

**Canadian Free Trade Agreement's  
Regulatory Reconciliation and Cooperation Table**

**2021 Annual Report**



**CANADIAN  
FREE TRADE  
AGREEMENT  
ACCORD DE  
LIBRE-ÉCHANGE  
CANADIEN**

May 2022

## **Message from the Chair**

As Chair of the Regulatory Reconciliation and Cooperation Table (RCT) for 2022, the Government of Yukon would like to thank the 2021 Chair, the Government of British Columbia, for its leadership in moving forward the various RCT Work Plan items and other initiatives outlined in this report. We would like to also thank the RCT members and the numerous government officials who worked on the Work Plan items, and the stakeholders who provided input to the RCT to aid in the development of the Work Plan.

## Introduction

The *Canadian Free Trade Agreement* (CFTA) entered into force on July 1, 2017, with the objective of reducing and eliminating, to the extent possible, barriers to the free movement of persons, goods, services, and investments within Canada and establishing an open, efficient, and stable domestic market. The CFTA commits all Canadian provinces, territories and the federal government to a comprehensive framework that will help achieve a modern and competitive economic union for all Canadians.

An important feature of the CFTA is the creation of the Regulatory Reconciliation and Cooperation Table (RCT). The RCT has a mandate to reduce barriers to trade, investment, and labour mobility within Canada by leading efforts to:

- 1) Identify and reconcile differing regulatory measures between the federal government, provinces, and territories that act as barriers to trade, investment, or labour mobility; and
- 2) Lead cooperation efforts in the development of future regulatory measures in order to:
  - a. Avoid regulatory divergence that may impair trade, investment, or labour mobility in Canada;
  - b. Facilitate innovation, competition, or growth in emerging industries, technologies, or sectors; or
  - c. Seek common processes among Parties for implementing future regulatory measures in order to avoid new administrative burdens for enterprises working in multiple jurisdictions in Canada.

At least annually, the RCT updates its Work Plan, which identifies regulatory areas for national reconciliation and cooperation efforts. This can be achieved by mutual recognition, harmonization, or other means. The Work Plan, developed by all Parties to the CFTA, includes input from stakeholders and is publicly available on the [CFTA website](#).

## RCT Achievements in 2021

Uncertainty related to the COVID-19 pandemic continued throughout 2021, with public health orders and recommendations, and shifting jurisdictional priorities slowing the work at both the RCT and technical Working Group levels.

### *A. New Agreement*

One Reconciliation Agreement, the *Pan Canadian Occupational Health and Safety Reconciliation Agreement*, encompassing seven types of fall protection equipment was completed:

#### Fall Protection

##### *Issue:*

All provincial and territorial governments require businesses to provide, when relevant, their workers with fall protection equipment, but the type of equipment varies from one jurisdiction to the next.

*Solution:*

The Agreement requires jurisdictions to reconcile standards for seven types of fall protection equipment:

- Energy/shock absorbers
- Full body harnesses
- Fall arresters
- Lanyards
- Self-Retracting Devices
- Vertical Lifelines
- Connecting Components

This Agreement builds on the 2019 National Occupational Health and Safety Reconciliation Agreement which set out common standards in the areas of First Aid Kit Contents, Eye and Face Protection, Head Protection, Foot Protection, Hearing Protection, Personal Floatation Devices and Life Jackets.

*Status:*

The Parties completed negotiations and sent the final Agreement to the RCT for endorsement in Summer 2021. All Parties have endorsed the Agreement and the signature process is underway.

*Anticipated Benefit:*

When fully implemented, the Agreement will allow businesses operating across multiple Canadian jurisdictions to be certain that a listed common standard for fall protection equipment will be accepted in each of the jurisdictions in which the business operates. As a result, Canadian businesses and workers who operate in multiple jurisdictions will no longer need to purchase multiple sets of differing fall protection equipment.

