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2016 Burden reduction report

Read the 2016 Burden Reduction Report to see how Ontario is building a better business climate.

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A personal message from the Premier

Evolving technology. Social and economic shifts. Globalization. Today's businesses must operate in an ever-more challenging and constantly changing landscape.

As Premier, I am confident that our economic plan has positioned Ontario's businesses well. Key to our economic plan is fostering an innovative and dynamic business environment that supports growth. To make this happen, our government launched the Business Growth Initiative — our strategy to build globally competitive businesses. Investing in innovation, helping businesses scale up and modernizing our regulatory environment to cut red tape are the three pillars of this strategy.

Under the Business Growth Initiative, we introduced new tools to reduce unclear, outdated or unnecessarily costly regulatory requirements, including launching the Red Tape Challenge, an innovative online consultation platform.

This Burden Reduction Report highlights initiatives from across government that are changing the way we provide services — to make it easier to understand the rules and make Ontario a more attractive place to

do business.

This is a partnership between government, agencies, businesses and other stakeholders to ensure that Ontario remains competitive in the global economy. I thank everyone behind the ministries' Burden Reduction initiatives. I also want to thank everyone involved in putting out this report.

We will continue to work together to reduce red tape, attract investment and help build a more prosperous Ontario.

Kathleen Wynne
Premier of Ontario

A personal message from the Minister

Ontario is committed to developing outcomes-focused and evidence-based regulations. This modern approach to burden reduction will help to foster an innovative and supportive business environment while also protecting environmental and health standards and enhancing worker safety.

In 2014, our government passed the Burden Reduction Reporting Act, whereby we increased government transparency by publishing an annual report on the province's burden reduction initiatives. We also set a target of achieving \$100 million in savings to businesses and external stakeholders by reducing burdens by the end of 2017. Thanks to the dedication of our partner ministries and industry partners, we have surpassed this target two years ahead of schedule.

Under the Business Growth Initiative, we introduced new tools that will help reduce unclear, outdated or unnecessarily costly regulatory requirements on business and other stakeholders. They will also accelerate the modernization of old service delivery processes. These measures include the Red Tape Challenge, a Regulatory Burden Reduction Team, a Regulatory Centre of Excellence and the Regulatory Modernization Committee. These tools are already yielding results, with stakeholders providing feedback through the Red Tape Challenge on regulations and processes that are burdensome because they are outdated, unclear, redundant or unnecessarily costly.

Less regulatory burden means a more dynamic and innovative business climate — one that grows the economy, attracts business investment, meets business needs and creates jobs throughout the province. Working together, we can reduce regulatory and administrative burdens to make Ontario one of the easiest places in the world to do business.

Sincerely,

Brad Duguid

Making regulations work for Ontario's businesses

Regulations are essential — they protect workers, consumers, the environment and even businesses. But over time, regulations that are unclear, outdated or unnecessarily costly have created a burden for businesses operating in Ontario. This is common in jurisdictions across the world, and how governments respond is truly important.

That is why modernizing Ontario's regulatory system is a priority for both government and business. Ontario is determined to reduce existing regulatory burdens and challenge the way we make new regulations. To be truly effective, regulations must be based on evidence — and they should not:

- duplicate other regulations
- cause undue delays in approvals
- create unnecessary paperwork that slows down productivity and impacts job creation

As the initiatives presented in this report show, it's about more than reducing paperwork — it's also about providing more services online, simplifying processes, and creating modern, flexible regulations that businesses can easily comply with.

By driving down the cost of doing business in the province, and working to measure our regulatory impacts, we hope to encourage growth and foster a more innovative, dynamic environment where businesses can thrive.

Committed to continuous improvement

The [2014 Burden Reduction Reporting Act](#) was instrumental in requiring, for the first time, the government to publish an annual report on its burden reduction activities by June 30 of each year. The act shows Ontario's commitment to improving its business climate today and in the future.

Business Growth Initiative

Modern Regulations Lead to Lower Business Costs

A key focus of the [Business Growth Initiative](#) — announced in the [2015 Fall Economic Statement](#) — is reducing the cost of doing business in the province. It will also help Ontario's enterprises grow and thrive.

One of the goals of this new economic strategy is to create a regulatory framework that will reduce compliance and regulatory costs while continuing to protect consumers, workers and the environment. To that end, the Open for Business branch of the Ministry of Economic Development and Growth, in partnership with industry, ministries and stakeholders, is developing a range of tools to help ensure that both new and existing regulations are outcome-focused and evidence-based, as well as customer-oriented, technology-driven, dynamic, nimble and modern.

The initiative has several key elements that aim to create a more modern regulatory environment:

- Red Tape Challenge
- Regulatory Centre of Excellence
- Regulatory Burden Reduction Team
- Regulatory Modernization Committee

Red Tape Challenge

Launched in March 2016, the Red Tape Challenge is an innovative way to identify and fix unclear, outdated, redundant and costly regulations in the province — regulations that hinder businesses and our economy.

The Red Tape Challenge is an online tool that allows Ontario businesses and the public to suggest ways the government can improve, streamline or modernize provincial regulations.

