

Canada

Overview and recent developments

In Canada, the process for developing primary laws (Acts) and subordinate regulations differs significantly. Subordinate regulations typically elaborate on the general principles outlined in Acts, and establish detailed requirements for regulated parties to meet.

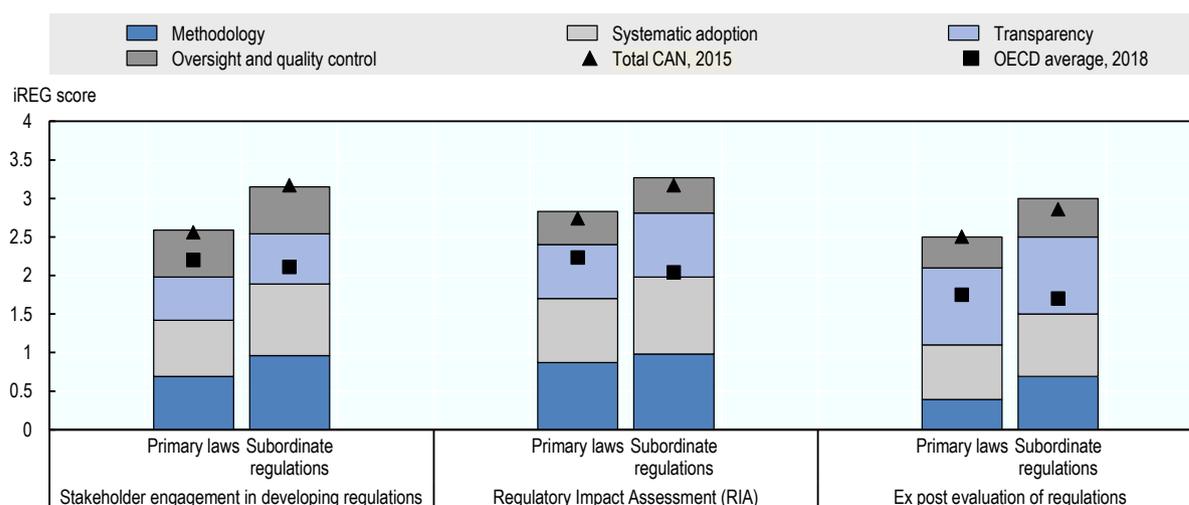
The requirements for developing Acts are outlined in the *Cabinet Directive on Law-making*. Legislative proposals introduced by the government are brought to Cabinet for consideration and ratification, before being drafted and introduced in Parliament. This includes documents relating to the potential impact of the proposal. While Cabinet deliberations and supporting documents are confidential, a legislative proposal is often the end product of broad prior consultation with interested stakeholders.

The *Cabinet Directive on Regulation* (CDR) establishes the requirements for developing subordinate regulations. A RIA is mandatory and made public on a central registry, along with the draft legal text. Open consultation is conducted for all subordinate regulations and regulators must indicate how comments from the public were addressed, unless the proposal is exempted from the standard process. The CDR was adopted in 2018, replacing the previous *Cabinet Directive on Regulatory Management*. The CDR strengthens requirements for departments and agencies to undertake periodic reviews of their regulatory stock to ensure that regulations achieve intended objectives. It also enshrines regulatory co-operation and consultation throughout the regulatory cycle – including engagement with Indigenous peoples – and reinforces requirements for the analysis of environmental and gender-based impacts. Canada could support the CDR and enhance existing oversight by regularly evaluating the quality of the evaluation and consultation practices.

Institutional setup for regulatory oversight

The **Treasury Board of Canada Secretariat (TBS)** oversees subordinate regulations, and provides a review and challenge function to ensure quality RIA, consultation, and regulatory cooperation. TBS supports the **Treasury Board**, a Cabinet committee that considers and approves regulations. The **Community of Federal Regulators** contributes to regulatory development by sharing best practices among the regulatory community. The **Department of Justice** has a statutory obligation to examine all proposed regulations for legality and conformity with drafting standards. The **Standing Joint Committee for the Scrutiny of Regulations** scrutinizes regulations, including legal and drafting issues. For primary laws, the **Privy Council Office** supports Cabinet in its assessment and approval of legislative proposals destined for parliamentary consideration.

Indicators of Regulatory Policy and Governance (iREG): Canada, 2018



Notes: The more regulatory practices as advocated in the [OECD Recommendation on Regulatory Policy and Governance](#) a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (87% of all primary laws in Canada).

Source: Indicators of Regulatory Policy and Governance Surveys 2014 and 2017, <http://oe.cd/ireg>.

StatLink <https://doi.org/10.1787/888933815452>

Location of regulatory oversight functions: Canada

Regulatory oversight functions		Centre of government	Ministry of Finance, Economy or Treasury	Ministry of Justice	Other ministries	Non-departmental body	Parliament	Office of the Attorney General	Supreme audit institution	Part of the judiciary
Quality control of...	RIA	●								
	Stakeholder engagement	●								
	Ex post evaluation									
Identifying policy areas where regulation can be made more effective		●			●		●			
Systematic improvement of regulatory policy		●			●					
Co-ordination of regulatory policy		●			●					
Guidance, advice and support		●			●					
Scrutiny of legal quality				●						

Notes: ● indicates that a given regulatory oversight function is covered by at least one body in a particular location. Data present the situation as of 31 December 2017 and do not reflect changes that may have taken place in 2018.

Source: Survey questions on regulatory oversight bodies, Indicators of Regulatory Policy and Governance Survey 2017, <http://oe.cd/ireg>.