

# IT'S TIME

REGULATORY REFORM AND MODERNIZATION



The Joint Office of Regulatory Affairs  
and Service Effectiveness

**2015/16 ANNUAL REPORT**

  
**NOVA SCOTIA**



“

*Business knows few borders these days, but governments, and their policies, programs and regulations, are defined by borders. Thus, the welcome potential of the co-operative regulatory initiative by the governments of Nova Scotia, New Brunswick and Prince Edward Island. The more that it is able to harmonize regulations and simplify regulations among the Maritime provinces, the payoff to business productivity and efficiency will be significant. We should all wish it to be ambitious in its plans for integrated business regulations and support its intent and efforts.*”

*Kevin Lynch, Vice-Chair, BMO Financial Group and former Clerk of the Privy Council, Secretary to the Cabinet and Head of the Public Service of Canada*

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# IT'S TIME

A LOT HAS HAPPENED OVER THE PAST YEAR

## MARCH 2015

Memorandum of Understanding signed between Nova Scotia and New Brunswick to create the Joint Office of Regulatory Affairs and Service Effectiveness

## AUGUST 2015

Office is preliminarily staffed

## NOVEMBER 2015

Maritime Premiers' Action Plan for Regulatory Reform announced

- Prince Edward Island joined Office
- Charter of Governing Principles for Regulation adopted
  - commitment made to mirror legislation
  - commitment made to common measurement for regulatory costs
  - immediate actions identified:
    - aligning dates for minimum wage changes
    - aligning record-keeping requirements
    - moving to common documents for procurement

## JANUARY 2016

- Premier McNeil earned honourable mention in national red tape reduction awards for removing barriers to apprenticeship mobility within Canada

## MAY 2016

The Council of Atlantic Premiers announced commitment to:

- adopt Canada Revenue Agency's One Business Number to simplify business registration with Workers' Compensation Board
- give mutual recognition in specific areas of Occupational Health and Safety
- move to standardize the Carrier Profile for the regional transportation industry

## MAY 2015

Nova Scotia's first Chief Regulatory Officer appointed

## OCTOBER 2015

Small Business Week

- Convenience store bundle, changes to weight and dimension regulations, and elimination of Amusement License announced

## DECEMBER 2015

- Regulatory Accountability and Reporting Act introduced and passed in Nova Scotia
- Mandate letters sent to all departments, including expectation to work with the Office to reduce regulatory burden
- Regulatory Accountability and Reporting Act introduced in New Brunswick

## APRIL 2016

- Minimum wage aligned in Nova Scotia and New Brunswick on April 1; PEI to align in 2017
- Regulatory Accountability and Reporting Act introduced in Prince Edward Island
- Legislation to align record-keeping requirements introduced in 3 Maritime provinces

## JUNE 2016

- Regulatory Accountability and Reporting Act passes in New Brunswick and Prince Edward Island
- Joint Office publishes first Annual Report

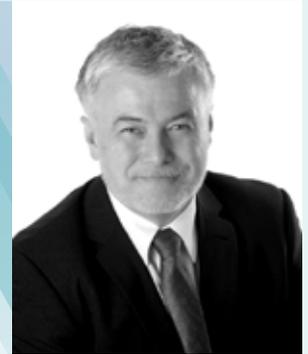


*We want to become one of the most competitive and prosperous business climates in Canada. To do that we have to remove obstacles and increase regulatory predictability so businesses are confident in making investments in our region.*

*Honourable Stephen McNeil, Premier of Nova Scotia*

*The Canadian Federation of Independent Business commends the government on taking action to reduce impediments to trade between Provinces. Our members who work in multiple jurisdictions have for many years complained of unnecessary and frustrating differences between regulations that require redundant compliance efforts. We are very pleased to see the new Office of Regulatory Affairs and Service Effectiveness working with small business and all government departments to eliminate red tape and streamline government processes.*

*Jordi Morgan, Vice President, Atlantic,  
Canadian Federation of Independent Business*



## EXAMPLES OF COST SAVINGS ASSOCIATED WITH REDUCTION OF REGULATORY BURDEN

▶ **\$730,000** ◀

Annual savings for three initiatives, representing only a fraction of the work that's been done throughout the year.

**\$420,000**

aligning record-keeping requirements

**\$288,000**

moving apprenticeship forms online

**\$21,000**

aligning timing of changes to minimum wage to April 1

## FUTURE PRIORITIES

- **Measurement**
  - Implement Regulatory Assessment and Costing Tool.
- **Service Improvement**
  - Develop a service program as one means to address and reduce the regulatory burden.
- **Internal Trade**
  - Enhance access to Maritime market for businesses through regulatory reduction, elimination, or streamlining.
- **Workers' Compensation**
  - Implement Canada Revenue Agency's One Business Number across Atlantic Canada.
- **Occupational Health and Safety**
  - Mutual recognition in specific areas of certification and training across Maritimes.
- **Procurement**
  - Implement common solicitation documents for procurement across Maritimes.
- **Transportation**
  - Alignment of carrier profile systems across Atlantic Canada.

# ABOUT THE REPORT

It's been about nine months since we got our little start-up staffed and underway. Our legislation requires that we report annually to the Premier on our progress. This is our first such report. We provide key highlights of our work to date, go into more depth for those who wish to understand the policy background for our initiatives, and offer a view of our programming priorities for the future.

We hope this report will help illustrate what the Premiers saw when they established our Joint Office last year, and what we see ever more clearly as our work progresses: that ambitious regional regulatory reform presents a large, and largely untapped, economic opportunity for the Maritime Provinces. Much of our work over the past nine months has been to build a costing and assessment tool to begin putting a dollar value on this reform. For this report, we've used the principles of the tool to estimate the benefits of a few regulatory reduction initiatives—only a very small fraction of the work that's been done over the past year. Together, these are estimated to have first-year savings of more than \$700,000. Some of the larger initiatives we've led—such as moving to common documents for procurement, and adoption of Canada Revenue Agency's One Business Number—will save businesses exponentially more. This leads to one conclusion: this is an opportunity we cannot let pass.

We're encouraged by the progress in our first year. I am grateful for the things that have made this progress possible, including the unstinting support of the Premiers and our numerous public and private sector partners (many of whom you'll recognize in the pages of this report). There is also the strong and critical collaboration and support of my provincial counterparts Susan Holt, Chief, Business Relationships, New Brunswick, and Paul Ledwell, Deputy Minister to the Premier, Prince Edward Island. And, finally, there is the highly effective work of the professionals in our Joint Office, with whom it is my privilege to serve.

*“Cutting “red tape” sounds simple but it is not. Especially across three jurisdictions. It is complex and must be addressed at many levels simultaneously and requires care and patience and iron determination.”*

Cutting “red tape” sounds simple but it is not. Especially across three jurisdictions. It is complex and must be addressed at many levels simultaneously and requires care and patience and iron determination. And above all, a willingness to act and take measured risks. It is not for the faint of heart. Not if it is to deliver credible and measurable reductions in regulatory burden over the long term. The opportunity to do exactly that is before us and, under the leadership of the Premier, I look forward to working with all of our partners to be sure it is not an opportunity missed.

We always welcome your ideas and comments; call us at **902-424-1513**.

