



THREE YEAR REVIEW

Office of Regulatory Affairs and Service Effectiveness

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Overview from the Chief Regulatory Officer

The Regulatory Accountability and Reporting Act (“the Act”) requires that a review of both the Office of Regulatory Affairs and Service Effectiveness (“the Office”) and the Act be undertaken within three years of the Act coming into force.

This report has been prepared by the Office and is submitted to the Premier of Nova Scotia, as Minister of Regulatory Affairs and Service Effectiveness, in support of that requirement.

The Office and the Act

In 2015, we were established with a mandate that was ambitious for a relatively small Office.

The mandate was in two main parts.

The first was to quantify and reduce the avoidable burden of regulation on Nova Scotia businesses, including both compliance costs and the costs of poor service, by introducing a comprehensive program of regulatory best practices, procedures and programs across the Nova Scotia government. The objective was to help improve the environment for business and entrepreneurship in Nova Scotia, consistent with the call of the One Nova Scotia Report.

The second part of the mandate had a more outward focus: to engage with other provinces, beginning with our Atlantic neighbours, for improved alignment of our respective provincial regulatory programs. The objective here was to bring greater coherence to the patchwork of differing regulatory programs that constitute effective barriers to internal trade, fragmenting an already small regional market, thereby denying our small businesses and start-ups the opportunity to build scale in their home market.

Building the Office

The first step was to design an organization suitable to the mandate. We had the advantage of beginning almost from scratch. While there were many lessons to be learned from the successes and failures of red tape programs of other jurisdictions, we also recognized that mandates and conditions vary by jurisdiction. There was no single blueprint for success.

To get to a model that would work best for Nova Scotia, we bore in mind that notwithstanding our ambitious mandate, Nova Scotia is a small jurisdiction with limited resources. We needed to be practical and not try to do everything at once but instead to have a sharp focus on initial priorities. Also, our economy and business environment had their own characteristics and challenges that needed to be considered. With that in mind we sought advice directly from the business community, public servants and other stakeholders along with in the input of Laurel Broten, author of “Charting a Path for Growth: Nova Scotia Tax and Regulatory Review”. We also sought advice from bodies such as the Atlantic Provinces Economic Council.

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In addition, we thought carefully at the outset about how we should be organized in relation to the rest of government. In that regard we recognized that, in particular, the following roles of the Office would be relevant:

- Providing to both Departments and the Executive Council objective evaluations of existing and proposed regulations for compliance with best practice as well as a credible estimate of cost or savings to business;
- Acting as an internal advocate for small business and entrepreneurs in dealing with regulation;
- Developing open, candid and credible relationships with external stakeholders.

We believed that roles like these were best performed if we could bring an independent perspective to our work. In support of that objective, the Office was constituted by its own legislation as a unit separate from other departments and offices of government, reporting directly to the Premier as Minister. Our experience of the last three years has fully borne out the importance of this arrangement. While we have enjoyed excellent relationships and support throughout government, our separate status has enabled us to bring a singular focus to regulatory reform and a credibility in our external relationships that we believe would not otherwise been achievable.

Having settled on structure, we then set out to assemble from scratch the core capabilities required to address our mandate effectively. We defined the professional and technical expertise we would need in our people. We sought out seasoned specialists, primarily from the private sector, in areas such as small business policy and advocacy, customer service, stakeholder management, regulated industries, law, legislative and regulatory process, regulatory economics and costing, inter-provincial regulation and change management. We also added some senior experience of government.

We recruited our team also with an eye to the "soft skills" required to drive change in a relatively short period of time across a large and initially reluctant organization. We believed that meaningful red tape reform starts with education and the promotion of best practice. Done well at the outset, that effort will lead to fairly-wide voluntary adoption of good practice which can then be reinforced by formal policy. If it is primarily "top down", it will fail. We therefore needed and recruited people who could engage our government partners as much by influence and negotiation as by formal authority, who were both strong collaborators and used to working by trial and error and open to innovating on the spot.

These are the qualities and skills of the team we set out to build and this is the team we now have. They are the foundation of our programs, our partnerships and our results. I am deeply proud of them.

Beyond our structure and team, several other things proved essential to the Office.

The first is the leadership, vision and relentless support of our Minister, the Premier. Best practice indicates this type of work cannot succeed without explicit and ongoing support "from the top". We have had the benefit of that from the very start.

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The second is the commitment of the Nova Scotia public service to regulatory reform. The work of the Office could not have progressed without their active participation and partnership. The entire leadership of our public service has few peers in the country (if any) when it comes to support for regulatory reform and enhanced internal trade. We are extremely fortunate to have them as partners.

The third is the engagement of our stakeholders. So many of them have been strong contributors to the Office. Their support has included ideas on regulatory process, ready availability for consultation on regulatory options, constructive criticism where warranted to hold us accountable, and constant help in keeping the profile of regulatory reform high among their members, opinion leaders and the public. Their partnership and support are crucial to our effectiveness.

What we have achieved

Our progress over the last few years is documented in the report that follows. Among the notable examples are:

- **Nova Scotia leadership on internal trade: results gained at a promising pace**

We guided the four Atlantic provinces to a regulatory partnership, with mirror legislation and regulatory charters, in a regional effort to harmonize their respective regulations and bring down trade barriers. Further, we have aligned regulations in several areas, including in transportation, occupational health and safety, technical safety and employment standards. We have used and leveraged this experience in supporting Nova Scotia's national leadership on internal trade by representing Nova Scotia at the Regulatory Reconciliation Table (RCT) established under the Canada Free Trade Agreement as Vice Chair in 2018. In 2018, Nova Scotia established its leadership role, nationally, in announcing commitments to reduce internal trade areas in alcohol, extra-provincial business registration, occupational health and safety, transportation, and technical safety. Collectively, Nova Scotia's commitments in this area were among the most ambitious in Canada. Nova Scotia assumed the Chair of the RCT in 2019 and, in partnership with its federal-provincial-territorial counterparts, developed a 29-item workplan to reconcile regulations.

- **Reduced burden of regulation in Nova Scotia**

We designed and implemented in Nova Scotia a best practice business impact assessment model which now must be applied to every legislative and regulatory proposal affecting business. This includes the estimation of costs or savings to business generated by each such proposal. Based on this work, in 2017 Nova Scotia established a target of reducing compliance costs to business by \$25 million (net) by December 31, 2018. In January 2019, the Office reported that more than 60 separate regulatory initiatives across government are estimated to save Nova Scotia businesses \$34 million (net) annually.

- **Better Service for small business: Business Navigators, a national first**

The Business Navigator Service, which we designed and introduced in 2017, is the first of its kind in Canada. It is a high touch, personal and one-stop service for small businesses and start-ups to help

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them through the regulatory maze of departments, agencies, approvals, permits, licensing and information. To date, we have directly helped more than 4,000 Nova Scotia businesses and entrepreneurs and collectively saved those businesses an estimated \$3 million.

- **First Provincial/Municipal partnership on streamlined regulation**

Our Office established a ground-breaking partnership on regulatory reform with Halifax Regional Municipality. It has received significant recognition from external stakeholders, such as the Canadian Federation of Independent Business, which awarded the partnership with a “Golden Scissors” award for its innovative and collaborative intergovernmental approach to regulatory burden reduction. The purpose of the partnership is to address the overlap, duplication and outright conflict that exists between provincial and municipal regulatory programs, and to lessen the compliance burden and uncertainty for the many businesses that must face both levels of government.

- **Over 85% of Broten recommendations implemented**

The Nova Scotia Tax and Regulatory Review written by Laurel Broten in November 2014 included recommendations for regulatory reform in Nova Scotia. The Office regarded the fulfillment of those recommendations as a core objective. Over 85% of the recommendations that fall within the mandate of the Office have been implemented; the balance are in progress for implementation. Other recommendations are under the leadership and attention of other responsible offices or departments of government.

- **Strong relationships with stakeholders**

Sustained regulatory reform efforts require meaningful and continual dialogue with stakeholders, inside and outside of government. In its first three years, the Office worked closely with its many partners to build strong and two-way relationships and which is reflected in our results. Testimonials from business leaders, start-up entrepreneurs, industry association leaders and leadership within government on the value and benefits of the Office and its mandate have been compiled over our three years and presented in each of our three annual reports.

Where Could Results be Materially Improved?

While we are pleased with our results, there are areas where full potential remains untapped. Progress among the Atlantic Provinces on regional regulatory alignment is an area for reflection and attention. In places, it has been encouraging. In fact, several regional projects have been the inspiration for regulatory agreements at the national level.

That said, when measured against the value of regional harmonization and the scale of economic opportunity that exists, the work has been incremental and slow. Despite this, our aspirations for this work and its potential are unchanged.

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As noted in the report, we have taken several steps in an attempt to improve both the scope and pace of regional reform. For example, in 2016 the Nova Scotia Office commissioned a report by the Atlantic Provinces Economic Council with a view to identifying more effective regional governance for the Joint Office initiative. We also sought and received advice from the Atlantic Growth Strategy. Options have been identified by these bodies and are under consideration. They have helped to inform the Council of Atlantic Premiers' direction to the Joint Office in early 2018 to develop a more ambitious plan for joint action. That work is still in progress, but early signs are promising. While the development of the agenda has been slowed by election cycles and other factors in some provinces, the Office presented the new agenda to CAP in January 2019 and was given direction to proceed with alignment in some significant areas of transportation, workers' compensation and medical licensing.

Where Do We Go from Here?

Though we are gratified with the progress that has been made, in many ways we have barely scratched the surface of the business and economic opportunity that lies before us, particularly through regional regulatory reform.

