

Agile Business **Regulatory Reform Initiatives** *Annual Report 2017–2018*



New Brunswick
Nouveau Brunswick

Table of contents

| | |
|---|---|
| Message from the Minister of Economic Development and Small Business..... | 1 |
| Regulatory burden reduction: What was accomplished in New Brunswick..... | 2 |
| Atlantic Regional Regulatory Alignment: Joint Office of Regulatory Affairs and Service Effectiveness..... | 5 |
| Working with our national counterparts to reduce barriers..... | 7 |

**Agile Business
Regulatory Reform Initiatives
2017-2018 Annual Report**

Published by:

New Brunswick Jobs Board Secretariat
Government of New Brunswick
P. O. Box 6000
Fredericton, New Brunswick
E3B 5H1
Canada

ISBN 978-1-4605-1970-7 (PDF: English)
ISBN 978-1-4605-1971-4 (PDF : français)

12120

Message from the Minister of Economic Development and Small Business

The best path forward to economic growth in our province is to create conditions where our private sector can thrive. Many New Brunswick businesses have expressed concerns about the complexity of doing business in New Brunswick.

Straightforward transactions such as paying licensing fees, filling out compliance forms, and the fees and costs associated with paperwork present areas for improvement.

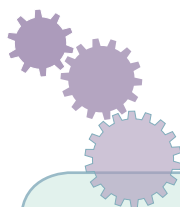
Significant progress was made in 2017-18 on several regulatory initiatives to facilitate simpler business transactions and expand the use of technology to improve efficiencies.

In the year ahead, our government will undertake a red tape reduction effort designed to reduce, in absolute terms, the number of regulations and the amount of paperwork small business owners encounter on a regular basis.

Creating a stronger regulatory system without unnecessary complexity or cost, will play a central role in our broader strategy to create the conditions that energize our private sector and lead to economic growth and prosperity.



Honourable Mary Wilson
Minister of Economic
Development and Small Business



What is regulatory burden?

The time and monetary costs required for business to comply with regulation, legislation, policy, procedure, or practices. It also includes government services and internal processes that, when changed, have a business impact.

Regulatory burden includes expenditures, fees and time spent on compliance, including finding information, applying for and receiving permission from government to operate (permits, licenses, and certifications). It also includes time spent on paperwork and inspections.

Taxation, minimum wage and government spending are excluded.



Regulatory burden reduction: What was accomplished in New Brunswick

Several regulatory and legislative amendments, as well as process improvement initiatives, have been undertaken to facilitate business transactions. From improvements to the Environmental Impact Assessment (EIA) process to expanding the use of electronic submissions for land registry, these changes touch a variety of sectors, large and small.

Online License Renewal Project within the Pesticides Program

In the fall of 2017, the Department of Environment and Local Government (ELG) launched an Online License Renewal Project within the Pesticides Program. This project has enabled approximately 100 small to medium-sized businesses and about 1,000 individuals in New Brunswick to apply for and receive their annual pesticide licenses within 15 minutes, as compared to a two-week time period under the previous process.

Improve the overall efficiency of the Environmental Impact Assessment (EIA) process

There has been significant work completed since 2014 to improve the overall efficiency of the EIA process, including actions to streamline the process for project proponents (small, medium and large-sized businesses). Actions completed in the 2017-18 fiscal year include:

- The launch of an updated EIA Registration Guide to assist proponents in determining and satisfying EIA requirements for upcoming projects;
- The implementation of a hindsight survey for proponents following the completion of an EIA review to ensure that ELG's EIA Branch is aware of any concerns regarding the process, with the goal of implementing initiatives to address concerns; and
- The development of a long-term outreach and education strategy to keep EIA participants, including proponents, aware of the process and any change in requirements.

It should be noted that overall, one of the benefits of the improved EIA process is that it provides proponents with a

“one stop shop” to help identify all regulatory requirements related to their proposed projects (e.g., federal, provincial, and municipal permits, approvals, and other authorizations).