**Fred Crooks,**  
Chief Regulatory Officer  
Nova Scotia



*Front row (left to right): Jordan Mahar, Fred Crooks, Leanne Hachey  
Back row (left to right): Sacha Rutledge, Heather Brokken, Tatiana Morren Fraser, Joan Penney*

## THE JOINT OFFICE TEAM

The Joint Office is staffed by professionals, from a mix of private and public sector backgrounds, with specialties in law, regulation, business and executive management, small business policy, public policy analysis, customer service, public administration, communications and stakeholder strategy, economics, and project management.

The team shares a passion for our province and our region, and joined the Joint Office with one goal: to contribute to an improved and aligned provincial and regional regulatory environment to support economic and business growth. We are all acutely aware of the unique and tremendous possibilities we have to achieve this through regulatory reform and modernization, and are grateful to be part of it.

# THE NEED



Regulation is a necessary part of any society, including Atlantic Canada's. Regulation sets the rules of the game, and frees legislatures from endless concern over the details of everyday practices, standards and codes. Well-designed regulation has benefits that match the costs. Judiciously applied, regulation contributes to our quality of life and capacity to do business and earn our livings.

And clearly, regulation is also costly. Costly to develop, costly to administer, and costly to comply with. When regulations are numerous and complex, onerous and overlapping, they shift from enabling everyday business to becoming sand in the gears of it, a growth-inhibiting tax on our everyday activities, with few or no detectable benefits.

This matters a lot to small jurisdictions, like Atlantic Canada's provinces.

In a small jurisdiction, the costs of developing and administering regulation are spread across a small number of businesses and transactions. The burden, as a share of trade, is higher than otherwise.

Regulation that makes it difficult to do business across provincial borders is especially costly. It limits local businesses' abilities to build scale, to build the launching pad they need to compete effectively in offshore markets, or even to compete effectively at home.

What makes regulation even more costly for the Atlantic Provinces is its potential effects on long term growth. Economic growth in a jurisdiction, other things being equal, depends on population growth and productivity growth – the value of output per worker.

*“In a small jurisdiction, the costs of developing and administering regulation are spread across a small number of businesses and transactions. The burden, as a share of trade, is higher than otherwise.”*

Here, our fertility rates are low, the median age is high, and net immigration is rarely high enough to keep the population stable, much less young.

Growth in our aggregate provincial incomes will not depend on population growth, it will depend on a rising value of output per worker, or rising productivity. These factors, together with our size, make addressing regulatory costs even more important than it might be elsewhere or at other times.

This is a short way of saying that future growth in Atlantic Canada depends on more than the health of markets elsewhere. It depends on our ability to compete successfully in those markets, and at home.

Key to that success is our ability to keep regulatory sands out of the gears of trade and commerce. And that makes the work of the Joint Office of Regulatory Affairs and Service Effectiveness, aimed at reducing regulatory complexity, regulatory overlap and overload, so important to all of us.

**Finn Poschmann**

President and CEO

Atlantic Provinces Economic Council

# THE COMMITMENT



## MESSAGE FROM THE PREMIER OF NOVA SCOTIA

Nova Scotia and our neighbouring provinces face challenges rooted, in part, in slow-growth economies. Nova Scotia has long struggled with identifying the right role for government in job creation and economic growth. On this, I have a clear view: it is the role of businesses—not government—to create jobs and lead economic growth.

It is, however, government’s role to help create a climate for business success and growth. This includes the rules that businesses must follow and what is required of businesses in order to comply with them. Why, when, and how government regulates can enhance or erode the business climate.

Businesses across the Maritimes have told us that while they support the principles behind regulation—protecting health, safety, the environment, and employee and consumer rights—the systems are costly, complex, duplicative, outdated, and out-of-sync with each other. They also told us that the burden of navigating the many differences in these systems slows business growth. Yet growth is a must if we want to maintain, let alone improve, the public services we rely on.

By taking a regional approach, we can align our systems and remove the unnecessary differences, which will make it easier for businesses to do business throughout our region. This innovative interprovincial vision for regulatory reform goes beyond traditional red tape–reduction initiatives.

It’s a shift that requires a fundamental change: broadening our view of “local.” This shift requires a true partnership between government and the business community—one based on sincerity, trust, and openness. The three Maritime Premiers understand that this shift has a greater chance to take hold if we make it together. That’s why we created the Joint Office of Regulatory Affairs and Service Effectiveness.

For regulatory reform to have a sustained, transformative impact, we must have the same commitment to accountability. Building a strong foundation has been the focus of the office’s work to date. With leadership and resolve, reform can be swift.

The first annual report outlines what’s been done and what’s underway to help transform our economy through regulatory reform. This work has been thoughtful, decisive, collaborative, and impactful. But untangling processes in three provinces and building an aligned and more streamlined system will take time. It also takes unwavering commitment, the kind both Premier Gallant and Premier MacLauchlan have made. And for that, I thank them.

We’ve taken the first steps, and I’m proud of the progress we’ve made.

**Hon. Stephen McNeil**  
Premier of Nova Scotia

*“For regulatory reform to have a sustained, transformative impact, we must have the same commitment to accountability. Building a strong foundation has been the focus of the office’s work to date. With leadership and resolve, reform can be swift.”*



*Photo (left to right)*

*Service Nova Scotia Minister Mark Furey*

*Mike Habib, Owner of Jubilee Junction Convenience*

*Mike Hammoud, President of the Atlantic Convenience Stores Association*

## CONVENIENCE STORE BUNDLE

This past year, the Nova Scotia government launched a second bundle of online services to make it easier for convenience store operators—like Mike Habib, owner of Jubilee Junction—to start or grow their businesses.

The Convenience Store Bundle provides information, services, and forms that convenience store operators need, all in one place. This one-stop-shop approach reduces the time that businesses need to spend finding government information online and completing transactions.

Business owners can access the bundle at [www.novascotia.ca/mybusiness](http://www.novascotia.ca/mybusiness). Select the “Start or Grow My Business” button to get started.

# WORK BY THE JOINT OFFICE

Just over one year ago, in March 2015, the governments of Nova Scotia and New Brunswick signed a Memorandum of Understanding establishing the Joint Office of Regulatory Affairs and Service Effectiveness. Its purpose: break down barriers, give Atlantic Canada a fresh perspective and to reform and modernize the regulatory environment to help make the region Canada's most streamlined and competitive for business start-up, growth, and expansion.

In May 2015, Nova Scotia's first Chief Regulatory Officer, Fred Crooks, was appointed and by August 2015, Fred had brought four more members to the team. Immediately, this small group worked to put regional regulatory reform on a strong footing.

The result was the Maritime Premiers' Action Plan for Regulatory Reform. Announced in November 2015 by the Premiers of Nova Scotia, New Brunswick, and Prince Edward Island, the plan laid the groundwork for expanded and ongoing collaboration. It also contained immediate actions. Here's an overview of what was announced:

## 1. Joint Office expands to include Prince Edward Island

Prince Edward Island became a full partner in the Joint Office and its reform initiatives, making this truly a Maritime initiative.

## 2. Premiers adopt a Charter of Governing Principles for Regulation

The three Premiers adopted a common Charter of Governing Principles for Regulation. Nationally and internationally, leading jurisdictions in regulatory reform adopt clear and straightforward principles to guide regulators on when and how to regulate and, as importantly, when not to regulate. Before their adoption, none of the three Maritime provinces had such a code.

