



**Standards Council of Canada**  
**Conseil canadien des normes**

**Canada**

# **Incorporation of Standards by Reference in Canada: Considerations for Trade**

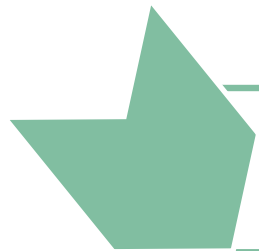
November 12, 2019



## Presentation Overview



Voluntary Standardization in Canada



Incorporation by Reference



Trade policy considerations



# **Voluntary Standardization in Canada**



# The Standards Council of Canada



Canada's national standards and accreditation body

As a Crown corporation, SCC reports to the Federal Government through the Minister of Innovation, Science and Economic Development (ISED)

## SCC:

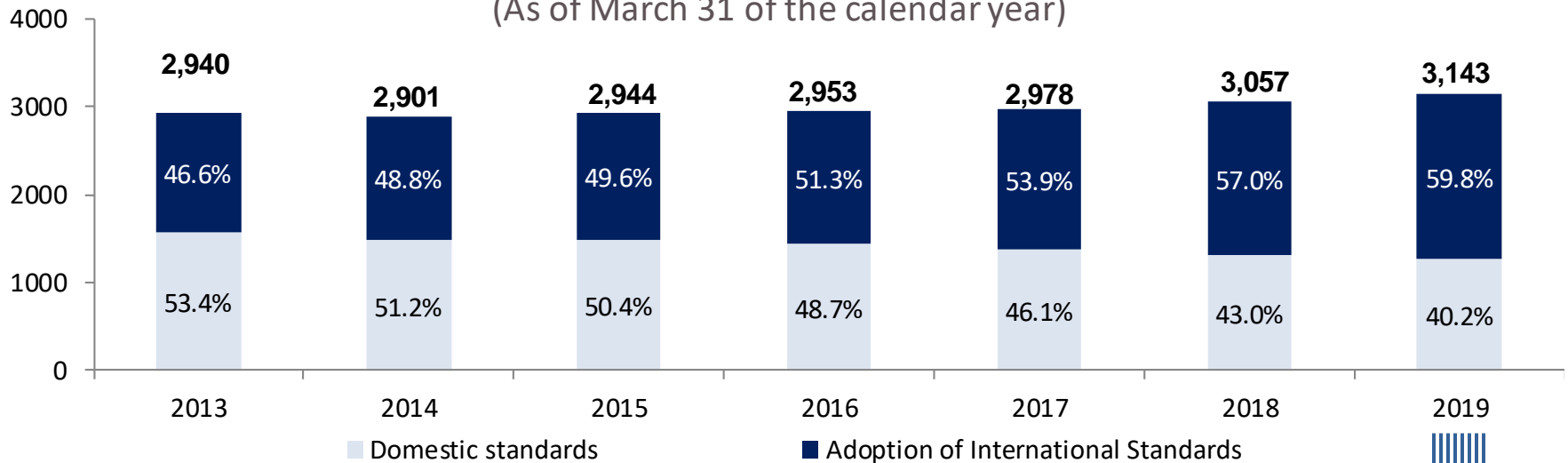
- *Coordinates* standardization activities in Canada
- *Accredits* Standards Development Organizations & Conformity Assessment Bodies
- *Advises* federal and provincial governments
- *Supports* strategic priorities of industry and governments
- *Represents* Canada in international and regional forums



## Standards in Canada

As of March 31, 2019, there were **3,143** active standards published under SCC accreditation.

Number of active Canadian standards under SCC oversight  
(As of March 31 of the calendar year)

