

IMPROVING THE PROCESS FOR ESTABLISHING REGULATIONS THAT IMPACT BUSINESS (Submitted by the Burlington Chamber of Commerce)

Select which category from the OCC economic vision best represents your issue:
Restoring fiscal balance by improving the way government works

Issue:

New and existing regulations invoked by the Ontario Government that affect business can unintentionally place businesses in jeopardy of survival. This could arise due to failing to consult and consider the implications of a regulation to the operation of a business, it could arise due to conflicting regulations with no clarity on which regulation supersedes, or it could arise from costs being in excess of social or economic benefits to be gained.

Current Situation (Why the issue matters):

There have been instances where poorly developed laws and regulations have meant considerable expense to businesses.

A recent example involves a restaurant caught in the middle of two provincial commissions - Ontario Human Rights and the Ontario Alcohol and Gaming. Ontario Human Rights has determined that a patron has the right to smoke 'medical marijuana' at the doors of the restaurant while Ontario Alcohol and Gaming will revoke the restaurant's license if alcohol is served to an individual known to have used a controlled substance.

In this particular case the restaurant owner incurred thousands of dollars in legal fees in trying to determine what avenues were available to him in the near impossible task of meeting the conflicting requirements of the Commissions. The goal of the business was to prevent the smoking of a controlled substance within the immediate outdoor space of the restaurant while abiding by the alcohol serving rules. Additionally the taxpayers have to fund the Ontario Rights Commission and the Alcohol & Gaming Commission in them defending their respective regulations while neither have an obligation to assist in finding a solution.

In a situation like this, the cost will fall on the business to try to resolve such a situation. The real shortcoming is in the process for development of legislation.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Move to a regulatory model whereby all proposed legislation and regulations must be supported by a cost-benefit analysis and an analysis on the impact on business.

2. Move to a regulatory model whereby all legislation and regulations must be reviewed for their degree of conflict and integration with existing legislation.
3. Work with the federal government to adopt a standard of regulatory harmonization between the two levels of government.

Estimated Financial Impact to the Province (For AGM discussion-purposes only - will not appear in final compendium)

Entail a small cost to government (less than \$10M)