March 1st, 2024

Hon. Anita Anand, P.C., M.P.
President, Treasury Board
Ottawa, Ontario,
Canada
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Dear Minister,

<u>Issues relating to the Additional Administrative Burden with Various Government Information</u> Gathering Initiatives

On behalf of the undersigned associations, we are writing to you regarding the additional workload and administrative burden of multiple government information gathering initiatives. We recommend a comprehensive review of how and why we collect information and that the government consider the cost, value, and timelines of additional information gathering initiatives.

Information gathering is an important and useful tool that can provide significant value and insight to shape policy direction when it is designed and executed appropriately. As you are aware, the government of Canada uses provisions under the Canadian Environmental Protection Act, 1999 (CEPA) to routinely acquire updated information on the "commercial status of substances and other information required for risk assessment or risk management". Notably, sections 46 and 71 of CEPA authorize the government to solicit information regarding activities with substances to facilitate decision making processes. This letter was triggered by recent initiatives, including the Notice with respect to certain substances under the Chemicals Management Plan — 2023 and Notice of Intent to launch a section 46 information gathering for the Federal Plastics Registry. Our concern, however, goes beyond these two examples, as the excessive information requirements and the additional work associated with various government surveys are placing extreme administrative burden on industry, in addition to other consultations and initiatives from various government departments. For example, Transport Canada's Regulations Amending the Transportation of Dangerous Goods Regulations (Site Registration Requirements) and the continuous work that is required for compliance with the Clean Fuel Regulations. These additive initiatives contrast with section 4.3 of the Cabinet Directive on Regulation, which focuses on coordinating regulatory efforts within the Government of Canada (e.g., by reducing reporting and other administrative burdens). Clarity is needed regarding the need for these disproportionate requests on industry, noting that too much information can create inefficiencies and adversely affect the decisionmaking process.

We request that government re-evaluate their framework for assessing the Value of Information (VOI) and provide a comprehensive review of how and why that information is collected, factoring in the following considerations:

1) Information gathering should be used to respond to well thought out policy questions. We agree that information gathering can inform risk management, but as stated above, more data (particularly if it is 'nice to have' vs 'must have') does not always lead to better decision making.

Equally important to note is that information gathering is not a form of risk management and should not be used to justify decisions that have already been made. The government should evaluate the trade-offs like cost, value, relevance/need, and timeliness of requesting the collection of additional information to reduce uncertainty. When determining the value of requesting additional data, consideration should also involve "the choice between making an immediate decision with currently available information versus delaying a decision until additional data are collected and analyzed¹." As stated, there is a cost of delay. This is a measure of the reduction in benefit associated with the delay in the decision-making process.

Additionally, although information may be requested by government, it may not be available to those required to supply it. For example, inclusion of *white goods* within the scope of the Federal Plastics Registry are data requirements that go beyond information that is currently available as brand owners are unlikely to have access to the type of granular data that would be required. The government must consider not only the extensive amount of data that they are requesting but also the purpose, quality, and use of that information. The government should provide targeted policy questions and conduct robust problem formulation exercises to receive the most necessary and suitable high-quality information and evaluate which data generation methodologies are most valuable for risk-based decision-making.

Meaningful collaboration with industry can ensure good policy, as we are experts in our sectors. Providing a policy to industry after it has been written without effective consultation creates a more resource-intensive process to correct the creation of problems already written into such a policy. The government should consider a more proactive approach that includes industry in the creation of policy, instead of inclusion after the fact.

2) The resources used to analyze requested information from the Government requires comparable resources to generate it. The total work for obligated parties contrasted with the value received to government is disproportionate. There is a double-edged cost that is worth noting for both industry and government. When requesting large volumes of data, it requires sufficient time for thorough analysis and understanding from government. Industry is experiencing a significant administrative burden from the excessive requirements of recent surveys with little value associated with the information requested. Additionally, many companies have had to request extensions to manage the heavy workload. However, industry is not the only party who is affected, as this collection of information is growing and creating additional resourcing pressures on government to ensure proper processing and analysis.

Providing feedback to government is a resource-intensive process as it requires consultation, review of legislation, data collection, and coordination amongst multiple parties across Canada to ensure that policy makers are offered the best available data and science with which to make their decisions. This is administratively burdensome on industry and if the information can be collected through other means, the government should investigate those avenues first. There are also simultaneous information requests on industry, recognizing that the government has different departments and separate groups asking for data. As stated within section 4.3 of the

¹ A value of information framework for assessing the trade-offs associated with uncertainty, duration, and cost of chemical toxicity testing, Hagiwara et. al.

Cabinet Directive on Regulation, we encourage government departments to streamline the overlap of information initiatives both within their own departments, and across other relevant departments.

3) There is an increased risk to the management of Confidential Business Information (CBI). As more detailed information is requested, it becomes more difficult to manage requiring increased resources and capacity for government as it relates to the proper handling of CBI. This can lead to future challenges for government Departments associated with the management of CBI. As government agencies are also potential targets for significant cyber incidents and data breaches from third parties, this issue can not be understated. The increased volume of CBI requests can create a higher potential for error risking competitiveness.

Please note that many of the co-signatories will be able to provide concrete and specific examples of the various surveys and data requests that are planned or underway. In addition to information gathering activities, the government should consider other requests and consultation processes from other departments that are being asked of industry that add an additional layer of resource requirements. Although the collection of additional data and information can be used to strengthen risk-based decision making, we urge the government to thoroughly evaluate and consider the value of the data requested, as well as the cost and timelines associated with those requests.

We hope that you will consider these comments above and would be happy to provide additional details upon request.

If you have any questions or concerns, please contact: <u>bmasterson@canadianchemistry.ca</u>.

Sincerely,

