

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

**COMMITTEE ON
NATURAL RESOURCES AND
ECONOMIC DEVELOPMENT**

Tuesday, February 26, 2019

COMMITTEE ROOM

Red Tape Reduction

Printed and Published by Nova Scotia Hansard Reporting Services

**NATURAL RESOURCES AND
ECONOMIC DEVELOPMENT COMMITTEE**

Suzanne Lohnes-Croft (Chair)
Hugh MacKay (Vice-Chair)
Rafah DiCostanzo
Keith Irving
Brendan Maguire
Hon. Pat Dunn
Elizabeth Smith-McCrossin
Claudia Chender
Lisa Roberts

[Ben Jessome replaced Keith Irving]
[Bill Horne replaced Brendan Maguire]

In Attendance:

Darlene Henry
Legislative Committee Clerk

Gordon Hebb
Chief Legislative Counsel

WITNESSES

Office of Regulatory Affairs and Service Effectiveness

Fred Crooks - Chief Regulatory Officer
Leanne Hachey - Executive Director, Regulatory Reform and Partnership



House of Assembly
Nova Scotia

HALIFAX, TUESDAY, FEBRUARY 26, 2019

**STANDING COMMITTEE ON
NATURAL RESOURCES AND ECONOMIC DEVELOPMENT**

1:00 P.M.

CHAIR
Suzanne Lohnes-Croft

VICE-CHAIR
Hugh MacKay

THE CHAIR: I call this meeting of the Standing Committee on Natural Resources and Economic Development to order. It's February 26, 2019.

I ask that all members put their phones on silent and vibrate. We will have a presentation today from Mr. Fred Crooks and Ms. Leanne Hachey of the Office of Regulatory Affairs and Service Effectiveness. I will ask committee members to introduce themselves.

[The committee members introduced themselves.]

THE CHAIR: If anyone needs coffee or washrooms, they're out in the anteroom. If we should have an emergency, I ask that you leave and go out the Granville Street exit and join us at the Grand Parade. That would be our meeting place. I ask that witnesses wait to be recognized by me so that Hansard has a chance to pick you up on the microphone as well as members here.

We welcome our guests today. I will ask Mr. Crooks to introduce himself and his position as well as the other member of his team.

FRED CROOKS: Thank you, Madam Chair. I'm Fred Crooks, Chief Regulatory Officer for Nova Scotia, and my office is the Office of Regulatory Affairs and Service Effectiveness under the Regulatory Accountability and Reporting Act. With me is our Executive Director of Regulatory Reform and Partnerships, Leanne Hachey. We work particularly closely on intergovernmental and internal trade matters and also on stakeholder relations.

With the indulgence of the committee, Madam Chair, I might ask Leanne to participate with me if she can be more responsive than I can, which is often the case, on questions that are raised by members of the committee. I will say on her behalf, she started the day I think at about 4:30 a.m. this morning, and she has been at a breakfast meeting with stakeholders in Pictou County and back, but she assures me she's in great shape and ready to participate.

THE CHAIR: Okay. Do you have some opening statements for us?

FRED CROOKS: I do indeed. In fact, just-in-time delivery, because I forgot to bring them with me.

THE CHAIR: I think we're all in that kind of day today.

FRED CROOKS: Yes. I know that the committee likes to keep these introductory comments short, five minutes, and I'll endeavour to do exactly that.

Of course, Madam Chair, we're delighted to have the opportunity to appear. We were last before the committee about a year ago. What I would like to do is start today where we started last time. That is, why our office was created, why it is that we do what we do, and why we focus on the specific things we focus on, bearing in mind the mandate of this committee, which includes red tape reduction, but which is broadly economic in its outlook.

We live in the red tape world, as it's called. Obviously, this committee gets it, but there are those who see red tape reduction as a matter of good housekeeping, keeping the house of government in good order in terms of rules and regulations. It is that to some extent.

The primary purpose of regulatory reform, part of which is red tape reduction as we understand it, is fundamentally economic in nature and it's external. It's good to have the house in order internally but it's external in its import from an economic point of view. There are really two main aspects of the economic import of red tape reduction from the point of view of how we organize our work. One is regulatory burden and the regulatory environment and the business climate within Nova Scotia, and the other is the regulatory frameworks that we operate in with our partners, in terms of other provinces and municipalities.

Inside Nova Scotia, having smart and efficient regulation does two things. As the committee is well aware, it protects important social interests, which is right at the top of the list for us in terms of focus.

I should stop for a second to say our mandate is not similar to the mandate that's conferred in some jurisdictions where red tape reduction means kind of stripping out regulatory content and diminishing the programs and protections that are there to keep workers safe and to keep consumers' interests protected and to do all the other things that regulation is there to do, but it's really to streamline regulations so that those interests are well served and well protected while at the same time we don't have a regulatory system that gets in the way of a vital and dynamic business environment, especially for smaller businesses and start-ups. That's where undue regulatory burden affects all business, but it is with particular hardship that it affects smaller businesses and start-ups because they simply don't have the resources or the ability to just say well, we'll pass that cost on. It doesn't mean that red tape is okay when it involves larger businesses, but the impact is more dramatic.

