

**Time Consuming**  
Frustration **CPP/QPP** Record of Employment  
Driver's Licence  
Paperburden  
Registrations  
**Red Tape** Excessive  
Passport Line Ups  
Compliance  
**Penalties**

**Waste**  
Customs  
Property Tax  
**Delays** Permits and Licenses  
**Payroll**

**Regulations** Canada Revenue Agency  
**Audit** Confusion  
**Wait Times** Rules  
Government documents Stress  
**Report Card** Fees  
By-Laws Occupational Health & Safety  
Statistics Canada Surveys **2015**  
**Income Tax** Forms

Political Leadership	Public Measurement & Reporting	Constraints on Regulators	Legislated Commitment	2014 Grade	2015 Grade
<b>British Columbia</b>					
The BC government continues to have a very strong focus on red tape. Premier Clark included eliminating red tape in her Mandate Letters to her Cabinet Ministers in June 2014. She made red tape reduction a focus of the government current Core Review. Red Tape reduction was mentioned in the Throne Speech. Since 2001, the regulatory reform initiative has had a Minister of State responsible.	Yes. The government measures and reports "regulatory requirements" on its website and the measures are updated annually. The number of regulatory requirements in BC has been reduced by 42% since 2001, when the province first started measuring. A public consultation on additional metrics is planned this year. BC purposely chose a broader measurement than other Canadian Jurisdictions. They don't just look at regulatory requirements found in regulations, but also in policy and forms.	All new regulatory requirements must go through a "Regulatory Reform Criteria checklist" including a "small business lens." There is a commitment to no-net increase in regulatory requirements until 2015 and we have strong indication that this will be extended.	Yes. BC was the first province to pass legislation requiring annual reporting in 2011. Two annual reports have been released publicly.	A	A
<p><b>Momentum:</b> BC has been a leader in regulatory accountability for many years. However, there is still room for improvement. BC's businesses continue to be concerned about the growth in "off book" regulation from arm's length authorities that are granted regulating power from government. To be truly accountable, all regulatory activity should be subject to the Regulatory Reform Criteria Checklist (including the Small Business Lens) and tracked and reported publicly in the regulatory counts. As part of the core review government has committed to a Regulatory Reform Refresh suggesting that momentum will continue.</p> <p><b>Next steps:</b> To build on its leadership, BC's "refresh" needs to be ambitious enough to build on past leadership. Key elements we will look for include dealing with "off book" regulating, adding additional measures to the count (i.e. time spent on regulations, government customer service) and ensuring that businesses of all sizes are consulted as plans are being developed rather than after the fact. Leadership from the Premier's office will continue to be critical to the initiative's success.</p>					
<b>Quebec</b>					
Yes. At the inauguration of the Council of Ministers, Quebec's Premier appointed a Minister of Small and Medium Enterprises, Regulatory, Streamlining and Regional Economic Development. The 2014-15 Budget dedicated a section on red tape reduction initiatives.	Yes. Measures publicly reported in 2005, 2008, 2009, 2010, 2012 and 2013.	Yes. A commitment was made to reduce regulatory burden cost by 20% by 2015. In 2014 the government adopted a new policy on regulatory and administrative streamlining to reduce the costs related to the adoption of legislative or regulatory standards for businesses. Also, all draft regulations affecting businesses will be subject to a regulatory impact analysis which will be published. In addition, the government will use an SME lens when drafting regulation to assess the impact that it will have on small- and medium-sized businesses. Finally, the minister responsible for regulatory and administrative relief is required to report to Executive Council on the execution of these requirements.	While Quebec does not have legislation in place, the <i>Rules Regarding the Streamlining of Legislative and Regulatory Standards</i> legally bind the government and its agencies to publish an annual strategic plan, its commitments on regulatory and administrative relief and on its achievements in this area.	B+	B+
<p><b>Momentum:</b> To maintain momentum, the Quebec government has created a permanent committee to advise on red tape reduction. It will monitor the implementation of the 63 recommendations of the Working Group on Regulatory and Administrative Simplification and propose new initiatives to reduce red tape. CFIB is co-chairing the committee with the minister.</p> <p><b>Next steps:</b> CFIB will be watching to ensure that the <i>Rules Regarding the Streamlining of Legislative and Regulatory Standards</i> are applied by government and its agencies and that the government is consistently publicly reporting every year.</p>					

