

**NEW REPORT BY JACK MINTZ ASSESSES IMPACT OF POST 2008 REGULATION –  
FINDS COSTS HIGH AND EFFECTS POORLY MEASURED**

**For Immediate release**

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CALGARY - Canada's financial system made it through the 2008 global financial crisis better than many other economies did, but Canadian regulators nonetheless hastened to introduce a spate of new regulations to increase financial stability. However, all new regulations create effects, intended and unintended, and Canada is no exception.

In a new report released today by co-authors Jack Mintz and Jacqueline Coolidge and published by The School of Public Policy, the authors dive deeply into the impacts of that post-2008 regulation and find that while Canadian government's regulatory-impact analysis system is relatively less burdensome than that of the EU, for example, that lack of burden comes at a higher risk of unnecessarily increased compliance and administrative costs. In other words, Canada regulates, but then fails to do enough impact analysis to determine what the real effects of those regulations are on business. That leads to higher costs, market uncertainty, hampers investment and hurts smaller firms in particular.

According to Mintz and Coolidge, "Canada does not rank very well in an OECD evaluation of regulatory-impact analysis systems compared to, for instance, the U.K. That creates a lack of transparency for business, and that in turn increases the risk of "regulatory capture," which can harm individual and business consumers of financial services as well as smaller firms."

On the other hand, the sort of lengthy and costly regulatory reviews required by the U.S. and EU could prove counterproductive. But we don't need to go that far to make Canada's system work better. A better regulatory-impact assessment system in Canada is achievable without becoming overly burdensome.

Finally, meaningful transparency throughout the entire process so that all parties can see the entire process as well as its results will help protect against regulatory capture, would encourage participation from all those potentially affected by a rule change, and would help everyone involved appreciate the intended benefits of the proposed regulation.

The report can be found online at [www.policyschool.ca](http://www.policyschool.ca)

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To request an interview with the author or for more information please contact:

Morten Paulsen  
403.220.2540  
Morten.paulsen2@ucalgary.ca