Over the next 2 years, we will use this tool to consult with businesses and the public on a broad range of regulations that affect key sectors. We are starting with automotive parts manufacturing, food processing and financial services. In 2017, we will tackle mining, chemical manufacturing and forestry. We encourage businesses and individuals outside these sectors to also take part in the review, as many of the regulations up for consultation impact all aspects of our economy.

The government will review all submissions, and publish Ontario's plan to address the identified issues within six months after each round of consultations closes. This reporting initiative shows government action in a transparent, timely way.

[Visit the Red Tape Challenge](#) for more information, or to see the consultation schedule.

Regulatory Centre of Excellence

Ontario is creating a Regulatory Centre of Excellence that will champion best practices from around the world in regulation design and development. This includes regulatory quality, simplicity, and the use of cost-benefit analyses and alternatives to traditional regulation, such as self-regulation or behavioural

insights. The centre will establish a network of experts who, in turn, will strengthen Ontario's knowledge and understanding of modern regulatory practices and how they can drive economic growth.

Regulatory burden reduction team

With its mandate for change and focus on high-priority initiatives, the Regulatory Burden Reduction Team will address the regulatory bottlenecks that most significantly impede the growth and competitiveness of Ontario businesses.

Regulatory modernization committee

The recently formed Regulatory Modernization Committee is another means to root out regulatory burdens and encourage the design of new, less onerous regulations. The committee acts as an advisory body to oversee and support the Open for Business branch in its regulatory challenge role.

The committee — co-chaired by the Premier's Business Advisor, Ed Clark, and the Secretary of Cabinet, Steve Orsini — will also encourage ministries to explore alternatives to regulation. The goal is to meet public policy objectives in the most cost-effective manner.

The savings initiatives

Exceeding our goal

Ontario set a goal to save businesses and stakeholders \$100 million by the end of 2017. All ministries were asked to identify at least one burden reduction initiative to contribute to this goal.

Last year, we were halfway to meeting that target, with more than \$50 million in cost savings reported in the 2014 and 2015 burden reduction reports.

Ministries are committed to creating more efficient, modernized regulations that improve the services both within and outside of government. To that end, this fiscal year we identified \$71 million in cost savings and surpassed our \$100 million goal by more than \$22 million — a full two years ahead of schedule. In total, these initiatives have saved businesses and other stakeholders **\$122.3 million** and **5.4 million hours** since 2011. Ontario will continue to build upon these successes, helping to make the province an even better place to do business.

Savings Initiatives Summary

Total cumulative savings since 2011 ^[1]			
Years	Hours	\$ (millions)	Initiatives

2014	181,000	6.6	5
2015	2.3 million	44.7	17
2016	2.9 million	\$71	26
Total Savings since 2011	5.4 million	122.3	-

Note: Numbers may not add up due to rounding.

Going digital — taking the paper out of paperwork

Last year, we reported that Ontario residents wanted to access more services online — not just in established areas, like banking, but in routine government services too.

Providing more services online remains a major theme in the province's efforts to reduce the regulatory burden on business. When services move online, it usually takes considerably less time and effort to get things done.

A number of ministries are harnessing the power of the web to reduce the burden on business, whether by incorporating "smart forms" (fillable PDFs), automating processes that were once paper-based, or making it more convenient to obtain or submit required paperwork.

Making it easier to open or grow a business

Burden

Prior to the launch of BizPal, the process for opening a business in Ontario was almost entirely manual and paper-based. To get the necessary registration forms, including permits and licences, prospective business owners had to call or visit multiple government offices. The process was cumbersome, time-consuming and frustrating for these entrepreneurs.

Solution

[BizPal is an online self-service tool](#) that lets entrepreneurs create a customized list of the permits, licences and requirements they need to register or grow a business in Ontario. The tool provides information like costs, prerequisites, renewal periods and wait times. It also contains links to downloadable application forms and other online services.

BizPal reduces costs for people starting businesses, as well as the time it takes to obtain the necessary forms and compliance information. It also allows government departments to make better use of the

resources they dedicate to client services.

Results

- Streamlines the start-up process and improves compliance
- Generates cost savings by reducing the time spent to inquire and obtain forms by an average of 20 hours per business
- Reduces the need for multiple visits to different government offices to pick up or hand in forms and applications

Savings over 4 years	
\$ (millions)	Hours
26.6	700,700

Automating clearance certificates for construction contractors

Burden

Ontario businesses have for many years used [Workplace Safety and Insurance Board \(WSIB\) Clearance Certificates](#) to prove that they are covered by the WSIB and that their account is in good standing.

Prior to 2011, businesses had to submit Clearance Certificate requests by fax, mail, phone or in person; they could not do so online. This process was slow and burdensome, and delays could result in lost work for contractors. On top of that, Clearance Certificates expired 60 days after being issued, so businesses needed to closely track expiry dates. This meant that larger firms were spending anywhere from eight to 24 hours every 2 months tracking, requesting and renewing Clearance Certificates for their contractors.