How do we know that having a strong regulatory system internally is important for the business environment? We know it because the research tells us. I'm not going to get into that but there is extensive economic research about that.

We also know it because we hear it loud and clear from the thousands of Nova Scotian entrepreneur start-up small businesses that we've been in contact with over the last couple of years. When I say thousands, literally our business navigation service brought us into contact with - now we're over 3,000 people who are interested in getting into business or who are in business and struggling with the regulatory system.

The other thing we know is that advocacy organizations like CFIB and others, constantly present to us the impact of areas where regulation can improve on their members. So reducing the burden of red tape in Nova Scotia is huge for us, it's a big focus. But there's a second - which I know the committee appreciates - there's a second critically important way in which getting regulation right is important to our economic future and that's more outward. That's looking beyond our provincial borders.

Fundamentally, as everybody knows, we're a trading province and this is a trading region; 59 per cent of our GDP in Atlantic Canada derives from interprovincial trade, compared to a national average of some 35 per cent, 36 per cent. So we are more dependent on trade and more affected when trade is impaired or slowed down by regulatory disharmony, regulatory conflict, regulatory discrepancies with our partners, whether it is in the region or nationally.

Recently, and I think we might have mentioned this the last time we were here, APEC - the Atlantic Provinces Economic Council - in a recent study said we could, even in the Maritimes alone, if we reduced interprovincial trade barriers just among the three provinces by 10 per cent, we could add probably \$1 billion a year in GDP enhancement.

So the opportunity is there and that's why we're pushing so hard. We'd like to see faster results, to be honest, but that's why we're pushing so hard at the regional level for greater harmonization of regulatory programs. If you look at the national level, consistent with the numbers I just mentioned, we stand to benefit in Atlantic Canada, including Nova Scotia, by about twice as much as any other region from diminished internal trade on a national basis.

Atlantic Canada's share - let's say all the barriers to trade that have been identified by economists, whether they're explicit barriers like you can't ship goods in unless you're a local producer, and there aren't too many of those left, most of them are hidden barriers that arise out of regulatory differences - if we eliminated all of those barriers nationally, we'd be looking at probably an \$8.5 billion benefit to the Atlantic economy.

It's going to take a while to get there, but the size of the prize is significant and that's why we're pressing so hard on the national level. This year, Nova Scotia is Chair of the national committee under the Canada Free Trade Agreement on regulatory reconciliation. That's why we're pushing so hard on the national front as well. Some people say, you've got the regional stuff, you've got the national stuff, why are you doing both and isn't there an overlap? They are 100 per cent complementary, and in fact, what happens at the regional level helps us to drive the agenda on the national level.

I guess in conclusion, by way of introductory comments - and I think I'm probably getting close to my five minutes - the red tape reduction is about getting government's house in order inside, but the rationale for it is very much an external impact in terms of the economic environment for our province and for our region.

Maybe since I am close to the five minutes - what's new since we were here last time? We had our \$25 million burden reduction target, which we have announced that we've achieved and, in fact, exceeded. We've gotten to \$34 million, and that's the targeted reduction net of the cost of regulation to businesses. As I mentioned, we've got our business navigators program, which is designed to help particularly small businesses and start-ups navigate through the regulatory maze. We've had more than 3,000 separate contacts with Nova Scotia entrepreneurs - primarily small entrepreneurs and start-ups. Our estimate is - which really understates the impact that this is probably in the order of \$2.5 million to \$3 million in benefit.

In other words, if the businesses that used our services - assuming they could find their way through the maze - the time it would take to do that, if you multiply that by a fairly modest wage estimate, let alone having to hire lawyers and others to help do that, you come up with the number of hours saved to about \$3 million.

We were at A-minus the last time we were here with the CFIB and we've moved to an A from an A-minus, which we're of course very pleased about.

I could go on. These notes do go on. The last time I was here, I think the Chair was very indulgent, but was probably thinking - oh my God, how do I cut this guy off? So I'm going to save you the grief and cut myself off right there.

THE CHAIR: Should we find ourselves speechless, we'll ask you to continue later.

FRED CROOKS: I can finish my introductory remarks if you need something to fill up some time.

THE CHAIR: Thank you. We will start questions with the PC caucus. Mr. Dunn.

HON. PAT DUNN: Just a quick question about something you mentioned. You mentioned APEC and interprovincial trade and the possible savings of \$1 billion. Is there any particular area or province taking the lead in that, pushing it? Is it Nova Scotia or New Brunswick? As far as the co-operation within interprovincial trade, is there a lead person or lead province pushing hard?

[1:15 p.m.]

FRED CROOKS: I'm going to try to be diplomatic in my answer. We have great partners in the other provinces, but Nova Scotia is fortunate in the sense that I think there's perhaps a stronger recognition of the opportunity here, so while we have great partners, we have had the ability to help shape the agenda for the Atlantic Region perhaps to a greater extent than other people and provinces have been able to do. There's no one province designated to lead, but I don't think it would be wrong to say with due modesty that we're leading.

THE CHAIR: Do you have a follow-up, Mr. Dunn?