## The core themes of the Charter are:

Regulation should be a public policy tool of last, not first, resort.

- Government should favour non-regulatory options like education, voluntary compliance, and incentives if they can do the job.
- If regulation is enacted, it should be in the lightest form possible, and based on analysis of the costs and benefits to business and government as well as its overall economic impact.
- The process of making regulations should be transparent, evidence-based, and consultative with affected parties.

## Regulatory Accountability and Reporting Act: An Overview

- Refers to the Charter of Governing Principles for Regulation.
- Establishes the Joint Office.
- Requires the Joint Office to produce an annual report by June 30 to:
  - report on the progress to reduce the regulatory burden, and
  - outline the goals and objectives for the coming year.
- Requires a review of the Joint Office after three years to ensure that the Joint Office is providing value to its respective governments.
- Contains a sunset clause: the Act expires after five years, unless the House of each province determines it should continue.

### 3. **Premiers commit to mirror legislation on Regulatory Accountability and Reporting**

The three Premiers committed to mirror legislation to ensure adherence to the Premiers' Charter of Governing Principles for Regulation. As a result, each province has passed and proclaimed a **Regulatory Accountability and Reporting Act**. While other jurisdictions have adopted legislation, the Maritime region is the first where different jurisdictions have adopted mirror legislation. This shared vision, underscored by mirror legislation, is significant, if not unprecedented.

### 4. **Public accountability: commitment to measurement**

The three Premiers committed to adopting a common model for measurement. A reliable method of measuring and tracking the costs of regulation allows the public, government, and stakeholders to determine whether government's commitment to reducing the regulatory burden is producing results; it is the cornerstone of accountability. This commitment to a common approach to measurement is a first in Canada. Consequently, a regulatory assessment and costing tool is under development, soon to be piloted, as well as approaches to measuring the cumulative burden and the impact of initiatives and efforts to reduce the overall burden.

### 5. **Immediate action**

In addition to the foundational pieces such as the Charter, mirror legislation, and a commitment to measurement, the Action Plan outlined immediate action to align aspects of the regulatory system across the Maritimes. Action was announced in two areas:

- **Procurement**

Procurement spending by the three governments is a major economic lever. Each province currently has different documents and procedures for procurement, making the conduct of business in the three provinces more complex and cumbersome than necessary. The move to common procedures and documents will make it easier for businesses to operate across the three provinces. It will also make joint procurement, where the provinces combine their purchasing power, more effective and less costly for government and business. Common solicitation documents for Goods and Services will be complete by the end of 2016; those for Construction Services will be complete by June 2017.

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ALIGNING EMPLOYER REQUIREMENTS  
FOR RECORD-KEEPING HAS AN  
ESTIMATED ANNUAL SAVINGS OF

▶ **\$420,000** ◀

FOR MARITIME EMPLOYERS.

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- **Labour standards**

Businesses across the region consistently identify the complexity of labour standards and the countless differences between provinces as barriers to business. To acknowledge this, the three Premiers indicated a desire to harmonize, simplify, and eliminate those differences to make it easier for businesses that employ—or may want to employ—people in all three provinces. To begin this work, the Premiers made two commitments:

- 1) Aligning the record-keeping requirement for employers across the three provinces— Legislation for alignment was introduced in Spring 2016, with implementation in January 2017. In addition to aligning the requirements, the changes improve clarity for employers, making compliance easier, and are estimated to save employers **\$420,000** annually.
- 2) Aligning the dates for minimum wage changes in each Maritime province— Minimum wage changes took effect on April 1, 2016, in New Brunswick and Nova Scotia; Prince Edward Island aligns its date in 2017. Having a common date for minimum wage changes makes it easier for employers with employees in more than one province. This change is estimated to save employers **\$21,000** annually.

This commitment dealt only with the date of minimum wage changes; the provinces maintain their own processes for determining how the wage is set, as well as the rate itself.

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ALIGNING THE DATE FOR MINIMUM  
WAGE CHANGES WILL COLLECTIVELY SAVE  
AFFECTED BUSINESSES APPROXIMATELY

▶ **\$21,000** ◀  
ANNUALLY.

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“Rural businesses have felt left out of the regulatory process. The Office of Regulatory Affairs and Service Effectiveness values our participation and listens, so there is optimism we can create regulations and policies that work for everyone.”

Jack Kyte, Executive Director,  
Pictou County Chamber of Commerce

# ATLANTIC RED TAPE REDUCTION PARTNERSHIP

In addition to the work within the Maritime region, the Joint Office has been leading the Atlantic Red Tape Reduction Partnership. The partnership, announced by the Council of Atlantic Premiers in 2015, has a mandate to identify business regulations and administrative processes that can be streamlined to create a more competitive economic climate across Atlantic Canada.

The partnership was a joint government–private sector partnership, with consultations led by the Canadian Federation of Independent Business (CFIB), the Atlantic Chamber of Commerce (ACC), and the Canadian Manufacturers and Exporters (CME). Based on outreach with their respective memberships and other industry groups, the business community identified three specific areas in need of regional alignment. These recommendations were presented to the four Atlantic Premiers and in May 2016, the Premiers committed to take the following actions:

- Adopt the Canada Revenue Agency’s “One Business Number” for Workers’ Compensation—The Atlantic provinces will adopt CRA’s Business Number and link it to Workers’ Compensation systems. Use of one Business Number will simplify both the registration process and business interactions with all business-related programs, including WCB. Full use of the Business Number will be in place across the region by end of 2017.
- Standardize carrier profiles for Transportation— Working with stakeholders, the four Premiers agreed their provinces would assess options for standardizing the carrier profile system for the trucking sector. Increased standardization will help simplify administration and will make bidding on government work across the region easier.
- Mutual recognition for specific areas in Occupational Health and Safety – The Premiers announced the four provinces will mutually recognize specific Occupational Health and Safety (OH&S) equipment and safety training standards; this will be done in consultation with the business community. OH&S is an area the business community consistently identifies as burdensome. It is believed that mutual recognition in specific areas will not only make it easier for businesses, but will highlight the concept that mutual recognition is one real and relatively simple way our region can eliminate barriers.

The business community, which led the consultation process to identify these priorities, will also be involved and informed of progress on implementation.



“*The Retail Council of Canada (RCC) represents small and large retailers throughout Atlantic Canada. RCC recognizes the positive work by the Office of Regulatory Affairs and Service Effectiveness to reduce regulatory barriers over the past year, especially in areas of labour standards and OH&S. Alignment of regulatory requirements in the region enhances retailers’ ability to expand their business and be more competitive.*”

*Jim Cormier, Director for Atlantic Canada  
Retail Council of Canada*

*“Rules once stood in the way of getting my business moving. I was determined to remove these obstacles and did, thanks to the support of many across government, including that of the Office. I’m all in favour of rules that make sense but it’s time we made a real, focused effort to modernize our rules and regulations and – where we can – take a regional approach. Businesses, like mine, want to grow. Having similar rules across our region makes growth easier.”*

*Max Rastelli, Co-Owner, Segway Nova Scotia*



# WORK BY DEPARTMENTS

A common element in the Mandate letters by Premier McNeil to all departments in December 2015 is the expectation that they continue to make every effort to reduce or eliminate barriers to growth and provide the region with an unbridled opportunity to flourish. While the Office has led work on a regional level, work continues across all departments to reduce the regulatory burden for businesses and citizens. Some examples of these actions, by department, include:

## Natural Resources:

- The new Mineral Resources Act reduces red tape for government and business. It provides for two-year exploration licenses instead of the current one-year license; it also increases the deadline for beginning mining production from two years to five years once a lease has been issued, to better reflect the timeframes required.

