

Backgrounder – Barriers to Business Working Group

The Barriers to Business Working Group will examine the territory's regulatory system to identify barriers to business development. It will include an examination of the administration and delivery of present Government of Nunavut (GN) programs and services to Nunavummiut.

The focus will be on barriers that negatively impact on business growth, such as:

- Mandatory filing requirements
- Detailed guidelines and reporting
- Enforcement and inspection activities
- Duplication between GN and federal government
- Application of fees, permits or licenses
- Inspections around safety and health standards
- Processing times for program and service delivery

There are several unique conditions in Nunavut that are not necessarily present in the business climate found in more established jurisdictions. These characteristics can serve as systemic barriers or potential opportunities:

- Young population
- Short history of commerce
- High turnover of local Community Economic Development Officers
- Comparatively small population
- Active arts and crafts sector
- Small and expanding private sector
- No critical mass in the marketplace
- Few small independent businesses
- Little competition in the marketplace
- High proportion of public service jobs
- High disposable household income levels
- Low education achievement compared to other jurisdictions
- Government staffing is viewed as an economic development tool

The review will start with a set of regulatory principles that are recognized in other jurisdictions. These arose from a red tape reviews that occurred in at least eight provinces over the last decade.

The Barriers to Business Working Group will use these principles as it evaluates Nunavut's regulations:

- 1) Intervention by regulatory action must be justified only if there is a problem to face.

- 2) Regulatory actions must be consistent with the government's priorities, core business activities and public interest. Consideration should be made of the role in Pinasuaqtavut, and Inuit Qaujimajatuqangit.
- 3) The benefits of intervention must outweigh the risks/consequences of not regulating.
- 4) The costs should not outweigh the benefits.
- 5) All realistic alternatives to regulation should be explored.
- 6) Where possible, proposed measures will be harmonized with existing international, national or provincial standards and regulations.
- 7) Early and on-going consultation with affected parties will validate the need for regulation; the proposed standards; the costs of compliance; and performance measures.
- 8) The regulatory focus should be on objectives and outcomes rather than process.
- 9) Resources for implementation and enforcement will be identified and obtained prior to implementation.
- 10) To the degree possible, paper burden and process will be streamlined, minimized or eliminated.
- 11) Good customer service will be emphasized in designing implementation and compliance requirements.
- 12) Enforcement and compliance will be consistent with the objectives of the policy, the risks of non-compliance and the penalties.
- 13) The outcomes of the regulatory measure will be monitored and evaluated against the objectives and desired results.
- 14) A regulatory proposal must include a sunset provision or review date in order to be approved.

Three departments will be represented on the working group: Economic Development and Transportation, Executive and Intergovernmental Affairs and Justice.