ACHIEVING A MODERN REGULATORY ENVIRONMENT

BC's Regulatory Reform Initiative *First Annual Report* – **2011/12**



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MESSAGE FROM THE MINISTER

Honourable Kevin Falcon Minister of Finance

We've come a long way in over ten years of regulatory reform in British Columbia. This first annual report represents another important landmark in our leadership in improving the regulatory environment for business and the public.

We know that excessive regulation can be an incredible barrier to the entrepreneurs and small businesses that drive our economy. That's why we set out over a decade ago to get regulation under control and to actually reduce the number of regulations in British Columbia.

Today, I think we can say that the heavy lifting has been done, and the most important job now is to maintain the gains we've made. That's why we've committed to a net zero increase so that we don't lose ground. We're focused on accountability and transparency; when new regulatory requirements are needed, we promise to make sure they are clear and effective.

Since 2001, BC has reduced regulatory requirements by more than 42 per cent. That's a considerable improvement on our original target of a 33 per cent reduction. We're sending a clear signal to the investment community that red tape will not get in the way of investment, jobs and opportunities that are significant and beneficial to all British Columbians. At the same time, we're committed to a regulatory environment that protects all British Columbians.

Along the way, we've received some great recognition for our efforts. The Canadian Federation of Independent Business has repeatedly recognized British Columbia as a leader in this area, and earlier this year, the CFIB rewarded our efforts with the highest provincial score (an "A") in its annual report.

Under the Regulatory Reporting Act, enacted in November 2011, the Province is now required to publish annual reports on its regulatory reform progress no later than June of each year. This report is part of our promise to meet the high standards of accountability that keep British Columbia at the leading edge of responsible regulation.



MESSAGE FROM THE MINISTER



Honourable Pat Bell
Minister of Jobs, Tourism and Innovation

British Columbia is leading the country in its fight against excessive red tape and regulations for businesses. We have accomplished some significant regulatory reform goals during the last year, and we are pleased to present this, the first Annual Regulatory Reform Report. It is the result of ground-breaking legislation that requires government to report annually on regulatory reform progress.

I encourage everyone to take a moment to review this report and learn about the achievements of BC's Regulatory Reform Initiative.

With a reduction of over 42 per cent of its regulatory requirements since 2001, our government has streamlined processes in economic development, natural resources, small business, education and social assistance. We are making it easier for British Columbians to do business with government, so they can dedicate more time to improving their businesses and less time filling out paper work. We are also making it simpler for entrepreneurs to start a new business, which creates jobs that support more BC families.

As outlined in this report, our government is committed to developing a modern, streamlined regulatory environment. A modern regulatory environment is the foundation for strategies that enhance competitiveness and innovation and attract investment to build a vibrant and self-sustaining economy that benefits all British Columbians.

Going forward, BC will continue to be a recognized world leader, with a triple A credit rating, a strong commitment to streamlining government processes and reducing the regulatory burden on citizens and small business owners, and putting families first across the province.

THE GOAL OF REGULATORY REFORM

The overarching goal of British Columbia's regulatory reform initiative is to enhance the lives of all British Columbians by eliminating unnecessary red tape, minimizing the time and cost for business and citizens accessing government services or complying with regulatory requirements.

A streamlined regulatory environment attracts new investments to the province, encourages growth and innovation in the business community, which in turn creates new jobs which benefit all British Columbians.

To achieve this goal, the Government of British Columbia has been working towards creating a modern regulatory environment which is accessible and efficient, transparent and collaborative, actively inviting the public and stakeholders to participate in finding effective solutions to public policy and regulatory issues.

BC began its regulatory reform program in 2001 by establishing the Red Tape Reduction Task Force, chaired by the Minister of State Responsible for Regulatory Reform, and comprised of twelve members representing industry and sector associations. The Task Force made recommendations to government based on 660 proposals for reducing red tape. These recommendations were reviewed by the government and incorporated into all ministries' service plans tabled in February 2002.

BC has since expanded its regulatory reform initiative, and has become a recognized international leader in regulatory reform.

What sets BC's program apart, and what attracts attention from other jurisdictions, has been the development of comprehensive strategies that aim to improve regulatory systems on the following four fronts.

- Reducing and capping the number of regulatory requirements, while maintaining those that protect health, safety and the environment.
- Streamlining, clarifying and simplifying regulatory requirements and related business processes to reduce the time and cost of compliance and of accessing government information and services.
- Establishing a policy of open government and open information to expand access to government information and provide opportunities for citizens to participate in finding solutions.
- Working with federal, provincial and local governments to reduce duplication and establish co-ordinated and efficient processes.

This report presents an overview of the results achieved to date, and highlights initiatives planned for the coming years to accelerate BC's progress in achieving a modern streamlined regulatory environment. The report delivers on the BC government's commitment to accountability and transparency in its regulatory reform program.

"The goal of regulatory reform is to improve national economies and enhance their ability to change"

"Continual and far reaching social, economic and technological changes require governments to consider the cumulative and interrelated impacts of regulatory regimes, to ensure that their regulatory structures and processes are relevant and robust, transparent, accountable and forward looking. Regulatory reform is not a one-off effort but a dynamic, longterm multidisciplinary process."

Guiding Principles for Regulatory Quality and Performance – 2006 Organization for the Economic Cooperation and Development (OECD)



REDUCING THE NUMBER AND COMPLEXITY OF REGULATORY REQUIREMENTS

Regulatory requirements are statements of actions required of citizens, businesses or governments to access government information or services, or to meet their legal responsibilities under provincial legislation. For example, the requirement to remit tax returns by a specific date is a regulatory requirement. Similarly, each piece of information that must be provided on a government form constitutes a separate regulatory requirement.

