OFFICE OF REGULATORY AFFAIRS AND SERVICE EFFECTIVENESS 2023 ANNUAL REPORT

# **Reducing Red Tape Together**





### **INTRODUCTION**

How, when, and why government regulates is foundational to tackling our province's core priorities: better and quicker access to healthcare and building more housing faster. Take too heavy a hand and progress can grind to a halt; regulate too lightly and safety can be at risk. The Office of Regulatory Affairs and Service Effectiveness (the Office), with the input and support of provincial departments, leads government's efforts to find the right balance, reducing red tape while ensuring our regulatory environment is part of the solution to tackling our most pressing issues. By working together, progress is being made.

Our 2023 Annual Report outlines the actions and results from the past year and plans for 2024. Both reflect the impact and potential of collaborating on a common cause: bringing to life government's commitment to provide better services, faster processes, and accountable government to Nova Scotians, using regulation as one of its key tools.



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### **MESSAGE FROM THE PREMIER**

As Premier, a big part of my job is to listen. And when it comes to red tape, I hear an earful. Whether it's a doctor who's been asked to complete a paper-based form that's 10-years old and 10 pages long, a developer who has been waiting years for the go-ahead for their housing development, or a new Nova Scotian who wants to start a business but is paralyzed by hoops that they must first figure out and then jump through.

Whatever the issue, my response is the same: government shouldn't be creating problems; it should be solving them.

Solutions come in different forms. Some require new thinking – looking at an old problem in a new way. Others require added resources – more people or new systems. Whatever the solution, tackling any issue must begin with the same question: why does this problem exist? Too often, the answer to "why" is rooted in government rules, requirements, and regulations. For these, the solution is changing them.

That lens – identifying problems created by red tape and removing it – is the focus of the Office of Regulatory Affairs and Service Effectiveness. It's why they exist. While this lens can be applied across all sectors and areas, I've asked the team to focus on the priority areas of healthcare and housing.

And they are delivering. Nova Scotia is the first jurisdiction in the country to set the ambitious target of removing 400,000 hours of red tape from our physicians. To date, we have saved **250,000 hours** and will deliver the remainder, maybe more, by the end of 2024.

With the Office's help, Nova Scotia is the first to pass legislation to set the stage for a fast-track development approval process for trusted partners, removing unnecessary hoops and redundancy. This is in addition to their ongoing work: providing award-winning, hands-on service to help new businesses navigate the regulatory environment, representing Nova Scotia on the national table to reconcile regulatory approaches across the country, and assessing and measuring each of those approaches for business impact.

The team, supported by its many partners, works relentlessly to ensure government regulation is right-sized, does not overreach, and is practical in its approach. Perhaps most importantly of all, they measure the impact of the solutions they drive.

The Office is in the business of solving problems. And that's exactly where the government should be.

#### Hon. Tim Houston

Premier of Nova Scotia, Minister of the Office of Regulatory Affairs and Service Effectiveness



### **MESSAGE FROM THE CHIEF REGULATORY OFFICER**

Regulation is one of government's primary policy tools. Adding, amending, or removing a regulation can change a course of action: it can make it easier for government to address an urgent issue or it can make it more difficult.

With help from our many partners, our Office is laser-focused on ensuring our regulatory environment is part of the solution; not part of the problem.

Our work in lifting undue regulatory or administrative burden on physicians is an example of this focus. We simply can't afford to have doctors spending time on red tape, when they want, and we need, them to care for us. Eliminating unnecessary work not only improves access to care, it enhances the work environment helping to retain the doctors we have and attract those we need.

Over the past year, our team has similarly worked with industry and government partners to help get more housing built, faster.

We have been able to contribute to these priority areas because of the many partnerships we have built over the years. These stem from the expertise we have developed and continue to perfect in ensuring the regulatory environment for business is modern, nimble and supports a growing economy.

As our Office enters its ninth year, my view on the value, impact, and critical role of regulatory action and its potential in finding and implementing solutions has only deepened. The same holds true for the power of working together.

We have achieved what we have because of these partnerships, and, above all, because of the talented and committed team we have at the Office and their ability to dig into regulatory solutions in areas old and new.