Certificate of (fish) Health for Transfer

A harmonized Certificate of Health for Transfer (COHFT) is now being implemented throughout the Atlantic provinces' Atlantic salmon farming sector. Provincial aquatic animal health veterinarians have standardized the testing and sampling requirements across the four Atlantic provinces to obtain a COHFT. This will provide consistency for the salmon farming sector and private aquatic animal health veterinarians when transferring live salmon across provincial borders within Atlantic Canada.

Marine Shellfish Leasing and Licensing Approval Time

The Government of New Brunswick owns submerged lands that are suitable for the cultivation of marine shellfish. Some of these lands are available to be leased to shellfish farmers to start or increase production. Shellfish business owners must apply for a lease and licence to operate on such lands. This process is called the “Marine shellfish leasing and licencing” process.

A more streamlined application process to issue a lease and licence for shellfish aquaculture activities was established for pre-identified aquaculture sites. This new process is now being utilized for all new applications in those pre-approved areas. Five applications have gone through the entire process thus far and the average time to obtain a lease and licence has been reduced by 480 days (now 185 days instead of 665 days).

Deferring annual registry/renewal dates for farm businesses

Amendments have been made to regulations under the *Agricultural Producers Registration and Farm Organizations Funding Act* and the *Gasoline and Motive Fuel Tax Act* to change the annual expiry date from October 31st to January 31st. The new expiry date will allow producers to apply at a



more convenient time of year. The current October renewal period is during the season when many producers are busy with harvest and end-of-season activities.

Amendments to a regulation under the *Boiler and Pressure Vessel Act* to modernize/harmonize standards

Adoption of newer codes and standards allows New Brunswick to harmonize and remain competitive with other provincial and territorial jurisdictions across Canada, which have already adopted or are in the process of adopting them.

One of the most significant changes with the updated standards is to permit the use of new gas piping technologies that will allow a less costly and less labour-intensive method of installing gas piping systems.

New tax remittance option for qualifying taxable propane retailers

A new tax remittance option has been created for qualifying taxable propane retailers, as part of the Department of Finance's ongoing efforts to reduce administrative burden for small and medium-sized businesses. All taxable propane retailers who report on propane volumes resulting in a tax remittance of less than \$2,500 in the preceding calendar year now have the option to file their propane tax return annually rather than the current monthly requirement.

Amendments to the General Regulation under the *Shortline Railways Act*

Amendments to the General Regulation under the *Shortline Railways Act* were approved by government in February 2018. The amended regulation adopts key elements of amended federal regulation. Since New Brunswick Southern Railway operates on both federally and provincially regulated track, it will no longer have to bear the cost of complying with multiple sets of rules.

Recognize electronic communication between landlord and tenants

Amendments have been made to the *Residential Tenancies Act* to recognize electronic communication between landlord and tenants. These amendments add one more channel of acceptable means of communication between landlords, tenants and the Residential Tenancies Tribunal. The amendments are increasing the ease of doing business as electronic communications are now considered the equivalent of written communications.

This initiative also reflects government's commitment to use technology to improve efficiencies in service delivery.

Land Registry - expand the concept of electronic submission of documents for registration or filing purposes

Amendments have been made to the *Land Titles Act* and *Registry Act* (and associated regulations). Among other things, the amendments:

- Expand the concept of electronic submission of documents for registration or filing purposes;
- Enable members of the Law Society of New Brunswick and land surveyors in good standing with the Association of New Brunswick Land Surveyors to submit approved documents electronically; and
- Expand the hours for the receiving of documents for registration or filing purposes.

The amendments are saving lawyers and surveyors time and money when submitting documents to the central registry office in St. Stephen.

Craft Alcohol Policy Lab

The Craft Alcohol Policy Lab was initiated in fall 2017 to optimize the experience and growth of the craft alcohol industry and maximize economic value to stakeholders in New Brunswick. This project looked at the system that supports, regulates, hinders, and accelerates the path to market for craft alcohol producers in New Brunswick. Through this project, government and industry have begun working together to enable growth in the industry and are now looking to implement the recommendations stemming from the lab.