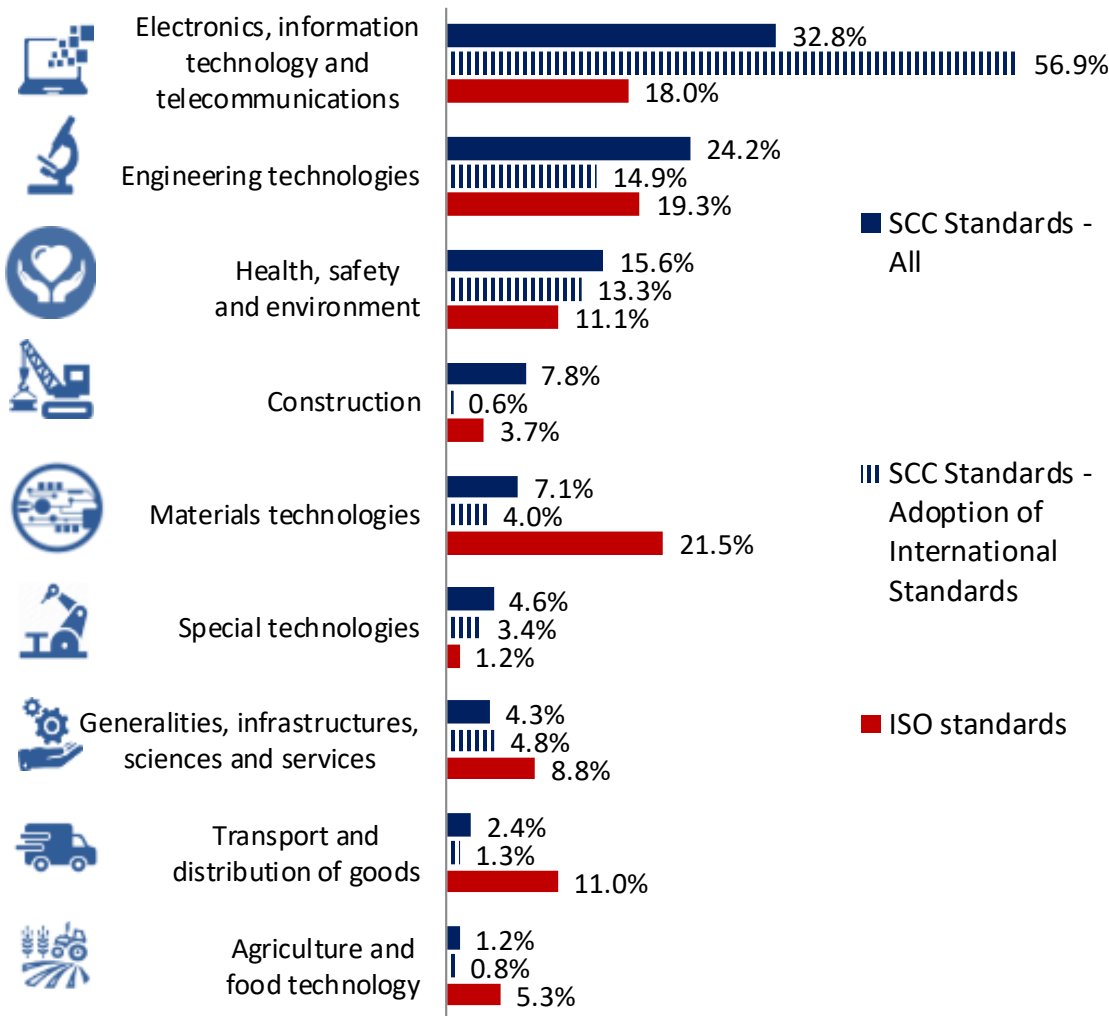


In FY 2018-2019, **2,550 (81.1%)** active standards under SCC accreditation were **National Standards of Canada (NSCs)**.





# SCC and ISO Standards by ICS Sector



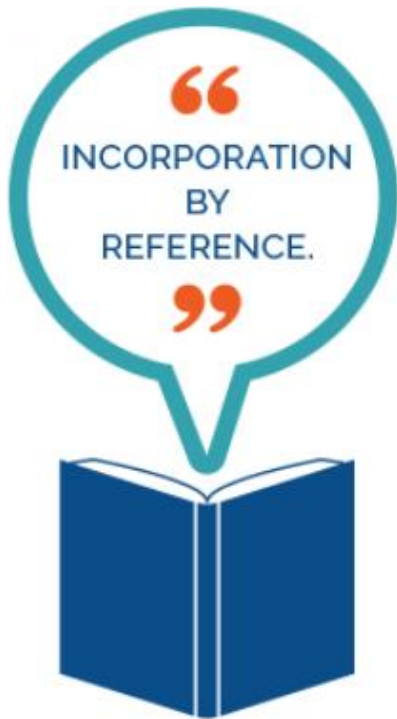
Note: The distribution of standards across ICS sectors is based on the total number of ICS codes assigned to each standard. Since a standard can have multiple ICS codes, the number of standards that could be derived from the distribution presented in this chart, will equal the total number of ICS codes associated with standards in the Canadian and ISO catalogues, *not* the total number of standards.



