to continue. On the global stage, the Prime Minister must position Canada not just as a top choice for business—but as THE top choice. The overriding message must be that, amid global uncertainty, Canada offers real advantages: reliability and stability, access to international markets, a highly skilled workforce, and abundant natural resources. This message must also acknowledge that Canada’s current policy environment has hindered investment—and that this government will act quickly to fix it. Canada must demonstrate a serious commitment to creating the stable, competitive conditions investors are eagerly seeking.

That message must be clear, consistent, and reinforced in every major speech, global forum, and international engagement. Investors must be convinced that this is not a passing political interest but a lasting economic priority—one that will extend beyond election cycles. More importantly, they must be confident that Canada will match this bold vision with meaningful, decisive action.

BUILD A TRULY NATIONAL ECONOMY

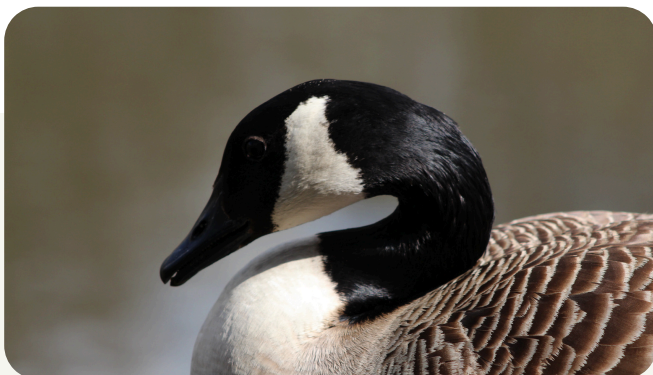
To attract investment at the scale needed, Canada must bring the full weight of the country and all its assets to the table. That means Canada must operate not as individual provinces and territories—but as one economy.

[Barriers to trade and labour mobility](#) within Canada undermine our competitiveness, limit economic opportunity, and make it harder to attract capital.

The *Free Trade and Labour Mobility in Canada Act*, which aims to remove federal-only barriers, was a good first step. But its impact is limited, as the vast majority of restrictions fall under provincial and territorial jurisdiction.

While the federal government cannot legislate provincial rules, it can do much more to lead the way—by supporting the harmonization of provincial standards, coordinating labour mobility efforts, and incentivizing progress toward a more open national economy.

Specifically, the federal government should [incentivize provincial and territorial premiers](#) to reduce inter-provincial trade and mobility barriers immediately, starting with meeting the Canadian Free Trade Agreement (CFTA) eliminations made by former Alberta Premier Jason Kenney in 2019 within 90 days. It should consider options like tying a portion of federal Equalization payments to progress on reducing these barriers. As well, it should work with provinces and territories to achieve mutual recognition of regulations, rules, standards, and policies, with a particular focus on simplifying [interprovincial skilled trades regulations](#) so that skilled tradespeople can move across the country to where major projects are being built.



RESPECT THE CONSTITUTIONAL AUTHORITY OF PROVINCES AND TERRITORIES

Part of effectively working together as Team Canada requires that the federal government recognizes provincial authority where it exists and refrains from encroaching upon areas of clear provincial jurisdiction.

Canada's constitutional framework gives provinces jurisdiction over many key areas that impact investment—from natural resource development to permitting and electricity generation. To successfully build business and investor confidence, federal action must not stray outside its own areas of responsibility. To do otherwise actively deters investment by creating policy confusion and inconsistency.



Instead, Canada must respect the division of powers and work in true partnership with provinces. That means aligning federal efforts with provincial priorities, avoiding one-size-fits-all approaches to public policy, and supporting provinces in leading where they have clear jurisdiction.

Clarity and coordination—rather than interference—will send the strongest signal to investors that Canada is serious about unlocking economic growth.

UNLOCK THE POTENTIAL OF CANADA'S NATURAL RESOURCE SECTOR

Canada's ability to attract capital investment also depends on how effectively we play to our strengths. And nowhere are we stronger than in our [natural resources sector](#). Canada is rich in natural wealth—from expansive forests and substantial energy reserves to vast agricultural potential and an abundance of critical minerals and metals.

And we haven't even come close to reaching our full potential. Demand for these resources is only increasing. And in a world gripped by geopolitical tensions and trade uncertainty, countries are looking for reliable, trusted suppliers.

To turn this competitive advantage into capital investment, Canada must rebuild investor confidence. That means sending a clear and consistent signal to global markets—not only that it's serious about economic growth in general, but that it is committed to developing this sector in particular. The government must actively and visibly champion natural resource industries—both at home and on the world stage.

