

April 4, 2011

*The Honourable Rob Moore, P.C., M.P.  
Minister of State (Small Business and Tourism)  
Room 418, Justice Building  
House of Commons  
Ottawa ON, K1A 0A6*

*Subject: Federal Red Tape Reduction Commission of the Government of Canada*

Dear Mr. Minister:

The Hotel Association of Canada (HAC) representing the \$17.5 billion lodging industry in Canada employing more than 320,000 people and contributing \$6 billion in tax revenues to the Canadian economy including \$2.8 billion at the federal level is pleased to present this submission to the Federal Red Tape Reduction Commission.

At the outset we recommend the adoption of the following guiding principles.

- It is the owner/operator who is responsible for compliance along with all other aspects of the business.
- Refrain from asking business for information which is already available within the administration, unless it needs to be updated.
- Set up single points of contact, through which businesses can obtain all relevant information and complete all necessary procedures by electronic means.

A 2010 Canadian Federation of Independent Business (CFIB) report estimated that regulation costs Canadian businesses a staggering \$30 billion each year in compliance costs alone, the brunt of which is being felt by the smallest firms. Whereas businesses with more than 100 employees spend a yearly average of \$1,117 per employee to comply with regulations, companies with up to 4 employees spend an average of \$5,825.

The HAC supports the CFIB conclusion that the burden could be reduced by at least 25 per cent without harming the legitimate objectives of regulation such as protecting health and safety. This is the equivalent of \$7.5 billion annually.

The availability of people to work in the lodging industry is critical and we are highly dependant on the Federal Temporary Foreign Workers Program. The HAC believes an employer should be able to have a foreign worker arrive to their workplace within 2 months, not the typical 6-8 months that it takes now. We would like to see the following changes made:

- Reduce paperwork burden in the application process of LMO's (Labour Market Opinions).
- Make the process easier to manoeuvre with reasonable deadlines that are assisting employers rather than crippling them. This might mean allowing pre-approvals, extending LMO and work permit lengths and allowing amendments and extensions.
- Engage more officers in our Embassies and High Commissions to review visa applications.
- Coordinate cooperation between all parties involved – Service Canada, Human Resources and Skills Development Canada, Employment Standards, Overseas Labour Offices and Citizenship and Immigration Canada.
- Revamp Labour Market Information by region and industry so that it is accurate and not driving up prevailing wages to an unaffordable level for rural small business that does not match corresponding revenues.
- Create faster dedicated access for employers to Citizenship & Immigration Canada.

Mr. Minister, thank you for your attention to these recommendations which we encourage the Government of Canada to implement at the earliest possible opportunity. As always we are available for consultation.

Sincerely,

Anthony P. Pollard  
President

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