PAT DUNN: Not at this time, no.

THE CHAIR: Okay. We'll turn it over to the NDP caucus. Ms. Chender.

CLAUDIA CHENDER: Thank you for your presentation. When I was going through the report and the documents that we had, I noticed that there are some exemptions. At the outset, in your introduction, you mentioned that your function is partly an economic one, that that's the driver for reducing red tape. I'm wondering how that determination is made for those exemptions. Presumably, the assessment is that the positive impacts outweigh the burden.

FRED CROOKS: That's one grounds for exemption. There are three, and Leanne ran that program, so I'm going to ask her to comment on it. There are really three grounds of exemption. One is that to get a sense of what the impact of a change in regulation is going to be, you have to take a wider view than just the basic costs that we look at through our costing model. That's one. The second is if there's a matter of significant health and

priority. We didn't want our \$25 million program to be an inducement not to do things that should be done in an urgent situation. I think an example of that, Leanne, if I recall correctly, is the safe body art regulations because from a public health point of view, there was evidence that people were at risk.

The third one is if there are circumstances that we don't control. If something is imposed from outside, for example, by the federal government or through our international trade obligations, then it's still costed so it's transparent. The whole purpose of the \$25 million is to induce good behaviour from the point of view of regulatory objectives so there's not much point in - you can cost it, but that's it.

THE CHAIR: Ms. Hachey, did you want to comment?

FRED CROOKS: Go ahead, Leanne. Sorry.

CLAUDIA CHENDER: Maybe I'll just follow up. I did see those three exemptions.

My question is that when you look at some of the other things that show up on the list that show up as social debits, if you will - I don't know what you guys call the category, but the presumptive coverage, domestic violence leave, Labour Standards Code changes, all of which our Party pushed very hard for. I wonder how that determination in that one category where ultimately the economic benefit would outweigh the cost - I think there's an argument to be made for all three of those, which is why we advocated for those things, that that would also be accurate in those cases. If you have presumptive coverage for post-traumatic stress disorder, presumably someone's going to get treatment, they're going to be less of a drain on the system, and they're going to get back to work.

The only one that was exempted in that category that we saw was the change to the basic personal exemption. My question is, how was that determination made? Did you do a study where you looked at what that consumer purchasing power was going to be from increasing the basic exemption or was it just sort of a sense that that would be a positive thing? I'm just trying to get at how those determinations are made, whether it is exempted.

FRED CROOKS: That's a harder question, Madam Chair. I will hand it over to Leanne.

THE CHAIR: Just a minute, are you going to speak? The microphone has to be on.

FRED CROOKS: I am initially and then I am going to ask Leanne to speak.

THE CHAIR: Maybe we should leave both your microphones on.

FRED CROOKS: That would be great. Sorry about this, I am a flea on a hot shovel.

THE CHAIR: You are enthused.

FRED CROOKS: Excellent questions. Probably for many of the items on the basic list, let's say as opposed to the exemptions, we don't profess to be making a judgment and we don't when the stuff comes over to us. We don't make any judgment on the policy benefits of a particular proposal, so take the presumptive coverage or take any one of a number of things that are - there are a number in the Labour and Advanced Education category, changes to leaves and so on.

Our view simply is to say what is this likely going to cost and, from a compliance point of view, what we don't do and frankly, some jurisdictions do - it may be Australia and maybe in the European community, they have an office like ours, only on steroids times 10. They've got economists who really do an economic analysis of all these things. Our role is really to try to identify mainly the business cost, or the cost of business - not all of them. For example, we don't try to cover - you know there are lots of - it's very conservative so there may be costs or savings. There may be costs due to delay, there may be opportunity costs. We don't try to get at all that.

We've got a very basic thing that is policy neutral. We try to stay policy neutral. The exemption is if it's a situation where it's a matter of urgent public need, and there's not really a question as to whether or not this should be a needs-to-be-done-now kind of thing. Whereas we think the theory behind our office is that government should be accountable to balance its books when it comes to the burden. So if you are going to do something over here that improves - which may be absolutely the right thing to do - improves conditions, whether it's in the workplace or other, the discipline should be there to say what - on the assumption that you can't just keep increasing the cost of burden, there should be some counterweight consideration given to okay, how can we balance that out? That's really the theory behind it. Leanne, after all that, can I pass it off to you?

LEANNE HACHEY: Thank you. I'm not quite sure how much more I can add, other than to say it really is an art, not a science, on the exemption piece. We had discussions in our office, we had discussions with departments. We wanted to make sure there was some integrity to the program, so we weren't at risk of some stakeholder saying well you exempted everything. We wanted to try to find a balance between what meets with some of the criteria that are out there with best practice standards around the world, while ensuring that we had some integrity, that we wouldn't be at risk of folks saying we exempted everything, so in some cases it was a judgment call.

FRED CROOKS: I could add, if I might, just because somebody suggests that it should be exempt, that doesn't get it. We have to conclude that it fits within one of those three categories and easily fits within one of those three categories.