*B. Signatures Added*

Additional Parties signed on to three previously concluded Agreements:

- Alberta, Newfoundland and Labrador, Northwest Territories, Nunavut, and Yukon signed the *Construction Codes Reconciliation Agreement*, which enables Parties to identify, reduce, or eliminate existing variations between their construction codes and the National Codes by 2025, and minimize new variations in the future. Thirteen of 14 Parties to the negotiations have now signed the Agreement, with British Columbia, Saskatchewan, Manitoba, Ontario, Quebec, Prince Edward Island, Nova Scotia, and Canada having signed prior to 2021.
- British Columbia, Quebec, and Saskatchewan signed the *Corporate Registry Reconciliation Agreement*, which reconciles differences in corporate registration and reporting requirements between Parties in order to alleviate the burden placed on businesses seeking to expand their operations across the country. Ten of 14 Parties to the negotiations have now signed the Agreement, with Alberta, Manitoba, Ontario, Newfoundland and Labrador, Northwest Territories, and Canada having signed prior to 2021. Yukon signed in early 2022.
- Nova Scotia and Quebec signed the *Energy Efficiency Standards for Household Appliances Reconciliation Agreement*, which reconciles regulatory differences regarding the energy efficiency rules for household appliances. Five of seven Parties to the negotiations have now signed the Agreement, with Manitoba, Ontario and Canada having signed prior to 2021.

Complete texts of ratified Agreements, as well as summaries of endorsed Agreements, are posted on the [CFTA website](#).

### *C. Additional Efforts*

The RCT also made progress in other areas:

- Outreach to over 40 diverse national stakeholders; and
- Continued refinement of its internal practices by:
  - Reviewing and amending its terms of reference and administrative practices;
  - Developing guidance documents for Working Groups for both reconciliation and cooperation Work Plan items;
  - Preparing guidance on how to develop new items for inclusion in the RCT Work Plan; and
  - Creating templates for action plans, interim reports, final reports, and reconciliation agreements.

RCT Liaisons assigned to specific Work Plan items worked closely with their respective Working Groups to provide support in achieving Agreements that conform to Chapter 4 of the CFTA.

## **Stakeholder Engagement**

In 2021, the RCT continued its efforts to increase stakeholder engagement by broadening the list of national and regional stakeholders consulted. This was undertaken in April 2021 by the Chair, who reached out to national and regional stakeholders on behalf of the RCT. RCT Representatives also conducted their own internal consultations.

<b>Stakeholders Contacted by the RCT Chair</b>
Afro-Canadian Chamber of Commerce
Agricultural Manufacturing of Canada
Atlantic Provinces Economic Council
Beer Canada
Broadbent Institute
Business Council of Canada
Canada West Foundation
Canadian Association of Importers and Exporters
Canadian Association of Petroleum Producers
Canadian Black Chamber of Commerce
Canadian Cattlemen's Association
Canadian Centre for Policy Alternatives
Canadian Chamber of Commerce
Canadian Council for Aboriginal Business
Canadian Craft Brewers
Canadian Federation of Independent Business
Canadian Fuels Association
Canadian Gay and Lesbian Chamber of Commerce
Canadian Labour Congress

### **Stakeholders Contacted by the RCT Chair**

Canadian Manufacturers & Exporters  
Canadian Oilseed Processors Association  
Canadian Trucking Alliance  
Canadian Women's Chamber of Commerce  
Canola Council of Canada  
C.D. Howe Institute  
Cereals Canada Inc.  
Conference Board of Canada  
Conseil du patronat du Québec  
Consumer Choice Center  
Engineers Canada  
Explorers and Producers Association of Canada  
Fertilizer Canada  
Food, Health & Consumer Products of Canada  
Forest Products Association of Canada  
Freight Carriers Association of Canada  
Insurance Bureau of Canada  
Macdonald-Laurier Institute  
Mining Association of Canada  
Montreal Economic Institute  
Pulse Canada  
Railway Association of Canada  
Retail Council of Canada  
Western Grain Elevator Association  
Wine Growers Canada

The RCT welcomes requests from stakeholders not listed above to be included in future consultations on Work Plan development. Requests can be shared with the [Internal Trade Secretariat](#), who will advise the Chair.

## **Lessons Learned**

The 14 Parties have come together to develop processes to more effectively reconcile differences in regulations across their jurisdictions and to cooperate in the development of future regulatory measures across Canada.