Finally, I would like to thank the Premier for his continued support for our team and our work, which enables Nova Scotia to maintain its position as a national leader in regulatory reform. It's also what motivates our Office to embrace new areas to advance regulatory solutions keeping us agile, energized, and engaged.

#### **Fred Crooks**

Chief Regulatory Officer, Office of Regulatory Affairs and Service Effectiveness



### 2023 RESULTS BY THE NUMBERS: HIGHLIGHTS OF THE OFFICE'S WORK



**400,000:** Physician hours to be saved through red tape reduction efforts by the end of 2024

250,000: Physician hours saved to date

45+: Actions identified

**35:** Actions fully implemented

**13:** Departments and healthcare partners working together towards target



**23,000:** New housing units to be built in 10 special planning areas, recommended by the Executive Panel on Housing

**6 to 9:** Months eliminated from HRM's development approval process as a result of legislative changes recommended by the Executive Panel on Housing in HRM



**12:** Reconciliation agreements signed

7: Reconciliation agreements fully implemented

**\$1B+:** Estimated annual savings to business through reconciliation agreements

#### ASSESSING AND MEASURING REGULATORY IMPACT ON BUSINESS AND CITIZENS

**53:** Regulatory proposals with business impact reviewed by Office

**\$20M+:** Overall regulatory savings (net) to business since 2021

**\$184,900:** Annual cost (net) to business due to regulatory changes in 2023



**9.8/10:** Average business navigation satisfaction rating as rated by clients

15,000: Clients served since 2017

2221: Cases closed in 2023

**100:** Compliance inspectors who received customer service training

**35:** Red Tape Reporting Tool submissions

**10 Business Hours:** Average response time for Red Tape Reporting Tool submissions

### REDUCING RED TAPE FOR PHYSICIANS

A high-functioning healthcare system enables and empowers physicians to do what they do best: care for patients. In such a system, physicians aren't spending hours filling out paperwork and doing work that other healthcare professionals have been trained to do. Government is building towards such a system. Part of this work includes significantly reducing the time spent by physicians on unnecessary administrative work, or red tape.

Enter the Office. For the past few years, it's been applying its experience and expertise in improving and streamlining the regulatory environment for business to reducing red tape for physicians. Red tape impacts doctors in many ways: it erodes productivity and reduces work satisfaction. It includes long and overly complex forms, difficult and redundant processes and not explicitly allowing all healthcare professionals to work to their full scopes of practice.

In 2023, a transformational target was set by government to reduce the amount of unnecessary burden for physicians by 400,000 hours a year by the end of 2024. That's the equivalent of 1.2 million annual patient visits.

To date, more than 45 actions have been identified to achieve the target; with 35 fully completed and implement. The actions completed to date are estimated to collectively save physicians more than **250,000 hours** of time; that's nearly two-thirds towards achieving the target.

- Target to reduce physician red tape by **400,000 hours** a year by 2024.
- 45+ actions underway or complete
- 250,000 hours saved to date



#### Limiting The Use Of Sick Notes

Physicians have long said that the amount of sick notes for short-term illnesses that they are requested to complete is unnecessary and burdensome.

The new **Medical Certificates for Employee Absence Act** prohibits employers from requesting sick notes from employees for the first two illness-related absences of five days or less, in the previous 12-months and expands the list of eligible healthcare providers who can complete such notes when they are necessary. In addition, Nova Scotia Health has changed its policies to significantly reduce its requests for sick notes for staff whose illness extends beyond five days.

This action will save doctors over 67,000 hours a year.

## Using Healthcare Professionals to Their Full Potential

Several healthcare professionals can now put to use more of the skills they trained for, including nurse practitioners, pharmacists, and nurses, to name a few. This expansion redirects work from physicians to other, more appropriate health professionals ensuring Nova Scotians have faster access to the care they need, while giving physicians more time to do focus on work that only they can do.

#### These actions include:

- Piloting 31 community pharmacy primary care clinics where pharmacists can treat or prescribe medication to patients with common illnesses including strep throat, urinary tract infections and lyme disease prevention,
- Enabling the use of Physician Assistants to conduct exams, order blood tests, prescribe medication and other healthcare services under the supervision of a physician,
- Registered nurses are now attaching new patients to primary care providers at some collaborative care clinics, and
- Allowing nurse practitioners to admit patients to hospital.

