

Trade Policy & Regulations

Industry Issue Overview

Regulatory Alignment with the U.S. is Critical

Canada has been a trading nation since the first National Policy of 1879 along with subsequent trade agreements like the Auto Pact in 1965 and NAFTA in 1989. More recently was the renewal of that trade agreement under the United States, Mexico, and Canada Agreement (USMCA). Canada derives over two-thirds of its GDP from cross-border commerce in capital, goods, and services. This dependence on foreign trade is contingent upon efficient, fair, and predictable trade policies and regulations that position Canada as a favourable and reliable trading partner. Of particular importance is the Canada/U.S. trade relationship, which includes thousands of interwoven cross-border supply chains. In fact, 40 percent of all cross-border shipments are intra-company supply chains, feeding essential ingredients necessary for advanced manufacturing and just-in-time processes.

Innovation Supports Competition

Companies are only as competitive as their governments allow them to be. Canada cannot afford to develop domestic-centric regulations and policies. It must be innovative, especially in advanced manufacturing, and align policies and regulations with its major trade partners under USMCA, CETA, and the latest Comprehensive and Progressive Trans-Pacific Partnership - CPTPP.

A Vibrant CASE Industry

Canada has a vibrant CASE industry comprised of product manufacturers, distributors, and raw material suppliers that continually invest in R&D to generate new innovations and new technologies. This all leads to better and high-performing, sustainable products. The application of paint and coatings touches many end-use markets such as construction, automotive, oil & gas, mining, wood furniture, aerospace, machinery, paper, metal containers, and general industrial manufacturing industries. In many of these end-use applications, coatings are critical to the success of these end-use industries including extending product lifecycles, enhancing performance, and reducing environmental impacts.

Like many other sectors, the coatings industry is highly integrated with that of the United States and relies on other countries for many inputs required for thousands of formulated products for construction and general consumer use. While there is little or no disruption to consumer choice for many products, increasingly in Canada there is significant disruption in the Canadian manufacturing base for paint and coatings and Adhesives & Sealants. CPCA's constant preoccupation focuses on the need to ensure that these products continue to be manufactured in Canada whether by Canadian-based companies or multinational businesses located in Canada. Continued cross-border shipment of goods can only continue as long as the regulations are aligned between the two countries that comprise the largest trading block in the world.



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CPCA Regulatory Focus on Trade Policy & Regulation

The CASE industry is one of the most highly regulated industries in Canada, subject to constantly changing legislation and thousands of regulations such as, but not limited to, the Canadian Environmental Protection Act, the Canadian Consumer Products Safety Act, the Hazardous Products Act, the Transportation of Dangerous Goods Act, and the Pest and Control Products Act. The United States has a similar suite of legislative and regulatory measures in place, but with different timelines and compliance requirements. CPCA is a member of the World Coatings Council (WCC), representing 20 other associations around the globe working on common issues. The WCC is also engaged in organizations such as the United Nations, OECD, the IMO and other fora on the development of international regulations and standards with global impacts.

\$600

Billion in Annual Canada-U.S. Trade

\$3

Billion Canada-U.S. Daily Trade

25

States with Canada as #1 Customer



Canadian Paint
and Coatings
Association

Association canadienne
de l'industrie de la peinture
et du revêtement

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*Trusted Advocacy.
Proven Results.*

About CPCA

The Canadian Paint and Coatings Association (CPCA) was founded in 1913 and since then it has forged a legacy as one of Canada's oldest trade associations advocating for the interests of the paint and coatings industry. CPCA's team of regulatory and chemical experts understand how policy, regulations, and industry are intricately connected, providing proactive approaches on legislative and regulatory development for critical issues for the CASE Industry. For more information on this or other issues of interest contact CPCA.