# Incorporation by Reference



## Incorporation by Reference (IBR)



- IBR is a drafting technique used to include a document, such as a standard, within a legislative text as if it were reproduced word for word
- Documents incorporated by reference have the same binding effect as the regulation in which it is incorporated
- Canadian federal regulators, as well as all of the provinces and territories, incorporate standards by reference in regulation





## *Examples of Incorporation by Reference (IBR)*

**Static reference:** when a standard is incorporated by reference as of a specific date, and that subsequent revisions to the standards are not automatically incorporated into the regulation.

***Example:***

Floor coverings must meet the Canadian General Standards Board standard CAN/CGSB-4.2 No. 27.6, Textile test methods – Flame resistance — Methenamine tablet test for textile floor coverings, published in September 2015.



## *Examples of Incorporation by Reference (IBR)*

**Ambulatory reference:** when a standard is incorporated by reference with no mention of a date of issue or specific version. For additional clarity, ambulatory references should include phrases such as “latest edition of” or “as amended from time to time.”

### *Example:*

The requirements must conform to **the latest edition of** ASTM D6866, Standard Test Methods for Determining the Bio-based Content of Solid, Liquid, and Gaseous Samples Using Radiocarbon Analysis.



# Trade policy considerations



## Coordinating the Canadian Standardization System

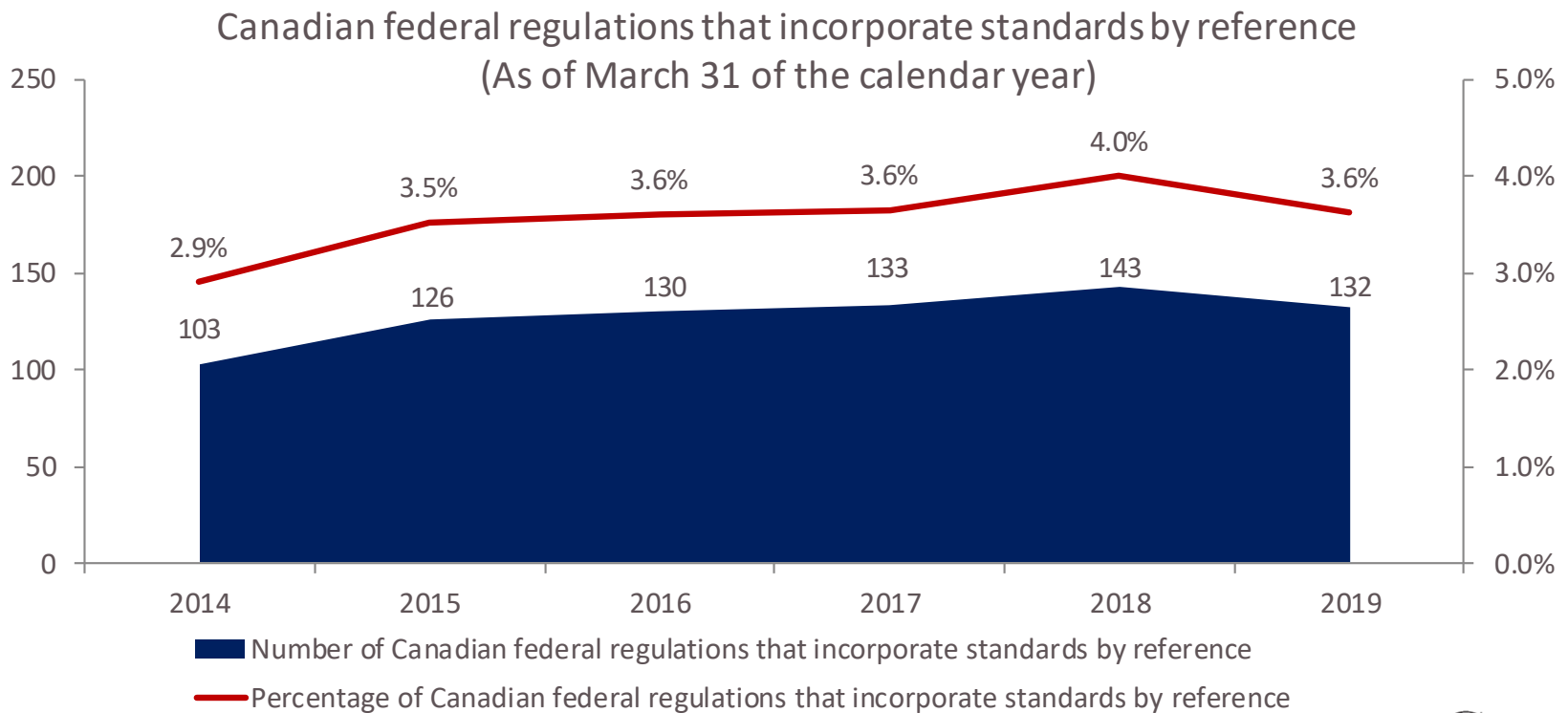
SCC works to better understand the economic impact of incorporating standards in regulations.