Solution

To make the process faster, easier and more efficient, the WSIB made changes in 2011. It increased the validity period of Clearance Certificates to 90 days, introduced standard expiry dates (so all Clearance Certificates expire on the same day each quarter), and [created an online service — known as eClearance](#) — to let both principal companies that hire contractors and contractors in good standing generate their Clearance Certificates anywhere, any time.

Results

- Allows contractors to generate their Clearance Certificates online, so printed copies are not needed

Saves time and effort by enabling contractors, and the businesses who hire them, to create lists of Clearance Certificates that will automatically renew

- Allows businesses to validate Clearance Certificates online any time, using a computer or smartphone
- Saves employers hundreds of thousands of hours in administrative time each year, which also leads to significant cost savings

Savings over 5 years	
\$(millions)	Hours
13	545,500

Speeding up vendor registration and reporting

Burden

The [Assistive Devices Program \(ADP\)](#) helps Ontarians with long-term physical disabilities get personalized assistive devices so they can live more independently. People with disabilities buy the devices from companies registered with the program.

Typically, individuals pay a portion of the equipment's cost when they buy it, and the company bills the Ministry of Health and Long-Term Care for the balance. Until Ontario improved the registration process recently, new businesses interested in participating in the program had to fill out several paper-based forms. The forms were difficult to find, interpret and submit, making the process cumbersome and frustrating for business owners.

Meanwhile, existing registered vendors had to input, track and enter claim information manually. They also had to wait several days for a report to arrive in the mail before they could submit a reimbursement claim.

Solution

In July 2015, the ministry introduced an electronic version of the registration form that is easier to complete. It also provides all of the needed information in one place. The new, interactive form presents a list of questions that change depending on which boxes the user checks and indicates if there are any response errors. This approach simplifies registration for new vendors and speeds up the process by reducing errors.

The ministry also upgraded the [ADP's](#) information technology system in October 2015 so existing vendors could receive all reports, claims statuses and payments through a new, secure online system. The new system speeds up invoicing and makes it easier for existing vendors to submit invoices and track claims

and payments.

Results

- Reduces the time new vendors spend filling out forms
- Eliminates the need to enter claim information by hand, reducing errors
- Reduces the time it takes for existing vendors to monitor claims and payments
- Speeds up payment — vendors receive the reports they need to submit claims 4 days earlier
- Reduces interest costs for vendors, since they receive payments more quickly

Savings based on 2 projects over 1 year	
\$	Hours
1.99 (m)	70,100
7,800	300
2 (m) total	70,400 total

Note: Numbers may not add up due to rounding.

Streamlining small claims court services

Burden

Until Ontario launched its e-filing service, if you wanted to start a small claim for \$25,000 or less, you had to travel to a small claims court counter and wait in line — or mail your claim and supporting documents in along with a cheque.

Solution

A partnership between 2 government ministries led to the launch of an e-filing pilot project in August 2014.

[Filing online lets people prepare and submit court forms](#) more quickly, pay court fees securely by credit card or debit and receive court-issued documents by email. This saves applicants hours travelling to and from local courts, standing in line, correcting document errors and making payments.

Since 2015, Ontarians have been able to file a claim online for amounts fixed under a contract or agreement, such as unpaid loans, credit card debt and overdue rent. Recent changes have expanded the

process to include small claims for amounts that are not definite or exact, such as awards for personal injury or property damage. Now all small claims can be filed online.

Almost 35,700 small claims documents were filed online from April 2015 to March 2016 alone.

Results

- Makes court services easier, faster and more accessible
- Reduces time spent travelling to and waiting at small claims court counters to file documents
- Saves businesses and individuals time and money
- Contributes to a more modern, responsive and sustainable justice system

Savings over 1 year	
\$	Hours
827,000	28,300

Driving registrations online

Burden

To operate across multiple provinces or states in North America, trucking and transportation companies have to be registered in the International Registration Plan (IRP). They also have to renew their registrations annually.

Until recently, when companies received their renewal notices from the Ministry of Transportation (MTO), they had to fill out renewal forms and mail or fax them back. Then they had to wait for their appointments, visit the IRP Field Office, make a payment and pick up the IRP plates and cab cards.

Processing a renewal application by hand took about five days, and could take even longer during peak periods.

Solution

MTO piloted [online renewal services for IRPs](#) in March 2014. In August 2015, the ministry began to invite all IRP carriers to renew online. Once fully implemented, online services will enable carriers to complete most IRP transactions quickly and accurately. Applications will be processed more quickly, so businesses can avoid expensive delays.

Results

- Cuts wait times for renewals by an average of four days
- Reduces paper and mailing costs
- Lessens the need to re-enter information, making the government more efficient

Savings over 2 years	
\$	Hours
215,000	7,100

Saving time with smart forms

The Ministry of Natural Resources and Forestry tracks the status of petroleum and other non-water wells. To keep this information up to date, operators have to file numerous documents manually, entering similar information multiple times.

Given the large volume of paperwork involved, there are problems with incomplete, inconsistent and inaccurate information being submitted. Other challenges include processing time, a lack of automatic quality control checks and delays in identifying compliance problems. To address these issues, the Ministry of Government and Consumer Services is developing 3 PDF smart forms that can be filled out and submitted electronically. The new forms will consolidate and standardize information that was once gathered via more than a dozen paper forms, making mandatory reporting much more efficient and less prone to error. The new submission process is expected to be fully implemented by 2017-18.