Our immediate priorities include the following:

- Continue our efforts to accelerate and expand the scope and pace of regional alignment of regulatory programs through our Atlantic regulatory partnership.
- Provide ongoing support for Nova Scotia's national leadership on reducing barriers to internal trade, particularly with the Regulatory Reconciliation and Cooperation Table under the Canadian Free Trade Agreement and the Council of the Federation. By end of 2019, in addition to overseeing the implementation of the five signed reconciliation agreements, we anticipate the successful negotiation of five additional agreements.
- Expand our outreach to Nova Scotia small businesses and entrepreneurs through an augmented "outbound calling" capability for our Business Navigators.
- Lead the design and implementation of a new and more comprehensive measurement and burden reduction program to follow on from the \$25 million program which ended December 31, 2018. This next phase of measurement will include a \$10 million net burden dollar reduction target, a 50,000 hours-saved target for citizens and non-profits – led by Service Nova Scotia. We will also lead a cross-government 'clean-up' to remove redundant regulations and will begin the work to assess the internal costs/savings of regulatory changes.
- Undertake a 'look-back' to examine the real-life impacts of regulatory changes and how the impacts (quantitative and qualitative) relate or compare to the Business Impact Assessments completed by the Office on the accompanying regulatory proposals.
- Strengthen regulatory design and the business impact assessment process by adopting best practice standards in stakeholder consultation.
- Build on the regulatory partnership just established between the Province and HRM to better coordinate and lighten their respective regulatory impact on business.

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- In partnership with municipalities on Cape Breton Island, institute a pilot to test the feasibility of harmonization of municipal bylaws and regulations on a regional basis.
- Introduce an inspection navigator pilot to provide more support and guidance to business, particularly new businesses, for inspections. This may include coordinating inspections.
- Explore options for lightening the regulatory/administrative burden on health care professionals.
- Complete the implementation of Broten Report recommendations on regulatory process over which the Office has authority.

Regulatory Accountability and Reporting Act

The Regulatory Accountability and Reporting Act (“the Act”) requires both the Office and the Act be the subject of this review.

In the case of the Act we believe it has served its purposes well. It has provided a firm foundation for the Office without imposing unforeseen obstacles or complexity in implementation. It also continues to represent best practice in comparison with other jurisdictions and its adoption in all four Atlantic Provinces is a symbol of joint action in itself. Perhaps most importantly it signals the priority government accords to regulatory reform and red tape reduction.

We see no need for changes to the Act.



I know I speak for the entire team in saying that it has been a privilege to undertake a fresh start on regulatory reform under the leadership of the Premier. We look forward to continuing that work to the full extent of the opportunity and responsibility entrusted to us.

Frederick P. Crooks, QC
Chief Regulatory Officer

In depth

Introduction

The Government of Nova Scotia is committed to improving the efficiency, transparency and accountability of regulation. For that purpose, it created the Office of Regulatory Affairs and Service Effectiveness (“the Office”) to lead the improvement of provincial and regional regulatory performance.

The Regulatory Accountability and Reporting Act, proclaimed on December 18, 2015, details the role, authority and accountability for the Office and requires that a comprehensive review of the Office and the Act be undertaken within three years of the Act coming into force.

Why Regulatory Reform and Modernization

Jurisdictions with advanced and agile models of regulatory governance have a clear competitive advantage over those whose dated approaches to regulation (which include a lack of institutional review) often result in unnecessary complexity, overreach, obscurity and inflexibility. Good regulation promotes a high quality of life by protecting core health, safety, consumer, business and worker interests and is most effective when it is highly responsive to increasingly competitive, innovative and dynamic 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.

For Nova Scotia, the imperative of transformational change and sustainable regulatory reform was raised in two significant reports, both of which urged government to think and do things differently:

[One Nova Scotia Report \(February 2014\)](#) - The report, also known as “Now or Never: An Urgent Call to Action for Nova Scotians”, underscored the transformation required across all areas of society and all areas of government. It outlined the need for a “concerted collective effort to transform ourselves into a more unified, progressive, creative, and change-oriented society.” Part of its recommendations focused on the urgent need to build an entrepreneurial culture and a return to Nova Scotia’s roots as an economy that embraces trade. It called for less and better regulation as a means to achieving these ambitious goals.

[Charting a Path for Growth: Nova Scotia Tax and Regulatory Review \(November 2014\)](#) - This report outlined in detail the need for reforming the tax and regulatory systems in Nova Scotia to enable economic transformation. The report stated that regulatory reform could act as a ‘springboard’ for the transformational change required to maintain and improve public services while containing costs.

Both reports underscored the relationship between a high-functioning regulatory system and a high-functioning economy. The “Charting a Path for Growth” report focused in on the necessary ingredients

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for sustained and impact regulatory reform. At the top of the list: unrelenting leadership at the highest levels. Most notably, it presented a distinctive view of regulation: as an untapped catalyst for economic growth. In addition to harnessing regulatory reform and modernization to improve the province's business climate, both reports underscored the need and value of Nova Scotia collaborating across governments, particularly within the Atlantic region, given our shared fiscal, demographic and economic challenges.

Creation of the Nova Scotia Office and the Joint Office

Building on the opportunity and potential transformative effect of regulatory reform, the Government of Nova Scotia created the Office of Regulatory Reform and Service Effectiveness ("the Office") with the Premier serving as its Minister. Nova Scotia's first Chief Regulatory Officer was appointed in May 2015, with four additional, senior staff added in August 2015.

Concurrently, and to harness the opportunity associated with regional regulatory efficiency, the governments of Nova Scotia and New Brunswick signed a Memorandum of Understanding (MOU) creating a joint Regulatory and Service Effectiveness Office ("the Joint Office") in March 2015. Its purpose: to break down regulatory and other barriers between the two provinces to reform and modernize, together, the regulatory environment. Such a partnership was envisioned as a first-step in building the Canada's most streamlined and competitive region for business start-up, growth, and expansion.

The two-province partnership was subsequently expanded, under the auspices of the Joint Office, to include Prince Edward Island in November 2015. At this time, the Premiers of Nova Scotia, New Brunswick and Prince Edward Island announced the Premiers' Action Plan for Regional Regulatory Reform (the "Regional Action Plan"). Newfoundland and Labrador joined the Joint Office in December 2016 and signed onto the Regional Action Plan, opening new opportunities for creating a better business climate through regional regulatory alignment across the Atlantic provinces.

The Office implemented the Regional Action Plan in parallel to putting in place a program for sustainable regulatory reform in Nova Scotia.

The Office's Work and Results

Foundational work

Stakeholder Engagement

From the outset, the Office consulted extensively with the business and labour communities, as well as internal government partners. The purpose of this initial outreach and consultation was to understand Nova Scotia's past work in this area, its perceived strengths and weaknesses, as well as to seek ideas for a sustainable and impactful program. The many one-on-one conversations with stakeholders helped the Office's leadership build relationships as well as gain an in-depth understanding of the various perspectives on regulation and the regulatory burden and to seek input on short and long-term success. The outreach also formed the basis for the Office's ongoing stakeholder outreach and engagement program which includes informal meetings, formal meetings, broad stakeholder gatherings, speeches, presentations, emails, and webinars.

Given the importance of stakeholder input, guidance and support of regulatory reform initiatives, the Office has involved stakeholders in nearly every aspect of its work. In 2016, it surveyed its external stakeholders on their satisfaction with the Office. To summarize:

- 96% are satisfied with the Office's work
- 96% are satisfied with the Office's efforts in building a relationship with the business community
- 92% understand the Office's mandate
- 71% says the Office is very effective in reducing regulatory burden; the remaining 29% say somewhat effective
- 96% are satisfied with our communication

Source: Office of Regulatory Affairs and Service Effectiveness Stakeholder Survey August 2016

Since that time, stakeholders have continued to illustrate their support for the Office in a variety of ways. In addition to providing testimonials in the Office's three annual reports, the Canadian Federation of Independent Business (CFIB) and the Pictou Chamber of Commerce have recognized the Office for its work with awards: Nova Scotia has been the recipient of several honourable mentions for CFIB's 'Golden Scissors' Award and the Pictou Chamber of Commerce awarded the Office with special recognition for improving government services to business and reducing costly regulatory burden. The Office was the first recipient of the award outside of Pictou County.

In addition, CFIB provides a letter grade to all provinces and the federal government for their work on regulatory reform. Since its creation, the Office's work has resulted in an improvement in Nova Scotia's grade from D- in 2015 (the year the Office was created) to an A in 2019. It should be noted that Nova Scotia is one of only three jurisdictions in the country to receive CFIB's highest ranking.

Research and Best Practice

The Office continually scans the environment to keep pace with research and best practice in regulatory design, assessment, governance and service in support of regulation. This has included:

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- A jurisdictional scan to understand the regulatory reform landscape across the globe, including the key elements of regulatory principles to guide regulatory and assess regulation.
- A jurisdictional scan to understand the key elements of legislative models of regulatory governance in leading jurisdictions.
- The identification and prioritization of areas of significant economic opportunity to reduce regulatory burden for Nova Scotia businesses.
- The identification and prioritization for regional regulatory efficiency across the four Atlantic provinces.
- An overview of practices for measuring and reporting regulatory burden and reduction efforts.
- A scan of the various regulatory costing models utilized by leading jurisdictions.
- Qualitative and quantitative research with the business community to:
 - a) estimate the overall regulatory burden on Nova Scotia business
 - b) understand the business view of regulatory burden
 - c) identify concrete, tangible, and meaningful ways government can address it while upholding valued and necessary protections.

All initiatives developed and implemented by the Office in its first three years have been based on this research. Research continues to be an ongoing focus for the Office.

Development and Adoption of the Charter of Governing Principles for Regulation¹

The Office developed for adoption a Charter of Governing Principles for Regulation. The Charter was based on an analysis of the approach taken by leading jurisdictions in regulatory reform.

This work resulted in a Premiers' Charter of Governing Principles for Regulation that has since been adopted by all four Atlantic provinces. It is based on a vision for a modern, accountable, high-functioning and efficient regulatory environment in Nova Scotia, and across the region. The principles provide guidance in the development of new regulations and what new regulations are assessed against.

Core themes of the Charter are:

- Government should favour non-regulatory options such as education, voluntary compliance and incentives whenever practical and possible to 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.

¹ The Charter is appended to this report.

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Development, passage and proclamation of The Regulatory Accountability and Reporting Act
A scan of approaches taken by leading jurisdictions in regulatory reform underscored that legislative support for regulatory reform and modernization, as a symbol of government's commitment, provides such efforts with a greater likelihood of long-term sustainability. Regulatory reform and modernization efforts are notoriously challenged for long-term success due to their complexity and the slow pace of change. Enshrining legislative support for regulatory reform was also a central recommendation in the "Charting a Path for Growth Report".