#### **Meet Our Physician Advisors**



Dr. Amanda MacDonald-Green

Dr. Osama Loubani

In 2023, in partnership with Doctors Nova Scotia, two Physician Advisors are now supporting the work to reduce physician red tape. These practicing physicians bring new ideas and energy to the work and provide insight only possible by those who work in the system. They also help us estimate how many hours each action saves our physicians, validation which is key to our work.

#### **Standardizing Insurance Forms**

Physicians have long raised the number, length, and variety of insurance claim forms that are required to be completed. In collaboration with the Life and Health Insurance Industry, Canada's first standardized Short-Term Disability form was created accepted by all life and health insurers. This condensed the number of different forms a physician must complete from 28 to one. The next step will be to standardize the Long-Term Disability Form.

#### What's Next?

The Office will:

- continue to implement and measure actions as they get off the ground, to achieve the 400,000 hours-saved target by the end of 2024,
- seek out new ideas and projects to ensure its work does not stop when the target is achieved, and
- based on the success of the physician red tape reduction work, pilot a project to reduce red tape for the nursing profession.



### **REDUCING RED TAPE TO BUILD MORE HOUSING, FASTER**

Increasing the supply of housing in the province, is one of government's key priorities and of critical importance to Nova Scotians.

With an increasing number of people choosing to make Nova Scotia their home, it's more evident than ever that there is a critical lack of housing. That is why, throughout 2023, the Office worked alongside the Department of Municipal Affairs and Housing to make legislative changes to remove barriers to the development of housing in HRM and to help design an innovative program to fast-track approvals for trusted partners.

Since 2021, amendments to the **Housing in the Halifax Regional Municipality Act** and the **HRM Charter** have helped bring down barriers that stifle housing development through:

- Setting the stage for one of Canada's first and the most robust trusted partner programs, which will provide qualified developers, who have a solid track record of quality developments, expedited services,
- The designation of 10 Special Planning Areas that will fast track 23,000 housing units,
- Removing 6-9 months through changes to both the province's and HRM's approval processes.



#### A Faster Path to Development: the HRM Trusted Partner Program

In effort to speed up the development approval process and incentivise high-quality applications, a new program is being designed for developers and builders with an established record of submitting accurate and complete development applications, and who meet a set of criteria, to access an expedited path for development.

The creation of the HRM Trusted Partner Program was a key recommendation of Deloitte's **Housing Development Barrier Review Report**. Its foundational premise is one of reverse onus, where the responsibility of submitting complete and accurate applications will largely be with the trusted developer and builder partners, avoiding time consuming and duplicative reviews by HRM staff. Periodic audits ensure submissions are complete, accurate and comply with by-laws.

When fully implemented, the fast-track program will result in timelier approval for development, the reduction of staff workload and will provide a significant incentive for quality planning and development applications. Most importantly is the outcome: more Nova Scotians in homes, sooner.

#### **Redrawing the Blueprint for Building Official Training**

Building officials, commonly known as building inspectors, ensure safety and compliance throughout the home building process. Like many other provinces, Nova Scotia is experiencing a shortage of these qualified professionals, which can contribute to delays in the construction of homes.

Together with municipalities across the province, the Office identified barriers affecting the retention, recruitment, training and certification of qualified building officials. In response to this work, Government announced \$400,000 of funding to support the Nova Scotia Building Official Association as they expand access to training and has also committed to removing barriers to the equivalency process for officials trained outside the province. Government is also removing a six-month on-the-job training requirement that the Office's work identified as a unique requirement to Nova Scotia.

These actions will increase access to training and certification in a field critical to the construction of houses and help building officials keep pace with development needs around the province.

"The need for more housing is urgent, especially in the HRM. All levels of government need to be bold, diligent, and willing to do things differently to ensure we put forward solutions that give as many people and families as possible a place to call home, as quickly as possible."