But words alone are not enough. Canada cannot claim to support the sector while maintaining a policy environment that drives investment away. Whether it's the proposed oil and gas emissions cap, the West Coast tanker ban, or the greenwashing provisions in the Competition Act, these kinds of policies deter investment and must be scrapped, repealed or drastically amended. On top of that, excessive red tape, delays, and politicization make it difficult for companies to confidently invest in major projects—like pipelines, ports, and railways—that are essential for Canada to compete as a global trading nation.

To take full advantage of the economic opportunity presented by our natural resource sector, the federal government must shift its policy and regulatory environment from obstructive to enabling. Though there is more work to be done to understand the barriers when it comes to major project approvals (see more on this below), Canada can start by looking for reasons to say “yes” to investment. That means offering competitive incentives and an enabling policy environment, as well as working with provinces, industry, and Indigenous partners to elevate resource development as a national priority.



CREATE CLARITY ON INDIGENOUS CONSULTATION

Essential to unlocking capital investment in these resource industries is establishing a clear, credible, and effective process for Indigenous consultation. Current efforts are [inefficient, duplicative, slow, and inconsistently applied](#) across departments. This legal uncertainty deters investment, delays project approvals, and limits economic opportunities for both Indigenous and non-Indigenous communities.

Indigenous participation will be especially essential to the success of the major projects that are fast-tracked through the approval process under the *Building Canada Act*. Without a clearer and more effective consultation process, this legislation is unlikely to advance the interests of Indigenous peoples and deliver greater prosperity to Canadians.

Indigenous communities are not only rights-holders but also increasingly equity partners in natural resource development—a reality supported by the Alberta Indigenous Opportunities Corporation (AIOC) which has since been adopted by many other provinces and the federal government. A stronger consultation and engagement process at the earliest stages of project conception, and greater opportunities for equity positions in projects, will create greater buy-in and shared economic value.

To attract and secure investment and promote shared prosperity, consultation must be [transparent, consistent, and collaborative](#), with clearly defined responsibilities. This includes clarifying how the Crown will fulfill its duty to consult and accommodate within project reviews and permitting; distinguishing between the Crown's obligations and proponents' benefit-sharing negotiations; and offering timely, practical guidance to proponents on consultation expectations, including parameters by project type.



STRENGTHEN TRADE INFRASTRUCTURE TO ENABLE EXPORT GROWTH

Turning Canada’s potential into economic value also depends on our ability to get goods to global markets efficiently and reliably. Canadians, businesses, and international customers—in the resource sector and beyond—find that our trade infrastructure network is in [poor condition](#) and [rapidly deteriorating](#). It’s not only aging, but also overburdened, prone to labour disruptions, and lacking in automation and innovation, leading to long delays at key ports, congested rail corridors, and slow shipments that undermine market access and trade reliability.

If Canada is serious about growing exports and attracting investment, it must commit to significant and sustained investment in its trade infrastructure and improvements to the labour market environment. This starts with a federal commitment to modernize and expand the systems that connect Canada to the world: ports, rail, roads, airports, and trade corridors.

Initial investment should target chokepoints identified by industry—those that delay shipments, raise costs, and hurt our reputation as an export nation. But that strategy should go beyond fixing today’s pain points; it must position Canada for long-term growth and global competitiveness. That means using better data and working closely with provinces and industry to forecast, plan, and respond not just to today’s demand but tomorrow’s opportunity.



REFOCUS IMMIGRATION ON HIGHLY SKILLED TALENT

Canada must also build the highly skilled workforce that businesses need to drive innovation, productivity, and growth.

Doing so requires a course correction in the country's immigration strategy. A [strategy that drives economic growth](#) must do more than simply set the right level of immigration. It must also place renewed emphasis on [attracting and selecting the very best](#) to strengthen its economy.

First, it must reform its programs and selection criteria to ensure Canada is choosing the best of the best. That means cutting back on the growing number of economic immigration streams, reforming the points system to use measures that are proven predictors of success, and doing the things we already know work.

Second, Canada must position itself as the destination of choice for those with outsized abilities to drive Canada's future economy—the best tradespeople, researchers, innovators, investors, and entrepreneurs around the globe. That means proactively recruiting and streamlining processes for high-potential candidates, and ensuring Canada is the place where immigrants want to come and choose to stay.



PART II: CRITICAL AREAS FOR FURTHER RESEARCH



FIX CANADA'S MAJOR PROJECT APPROVAL PROCESS

One issue BCA will be examining more closely is the approval process for major projects. As the Government of Canada has rightly noted, the country's ability to attract investment hinges on getting major projects built quickly and efficiently.