Imposing regulatory requirements, by statute, regulation or policy is a key tool for all governments – it is a means to protect the health and safety of its citizens and its natural environment and to contribute to fair and efficient marketplaces for business and consumers. For example:

- In 2008, following public consultations, new provisions were added to the Occupational Health and Safety Regulation to reduce fatalities and serious injury rates in the forestry industry. Harvesting fatalities have since dropped by almost half from an average of 21.6/year for the 7 year period up to 2005, to an average of 11.5/year for the period from 2006 to 2009, and this trend is continuing. See BC Forest Safety Council's website.
- On July 23, 2012, the *Metal Dealers and Recyclers Act* will come into force. It is the first legislation of its kind in Canada which targets scrap-metal transactions to deter and prosecute metal thieves. The new approach minimizes regulatory costs for the recycling industry by not imposing any fees for registration, and provides a careful balance of protecting the privacy of persons selling scrap and public safety concerns.
- In 2012, the *Criminal Asset Management Act* will come into force. The Act will remove the financial incentive to crime by improving the effectiveness of criminal forfeiture and supporting opportunities to use seized assets to compensate eligible victims and help communities to fund crime prevention and remediation initiatives.

While imposing regulatory requirements is an essential tool for all governments, the body of requirements must be monitored to ensure continued effectiveness and relevance. If this does not occur, it can result in a regulatory environment that is complex and difficult to understand, and creates an undue burden of overlapping, confusing, and outdated requirements.

This creates a significant drag on economic competiveness, impacting the quality of life for all citizens. Regulatory Reform is a process of reviewing, monitoring and changing legislation, regulation, administrative policies and forms to help ensure they are effective and efficient. Effective means the statute, regulation or policy achieves its intended outcome; efficient means the regulatory requirements imposed are easily and quickly fulfilled without onerous cost to business, citizens or government.

From 2001 through to 2012, BC's regulatory reform initiative has focused on the following four main areas to reduce and control the number and quality of regulatory requirements.

- 1. Establishing, reducing and capping the regulatory count.
- 2. Monitoring the quality of regulations.
- 3. Streamlining, clarifying, and simplifying regulatory requirements and related business processes.
- 4. Reporting on the results.

Establishing, Reducing and Capping the Regulatory Count

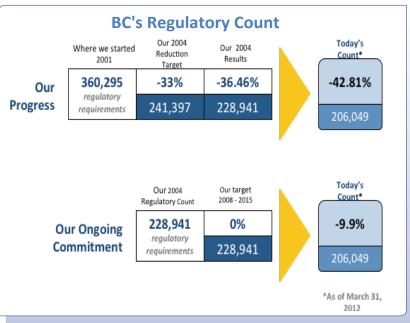
The foundational piece of BC's regulatory reform initiative has been establishing a count of all regulatory requirements imposed, eliminating unnecessary requirements, and implementing measures to maintain

the gains in regulatory reductions overtime.

In 2001, all ministries were required to create an inventory of the regulatory requirements under the statutes, regulations, administrative policies and forms for which they were responsible.

The methodology for the count required that each ministry manually count each provision that states a business, citizen or the government must or will take some action or provide some information. The cumulative total of 360,295 regulatory requirements was entered into a central data base to form the baseline count against which to measure future progress.¹

Once a baseline was established, the BC government committed to review these requirements and reduce them by 33 per cent.



- From 2001 to 2004, BC reduced its regulatory count by 131,354 a 36.4 per cent reduction from the 2001 count.
- In 2004, a new regulatory baseline count of 228,941 requirements was established.
- The current count, as of March 31, 2012, is 206,049. This reflects a 42.8 per cent reduction from the 2001 count, and a 9.9 per cent reduction from the 2004 count.

¹ To ensure the accuracy and integrity of the count as a valid measure of progress, minor adjustments are made to the baseline as errors and omissions become apparent during the course of legislative and regulatory reviews. However, these adjustments have had minimal impact on the overall net changes.

Smart Regulation means that regulatory requirements:

- » are necessary
- » are developed openly
- » are easy to understand and manage
- » do not inhibit BC's economic growth
- » are drafted to meet well defined outcomes
- » are drafted in plain language
- » are the most costeffective way to get the best results
- » meet the zero net increase commitment
- » have a set review or expiry date when appropriate

Having successfully reduced the number of regulatory requirements, it was critical that a regulatory cap be established to ensure the gains achieved were maintained over time. A regulatory cap establishes an upper limit of the acceptable number of regulatory requirements that may be imposed. Establishing a cap helps ensure that the body of regulatory requirements are focused on those that are important to protect health, safety and the environment, and that contribute to fair and efficient marketplaces for businesses and consumers.

In 2004, the BC government established a regulatory cap referred to as the zero net increase policy. Under this policy, there could be no increases in the regulatory count over the 2004 baseline until 2008. For each new regulatory requirement introduced, one regulatory requirement must be eliminated. In June 2008, the zero net increase commitment was extended to 2012; in June 2011, it was again extended to 2015. BC has more than succeeded in maintaining its regulatory count below the 2004 baseline - it has actually achieved a further 9.9 per cent reduction in the count.

Monitoring the Number and Quality of Regulations

While many of the early reductions in regulatory requirements eliminated outdated and redundant requirements, developing the count also resulted in a review of whether requirements were necessary or overly complex. For example:

- a requirement for students taking a tadpole to class to obtain a permit under the *Wildlife Act* was eliminated;
- a requirement for golf courses to have a mandatory number of par four rated holes within the course was considered unnecessary and eliminated:
- three conflicting regulations governing pipeline rights of way were solidified and rationalized;
- a number of provisions in the Railway Act, such as a requirement that the cause of a delayed train be written on a blackboard with the time when the overdue train would be expected to arrive, were outdated and eliminated.