SCC's Monitoring Standards in Regulation project provides federal, provincial and territorial governments with reports detailing which standards they have incorporated by reference as well as the status of those standards.



## Standards in Regulations

In FY2018-2019, SCC identified **1,409** references to standards in **132** Canadian Federal regulations.

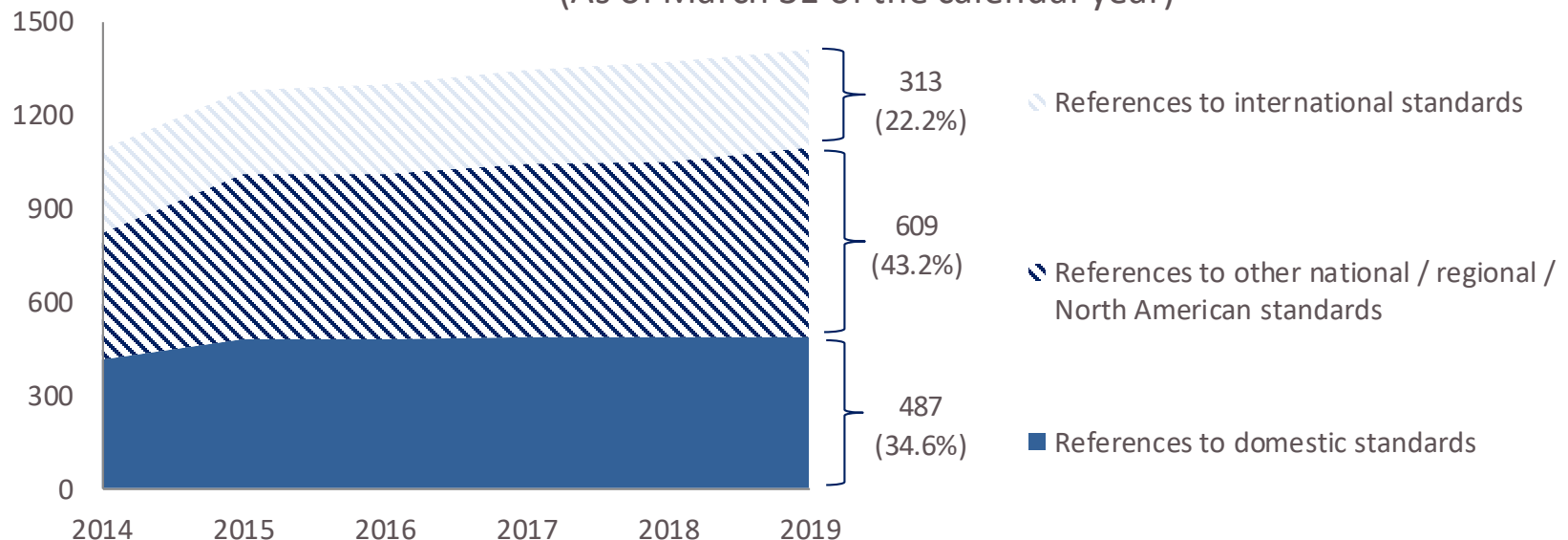




## Standards in Regulations

When referencing standards in regulations, Canadian regulators may consider whether domestic, other national/regional or international standards would best meet their regulatory objectives.