Atlantic Immigration Pilot

New Brunswick is participating in the Atlantic Immigration Pilot (AIP); a three-year employer-driven immigration program to attract and retain global talent while supporting population growth and addressing labour shortages.

AIP has impacted businesses by introducing an improved pathway for targeted economic immigration (i.e. an employer drives the recruitment process to fill labour shortages). Provincial government staff also assist local employers with identifying, hiring and supporting skilled foreign workers. In 2016, prior to engaging in AIP, 156 employers were leveraging immigration to address labour needs. In 2017, that increased to 336 employers (115% increase over the previous year).



Memorandums of Understanding (MoU) Between Opportunities NB and the Regional Service Commissions

Opportunities NB signed MoUs with New Brunswick's 12 Regional Service Commissions to:

- Develop, strengthen and maintain effective collaboration between ONB and the Regional Service Commission members in addition to other agreed upon delivery agents, by aligning community economic development priorities; and
- Improve information sharing and coordinated approaches to common processes between identified partners as it pertains to community economic development.

Under the agreements, Opportunities NB will place community economic development executives in regions (in addition to the business development executives already located across the 12 regions today). These executives will meet with municipal government and local service district advisory committees, industry groups, chambers of commerce and other local and regional stakeholders on a regular basis to discuss specific community economic development opportunities. The executives will support local and regional opportunities through their connections with appropriate provincial and federal government departments and agencies.



Atlantic Regional Regulatory Alignment: Joint Office of Regulatory Affairs and Service Effectiveness

The Joint Office of Regulatory Affairs and Service Effectiveness was established in 2015 as a partnership between New Brunswick and Nova Scotia. Prince Edward Island and Newfoundland and Labrador joined later in 2015 and in 2016, respectively.

The purpose of the Joint Office is to achieve greater economic growth through improved, aligned, and reduced regulation across Atlantic Canada to provide business with easier and less costly access to a larger market.

Independent research, including that of the Atlantic Provinces Economic Council (APEC), has validated the vision of the four Atlantic premiers that a relatively small reduction in internal trade barriers (mostly unnecessary regulatory differences)

among the four provinces can add significantly to Atlantic Canada's economic performance.

To realize the economic promise presented by regional regulatory efficiency, the Joint Office began its work by developing a shared foundation for its regional agenda. The early work included the adoption of the Premiers' Charter of Governing Principles for Regulation across the region and passage of mirror legislation.

To build on this foundation, the Joint Office has been leading an alignment agenda, using as a guide the priorities identified by APEC, along with the input and advice of the business community.

Our regional work to date:

A Shared Foundation for Regulatory Excellence

Adoption of Charter of Governing Principles for Regulation: All four Atlantic provinces have adopted the Charter of Governing Principles for Regulation which provides a shared framework for regulatory excellence.

The Regulatory Accountability and Reporting Act: Legislation has been passed and proclaimed in all four Atlantic provinces.

A Common Approach to Assessing and Measuring the Impact of Regulation on Business: Nova Scotia developed and implemented the Business Impact Assessment (BIA)

application which measures the impact, including in dollars, of individual regulatory proposals. New Brunswick, Prince Edward Island and Newfoundland and Labrador are in various stages of considering or implementing the BIA tool.

Shared Approach to Service: A Business Navigation service was developed, piloted and now a permanent feature in Nova Scotia to help start-ups and existing businesses navigate what can be a complex regulatory environment. Other Atlantic provinces are at various stages of considering the implementation of such a program.

Regional alignment initiatives

Labour Standards

Align timing of minimum wage changes: The minimum wage now changes on April 1st in all four Atlantic provinces.

Occupational Health and Safety

Mutual Recognition in specific areas of Occupational Health and Safety - Training and Equipment



A Memorandum of Understanding (MOU) is being developed to formalize mutual recognition in the areas outlined below:

- Safety equipment: eye and face protection, high visibility clothing, hearing protection, personal floatation devices and respiratory protection;
- Safety training: fall arrest training, traffic control training and confined spaces training.

Jurisdictional scans to identify other common and unique occupational health and safety requirements are underway.