To avoid the proliferation of similar unnecessary regulatory requirements in the future, BC introduced the <u>Regulatory Reform Policy</u> to guide development of all new and updated legislation, regulation, policy and forms.

The principles guiding British Columbia's Regulatory Reform Policy are consistent with the Organization for Economic Cooperation and Development's (OECD) principles of smart regulation. They help ensure that all requirements imposed are necessary, that any potentially adverse effects on citizens and business are identified and addressed and that health, safety and the environment are protected.

The Regulatory Reform Policy includes a <u>checklist</u> that lays out eleven criteria that must be applied to all proposed new or amended legislation, and which are designed to guide the crafting of smart, balanced regulation.

All new or amended legislation or regulation must be accompanied by the checklist confirming the criteria have been met, or providing an explanation of why certain criteria are not met and indicate the number of regulatory requirements that will be added or eliminated. Ministers responsible for the legislation demonstrate their accountability by signing the checklist and making it available to the public on request.

Reporting on Results

Since 2001, the BC government has maintained a website to provide information on its Regulatory Reform Initiatives, <u>straightfowardbc.ca</u>. The website is updated quarterly to reflect changes in the regulatory count and provides summaries of completed citizen-centered regulatory reform projects.

Over the coming year, the BC government will refresh its regulatory reform web presence to expand information available and incorporate a mechanism for the public to engage in discussions around developing policies to further enhance regulatory reform efforts.

In November 2011, the BC government enacted the Regulatory Reporting Act, 2011. This legislation solidified British Columbia as the Canadian leader in regulatory reform by being the first Canadian jurisdiction to enshrine in law a commitment to publish annual reports on regulatory reform.

This Act requires that the BC government produce an annual report on its regulatory reform activities each fiscal year, and make that report public no later than June 30th following the end of the fiscal year being reported.

This legislation institutionalizes accountability and transparency for regulatory reform. It also demonstrates the BC government's ongoing commitment to reduce the red tape burden imposed on citizens and businesses.

In January 2012, the Canadian Federation of Independent Business (CFIB) awarded British Columbia an A grade in regulatory reform – the highest grade awarded to any Canadian jurisdiction.

The CFIB recognized British Columbia's success in reducing regulatory requirements by over 42 per cent and for legislating regulatory reporting.

In addition, the Honourable Kevin Falcon, Minister of Finance, was awarded their inaugural Golden Scissors Award for his leadership in regulatory reform.

"Permanently controlling red tape promises huge rewards—more creativity, lower prices, more jobs and more time for family. It's exciting to imagine a country where this is possible and BC is leading the way."

Laura Jones

Vice President Canadian Federation of Independent Business



Kevin Falcon, Minister of Finance, receiving the Golden Scissors Award from Laura Jones, Executive Vice President, Canadian Federation of Independent Business

HIGHLIGHTS OF CITIZEN CENTERED REVIEW PROJECTS COMPLETED 2011/12

Multi-tenure Agreement Implementation

By combining several Land Act tenures and other natural resource authorizations, clients can now obtain over 50 approvals and reviews, from up to 14 different agencies, using just one document.

BC Labour Relations Review of Timelines and Procedures

Improved access to services with an emphasis on alternative dispute resolution processes, and improved mediation success rates. Starting Sept. 1, 2012, all Labour Relations Board decisions must be managed within 180 days of the application.

Forest & Range Evaluation Program

The Forest & Range Evaluation
Program (FREP) promotes
continuous improvement and
quality goals to help ensure
the ongoing effectives of forest
and range legislation. The
FREP received the Gold Trophy
Award from the Canada Awards
for Excellence ceremony for
having fully met the highest
level of the quality criteria for
public sector excellence.

Streamlining School District Forms

Since 2008, the Ministry of Education has been working to eliminate or reduce the reporting requirements it places on school boards. Based on an initial inventory of 64 reporting requirements, 15 requirements have been completely eliminated and 21 have been reduced; a total of 36 or 56 per cent of all requirements have been streamlined. The Ministry is continuing this work, with ten projects underway.

STREAMLINING REGULATORY REQUIREMENTS AND BUSINESS PROCESSES

Creating a modern regulatory environment is not simply about reducing, capping and monitoring regulatory requirements – it's also about clarifying, simplifying and streamlining requirements and business processes. It is about reducing the time and cost of regulatory compliance and providing easy access to government information and services.

Streamlining government processes benefits all citizens. For business, it saves time and money which can be reinvested in their families or in business growth, which in turn generates jobs and fosters innovation. For the public, it provides easier and faster access where, when, and how it is needed.

Citizen Centered Regulatory Reform

In 2006, British Columbia expanded its Regulatory Reform Initiative with the introduction of Citizen Centred Regulatory Reform. This program is aimed at streamlining requirements and reducing government processes.

Citizen centred reform means reviewing government regulatory requirements and business processes from the perspective of the citizen or business, and understanding their experience when complying with requirements or accessing government services and information.

Applying concepts such as the continuous improvement methodology and using business process mapping tools, improvements are made to:

- reduce the length of processes and the time for approvals,
- eliminate duplication and redundancies,
- improve access and online services,
- modernize technology; and
- reduce the time and cost for the public, business and for government.

Each year, ministries are asked to undertake a Citizen Centered Regulatory Reform Project. These projects may be small and completed within a single year, or they may be more complex multi-year projects. Overtime, the cumulative effect of these individual projects will have a significant impact on reducing the overall burden of regulatory requirements in BC. Since 2006, 81 Citizen Centered Regulatory Reform Projects have been completed, and many are still underway.