Supported unanimously by the House of Assembly, the Regulatory Accountability and Reporting Act², 2015, c.35, s.1 became law in Nova Scotia in December 2015. In brief, the Act:

- Authorizes the Office to oversee, monitor and report on the application of the Charter of Governing Principles for Regulation;
- Authorizes the Office to advise and assist the Minister, along with government departments, offices and agencies in achieving the purpose of the Act and the Charter;
- Establishes the Joint Office;
- Requires the Office to produce an annual report by June 30 of each year to:
 - report on the progress to reduce regulatory burden, and
 - outline the goals and objectives for the coming year.
- Requires a review of the Office after three years to ensure that the Office is providing value to government; and
- Contains a sunset clause: The Act expires after five years, unless the House determines it should continue.

The other three Atlantic provinces subsequently passed mirror legislation in 2016.

It is worth noting that while other regions have adopted a legislative framework for regulatory reform, the Atlantic region is the first in Canada to have mirror legislation, specifically designed to ensure a coordinated approach across provincial borders. As such, this shared vision, underscored by mirror legislation, is significant, if not unprecedented.

Measurement and Assessment

Development and Implementation of Regulatory Measurement and Assessment Tool, Process and Program

Regulatory reform and modernization efforts around the world link the ability to measure and assess the potential impact of regulatory proposals with regulatory accountability.

To this end, the Office, in collaboration with stakeholders, developed the Business Impact Assessment (BIA) tool to assess regulatory proposals (legislation and regulation) for their alignment with the Charter of Governing Principles for Regulation and to estimate the dollar savings/compliance costs of each. In developing the BIA, the Office also worked with a consultant

² The Act is appended to this report.

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with international expertise (Deloitte) in regulatory measurement and reviewed the BIA, including the cost estimator, with business and internal stakeholders in advance of its rollout. The cost estimator is based on the Standard Cost Model, an internationally-recognized and utilized method for estimating the dollar cost of administrative burden of regulation imposed on business.

Completion of the BIA is mandatory across all departments for proposals with a business impact and each is submitted to the Office for its assessment. The Chief Regulatory Officer signs off on each of the Office's assessments, which is included in submissions to Cabinet. The Office's assessment offers an independent perspective on the regulatory impact of government initiatives on businesses and acts as a source of independent advice to Ministers, Departments, the Executive Council, the Premier and to Cabinet.

To date, the Office has assessed a total of 121 departmental BIAs, providing 84 assessment reports and advice in 37 other areas.

With the BIA in use as a reliable measurement tool across government, a commitment was announced in the 2017 / 2018 budget to reduce regulatory burden to business by \$25 million (net) by the end of 2018. The target had two elements: (1) stabilize the regulatory burden to ensure that, corporately, for every \$1 added in regulatory burden, there would be a reduction of at least \$1 in regulatory savings, and (2) reduce the overall burden to business by \$25 million.

The target was based on an estimate of the overall regulatory burden to Nova Scotia business of approximately \$560 million (at all levels of government); and more specifically, the provincial portion of this burden, estimated at \$200 million annually.

In July 2018, the Office's Annual Report provided an interim report on progress against the target as of March 31, 2018. The interim report included all regulatory measures with a business impact; both those that added costs and those that contributed savings.

And in January 2019, the Office released its final report and it is included as an attachment to this review. As outlined in the final report, more than 60 initiatives across many government departments, will result in an estimated \$34 million (net) in annual savings to business. This achievement was the result of a corporate focus on burden reduction and its connection to building a strong, high-functioning economy.

For a snapshot, below are some approved or implemented initiatives assessed for estimated cost or savings to business and which contribute to the burden reduction program. All have been costed using the BIA methodology:

Department	Approved and/or Implemented Regulatory measure	Estimated Savings (Cost) to Business
Service Nova Scotia	Modernization of Registry of Joint Stocks	\$7,170,000
	Strike off companies suspended due to lack of payment	\$1,800,000

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Department	Approved and/or Implemented Regulatory measure	Estimated Savings (Cost) to Business
Transportation and Infrastructure Renewal	Innovation HUB for Forest Transportation in NS – Phase 1	\$2,300,000
Environment	Mercury Diversion Program Extension	\$1,300,000
Finance and Treasury Board	Reduction in Retail Sales Mark Up	\$805,000
Department of Labour and Advanced Education	Removing Tuition and Fees for Technical Training for Apprentices	\$386,000
	Presumptive Coverage for Post-Traumatic Stress Disorder (PTSD)	(\$300,000)
Workers' Compensation Board	Secure Messaging with Employers	\$1,620,000
Agriculture	Initiatives Under the Natural Products Marketing Council	\$53,000
Fisheries and Aquaculture	Repeal and replace the Nova Scotia Farm Loan Board Regulations, and the Fisheries and Aquaculture Loan Regulations	\$250,000
Justice	Builders' Lien Act	\$440,000

The commitment to burden reduction, along with a program to track progress, has had many benefits: it has provided an overarching view and understanding of the overall regulatory burden to Nova Scotia business, and has enabled a decrease in overall regulatory burden in a way that makes allows for the introduction of new and necessary regulation.

To supplement this measure and broaden our view of the overall regulatory burden beyond business, the Office recently completed a count of regulatory compliance requirements contained in all government acts, regulations and related administrative policy and forms. Through this exercise, we estimate there are 157,000 regulatory compliance requirements imposed on citizens, business, non-profits, and other organizations. This result is roughly comparable to the results of other governments that have completed a count using comparable methodology. However, as counting methods vary greatly, nationally and internationally, the main value of this count is to provide another baseline for measuring progress in Nova Scotia.

Service Effectiveness

Development, piloting and implementing a Business Navigation Service

Through our research and discussions with business leaders and owners, it has become clear that a significant source of regulatory burden is the lack of support and service for business in understanding and complying with provincial regulation. We continually hear that difficulty finding, learning, and understanding government requirements can be complex and time-consuming, especially when starting-up.

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To help shape the Office's role in improving service as a means to reducing regulatory burden, the Office conducted a 'voice of business' survey in 2016 with more than 400 small and medium Nova Scotia businesses. Through that survey, we learned that:

- Approximately one-third of businesses cited regulatory compliance challenges or "red tape" as their top challenge;
- most survey respondents indicated their business success was negatively impacted by increasing regulatory burden and a lack of government partnership;
- poor customer service is a primary driver of regulatory burden, making compliance difficult and costly;
- complexity and lack of frontline helpfulness are the main service pain-points;
- businesses that are small and starting-up are the most challenged when it comes to regulatory compliance; and
- registering a business and inspections are critical interactions for businesses and if done well, can significantly drive improved service ratings.

In response, the Office created, piloted and launched the **Business Navigation** service in February 2017. The service – the first and only one of its kind in Canada – connects Nova Scotia businesses (start-ups and existing) with Business Navigators who provide customized, personalized and timely help in finding and understanding their specific regulatory compliance requirements. Business Navigators are a centralized, one-stop shop for business' regulatory needs who take on the work of navigating what can be a complex regulatory environment for business. The three Business Navigators regularly connect with more than 60 Departmental Navigators, existing staff assigned by their department to be the primary source of contact for the three Business Navigators.

The One Nova Scotia Report highlighted the need for such a service stating:

"Business development would also be helped by reducing red tape and making it easier for business owners to navigate their way through regulations and programs."

Since its launch in February 2017, the Business Navigation Service has served more than 3,000 Nova Scotia entrepreneurs. Based on client input and interaction, the Office has estimated the time and dollar savings to each business client, using the methodology in the BIA. We estimate the Business Navigation Service saves each client an average of 10 hours of time spent on dealing with government red tape. To date, the Business Navigation Service has collectively saved its clients \$3 million, which has contributed to Nova Scotia's burden reduction target. Further, every client is asked to complete a survey after using the Business Navigation Service to evaluate the effectiveness of the service, along with the helpfulness of the assigned Business Navigator. To date, feedback from the business community has been overwhelmingly positive, with businesses rating the service an average score of 9.5/10.

Working with Other Governments

Atlantic Canada

As outlined above, the Office is a partner in a Joint Office with the other Atlantic provinces. Working with other governments allows us to align regulatory modernization efforts. A 2016 report by the Atlantic Provinces Economic Council (APEC), commissioned by the Joint Office, highlighted the importance of regional regulatory efficiency in Atlantic Canada.

The report described Atlantic Canada as “over-regulated” for its size, which creates interprovincial trade barriers and impacts the competitiveness of its businesses as they navigate compliance with four different sets of provincial standards and regulation. The report noted that Atlantic Canada has more to gain from eliminating trade barriers than the rest of Canada, both within the region and across the country, as interprovincial trade is more important to Atlantic Canada’s economy than Canada as a whole. Some of APEC’s key findings include:

- Interprovincial trade accounts for 59% of Atlantic Canada’s GDP, compared with 39% nationally;
- Atlantic Canada’s total interprovincial trade (i.e. exports plus imports) amounts to \$65 billion and supports one in six jobs;
- exports of goods and services among the four Atlantic provinces amount to \$10 billion;
- gains from removing all trade barriers in Canada could be as high as 3.3% of GDP (\$65 billion);
- for the Maritime provinces, the gains are proportionally larger at 7.6% of GDP (\$8.5 billion); and
- in the Maritime context, reducing interprovincial trade barriers, primarily regulatory barriers, by just 10% would result in a GDP increase of \$1 billion.

To tap into this potential, the Joint Office began implementing the Regional Action Plan, referenced above. The Regional Action Plan included the adoption of the Charter of Governing Principles for Regulation across all four Atlantic provinces. Further, mirror legislation (“The Regulatory Accountability and Reporting Act”) was enacted across all four provinces. Both elements articulate the shared vision of the Atlantic provinces in regulatory reform and alignment.