As Leanne says, it's a judgment call and that's why what we don't do - you know there's an argument for saying well if it's exempt, don't cost it; if it's exempt, just leave it out and we thought well no, exempt it in a way that people can see exactly what you're

doing, in terms of you are doing an exemption and if people disagree with whether it should be exempt or not, they can look at it and say there's a cost there that really should have been included, so the total number, as far as we're concerned, should be less than \$34 million, if they took a different view.

THE CHAIR: Ms. DiCostanzo.

RAFAH DICOSTANZO: I really wanted to thank you, congratulate you because I really have noticed with people that I've met 20 years ago - mainly international or new immigrants who have come to open businesses here and failed, and failed badly. One of them was a really close friend who tried to open a daycare. I remember her complaining about red tape for so long that her daycare was open with just my daughter in it because she couldn't have anybody. At the end she closed the daycare and went to Abu Dhabi and opened one of the most successful schools with a Canadian system anywhere. We lost people like her and I have many stories. In the last four or five years, I think my riding has the most successful - new immigrants were opening businesses right, left, and centre. I have two daycares, one with an Egyptian, one with a Chinese. They are succeeding.

I want you to give me examples, what have you changed to allow those businesses to thrive and the new immigrants to open businesses? If you can give me some examples of what you've done.

THE CHAIR: Ms. Hachey.

LEANNE HACHEY: I'll start by saying that one of the biggest users of our business navigation service are immigrant clients. Our three business navigators, who have years of experience serving customers, serving businesses, I think estimate that about 15 per cent to 20 per cent of clients who use the business navigation service are new Nova Scotians. They very much appreciate the in-person, personalized, customized approach to helping them start their business and figure out, as Mr. Crooks said, the maze of regulation because it can be overwhelming. That in-person, in-touch, we often bring immigrant clients into our office to sit down and meet with our business navigators.

In fact, I think on the cover of our annual report this year is a fantastic immigrant entrepreneur who I believe is from the Philippines who our business navigator helped from the very start of his business to helping him launch his business. In fact, our business navigators actually sent copies of our annual report to his family in the Philippines, celebrating his success. That would be one personal example of how our office has helped new Nova Scotians and how our business navigation service has helped them as well.

THE CHAIR: Mr. Crooks.

FRED CROOKS: I think that's probably - I would say that's the main, in terms of the face of the office and the face of government, the provincial government, to immigrants interested and anyone interested, any Nova Scotian interested in starting a business or

having started a business if they are experiencing some difficulty getting things right. It's a real advantage, we believe, and that's the feedback we're getting, to have the sort of one-stop, personal interaction.

There are those who say that really - I've heard it said that having the navigation service is really, in a way, an admission of failure in the sense that we should have systems and it should be online, that will enable the contacts to be made more efficiently. No doubt there are improvements and I know my colleague in Internal Services, Jeff Conrad, is all over that, but there are probably improvements that could be and will be made.

Our experience with this service tells us, particularly with the immigrant community where there are new immigrants and there could be language issues and so on, you can't beat the personal contact and the ability of - I've seen these amazing women who do this work in our navigation service. Part of what they do is help give people a bit of confidence that this is not as overwhelming as it seems, that yes, there's a long list of 60 different things but with a little know-how we can get you through it.

I think it's a signature sort of program from the immigrant community but more generally too.

RAFAH DICOSTANZO: Can I have a quick follow-up?

THE CHAIR: Yes, you may have a follow-up, Ms. DiCostanzo.

RAFAH DICOSTANZO: I held a business event in my riding for all the businesses and I brought in six or seven - NSBI, ISANS, the women's business organization - should I have included you? Maybe you should be. It was through LAE that organized all the presenters. Would you have come with them? I don't remember if we included you. That information would be very useful, if I knew about it. Are you part of the group from LAE when they present to businesses?

[1:30 p.m.]

FRED CROOKS: I don't know but based on this question, I'll be finding out because those are the kinds of meetings that we do come to. We come to community meetings, ones that are organized by MLAs and others. We're in contact with all of those parties that you've named, on a regular basis, to make sure there's a coordinated approach on trying to support new businesses. We'll follow up and find out.

RAFAH DICOSTANZO: Please, because it was very successful. Every member who was there made appointments and went and met with these. Both sides benefited from that, but I don't remember if you were there, or somebody representing you, so thank you.

THE CHAIR: We'll turn it over to the PC caucus, Ms. Smith-McCrossin.

ELIZABETH SMITH-MCCROSSIN: Thank you so much for your presentation and your work. It's really exciting to see removal and reduction of red tape for businesses. If we're going to see our businesses grow, we need to be more business friendly.

One of your points I wanted to clarify and ask you more questions about, you mentioned the potential of an increase to our economy and our GDP with the removal of interprovincial trade barriers, I think you said \$8.5 billion. (Interruption) Yes, that's what I thought. Significant. I certainly see the impact of the trade barriers. I live in Amherst so it's visible constantly. Our neighbouring province, New Brunswick, is quite business friendly. We've watched Moncton grow and prosper and we've watched Cumberland County decline in population and decline in GDP.

I do believe if we had more interprovincial co-operation with New Brunswick and had more alignment of our regulatory affairs that we'd be on a level playing field and we could also grow and prosper as well.

