CFIB | Red Tape Awareness Week™



RTAW 2025 *Honourable Mentions* and "*Ones to Watch"* Awards

Honourable Mention: Safe Food for Canadians Regulations amendments for the City of Lloydminster

Awarded to: The Canadian Food Inspection Agency (CFIA)

Recipient:

- Paul MacKinnon, President of the CFIA

The City of Lloydminster, uniquely situated on the border of Alberta and Saskatchewan, has long faced regulatory challenges due to its recognized status in both provinces. Food safety oversight is handled by the Saskatchewan Health Authority throughout the city. However, federal food regulations under the *Safe Food for Canadians Act* (SFCA) and *Safe Food for Canadians Regulations* (SFCR) did not account for Lloydminster's special interprovincial status. As a result, local businesses had to navigate interprovincial trade requirements, including renewing and paying for a Safe Food Canada (SFC) licence every two years, ensuring all products met labelling and packaging standards, and preparing a preventive control plan (PCP) to identify food risks simply to sell food within their own city.

To address this, the *Regulations Amending the Safe Food for Canadians Regulations (City of Lloydminster)* were developed. These amendments exempt food commodities and businesses operating within Lloydminster from federal interprovincial trade requirements under the SFCA and SFCR, treating the city as if it were entirely within one province. This change reduces red tape, supports local businesses, and aligns federal rules with the Lloydminster Charter.

This regulatory update makes it easier for businesses to operate, encourages local trade, and strengthens Lloydminster's economy. This initiative showcases a thoughtful and practical approach to regulatory reform, making Lloydminster a model for innovative solutions to complex interprovincial challenges moving forward.

In addition to reduced red tape, there are cost-saving benefits for businesses on both sides of the provincial border as they will no longer have to bear the costs associated with the interprovincial requirements of the SFCR (see Table 1 below).

Table 1: SFCR, interprovincial trade costs per business, 2023 Canadian dollars, 7% discount rate

Activity	Annualized compliance costs per business
Preventive controls and preventive control plans (PCPs)	
Developing and documenting the PCP	$276
Implementing preventive controls and a PCP	$7,554
Maintaining PCPs	$466
PCP subtotal	$8,296
Licencing	
Licence fee	$144

Background information:

• Publication: https://gazette.gc.ca/rp-pr/p2/2024/2024-11-20/html/sor-dors216-eng.html

***"One to Watch" Award winner*: Mutual recognition pilot project for the trucking industry**

Awarded to: The Government of Canada and the Government of Newfoundland and Labrador (as Chairs of the coalition), and all other members of the coalition: Ontario; Nova Scotia; Manitoba; Prince Edward Island; Saskatchewan; Alberta; Northwest Territories; Yukon; and Nunavut.

Recipients:

- Hon. Anita Anand, Federal Minister of Transport and Internal Trade
- Hon. Dominic LeBlanc, Federal Minister of Finance and Intergovernmental Affairs
- Hon. Dr. Andrew Furey, Premier of Newfoundland and Labrador (Co-Chair of pilot), Minister of Intergovernmental Affairs
- Coalition members:
    - Hon. Gilles Arsenault, PEI Minister of Environment, Energy and Climate Action (CIT Chair)
    - Hon. Danielle Smith, Premier of Alberta, Minister of Intergovernmental Relations
    - Hon. Warren Kaeding, Saskatchewan Minister of Trade and Export Development, Minister Responsible for Innovation
    - Hon. Jamie Moses, Manitoba Minister of Business, Mining, Trade and Job Creation
    - Hon. Caitlin Cleveland, Northwest Territories Minister of Industry, Tourism and Investment
    - Hon. Tim Houston, Premier of Nova Scotia, Minister of Intergovernmental Affairs and Trade
    - Hon. David Akeeagok, Nunavut Minister of Economic Development and Transportation, Minister Responsible for Trade
    - Hon. Victor Fedeli, Ontario Minister of Economic Development, Job Creation and Trade
    - Hon. Ranj Pillai, Premier of Yukon, Minister of Economic Development

This pilot project marks Canada's first tangible mutual recognition policy breakthrough since the Canadian Free Trade Agreement (CFTA) was signed in 2017.