*The Mining Association of Nova Scotia applauds the government's overhaul of the Mineral Resources Act. These changes will make the act more modern and efficient and encourage more investment and job creation in Nova Scotia.*

*Sean Kirby, Executive Director of the Mining Association of Nova Scotia*

## Service Nova Scotia

- Two new online bundles, for convenience stores and restaurant and accommodation businesses, were launched to make it easier and faster for businesses to access services.
- During Small Business Week, the elimination of the Place of Amusement license for places like community bingo halls, arenas, Royal Canadian Legion branches, Kinsmen clubs, and bowling facilities was announced. This allows these businesses and community groups to make better use of their time and money. Annual savings to community groups is estimated at \$40,000.
- The repeal of Nova Scotia's cell phone legislation allows cell phone companies to operate under one clear set of national rules, while ensuring that strong consumer protection measures remain in place.

*The online bundle will make it easier and faster for convenience store businesses to quickly source the information that they need, so they have more time to run their businesses.*

*Mike Hammoud, President of the Atlantic Convenience Stores Association*

*This is paperwork that we no longer have to deal with, which makes things easier for us.*

*Ronald Whynot, fire chief, Italy Cross Middlewood and District Fire Department*



*“All employers want the same thing: business success and employee satisfaction and safety. Regulation needs to support both pieces; sometimes it doesn't serve either. Strait Area businesses are looking forward to working with the Office to increase opportunities for economic prosperity in rural Nova Scotia through reduced and better regulation.”*

*Amanda Mombourquette  
Strait Area Chamber of Commerce*

## Department of Business

- Nova Scotia Business Inc. is now the first point of contact for all business programs, making interactions with government easier and less frequent.
- The Statute Law Repeal (2015) Act removed 16 pieces of outdated legislation, thus streamlining government regulations.

## Labour and Advanced Education (LAE)

LAE has broken down mobility barriers for apprentices across the country, helping them achieve their certification more easily while making sure businesses have access to a skilled workforce that can grow their operations.

Atlantic Trade Advisory Committees were established to explore harmonization of trades training in the region, providing greater access to training closer to home.

Working with the Joint Office, LAE implemented the commitment of the Premiers to:

- Align the Maritime provinces' minimum wage changes: Nova Scotia and New Brunswick aligned to an April 1 date in 2016, and PEI will do so in 2017. Annual savings are estimated at \$21,000.
- Have the same requirements for record-keeping for employers in all three Maritime provinces as of January 1, 2017, making it easier for businesses operating—or that want to operate—in all three provinces. Annual savings are estimated at \$420,000.
- LAE improved ease and convenience for apprentices and employers of apprentices, including the ability to register, renew a certificate of qualification, enroll in technical training, and apply to write a certification exam all online. First-year savings are estimated at \$288,000.

*As a glazier apprentice, I was unable to receive the training I wanted in Nova Scotia. Without agreements like these, I would not have been able to study in Alberta and work at home in Nova Scotia. This agreement will help apprentices get the training and work experience they need regardless of where it's available.*

**Pat Grimby, Nova Scotia glazier apprentice with Superior Glass**

*The coordination and cooperation between the Department of Labour and Advanced Education and the Office of Regulatory Affairs and Service Effectiveness was focused, thoughtful and comprehensive, thereby accurately reflecting the needs of the business community. This is a model that should be replicated to maximize the effectiveness of regulatory changes.*

**Luc Erjavec, Atlantic Vice President Restaurants Canada**

MOVING FORMS FOR NOVA SCOTIA  
APPRENTICES ONLINE, RATHER THAN  
PAPER-BASED, HAS AN ESTIMATED  
ANNUAL SAVINGS OF

▶ **\$288,000** ◀

FOR EMPLOYERS IN NOVA SCOTIA.

## Transportation and Infrastructure Renewal

- Vehicle weight and dimension regulatory amendments have made it easier for truckers to do business in the province.
- Agreements with New Brunswick, Quebec, and Ontario now recognize each other's training and certification for Long Combination vehicles, allowing drivers to operate from Halifax to Windsor, Ontario, without separate licenses.

*Trucking is an important part of the economy in Nova Scotia and an essential service to deliver all goods. Aligning ourselves with other provinces on weights and dimensions brings much needed efficiencies and smoother flow of goods.*

*Jean-Marc Picard, Executive Director,  
Atlantic Provinces Trucking Association*

## Municipal Affairs

- The Grants Management System is now online, making it easier for municipalities to submit, update, and track applications for grants, and also to review previous applications.
- Proposed regulatory changes to the Building Code will exempt home-based businesses from commercial requirements, such as separate washrooms and entrances and barrier-free access, if certain criteria are met.

## Communities, Culture and Heritage

- Heritage Property Act amendments will see streamlined applications for alterations to provincially registered heritage properties, while also clarifying timelines and approval processes, once regulations are put in place.

## Community Services

- Foster parents in Nova Scotia can now receive automatic payments to reduce the need to submit receipts for a variety of modest expenses, such as birthday gifts, haircuts, vacations, school activities, grading, phone calls, and religious holidays.

## Justice

- Summary offense tickets can now be paid online anytime, making it easier to pay a speeding ticket or other fines under the Motor Vehicle or Liquor Control Act.
- Court Services have modernized their administrative system to allow Nova Scotians dealing with matters of family law to recalculate their support payments without having to go back to court.
- Nova Scotia's Family Law parent information program and intake services are now available online and accessible anytime. Parents no longer need to attend the courthouse to receive these mandatory services.
- Court Services are offering alternative dispute resolutions for parents dealing with child support orders between provinces. This gives families an opportunity to establish or vary child support without having to go to court, avoiding the contentious, lengthy, and costly procedures associated with these cases.

## Tourism Nova Scotia (Crown Corporation)

- The Government of PEI and the Government of NS tourism agencies entered into a partnership to work closely with Northumberland Ferries Ltd. to provide harmonized visitor information services aboard the ferries between PEI and Nova Scotia. All visitor services staff aboard the Ferries are trained by both provinces so they can respond to questions from visitors traveling to and from either province in a seamless and efficient manner.



## HELP FOR THE AGRI-FOOD SECTOR

The food service, food processing and agri-food climate in Nova Scotia is constantly changing. This includes the evolving standards at the provincial, national, and international levels. Meeting these standards not only ensures a safe food supply, it helps our food service and food processing sector tap into global markets and positions them for growth.

But knowing and meeting these standards can be a challenge, particularly for small operators. Nova Scotia's provincial food safety program, which assists the food service and food processing sector in meeting food safety standards, realized it could play a role in managing this change, so it began a three-year pilot program.