Making it Easier to do Business with the Province

A streamlined regulatory environment is a fundamental element and key success factor for strategies to attract investment and support the growth of business in all regions of the province. Cumbersome processes create backlogs in obtaining the necessary permits and licences, delaying projects and discouraging further investment. Delays in provincial approval processes cost business and their investors time and money that could otherwise be invested in the business, creating new jobs to support the economy and families of British Columbia.

Natural Resource Sector Authorizations

The importance of a modern regulatory environment was recognized in Canada Starts Here: the BC Jobs Plan. In the BC Jobs plan, the Government of BC committed to a number of projects to improve provincial government processes.

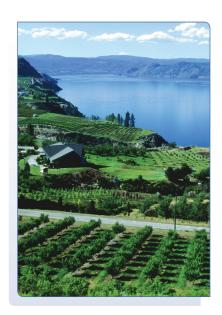
The natural resource sector is the backbone of BC's economy. The jobs plan focuses specifically on modernizing and streamlining business processes in the natural resource sector, by reducing backlogs and implementing service enhancements to improve the consistency and timeliness of authorizations and permitting.

As part of the BC Jobs Plan the Premier announced \$24 million to reduce the time it takes for businesses wanting to invest in natural resource development to get decisions on approvals and permits.

- Mineral Exploration Permits: All mining applications in British Columbia require a Notice of Work (NOW) be completed before a project can proceed. The provincial government committed to reducing NOW processing time from 110 days to 60 days. As of April 30, 2012, applications are being cleared within 84 days, and the September backlog has been reduced to 49 applications, which are expected to be cleared by August 31, 2012.
- of Crown Land Tenure Applications: Under the Land Act, the use of Crown Land requires submission of an application and issuance of a tenure, a process critical to validating the viability of all projects proposed for Crown Land. A Crown Land application is considered backlogged when it is in the system for over 140 days. In 2011, the government set a target of a 50 per cent reduction in the backlog of 2,785 applications by December 2012. By April 30, 2012 a 18 per cent reduction was achieved, which is on track to meet this goal.

"Projects cannot be allowed to languish for years awaiting decisions from government. With this plan, we are committing to a harmonized, transparent, timelimiting permitting and approval process that *give investors a quicker* 'yes' or 'no' and helps get projects off the *ground faster – or back* to the drawing board if they need more work."





Okanagan Lake British Columbia

"These amendments serve to modernize an act that came into force in 1992, when the majority of citizens had not even heard of the internet. We are aligning the act with current-day technology and with the way British Columbians want to be served by government today."

Margaret MacDiarmid Minister of Labour, Citizens' Services and Open Government

Water Licences: Under the Water Act, the use or diversion of all surface water requires an application for a water licence. Applications are considered backlogged when they have been in the system for longer than 140 days. In 2011, the government set a target of a 50 per cent reduction in this backlog by December 31, 2012. As of April 30, 2012, the backlog was reduced by 16 per cent.

Aggregate and Quarry Materials Application

Aggregate materials are essential to our way of life and are used in everything from construction to flood control. Extracting aggregates and quarry materials from crown land requires provincial approvals. Currently, an aggregate and quarry applicant needs to fill out up to eight different forms from eight separate agencies. Work is now underway to co-ordinate natural resource applications across government with the goal of creating a 'one window' approach to permitting. You will be able to find the new Aggregate and Quarry Materials Application at FrontCounter BC later this year.

Freedom of Information and Protection of Privacy Act Updates

The Freedom of Information and Protection of Privacy Act (FOIPPA) has been amended to modernize the Act, strengthen privacy protection and establish a foundation for electronic service delivery. Committed to openness and transparency, the BC government cemented its open government policy by enacting this legislation.

Public bodies are now required by law to establish categories of records available to the public without the need for a Freedom of Information (FOI) request. These amendments also improve government communications with citizens by allowing the use of social media sites and electronic channels, when appropriate, to provide responses to FOI requests.

Find out more about information privacy and what the Province is doing to protect your personal information at the <u>Office of the Chief Information Officer</u>.

OneStop Business Registry

On October 24th, 2011, the OneStop Business Registry added the national business number to all new sole proprietorships and general partnerships registrations. This move is in response to the growing demand for all businesses to have one unique identifying number when dealing with governments at all levels. A business number makes it possible for businesses to provide basic business information only once when dealing with two or more government agencies; it also paves the way to effectively providing more online services and co-ordinated access to provincial business programs. It is estimated that the OneStop Business Registry service reduces the time it takes to register a business by about five hours. Expanded use of the business number over the coming years is expected to result in increased savings for the business sector. Find out more about the OneStop Business Registry on their website.

OPEN GOVERNMENT AND CITIZEN ENGAGEMENT

Open government, including open data and information and citizen engagement, are priorities for the BC government and are fundamental to the government's vision of a new relationship with British Columbians and building a modern regulatory environment.

The open government model is built on transparency, participation and collaboration - it opens the door to the inner-workings of government and includes the public in the conversations and decision-making processes that, until recently, were the exclusive domain of bureaucrats and politicians.

Public participation in regulatory processes is a recognized best practice in developing smart regulation – it builds trust in our regulatory systems and ensures that regulation reflects the pace at which business operates and knowledge develops.

Public Engagement in the Regulatory and Policy Development Process

The BC government recognizes the importance and value of consulting with business, industry and community leaders when developing strategies that will position British Columbia to thrive now and into the future. This has included:

- holding economic summits to explore options and opportunities to develop BC's economy;
- collaborating with First Nations to design and build new relationships;
- holding pre-budget consultations in all regions;
- establishing consultative bodies, such as the Small Business
 Roundtable, to support ongoing discussions on ways to support the growth and success of small business; and
- initiating task forces, such as the Rancher's Task Force, where focused attention is required to develop situation specific solutions.