Introduced on September 26, 2024, this pilot project aims to reduce internal trade barriers by committing participating provinces and territories to recognize each other's trucking regulations without compromising safety standards. As the first initiative of its kind, this project represents a Canada-wide commitment to mutual recognition, making it easier for businesses to operate across provinces, and thereby increasing productivity and economic growth.

Participants will commit to recognizing each other's regulations, such as driver medical requirements, training requirements, time-of-day definitions, and oversized vehicle signage requirements, ensuring the smoother movement of trucks across provincial and territorial borders.

Over $500 billion worth of goods and services moves across provincial and territorial borders every year—equal to almost 19% of Canada's gross domestic product. Last year, one third of Canadian businesses participated in internal trade by buying or selling goods across provincial and territorial borders.

In a recent report, CFIB estimated that eliminating internal trade barriers through mutual recognition could boost the economy by $200 billion annually. This pilot, which focuses on the trucking sector, is the first of its kind on this scale in Canada and is seen as a testing ground for broader future applications, including labour mobility. Participating governments will be expected to report back on their progress at the 2025 annual Committee on Internal Trade (CIT) meeting.

Background information:

- Announcement and description: https://www.canada.ca/en/intergovernmental-affairs/news/2024/09/ministers-leblanc-and-anand-announce-trucking-pilot-to-improve-movement-of-goods.html
- CFIB press release: https://www.cfib-fcei.ca/en/media/cfib-applauds-new-mutual-recognition-pilot-project-for-trucking-industry
- CFTA announcement regarding the CIT meeting and the pilot: https://www.cfta-alec.ca/ministers-meet-to-drive-progress-on-internal-trade

"One to Watch" Award winner: Alberta's "Automatic Yes" policy/framework

Awarded to: The Government of Alberta

Recipient:

- Hon. Dale Nally, Alberta Minister of Service Alberta and Red Tape Reduction

Service Alberta and Red Tape Reduction (SARTR) continues to take significant steps to streamline regulatory processes and reduce red tape, focusing recent efforts on improving government decision times on permits, and associated review processes. A key initiative by SARTR is the introduction of the "Automatic Yes" framework, the first of its kind in Canada. This risk-based strategy aims to speed up permit decisions while maintaining essential health, safety, and environmental standards. The framework generally targets low- and medium-risk permits, in order to reduce the review time on applications while improving application processes. This allows government to reallocate resources to focus on more complex applications, and those of relatively high-risk activities.

The "Automatic Yes" framework adds additional tools that build on the groundwork that was laid by SARTR's creation of a provincial permit database to track and catalogue permits issued by the government. The permit database allows SARTR to work with other government ministries to identify challenge areas and solutions to help streamline the review and decision-making process. Through this work, 20% of the Alberta government's permits have shown improvement in decision times, some by as much as 30 days. Insights gleaned from the database, in conjunction with input from government ministries, have also been instrumental in shaping Alberta's "Automatic Yes" framework by helping to inform the way it can be applied to existing permits.

The framework includes three approaches based on those used successfully in other jurisdictions and, to some degree, already in use in the Government of Alberta: Code of Practice, Permit by Rule, and Shot Clock. Both the Code of Practice and Permit by Rule allow activities to proceed without a permit, provided defined rules and requirements are followed. In the case of Permit by Rule, applicants must also register their activities with the government and provide additional documentation. The Shot Clock sets decision deadlines for permit applications and requires communication to the applicant of either the application's approval or the rationale for its rejection.

The three approaches within the "Automatic Yes" framework are designed to reduce red tape in review processes, improve transparency and responsiveness, and enable faster decisions for Albertans and Alberta businesses. The intended benefits of the framework are greater certainty, faster approvals, lower costs, and an improved investment environment.

Background information:

- Page 5: https://open.alberta.ca/publications/service-alberta-and-red-tape-reduction-business-plan
- Page 22: https://open.alberta.ca/publications/2817-447x
- Note: SARTR does not share this information on its website (short mentions in its annual report). This information was shared with CFIB by SARTR directly: https://open.alberta.ca/publications/red-tape-reduction-annual-report

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