#### - John Lohr,

Minister of the Department of Municipal Affairs and Housing

#### **Maintaining Safety While Building Homes Faster**

The Municipality of Cumberland has taken a practical, safety-focused, and expedited approach to ensure that building inspections kept pace with the schedule of a Pugwash-based company that builds manufactured homes. The Office was brought in to help facilitate this solution.

Cross Roads Company Group builds multiple homes at a time inside an enclosed structure and completes a home every four to five weeks. At this rate, inspectors could be needed onsite as often as three times a week to inspect the framing, mechanical, plumbing and insulation, before they are covered up with drywall.

This posed a challenge to Cumberland due to a shortage in building officials, and a new approach to inspection was needed for these homes where safety and quality could be maintained while respecting the manufacturing schedule. The Municipality considered out-of-the-box options and Cross Roads became a fully engaged partner who was willing to try different solutions to find one that stuck, one of which was bringing in an engineer to stamp drawings and oversee the manufacturing process.

This solution allowed Cross Roads to optimize their production, improve communications with the permit and inspections team at Cumberland, and provide the confidence to the municipality that homes are being built to code. The Office was pleased to support Cross Roads and the Municipality of Cumberland through this.

When municipalities and businesses work together to solve problems, they help address our most critical needs, including getting roofs over Nova Scotians heads, faster.



#### Modernizing Legislation and Administrative Processes

Building on administrative improvements made to the HRM Charter in 2022, a series of new amendments made in 2023 remove outdated rules and administrative barriers that slow down development and support recommendations put forward in the Deloitte report. These include:

- requiring the Municipality to create a trusted partner program to fast-track applications,
- temporarily freezing certain charges and incentives, or bonus zoning agreements, for two years,
- streamlining processes for public consultation,
- providing greater authority to municipal staff to finalize the administrative details of a development agreement without having to return it to Council, and
- exempting critical healthcare facilities, including long-term care facilities, from land-use by-laws.

#### **Executive Panel on Housing in HRM**

In 2021, the passage of the Housing in the Halifax Regional Municipality Act established the Executive Panel on Housing in HRM (the Panel), a joint provincial-municipal body solely focused on driving faster planning and development approvals in the province's capital.

Chief Regulatory Officer, Fred Crooks, held the chair position throughout most of 2023 and led the task force in the implementation of the 15 recommendations made in Deloitte's Housing Development Barrier Review. This work has helped reduce barriers to housing through changes to legislation, the approval of 10 special planning areas that could result in 23,000 new housing units in the area, and creating one of Canada's first trusted partner programs.

#### What's Next?

The Office will:

- support HRM with staff time and expertise as they get the trusted partner program off the ground.
- building on the trusted partner program, the Office will work with government departments to streamline the application process for provincial permits for large housing developments,
- continue to partner with HRM and the Department of Municipal Affairs and Housing to identify ways to modernize legislation to remove barriers and improve efficiencies to get shovels in the ground faster, and
- work with government partners to identify additional opportunities to streamline legislative requirements and potentially apply those to other municipalities across the province.

### **REDUCING RED TAPE ACROSS JURISDICTIONS**

The Office represents Nova Scotiaon Canada's Regulatory Reconciliation and Cooperation Table (RCT). Since the creation of the RCT in 2017, 12 reconciliation agreement have been signed covering 18 workplan areas, seven of which are fully implemented. These agreements cover construction codes, energy standards and safety requirements. They remove barriers to working in different areas of the country and are estimated to **save businesses over one billion dollars every year.** 

The following agreements were successfully negotiated or implemented in 2023:

#### **Filtering Respirators**

A 'Made In Canada' set of standards was created for filtering respirators to increase the supply of these types of PPE in Canada. This provides Canadians with increased access to domestically produced filtering respirators at a time where they continue to be at high demand.

#### **Electronic Logging Devices**

Electronic Logging Devices (ELDs) track the consecutive hours of service on the road for truckers. Adopting and certifying one ELD system across Canada ensures safety, reduces accidents, and expedites and reduces the costs of moving goods, which ultimately reduces market prices for consumers.

