The Government of Canada’s Regulatory Modernization Agenda
The federal regulatory system impacts almost every sector of the economy and Canadians’ lives...

Almost 50 Departments and Agencies have regulatory responsibilities.

25K FTEs perform regulatory functions.

400 Acts with 2,600 Regulations.

150-300 regulatory proposals reviewed and approved annually by Treasury Board.

...this work requires coordination across departments and among governments, at the provincial, territorial, and international levels.
### The Government’s Modernization Agenda

Stakeholders have called for the Government to take action to make Canada’s system more agile. Since 2016, TBS has been working to modernize Canada’s regulatory framework.

| Development of an online consultation platform to engage Canadians on regulations to improve the transparency and efficiency of the overall regulatory process | Funding to support Canada’s leadership on internal trade at the Federal/Provincial/Territorial Regulatory Reconciliation and Cooperation Table (RCT) | Targeted reviews, over the next three years, of regulatory requirements and practices that are bottlenecks to innovation, starting with 3 sectors:  
- agri-food and aquaculture;   
- health/bio-sciences; and   
- transportation and infrastructure |

Budget 2018 allocated funds to support regulatory modernization work at TBS:
New initiatives from the 2018 Fall Economic Statement (“Mini Budget”)

- An annual regulatory modernization bill
- Enhance government capacity to address competitiveness challenges
- Create a simpler and more efficient regulatory system through early wins
- Explore regulatory efficiency and economic growth as part of regulators’ mandates
- Create an External Advisory Committee on Regulatory Competitiveness
- Establish a Centre for Regulatory Innovation
Modernization work has also included changes to Cost-Benefit Analysis requirements

The new Cabinet Directive on Regulation, which sets out the rules for regulators in how they develop, manage and review regulations, includes new rules for CBAs.

Stakeholders supported these changes for more rigorous, transparent CBAs.

Cost-based trigger streamlined
- CBA requirements are proportionate to the cost-impact level (low or significant).

Analytical Requirements Refined
- Analytical requirements have been updated and a new standardized template is required

More Transparency: Reporting (new)
- CBAs are published in the RIAS; an annual Report to Parliament outlines the benefits and costs of significant federal regulations, and the One-for-One Rule

More Transparency x 2: Consultation (new)
- Regulators must consult meaningfully with stakeholders on CBA assumptions, during the regulatory development process, and report on these consultations in the RIAS
Regulatory Modernization: Expected Results

- Strengthened transparency with stakeholders, with more opportunities to engage throughout the regulatory lifecycle
- Increased analytical rigour, which will include considering the competitiveness impacts of regulations
- Supporting and embracing innovation in all areas of the regulatory system, while maintaining world-class health, safety and security protections for Canadians and the environment.
- Championing regulatory cooperation to eliminate unnecessary regulatory barriers.
- Enhancing regulatory review functions across the Government to improve performance and agility.
Thank you

For more information, visit...

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www.canada.ca/en/treasury-board-secretariat/services/federal-regulatory-management.html

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Treasury Board of Canada Secretariat

Your Government at Work
The new CDR is based on three concepts:

- **Government priorities**: The Directive is consistent with Government priorities:
  - Regulatory cooperation
  - Gender-based analysis
  - Environmental impacts
  - Indigenous consultations
  - Retrospective stock review to ensure results

- **Regulatory lifecycle**: Emphasize the life-cycle approach to regulating (development, management, and review)

- **Good Regulatory Practices**: Strengthen foundational requirements for good regulation (e.g., consultation, transparency, cost-benefit analysis and evidence-based decisions)
Annex 2: Canada’s Regulatory Cooperation Fora

Canada-United States Regulatory Cooperation Council

- **Established in 2011**
- Memorandum of Understanding signed in June 2018 in Washington, D.C.
- Meeting of 300 U.S. and Canadian regulators and stakeholders was held in December 2018

Canadian Free Trade Agreement- Regulatory Reconciliation and Cooperation Table

- **Established in 2017 through the Canadian Free Trade Agreement**
- First work plans with 23 areas for reconciliation and cooperation were published in July 2018
- 4 finalized reconciliation agreements are anticipated by end January 2019

Canada - European Union Comprehensive Economic and Trade Agreement- Regulatory Cooperation Forum

- **Established** to identify potential areas for cooperation, facilitating discussions between regulatory authorities, sharing information.
- First meeting was held in December 2018 where 5 work plan items were announced.
Annex 3: Early Wins announced in the FES

**Agri-Food and Aquaculture:**
- Highlight Safe Food for Canadians Regulations
- Improve Guidance on Plants With Novel Traits
- Implement a Trusted Trader Approach
- Implement Food Labelling Modernization Proposals
- Amend Beer Compositional Standards
- Reduce Barriers to Interprovincial Trade
- Introduce Fertilizer Regulatory Modernization
- Introduce Feed Regulatory Modernization
- Improve Timeliness of Pre-Market Assessments
- Implement Digital First Approach
- Implement a Duplication Initiative
- Introduce General Aquaculture Regulations
- Facilitate Approval of Veterinary Drugs Using Foreign Reviews
- Facilitate Approval of Food Using Foreign Reviews

**Health and Bio-Sciences:**
- Modernize Clinical Trial Record Retention Requirements
- Modernize Digital Health Product Authorizations, Including Artificial Intelligence

**Transportation and Infrastructure:**
- Advance Truck Platooning System Test bed
- Support Test Ranges for Remotely Piloted Aircraft Systems
- Support Pilot Projects for Industry Use of Remotely Piloted Aircraft Systems
- Amend the Canadian Aviation Regulations to enable mainstream use of remotely piloted aircraft systems
- Amend the Canadian Aviation Regulations to Allow the Use of Personal Electronic Devices on Board Aircraft
- Introduce Cybersecurity Guidance for Automated and Connected Vehicles (AV/CV)
- Support the Harmonization of Building Codes through the Canadian Free Trade Agreement Regulatory Reconciliation and Cooperation Table