

Canadian Initiatives to Control Regulatory Expenditures

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Background

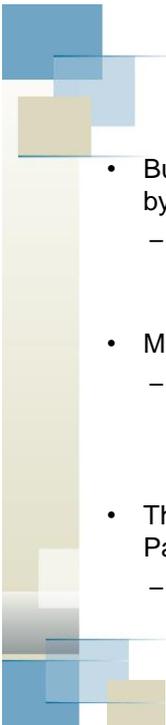
- The Government of Canada has undertaken a number of key initiatives to control regulatory expenditures:
 - Cabinet Directive on Streamlining Regulation.
 - Paperwork Burden Reduction Initiative.
 - Red Tape Reduction Commission.
- The government recently announced a “One-for-One” Rule to control administrative that regulations impose on business.



Cabinet Directive on Streamlining Regulation

- Budget 2007 commitment to make Canada a best-in-class regulator.
 - Maximize net benefits by limiting the cumulative administrative burden and impose the least possible cost on Canadians and business necessary to achieve the intended policy objectives.
 - Consider the needs of small business and identify the least burdensome but most effective approach to addressing these needs.
 - Ensure that regulatory restriction on competition is fair, limited, and proportionate to what is necessary to achieve the intended policy objectives.
 - Identify interested and affected parties, and ensuring open, meaningful, and balanced consultations throughout the regulatory process.

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Paperwork Burden Reduction Initiative

- Budget 2007 commitment to reduce the paper burden on business by 20 per cent
 - Key departments and agencies to establish an inventory of administrative requirements and information obligations.
- March 2009 target was met.
 - Almost 80,000 information obligations were eliminated by streamlining regulations, eliminating duplicate requirements and overlapping obligations and reducing information requirements.
- The Government worked closely with the Advisory Committee on Paperwork Burden Reduction to reduce paper burden on business.
 - A private-public sector working group co-chaired by the Canadian Federation of Independent Business.

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Red Tape Reduction Commission

- Budget 2010 commitment to establish a Commission involving both Parliamentarians and private sector representatives.
- Mandate:
 - Identify irritants to business stemming from federal regulatory requirements. The focus is on irritants that have a clear detrimental effect on growth, competitiveness and innovation.
 - Recommend options to address the irritants, and control and reduce compliance burden on a long-term basis while ensuring that the environment, health and safety are not compromised.
- Fifteen face-to-face meetings and multiple opportunities to provide feedback (e.g. web-based consultations).
 - Approximately 2,300 specific irritants were brought forward.
- 15 systemic recommendations to cut red tape, including the implementation of a “One-for-One” Rule.
- 90 specific departmental recommendations to cut red tape.

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“One-for-One” Rule

- Minister Clement welcomed the Red Tape Reduction Commission's Report in January 2012:
 - announced the Government is implementing the Commission's recommendation for a “One-for-One” Rule
 - rule will be implemented while ensuring the health, safety and security of Canadians, their environment and economy
- The “One-for-One” Rule will reduce administrative burden on business (i.e., the time and resources spent by business to demonstrate compliance with government regulations) in two ways:
 - regulatory changes that increase administrative burden on business will need to be offset with equal burden reductions;
 - if a brand new regulation adds burden, an existing regulation will need to be taken off the books.
- The Rule came into force on April 1, 2012

“The Commission believes cutting red tape is critical. And this Government agrees. Through these cutting red tape initiatives, the Government hopes to allow businesses to focus on what they do best: sustaining our economic recovery by creating jobs and generating wealth in communities across Canada.”

- Minister Clement, News Release (January 28, 2012)

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