In addition to this work, the Joint Office led the alignment of specific regulatory approaches in the region in following areas:

- **Employment Standards:** aligning the timing of minimum wage changes and employee record keeping requirements;
- **Occupational Health and Safety:** An MOU to mutually recognize specific areas of OH&S in training and equipment;
- **Technical Safety:** Mutual recognition of licenses in areas such as elevator inspection, pressure welding and amusement rides. The momentum from this work resulted with all four provinces committing to align all technical safety trade legislation and regulations through an Atlantic Canada Technical Safety Act;

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- **Workers' Compensation:** all provinces adopted Canada Revenue Agency's Business Number for Worker's Compensation Boards;
- **Procurement:** common solicitation documents for goods, services and construction
- **Insurance:** mutual recognition for temporary licenses for insurance adjusters; and
- **Transportation:** work to better align carrier profiles for the trucking industry continues, and there is shared training of Transportation Enforcement Officials.

Partnership with Halifax Regional Municipality

In the Office's second year, it piloted a one-year partnership with Halifax Regional Municipality (HRM). The objective of the pilot was to trial a common approach to regulatory reform and to reduce regulatory burden in a few specific areas. Given the economic significance of HRM, which accounts for 55 per cent of the province's GDP, a provincial-municipal partnership on a shared vision and a common approach to reducing regulatory burden was of significant interest to the both parties, as well as business stakeholders.

The partnership included completion of the following items:

- Adoption by HRM of guiding principles of regulation based on the Charter of Principles adopted by Nova Scotia and the neighboring Atlantic provinces;
- Trial and adoption by HRM of a customer service strategy for business that includes linking with Nova Scotia's successful **Business Navigation** service;
- The implementation of specific improvements to municipal regulation to reduce regulatory burden, which include:
 - streamlining sidewalk café application;
 - making it easier for business to understand and navigate sign regulation and the permitting process;
 - developing performance reports to monitor service delivery for processing temporary sign licenses, permanent sign permits and sidewalk café licenses;
 - streamlining license applications for temporary installations; and
 - amendments to the noise by-law to simplify noise exemption applications for recurring special events.

These accomplishments were undertaken with the leadership and oversight of an advisory panel with representation from the business sector, including the Canadian Federation of Independent Business (CFIB), Halifax Chamber of Commerce, Greater Halifax Partnership, Restaurants Canada, Spring Garden Road Business Association, and the Urban Development Institute.

The pilot, completed in November 2018, was recently renewed for two years by the Province and the HRM Council.

Across Canada

At the national level, the Office sits as Nova Scotia's representative on the Regulatory Reconciliation and Cooperation Table (RCT), established by the Canadian Free Trade Agreement. The RCT is the vehicle through which regulatory barriers, the result of regulatory variances across the country, are identified and addressed through reconciliation agreements.

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In 2018, Nova Scotia served as Vice-Chair of the RCT; in 2019 it assumed the role of Chair.

The RCT developed its first annual work plan in April 2018 identifying 23 areas for regulatory reconciliation. In addition, Provinces and Territories committed to taking immediate and meaningful action as part of an Accelerated Internal Trade Agenda to address regulatory barriers and tasked Nova Scotia and Manitoba with leading this work.

Throughout 2018 (the first full year of the RCT's work) the Office played a key role in the identification and implementation of items on the Accelerated Internal Trade Agenda. Working closely with departmental colleagues, including those at Intergovernmental Affairs, Nova Scotia announced in late 2018 that it would take the following actions, some with federal-provincial-territorial partners:

1. **Alcohol:** Nova Scotia will remove exemption limits for the transport of alcohol into Nova Scotia from another province for personal use, effective immediately.
2. **Business Registration:** In 2019, Nova Scotia will waive business registration and renewal fees for businesses already registered in another province or territory. By doing so, Nova Scotia becomes the only jurisdiction to join Ontario in ending the practice of charging businesses out-of-province fees to operate in Nova Scotia, and we are encouraging others to follow our lead. This action builds on the work, announced in September, to waive first-year fees for NS business and reduce the incorporation fee to the lowest in Canada.
3. **Occupational Health and Safety:** Nova Scotia will adopt and recognize common standards in specific areas of OH&S, including first aid kits and eye, face, foot and hearing protection to make it easier for businesses and workers to operate in different jurisdictions. It is anticipated an agreement will be signed with other provinces and territories in 2019 to this effect.
4. **Transportation:** In 2019, Nova Scotia will align allowable weights between dual tires and wide-base tires to make it more practical for companies to use wide-base tires. The tires help reduce greenhouse gas (GHG) emissions due to improved fuel economy.
5. **Technical Safety:** Nova Scotia will mutually recognize the Canadian Registration Number for pressure equipment design to do its part in ending multiple reviews across the country. An agreement has been signed with other provinces and territories in early 2019 to this effect.

The Office intends to continue Nova Scotia's leadership in this area throughout 2019.

What others say about the Office's work and results

Sustained regulatory reform efforts require meaningful and continual dialogue with stakeholders, inside and outside of government. In its first three years, the Office worked closely with its many partners to build strong and two-way relationships and which is reflected in our results. The following is a sample of what others are saying about the Office's work and results.

=====

"The Business Navigators are a free service to any business starting up and those already up and running. My advice to other business owners: use it. As an entrepreneur, time, money, energy are all so valuable."

- Tayna Paulin, Bytz Foods

"One of the groups I met with for help getting (wide base) tires on roads across the region was the Office of Regulatory Affairs and Service Effectiveness. They were keen and eager to work with us."

- Jeff MacLean, President Michelin North America (Canada) Inc.

"The Office of Regulatory Affairs and Service Effectiveness has created a perfect storm from a mixture of inspired leadership, innovation and transparency, underpinned by a thirst for measurable results and a common-sense approach. Nova Scotians are reaping the benefits."

- Jack Kyte, Pictou County Chamber of Commerce

"In 2015, I was asked to work with the Office. I went from a skeptic to being very excited to be involved with this group. In a short time, it has achieved incredible results. As a business owner, it is without question the precise directive industry has been asking for."

- Andy MacGregor, MacGregor's Industrial Group

"Since opening its doors four years ago, the Office has become a leading force in Canada, modernizing how government interacts with business. Remarkably, this small team is literally improving how government works by driving the principles of efficiency, better customer service, measurement and accountability. While there's still lots of work to do, Nova Scotia is now a pacesetter in reducing red tape, opening up trade between provinces and improving how small- and medium-size businesses engage with both our provincial and municipal governments."

- Jordi Morgan, CFIB

"The Business Navigator Program is an excellent service that can really help small business owners get clear, timely and helpful information relating to provincial compliance matters. Having access to a helpful and friendly voice who is interested in your success ensures accuracy and saves time and money."

- Leo Muise, Nova Scotia Seafood Alliance

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“There is a large body of existing regulation that differs among the four Atlantic Provinces in ways that impede commerce or efficient service to the public but are not essential to the regulatory objective(s). They are distinctions without a difference. They create barriers that fragment a market that is already small, worsen diseconomies of scale and discourage business investment. The four provincial governments have recognized what is at stake, having established in 2015 a Joint Office of Regulatory Affairs and Service Effectiveness to oversee collaboration to increase regulatory efficiency.”

- Excerpt from An Action Agenda for Atlantic Growth: Recommendations of the Atlantic Growth Advisory Group, February 2018

“Previously, we had to go through four sets of regulations for long combination vehicles travelling from Ontario to Nova Scotia. Working with the Office, we were able to streamline that process and now only deal with one set of rules.”

- Brad Price, Armour Transportation Systems

“The Office is focused on stopping the bleeding on new regulation implementation. We brought a group of business and municipal representatives together to review the costing tool – their input led directly to the requirement for departments to perform a thorough cost-benefit analysis and consult with affected industries, before new regulation can be introduced. That’s good news for business.”

- Amanda Mombourquette, Strait Chamber of Commerce

What's Next

The Office's first three years laid a strong foundation and realized meaningful and significant results upon which to build. With the benefit of this experience, the Office is eager to advance work in all three of the main streams of our work.

Regulatory Measurement and Assessment

The Office will continue training and working with departments on the completion of the BIAs. It is also contemplating a 'BIA light' to reflect that not all regulatory proposals require the same level of analysis. On the other side, processes are being developed and relationships deepened across departments to ensure the Office is brought in on complex regulatory initiatives on the very front end to guide regulatory thinking and development.

As outlined, in mid-January 2019, the Office announced it had exceeded the \$25 million (net) burden reduction target, estimating overall burden reduction to business at \$34 million (net).

Given the success of the program, the Office has established a new target for burden reduction in 2019 and beyond. In discussions with departments, and external stakeholders, we have set a burden reduction target to reducing undue burden to business by **\$10 million by the end of 2020**. This new target will continue the requirement that burden reduction efforts be 'net' and that, overall, costs be offset by equivalent savings to ensure the regulatory burden to business continues to be reduced. Once achieved and added to the \$34 million savings attained in 2017 and 2019, government will have reduced the annual regulatory burden to business by nearly \$45 million over four years.

For this next phase of measurement, we have expanded our target to include an **hours-saved target** for citizens and non-profits. Since the Office's creation, we have been continually asked to focus our burden reduction efforts beyond business. With a well-established reduction program for business, we are now ready to expand our work in this area. We will pilot a target to reduce the numbers of hours spent on compliance by citizens and non-profit organizations by **50,000 by end of 2020**. This pilot will be led by Service Nova Scotia and, if successful, will be expanded to other departments.

Further, we will lead and coordinate a cross-government clean-up of redundant or outdated regulations. We anticipate this clean-up will occur late in 2019 and early 2020. We will also continue with a regulatory count as an additional proxy for overall regulatory burden.

Finally, in our work with HRM, we are beginning the work to measure the dollar impacts of regulatory changes within government. Up to this point, the Business Impact Assessment (BIA) has focused on estimating dollar savings or costs for business. With HRM, we will be testing what dollar impacts (costs or savings) regulatory changes have within government.