*Rick's experience in his role as Food Safety Outreach Coordinator was invaluable to me as a new small business owner and a first-time food producer in Nova Scotia.*

*Linda Peers, Owner  
Coconut Goodness Food Products*

Rick Kane serves as Nova Scotia's first Food Safety Outreach Coordinator. Rick's role is to act as a navigator and provide assistance to small and medium-sized enterprises to support their work in meeting the current food safety requirements. He helps operators meet regulatory standards and specific food safety requirements that may be necessary to sell their products to specific markets. Rick also serves as a conduit for operators and the various contacts within government.

Rick brings more than 35 years of agri-food experience to his role, and has experience in the private and public sector. His broad-ranging support to business has resulted in 750 product assessments and on-site visits over the past year.

Rick is based out of the Kentville Research Centre and can be reached at [rick.kane@novascotia.ca](mailto:rick.kane@novascotia.ca).



*With harmonization there is a great deal of potential to increase the retention of kids within the apprenticeship program in the province. Harmonization makes it easier for cooks to move around and have their hours recognized towards their seal training. That's a big help.*

*Chef Jason Lynch  
Le Caveau Restaurant, Domaine de Grand Pre*

# FUTURE WORK

**The future work of the Office will continue in two streams:**

- 1) Systems and processes to support compliance with the Regulatory Accountability and Reporting Act, which includes adherence to the Charter of Governing Principles for Regulation, and service effectiveness.
- 2) An ambitious agenda for regional alignment in areas with maximum economic benefit.

## Making the Charter real—and giving it “teeth”

In the upcoming year, the Joint Office will give further life to the Charter by supporting all Nova Scotia government departments and agencies in aligning regulatory development with the principles outlined in the Charter. This will include assessment of anticipated benefits and estimating costs to businesses. Implementation will also be pushed forward in New Brunswick and Prince Edward Island.

Departments and agencies are responsible for ensuring that the guidelines and principles contained in the Charter have been applied during the planning, analysis, and development of regulatory instruments that affect business. This includes legislation, regulation, and policy process during which a regulatory instrument may be considered.

The Charter principles include assessment of key considerations such as the potential impact to business, including administrative costs, impacts to consumers, and the anticipated broader economic impact such as increasing the region’s competitiveness.

## Future Regional Initiatives

The following are, directionally, the areas the Joint Office has set its sights on.

Future priorities will ultimately be determined on the basis of evidence and stakeholder support.

### Internal Trade

Central to the mandate of the Joint Office is helping small and medium-sized businesses in each Maritime province have unfettered access to the full Maritime market of 1.8 million consumers. Businesses and public agencies have pointed out that numerous interprovincial barriers, many arising out of unnecessary regulatory differences among the three provinces, stand in the way of free access. Getting easier access to the larger Maritime market is essential to allow businesses to build on the scale needed to compete successfully in much larger national and international markets.

The Joint Office is undertaking research to examine trade flows by industry sector within the region to determine the most significant barriers, and to identify opportunities for enhancing cross-border Maritime trade.

“Businesses have too much paperwork. Compliance with regulatory requirements leaves small and medium-sized business owners with less time to do business and they often face proportionally higher costs than larger businesses due to economies of scale - resulting in a disadvantage for the sector as a whole. So when the Atlantic Red Tape Reduction Partnership was announced last year, ACC was delighted to take part in the consultation to determine what regulatory constraints are unduly restrictive or burdensome and to make recommendations that focus on deliverable results.”

**Valerie Roy,**  
Atlantic Chamber of Commerce



## Some opportunities to enhance internal trade with significant economic impact are:

### Workers' Compensation

Both the complexity within Workers' Compensation and the variances between provincial systems rank high on businesses' priority list for attention. For that reason, Workers' Compensation was an area of focus for the Atlantic Red Tape Reduction Partnership, and the four Atlantic Premiers announced that Canada Revenue Agency's One Business Number will be adopted across WCB systems in the four provinces by the end of 2017. The Joint Office will work to ensure full implementation of that commitment as well as support any additional efforts to bring greater alignment, harmonization, or streamlining to the systems to the benefit of all stakeholders, including employers.

### Employment standards

Employee rights are critical to a strong regulatory system. There is an opportunity to make this system stronger and more consistent across the region by eliminating administrative differences that currently exist and which employers operating in all jurisdictions must navigate.

Departments with responsibility for employment standards within each Maritime province have made great strides in streamlining specific aspects of employment standards, namely aligning dates for minimum wage changes and aligning record-keeping requirements. Additional areas for collaboration will be a future focus for the Joint Office, as the complexity of and differences between the three labour codes is consistently raised as a burden for businesses. For example, the three provinces may work on a "Maritime agenda" to identify areas for burden reduction and alignment and use a collaborative approach to consultation.

### Occupational Health and Safety

Under the Atlantic Red Tape Reduction Partnership, the four Atlantic Provinces have agreed to mutual recognition in specific areas of OH&S identified as an area of priority by business. The Joint Office will ensure full implementation of this commitment, and work with the departments to identify future areas for collaboration. One area that holds some potential for alignment is licensing within specific areas of technical safety.



*“The efforts of the Office of Regulatory Affairs and Service Effectiveness are welcome to business operators, affording them more time to spend growing their business. Efforts to enact change will further provide a more welcoming environment to attract business to the region, further stimulating the economy.”*

*Andrew Lake, President,  
Truro and Colchester Chamber of Commerce*

## Transportation

Transportation is critical to the movement of goods across the region and across the country. Apart from being a significant industry, transportation is also a significant input cost for many businesses. Much work has been done at both the national and regional levels to better streamline regulations and requirements to make the movement of goods easier, but more work remains. In addition to ensuring the full implementation of standardizing the transportation carrier profile, as announced by the Atlantic Premiers, the Joint Office is also examining other opportunities in this area.

## Procurement

Streamlining and aligning the procurement process within the region was identified as a priority early in the Joint Office's mandate. In addition to ensuring that the promised move to common solicitation documents is implemented, the Joint Office is examining other opportunities in this area.

## Measurement

Measuring and tracking the costs of regulation form a cornerstone of accountability, allowing the public, government, and stakeholders to determine whether government's commitment to reducing the regulatory burden is producing results. The Joint Office has been developing a Regulatory Assessment and Costing Tool ("the Tool") to support policy-makers in assessing the impact of regulation on both government and business. It will provide an estimate of the compliance costs for business and administrative costs to government for regulatory proposals and support risk analysis. It will require the consideration of business input, as well as the broader impact to the economy.

To determine if what we are doing is making a difference to business, we must understand the cumulative impacts of regulatory requirements and assess the impact of initiatives that aim to reduce regulatory burden. To support this understanding and assessment, the Joint Office will develop measures and targets in key areas, such as compliance costs for business and regulatory service and predictability.

Specific performance measures and targets will be developed and published later in 2016, based on feedback from stakeholders following the implementation of the Tool.

A more detailed overview of the approach to measurement is in the "In Depth" section.

“As an Atlantic Canadian owned business with operations in all four Atlantic provinces, I am very supportive of the work to reduce service barriers and identify areas where our regional governments can work together to help local business. With this goal in mind, work conducted by the Office of Regulatory Affairs and Service Effectiveness is a good first step in implementing the recommendations of the oneNS Commission.”

