Associate Minister of Small Business and Red Ministre associé aux Petites Entreprises Tape Reduction Ministry of Economic Development, Job Creation and Trade

56 Wellesley Street West 7th Floor Toronto ON M7A 2E7

et à la Réduction des formalités administratives Ministère du Développement économique, de la Création d'emplois et du Commerce

56, rue Wellesley Ouest 7e étage Toronto ON M7A 2E7



January 10, 2020

Mr. Keith Currie President Ontario Federation of Agriculture 206 — 100 Stone Road West Guelph, Ontario N1G 5L3

Dear Mr. Currie:

I am writing you to share some details about the government's continuing work to reduce red tape to make it easier to do business in Ontario. On December 10, the legislature passed the Better For People, Smarter for Business Act, 2019. This Act builds on an extensive array of actions the government has taken to reduce regulatory burdens on businesses while maintaining standards needed to keep people safe and healthy and protect the environment.

This wide-ranging Act is the centrepiece of our Fall Red Tape Package, which also includes regulatory changes and policy announcements. In total, the Fall Package consists of over 80 actions to simplify and modernize regulations across multiple business sectors — from manufacturing, forestry, mining and agri-food, to life sciences, transportation, energy and waste recovery. These actions are also providing regulatory relief to main street businesses like restaurants, barber shops and dry cleaners.

For your particular interest, I have worked with my colleague, the Honourable Jeff Yurek, Minister of the Environment, Conservation and Parks, and the Honourable Ernie Hardeman, Ontario Minister of Agriculture, Food and Rural Affairs to include several actions in the Act that will help the agri-food sector continue putting Ontario food on people's tables.

One example will reduce paperwork for the 14,000 farm businesses enrolled in the Agri-Insurance program. Crop insurance is a crucial support to help farmers manage events beyond their control, such as pests, disease and weather. We are simplifying the forms that farmers are required to fill out for crop insurance. The length of these forms will be significantly reduced by 65 pages, saving farmers an average of 140 hours of their time.

Another action streamlines regulatory processes to approve the use of neonicotinoid pesticides on farms, while maintaining a restricted-use status for these pesticides. Farmers will be allowed to use them only if they have completed the proper training course.

Farmers will be able to plant neonicotinoid-treated seeds, such as for corn and soybeans, precisely where they're needed. Streamlining the approval process for using them would ensure that farmers can plant them in time to ward off any infestations that could potentially destroy their crops.

More broadly, we are aligning Ontario's pesticides classifications with the federal government as all other provinces have done, in order to remove duplication and create a more efficient process for sale and use of pesticides in Ontario.

These are only a few examples of how the Ontario government is getting out of the way of businesses by streamlining processes and removing duplication. By 2020, we are committed to saving Ontario businesses at least \$400 million in the cost of complying with regulations.

On November 6, the government proposed to reduce the small business Corporate Income Tax rate to 3.2 per cent from 3.5 per cent, starting January 1, 2020, fulfilling its promise to cut Ontario's small business tax rate by 8.7 per cent. If passed, this would provide tax relief of up to \$1,500 annually to over 275,000 businesses that benefit from the small business Corporate Income Tax rate — from family-owned shops to innovative start-ups.

For more information about how the government is cutting red tape that holds back job creation and investment, please see the 2019 Burden Reduction Report: https://files.ontario.ca/medict-burden-reduction-report-2019-10-31-en.pdf.

We look forward to continuing our work to lower the cost of doing business by making it easier and cheaper to comply with regulations.

Sincerely,

Prabmeet Singh Sarkaria

Associate Minister of Small Business and Red Tape Reduction

cc: Honourable Jeff Yurek, Minister of the Environment, Conservation and Parks Serge Imbrogno, Deputy Minister, Ministry of the Environment, Conservation and Parks

Honourable Ernie Hardeman, Ontario Minister of Agriculture, Food and Rural Affairs

Greg Meredith, Deputy Minister, Ontario Ministry of Agriculture, Food and Rural Affairs

Giles Gherson, Deputy Minister, Small Business and Red Tape Reduction