The Office is also eager to undertake a 'look-back' to test how the BIA (both its qualitative and quantitative components) relate to the real-world implementation of regulatory changes. As a new

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initiative, and unique in the country, the Office had no benchmark or basis upon which to test the real-life applicability of the BIA. With a few years of experience with BIA implementation, the Office is now well-positioned to determine how BIA assessments of regulatory proposals, including cost/savings estimates, compare to real-world experience. This analysis will help shape any future improvements or adjustments in the BIA.

The Office will also continue its role of ensuring adherence to the Charter of Governing Principles through its assessment of departmental proposals.

Service Effectiveness

The Office acts on themes and trends identified through research and in discussions with business clients to create a better service experience and reduce burden for businesses in Nova Scotia. Through our research we have learned that smaller businesses and start-ups, by the very nature of their business and their needs, interact on a case-by-case basis with government.

To meet the needs of smaller businesses, the Office will continue to provide its Business Navigation Service to help businesses, particularly start-ups, resolve regulatory issues when needed. Given the success of the Business Navigation Service, there is a significant opportunity to help more start-ups by proactively ensuring they are aware of the service when registering their business for the first time. The Office plans to develop a program to expand its promotion of the program.

In our ongoing discussions with business, we have heard that understanding, coordinating and preparing for inspections is a source of burden and anxiety. To determine if there is a role for government to support both business in this process and improve compliance, the Office will pilot an inspection navigation service, beginning with one inspection navigator. Similar to our business navigators, the inspection navigator will provide support to business, particularly start-ups, in understanding the inspections that are required for their business and help prepare them for inspection. For businesses that require multiple inspections by departments and/ or different levels of government, the inspector navigator may also help coordinate the inspections. This pilot will begin with a focus on businesses based in HRM, given our joint partnership with the municipality. In addition, the inspector navigator will help develop customer service training, specifically for inspectors. The service training (a pilot) will begin in late 2019.

Working with Other Governments

As a small market, Nova Scotia is dependent on interprovincial trade both to bring goods and services to our citizens as well as a means for our businesses to access larger markets. Given the significant economic benefits for the province in pursuing an ambitious agenda to better align regulatory approaches - with Nova Scotia municipalities, across the Atlantic region, and across the country - the Office will be acting on all fronts.

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Atlantic Canada

Building on the work of the “Joint Office” in its first three years, work continues to untap the full potential of regional regulatory alignment. In early 2019, the Joint Office presented a list of areas for regional alignment to the Council of Atlantic Premiers (CAP).

In response, CAP directed the Joint Office to continue the implementation of current initiatives, as well as pursue new areas of alignment. In the near-term, the Joint Office will be working to align regulatory approaches in the following areas:

- Transportation;
- Workers’ Compensation;
- Medical licensing.

We anticipate regional alignment will be an ongoing priority and focus for CAP with additional areas for alignment continually identified and directed by CAP for action.

Partnership with Halifax Regional Municipality

The partnership between the Government of Nova Scotia and HRM has been extended for two years.

The second phase of our joint work will focus on the following areas:

- Implementation at the municipal level of the Charter of Governing Principles for Regulation, and the Business Impact Assessment processes;
- A shared burden reduction target, for example, reducing turnaround times for permits required at both levels of government;
- Piloting a model to estimate internal costs for regulatory changes that could work both for the province and the municipality
- Expanding Nova Scotia’s business navigator service from a single point of contact with HRM to a more integrated approach to service to business
- Coordinating inspections; and
- Establishing a regulatory priorities table composed of key leaders that could set priorities for coordination and alignment of regulatory approaches between the two levels of government.

New Municipal Partnerships

With our success working with HRM, the Office will expand our municipal partnership to support and work with all Cape Breton municipalities to align some specific business regulations to make operation and expansion easier for Island businesses.

Across Canada

Nova Scotia assumed the Chair of the RCT in January 2019, having served as Vice-Chair in 2018. In our role as Chair, and in partnership with our federal-provincial-territorial counterparts, we have completed (now published) a 29-item workplan for 2019-2020.

The 2019 – 2020 workplan is broken into three categories:

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1. **Implementation:** Ensuring the public posting and implementation of the five reconciliation agreements from 2018. They are:
 - Occupational Health and Safety:
 - First Aid Kits
 - Hearing Protection
 - Personal Flotation Devices
 - Head, Foot and Eye Protection
 - Transport: Wide-base Single Tires
 - Technical Safety: CRN for Pressure Vessels
 - Aquaculture Organic Labeling (Agreement posted, Implementation complete)
 - Grade Inspection for Produce (Agreement posted, Implementation complete)
2. **Items for Regulatory Reconciliation:** In addition to carrying over items from the 2018-2019 workplan (designated for medium- and long-term reconciliation), our 2019-2020 plan adds new items for reconciliation.
3. **Items for Regulatory Cooperation:** For the first time, the plan includes items for regulatory cooperation to avoid adding to the patchwork of regulatory differences. The areas for cooperation are prompt payment legislation and regulation, safety testing for autonomous vehicles and entry-level truck driver certification.

Looking ahead, we anticipate delivering up to **five new reconciliation agreements / announcements** in by end of 2019 in the following areas:

- Construction Codes (aligning building, fire, plumbing, and energy efficiency codes)
- Energy Efficiency Standards for Household Appliances (aligning regulations)
- Aquaculture Site marking (removing duplication / differences between federal and provincial regulation)
- Upholstered and Stuffed Articles regulation (aligning provincial and national regulations)
- Corporate Registries (Launching the rollout of an integrated system for extra-provincial corporate registration, starting first in the west and expanding across the country)

As a trading province, the Office is proud to play a leading role in the work to reduce interprovincial regulatory barriers to trade. Above all, we will maintain our close connections with stakeholders to ensure the RCT works with the urgency and focus required for maximum economic impact. We have begun the work of connecting with business stakeholders to help shape RCT priorities for the upcoming year.

Insights

As outlined, the *Regulatory Accountability and Reporting Act* requires that a review of the Office and its results be completed after three years.

With that in mind, the first three years of the Office were spent not only setting up an Office and developing a comprehensive program capable of delivering results, they were also spent gathering experience and insights on the necessary components for a sustainable regulatory reform and modernization initiative. Past efforts in this area, in Nova Scotia and abroad, have struggled with sustainability as regulatory reform and modernization is complex and time-consuming work. For these reasons, maintaining momentum and profile – both within and outside of government – is a real challenge.

The Office has taken stock of the elements required to achieve sustainable regulatory reform. Some of those elements include:

- Direct accountability to and support from the top with the Premier as the Minister
- The establishment of the Office as an independent oversight body with the authority to scrutinise regulation and its compliance with principles and the rigorous application of the costing model.
- A stand-alone office with resources dedicated to practice in the areas of regulatory design and governance and regulatory burden reduction.
- Legislation clearly outlining the role of the Office and the regulatory principles it is authorized to uphold.
- Creating and maintaining the conditions for a sustained level of significant cooperation across the Nova Scotia public service, from which the Office and its work has greatly benefitted.
- A continuous program of economic and best practice research to ensure the work is always advancing, is focused on the areas of greatest opportunity and to keep on top of global trends.
- A robust, intuitive model for analysing the costs and benefits of regulation and for measuring regulatory burden.
- Ongoing engagement, including communication, with internal and external stakeholders to ensure the work is meaningful to them and that it reflects the experience and input of both.
- Setting an ambitious and achievable target to reduce regulatory burden across government to enable departments to prioritize areas of work.

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- Continually re-examining the Office’s approach to our work to ensure we are ‘walking the talk’ and not requiring departments to follow processes or procedures that are unnecessary to achieving the objective of overall burden reduction. For example, initially and without the benefit of experience, we envisioned that departments with a regulatory proposal which added costs would be required – themselves – to find an equivalent offset. However, we determined that imposing this requirement, when it became clear the corporate target (\$25 million net burden reduction) would be exceeded, would not advance the principles of the Charter, which requires a “lightest touch” approach.
- The imperative of maintaining focus and not trying to ‘boil the ocean’ by attempting to fix everything at once.
- Focusing on improving government service as a key to reducing regulatory burden.
- Utilizing regulatory reform as a springboard to improving the business-government relationship and to strengthen the regulatory system by supporting regulators in understanding the businesses they regulate and the markets in which they operate.

There are, of course, challenges with this work. Regulatory reform and modernization is, by its nature, slow and incremental. Maintaining interest and momentum is challenging, even more so when this work cuts across different governments. And while we are proud of what has been accomplished, we recognize the need for an even more ambitious agenda to accelerate the reduction of internal trade barriers, both across the region and across the country.

We believe the results of the Office’s first three years have built a strong foundation and delivered concrete results upon which to build an even more ambitious agenda, within the province, across the region and across the country.

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

- a. having demonstrated that satisfactory outcomes cannot be achieved by alternative self-regulatory or non-regulatory approaches;
- b. 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;
- c. where the regulation and the enforcement framework can be implemented in a fashion which is demonstrably proportionate, accountable, consistent, accessible, targeted and predictable; and
- d. 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

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- 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

Appendix B:

Reducing Burden to Business By \$25 Million (net): Final progress report (see separate attachment)

REDUCING BURDEN TO BUSINESS BY \$25 MILLION (NET)

FINAL PROGRESS REPORT

(Achievement as of December 31, 2018)

**% OF TARGET
ACHIEVED:**

138%

(as of December 31, 2018)

TARGET:

\$25,000,000

(net) burden reduction to business by Dec. 2018

**FOR A TOTAL SAVINGS OF:
\$34,389,600**

(as of December 31, 2018)

ACHIEVING OUR TARGET

In 2017, the Government of Nova Scotia committed to reduce regulatory burden to business by \$25 million (net) by end of 2018. The target is part of a broader strategy to build a strong foundation for economic growth and prosperity and underscores the critical role an efficient and effective regulatory system in a high-functioning economy.

It is the first such program of its kind in Nova Scotia.

As of December 31, 2018, initiatives approved and where implementation is complete or underway are estimated to reduce burden to business by \$34,389,600 (net), representing 138% of the \$25 million (net) burden reduction target.

About the target:

The \$25 million (net) burden reduction target is based on a credible estimate of the overall regulatory burden to Nova Scotia business of approximately \$560 million, with the provincial portion of this burden estimated at \$200 million annually. A net target was

set to ensure a reduction in the overall regulatory burden for Nova Scotia business was achieved.