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<b>Ontario</b>					
Yes. The Premier has committed to reduce red tape in the 2014 Throne Speech, Budget and Mandate Letters to Cabinet. Red tape reduction reform is led by the Minister of Economic Development, Employment and Infrastructure who has championed reducing regulatory burden for small businesses.	The first report was published in January 2014, and the first government-wide report will be published on an annual basis, starting in June 2015.	Yes. The government committed to \$100 million in savings from red tape burden reduction by 2016-17. Also, any proposed regulations must be posted for public comment, while new ones can only be implemented twice a year. Sunset clauses have been put in place for high impact regulations.	Yes. Ontario recently passed legislation and became the third province to adopt regulatory accountability legislation.	<b>B</b>	<b>B+</b>
<p><b>Momentum:</b> Gaining. The government has made significant progress on improving regulatory accountability measures within the last five years.</p> <p><b>Next steps:</b> The government must measure the total regulatory burden on business, including that imposed by public service entities, government and arm's-length agencies.</p>					
<b>Federal Government</b>					
Yes. The Prime Minister announced a Red Tape Reduction Commission in 2011, a Red Tape Action Plan was announced in the fall of 2012 in response to the Commission's recommendations, and Minister Clement continues to champion them.	Some. In late 2014, the Government announced a count of regulatory burden at the federal level. Previously, a public measure was first reported in 2006. The government published its first Annual Scorecard in January 2014, which said that as of December 2013, the cumulative reduction in administration burden was valued at approximately \$20 million, with 19 regulations eliminated. The scorecard is overseen by a Regulatory Advisory Committee (with CFIB presence) and presented to the government and Auditor General.	Yes. A "One-for-One" rule has been introduced in the House of Commons (Bill C-21) and is going through the parliamentary process. The Bill includes clauses that will force the government to control the number of regulations, to implement a small business lens and to publish an annual scorecard. Some of these processes and rules were already in place in government, but the legislation will make them more robust.	The Red Tape Reduction Act was introduced in Spring 2014, which will legislate measuring and controlling the regulatory burden.	<b>B+</b>	<b>B+</b>
<p><b>Momentum:</b> The Red Tape Action Plan is driving significant culture change within the federal government. Bill C-21 would represent the first time a country has legislated the "One-for-One" rule. Other initiatives, such as the Canada Revenue Agency (CRA) Liaison Officer, could prove very useful in preventing business owner frustration due to red tape. The government's challenge will be to sustain the momentum and to continue to make the reforms a top priority.</p> <p>This progress has been counterbalanced by certain new measures announced in 2014, such as the coming into force of Canada's Anti-Spam Legislation (CASL) and changes to the Temporary Foreign Worker Program (TFWP) that will increase the red tape burden for many small businesses. The fact that the Regulatory Impact Analysis document for CASL stated that the small business lens did not apply as "<i>regulations would not increase administrative or compliance burden on small business</i>" demonstrates that a great deal still has to change within the culture of government.</p> <p><b>Next steps:</b> Measure needs to be more comprehensive as it currently excludes too much of what the private sector would define as red tape. Passing and implementing C-21 will improve its grade, but the federal government must be more consistent and rigorous in applying red tape policies. Though many positive internal and external changes have been made, these are tempered in the minds of many business owners with new programs like CASL. Proper use of the small business lens, for instance, will be essential in softening the impact of new burdensome regulations.</p>					