I wanted to ask, can you elaborate on what the barriers are that currently still exist, specifically in what sectors? I've really seen it in agriculture and food, meat inspection, also with licensing of professionals and the inability to go back and forth between the provinces.

Could you identify what those barriers are that you believe, if removed, could have that potential growth of \$8.5 billion?

FRED CROOKS: I appreciate those observations and agree with them. There's hardly an area of the economy - this is one of the challenges - there's hardly an area of the economy that doesn't involve some kind of significant opportunity for bringing barriers down between provinces. Transportation is an obvious one and we can give you some good examples of what has been done and some of the things that remain to be done - food, agriculture.

One of the significant areas of opportunity in the Atlantic Region is the concept of eliminating provincial barriers for purposes of moving food between provinces. By way of example, a jar of jam that is produced in Prince Edward Island can't be sold in Pictou County unless it is not only inspected by the inspection service in Prince Edward Island but then it has to be inspected federally, and federal regulations often are very prescriptive. They are moving to change those, but they can drive, and a lot of this work is done by smaller businesses, craft producers, and some of the federal regulations really get down to things like different sink sizes and a lot of specifications that add a lot of cost in terms of infrastructure.

So there's an area - and that's just an example - where you've got two layers of regulation. You've got the federal layer of regulation, which applies if the food is going to

move interprovincially, and you've got the provincial regulation if it's going to stay within the province. That's true right across the country, but it's especially bad here in Atlantic Canada because we've got small markets.

We've got a total market in Atlantic Canada of \$2.3 million or \$2.4 million, whereas somebody who's producing a product in Ontario, Quebec, Alberta, or British Columbia has a market multiple times the size of the entire Atlantic market, and we know that one of the real challenges for smaller businesses is to be able to build scale, to get access without having to make big leaps in terms of investment and a different cost structure, so we're pushing hard.

The feds are interested in this and they're very supportive. We're working together on improving transportation, arrangements that support the movement of food throughout the Atlantic Region, but one of the issues that we're trying to sort out with them right now is whether there is an opportunity. There is some question about whether our international trade obligations require that we treat our internal domestic borders the same way we treat our external borders. If we do that, then you've got to have the federal regulation on top of the provincial regulation, but we're seeing if we can't find a way around that, but that's an example. There's a long list. Leanne, I'm going to keep talking unless you - Madam Chair, I have to stop myself.

LEANNE HACHEY: As Fred mentioned, the areas of opportunity are endless, so almost anything that you think would be done just slightly differently in each province is. We call them distinctions without a difference.

Previously to the work of our regional office, first aid kits in Nova Scotia looked just a bit different from the first aid kits that were required in New Brunswick, Prince Edward Island, or Newfoundland and Labrador. Because of our partnership with the other Atlantic Provinces, we are in the process of signing an MOU, which will allow mutual recognition of first aid kits, so it doesn't matter. If you have a first aid kit that works for you in Nova Scotia, it will work for you in New Brunswick as well, similar to eye protection, face protection, hearing protection. We used to have different standards amongst the four Atlantic Provinces, but we've agreed to mutually recognize those standards so that businesses don't have to learn what those distinctions without a difference are and then spend money to comply.

There has been work done in occupational health and safety. There has been some work done in transportation. I was actually speaking to someone who runs a trucking company in Pictou this morning and was asking about some of the work we've done on carrier profiles - that carrier profile would be a kind of report card that a trucking company and driver would need so that it drives what their insurance costs are. Of course, the factors that go into the carrier profile in New Brunswick are slightly different from ours in Nova Scotia, which are slightly different in Newfoundland and Labrador and P.E.I.

One of the areas that we're working on is how we come up with just one carrier profile so if you're deemed safe in New Brunswick, you're deemed safe in Nova Scotia, P.E.I., and Newfoundland and Labrador. That work is under way. There is still a lot more work to be done.

In terms of identifying the big areas of opportunity, transportation would be one of them, but underneath transportation, there are a whole bunch of little things, which would include electronic logging devices. Right now, truck drivers keep paper logs for tracking their time. Wouldn't it be great if in the Atlantic Region we had an electronic system to allow drivers to log electronically, saving both them and their business time and money? So again, transportation would be an area of opportunity. We've done some work, but there is still a lot of work to be done.

Part of the challenge of our work is that there isn't one big fix. Regulatory burden or red tape is the accumulation of countless little things, and their undoing is that same work backwards - the undoing of little things. So while we wish there was one big fix, there are some big projects that we are working on. It really is a bunch of little things that we can do to build that momentum to really make that difference and unearth that significant economic opportunity outlined by APEC.

ELIZABETH SMITH-MCCROSSIN: Thank you for that. As the Economic Development Committee, I love to hear those kinds of numbers and the potential of \$8.5 billion. You may already have it, but I'd love to see the actual strategic plan of what you need to do to actually accomplish that. I think that's what we should be focusing on because it's that growth in the economy that is really going to create the change we all need to see and that increase in GDP.