In a modern regulatory environment, regulation is a shared responsibility, where we all have the opportunity to provide input into the process of identifying balanced regulatory solutions. Public consultations ensure government is aware of a wide variety of perspectives, ideas, interests and potential issues when dealing with complex regulatory issues.

The relevance and effectiveness of our regulatory systems are enhanced by involving consumers, industry, Aboriginal and environmental organizations and interests when seeking regulatory solutions.

With the growth of the internet and social media in recent years, the opportunities for citizen participation in government information gathering and decision making processes has grown exponentially. The government has taken full advantage of these opportunities to expand and accelerate public participation. A new website is being launched that

"Our citizens and their knowledge are among our greatest resources. By working together, we can use our collective experience and wisdom to find solutions that benefit more people and achieve far more than working alone."

The Honourable Steven L. Point, OBC Speech from the Throne October 11, 2011

"We are changing our approach to governing by putting citizens at the centre of our web services and making government data and information more freely available. Open government is about sharing information and giving **British Columbians** more opportunities to participate in decisions that make a difference in their lives."

Premier Christy Clark, July, 2011

compiles all of the open consultation and engagement initiatives underway across government: http://www2.gov.bc.ca/govtogetherbc.

The following are some of the consultations in which the BC government is currently engaging.

Water Act Modernization

Established in 1909, BC's Water Act is our primary water management legislation and a foundational element in managing the sustainability of BC's water. With changes in climate, population and water use, it became evident that this 101-year-old legislation needed to be modernized.

<u>Living Water Smart: BC's Water Plan</u> is the strategy to change water governance and management in BC It commits to making our water laws simple to understand, communicate, administer and enforce. Here is how the public voice has been included in renewing this important legislation.

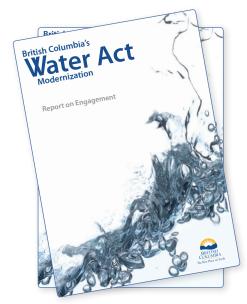
- The <u>Living Water Smart Blog</u> was launched in December 2009. In early 2010, the Water Act Modernization Discussion Paper and a Technical Background Report were released. Regional workshops were held and public submissions gathered throughout the spring of 2010. A summary of results can be viewed here: <u>Report on Engagement</u>
- Responding to requests for more opportunities to be involved, government released a policy proposal for a new *Water Sustainability Act* in December 2010, and accepted submissions from the public until March 2011. The Ministry of Environment is continuing to review the public's input and refine the proposed policies.
- Final recommendations will be submitted to cabinet for consideration in 2012. Further consultations are planned to confirm the proposed legislation. You can follow progress on the <u>Living Water Smart: BC's Water Plan</u> website.

Evergreen Line Rapid Transit Project

The Evergreen Line is a new rapid transit line that will link lower mainland communities to provide fast convenient transit services to citizens. The Ministry of Transportation and Infrastructure conducted a comprehensive multiround engagement process to inform the public about the Evergreen Line proposal and to gather input on all aspects of the project, from station design to landscaping and traffic management during construction. Results of these consultations can be viewed on the Evergreen Line Project website.

Expert Panel on Business Taxation

The BC government recognized that the re-introduction of the Provincial Sales Tax will be a difficult transition for the business community in the province. To ease this transition, in January 2012, the Expert Panel on Business Taxation was established to provide analysis and recommendations to the





Province on business tax competitiveness and administrative improvements to streamline the Provincial Sales Tax. The expert panel will consider the competitiveness of British Columbia's tax environment for business and develop recommendations about which taxes most influence competitiveness and economic growth. It will also identify and develop recommendations for ways in which the government can address tax avoidance within the business or personal taxation systems. A component of the review will also look at municipal property taxation of business. The panel's recommendations must respect the Province's balanced-budget framework. The report will be submitted to the Minister of Finance by August 31, 2012.

BC Justice Reform Initiative

The Province has launched a justice reform initiative to address BC's justice system and identify actions the government, judiciary, legal profession, police and others can take to give British Columbians more timely and effective justice services. Geoffrey Cowper, QC, who is leading the review, will identify the top issues affecting the public's access to timely justice and what can be done to ensure the efficiencies already underway have the desired impacts. A final report with recommendations will be provided to government in July 2012, after which it will be available to the public on the BC Justice Reform Initiative website.



Open Information – Open Data

BC is committed to open and accountable governance. To implement this approach, the BC government has undertaken some ground breaking initiatives to provide citizens with access to the information and data to support them in becoming informed and involved participants in finding solutions to the issues that affect us all.

The open data strategy outlines the government's intent to give the public free access to government data. The public can find information on topics such as municipal taxes, carbon emissions and high school graduation rates free of charge, on an easy-to-use platform so the public can find data to make informed decisions, to research topics of interest, to analyze statistics and even develop applications. British Columbia is the first provincial jurisdiction in Canada to create an open data program. There are almost 3,000 datasets online at <u>DataBC</u> with new ones being added as they become available.

- **Open Information** proactively releases information in response to Freedom of Information Requests and routinely releases summaries of Minister and Deputy Minister travel and expenses.
- **DataBC** is the province's online source for the data, services, applications and tools to help you make informed decisions, inspire change, or develop your ideas and applications.
- **JusticeBC** is the online source for statistics about the justice system's operations and progress.



Open Information



DataBC



JusticeBC



New Government Web Presence

The rapid pace of technological change is altering how citizens expect to interact with government and access services. More and more frequently, people are managing their lives online and with mobile devices. Naturally the public expects government to provide a similar level of accessibility and convenience because it saves them time and allows them to conduct their business when, where and how they choose. Modern technologies and the internet have made it possible for governments to co-ordinate services and information for the public through websites.