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<b>Saskatchewan</b>					
Yes. Reducing red tape continues to be a priority for the Premier and is led by the Minister of the Economy. The <i>Saskatchewan Plan for Growth</i> states removing red tape and regulatory streamlining is a priority as the government works to reduce the administrative burden on business to foster growth and competitiveness.	Not yet. The provincial government is currently testing/training all Ministries, Agencies and Crown Corporations on the use of the Regulatory Cost Model and the Regulatory Information Database, and will be finalized spring 2015. The Regulatory Cost Model will review a minimum of 32 business related regulations annually for impacts and costs (a total of 308 business regulations by 2023). Public progress on red tape reduction will be shown through the publishing, tabling, and posting of the legislated <i>Annual Regulatory Modernization Progress Report</i> — which now requires all Ministries, Agencies and Crown Corporations to report on red tape reduction.	Yes. The <i>Saskatchewan Plan for Growth</i> commits to reducing red tape by 25% by 2020 (\$5 million costs saving/year or \$50.4 million by 2020). Besides a commitment to review all business related regulations, the introduction of the <i>Red Tape Reduction Action Plan</i> across government means existing regulations will be reviewed and all regulatory changes will be completed in a consistent fashion using regulatory best practices.	Yes. Saskatchewan fulfilled its election promise and became the second province in Canada to pass landmark legislation in fall 2013 to commit to publishing annual red tape reports that will include a benchmark and other measures.	<b>B</b>	<b>B</b>
<p><b>Momentum:</b> Maintaining. The 2013-14 <i>Annual Regulatory Modernization Progress Report</i> outlined 73 regulatory reviews/initiatives, which resulted in 263 changes for the year, which eliminated overlap, removed outdated regulations, enhanced customer service, improved online service opportunities and reduced paperwork burden.</p> <p><b>Next Steps:</b> In order to maintain this momentum, CFIB will continue to be the watchdog of red tape reduction to ensure the cost model is implemented in spring 2015. We also hope the complete review of all business related regulations is completed before 2023, so relief can be provided to Saskatchewan business owners sooner.</p>					
<b>Newfoundland &amp; Labrador</b>					
Yes. Led by Minister of Service NL.	An annual report was released in November 2014, identifying a clear measure, which is applied broadly (i.e. regulations, legislation and policy).	The report states the government's intent to maintain zero net growth in the regulatory count.	No.	<b>C+</b>	<b>C</b>
<p><b>Momentum:</b> The release of the annual report is an important step forward in regulatory reform accountability.</p> <p><b>Next steps:</b> The government must publicly release the total regulatory count on an annual basis, which is an important component of transparency. The annual report on the regulatory burden should be enshrined in legislation (e.g. an amendment to the <i>Transparency and Accountability Act</i>).</p>					
<b>Prince Edward Island</b>					
Yes. Led by Minister of Innovation and Advanced Learning.	No.	No.	No.	<b>D+</b>	<b>D+</b>
<p><b>Momentum:</b> The intention to reduce red tape received prominent mention in both the 2013-14 Budget Address and the 2014 Speech from the Throne. Plans are currently underway to conduct industry stakeholder roundtables to identify and determine priority areas for reform and there are timelines for action.</p> <p><b>Next steps:</b> While interest in this file is encouraging, the coming year will be a critical time to see government build on that momentum towards concrete actions.</p>					

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<b>Yukon</b>					
The Premier committed to a small business red tape review in Budget 2014. The initiative is being led by the Department of Economic Development.	No.	No.	No.	D	D+
<p><b>Momentum:</b> The territorial government has shown some leadership in recognizing there is a problem and conducting a review. Following a code of conduct for new regulations is an important first step to determining whether there are alternatives to regulation.</p> <p><b>Next steps:</b> The Yukon Government must take action on the submissions from 2,000 businesses in the hospitality, retail, professional and industrial sectors. The government must also explore and commit to legislation to publically report the burden and place constraints on regulators.</p>					
<b>Alberta</b>					
The government says red tape reduction is a priority, and the new Premier has made some promising initial statements, but consistent, sustained leadership is required.	No.	A Mandatory Expiry Date policy has been implemented on regulations, but regulations are not reviewed in a transparent way.	No.	D	D
<p><b>Momentum:</b> The Premier announced a new “small business strategy” during Small Business Week (October 2014) to improve service and help business owners better understand and comply with regulations. The impact of the new streamlined website, the business liaison officers, and a single business identifier remains to be seen.</p> <p><b>Next steps:</b> During the PC leadership race last fall, Premier Prentice said: “The Small Business Strategy should measure the impact of red tape on small business and inform on ways to reduce unnecessary burdens.” To improve it’s grade, CFIB encourages the government to publicly report the red tape burden, and place more meaningful constraints on regulators, such as the “One-for-One” rule.</p>					
<b>Manitoba</b>					
In the last three years, continual change to ministerial responsibility for regulatory reform efforts has hindered progress. After years of little improvement, the 2014 Throne Speech signaled a small step towards greater regulatory accountability.	None currently. The 2014 Throne Speech promised to begin publicly reporting on the impact of regulations.	No.	No.	D-	D
<p><b>Momentum:</b> Red tape reduction is progressing slowly. Industry-specific efforts, such as the modernization of provincial liquor laws, yielded positive results for both business and regulators and provided a pragmatic regulatory consultation and review process. Unfortunately, this encouraging example has not fostered a government-wide culture of red tape reduction.</p> <p><b>Next steps:</b> The Minister’s Advisory Council on Regulatory Reform has developed a Best Practices guide for government on regulation-making. Government-wide adoption of this proposal would be a good first step towards red tape accountability and reduction.</p>					