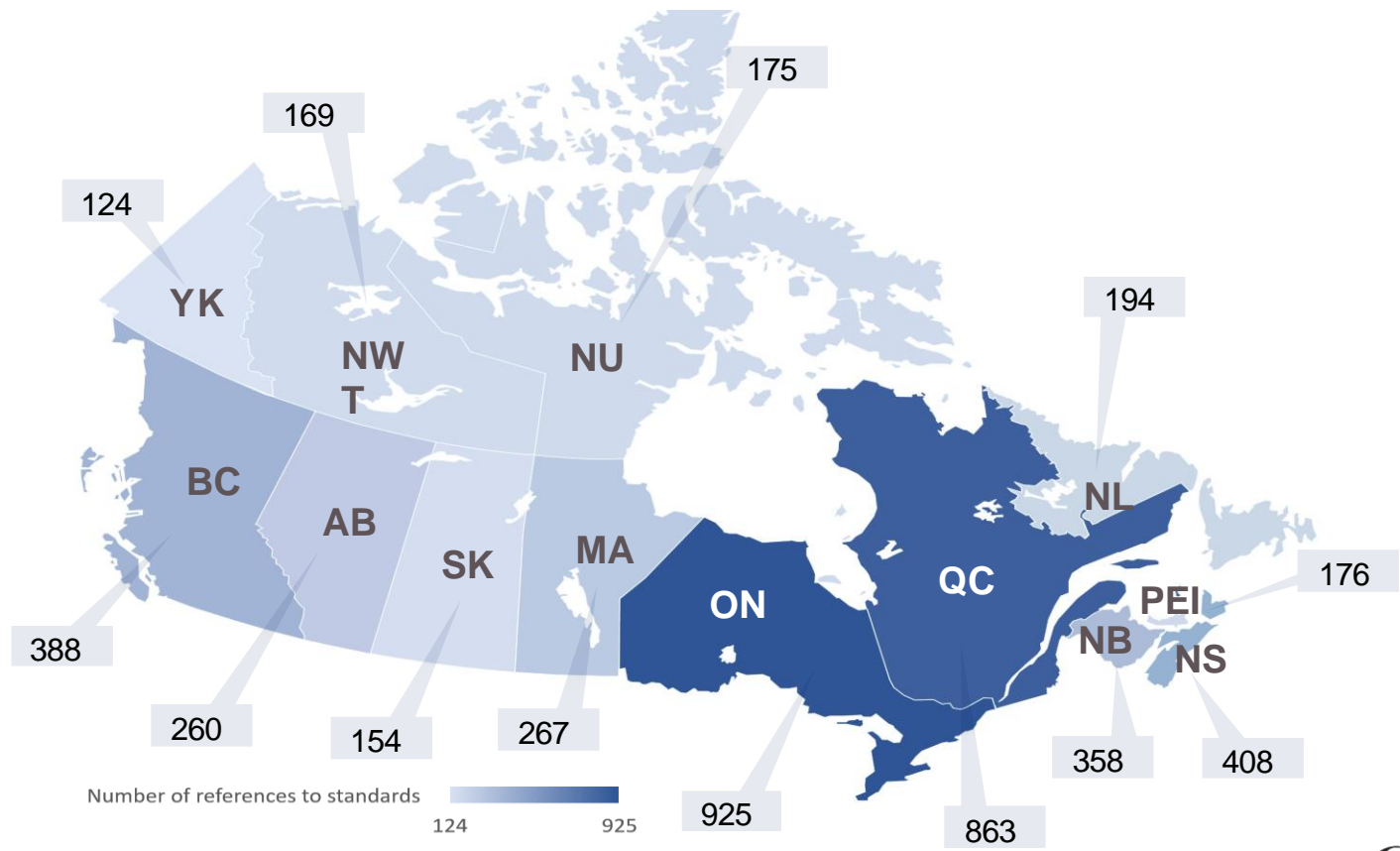
Number of References to standards in Canadian federal regulations  
(As of March 31 of the calendar year)





# Standards in Regulations

Number of References to Standards in Provincial and Territorial Regulations (As of March 31, 2019)





## Work to align Standards Incorporated by Reference

Over time, provincial and territorial governments have incorporated different standards, or different versions of the same standard, in regulations across Canada.

This has led to the creation of technical barriers to trade within the country.

SCC works with key stakeholders to identify standards referenced in regulations that impact trade and to analyze the economic impact of technical barriers to trade.





## Policy Considerations for Incorporation by Reference

Need for increased awareness on standards nomenclature and maintenance cycle

Request for guidance on policy considerations for incorporating standards by reference in regulation

Guidelines on IBR developed with input from Department of Justice and Treasury Board of Canada Secretariat published in 2018



## Benefits of Standards as a Regulatory Tool



**Incorporating standards by reference in regulation**

- Allows regulators to make use of the expertise in Canada's standardization system to efficiently advance regulatory objectives
- Supports a regulatory system that fosters innovation and ensures needs of industry and the latest scientific trends / technologies are reflected
- Supports global supply chains and reduces technical barriers to trade and trade irritants
- Supports market access for Canadian products and services and reduces compliance costs
- Balances the interests of diverse stakeholders



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# Thank you

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