

REGULATORY STREAMLINING

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The expression "regulatory streamlining" refers to the reduction in the quantity of regulations and resulting formal procedures (red tape) that create a heavy administrative and financial burden for businesses, individuals and public administrations.

Regulatory streamlining can entail the in-depth review and simplification of entire legal and regulatory systems or of a single law or regulation; it may also involve the elimination, repeal, amendment and harmonization of sections or provisions of regulations; or it may refer to the relaxation or reduction of procedures. Quantitatively speaking, regulatory streamlining decreases the total volume of legislation and regulations and significantly reduces the number of formal procedures (authorizations, permits, registrations, report production, file creation and file keeping) and the cost of complying with regulations.

The term "regulatory streamlining" came into general use in the wake of initiatives undertaken for the purpose of remedying or alleviating the regulatory burden caused by increased government intervention in modern post-war societies. In the Western countries during the 1980s, the scope of government intervention was thrown open to challenge in keeping with the neoliberal logic of the era, which favoured removing regulatory obstacles to "the freedom of actors" and "the free play of market forces." This general situation led to the deregulation of competitive economic sectors such as the banking and transportation sectors – but not without generating criticism to the effect that deregulation favoured the private sector over public interest and contributed to economic instability. New solutions had to be conceived in response to this problem, all the more so since the law of the market did not succeed in improving the way the economy and society functioned and since it was often necessary to regulate competition.

In response to the burden and complexity of administering regulations and regulatory processes, which impacted businesses and economic growth, Western countries developed appropriate regulatory reform strategies. Thus, public administrations gave priority to streamlining those regulations that needlessly hindered competition, investment, innovation and business development. At the same time, they sought to reduce the administrative responsibilities that stemmed from regulatory requirements. This thrust heralded the adoption of measures to review and reduce existing regulations, mitigate the effects of new regulations on businesses, coordinate various regulations and offer government services designed to streamline administrative procedures.

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Although regulations have been the target of streamlining efforts in most Western countries for approximately 30 years, the term "regulatory streamlining" has mainly been used by the Quebec government.

Following the Economic and Employment Summit in 1996, this phrase became part of the terminology of the Quebec government. Since then, it has been used to refer to advisory groups on regulatory streamlining (1997, 1999 and 2002), the regulatory reform support unit, known as the *Secrétariat à l'allégement réglementaire* (1998) – which replaced the *Secrétariat de la déréglementation* (1995) – as well as the government policy on regulatory and administrative streamlining. Quebec's regulatory policy is based on the "Rules regarding the streamlining of legislative and regulatory standards," which was adopted by the Quebec government via an order in council in 1996; as such, this policy is designed primarily to review and streamline existing regulations and evaluate and reduce the effects of bills and regulations on the province's economy and businesses.

The terms used to convey the adopted approach to regulatory reform vary depending on the prevailing problems, concerns and values. In that respect, regulatory streamlining measures are also frequently designated by the terms of rationalization, reduction and simplification of regulations and formal procedures (commonly referred to as red tape or paperwork). The term "deregulation," which involves not only the elimination of regulatory constraints but also the use of alternatives to regulations, would, in this context, appear to be the ultimate regulatory streamlining measure.

It is the responsibility of the State to regulate in the public interest. However, to what extent should it exercise this right, power and responsibility? While the welfare state embarked on an ambitious program of interventionism, the free market ethic, coupled with the financial constraints of the late 20th century led to a more discreet State, which depended more on the law of the market to yield economic growth. From the perspective of neoliberalism, "regulatory streamlining" is construed to mean that the State seeks to reduce its body of legislation and regulations and intends to regulate less.

Nevertheless, the regulatory streamlining process inevitably leads to the obligation of better regulation both in order to avoid overlapping, duplication, obsolescence and harmful impacts and in order to increase the transparency of regulations. To that end, most Western countries have developed policies to improve the quality of regulation, with the governments of many English-speaking countries adopting the expression "Better Regulation" to describe their regulatory approach.

Governments are currently confronted with new – and legitimate – pressures to regulate in many areas, such as the environment, new technologies, financial markets, and consumer and investor protection. As a result, they can no longer merely focus on reviewing, reducing and improving regulations. Better protection at better cost is necessary, and efforts to achieve that goal must be embedded in a new culture of accountability in order to increase the efficiency and effectiveness of the regulatory management system. From this perspective, regulatory streamlining can be considered the first step in the regulatory governance development process.

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