Corey Miller  
President Tirecraft – Atlantic



## Service Effectiveness

A significant part of what is perceived by business as undue regulatory burden is made up of, or made worse by, unsatisfactory service experiences. While there are certainly examples of service excellence within government, the Joint Office has coordinated qualitative and quantitative research that points to government service as a source of burden and frustration.

To better understand its opportunities in the area of service, the Joint Office will conduct market research with start-ups, new businesses, and existing small and medium-sized businesses to better understand businesses' experiences and the perceptions of government service in support of regulation. This will complement insight provided through the extensive stakeholder network of the Joint Office.

Based on the input, we will develop a service program as one means to address and reduce the regulatory burden. The completion date for a first draft of a service plan is early Fall 2016.

A more detailed overview of the Joint Office's future service effectiveness agenda is outlined in the "In Depth" section.



*“The disparity of rules and regulations (OH&S, WCB, labour laws, etc.) that exist between such closely connected economic provinces in the Atlantic Region is highly unproductive, inefficient and negatively impacts business productivity.*

*I welcome the efforts of the Office to start chipping away at these. It's a daunting task, but if successful, it'll make business easier and improve the economic strength of our region. I would urge government leadership from all Atlantic provinces to ambitiously and courageously embrace and support these efforts to make it easier to do business in the region. Working together, we can all win!*”

*Darren S. Nantes, Chairman  
Guildford Group of Companies*

*“Over the past several years I have been working with a group of business owners across the province to support one another regarding issues we see. The business community needs a government and departments to work for them in red tape reduction, very crucial to be part of the go forward plan for the province. We are encouraged by the creation of the Office of Regulatory Affairs and Service Effectiveness and are hopeful it will help make it easier to do business in our province and region.*”

*Andy MacGregor  
MacGregor's Industrial Group*



*Byron Rafuse, Deputy Minister, Finance and Treasury Board*

*Lora MacEachern, Associate Deputy Minister, Labour and Advanced Education*

*Scott Farmer, Associate Deputy Minister, Service Nova Scotia*

*Regulatory reform and modernization is an all-hands-on-deck initiative. It requires the input and involvement of citizens and businesses. But for it to take hold, it requires government to look at things from a fresh perspective and be open to change. This initiative is challenging government to think, act and do things differently. And there's strong support across government to do just this.*

*We, our departments, and our colleagues across government are working closely with the Office because we all want to do our part to help position our province and region as leaders in regulatory excellence and, by doing so, create an environment for business success and growth. This is an exciting and innovative initiative; one we're proud to support and champion.*

## Regulatory Reform and Modernization

The manner in which regulation is carried out is a strong determinant of economic climate. Jurisdictions with advanced and agile models of regulatory governance have a clear competitive advantage over those whose dated approaches to regulation include unnecessary complexity, overreach, obscurity, and inflexibility. Good regulation promotes a high quality of life by protecting core health, safety, consumer, business, and worker interests. At the same time, good regulation is highly responsive to the dynamism of increasingly competitive, innovative, and flexible economic trends. In addition, research shows that good regulation not only creates a better climate for business, but also leads to greater productivity in the public sector and an improved service culture in government itself.

Regulatory reform initiatives have been many and varied across the country and indeed the Western world over the last two decades, including in Nova Scotia. Some of these initiatives have met with success; others have not. Some have been sustained over time; others have been fleeting. The regulatory reform and modernization initiative being embarked upon in Nova Scotia and the Maritime region is aiming for real, measurable success. Only if that is achieved, and is recognized as such, does sustainability have a chance of taking hold.

Experience shows that for regulatory reform to show progress and take hold, the following elements must exist:

- strong political leadership at the very top
- resources dedicated to the sole purpose of regulatory reform and excellence
- clear regulatory principles that provide guidance for policy makers and regulators on developing and assessing regulation
- a model or approach for analyzing the costs and benefits of regulation and for measuring or assessing regulatory burden
- accountability, including public reporting, and
- an open and inclusive process for stakeholders

All of these elements are present in our current initiative and, unlike most, it recognizes that poor customer service can be a main driver of “red tape.” Said differently, the current initiative has embedded in its mandate the understanding that service enhancements and improvements are important levers to reduce the regulatory burden.

These elements transcend provincial boundaries; the Maritime Premiers have made a shared commitment to regulatory reform and modernization across the region. This opens up a new field of opportunities for creating a better business climate across the region by bringing down barriers to trade, including eliminating unnecessary regulatory differences through harmonization or mutual recognition.

These unique and distinguishing features underscore the importance of putting in place a solid foundation to fully utilize the opportunity to reform and modernize the way the region regulates to enable, not erode, business and economic growth.

## About the Joint Office

### Our origins

For Nova Scotia, the imperative of sustainable regulatory reform has been brought home in a series of reports and plans. These include:

The One Nova Scotia Report (February 2014) stressed that transformation is required across all areas of society and all areas of government if Nova Scotia is to prosper and reverse decades of slow growth. It placed significant emphasis on building an entrepreneurial culture and on removing barriers, in order to return to Nova Scotia's roots as an economy that embraces interprovincial commerce and trade. The report highlighted the need for less and better regulation, tapping the potential of regional cooperation.

Charting a Path for Growth: Nova Scotia Tax and Regulatory Review (November 2014) outlined a detailed path for reform of taxation and regulation to place Nova Scotia on a strong footing for growth. The review discussed the regulatory opportunity at length, highlighting the potential of the regulatory system as an enabler of economic transformation. It stated that less, better, and regionally aligned regulation could act as a springboard for the transformational change required to maintain and improve public services while containing costs.

Both reports presented a distinctive view of regulation: an untapped catalyst for regional growth. This is a view shared by Nova Scotia and its Maritime neighbours. The potential transformative effect of regional regulatory reform was the driving force behind the creation of the Joint Office of Regulatory Affairs and Service Effectiveness.

In March 2015, the Premiers of Nova Scotia and New Brunswick signed a Memorandum of Understanding creating the Joint Office of Regulatory Affairs and Service Effectiveness.

Its mandate is to improve the climate for business growth across the Maritime Provinces by eliminating formal and informal barriers to interprovincial commerce. The Office has three primary functions:

- **Lead:** The Joint Office adopts principles, practices, and processes to guide regulators and acts as lead agency in ensuring that culture and practice are consistent with regulatory goals.
- **Advise:** The Joint Office provides advice and support to government on regulations and proposals for regulations to ensure consistency with established principles and practices and overall good regulatory governance.
- **Be a Resource:** The Joint Office is an expert resource to government and stakeholders on best practice in regulation and service effectiveness.

As regulatory reform is a cross-government initiative, all parts of government have a role to play in removing obstacles to growth and coordinating our work with other provinces. While the Joint Office's focus is on regulatory governance and developing tools to assist with regulatory excellence, departments determine how to best address issues and embrace opportunity in a way that is consistent with government's priorities, which include regulatory reform and modernization.

In November 2015, Prince Edward Island joined the Joint Office, making the initiative truly a Maritime effort, and the three Premiers announced the Maritime Premiers' Action Plan for Regulatory Reform.