You may have that but if not, is that something you could work towards and share publicly or share that work so that all departments know this is your plan, this is what you are working towards - just to have very specific goals, I guess. Do you have that?

FRED CROOKS: It's an excellent point, Madam Chair, to get from concept and the level of opportunity to delivery. We have work plans regionally, which we're happy to share - regionally, nationally, and within the province. Those are regionally and nationally. Those have to be negotiated. I'm trying to think of how to say this delicately. Not everybody sees how you get to the \$8.5 billion the same way and not everybody has the same level of understanding about what it takes to get there or is prepared to invest this same effort in trying to get there.

At the national level, under the reconciliation table, under the Canada Free Trade Agreement, we've got a list of 23 measures that include workers' compensation, that include food, it includes transportation, it includes occupational health and safety, it includes labour mobility. There is a range of things.

You are touching on one of the most important points, which is how, despite the fact that this work tends to be so incremental, how to really get a group of 12 or 14, or within Atlantic Canada four, focused on the really big-ticket items and then get on with it.

A lot of it is going to be kind of smaller and incremental and that's why this needs to be sustained. I think you're right, there is an opportunity and it all has to be negotiated, but there is an opportunity to be more strategic about how this is approached, which I think is your point. I would agree.

THE CHAIR: Ms. Roberts for the NDP caucus.

LISA ROBERTS: The last time you appeared before this committee you commented that further alignment of the minimum wage in Atlantic Canada was a priority for your office. We know that this year the minimum wage will be going up beyond inflation but still not, in our view, enough. Can you update us on where the conversations are around the minimum wage across those four provinces?

FRED CROOKS: There was significant ambition and aspiration to do this. Again, we had some events intervene. One of our partners had an election cycle - it's just one of the things we've got to cope with.

To be honest with you, I can't tell you where it is. I know that it's not imminent but it's not something that has been abandoned either. Unfortunately, it's one of those things that is on a list and presumably, when the circumstance is right - we haven't forgotten it - it's something that we'll have to continue to work towards. Leanne, do you have anything to add?

LEANNE HACHEY: No, I think that's it.

FRED CROOKS: Our wish would be to see one minimum wage right across the Atlantic Region and one formula, of course, which has to go with it, for adjusting the minimum wage going forward, obviously. Otherwise, they will be out of sync again in a hurry.

[1:45 p.m.]

It's a topic that, frankly, in a way, each province has its own perspective and priorities, we had some promising momentum on that, but these sorts of priorities wax and wane, depending on which jurisdiction you're in. I wouldn't want to sit here and say look, we're close to getting it because I'm not sure that we are, but it's not off the list.

LISA ROBERTS: It's interesting, as you respond I'm realizing that there's two different ways to frame, I guess, the possible benefit of a harmonization of the minimum wage rate, which is just having it standardized across the four provinces maybe makes things a little bit simpler, and in and of itself would be a reduction of red tape.

I guess I'm interested to know if your office also can look at the minimum wage question from the impact of it on businesses even just within our own jurisdiction, for example. There's some evidence that low minimum wage rates are associated with higher turnover at businesses. That actually can be an economic depressor and there's real cost involved in having high turnover. Then, of course, there's the impact on consumer demand, which is a significant driver of economic activity.

Is your only kind of point of entry into it on the harmonization front, or does your office also have a role of looking at it within what we do control, which is within the borders of Nova Scotia?

FRED CROOKS: Thank you, an excellent question in the sense that it gives us a little bit of an opportunity to really say what we do and what we don't do in the office. We are advocates for greater harmony and greater streamlining, so whether it's the minimum wage rates or labour mobility - I was in a company that operated in six provinces at one stage and I looked after human resources and we had the resources to accommodate the fact of the difference. But when you see the cost of having to get yourself organized differently for each province that you're in - that's, if you like, in terms of policy advocacy, where we are is on that side of it.

On the labour or economic implications of what the wage rate is, that's the province of other departments and others in government, though once government decides that it is interested in maybe taking an initiative on a matter of policy, they may well come to us and say, from a cost point of view, what the impact is going to be, or from a savings point of view or, more broadly, what's the economic impact of it.

If it's initiated, we can look at it with the burden reduction lens in mind. But it's not really for us, because then we'd be doing the job of others who have the policy responsibility.

THE CHAIR: Mr. MacKay for the Liberal caucus.

HUGH MACKAY: First, I'd like to comment that I certainly agree with my colleague, the member for Cumberland North, who said it's vitally important that we concentrate on the economic benefits of this and certainly that we don't have communities that are five kilometres apart or cities that are 200 kilometres apart competing with each other in such a small region.

I'm not a fan of big government. One of the questions that often comes up is, wow, you've addressed a problem by creating more government. I think there is a lot of tangible evidence as to why the creation of your office has actually been beneficial for our economy. While I can go to my constituents and can answer to them that we've exceeded our goal, I'd like to have some actual tangible results of how we've done that, and if you could give some examples perhaps of cost savings, in particular program reductions - very specific rather than this global \$25 million figure.

FRED CROOKS: I appreciate the question. We can do exactly that, though I would say it's not a process that's intended to incent program reductions - if program reductions make sense. It's primarily to streamline and enhance.