Results

- Makes it easier for operators to file their reports by combining and standardizing multiple forms
- Collects more consistent, accurate information on non-water wells

Simplifying licence renewals for seniors

Burden

In the recent past, Ontario's senior drivers had to go through a lengthy process to renew their driver's licences. Every two years, beginning at age 80, they had to pass a vision test, driver record check and written knowledge test, as well as attend a group education session. Some drivers were also required to pass a road test. The process was often stressful and not particularly effective at screening drivers for cognitive impairments that could affect their ability to drive safely.

Solution

In April 2014, the Ministry of Transportation modernized the renewal process to make it more efficient, less stressful and better able to identify unfit drivers. Under the new program, seniors aged 80 and older no longer have to study for and complete a written knowledge test. The test has been replaced by 2 short, in-class cognitive screening exercises (the other requirements are the same). Based on the results, some seniors may also need to take a road test and may be required to complete a medical exam.

The new process only takes two hours to complete versus the three and a half hours taken previously.

Results

- Significantly reduces the time senior drivers spend renewing their licences
- Reduces the amount of time seniors have to spend preparing for renewals
- Balances the need for seniors' mobility and independence with the need to identify unfit, cognitively impaired drivers

Savings over 1 year	
\$ (millions)	Hours
1.9	156,800

Saving generic drug manufacturers time and money

Burden

[Ontario Public Drug Programs](#) is committed to improving efficiency and has made many policy and regulatory changes over the years to reduce the burden for stakeholders.

One recent example is amendments to a regulation under the *Drug Interchangeability and Dispensing Fee Act*. [Regulation 935 sets out the requirements](#) for generic drugs to be designated as interchangeable with the equivalent brand name drug in Ontario.

Before this change, manufacturers wanting to list certain generic drugs on the Ontario Drug Benefit (ODB) Formulary had to submit detailed information about these products and provide equivalency studies showing they were comparable to name-brand drugs. It would then take four to six months for this information to be reviewed and the products to be listed.

Solution

In October 2015, Ontario streamlined the listing process for a number of additional generic drugs by removing some of the submission requirements. Health Canada's stamp of approval, the Declaration of Equivalence (DoE), is now enough for certain products — such as aqueous solutions, dermatological products and products administered via the skin (e.g. patches) — to be classified as interchangeable.

Results

- Allows more types of generic drug products that have received Health Canada's DoE approvals to be listed on the ODB Formulary in a shorter period of time
- Reduces processing wait times by an average of 2 months
- Allows specific generic drug products to be reviewed and added to the ODB Formulary 120 days sooner
- Saves manufacturers an estimated \$350,000 in indirect costs from potential lost revenue
- Cuts the average length of a manufacturer's submission from 976 pages to 194 pages
- Reduces the amount of time manufacturers spend researching, compiling and mailing materials to comply with requirements
- Improves patient access to generic drugs
- Makes the ministry's program delivery more efficient

Projected savings over 1 year	
\$	Hours
350,000	960

Making festival and event marketing easier

Burden

Until recently, Ontario festival and event organizers seeking funding for programming and marketing had to apply to 2 different programs. Event organizers could obtain funding for programming, activities and services under the Celebrate Ontario grant. But if they also wanted funding to promote overnight visits by marketing local hotel, theatre and restaurant incentives, they had to apply to the [Tourism Event Marketing Program](#). Despite sharing the common goal of attracting tourism to Ontario, these programs operated independently. This meant that festival and event organizers had to complete separate grant applications, funding agreements and final reports for both programs.

Solution

In September 2015, the province combined the two programs and streamlined the application and funding process. Under the new [Celebrate Ontario program](#), organizers can now complete and submit a single grant application, funding agreement and final report for their festivals and events.

Results

- Significantly reduces the time festival and event staff spend on paperwork
- Improves efficiency in the application and funding process
- Enables more effective communications, since grant applicants and recipients only need to consult with 1 program advisor

Savings over 1 year	
\$	Hours
61,000	2,300

Keeping an eye on the ball

In 2015, the Ontario government significantly improved the process that provincial and multi-sport organizations use when they apply for funding. There are 83 such organizations in the province — all considered leaders in their sports — and they are eligible for four different funds. But until recently, the applications to get this funding were time-consuming to complete, and often involved duplication. The annual deadlines were inconsistent, making it difficult for organizations to plan their budgets. The Ministry of Tourism, Culture and Sport responded by combining two of the four grant programs as part of the government's GAME ON Sport Plan.

Results

- Reduces the time it takes organizations to prepare and submit applications
- Streamlines the approval process and makes application processing more efficient
- Speeds up funding decisions, making it easier for organizations to plan their budgets

Reducing the carbon footprint of energy-intensive facilities

Under Ontario's previous rules, every cement, lime, iron or steel manufacturing facility that wanted to switch from coal or coke to waste or biomass as a fuel source had to apply for two Environmental

Compliance Approvals (ECAs). These approvals are costly and time-consuming to obtain. To reduce the burden on businesses, the Ministry of the Environment and Climate Change now exempts eligible industries from one of the ECAs when they use waste-derived, alternative, low-carbon fuels.