The target builds on work with the business community and provincial departments in developing a tool to estimate (in dollar terms) the costs or savings of individual regulatory proposals, including initiatives that improve processes and service to business.

The tool – the **Business Impact Assessment** – is mandatory for all regulatory proposals with a business impact. It is primarily how progress on the commitment has been managed. In addition to estimating costs or savings to business from regulatory proposals, it also provides a means to assess proposals against regulatory best practice principles.

The \$25 million burden reduction program includes regulatory initiatives approved on or after April 1, 2017 and where implementation was complete or underway by December 31, 2018.

REDUCING BURDEN TO BUSINESS

As of the end of the program on December 31, 2018, initiatives approved and where implementation is complete or underway are estimated to reduce burden to business by \$34.3 million (net), representing 138% of the \$25 million (net) burden reduction target.

The costs or savings of the measures below have been estimated using the Business Impact Assessment (BIA) or through customized economic modelling. The BIA is based on the Standard Cost Methodology, which estimates the impact of regulatory proposals and which includes direct costs/savings (i.e. fees, capital purchases), along with compliance costs (including time).

The estimates provided are based on the best information and data available at the time of the assessment. Additional detail on each measure, including those exempt from the program, is provided in the following “In Depth” section.

DEPARTMENT	APPROVED AND / OR IMPLEMENTED REGULATORY MEASURE	ESTIMATED SAVINGS (COST) TO BUSINESS*
Service Nova Scotia	Amendments to Residential Tenancies Act	\$ 826,000
	Changes to Special Move Permit Application form for Carriers for milk and waste haulers during Spring Weight Restrictions	\$ 60,000
	Remove requirement for the filing of duplicate subdivision and condo plans	\$ 370,000
	Modernization of Registry of Joint Stocks Companies	\$ 7,170,000
	Amendments to the Consumer Protection Act	\$ (77,000)
	Liquor Licensing Criminal Record Checks	\$ 28,000
	Electronic Vehicle Registration for Dealers	\$ 839,000
	Telephone Hearing alternative for Residential Tenancies	\$ 130,000
	Strike off companies suspended due to lack of payment	\$ 1,800,000
	Compliance Officer Authority to Take Affidavits to Assist Liquor Licensees	\$ 5,000
	Petroleum Price Regulations	\$ 47,000
	Eliminate Requirements for a Permanent Place of Business for Lenders	\$ 957,000
	Residential Tenancies Act Amendments	\$ 1,250,000
	Reduction of Incorporation Fee under Companies Act	\$ 402,900
	Amendments to Corporation Registration Act	\$ 355,000
	Affirmation to be Accepted for Residential Tenancies Hearings	\$ 80,000
	Bring Form 45 Online	\$ 114,000
	Mortgage Act Regulations	\$ (1,677,000)
	Transportation and Infrastructure Renewal	Innovation HUB for Forest Transportation in NS – Phase 1
Innovation HUB for Transportation in NS – Phase 2		\$ 7,000,000
Environment	Clarifying the Definition of Public Drinking Water Supplier	\$ 10,000
	Removing duplicative requirements for Lead-Acid Battery Waste and Asbestos Waste Storage	\$ 16,000
	Mercury Diversion Program Extension	\$ 1,300,000
	System Improvements for Notification and Approval Processing	\$ 1,000,000
	On-site Services Advisor Board Regulations Repeal	\$ 1,000
Finance and Treasury Board	Retail Sales Mark Up	\$ 805,000
	Fuel Tax Credit	\$ 1,600,000
Department of Labour and Advanced Education	Removing tuition and fees for technical training for apprentices	\$ 386,000
	Presumptive Coverage for Post-Traumatic Stress Disorder (PTSD) for Emergency Workers	\$ (300,000)
	Updating Labour Standards Code Awareness Materials Relating to Issuing Final Pay Cheques	\$ 636,000
	Amendment Stipulating Canada Day will be Recognized on July 1 for Business Closure	\$ 16,000
	Co-op and GTO: Improvements to Approval and Claims Processes	\$ 5,000
	Apprenticeship Management System	\$ 1,080,000
	Changes to Frequency and Cost of Oil Burner Technician Licensing Fee	\$ (8,800)
	Domestic Violence Leave	\$ (1,164,000)
Labour Standards Code General Regulations Reducing Pregnancy and Parental Leave Eligibility Period	\$ (285,000)	

	Private Career Colleges – LaMPSS Administration Platform	\$ 23,000
	Labour Board Forms Modernization	\$ 31,000
	Communications Technician Trade Regulations	\$ 14,000
	WIPSI: Program Improvements to Approval and Claims Process	\$ 9,000
	Employer Registration Certification Application	\$ 8,000
Workers' Compensation Board	Secure Messaging with Employers	\$ 1,620,000
	Elimination of special protection accounts for family members	\$ 80,000
	New process for annual sub-contractor reporting	\$ 252,000
	Electronic Filing of Injury Reports	\$ 940,000
Agriculture	Initiatives Under the Natural Products Marketing Council	\$ 53,000
	Poultry Insurance Plan Amendments	\$ (1,000)
	Farm Loan Board Regulations Amendments	\$ 132,000
Fisheries and Aquaculture	Mandatory Quality Training for Fish Buyers	\$ (18,000)
	Promotional Awareness and Coordination of delivery throughout Nova Scotia by the Nova Scotia Fisheries Sector Council (to offset costs of mandatory quality training for fish buyers)	\$ 18,000
	Amendments to Fisheries and Coastal Resources Act with Respect to Aquaculture	\$ 1,500
	Fisheries and Aquaculture Loan Regulations Amendments	\$ 118,000
Justice	Builders Lien Act	\$ 440,000
	Fees for Firearms Training	\$ (1,000)
Regulatory Affairs and Service Effectiveness	Business Navigator Service	\$ 3,400,000
Energy	Marine Renewable Energy Act	\$ (215,000)
	Mineral Resource Regulations	\$ 175,000
Internal Services	Ariba e-bidding	\$ 233,000
Total Burden Reduction Savings:		\$ 34,389,600 (net)

EXEMPTIONS		
Environment	Safe Body Art Act and Regulations	\$ (400,000)
	Cap and Trade and Supporting Regulations	\$ (525,000)**
Finance and Treasury Board	Basic Personal Amount Supplement	\$ (400,000)
Labour and Advanced Education	Adoption of CSA Fuel Safety Codes	\$ (63,000)
	Amendments to Labour Standards Code to Align with Federal EI	\$ (533,000)

*The costs/savings estimates are based on conservative assumptions, including information from employers, Statistics Canada data and reflect information available to date. It is important to note that the cost and savings estimates may be revised based on new or refined data. For example, more accurate information may be provided to the Office after a measure is implemented. In such cases, estimates will be revised.

**This estimate includes the Quantification, Reporting, and Verification of Greenhouse Gas Emissions Regulations previously reported in the Office's 2017/2018 Annual Report. This cost estimate has been revised based on new data.

IN DEPTH:

REGULATORY MEASURES APPROVED AND/OR IMPLEMENTED WITH A BUSINESS IMPACT

The following provides a brief description of the measures approved and or implemented to date with a business impact and which are included in the burden reduction program.

SERVICE NOVA SCOTIA

- **Amendments to the Residential Tenancies Act**

Landlords can now provide an electronic copy of the Residential Tenancies Act to tenants signing a lease instead of a physical, printed copy. This change saves travel and printing costs for landlords and is more effective and practical means for tenants to receive a copy of the Act.

- **Changes to Special Move Permit Application form for Carriers for milk and waste haulers during Spring Weight Restrictions**

Carriers previously had to complete one application form for every milk and waste truck for which they required a Special Move Permit. The change means application forms require less information and can be combined for multiple permit applications, savings businesses time and money.

- **Remove requirement for the filing of duplicate subdivision and condo plans**

Previous policy and process required developers to submit a second set of hard copy plans to the land registration office. Infrastructure upgrades allowed this to be reduced to only one hard copy, saving printing costs and time.

- **Modernization of Registry of Joint Stocks**

All businesses operating in Nova Scotia must register with the Registry of Joint Stock Companies. A new and improved online Registry of Joint Stock Companies IT system will replace the current system which has been in place for

more than twenty years. The modernization will positively impact tens of thousands of businesses annually by reducing travel time, mailing costs, back-and-forth delays, and will mean making fewer calls for status updates, as this information will be available online. Work to put a new system in place began in 2018 and is expected to be completed in Fall 2019.

- **Amendments to the Consumer Protection Act**

The Consumer Protection Act was amended to implement two recommendations from the Utility and Review Board:

- 1) require payday lenders to provide additional information to borrowers about the cost of alternative financial products and
- 2) change the requirement to fund online loans within one hour. The resources required to comply with the implementation of the UARB's recommendations will increase costs to payday lenders.

- **Liquor Licensing Criminal Record Checks**

Alcohol, Gaming, Fuel & Tobacco offers to conduct background police checks for those seeking permanent liquor licenses at no cost to the applicant. This change reduces cost and effort.

- **Electronic Vehicle Registration for Dealers**

Service Nova Scotia is changing the process for motor vehicle registry for dealers, allowing electronic submissions rather than dealers having to travel to an Access Nova Scotia location. Efficiencies for businesses are primarily driven through time savings and travel savings.