Under the *Impact Assessment Act* (IAA), projects face excessive layers of bureaucracy, political interference, and duplicative reviews—problems that persist into the permitting stage. These issues create uncertainty, cause delays, extend timelines, and divert investment away from Canada's more productive sectors.

The *Building Canada Act* takes a step in the right direction, promising to fast-track projects deemed to be in the national interest. However, this applies only to a limited number of projects while the rest are subject to the status quo, creating an uncompetitive asymmetrical policy and regulatory environment. What Canada ultimately needs is a fully reformed approval process that applies to all major projects.

Businesses and investors are ready to build. With Canada's vast natural resource wealth, significant opportunities are on the horizon—from additional LNG export terminals and critical mineral extraction to petrochemical development and electric grid interties across provinces.

Seizing these opportunities requires comprehensive regulatory reform—reform that shifts the system from a barrier to a catalyst for progress. Above all, government must create an environment that looks for reasons to say “yes” to investment, making businesses feel genuinely supported and confident that success is a shared goal.

With that in mind, BCA aims to put forward recommendations later this year for how Canada can build a more streamlined, consistent approval process that enables major projects and drives growth and prosperity for Canadians.

MODERNIZING THE TAX SYSTEM TO INCENTIVIZE INVESTMENT

Another area for further study is Canada’s tax system. High, complex, and outdated tax policies are hindering investment and business growth. Meanwhile, other countries are moving swiftly to attract investment through tax reform—from enhanced incentives in the U.S. *One Big Beautiful Bill Act* to Germany’s Growth Booster program.

Canada cannot afford to stand still. Our tax system must transform from one that discourages business growth and is costly and complex to navigate, to one that rewards investment, encourages innovation, and enables businesses to scale.

In the months ahead, BCA will be working to identify key barriers and propose ways to build a system that is simpler, more transparent, and globally competitive—one designed to drive long-term investment.



STREAMLINING CANADA'S POLICY AND REGULATORY LANDSCAPE TO DRIVE RESULTS

A final area for further study is Canada's broader policy and regulatory environment. To attract global investment, this environment must signal stability, clarity, and opportunity.

Today, however, capital investment is held back by three interrelated challenges: a heavy regulatory burden; a complicated policy landscape; and shifting rules that erode long-term confidence.

First, Canada's regulatory system is fragmented, complex, and difficult to navigate. Businesses face overlapping—and sometimes inconsistent and conflicting—rules across and within jurisdictions, spending countless hours and substantial resources just to achieve compliance in an often-incoherent system. In addition, access to financing is limited by government policies that encourage financial institutions to prioritize residential mortgages over business lending.

Second, government programs intended to support business investment, R&D, employee training, and scaling are often difficult to find and hard to access. Businesses spend significant time navigating a maze of programs, only to receive minimal support. Furthermore, many programs are narrowly focused on niche issues and fail to align with broader economic objectives, such as supporting business growth and expansion.

Third, frequent changes to the policy and regulatory environment compound investor uncertainty. Policies are revised, regulations added, and priorities shifted with little coordination or long-term vision. As a result, businesses must not only track and interpret an evolving set of programs, policies, and rules, but attempt to anticipate future changes—a near-impossible task given recent realities.

To restore investor confidence and unlock capital, Canada must shift away from this tangled and ever-shifting web of policy and regulations toward a more strategic, streamlined, and predictable approach. This means consolidating overlapping rules and programs, eliminating low-value interventions, and focusing government efforts where they can deliver the greatest impact. Just as importantly, it requires a clear long-term vision—one that offers businesses a reliable sense of direction and continuity, enabling long-term business decisions.

To support this shift, BCA will engage business leaders and policy experts to identify practical steps for modernizing Canada's policy and regulatory environment—making it simpler, more stable, and easier to navigate. Doing so will give businesses the clarity and confidence to invest, while strengthening the effectiveness of the policies in place.



CONCLUSION

This work is just beginning. The early steps outlined in **Part I** are essential to get the ball rolling—but they represent only the start of a much larger effort, one that must remain a national priority for years to come.

Reversing Canada’s decline in growth and living standards won’t happen overnight. It will require sustained focus and a long-term commitment to addressing the deep, structural barriers to investment outlined in **Part II**.

BCA is ready to be a partner in that effort. Later this year, we look forward to offering practical, actionable solutions to some of the most complex and critical challenges holding back capital investment. More importantly, we are committed to working alongside government, industry, and other stakeholders to help shape a more prosperous future for Canada.





**BUSINESS
COUNCIL
OF ALBERTA**

**#1600-635 8 Avenue SW
Calgary, AB, T2P 3M3**

BusinessCouncilAB.com

info@businesscouncilab.com | media@businesscouncilab.com