The Government of BC recognizes its primary responsibility is to leverage the power of the internet and engage with citizens to deliver exceptional services to citizens, businesses and communities. The BC government is committed to a citizen centric approach to the web, presenting information and services based on evidence of users needs and providing the opportunity to deliver services online. These approaches represent best practices in reducing red tape.

Here are some recent examples of ways in which the BC government has leveraged new technologies through the web to improve services.

- **BC Government Home:** The main government web presence was re-designed and re-launched with a new citizen centric focus that puts frequently-used services and information up front where they can be easily located.
- **Canada Starts Here: The BC Jobs Plan:** Everything you want to know about the provincial economic strategy to create jobs for BC families is here. View news, reports and progress as well as gain access to the tools and information that will help individuals secure employment.
- DriveBC Mobile: BC's most-popular website has now gone mobile. DriveBC offers real time webcams, maps, information about current and future planned traffic events, weather forecasts and much more. Now travellers can get up-to-the minute information on provincially managed routes from their mobile phones.
- ThinkHealthBC is a new website that provides a unique interactive multi-media platform for sharing the Ministry of Health's strategy for sustainable health care and provides an opportunity for citizens to engage in direct, open and meaningful dialogue about our health system and the strategy for sustainable health care.

 ThinkHealthBC is a trusted online source of health information with featured links to other ministry of Health programs and services such as HealthyFamiliesBC, HealthLinkBC and the newly launched Health Services Locator App.

BC Government Home



Canada Starts Here: The BC Jobs Plan



DriveBC Mobile



ThinkHealthBC



PARTNERING WITH LOCAL, FEDERAL AND PROVINCIAL GOVERNMENTS

As in other Canadian jurisdictions, our citizens and businesses must comply with regulatory requirements and related business processes imposed by three levels of government. The cumulative volume of demands from regulatory authorities can place an unreasonable administrative burden on business and industry, and hamper job creation and innovation.

To be effective, our regulatory reform strategy must include working with other local, provincial and federal governments to develop a co-ordinated approach to regulation.

Creating a modern efficient regulatory regime takes a co-ordinated approach from regulators to ensure that:

- where regulatory authority and control overlap, the impact to business is invisible;
- experiences and lessons learned are applied broadly;
- the cumulative effect of regulation is recognized and minimized;
- unique location or situation-specific policy and regulations are minimized to avoid redundancy, contradiction and confusion.

Partnerships are important relationships for governments; they support harmonized and amplified strategies for goals of mutual interest, the opportunity to learn from other's experiences and improved governance. Here are some examples of how British Columbia's partnerships are making it easier to do business in the province.

New West Partnership Agreement

The New West Partnership agreement established by British Columbia, Alberta and Saskatchewan on July 1, 2010, creates Canada's largest interprovincial, barrier-free trade and investment market. This agreement promises to align the strengths of the three provinces to implement provisions related to extra-provincial registrations and reporting. Changes under this agreement include:

- certified workers can practice their occupation in the three provinces without being subject to additional exams or training requirements;
- businesses registrants in one province will be able to seamlessly register in the other provinces at the same time as their original incorporation;
- unnecessary differences in business standards and regulations will be eliminated.

"The complexity of regulatory requirements imposed by multiple levels of government continues to be a challenge for small business. The provincial government has made great efforts to develop the following programs to streamline permit and licensing requirements for the start-up and growth of small businesses.

- » BizPaL
- » Mobile Business Licence

Small Business Roundtable

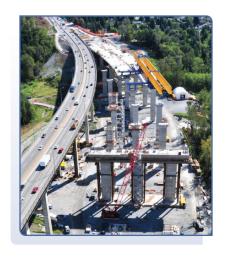
4th Annual Report to Government, October, 2009



A key element of the agreement is transparency. The provinces have agreed to notify each other of any new measures, including standards and regulations, which are being introduced to ensure they are not unnecessarily different or potential impediments to trade, investment or labour mobility.

Uniform Rules To Improve Efficiency For Trucking Industry

For more than forty years the western provinces have worked to streamline regulations for large commercial vehicles travelling across the boundaries of the three westernmost provinces. Eliminating unnecessary differences in trucking regulations fosters a strong, vibrant western economy, attractive to innovative and competitive businesses. Uniform rules about the size and weights of vehicles and other aspects of trucking operations that came into effect July 1, 2011 under the New West Partnership agreement promise to further enhance the seamless flow of goods, with lower costs for shippers. More information on the new rules can be found on the Commercial Vehicle Safety and Enforcement website.



Construction of the Port Mann/Highway 1 Project in the Lower Mainland

One Project - One Environmental Assessment

Approximately two-thirds of all proposed projects that require assessment under the BC Environmental Assessment Act also require review under the federal Canadian Environmental Assessment Act (CEA Act). British Columbia has long held the position that this duplication results in inefficiencies, delays, and costs to all parties.

The CEA Act underwent a statutory review in the fall of 2011. As part of this review, British Columbia made a submission to the federal government advocating that a provision be added to the legislation to allow the federal government to recognize another jurisdiction's environmental assessment as equivalent to its own. BC's position is that every proposed project should undergo only a single environmental assessment and require only a single decision.

The federal Jobs, Growth and Long-term Prosperity Act that was introduced in the House of Commons on April 26, 2012 includes a complete repeal and replacement of the CEA Act. British Columbia is pleased with a number of the federal government's proposed amendments, and with the presence of new substitution and equivalency provisions that have the potential to improve the efficiency of environmental assessment. However, details respecting the implementation of these new provisions are unclear, as is the extent to which these changes will operationally reduce duplication and efficiency.

The Environmental Assessment Office is working closely with other provincial natural resource sector agencies to ensure a co-ordinated provincial approach to amendments to the CEA Act and other pieces of federal legislation. Coordinating federal and provincial processes builds on provincial work to co-ordinate natural resource authorizations into one seamless process.

