



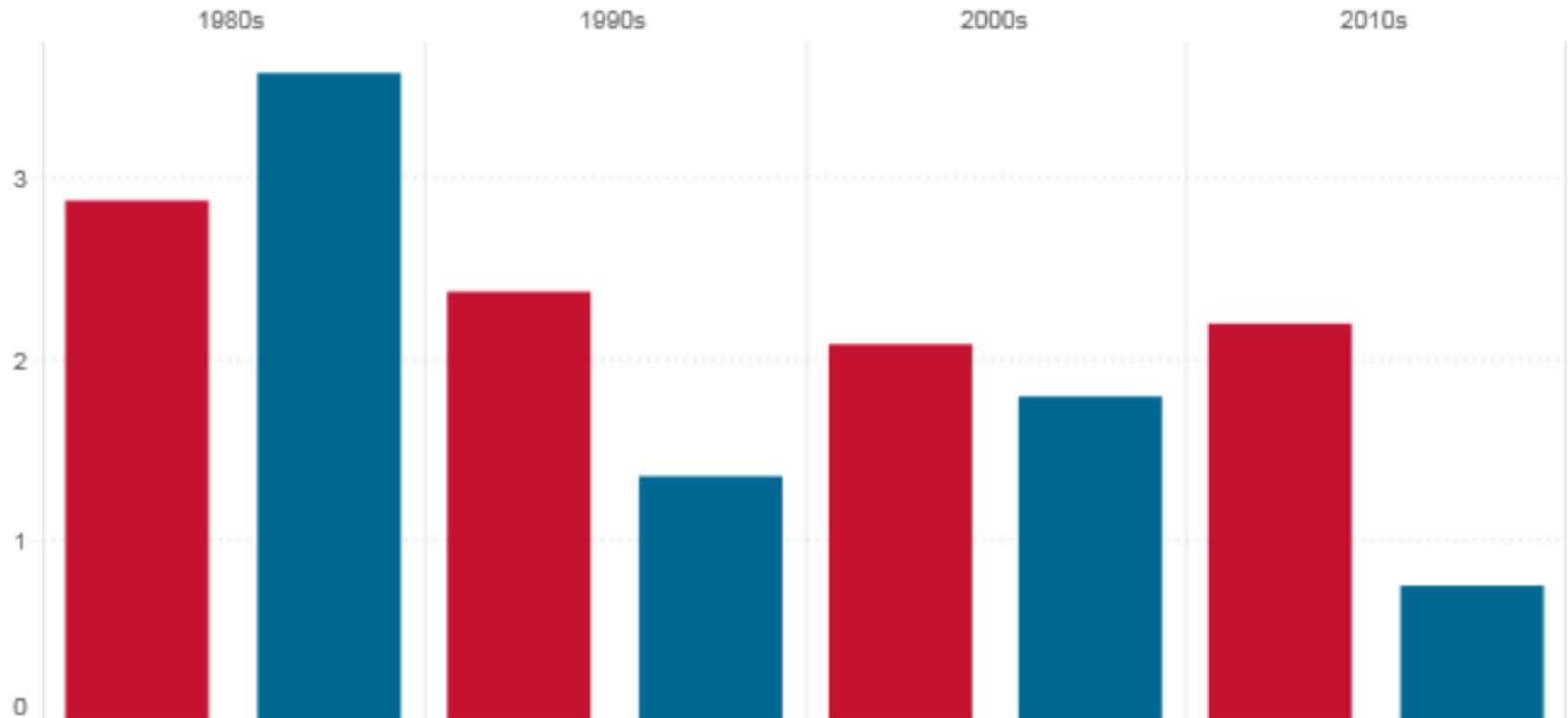
# Bringing the 'voice of business' to regulatory reform

November 2018

# Our beginnings

Provinces' Changing Economic Fortunes  
(real GDP growth, per cent)

■ Can... ■ N.S.



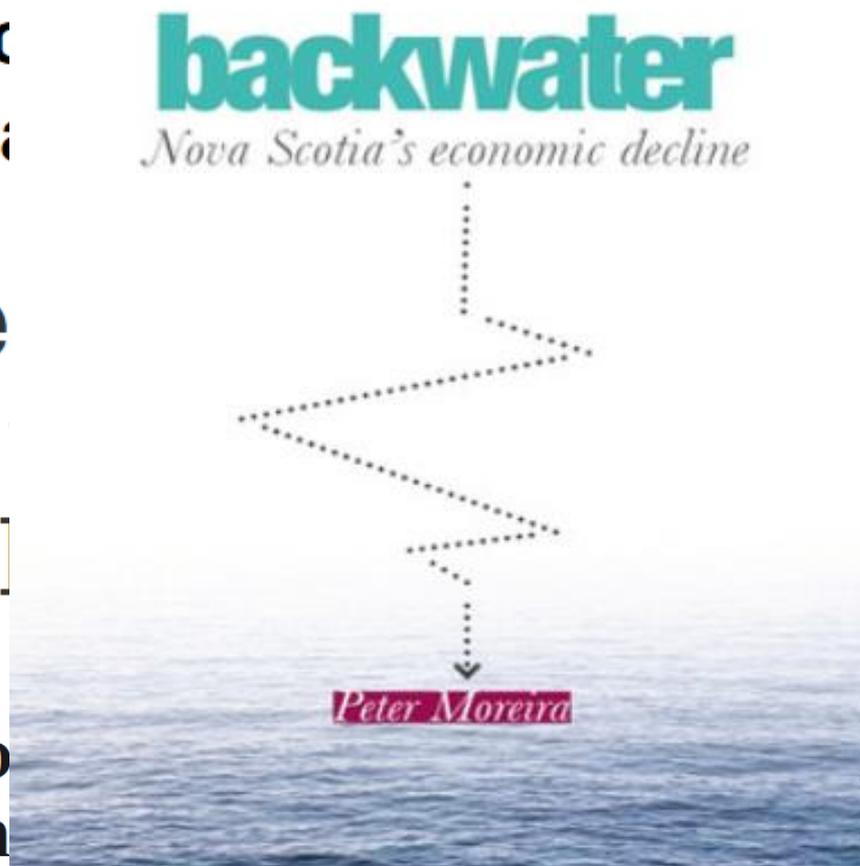
Sources: The Conference Board of Canada; Statistics Canada.