The person most responsible for leading this - the program for reducing the targeted burden reduction, net \$25 million - is Leanne, and we are very specific. Two things about it. One is, we're very specific about exactly how we got to the \$25 million. The other thing is we're specific about the costs that we netted out against what otherwise would have been a larger achievement. I'm not sure, looking at other provinces, that there is another province that does that; in other words, looks at both sides of the balance sheet. So it's a little different than what you'll see done in other provinces, and we're quite proud of that.

LEANNE HACHEY: I'll pick up where Fred just ended, which is I believe we are the only jurisdiction that provides an inventory of work that has been done, in our case over the past 18 months, where we catalogued all regulations with a cost or saving to business, and actually put that out there for folks, so we're really proud of the transparency piece. We're not saying that our numbers are perfect. They are estimates. They all go through the same methodology through which to calculate.

In terms of specifics, I'll certainly run through a few now, but what I'd really like to do is send you our report where the 60-plus initiatives are outlined, each with an estimated cost for saving attached and all described below, which may give you a little bit more than what I'll provide now.

In terms of specifics, some of the changes that have been made over the past 18 months are things like modernization to the Residential Tenancies Act so landlords don't have to print out hard copies of the Residential Tenancies Act, which I think is 100-plus pages. Instead, they can provide an electronic copy, which tenants actually preferred, rather than getting a hard copy report. Believe it or not, not having to print all those pieces of paper, we estimate it saves around \$800,000 a year for landlords. That would be a specific example.

Other examples would include removing the training fee for apprentices. Oftentimes, many businesses would pay for that training because that was one way to lure apprentices to their business. Those fees have been removed. I think that saves businesses around \$250,000 per year.

Other examples would be making it easier for farmers to receive farm loans. Previously, I think some of the requests had to go up several layers and it was at a relatively low threshold. That threshold was increased so it's easier for farmers to receive loans. I can't remember exactly how much that saves, but I think it's in the realm of around \$100,000.

Those are some of the relatively smaller initiatives. Then you go to some larger ones such as all of the work that has been done around business registration. A few things

have been done. One is we're in the process of modernizing the Registry of Joint Stock Companies, so businesses don't have to print stuff off and fill them in and mail them in or drive to Access centres where that's done electronically.

We've also reduced fees for going from the highest incorporation fee in the country to the lowest, as well as waiving first-year registration fees for start-ups because you really want to make it as easy as possible to get into business. Finally, improving turn-around times, so rather than it taking 10 days to get your certificate, it happens in three or four days. So that package saves businesses - because there are so many of them around - I think it's \$7 million to \$9 million a year.

We have some smaller incremental things and we have some larger things, and as I say, there are about 60-plus initiatives that are outlined, and I'd be pleased to send it out, if that's helpful.

HUGH MACKAY: Certainly, I would appreciate receiving that report, as I'm sure most of the committee would. You must have had a good Pictou County Scot's breakfast this morning, because there are some excellent comments there. I can appreciate those concrete things that I can then speak to my constituents about.

Without necessarily wanting you to spill your candy out in the lobby, where are you going with this in the future? What do we see as some of the trends? Our government established this office because we believe there will be benefits here. You've recited some of what has happened, and I'd sure like to hear, as I'm sure the committee would like to hear, where you are going.

FRED CROOKS: There are so many areas that we're - but in terms of priorities, I would say going back to where we started, what we're looking to do is to maximize, hit the areas of maximum economic impact and opportunity, particularly from the point of view of small businesses and entrepreneurs. So we're going to continue the drive to reduce burden within Nova Scotia.

We're thinking that we'll suggest expanding the way we look at burden. Right now we look at burden in terms of costs to business. We're also looking actively at the concept of adding to that measure the number of regulations that we have on the books.

One way of figuring out whether government is making progress in reducing burden is to see what the dollar impacts are, but the other is to say how many regulations are on the books and maybe set a target around reducing the numbers.

Now there are times when you've got to be a little careful about it because there are times when you can have fewer in terms of the number of regulations but a higher cost, so you have to be careful how those two interrelate. That's something we're looking at.

We'll continue inside the province, we'll continue to drive our regional initiatives, and we'll continue to drive at the national level, under the Canada Free Trade Agreement.

I think you're probably also thinking about things that may be a little more specific. By way of example, these are just some ideas that we have. We've got our navigator program. We want to accelerate our ability to reach out to communities, to reach out to entrepreneurs.

There are various ways we have in mind of doing that, to build on our navigator program. There are some potential privacy issues we're working through because we've got to respect the privacy of the information we get. We're looking at a stronger outreach capability which, for example, right now, where navigators receive calls, what we'd like to do is equip them to do some outbound calling. That's an example.

We're working on a new program, as I mentioned, for targeting reductions to burden, dollar measures, and count measures. One of the things we'd also like to do is - so right now we sort of - without getting into a lot of detail about how we operate in terms of assessing regulations, we look at regulations as they are being developed to ensure they meet the charter principles that govern our office. We cost, we do an estimate of what we think the regulations are going to cost, then the cost gets reported. Our advice on whether the principles are met gets conveyed to ministers and the Executive Council.

