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MEMBER RELEASE

UBCM Holding Lines Regarding CFIB "Red Tape" Report

To: **Mayors and Councils, Chairs and Boards**

From: **Chair Harry Nyce, President**

Date: **January 8, 2010**

The Canadian Federation of Independent Business (CFIB) is planning to issue a "Red Tape Awareness" report on Monday January 11, 2010 (see "*Weird tales of red tape: Businesses seek relief*", Vancouver Sun, January 6, 2010).

The CFIB has provided highlights from the report in advance to media, which in turn have been provided to UBCM. The information, based on a recent survey of CFIB's membership, and takes aim at governmental regulations in B.C. While the survey speaks about regulations in general terms, it is clear that the CFIB takes issue with regulations at all levels, including that of local government.

UBCM had made a preliminary response to media based on the advance information that has been provided, and may make a fuller statement when the complete report is released on Monday. By and large, we think the methodology of the survey is simplistic and narrow.

In light of the CFIB's media relations, we anticipate that local governments may be asked to comment on the report. To assist any response that you may make, I have asked our staff to provide some holding lines to suggest some ways of addressing the CFIB's findings.

- Local governments agree with the CFIB that government regulation is "an important issue".
- However, we see regulations as more than just an impediment for doing business. Regulations reflect the values and goals of the wider community, and are essential to building vibrant, sustainable communities.
- Local governments are concerned when we hear groups calling for less regulation as though this were an end in itself. For years, this was the accepted thinking in the financial sector until the recent mortgage crisis and the collapse of banking system. Most people now recognize that the crisis was the result of a regulatory system that was too weak.

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- The CFIB survey results are responses to questions that treat government regulations in an abstract and generalized way. Which regulations would the CFIB do away with, and what is the cost of doing so? By failing to address these questions, the survey results are hollow.
- Many local government leaders in B.C. own, manage or work for small businesses, or have a background in the private sector. The people who are at the table on our councils and boards understand the challenges facing the business community.
- Local governments in BC are engaged with the business community through economic development commissions and tourism organizations, and have reciprocal shared interests.
- Local governments, like the private sector, are also subject to regulations. We are aware that poorly designed regulations hamper efficiency and undermine results. At the same time, we appreciate the value of regulations and recognize that they provide essential support for order, fairness, safety and accountability in our communities.

We will be monitoring further developments on this file, and will provide further communication when appropriate.

For further information:
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