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<b>Nova Scotia</b>					
Yes. Led by the Minister of Service NS.	No. There has been no public reporting since 2010.	No.	No.	C-	D-
<p><b>Momentum:</b> Government continues to improve online services, programs, and information for business through its Access to Business (A2B) portal, which has expanded in 2014.</p> <p><b>Next steps:</b> The Tax and Regulatory Review report was released in November 2014. Several recommendations were made to reduce red tape including embracing Regulatory Impact Assessments to measure the benefits and costs of new or amended regulations, naming a Minister responsible for Regulatory Modernization, creating an Office of Regulatory Modernization and launching a three-year plan to eliminate ineffective, out-dated or inefficient regulations. No action has yet been taken by government on these recommendations.</p>					
<b>Northwest Territories</b>					
Virtually none. There is a Cabinet-level Committee led by the Finance Minister, but no action has been taken.	No.	No.	No.	F	F
<p><b>Next steps:</b> The Government of the Northwest Territories must acknowledge red tape is a barrier for territorial businesses and commit political capital to addressing this burden.</p>					
<b>New Brunswick</b>					
Political leadership is unclear at this time though Premier Gallant did commit to red tape reduction during the election campaign. Formerly, it was Premier Alward who took leadership of the file and established a "Smart Regulations System" aimed at reducing red tape by 20%.	Not publicly reported. The previous government reported 52,970 regulatory obligations in the 2012 Speech from the Throne. There has yet to be a public announcement updating this measurement though reports are the measurement is happening internally.	No current constraints on regulators. The previous government committed to reduce regulation by 20% over its mandate (which was reportedly on target) and a "One-for-One" rule, which was supposed to be implemented by 2015. It remains to be seen if the new government will follow through with these commitments or establish their own red tape reduction priorities.	No.	B	N/A*
<p><b>Momentum:</b> The new Liberal government led by Brian Gallant has committed to "identifying and eliminating red tape that is most problematic for SMEs and simplifying the process of creating new business". In a leader survey, the new Premier also said his government will undertake a Government Program Review, which will "help reduce regulatory burdens by centralizing services, government contact points and eliminating unnecessary duplications."</p> <p><b>Next steps:</b> CFIB would like the new Liberal government to show leadership on this file, by measuring and reporting on all regulatory burdens that businesses face including those from agencies, boards, commissions and other government bodies.</p>					

\*Too soon to know new government's regulatory accountability commitments.

## How CFIB Graded Regulatory Accountability in Canada

In CFIB's fifth annual Red Tape Report Card, we assign letter grades by evaluating the progress made by governments in Canada to ensure they are accountable for the regulatory burden that they impose on individuals and businesses. Our own experience shows that successful regulatory reform initiatives and accountability include positive developments in each of the following categories:

Criteria	Government												
	BC	QC	ON	FEDERAL	SK	NL	PEI	YK	AB	MB	NS	NWT	NB
<b>Political leadership</b>													
Direction from Premier to Ministers (e.g. mandate letters)	✓	✓	✓										
Commitments in the Throne Speech or Budget	✓	✓	✓	✓	✓		✓			✓			
Addressing the issue through other political venues (e.g. through the Council of the Federation)					✓								
Credible political commitments during elections		✓											✓
Designate Minister responsible for regulatory accountability (red tape has to be in Minister's title)		✓											
Premier and Cabinet Ministers championing red tape reduction	✓	✓		✓	✓								
Cabinet Minister makes red tape reduction a continued priority	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓		
<b>Public measurement</b>													
There is a credible measure in place and it is publicly reported at least once a year	✓	✓	✓										
The measure is publicly available and easy to find	✓	✓	✓										
The measure is publicly promoted	✓	✓	✓										
<b>Constraints on regulators</b>													
Targets on red tape reduction (e.g. 'One-for-One' rule or 25% reduction over 4 years)	✓	✓	✓	✓	✓	✓							
Regulatory policy is applied consistently across government (e.g. any body given regulatory power)		✓			✓	✓							
Other checks in place (e.g. small business lens, sunset clauses)	✓	✓	✓	✓	✓	✓			✓				
<b>Legislated commitment</b>													
Passed legislation to report regularly and publicly on regulatory burden	✓	✓	✓		✓								
<b>2015 Grade</b>	<b>A</b>	<b>B+</b>	<b>B+</b>	<b>B+</b>	<b>B</b>	<b>C</b>	<b>D+</b>	<b>D+</b>	<b>D</b>	<b>D</b>	<b>D-</b>	<b>F</b>	<b>N/A*</b>

\*Too soon to know new government's regulatory accountability commitments.