The ministry made three conditions for the exemption. Facilities must:

- Consult the public about effects these alternative low-carbon fuels could have on the environment. Facilities are expected to resolve any valid concerns.
- Demonstrate a greenhouse gas reduction as a result of the switch.
- Keep their air emissions within the currently permitted limits.

Results

- Saves eligible businesses the cost and time of getting one additional environmental approval as long as the only operational change is switching to a waste-derived fuel
- Demonstrates the circular economy where waste is now a resource with value
- Reduces the carbon footprint of these energy-intensive industries because they no longer burn coal

Streamlining retroactive drug compensation

The Exceptional Access Program (EAP) provides public funding for drugs that are not listed on the Ontario Drug Benefit (ODB) Formulary. Usually, these are expensive medications that are only considered for particular patients in unique situations. To receive EAP coverage, patients must meet specified criteria for funding and also be eligible for publicly funded drugs. Additionally, their physicians must apply to the Ministry of Health and Long-Term Care on their behalf.

But to provide timely care to their patients, physicians may need to begin treatment before a decision has been made. In the past, this meant patients and physicians had to go through a cumbersome retroactive process — providing a letter and receipts — to be refunded the ODB cost of the prescription. As well, there were no clear guidelines to help patients or physicians understand which cases were likely to be approved since funding requests were approved on a case-by-case basis.

In November 2013, the ministry streamlined the compensation process by automatically backdating approvals for eligible requests by 30 business days. The ministry also developed guidelines for physicians that clarify the allowable coverage periods for their claims. As well, patients can now send their receipts directly to a designated post office box without sending a corresponding letter to the ministry regarding their submission.

Results

- Reduces the administrative burden for physicians, patients and caregivers to apply for retroactive

compensation of drugs that meet EAP funding criteria

- Allows patients where the criteria for funding are well-defined and the physician has provided supporting clinical evidence
 - Increases the number of patients receiving retroactive compensation for eligible drug costs and reduces delays for patients to receive payment
 - Creates a more equitable and transparent reimbursement process
-

Modernizing regulations — flexible measures for changing times

Businesses want regulations that are in sync with today's business climate and allow for flexibility when appropriate. Regulations that are grounded in the history and expectations of another era — and have not kept up with evolving technologies, policy developments or societal preferences — create unnecessary compliance burdens for businesses.

Ontario is assessing and updating its regulations to ensure they are modern, responsive, and up to date so that they support, rather than hinder, businesses.

Creating opportunities for Ontario's wineries, breweries and distilleries

Ontario's alcoholic beverage industry is growing and changing — the past decade saw a huge increase in the number of wineries, breweries and distilleries across the province. At the same time, societal values have shifted to emphasize responsible drinking. But until recently, many of the regulations and policies that governed the industry did not reflect this changing landscape. Outdated, overly prescriptive regulations also created barriers to innovation and economic growth.

In August 2013, the province began looking at how to create modern, effective regulations that would better reflect the new reality. After consulting more than 100 stakeholders, the province removed some of the barriers to new investment and innovation while ensuring that alcohol continues to be sold and served responsibly. The changes include permitting all breweries and distillers to have on-site retail stores regardless of their production capacity. Plus, all wineries can now operate on-site retail stores no matter where in Ontario their grapes are grown, as long as they meet the other eligibility requirements.

Results

- Provides increased access to retail sales, particularly for smaller breweries and wineries outside of Ontario's designated wine-growing areas
- Creates economic opportunities for Ontario's small distillers

Easing rules for in-store barbecue assembly

Retailers wanting to assemble gas barbecues or other portable, outdoor, fuel-burning appliances for their customers used to face burdensome regulations. They were required to use certified gas technicians and the retailers also had to be registered as contractors with the Technical Standards and Safety Authority. Retailers could ask for an exemption from these requirements, but this was a complex process.

In spring 2015, the government eased the requirements and removed the demand for certification. Now, retailers can provide assembly training to staff in-house or through a third party on the proper assembly of these appliances in accordance with manufacturer instructions.

Results

- Saves retailers time and money by letting them train retail staff in-house
- Balances the safety risks involved with assembling barbecues and the associated burden on businesses

Creating more flexibility for auto manufacturers

Burden

Until 2015, automotive manufacturers wanting to use Ontario's roads to test new technologies or demonstrate products had just one option: they had to purchase a 10-day special permit. They were also limited to 2 permits per year. This made it difficult for manufacturers to perform necessary long-term testing.

The Ministry of Transportation (MTO) tried to provide the industry with a way to do this by allowing manufacturers to buy vehicle plates for longer-term testing. But the approval process was still burdensome, since manufacturers had to provide documentation that the ministry had to review, approve, and track. As well, the plates could only be purchased at 1 Toronto location.