# How the Maritimes became Canada's most vulnerable shrinking region

Canada 150: A lost 'Golden Age' and the decline of East Coast cities

Cape Breton's economic decline leading to the island's political independence

Halting Nova Scotia's economic decline needs urgent action



# Charting a Path for Growth



## Nova Scotia Tax and Regulatory Review

November 2014

Laurel C. Broten

Lead, Nova Scotia Tax and Regulatory Review



- **Unnecessary, costly, complex, duplicative rules restrain business growth**
- **A strong, efficient regulatory environment can enhance productivity in public and private sector and support economic growth**
- **A more aligned regulatory environment (across the region and country) can provide easier access to new markets for business**

**More of the same will result in  
more of the same**

# Office

**Reduce barriers to  
doing business**

**Measurement**

**Service**

**Inter-  
governmental**

# How we started

- Deputy Minister (Chief Regulatory Officer) held informal discussions with the business community (associations, leaders, owners)
- Jurisdictional scan + research for components of sustainable and meaningful regulatory reform programs
- Surveyed 400+ NS business
- Held workshops and focus groups

***“Starting a business is terrifying.”***

***“Nobody’s accountable.”***

***“The information was vague.”***

***“There is no service excellence.”***

***“I called and got shuffled around.”***

***“They did not get back to me in time.”***

***“They don’t care about my business.”***

***“If they are wrong, too bad.”***

***“I personally think inspectors should be there to help.”***

***“I was given incorrect information.”***

***“Websites are so complex.”***

***“I called back the second time and got a completely different answer”***

***“It’s hard to get a hold of inspectors.”***

# Insights

- Economic opportunity of regulatory improvement/ alignment more significant than initially understood
- Business and government both believe a strong regulatory environment is synonymous with a high-functioning economy
- The business-government relationship is typically transactional and compartmentalized
- In government, no one 'owns' the relationship with business, the lack of understanding and coordination contributes to unnecessary burden

# The Insight

**Sustainable** regulatory reform and modernization **requires** an involved and meaningfully-engaged business community.

# Insights to action

- Foundational work**
- Charter of Principles identifies stakeholder consultation as critical
  - Legislation has review and sunset clauses to respond to business community's input
  - Developed a set of stakeholder principles *with* stakeholders
- Intergovernmental work**
- Partner with business community to identify areas of priority for regional alignment
  - Pilot project with Halifax Regional Municipality has a business advisory panel; chaired by business leader

# Insights to action

## Measurement

- Business involved in development of costing model and piloting
- Input included in estimates for costing/savings
- Identified areas for burden reduction to meet \$25 million (net) target

## Service

- Business navigation service (first in Canada) developed as a result of input
- Introduced as a pilot; clients surveyed; results determined if program should be extended

# Insights to action

- Communications**
- Stakeholder management software utilized to manage relationships
  - Business input sought in all aspects of communications – website, annual report, etc.
  - Business is surveyed on effectiveness of our communications; feedback is incorporated
  - The role of the business community in communicating our work is discussed in most interactions (workshops, surveys, etc.)
  - Businesses are proactively asked to share our work with their networks

*"The Office has worked hand in hand with our Chamber of Commerce to ensure government is disciplined in creating an improved business climate through regulatory modernization and harmonization. Over the past year this has yielded significant positive results for our business owners doing cross border transactions in Atlantic Canada."*

ADRIAN WHITE, CEO  
Sydney and Area Chamber of Commerce

*"The Office 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. Atlantic Canadians are reaping the benefits."*

JACK KYTE, EXECUTIVE DIRECTOR  
Pictou County Chamber of Commerce

*"CFIB's goal is reducing the cost of government red tape for small and medium-sized business, so we're encouraged by the Office of Regulatory Affairs and Service Effectiveness' consistent focus on cost reduction for business, and the setting of achievable targets."*

JORDI MORGAN, VICE PRESIDENT - ATLANTIC  
Canadian Federation of Independent Business (CFIB)

*"The Office is helping the restaurant industry in two ways: streamlining regulations to make it easier for restaurants to operate and serve their customers, and helping new start-ups navigate the complexities of opening a new business."*

LUC ERJAVEC, VICE-PRESIDENT,  
Atlantic Restaurants Canada

*"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, PRESIDENT AND CEO  
MacGregor's Industrial Group

*"Business Navigators are proof the province is serious about being open for business. Their expertise and commitment to helping businesses succeed will set Nova Scotia apart from our competitors."*

JUANITA SPENCER, EXECUTIVE DIRECTOR  
Spring Garden and Area Business Association



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

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

# Challenges

- Business knowledge/understanding varies greatly across government; some do not see value in understanding business
- Level of comfort with ongoing relationship with business varies, including comfort with candid discussions
- Regulators concerned with maintaining 'too close' a relationship with business
- There is not a consistent understanding of meaningful consultation + consultation fatigue
- Balancing bringing the voice of business within government to not taking on an advocacy role
- Business knowledge / understanding of government varies; what appears to be a 'simple fix' is often anything but