



Canadian
Chamber of
Commerce

Chambre de
Commerce
du Canada

The Voice of Canadian Business™
Le porte-parole des entreprises canadiennes^{MD}

January 21, 2019

Hon. Jane Philpott, P.C., M.P.
President of the Treasury Board and Minister of Digital Government
90 Elgin Street
Ottawa, Ontario K1A 0R5

Dear  Minister:

Congratulations on your appointment. The Canadian Chamber looks forward to working with you on several issues that are important to the success of Canadian businesses and our country's competitiveness.

In particular, the Chamber has worked closely with your department regarding the Treasury Board Secretariat's regulatory policy and oversight responsibilities. Last year we highlighted a number of problems with Canada's regulatory frameworks in our policy report, *Death by 130,000 Cuts: Improving Canada's Regulatory Competitiveness*. You can read the report at www.RegulateSmarter.ca. In the report, we made several recommendations to the government and were very encouraged to see many of them reflected in November's Fall Economic Statement. To support you in fulfilling the Fall Economic Statement commitments, I have attached an annex with some recommendations for implementing these proposals.

To discuss these issues, I would like to extend an invitation for you and your Deputy Minister to meet with our Ottawa Liaison Committee for one hour on the morning of March 18, April 2 or April 4 whichever fits best into your schedule(s). The Ottawa Liaison Committee is made up of senior representatives of our members and meets four times annually with federal political leaders and senior officials to discuss public policy issues of relevance to Canadian businesses. The format of these meetings – held under Chatham House Rules – is informal. We ask that guests provide brief remarks, which is followed by a moderated question and answer session. Should you agree to meet with our members, we will send a short briefing note that includes questions that you can expect members to have on their minds as well as a list of members who will be attending.

Office of the President and Chief Executive Officer

1700 - 275 Slater Street, Ottawa, ON K1P 5H9 | T: 613.238.4000 | F: 613.238.7643 | info@chamber.ca

Chamber.ca



@CdnChamberofCom



CanadianChamberofCommerce



Lastly, our members are very concerned about the current structural deficit and are hopeful that in your new role you can promote greater fiscal discipline to bring the federal budget back to balance.

We look forward to working with you, your staff and officials to deliver these objectives. Again, please accept my congratulations on your new role and responsibilities.

Sincerely,

Sincere congratulations!

Perrin Beatty, P.C., O.C.
President and Chief Executive Officer



Annex: Regulatory Reform Implementation

Legislating Regulatory Efficiency and Economic Growth a Permanent Part of Regulators Mandates

- We believe this is most important commitment in the Fall Economic Statement (FES). While all regulatory proposals require a cost-benefit analysis, many health, social and environmental regulators do not give appropriate consideration to economic competitiveness and are not consistently achieving both protection and prosperity in their decisions.
- There is a narrow legislative window before the next federal election and we strongly encourage the government to legislate efficiency and economic growth into regulators mandates as soon as possible.
- The FES noted that legislation would ensure that cumulative regulations are a key consideration for regulators. Although many individual regulations can be justified for policy and cost-benefit reasons, regulators do not regard the crushing cumulative regulatory burden facing Canadian businesses when considering proposals. This is a critical inclusion to ensure regulators consider the problem of cumulative burden when proposing to add to it.
- The UK government recently implemented a regulatory Growth Duty, which should be instructive to you developing this legislative change. The UK Department of Business, Energy and Industrial Strategy has provided regulators with detailed statutory guidance on meeting their responsibilities under the growth duty. Providing similar guidance in Canada will help ensure regulators work more closely with business and that businesses see regulators as supportive of their success and recognizing the need for business growth.

Dedicated External Advisory Committee on Regulatory Competitiveness

- Structured industry engagement is crucial to making significant improvements to Canada's regulatory system. The Chamber would be pleased to participate in the work of the External Advisory Committee to bring forward the regulatory challenges faced by our network of over 200,000 members.
- You should ensure that the government is accountable for responding to the work of the Committee. We recommend a feature of the *Danish Business Authority Business Forum for Better Regulation* in which proposals from the forum to the government are subject to a "comply or explain" principle which means the government is obliged to either pursue the forum's proposed initiatives or explain why they will not be pursued.

Annual Modernization Bill to Keep Regulations Up-to-Date

- Departments and agencies should be given annual or bi-annual regulatory reduction targets from their Administrative Burden Baseline counts, with the eliminated regulatory requirements



included in the Annual Modernization Bill. As British Columbia demonstrated through its 21 per cent reduction in regulatory requirements between 2001 and 2004, it is possible to create a more competitive regulatory environment without lowering public safety, environmental, labour and health standards.

- It is important that the Annual Modernization Bill is reconciled with the One-for-One rule to ensure that departments and agencies do not withhold regulations from the bill so that they can use them fulfilling future requirements under One-for-One.

Launch a Centre for Regulatory Innovation

- This commitment aligns with the recommendations of a Chamber report on data governance that we are releasing on January 22. The digital economy is evolving faster than the traditional approach to regulating can accommodate and new solutions are needed to keep Canadian businesses competitive.
- The report recommends taking an adaptive approach to regulation and shifting away from the "regulate and forget" model to a more responsive, iterative approach that focuses on outcomes and would improve regulatory nimbleness. The Center for Regulatory Innovation can support a more sophisticated conversation between public and private sectors and we look forward to collaborating on innovative ideas that support regulatory testing grounds to prototype and test new approaches such as creating sandboxes and accelerators.