Solution

In January 2016, MTO launched the [Manufacturer Plate Program](#) to give automotive and motor vehicle component manufacturers more flexibility. Manufacturers can now apply to buy special plates for the purpose of testing, demonstrating, evaluating and exhibiting pre-production passenger vehicles, commercial vehicles, buses and motorcycles on Ontario roads.

Once an application is approved, the ministry provides the applicant with a letter that can be used to buy as many plates as needed. This saves manufacturers time and money. The plates are also now available at 23 ServiceOntario centres across the province, making it easier for manufacturers to purchase them.

Results

- Provides a more flexible process for testing, demonstrating, evaluating and exhibiting pre-production vehicles
- Saves manufacturers time and money in preparing their applications
- Makes it easier to buy manufacturer plates, since they are now available in a number of locations

Savings over 3 months	
\$	Hours
31,000	600

Moving to risk-based inspections

Burden

Between 2008 and 2015, all Ontario facilities that transferred propane had to be inspected annually by the Technical Standards and Safety Authority (TSSA). This was costly for businesses and time-consuming for owners. Even businesses that had been regularly meeting or exceeding the safety standards year after year had to go through these costly annual inspections.

Solution

In 2015, Ontario modernized its approach to the regulation of propane transfer facilities by removing annual inspections and allowing the TSSA to move to a risk-based approach. The TSSA now schedules inspections based on a facility's level of risk and its safety record. This means propane transfer facilities with good safety and compliance records are now inspected less often than those with poor records. In other words, the new approach benefits facilities that have a strong safety record and rewards their performance by reducing inspections and related costs.

Results

- Reduces inspection time for large, compliant facilities
- Provides an incentive for businesses to improve their safety records
- Saves businesses time and money

Savings over 1 year	

\$	Hours
391,000	300

Removing roadblocks to efficient heavy truck operations

Burden

Different rules for truck weights and dimensions can deter commercial motor vehicle carrier-operators from using environmentally friendly devices.

For example, many companies use rear-mounted semi-trailer aerodynamic devices – known as boat tails – to save fuel. In Ontario, longer boat tails were not allowed on tractor semi-trailers longer than 23 metres or on double trailers longer than 25 metres. However, longer boat tails are allowed in the U.S. Truck drivers crossing the Canada/U.S. border into Ontario had to spend time closing the devices and then opening them when leaving the province. Operators were also missing out on potential fuel savings while driving in Ontario.

As another example, to operate in Ontario, medium and large carriers had to spend time and money applying for special vehicle configuration permits to exceed length limits for B-train Double-Trailer combinations. Permits cost carrier-operators anywhere from \$400 for a single permit to \$1,000 for a fleet-based permit.

Solution

While waiting for changes to provincial regulations around vehicle weights and sizes, the Ministry of Transportation introduced temporary measures that allowed tractor semi-trailers with boat tails to operate in Ontario between August 2014 and January 2016 without any restrictions. Also, beginning in February 2016, the ministry eliminated special permits previously required to operate longer B-train Double-Trailer combinations in the province.

Results

- Saves fuel costs for commercial motor vehicle carrier-operators operating into the U.S. and within Ontario
- Reduces the time it takes truck drivers to cross Ontario's borders
- Saves carrier-operators the cost of permit fees for longer B-train Double-Trailer combinations
- Less time to prepare and submit permit applications for B-train Double-Trailer carrier-operators

Savings based on 2

projects over 1 to 1.5 years	
\$	Hours
1.76 (m)	37,500
44,000	90
1.8 (m) total	37,600 total

Note: Numbers may not add up due to rounding.

Conclusion

We're just getting started.

Ontario's original goal was to save businesses and stakeholders \$100 million by the end of 2017 by reducing the burden of regulations. Through a variety of initiatives, such as those profiled in this report, we surpassed that target in 2015/16 — by \$22.3 million and two years ahead of schedule.

We can draw 2 simple but powerful conclusions from these impressive results:

- Our approach **is working**.
- We can do **more**.

Our achievements to date are proof of our commitment to creating and sustaining a competitive, innovative environment for businesses in Ontario. As noted in this report, the best regulatory environment is one that ensures regulations are not only necessary, but modern — aligned with our ever-evolving technologies, policies and values. That means improvement must be continuous.

In this year's report, we've highlighted burden reduction initiatives focused on the savings gained by moving paper-based processes online, simplifying and streamlining procedures, and modernizing regulations.

While meeting our original goal is satisfying, we know there is room for continued progress. The Ontario government remains committed to reducing the cost of doing business by updating and improving existing regulations and developing new regulations with an understanding of their impact on businesses.

Thank you to our partners

The Ministry of Economic Development and Growth regularly consults and works collaboratively with partners across the provincial government and the business community to simplify and streamline Ontario's regulations, lowering costs so businesses can grow and thrive.

The initiatives profiled in this report show this partnership in action, and highlight a range of activities in various programs and initiatives that are saving businesses time and money — by moving them online, making them more flexible or simplifying processes.

