



2019 Paperweight Awards



Top red tape offenders in Canada

**BUSINESS
OWNERS'
CHOICE**

**Paperweight
Award**

The federal government's web of confusion

Government of Canada

Dozens of user-unfriendly websites from the Government of Canada make it difficult for small business owners to find the information they need on programs, services and rules. Government websites are supposed to make it easy to find information, but one third of business users say the sites are pointlessly complex.

More often than not, owners are forced to spend hours online trying to navigate the Canada.ca maze to track down information or forms, making it hard to comply with or understand the rules. In the words of one CFIB member, "Government websites are ridiculous. We waste countless hours tracking [forms] down. Researching compliance is a frustrating headache." Even the government's own internal reviews of its websites found that they create extra barriers for 65% of businesses users. And if small business owners finally do find what they are looking for, the language used on the website is often so complex, it's difficult to understand.



The Weed-Which-Must-Not-Be-Named (Part 1)

Health Canada

Cannabis is quickly becoming the "Voldemort" of Canadian small business. Due to a lack of clarity on the Health Canada rules, officials in Newfoundland and Labrador apparently are now even restricting the use of the C word ("cannabis") unless it is by licensed cannabis retailers.

A store was told by the Newfoundland Labrador Liquor Corporation (NLC), according to Health Canada rules the word "cannabis" has to be removed from all products and the word cannot be mentioned in the store. The NLC says the store can sell cannabis accessories, but can't call them "cannabis accessories." Any unauthorized reference to "cannabis" can result in severe penalties, including confiscation of products.



The Weed-Which-Must-Not-Be-Named (Part 2)

Quebec Health Department

In Quebec, one craft brewer is stuck with \$400,000 worth of unsellable inventory due to new cannabis advertising rules. Cannabis flavored beers were legal before legalization since they do not contain THC or CBD, the psychoactive ingredients of cannabis. The new Quebec Department of Health rules, however, make the previously legal beers illegal.

Quebec's legislation bans the usage of a logo or an image "associated" with cannabis, including the word cannabis itself. In a ridiculous catch-22, while the Department of Health says producers can't use the word, Quebec's liquor board says they must put "cannabis" on their label because of some other rule. Offenders to these new advertising rules are subject to fines as high as \$62,500.



Smithers' sidewalk to nowhere (Part 3)

Town of Smithers, British Columbia

Smithers Town Council is being given a lifetime achievement Paperweight for sticking to a policy so prescriptive, it's now threatening the town's healthcare. Smithers' bylaw 1800 calls for "off-site works" to be built by any developer building or renovating with a construction value over \$100,000. In 2016, that infamous bylaw brought a "sidewalk to nowhere" and in 2017 forced the Bulkley Valley Child Development Centre to build another short, dead-end sidewalk over a driveway to a neighbouring residential front yard.

Now, the bylaw is putting the CT scanner project at Bulkley Valley District Hospital at risk. To make way for the CT scanner, an estimated \$350,000 of internal renovations to the hospital need to be done. The project has now been put on hold because the budget has not committed funds to building a random sidewalk, curb or storm drain somewhere else in the community.



A buffet of inane rules for construction projects

B.C. Ministry of Transportation and Infrastructure

New legislation from the B.C. government requires construction firms to join a union when working on provincial infrastructure projects such as highway restoration projects, bridge building, and new public transit lines. The new Community Benefits Agreement (CBA) sidelines smaller, independent businesses from working on these provincial projects, as the steps to join and administer a union can be a red tape nightmare.

Employers wanting to work on a project must navigate through 20 different union agreements, join one of them, and then comply with 336 pages of overly prescriptive, complex rules which go as far as demanding what kind of meat should be served in sandwiches, what condiments are acceptable and ensuring dinner plates are warmed. These excessive union requirements are estimated to cost taxpayers between \$2.4 and \$4.8 billion in additional labour costs over the next three years.



High street business owners left high and dry

City of Moose Jaw

Red tape comes in all forms and the City of Moose Jaw's complete lack of communication and brutal customer service left High Street West business owners without sewage, water and customers.

The city's water main replacement on High Street West was supposed to take three weeks, but mismanagement dragged it on for almost 10 months. Worse was the City's lack of communication. Business owners had their water shut off for weeks on end - without notice! No notification was provided on when it would be turned back on. Access to some businesses was completely cut off. Small business owners had water and sewer lines disconnected for months but continued to receive water bills!

The complete lack of customer service and communication coupled with construction delays, cost High Street West business owners hundreds of thousands of dollars.



Hey Toronto, 1975 called and it wants its business licensing process back!

City of Toronto

It's not online, so get in line for a new business licence in Toronto. Unlike business licence renewals, new licence applications have not been moved online. To make things more of a pain, the City of Toronto only has one office in the entire city to complete and process new applications.

In Toronto, entrepreneurs applying for a new business licence have one option: They must collect all required identification documents and other paperwork, leave work, get in their car, a streetcar or on the subway, and make their way to an office inconveniently located in the east end of the city (East York) to "apply in person." On average, the whole process takes about half a day to complete.



Quebec's amusement rules not much fun

*Quebec's Liquor, Racing and Gaming Authority
(Régie des alcools, des courses et des jeux)*

In what can only be described as regulatory overkill, bowling businesses face a time-consuming and expensive process every year just to operate. Owners must acquire and pay for a permit for every bowling lane and every piece of amusement equipment, such as pinball machines, pool tables and kiddie rides.

Instead of having a single operating permit for the whole business, owners are obligated to paste a registration sticker on every alley and every piece of equipment and when that's done, enter the manufacturer serial number of the machine, the center's own serial number, the machine's category according to the regulation, the manufacturer's name, the machine's model, purchase date and the date the machine was open to the public into a registry.

Licenses and stickers must be renewed and the registry updated every year. Some businesses end up paying thousands of dollars just for permits and licenses. With all these unnecessary costs, the government has taken the fun out of operating an amusement center in Quebec.



Nova Scotia's slippery soap slope

Nova Scotia Ministry of Labour and Advanced Education

An Occupational Health and Safety inspector in Nova Scotia demanded a small business owner apply the same rules and regulations to hand soap as he would for hazardous material in the workplace. The inspector didn't stop there. He also insisted even household cleaners such as Windex or Lysol, commonly found under the kitchen sink, are considered "hazardous" materials when they are in the workplace and must be treated in the same way. This meant the employer had to waste time and money complying with rules meant to deal with toxic chemicals on ordinary household cleaners he had in his staff room and staff washrooms.

To give a sense of the regulations for dealing with hazardous materials in the workplace, a few of the steps include: having up-to-date material data safety sheets for hazardous materials, conducting a thorough risk assessment, developing a safe work procedure, identifying and providing personal protective gear, and ultimately training all staff on the workplace safety plan. For Windex?