Technical Safety

Harmonization of Eligibility Requirements and Mutual Recognition of Licenses for activities and occupations in Technical Safety in areas such as elevators, pressure welding, and amusement rides. It also covers areas in electrical, plumbing, propane and compressed natural gas.

Atlantic Canada Technical Safety: The four Atlantic provinces are pursuing regulatory alignment of technical safety regulations. The requirements for licensing, inspections and enforcement will be harmonized to the extent possible, bringing improved consistency across the four jurisdictions.

Workers Compensation

One Business – One Number for Workers' Compensation: Nova Scotia and New Brunswick are now using the Canada Revenue Agency's Business Number for a business to register for workers' compensation; simplifying the business' interactions with government agencies. Prince Edward Island and Newfoundland and Labrador are working towards implementation by mid-2018 and end of 2018, respectively.

Procurement

Common solicitation procurement documents for Construction (Maritimes only): A framework for a harmonized 'instruction to bidders' document has been developed, which is one of the more significant procurement documents in this area.

Additional areas for procurement alignment are in the process of being identified, aided by a survey of vendors across Atlantic Canada.

Insurance

Mutual Recognition for Temporary Licenses for Insurance Adjusters: Insurance adjusters can now operate outside of their home province in an Atlantic Canadian province for 90 days after a catastrophic event.

Transportation

Standardizing Carrier Profiles: The Atlantic Provinces have made changes to eliminate differences associated with carrier profiles within Atlantic Canada. This will eliminate the need for transportation companies to invest time and money in being familiar with four different sets of standards within the four provinces. Work is now being done to harmonize demerit point systems in the four provinces, which will align more closely with the nationally standardized Conviction Equivalency Table.

Shared training of Transportation Enforcement Officials: Opportunities for shared training of transportation enforcement officials have been identified, with staff now consulting regularly with Atlantic counterparts when developing training schedules.

Nova Scotia and New Brunswick Joint Over-Dimension Permits for Trucking: New Brunswick and Nova Scotia are developing a joint portal for over-dimension permits for the trucking industry. This means a trucking company will only need to apply once for a permit to cover both provinces.



Working with our national counterparts to reduce barriers

The Canadian Free Trade Agreement (CFTA) was ratified in July 2017. The objective of the CFTA is to reduce and eliminate, to the extent possible, barriers to the free movement of persons, goods, services, and investments within Canada and to establish an open, efficient, and stable domestic market. New Brunswick continues to be actively involved to ensure the agreements' successful implementation.

CFIB Golden Scissors Award

This award recognizes politicians, public servants, or other Canadians who have shown leadership in cutting red tape. In 2017, CFIB handed out a one-off edition of the award to provincial and territorial trade ministers, to celebrate the passing of the Canadian Free Trade Agreement (CFTA). Minister Roger Melanson, as the minister responsible for trade policy, was the recipient of this award.

Inaugural meeting of federal, provincial and territorial ministers under the new Canadian Free Trade Agreement

In November 2017, New Brunswick hosted the inaugural meeting of federal, provincial and territorial ministers under the new CFTA in Dieppe. The focus of the meeting was to ensure strong implementation of the agreement and discuss progress achieved on new collaborative initiatives. In this context, ministers wish to maintain momentum in implementation and dismantle barriers to internal trade.

Mobility and Qualification Recognition Working Group Secretariat

As of April 1, 2017, the Department of Post-Secondary Education, Training and Labour is hosting the Mobility and Qualification Recognition Working Group Secretariat for a period of three years. The Forum of Labour Market Ministers created the Labour Mobility Coordinating Group (now called the Mobility and Qualification Recognition Working Group) to coordinate the ongoing implementation and adherence to the Labour Mobility Chapter of the CFTA.

By hosting the Mobility and Qualification Recognition Working Group Secretariat, New Brunswick is positioning itself to lead the removal of certification barriers, thus providing greater access to skilled workers for employers by facilitating the free movement of certified workers across provincial and territorial boundaries, wherever opportunities exist.