Canada – BC Student Loan integration

The process of applying for and paying off student loans is simpler than ever before thanks to an integrated provincial-federal process. The 'one student, one loan' approach allows students applying for financial assistance to sign one loan agreement, make one monthly payment and deal with one service centre. You can find out more about the program on the <u>StudentAid BC</u> website.

BizPaL

BizPaL exemplifies governments working together to provide a solution for reducing the complexities of complying with multiple levels of government regulatory requirements. BizPaL is a web-based tool that makes it easier and faster for business to identify federal, provincial and local government permit and licence requirements to start a business in a specific location. A process that often took a full day of research now takes 20 or 30 minutes. BizPaL is currently available in 110 communities throughout the province. Find out more about BizPaL on their website.

Mobile Business Licence

Mobile business licences are unique to British Columbia. This licence, also referred to as an inter-municipal or intercommunity licence, reduces red tape by allowing mobile businesses (i.e. contractors or caterers) to operate in more than one municipality by purchasing one licence, rather than obtaining non-resident permits in each municipality in which they operate.

In 2008, the BC government supported a mobile business licence pilot project in the Okanagan-Similkameen region involving 17 municipalities. The pilot project resulted in increased revenues and increased compliance for all participating communities. Based on these results, the communities adopted the renamed "Inter-Community Business Licence" as a permanent licence and invited other municipalities to join the agreement.

Six mobile business licence agreements are currently in place, and discussions are underway with a number of local governments to expand this program to all regions of the province:

Okanagan-Similkameen: 19 communities

Greater Victoria: 13 communities

Trail area: 5 communities

Cowichan Lake area: 4 communities

North/West Vancouver area: 3 communities

Courtenay/Comox: 2 communities

"BizPaL provides businesses the information they need early in their planning stages and helps provides an understanding of the applications required. Having complete information can allow for quicker approval times."

"Businesses tell us that
BizPaL has helped
them prepare for the
regulatory aspect of
starting a business.
BizPaL saves them time
and consolidates the
information they need "

Don Garrish

Business Licence Inspector City of Kamloops

COMMITMENTS GOING FORWARD

The Recommendation of the Council of the OECD on Regulatory Policy and Governance "calls for a whole government approach to regulatory reform, with emphasis on the importance of consultation, co-ordination, communication and co-operation to address challenges posed by the inter-connectedness of sectors and economies."

2012 Recommendation of the Council on Regulatory Policy and Governance.

The BC government is committed to improving the lives of British Columbians through regulatory reforms that eliminate red tape, reduce the number and complexity of regulatory requirements, make it easier to do business in the province, provide open access to government information and invite the public to participate in finding solutions.

Achieving this commitment requires a holistic, cross-government and multi-faceted approach to regulatory reform. This has involved embedding regulatory reform into the culture of government, building smart regulation principles into the policy development and legislative processes and developing a process for broad consultations with citizens and business.

Over the coming year, the BC government will build on its success, with an increased focus on accountability, openness, and working with local and federal governments to measure and reduce the overall regulatory burden on citizens and businesses in the province.

The previous sections of this report describe the BC government's vision for regulatory reform, the strategies pursued to achieve this vision and the projects and initiatives from the past years that are helping to realize the goal of creating a modern regulatory environment.

From April 1, 2012 through to March 31 2013, the government will continue its progress on reducing the regulatory burden through improved transparency and stakeholder consultations, measuring performance and reporting progress and maintaining British Columbia's regulatory reform leadership.

1. Measurement and Accountability

- Until 2015, maintain a zero net increase in the regulatory count from the 2004 baseline count of 228,941 regulatory requirements. Where the count increases because of the need to protect health, safety or the environment, an equivalent reduction in the count will be made through other streamlining processes.
- Through consultation and a review of international best practices, including the Standard Cost Model, develop a measure of the overall regulatory burden that is meaningful to the public.
- Continue to update the Regulatory Reform website –
 <u>Straightforward BC</u> quarterly, and produce the annual report
 on BC's Regulatory Reform Initiative.
- Establish a process for regular reviews of legislation and regulations to ensure BC's laws are current and effective at meeting their intent.
- Through a consultation process, develop outcome-based performance specifications for provincial regulatory processes.

2. Streamlining, Clarifying and Simplifying Regulatory Requirements and Related Business Processes

- Continue to apply the principles of smart regulation in our legislative and regulatory development processes.
- Develop in-house expertise in the use of continuous improvement methodology and business process mapping to assist all ministries in completing business streamlining initiatives.
- Adopt and apply Lean as a methodology to support a culture of continuous improvement. This will include identifying Lean projects across government that may lead to reductions in cost for government and improvements in service delivery for the public.

3. Open Government and Public Engagement

- Continue to refine our citizen engagement processes, to foster an open collaborative relationship with the public and invite the public to participate in the decision-making process.
- Expand the information available on the Open Data website. This will include revising the existing Regulatory Count data base so it is more user-friendly and allows the public and potential investors to interact with the data so they can obtain information and produce reports to support their own decision-making processes.

4. Reduce the Burden Imposed by Multiple Levels of Government

- Continue to work with local governments to expand mobile business licence agreements, allowing mobile businesses (i.e. construction workers, electricians, caterers) to operate across municipal boundaries on the strength of a single licence. Our goal is to increase the number of mobile business licence agreements in the province from six to eight in 2012/13.
- Reduce the overlap of federal, provincial and local government regulatory requirements. Establish cross-ministry teams to identify areas where federal, provincial and local government regulatory requirements overlap in key sectors, and through consultations, work towards co-ordinated, streamlined processes.