- Telephone Hearing alternative for Residential Tenancies**

This change allows for tenants and landlords to attend Residential Tenancies hearings by telephone rather than drive to an Access Centre, saving businesses travel and time.
- Strike off companies suspended due to lack of payment**

When a company's registration is revoked for non-payment, it continues to exist until it is manually struck from the Registry. Often when a company goes out of business, it simply does not renew its registration. However, until the registration is stricken off, it continues to have obligations to file annually with CRA, which is costly to business. Striking off the backlog of companies will remove the annual filing costs for these businesses.
- Compliance Officer Authority to Take Affidavits to Assist Liquor Licensees**

Alcohol, Gaming, Fuel and Tobacco compliance officers will obtain Commissioner of Oaths qualifications, so they can take affidavits for liquor licensees while they are in the field visiting businesses. Affidavits are required for certain processes under liquor licensing requirements. This will save businesses time and travel in accessing someone qualified to take an affidavit.
- Petroleum Price Regulations**

Fuel retailers no longer have to notify the Nova Scotia Utility and Review Board if they run out of gasoline and wish to sell supreme gasoline at the same price if the shortage does not last longer than 48 hours. This change reduces administrative burden from notification requirements.
- Eliminate Requirements for a Permanent Place of Business for Lenders**

Agents of lenders are no longer required to have a permanent place of business. The removal of this requirement will allow businesses to stop renting space solely to satisfy this regulatory requirement, reducing operating costs.
- Residential Tenancies Act Amendments**

This change shortens the time landlords are required to store abandoned tenant property and allows for electronic service of documents whereas before it was required to be done by registered mail or personal service. This change reduces time and expense to landlords in serving documents, as well as expenses for storing abandoned property.
- Reduction of Incorporation Fee under Companies Act**

The incorporation fee for Nova Scotia companies has been reduced to offer the lowest incorporation fee in the country. Nova Scotians incorporating their businesses will benefit from lower start-up costs.
- Amendments to Corporation Registration Act**

Amendments to the Corporation Registration Act allow for the waiver of the business registration fee for the first year of incorporation. Nova Scotia businesses incorporating their business will experience lower costs from the waiver of the fee in their first year of incorporation. This work compliments Nova Scotia's announcement in late 2018 to waive the business registration fee for extra-provincial corporations.
- Affirmation to be Accepted for Residential Tenancies Hearings**

Parties making an application for a Residential Tenancies hearing previously needed to obtain an affidavit of service of documents, which required the signature of a commissioner of oaths. Typically, this process was carried out in-person by staff in an Access Nova Scotia center. This change allows for a certificate of service instead of the affidavit of service, which means that landlords will no longer need to commute to an Access Nova Scotia center to obtain an affidavit from a commissioner of oaths.

- **Bring Form 45 Online**
Land Registry Form 45 is used to add, confirm, delete and correct the interests, textual qualifications or parcel access type in a parcel register. Bringing this form online reduces costs related to submitting the form, allows errors to be automatically detected, and allows time sensitive transactions to proceed expeditiously.
- **Mortgage Act Regulations**
The Mortgage Act Regulations implement a new regulatory framework of the mortgage brokering and lending industry. The regulations include requirements for licencing, disclosure, reporting, and record keeping. The regulations are intended to modernize the regulatory framework and improve consumer protection.

TRANSPORTATION AND INFRASTRUCTURE RENEWAL

- **Innovation HUB for Transportation – Phase 1 and 2**
This project is a multi-phased project which increases the B-route network of roads, modernizing weights to reflect advancements in trucking technology and infrastructure improvements to safely maximize payloads. Savings will be realized throughout the trucking industry, which will be able to haul increased payloads on a more efficient and direct route for delivery and safely use larger trucking units for transporting their payloads along these routes. The truck configurations being permitted reduce the loading on the roads. For example, road reclassifications will allow efficient truck axle configurations to help make the trucking and forestry industries in Nova Scotia more competitive. The change also allows B-trains to travel on additional roads, enabling movement of more materials at one time, resulting in savings to industry.

ENVIRONMENT

- **Clarifying the Definition of Public Drinking Water Supplier**
Clarifying the definition of “public drinking water supplier” to only capture entities that provide piped water for consumption to the public. This means entities that do not provide piped water for consumption to the public are no longer required to comply with food safety

regulations and do not have to spend time and resources on water testing. This regulatory change does not impact public health as appropriate regulatory oversight of public drinking water supplies is maintained.

- **Removing duplicative requirements for Lead-Acid Battery Waste and Asbestos Waste Storage**
The storage of lead-acid battery waste and asbestos waste required both an Environmental Assessment and operating approvals under the Activities Designation Regulations - requirements deemed duplicative for businesses. Removing the requirement of an environmental assessment does not result in weakened environmental protection or public safety as these storage activities are sufficiently regulated through operating approvals which ensure appropriate protection and oversight. At the same time, it ensures necessary regulations are predictable, transparent, and reduce regulatory burden where appropriate to eliminate barriers to private sector growth and productivity.
- **Mercury Diversion Program Extension**
Nova Scotia Power’s credits for kilograms of mercury diverted from landfills may be counted toward emissions of mercury over and above the regulated 65-kilogram cap. Extending the mercury diversion program enables Nova Scotia Power (through EfficiencyOne) to divert mercury from landfills and entering the environment. The program results in a net-reduction in mercury and allows additional time for more costly investment in infrastructure upgrades. This extension does not compromise commitments to work to improve air quality through reducing emissions.
- **System for Notification and Approval Processing**
A new internal processing system is being implemented to support the processing of licenses, permits, renewals, approvals and notifications of activities regulated under the Environment Act. This improved processing system reduces the time spent on completing applications and reduces turnaround times for businesses while ensuring our programs are consistently and efficiently delivered. This system does not in any way modify the important

protections established under the Environment Act and regulated activities.

- **On-Site Services Advisor Board Regulations Repeal**

This change dissolves the On-Site Services Advisory Board, an advisory board to the Minister of Environment respecting water wells and on-site sewage disposal systems. This change effectively eliminates interview requirements for certification for well drillers and diggers, reducing burden by no longer requiring candidates to travel for interviews, as well as streamlining the certification process. The Department of Environment now handles disciplinary processes.

FINANCE AND TREASURY BOARD

- **Reduction in Retail Sales Mark Up**

The Retail Sales Markup Allocation charged to craft brewers changed from \$0.50 per litre on craft beer to five per cent of wholesale costs of sales made on their premises. This change reduces the mark-up paid by the craft beer industry.

- **Mining and Quarrying Fuel Tax Rebate**

The motive fuel tax rebate applies to natural resource industries that do not go on public roads, such as fishing boats, farm tractors and forestry. It was broadened for equipment used in the mining and quarrying sector, such as haul trucks and excavators, most of which are not allowed to drive on public roads. This change reduces cost and increases competitiveness for the mining sector.

LABOUR AND ADVANCED EDUCATION

- **Removing tuition and fees for Technical Training for Apprentices**

The tuition fees for technical training for apprentices was eliminated. The change benefits apprentices and aligns with the priority to provide equal opportunity and support participation in the skilled trades. The change also benefits employers who elect to pay the tuition fees as a means of supporting their employees.

- **Presumptive Coverage for Post-Traumatic Stress Disorder (PTSD) for Emergency Workers**

Occupational stress due to traumatic events, including PTSD, has always been covered under the Workers' Compensation Act for all clients

of the Workers Compensation Board (WCB), and will continue to be. Amendments to the Act were introduced in October 2017 (in force October 26, 2018) that will create a benefit of presumption for Front-line and Emergency Response Workers diagnosed with PTSD. Currently, Front-line and Emergency Response Workers are required to prove their diagnosed PTSD was caused by a workplace incident. Removing this barrier for Front-line and Emergency Response Workers may increase compensation costs; funded by employers through workers' compensation premiums.

- **Updating Labour Standards Code Awareness Materials Relating to Issuing Final Pay Cheques**

Employers in Nova Scotia were misinterpreting when final payment of wages was due when employment was terminated. Changes to awareness materials clarified that final payment is due five working days after the expiration of the pay period. This clarification is anticipated to result in efficiencies for Nova Scotia businesses when calculating final wages and issuing final payment to employees.

- **Amendment Stipulating Canada Day will be Recognized on July 1 for the Purpose of Business Closure**

Historically, when Canada Day fell on a Sunday, the holiday was observed on July 2. This resulted in confusion for retail stores and employers who were unsure which day they could open and which day they must close, uncertainty around which day attracted holiday pay, and confusion for the public about which day stores would be open. Regulatory changes stipulate that Canada Day is recognized on July 1 for retail closures and holiday pay purposes, resulting in efficiencies for business with less confusion. Eligible employees working on Canada Day (July 1) receive holiday pay on that day, rather than on July 2nd.

- **Co-op and GTO: Improvements to Approval and Claims Processes**

The Department of Labour and Advanced Education conducted a detailed analysis of the steps required for employers to file a claim under the Co-operative Education Incentive

program and the Graduate to Opportunity program, which provides wage reimbursement for employers who meet certain criteria. This analysis led to the identification of various process improvements, resulting in reduced time to get claims approved, decreased time filling out forms, better access to required forms, and improved communications.

- **Apprenticeship Management System**

The Apprenticeship Management System is currently in development and will replace the aging IT system at the Nova Scotia Apprenticeship Agency. The new system will be fully web-based and will remove a paper-based system reducing administrative burden for government, apprentices, journeypersons and employers. Further, employers will have access to information that is critical to managing their training needs within their own organizations.

- **Changes to Frequency and Cost of Oil Burner Technician Licensing Fee**

Licensing fees for Oil Burner Technicians were reduced from \$74 to approximately \$33, and frequency of licensing was increased from every 5 years to every year.

- **Domestic Violence Leave**

Amendments to the Labour Standards Code introduced a protected leave for victims of domestic violence, to ensure that people who experience domestic violence can take a reasonable period of time away from work to receive the services they need without fearing employment loss. Employers are now required to grant up to ten days of intermittent leave, and up to sixteen weeks of continuous leave. Employees are entitled to pay for three of the leave days.

- **Labour Standards Code General Regulations Reducing Pregnancy and Parental Leave Eligibility Period**

The eligibility period to qualify for parental and pregnancy leave has been reduced from employment of one year to less than one day, effectively resulting in no eligibility period. Employers will be required to grant protected pregnancy or parental leave to employees who have been employed for less than one day, increasing job security for those employees who wish to access the leave.

- **Private Career Colleges – LaMPSS**

- **Administration Platform**

Implementation of the LaMPSS system allows private career colleges to submit all standard applications, reports, and fees to the Department through electronic submission rather than through paper-based submissions. This initiative is anticipated to reduce administrative burden in time and effort for private career colleges.