Our business partners include:

- [Automotive Parts Manufacturers Association](#)
- [Building Industry and Land Development Association](#)
- [Canada's Medical Technology Companies \(MEDEC\)](#)
- [Canadian Association of Moldmakers](#)
- [Canadian Federation of Independent Business](#)
- [Canadian Federation of Independent Grocers](#)
- [Canadian Manufacturers and Exporters](#)
- [Canadian Tooling and Machining Association](#)
- [Canadian Vehicle Manufacturers Association](#)
- [Chemistry Industry Association of Canada](#)
- [Information Technology Association of Canada](#)
- [MaRS Solutions Lab](#)
- [Ontario Business Improvement Area Association](#)
- [Ontario Chamber of Commerce](#)
- [Ontario Federation of Agriculture](#)
- [Ontario Home Builders' Association](#)
- [Ontario Nonprofit Network](#)
- [Ontario Restaurant, Hotel and Motel Association](#)
- [Ontario Road Builders' Association](#)
- [Retail Council of Canada](#)
- [Toronto Association of Business Improvement Areas](#)

- [Toronto Financial Services Alliance](#)
- [Toronto Industry Network](#)
- [Toronto Region Board of Trade](#)
- [YMCA](#)

Our government partners include:

- [Alcohol and Gaming Commission of Ontario](#)
- [Association of Municipalities of Ontario](#)
- Cabinet Office
- [City of Toronto](#)
- [Clinical Trials Ontario](#)
- [Legal Aid Ontario](#)
- Ministry of Advanced Education and Skills Development
- Ministry of Agriculture, Food and Rural Affairs
- Ministry of the Attorney General
- Ministry of Children and Youth Services
- Ministry of Citizenship and Immigration
- Ministry of Community and Social Services
- Ministry of Community Safety and Correctional Services
- Ministry of Education
- Ministry of the Environment and Climate Change
- Ministry of Finance
- Ministry of Government and Consumer Services
- Ministry of Health and Long-Term Care
- Ministry of Labour
- Ministry of Natural Resources and Forestry
- Ministry of Northern Development and Mines
- Ministry of Research, Innovation and Science
- Ministry of Tourism, Culture and Sport

- Ministry of Transportation
 - [Northern Ontario Heritage Fund Corporation](#)
 - [Office of Francophone Affairs](#)
 - [ServiceOntario](#)
 - [Technical Safety and Standards Authority](#)
 - [Workplace Safety and Insurance Board](#)
-

Methodology: how we measure cost savings

The Ontario government uses a measured approach to assess the impacts of burden reduction initiatives on businesses and other key stakeholders.

Specifically, we developed the Regulatory Cost Calculator (RCC) to measure the direct cost of compliance or the impact of business improvements and regulatory changes. The tool is based on the Standard Cost Model — the most widely applied methodology for defining and quantifying regulatory compliance costs. The estimates that feed into the RCC are based on input from internal experts, existing records and stakeholders.

Ontario also uses a cost-benefit model to quantify indirect costs, such as borrowing costs, investment costs and other substantive economic and financial costs. This approach includes assumptions from business surveys and association studies, as well as published economic and financial reports by think-tanks, statistical and economic organizations.

To ensure the integrity of the Ontario model, the Ministry of Economic Development and Growth commissioned a third-party provider to undertake an independent review of the results featured in the 2015 Burden Reduction Report. The assessment concluded that the methodology was sound and that the cost-savings estimates were reasonable.

In particular, the following types of costs associated with complying with a regulation or administrative requirement are given a dollar value:

Direct financial, administrative and compliance costs

- fees and payments to the government for services, permits or licences
- time and cost to learn requirements, prepare and submit applications, maintain records, co-operate with inspections as well as other administrative work
- administrative costs, such as for paper, printing, postage and courier

- the cost of hiring external consultants, accountants or other service providers to support compliance with requirements

Indirect or efficiency costs

- delayed/missed profits or missed investment opportunities
- indirect holding costs to keep machinery, land or other capital on standby for when the government approval comes through
- interest on loans or increased cost of borrowing

Capital costs

- capital investments and equipment purchased to comply with the regulatory requirements
- other costs, such as leasing office space or maintaining equipment

The baseline costs — costs that businesses and stakeholders face prior to the regulatory changes or process improvements — are compared with the actual costs after the changes are introduced. The difference is the cost savings to the affected stakeholders.

Baseline costs – Costs after implementation = Cost savings

Other regulatory modernization tools

Ontario's Regulatory Policy

The Ontario Regulatory Policy was introduced in 2010 and provides clear guidance to government on developing and applying Ontario regulations in an open and predictable way. Several measures under the Ontario Regulatory Policy are designed to ensure new regulations are well developed and reduce the burden on business. They include:

Regulatory impact analysis

Proposed Ontario regulations must be accompanied by a Regulatory Impact Analysis (RIA) that addresses, at a minimum, the impact on the access of persons, goods, services and investments from other jurisdictions, including jurisdictions within Canada. These assessments ensure the costs and benefits of significant regulations have been evaluated and are understood before regulations are approved.

Regulatory registry posting

Proposed regulations that are likely to affect Ontario businesses must be posted on [Ontario's Regulatory Registry](#) for a minimum 45-day public consultation period. Businesses can provide feedback on proposed regulations, which will be considered before a regulation is finalized.