## Measurement

The key to accountability in regulation is the ability to measure the potential impact of regulatory proposals. This includes estimating the compliance costs for business and administrative costs for government, analyzing risk, considering input from business stakeholders, and assessing the broader impact to the economy. Accountability also includes monitoring the outcome of regulation after it is enacted. Measurement helps identify where regulations could be replaced with other mechanisms, what process and service improvements can be made to reduce the burden for business, and whether progress is being made.

There are two primary costs of regulation: costs that businesses incur in complying with the regulation and administrative cost to government. Careful measurement of the costs, benefits, and impacts of regulation is vital for fair and targeted crafting of regulation, sustainability of regulation, continuous service improvement, and communication with stakeholders.

Based on best practice approaches from jurisdictions leading in regulatory reform, the Office is developing a reliable method of measuring and tracking the costs of provincial regulation to business over time, which will allow the public to see whether the commitment to reducing regulatory burden is producing results.

## What we're measuring

To determine if what we are doing is making a difference to business, we must understand the cumulative impacts of regulatory requirements and assess the impact of initiatives that aim to reduce regulatory burden. To support this understanding and assessment, the Joint Office will develop measures and targets in key areas such as compliance costs, regulatory service, and predictability.

Specific performance measures and targets will be developed and published later in 2016, based on feedback from stakeholders following the implementation of the Regulatory Assessment and Costing Tool. The kinds of measures that we anticipate developing to assess progress in reducing regulatory costs to business include:

- Reduction in burden: savings generated by initiatives that streamline, deregulate, or improve service effectiveness. This could include, for example, improvements to legislation, regulations, and government processes to better promote business competitiveness, productivity, and economic growth without compromising protection of the public interest.
- Incremental regulatory cost: cost of new regulatory requirements, including compliance costs for business and administrative costs for government. Compliance costs for business include internal costs such as staff and time required to comply with regulatory obligations, external costs such as professional services needed to meet regulatory obligations, one-time capital costs such as equipment or other expenditures required for regulatory compliance, and fees. Administrative costs to government can include time and staff costs, such as wages, overhead, and other measures, required to develop and implement regulations.
- Net regulatory burden: cumulative costs of new provincial regulatory requirements for business, offset by savings to business generated by deregulatory or service effectiveness initiatives.
- Regulatory impact review: assessment of the impact that individual regulations have had on businesses in Nova Scotia, particularly whether individual regulations are meeting their intended outcomes.

## How we will measure

The Joint Office is developing a Regulatory Assessment and Costing Tool that will assist government departments in assessing a potential regulatory change against the Charter of Governing Principles for Regulation. Of particular consideration will be determining whether regulation is the most appropriate instrument to address an identified policy need, and quantifying the anticipated cost of the proposed regulation on business and government.

Initiatives that could result in savings to business by reducing burden would also be costed through this Tool to estimate the anticipated savings.

The Tool will include a cost calculator based on the Standard Cost Model (SCM), which is a method used for measuring the administrative burden of a regulation. The SCM model was initially developed in the Netherlands and has subsequently been used in countries around the world, including Canada. The Tool will estimate the costs that businesses would incur in complying with regulation, including the administrative costs of completing required activities, costs from acquisitions (e.g. equipment) or external services that may need to be purchased, and fees that businesses are required to submit.

It is anticipated the Tool will be implemented across Nova Scotia government departments first, in 2016–17, and will become a required part of proposals for new or amended regulations that impact business. It will allow us to evaluate the impact of individual regulatory proposals on business, as well as the cumulative effect of initiatives that increase or reduce the overall regulatory burden on business. The data from the Tool will provide estimates of annual costs arising from regulatory changes, and estimated savings from initiatives such as service enhancement and streamlining or eliminating requirements.

After implementation in Nova Scotia, the Tool will be made available to government departments in New Brunswick and Prince Edward Island, and will be a component of developing an approach to measuring broader regulatory burden at the regional level.

## What's next in measurement

The Joint Office is developing a suite of performance measures and targets in the areas of Administrative Burden to Business, Regulatory Transparency and Accountability.

Targets for regulatory burden reduction may be developed at the departmental, provincial, and regional levels. These targets could include cost savings to be achieved from regulatory burden reduction, and regulatory off-set requirements (e.g. “one in, one out” rule).

Other initiatives related to supporting the regulatory measurement framework under consideration include:

- a required public notification period for any new or amended regulations that impact business
- mechanisms such as interviews and surveys to gather input directly from businesses about the regulatory burdens they experience, and changes over time
- increased transparency and public reporting of regulatory planning, including planned regulatory reduction initiatives

## Service Effectiveness

A significant part of what is perceived by business as undue regulatory burden is made up of, or made worse by, unsatisfactory service experiences. While there are certainly examples of service excellence within government, the Office has coordinated qualitative and quantitative research that points to government service as a source of burden and frustration.

### Highlights from what we've heard to date:

- Businesses are not anti-rule or -regulation. In fact, many businesses understand the important role of regulations, especially in the areas of health and safety, and see good regulation as synonymous with good business.
- Businesses believe that making government easier to deal with will save them time, effort, and money and, in turn, help their business grow.
- Businesses have difficulty navigating and understanding some of the rules and regulations that apply to their business and want assistance and direction with that task.
- There is frustration and annoyance when one or more departments are involved in an issue or an activity affecting a business. Businesses view interactions with multiple departments as duplicative, time-consuming, and costly—for both business and government.
- Differences between neighbouring provinces are particularly troublesome; businesses indicate that they are limiting growth.
- Inspectors comprise one of the main “faces” of government; businesses want and expect them to be helpful.

Based on what the Joint Office has heard, we will be working to use service excellence as one means to address and reduce the regulatory burden. The first draft of a service plan will be ready in early Fall 2016.

Initial ideas for the plan include:

- a jurisdictional review of government services worldwide to gain an understanding of what is best practice
- a jurisdictional scan to understand the leading trends in service and where Nova Scotia stands in the continuum
- a focus on reducing “pain points” for business, particularly for start-ups that have to manage the complexity of multiple permits and/or licenses to get their businesses started in a complex environment
- the potential for a navigation function to help existing businesses navigate government departments for permits or licenses that are part of their ongoing operations. Since businesses operate under both municipal and provincial jurisdictions and businesses do not distinguish between them, we will contemplate providing some assistance at both levels of government.
- a better understanding of the importance of the business/inspector interface, since the face of government for business is the inspector

In keeping with all of our work, the Office will measure and report on the effectiveness of service improvements over time to ensure that we are delivering what businesses need to thrive and grow, and to track these efforts in relation to a reduction in the regulatory burden.

## Our Partners: The Business Community

Everybody is impacted by regulation. From the food we eat to our workplaces to our playgrounds and recreational spaces, there are few areas not touched by regulation. Certainly, there is work to be done in all areas to ensure that the benefits of regulation match the costs and do not add unnecessary burden or complexity to families and communities.

The Joint Office was created in response to the findings of the One Nova Scotia report and the tax and regulatory review, both of which identified that overly burdensome, complex, and costly regulation inhibits business growth. It was created because governments understand that there is a significant opportunity to utilize regulatory reform and modernization as a lever for growth. Premier McNeil has been clear in stating the view that it is the private sector that is responsible for job creation; it is not government. That is not to say that government does not have an important role to play. After all, businesses can only create jobs when they operate in an environment that makes it as easy as possible—with all the right safeguards—to do this. The regulatory environment is a key component of the business climate and one which government can directly influence.