### COVID-19

As the RCT plans for 2022, we are aware that Canadians continue to operate in an uncertain public health environment that is affecting jurisdictions in disparate and differing ways. Although we are hopeful that the significant challenges of 2020 and 2021 are behind us, we remain conscious that much uncertainty remains and will be working closely with technical Working Groups to support their continued negotiations, wherever possible, through any lingering or yet unknown impacts from COVID-19.

### Stakeholder Engagement

The RCT continues to refine the way in which it engages with stakeholders to identify existing measures as candidates for possible reconciliation or cooperation. Some of the feedback received by stakeholders in recent call outs for input suggest there is a need to communicate the mandate and role of the RCT more effectively. More regular interactions with stakeholders may also prove helpful in this regard

### Transparency

The RCT continues to work towards improving transparency to provide stakeholders with timely, clear, correct, and useful information with regard to how the RCT operates, report progress toward identifying and completing Work Plan items and progress on endorsing and signing Agreements.

## **RCT 2021-2022 Work Plan**

The RCT's fourth annual (2021-2022) [Work Plan](#) was released publicly on November 30, 2021. This Work Plan added two new items, one for reconciliation and one for cooperation.

*Reconciliation Item: Identification and Mutual Recognition of Regulatory Measures Related to the Sale or Provision of Goods and Services*

This item calls for the identification and mutual recognition of regulatory measures related to the sale or provision of goods and services within Canada. This work will commence with the identification of relevant federal, provincial, and territorial regulatory measures.

*Cooperation Item: Temporary Rapid Registration for Workers in Times of Urgent Need (e.g., floods, epidemics)*

Parties have their own approaches to managing emergencies. In the absence of any coordinated efforts, these approaches can unintentionally create delays in interprovincial labour mobility and cross border trade in services. Recognizing that such delays can inhibit the prompt deployment of workers to assist in managing a crisis, this item is aimed at developing cooperation so as to streamline, to the degree possible, out-of-province registration requirements and processes for certain workers in times of urgent need.

The addition of these two items brings the total number of items on the Work Pan to 35, with 11 Reconciliation Agreements completed to date.

## **Plans for 2022**

There are seven regulatory reconciliation items on the current Work Plan targeted for completion by the end of 2022:

- Occupational Health and Safety
  1. Workplace First Aid Training
  2. Occupational Exposure Limits
  3. Personal Protective Equipment

- Transportation
  4. Electronic Logging Devices
  5. Truck Driver Certification - Entry-Level Training for Commercial Drivers
- Registration Requirements
  6. Workers' Compensation Board
- Technical Safety
  7. Gasfitter/Gas Technician Licensing/Certification

There are also two items for future regulatory cooperation currently under discussion and targeted for completion by the end of 2022:

- Transportation
  1. Testing of Automated and Connected Vehicles
- Construction
  2. Builders' Lien – Prompt Payment Legislation and Associated Regulations

Over the coming year, the RCT will continue supporting the Working Groups responsible for the above initiatives with a view to concluding, endorsing, and signing as many Agreements as possible.

In addition, and as mandated in Article 407 of the CFTA, the RCT will be undertaking a five-year review to examine the operation and effectiveness of Part B of Chapter 4.

## Summary

In 2021, the RCT built on the successes of previous years by working to advance the implementation of Agreements and continuing to ensure that technical Working Groups are supported in the valuable work they are doing. One Reconciliation Agreement was completed in 2021 covering standards for seven separate items of fall protection. Work continued on improving the ways in which the RCT can best fulfill its mandate, while enhancing transparency and accountability. While there are a number of challenges facing jurisdictions today, the RCT remains committed in its efforts to reduce and eliminate regulatory differences that create barriers to trade, investment, and labour mobility, and to create an open, efficient, and stable market for job creation, inclusive economic growth, and stability in Canada.

## Key Links

For further information on the RCT and its initiatives, please visit our website at:

<https://www.cfta-alec.ca/regulatory-reconciliation-cooperation/>

2021-2022 RCT Work Plan:

<https://www.cfta-alec.ca/wp-content/uploads/2021/12/RCT-2021-2022-Work-Plan-Final-Version-for-Website-November-30-2021.pdf>

Regulatory Reconciliation and Cooperation Table Representatives:

<https://www.cfta-alec.ca/contact-us/rct-representatives/>