In addition, the following agreement is expected to be completed early in 2024:

#### **Reciprocity For Gas Fitters**

Differences exist across Canada in the licensing and training of gas fitters and gas technicians. Aligning regulations will allow skilled gas fitters and gas technicians from one jurisdiction to work in other jurisdictions, enhancing nation-wide labour mobility and strengthening interjurisdictional commerce. If successful, this model for reconciliation could be applied to other technical trades.

#### What's Next?

In the year ahead, the Office will:

- continue to contribute to the RCT, making it easier to do business across the country through regulatory alignment,
- support municipalities in navigating regulatory matters without compromising safety and environmental standards,
- work with our regional colleagues to align efforts to reduce regulatory burden, and
- work with the Construction Association of Nova Scotia, other industry stakeholders, and government departments to ensure that energy efficiency standards, including net-zero requirements, are implemented consistently across the province and in a manner that minimizes regulatory burden.

#### **Red Tape Reporting Tool**

In 2022, the Office introduced a tool where Nova Scotians can report red tape they experience and outline its impact. The Office manages the tool, reads every submission, and works to find a solution, where possible, by involving its departmental colleagues.

In 2023, the Office received 35 submissions.

- On average, submissions were responded to within 10 business hours
- The most common areas of interest were:
  - Environmental Assessments
  - Building Permits and Development
    Requirements
  - Physician Billing / Insurance Requirements

Have an idea to reduce red tape that we should investigate further? Let us know.



### **REDUCING RED TAPE BY IMPROVING SERVICE TO BUSINESS**

We all recognize the vital role of small businesses in communities across Nova Scotia. What many may not know is just how daunting it is to get a business up and running so that they can contribute as they do. The Office's team of experienced Business Navigators take the guess work out of that process, answering questions and providing information about licenses, permits, inspections and any other government requirement. In 2023, the Office worked to strengthen and establish new relationships across government departments to bring heightened awareness of the Business Navigation service. This resulted in increased interest in the inspector customer service training delivered by the Office and the adoption of a referral service where inquiries are directed to the Business Navigation team.



Nova Scotia's Business Navigator Service was the first service of its kind in Canada. It has been modeled in other provinces and has been nationally recognized.

#### **BUSINESS NAVIGATORS AT A GLANCE:**

- **15,000** total business owners served since 2017
- Satisfaction rating: 9.8/10
- **2221** business owners supported in 2023
  - 22% were food services and accommodations
  - 12% were retail trade
  - 10% were other services (e.g., automotive repair, personal care providers, cleaning, etc.)



### **CUSTOMER SERVICE TRAINING FOR INSPECTORS**

Passing inspections are an important step towards opening a business. For business owners, the inspection process can be overwhelming and intimidating. Inspectors, as the face of government, have a unique opportunity to help businesses through this critical process.

To support inspectors and the businesses they serve, the Office developed inspector customer service training. In 2023, the training was delivered to over 80 inspectors in the Department of Environment and Climate Change. Given its popularity, the Department of Labour, Skills, and Immigration - Technical Safety Division have also introduced the training to their inspectors - with the intention of enrolling their full team in 2024.

#### What's Next?

- The Business Navigation service will continue to work closely with internal departments to support their business interactions and provide service where applicable.
- The Office will continue roll-out service training across government with departments who have business-facing inspectors.
- The Office will continue a robust outreach program to reconnect with local business associations, entrepreneurship organisations, community colleges and other key stakeholders to strengthen our relationships and reinforce their commitment to helping new and existing businesses plant roots and grow.

Evangeline was phenomenal. Extremely helpful, approachable, prompt, and professional yet friendly. Her depth of information and accuracy were remarkable.

– Zahraa Al-Ali, Owner of Rumi Coffee Company

#### **Exploring How We Inspect and Enforce**

Provincial inspection and enforcement employees are often the 'face' of government for businesses and balance protecting public safety through compliance with provincial rules, with educating businesses while adopting a customer service approach.

Together with partners across Government, the Office will explore provincial compliance and enforcement mandates and operations. The goal would be to ensure a consistent approach across Government where each enforcement program aligns with the underlying policy need. The Office will preliminarily identify solutions and recommend alternative models, if required.