5. Reintroduction of the Provincial Sales Tax Legislation, Regulation and Business Processes

Following extensive consultations, the new Provincial Sales Tax Act (PST) was introduced in the spring of 2012. The Act was substantially rewritten so that it is clearer than the old PST legislation, easier to understand and easier to comply with. The following are some of the streamlining measures that are being introduced with the re-implementation of the PST.

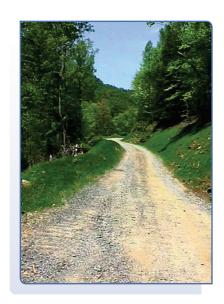
- New online access for businesses, including the ability to register, update their account, and make payments.
- The tax due date for tax remittances and returns will be moved to the last day of the month to match GST remittance, simplifying administration for business.
- The Hotel Room Tax will now be incorporated into the PST no more separate registration, remittance or returns, reducing the paperwork for business.
- Businesses can register with their federal business number, making registration easier.
- Retailers will be allowed to refund tax to customers in a broader range of circumstances.

Further changes may be made in future as part of annual budget consultations. The report of the Expert Panel on Business Taxation, previously referenced in this report, will help guide this process. For details, see the Expert Panel on Business Taxation

6. Natural Resource Road Act(NRRA)

The <u>Natural Resource Road Act project</u> now in phase 2 is harmonizing resource road-related provisions from up to 11 different laws to create a single, streamlined and modernized approach for the management and administration of resource roads in BC. Key benefits expected when the Natural Resource Road Act is enacted as planned in the fall of 2013:

- A more predictable, fair, safe and cost-effective road management framework.
- Consistent standards and expectations for the use, construction, maintenance, modification and deactivation of resource roads.
- A consistent compliance and enforcement regime for all industries.
- Improved safety and reduced environmental impact.



7. Pilot Exemption from Ministerial Approval for Regional District Land-Use Bylaws

This pilot project, now in its second year, has removed a layer of approvals from the bylaw approval process for regional districts' land-use bylaws including Official Community Plans (OCPs) and zoning bylaws.

Temporarily eliminating Ministerial approval for Land-Use Bylaws in eleven regional districts respects local government autonomy and accountability, and significantly reduces the regulatory burden. The pilot allows the government to test a streamlined approach to assist these regional districts to better serve the citizens, businesses and communities. It is estimated that since this exemption has been in place, regional districts have saved at least three to six weeks in their bylaw approvals.

CONCLUSION:

The BC government will continue taking the necessary steps to fulfill the commitment to maintain a net zero increase in the regulatory count until 2015. We have streamlined processes in economic development, natural resources, small business, education and social assistance to achieve this goal.

We are making it easier for British Columbians to do business with government, so they can dedicate more time to improving their businesses and less time filling out paper work. We are also making it easier for entrepreneurs to start a new business, which creates jobs that support more BC families

Our end goal is to ensure that every single regulation in BC is necessary, meaningful and serves a purpose. We believe this is a key ingredient in facilitating job creation and innovation.

APPENDIX - LIST OF WEBSITES REFERENCED

REFERENCE	WEBSITE NAME
BC Forest Safety Council	http://www.bcforestsafe.org/safety_info/statistics.html
BC Government Home	http://www2.gov.bc.ca/
BC Justice Reform Initiative	http://bcjusticereform.ca/
BizPaL	http://www.bcbizpal.ca/?b=59
Canada Starts Here: the BC Jobs Plan	http://www.bcjobsplan.ca/
Citizen Centred Regulatory Reform Projects	http://www.straightforwardbc.gov.bc.ca/docs/Completed_CCRR_Projects.pdf
Commercial Vehicle Safety and Enforcement	http://www.cvse.ca/CTPM/Com_Circulars/compliance_circulars.htm
DataBC	http://www.data.gov.bc.ca/
DriveBC Mobile	http://www.drivebc.ca/mobile/
Evergreen Line Project	http://www.evergreenline.gov.bc.ca/public_consultation.htm
Expert Panel on Business Taxation	http://www.fin.gov.bc.ca/experts_panel_tax.htm
FrontCounterBC	http://www.frontcounterbc.gov.bc.ca/
Health Service Locator App	http://www.healthlinkbc.ca/app/
HealthLinkBC	http://www.healthlinkbc.ca/
HealthyFamiliesBC	http://www.healthyfamiliesbc.ca/
JusticeBC	http://www.justicebc.ca/en/cjis/index.html

REFERENCE	WEBSITE NAME
Living Water Smart Blog	http://livingwatersmart.ca/blog/
Living Water Smart: BC's Water Plan	http://livingwatersmart.ca/
Living Water Smart: Report On Engagement	http://blog.gov.bc.ca/livingwatersmart/2010/09/07/water-act-modernization-report-on-engagement-now-available/
Methodology for the Count	http://www.straightforwardbc.gov.bc.ca/docs/The Count Info Sheet.pdf
Mobile Business Licences	http://www.smallbusinessroundtable.ca/MBL/Pages/ AboutMobileBusinessLicence.aspx
Natural Resource Road Act Project	http://www.for.gov.bc.ca/mof/nrra/
Office of the Chief Information Officer	http://www.cio.gov.bc.ca/
OneStop Business Registry	http://www.bcbusinessregistry.ca/
Open Data website	http://www.data.gov.bc.ca/
Open Information	http://www.openinfo.gov.bc.ca/
Regulatory Reform Checklist	http://www.straightforwardbc.gov.bc.ca/docs/RegReform_Policy_Feb08.pdf
Regulatory Reform Policy	http://www.straightforwardbc.gov.bc.ca/docs/RegReform_Policy_Feb08.pdf
Straightforward BC	http://www.straightforwardbc.gov.bc.ca/
StudentAidBC	http://www.aved.gov.bc.ca/studentaidbc/explore/canada-bc
ThinkHealthBC	https://www.thinkhealthbc.ca/