

NEWS

Liberals hope to reduce red tape for small businesses

BY SARAH BURTON
The Nor'wester

A member of the Liberal opposition is speaking out for small business owners who say they are burdened by an excessive amount of red tape associated with meeting Workers' Compensation regulations.

Roland Butler, MHA for Port De Grave and opposition critic for Human Resources, Labour and Employment, was responding to a report released by the Canadian Federation of Independent Business (CFIB) entitled Prosperity Restricted by Red Tape.

The group concluded its first national "Red Tape Awareness Week" on January 15. The report indicated that 78 per cent of businesses in the province find complying with demands of the Workplace Health, Safety and Compensation Commission (WHSCC) to be a huge concern.

"From time to time we get calls from smaller businesses and the owners believe a lot of the regulations and requirements are burdensome to them - not that they want regulations taken away with regards to safety of their employees, it's more or less in the operation of their business and how they work with and deal with the commission. That's where we're coming from with it," said Mr. Butler.

"The work environment should be safety conscious for all workers, but on the other side of it, if there's too many rules and regulations and stumbling blocks put in the way of the small businesses, some of them fold."

Having the amount of red tape reduced for business owners is something Mr. Butler says was included in the Liberal's Red Book during the last election. He approves of steps government has made in the past in this area, but would like them to go a bit further, especially when it comes to the way businesses are to make payments.

"We're trying to get payments based on actual payroll and not forecasted ones," said Mr. Butler. "The way it stands now, unless it's changed and I'm not aware of it, a company or business of any size forecasts what they believe their payroll will be for the coming year, then they're required to pay that up-front.

"I know the commission has made some strides to change that and have come up with another option," he said. "I think the businesses are unaware of that part, but now for the first seven months you don't have to make any payment and you're not penalized. However, in the last five months of your 12-month period, you have to pay the full amount for the year. What we're recommending is that they would be given an option to pay monthly assessments and it wouldn't be so hard on them, like if someone had to pay say \$12,000, they could pay \$1000 a month rather than the whole amount upfront."

Mr. Butler added that they know of about three instances where small business owners were asked to take two to three days off to assist with auditing. This is the type of red tape he says they are referring to as well.

"A lot of the smaller businesses find it's not as friendly a policy as they thought it should be," he said.

Brian Warr, owner of Warr's Castle Building Supplies, said he doesn't find the red tape to be that hard to manage and the WHSCC is pleasant to deal with. They recently had two auditors go through their store to ensure that their retail of pesticides was being done in a safe manner. However, he can see how meeting their regulations would be burdensome to a smaller business with fewer staff and resources, especially if they're just starting out.

"They're having a lot more issues," said Mr. Warr. "They're overwhelmed with some of these things because they're in the work-hard stage, putting in eight to 14 hours a day, and they just don't have time in their day to deal with some of these stipulations and regulations that government tends to hand down to all businesses, no matter the size. There are companies that have enough staff members that the owners can delegate some of that work to others, but when you're working it alone in a family business, it gets tough."

Mr. Warr recently had to send an employee out of town for a week of certification training that allows them to bid on government contracts. The training is beneficial for both the company and the worker, but it did cost them time and money. They had to pay their week of wages, registration for the course, plus be without the employee for the week and pick up the slack while they were away.

"It becomes a necessary evil and it's hard to deal with sometimes, so I can imagine what it's like for some of the smaller companies that only have maybe two to five employees," he said.

When it comes to having too much red tape from government, Mr. Warr experienced this mostly when he used to sell firearms. He was consistently bombarded with paperwork.

"I sell ammunition here, but I don't sell firearms anymore because we felt that we were just regulated to death by the federal government in regards to the retail sale of firearms," he said. "We decided it just wasn't worth our time and effort. Actually, if you look at this area of Green Bay, with there being roughly 17,000 people, we don't have a firearms retailer at all anymore, basically because of regulations."

Overall, Mr. Warr said that the stance MHA Butler is taking with red tape is justified.

"The provincial opposition governments are all over that because they hear the negative from their constituencies about having to deal with government red tape. So I can appreciate where they're coming from."