### ASSESSING AND MEASURING REGULATORY IMPACT ON BUSINESS AND CITIZENS

Government regulates to keep citizens, consumers, the environment, and workers safe. It also regulates to ensure businesses are operating in a competitive, yet level, playing field. It is imperative that in fulfilling this function, government ensures that regulatory solutions are proportionate to the issue being addressed and that it is aware of how much a change will cost – or save – businesses.

For the last eight years, the Office's foundational work with departments has been to apply a best practice regulatory lens to every legislative and regulatory proposal and process change affecting business, and measure the impact of these changes. This function of the Office is unique in Canada.

In 2023, 53 regulatory proposals with business impact were reviewed by the Office. Based on these assessments, we estimate a net increase of \$184,900 due to regulatory changes in 2023. To put that increase in context, more than \$20 million (net) has been saved as a result of regulatory changes since 2021.

#### Expanding Extended Producer Responsibility

Nova Scotia introduced new Extended Producer Responsibility (EPR) programs which make manufacturers accountable for the end-of-life waste management of the materials they produce, and improves recycling efforts while supporting waste reduction goals.

A new set of EPR regulations covers packaging, paper products and materials in the residential blue bag recycling program, ensures that producers creating the products, pay for, collect, and recycle the materials at their end of life. Producers must meet recycling targets that encourage more eco-friendly packaging and reduce single-use plastics. Having producers cover the cost of this recycling will save Nova Scotia municipalities around \$25 million annually, and cost producers approximately \$1 million annually.



#### **Cutting Burdensome Fees for Business Reinstatements**

Businesses operating in Nova Scotia are required to be registered with the Registry of Joint Stock Companies (RJSC) and must renew their registration each year. Failure to do so often results in a penalty fee, ranging from approximately \$115 to \$1,100 depending on the business. This penalty fee is the most common fee-related complaint received by the RJSC.

Changes made this year means businesses owners reinstating their business with the RJSC are no longer required to pay this reinstatement fee saving businesses approximately \$325,000 annually.

#### **Counting Regulations**

The Office is committed to measuring the total number of regulatory requirements since the regulatory count began in 2018.

This year's count finds a total of 180,340 requirements, an increase of 1.3% from 2022.

#### What is a Business Impact Assessment?

The Office created the Business Impact Assessment (BIA) to analyze regulatory proposals for best practices. One of the other key features of the tool is that it estimates the costs or savings to businesses that a new, removed or changed regulation will have.

Departments complete a BIA for all proposed new or amended legislation that is expected to impact businesses. Its foundation is the Standard Cost Model, an internationally recognized and utilized method for estimating the dollar cost of the administrative burden of regulation imposed on business.

Costs or savings are estimated by analyzing data such as average hourly wage rates by industry. Other less tangible amounts, such as time, and distribution costs are also included for a more comprehensive estimate.

#### What's Next?

The Office will continue to:

- assess, measure, and track regulatory proposals to business as an important lens in the decision-making process,
- measure and monitor its overall regulatory count as well as identifying and tracking citizen hours saved, and
- train policy staff across government on the BIA process and best regulatory practices to help foster a culture of regulatory, process, and service improvement.

### **2023 BURDEN IMPACT REPORT**

DEPARTMENT	APPROVED AND/OR IMPLEMENTED REGULATORY MEASURE	ESTIMATED (COST) OR SAVINGS TO BUSINESS
Environment and Climate Change	Creating Extended Producer Responsibility Regulations for Packaging, Paper Products and Packaging-Like Products	(\$1,000,000)
Environment and Climate Change	Extended Producer Responsibility: Batteries, Lamp Products and Additional Electronics	(\$1,700)
Service Nova Scotia	Corporations Regulations Act Reinstatement Penalty Fee	\$325,000
Service Nova Scotia	Third-Party Delivery of Alcohol	(\$4,200)
Service Nova Scotia	International Fuel Tax Agreement Software Solution	\$460,000
Finance and Treasury Board	Repeal and Replace the NSLC Regulations	\$36,000
TOTAL BURDEN IMPACT		(\$184,900)*

\*Since 2021, more than \$20,000,000 of annual savings has been realized by businesses through burden reduction efforts.