The Joint Office continually works to earn the trust and support of the business community, both formally and informally. Our outreach occurs in a variety of ways: speeches, presentations, face-to-face meetings, informal discussions, and email communication.

The Joint Office has had three formal group meetings with stakeholders, in December 2015, March 2016, and June 2016. At our last gathering, we shared highlights from this Annual Report. We believe the report is as much the business community's report as the Joint Office's, given the amount of time, effort, insight, and support that they have provided.

### **The groups the Joint Office has worked with, and has sought input and guidance from, include:**

- Canadian Federation of Independent Business
- Restaurants Canada (Atlantic Canada Chapter)
- Canadian Manufacturers and Exporters
- Atlantic Chamber of Commerce
- Bathurst Chamber of Commerce
- Charlottetown Chamber of Commerce
- Fredericton Chamber of Commerce
- Halifax Chamber of Commerce
- Miramichi Chamber of Commerce
- Moncton Chamber of Commerce
- Pictou County Chamber of Commerce
- Strait Area Chamber of Commerce
- Truro Chamber of Commerce
- Construction Association of New Brunswick
- Construction Association of Nova Scotia
- Restaurant Association of Nova Scotia
- The Insurance Bureau of Canada
- The Atlantic Convenience Store Association
- Atlantic Provinces Trucking Association
- Maritimes Energy Association
- Atlantic Provinces Economic Council
- Retail Council of Canada
- Nova Scotia Federation of Agriculture
- National Farmers Union – New Brunswick
- Agricultural Alliance of New Brunswick
- Tourism Industry Association of New Brunswick
- Tourism Industry Association of Nova Scotia
- Office of Employer Advisor of Nova Scotia
- Mining Association of Nova Scotia
- Canadian Fuels Association
- Bay of Fundy Business Council
- Young Presidents Organization
- SPARK NB

Without the input, insight, guidance, and support of these business and industry groups, along with individuals who own and run businesses of all sizes, the Office would not have made the progress it has. The Joint Office is committed to maintaining a business-centred perspective to ensure that our work is supported by the business community, and is both meaningful and impactful.

# APPENDIX A: PREMIERS' CHARTER OF GOVERNING PRINCIPLES FOR REGULATION

Leading jurisdictions on regulatory reform and modernization adopt principles that guide regulators. The following statement of principles reflects the Maritime Premiers' vision for regulation in Nova Scotia, New Brunswick and Prince Edward Island and takes into account leading national and international practices.

## Premiers' Charter of Governing Principles for Regulation ("Charter")

Regulation is a powerful and sometimes necessary instrument of public policy that can support efficient and effective markets and protect consumers, workers, and the health, safety and environment of citizens and communities. But it has limits. And there are often better instruments of public policy than regulation.

Experience shows that unnecessary or outmoded regulation can distort markets, unduly burden citizens, businesses and governments, and impede economic growth. Given this, regulation should never be an instrument of first resort, and should be deployed only when necessary and where there is clearly no better policy alternative.

### A. Statement of Fundamental Intent on Regulation

- 1) The Government will regulate to achieve its policy objectives only:
  - b) having demonstrated that satisfactory outcomes cannot be achieved by alternative self-regulatory or non-regulatory approaches;
  - c) where analysis of the costs and benefits demonstrates that the regulatory approach is superior by a clear margin to alternative, self-regulatory or non-regulatory approaches;
  - d) where the regulation and the enforcement framework can be implemented in a fashion which is demonstrably proportionate, accountable, consistent, accessible, targeted and predictable; and
  - e) where the regulation and associated process is consistent with the Guidelines set out in section B below.
- 2) There is a general presumption that regulation should not impose costs and obligations on business, social enterprises, individuals and community groups unless a robust and compelling case has been made to do so.

## **B. Guidelines for Developing and Assessing Regulation**

### **1) The policy need should be clearly articulated at the outset**

- illustrate how the need relates to relevant policy goals

### **2) Regulation should be the only effective and necessary way to meet the policy need**

- a full range of regulatory and non-regulatory instruments and options is identified (e.g. do nothing; educate; improve information sharing; use the market; use financial or other incentives; self-regulate; voluntary codes of practice)
- regulation is shown to be clearly and demonstrably superior to other alternatives
- other alternatives are shown not to be effective in achieving a satisfactory outcome
- assessment of alternatives is based on best available evidence

### **3) Regulation should be a tempered response**

- is proportionate to the issue being addressed
- is targeted to the area of need
- is the lightest form of regulation required to achieve the policy outcome
- does not unduly burden those being regulated
- takes into account the entire burden and impact of existing regulation on the regulated in considering the adoption of new regulation
- is considered and predictable and, barring compelling urgency, is not a rushed response to current events

### **4) Regulation should be accountable**

- the costs and burdens of regulation are measurable
- the impact of regulation is assessed before it is adopted and outcomes are monitored afterward
- regulators and the regulated are accountable for an effective regulatory system and compliance, respectively
- regulation and the measurement of its performance and impact is evidence-based, objective and free from bias
- existing regulation should be systematically reviewed for compliance with the Charter

### **5) Regulation should be accessible and easy to comply with**

- the process of making and monitoring regulation represents affected parties and is transparent
- representations from affected parties are solicited and considered in a timely and meaningful way in making and monitoring regulation
- regulation does not introduce unnecessary complexity by duplicating legislation or conflicting or overlapping with other regulations, requirements or forms already in place
- regulation should be written to be understood and complied with by the regulated as opposed to serving the administrative or drafting convenience of the regulator
- regulation should not be harder to comply with than equivalent regulation in relevant jurisdictions
- regulation should consider the critical importance of strong customer service values and standards in achieving high regulatory performance

#### **6) Regulation should consider economic impact**

- promotes a fair and competitive market economy
- promotes ease of interprovincial commerce
- presumed not to have the effect of creating an obstacle to internal or international trade
- presumed that the measured cost or burden of new regulation is at least offset by a reduction in the cost or burden of existing regulation

#### **7) Good regulatory governance**

- the responsibility of regulating, and of demonstrating that regulation is justified under this Charter, is that of the department, agency or office whose mandate includes the policy need the regulation seeks to address
- the Office of Regulatory Affairs and Service Effectiveness is an independent advisory office of government, reporting to the Premiers, which oversees and advises on the application of the Charter and the adoption of regulatory best practices in Nova Scotia, New Brunswick and Prince Edward Island

## **What's different about this regulatory reform initiative?**

The need to reduce red tape isn't new to Nova Scotia. In fact, Nova Scotia embarked on red tape reduction exercises in the past. All had some measure of success but none had staying power.

To ensure a continued focus on regulatory reform, this initiative has several distinguishing features:

- The Joint Office is a stand-alone office, with dedicated resources for the sole purpose of reducing the regulatory burden.
- The Joint Office reports directly to the Premier.
- It is an interprovincial office with an interprovincial mandate.
- It is grounded in the Charter of Governing Principles for Regulation, which all three Maritime Premiers have adopted.
- This is the first time the Maritime provinces have legislation requiring regulatory accountability, including public reporting.
- The Joint Office is focused on service improvement.



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