- **Labour Board Forms Modernization**

This initiative modernized forms required for Labour Board processes to ensure all necessary information is collected. Businesses involved in Labour Board processes are anticipated to see savings from reduced administrative time spent corresponding with the Department to provide necessary information not requested in the forms.

- **Communications Technician Trade Regulations**

These changes eliminate the Communications Cabling Specialist Certificate of Competency and establish an apprenticeship program for the Communications Technician trade under the mandate of the Nova Scotia Apprenticeship Agency. Additionally, Construction Electricians are no longer required to obtain secondary certification to be eligible for a Communications Permit. Savings are anticipated from the elimination of licensing fees for communications cabling work.

- **WIPSI Program Improvements to Approval and Claims Processes**

The Department conducted a review of the Workplace Innovation and Productivity Skills Incentive (WIPSI) program application process, which provides funding incentives to encourage employers to invest in developing employee skills. As a result of the review, the Department will implement changes to the application process to reduce administrative time required by businesses in applying to the program and reduce waiting times for decisions on applications.

- **Employer Registration Certificate Application Process**

Employers who wish to hire foreign workers are required to obtain an Employer Registration Certificate from the Labour Standards Division. Changes will be implemented to simplify the application process by removing unnecessary

and duplicative steps, and employers with multiple locations will be able to submit one application, thereby reducing administrative burden.

WORKERS' COMPENSATION BOARD

- **Secure Messaging with Employers**
WCB introduced secure messaging with employers through online channels. This form of communication allows businesses to interact with WCB more conveniently and efficiently through electronic messaging, saving time and resources for employers who need to interact with WCB, for example, on time-loss claims. This initiative also supports swifter service and compensation for those injured while at work.
- **Elimination of special protection accounts for family members**
Employers can extend coverage to family members under the same account as other employees, thus eliminating the need for special protection accounts for family members. Previously, the employer had to complete a form and return it with full payment or postdated cheques.
- **New process for annual sub-contractor reporting**
The new online channels features automates the process for annual sub-contractor reporting by employers. The previous, manual and paper-based process could take an employer several days to complete.
- **Enhancements to MyAccount System**
Improvements to the WCB's online service for employers will modernize the system and processes and provide more online service options including electronic filing of injury reports, advice notices, enhanced claims data, and payroll reporting. These changes are anticipated to reduce time spent on WCB processes for employers.

AGRICULTURE

- **Initiatives Under the Natural Products Marketing Council**
Changes in levies for supply-managed commodities under the Natural Products Marketing Council have resulted in a net-savings for producers.

- **Poultry Insurance Plan Amendments**
The Crop and Livestock Insurance Act was amended to implement a new requirement for insured producers to file a report with the Commission before placing a new flock of chickens in a production facility and restructured the calculation of the base premium rate. The net-result is an increase in regulatory burden associated with the paperwork required.
- **Farm Loan Board Regulations Amendments**
New Nova Scotia Farm Loan Board Regulations have been introduced to modernize current practices. Changes include reduced loan approval wait times through increasing lending limits, clarified lending options, and standardized fee structures, which will allow for streamlined administrative processes and other improved efficiencies that are anticipated to reduce regulatory burden to the agricultural industry.

FISHERIES AND AQUACULTURE

- **Mandatory Quality Training for Fish Buyers**
The Fish Buyers' Licensing and Enforcement Regulations were amended to require training for the handling of lobsters prior to the issuance of a fish buyer license as one part of a strategy to increase the value of lobsters. This change was made for buyers of lobsters with each license holder required to have training for one individual and which is valid for 3 years.
- **Promotional Awareness and Coordination of delivery throughout Nova Scotia by the Nova Scotia Fisheries Sector Council**
Government is facilitating industry-coordinated training sessions to cover the costs of the first 3-year cycle of the mandatory quality training program. This training is being coordinated by the Nova Scotia Fisheries Sector Council throughout the Province for more than 770 participants.
- **Amendment to Fisheries and Coastal Resources Act with Respect to Aquaculture**
Changes to licensing and leasing processes for aquaculture operators include the option to amalgamate aquaculture sites rather than maintaining two or more separate licenses for adjacent sites and the requirement for Ministerial

approval to apply to change site size or amend a site to include finfish. These changes are anticipated to reduce costs and improve processes for aquaculture operators while maintaining protections for the environment and coastal communities.

- **Fisheries and Aquaculture Loan Regulations Amendments**
Changes to the Aquaculture Loan Board Regulations are anticipated to streamline processes for fisheries and aquaculture operators looking to finance their operations through loans from the Board. The updated framework includes reduced loan approval wait times through increasing lending limits, expanding financing, reducing interest rates, and loan prepayment options.

JUSTICE

- **Builders' Lien Act**
Notice of substantial performance or subcontract completion on construction projects must be given by the owner no later than 10 days after the work is substantially performed or completed by posting a notice on the Substantial Performance page of the Construction Association of Nova Scotia website, and the job site office (if applicable). These changes mean contractors are no longer required to call owners regarding the status of the project and expected timeline for payment, and owners also save time responding to these inquiries.
- **Fees for Firearms Training**
This change increases the fees for the Canadian Firearms Safety Course and the Canadian Restricted Firearms Safety Course. These courses are required for individuals who work for businesses and handle firearms in the course of work, resulting in increased costs for any businesses that cover the cost of the course.

REGULATORY AFFAIRS AND SERVICE EFFECTIVENESS

- **Business Navigator Service**
The Business Navigator Service is a unique, first-of-its kind service in Canada that provides personalized and customized support to help start-up and existing business navigate government rules, regulations and requirements. Since the program's launch in early

2017, Business Navigators have served more than 3,000 new and existing businesses. The business navigation service is estimated to save, on average, 10 hours of business time per client.

ENERGY & MINES

- **Marine Renewable Energy Act**
Aligned with Nova Scotia's commitment to the safe, responsible, and sustainable development of our tidal energy industry, the Marine Renewable Energy Act defines the path from demonstration to larger, commercial development. The Act is intended to provide the industry and the public certainty around what is required to ensure development is safe, viable, and sustainable.
- **Mineral Resource Regulations**
New Mineral Resource Regulations for the mining industry follow a new Mineral Resource Act passed in 2016. The new regulations, which came-into-force in December 2018, include a new fee structure, changes to work assessment requirements, inclusion of calculation methods for royalties within regulations instead of legislation, development of a request for proposal process to replace special licenses and leases, outline requirements for stakeholder engagement, outline content for reclamation plans with new requirement to be updated every three years, increase the cost per day for prospectors to conduct work, and modernize language. Anticipated savings to business from this initiative arise primarily from the change from a one-year to a two-year licence renewal and reporting period; reducing the number of reports that mineral right holders are required to submit, providing more time in the field to explore and complete their analysis.

INTERNAL SERVICES

- **Ariba e-bidding**
The Nova Scotia government has adopted an electronic process for suppliers to submit their bids to replace paper submissions. This new feature will streamline and standardize sourcing and will decrease the time required to source for goods, services and construction, resulting in savings to business and an increased opportunity for cross-border bidding.

EXEMPTIONS

In some exceptional circumstances, government must establish or adapt regulations to address an urgent or pressing public policy issue.

To reflect the intent of the program (reducing unnecessary burden and that which is fully 'owned' by the province), criteria were developed to **exempt exceptional regulatory measures from the burden reduction program**.

The criteria are intended to ensure that the target program achieves its purpose – the reduction of unnecessary burden. The program was not intended to unduly restrain government in its important function as regulator.

There are three categories of exemptions:

1. Economic analysis indicates economic benefits produced by the regulatory change will be materially larger than the burden.
2. Initiatives that are substantially beyond the direct control of the provincial government but are required to meet national or international standards or agreements (e.g. Federal climate change policy).
3. Proposals that are required to meet unforeseen or urgent public policy needs. For examples, proposals where research and evidence clearly indicate a significant and urgent public health or safety risk.

Proposals exempt from the program are still submitted to the Office for assessment for alignment with the Premier's Charter of Governing Principles for Regulation and are still costed using the BIA. The following measures are exempt from the burden reduction program:

Safe Body Art Act and Regulations

The Safe Body Art Act and Regulations, passed in 2018, come into effect February 1, 2019. The purpose of the Act and regulation is to ensure safe practices and products are used for body art services in order to prevent the spread of infections and infectious diseases. An exemption was granted based on evidence that Nova Scotians are at risk for infectious diseases in this unregulated industry. For example, evidence indicates hepatitis rates in Nova Scotia have been on the rise since 2011 and are higher than the national rate.

Adoption of CSA Fuel Safety Codes

Technical Safety Standards Regulations were amended to adopt seven updated editions of the Canadian Standards Association Safety Codes with respect to fuel safety to ensure alignment with other jurisdictions. This change was required to meet a national standard.

Cap and Trade and Supporting Regulations

In line with federal requirements to have carbon pricing in all Canadian jurisdictions, greenhouse gas reporting requirements are now in effect to support the province's cap and trade program. The requirements are detailed in regulations and standards that identify which types of companies must report, which greenhouse gas emissions they must report, how to calculate and report them, and how to obtain third party verification of the report. Nova Scotia released regulations to the province's cap-and-trade program in November 2018, following the federal government's approval of Nova Scotia's program. The regulations establish annual declining greenhouse gas emission caps and rules for distributing, buying, and selling greenhouse gas emission allowances.

Amendments to the Labour Standards Code to Align with Federal EI Benefits

These changes were developed in response to federal EI benefits changes, which created a gap between legislated leaves in Nova Scotia and available EI benefits. With these changes, employees who access protected leaves will have job security for the entire period corresponding EI benefits are available. These changes also include a new protected caregiving leave for critically ill or injured adult family members.

Basic Personal Amount Supplement

Effective January 1, 2018, Nova Scotia increased the basic personal amount on a sliding scale. As a result, 63,000 Nova Scotians no longer pay provincial income tax, and over 500,000 Nova Scotians will save provincial income tax, for an overall reduction of \$85 million in taxes annually. To ensure eligible employees receive the benefit of the tax reduction, employers were required to do a one-time change to their existing payroll management systems to accommodate the specific requirements of the Nova Scotia Basic Personal Amount.



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