Twice-annual effective dates

New regulations affecting businesses generally come into effect twice a year, on January 1st or July 1st. This makes Ontario's business climate more predictable and helps businesses plan ahead.

Mandatory review policy

Regularly removing outdated or redundant regulations ensures Ontario's regulations stay lean and relevant. All new or amended regulations filed since January 1, 2014 that have a high impact on the business community will be reviewed every 10 years or when appropriate, and amended or eliminated as necessary.

Give Us Your Feedback

Tell us how you think we can improve regulations to better support business. There are 2 ways to participate:

1. Visit [RedTapeChallenge.ca](#) to submit your feedback on existing regulations. The complete schedule is available [online](#).
2. Visit [Ontario's Regulatory Registry](#) to send us your comments on current regulatory projects.

We want to hear from you!

Summary of 2016 burden reduction initiatives ^[2]				
Ministry/Agency	Initiatives	Date Implemented	Cost Savings (\$)	Hours Saved
Government and Consumer Services/ServiceOntario	Enhancing the BizPaL program to provide online access to permits, licences and other requirements to open or grow a business	2012	26,628,120	700,740
Labour/Workplace Safety and Insurance Board	Automating WSIB Clearance Certificates for construction contractors	2011	12,966,725	545,508

Health and Long-Term Care	Enabling existing Assistive Devices Program (ADP) vendors to receive their reports, track claims status and payments online	2015	1,986,552	70,112
Health and Long-Term Care	Streamlining the listing process for certain generic drugs on the Ontario Drug Benefit Formulary	2015	350,000	960
Health and Long-Term Care	Enabling new ADP vendors to easily register via online platform	2015	7,759	313
Transportation	Simplifying driver's licence renewals for seniors aged 80 and older	2014	1,897,734	156,838
Transportation	Changing the regulations on vehicle weights and sizes enabling the use of boat tails or fuel-saving devices	August 2014 to January 2016	1,756,000	37,500
Transportation	Moving to online registrations for the International Registration Plan	2014	214,687	7,146
Transportation	Changing the regulations on vehicle weights and sizes, eliminating permit fees for operating longer double trailers	January 2015 – January 2016	44,233	86
Transportation	Improving access to the Manufacturer Plate program	2016	31,187	582
Attorney General/Government and Consumer Services/ServiceOntario	Streamlining small legal claims for \$25,000 or less through E-filing	2015	827,350	28,274
Government and				

Consumer Services/Technical Safety and Standards Authority	Moving to risk-based inspections of propane facilities	2015	390,719	297
Tourism, Culture and Sport	Amalgamating the Celebrate Ontario and Tourism Event Marketing Programs	2015	60,670	2,329
Subtotal	-	-	\$47,161,737	1,550,685

Summary of multi-year impact projects ^[3]				
Ministry/Agency	Multi-year Projects	Date Implemented	Current Impacts (\$)	Current Hours Saved
Environment and Climate Change	Enabling small-scale solar operators to register activities on the Environmental Activity and Sector Registry	2012	5,631,223	264,588
Environment and Climate Change	Enabling non-hazardous waste companies to register activities on the Environmental Activity and Sector Registry	2012	170,959	488
Health and Long-Term Care	Enabling electronic invoicing for the Assistive Devices Program	2011	4,342,713	136,074
Transportation	Streamlining testing requirements for driver's licence renewals for seniors with class A, B, C, E and F licences	2013	3,430,131	99,900
Attorney General/Legal Aid Ontario	Providing online and self-serve account access for service providers	2011	2,614,459	134,686
Attorney General/Legal Aid Ontario	Creating a block fee payment schedule for processing routine criminal certificates	2011	1,791,298	82,195

Attorney

General/Legal Aid Ontario	Providing a toll-free number for clients	2011	1,513,289	392,155
Attorney General/Legal Aid Ontario	Offering service providers an alternative fee arrangement for regular payment schedules based on historical averages	2013	1,251,747	47,373
Attorney General/Legal Aid Ontario	Simplifying the financial test to assess client eligibility	2011	253,467	65,684
Attorney General/Legal Aid Ontario	Streamlining the appeal process for clients	2011	45,385	11,761
Community and Social Services	Improving the service delivery model for direct access for service providers	2011	1,846,492	123,346
Tourism, Culture and Sport	Modernizing archaeological licensing and reporting with PastPort e-service	2013	528,077	2,758
Labour	Building a convenient online tool for checking compliance with the <i>Employment Standards Act</i>	2013	453,601	22,893
Subtotal	-	-	\$23,872,841	1,383,901

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[Ontario's burden reduction strategy](#)

[2015 Burden reduction report](#)

[Red Tape Challenge](#)

Footnotes

- [1] ^ This includes projects with one-time impacts and projects with ongoing impacts.
- [2] ^ In addition to the 13 new initiatives show in this table, this report features 6 initiatives where data was not available to monetize cost savings. See project descriptions for qualitative benefits to stakeholders.
- [3] ^ These multi-year impact projects feature additional savings from those reported in the 2015 Burden Reduction Report.

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