One of the things that doesn't happen to the extent that we think it might and should is - these are estimates - what actually happens in practice? How about a look-back process where we go out and say, this is what these regulations were supposed to do, this is what we estimated they were going to do, how has that actually turned out in practice?

[2:00 p.m.]

Right now, the informal way that happens is if you get people who feel that a set of regulations that has been adopted is not working. You've got to rely on people to complain and raise an issue about whether or not they're really achieving their purpose.

THE CHAIR: We can fine them.

FRED CROOKS: Exactly. So our thought is we should really be more forward. We should be more forward in terms of having an organized way of after a year or two years determining whether or not regulations or regulatory programs have had their intended effect, if it's a waste of resources, or if there are unintended consequences.

We think there is work to do on being more systematic about how stakeholder consultation is carried out in government. We think we've got excellent stakeholder consultation in specialized areas. The Department of Environment is a good example. The Department of Labour and Advanced Education is another. That's something we're thinking of having a look at from a systemic point of view.

We're thinking about the relationship that government has with medium and large businesses when it comes to regulatory programs, and we've had some preliminary conversations with a number of larger businesses - some with head offices in Nova Scotia - about the relationship that government has with them, with a regulatory focus, and had very promising feedback in terms of their desire to collaborate.

We've got a regulatory partnership with HRM where what we're trying to do, as you may know, is - you have two levels of government, so you've got two challenges. Are we both doing the same thing in some areas - so can we be better coordinated? Are we following the same sorts of principles when we look at regulation, and is there a way of getting programs to reduce regulatory burden that encompass both the municipality and the province? So we're doing that and we're thinking about how we could bring that kind of co-operation outside HRM.

There may be regions where there is greater collaboration possible. We've talked about the national scene. We're getting regulations in the municipal case, bylaws - harmonized can have some beneficial effects. Maybe there is some interest on the part of municipalities in some regions in doing the same thing.

One of the things we have in mind is one of the most profound ways in which government interacts with businesses is through inspection. We're looking at whether we are doing everything that we can to ensure that the law is complied with, which most people want to do in any event; you have to have the rigour of an inspection process, but is there something we can do that supplements that with more of an education component?

Those are some of the things in addition to staying the course on those things that we have identified earlier today that we know are important, but those are examples of some of the things that we're thinking about. Is that helpful?

HUGH MACKAY: Very helpful, thank you very much.

THE CHAIR: We'll move on to the PC caucus with Mr. Dunn.

PAT DUNN: When you're out and about and you run into constituents and there is no fixed agenda, so they're just talking, guaranteed one topic that will come up is the price of gasoline, which we may get a chance to ask a question on as time goes on. They think we control the thermostat on that.

Another one that doesn't seem to die, continues to be - at least in my experience - is the environmental handling fees on things like cellphones, televisions, et cetera.

Is your office investigating something like that? Do you have a mandate on it? Have you, will you be looking at that area, as far as how the consumer looked at it, an onerous consumer fee?

FRED CROOKS: To the best of my knowledge, we are not looking at that at the moment. If a policy were to originate on that it would come from Environment but that's a question, frankly, coming away from this committee, we'd be happy to ask. The answer is we're not looking at it.

I don't recall that having been raised with us. That could have a business impact but typically what we focus on primarily is impact to business. This is probably business and consumer and that may be why we haven't heard anything about it. Do you recall anything about this, Leanne?

LEANNE HACHEY: The one piece that I think we have heard is it would be nice if the four Atlantic Provinces, whatever we did, took a similar approach. That would be the one piece, so it wasn't specific to fees or handling fees in Nova Scotia. It would be a desire for an Atlantic approach as opposed to the patchwork that we have in the four Atlantic Provinces.

THE CHAIR: Mr. Dunn, do you have a follow-up?

PAT DUNN: Just a quick one, you sort of answered it. I was just going to follow it up by saying a lot of people that I'm talking to think that that particular fee should be wiped out now. My follow-up was going to be, have you been speaking to the other provinces in Atlantic Canada with regard to initiating a movement to talk about it - at least to investigate and talk about it?

FRED CROOKS: I don't know if we carried the discussion to the other provinces, but we've heard the comment, and we will.

THE CHAIR: Thank you. We'll move on to the NDP caucus. Ms. Chender.

CLAUDIA CHENDER: I'll pass that to Ms. Roberts.

THE CHAIR: Ms. Roberts.

LISA ROBERTS: It's interesting that clearly there's a way of accounting for the burden of having different regulations across provinces. In our system there's also different municipalities so I'm wondering how you are accounting for that and what you are hearing about that. Maybe specifically we could talk about that through the lens of the ongoing public discussion about a ban on single-use plastic bags.

In P.E.I. right now there is legislation in place to ban single-use plastic bags by July 1st. Halifax, and I believe other municipalities have also - and as well the Retail Council and the Federation of Municipalities as well - have all asked the province to take the lead and the province has declined to take the lead. Now we see Halifax bringing in a plastic bag ban and other municipalities considering it, yet there won't be an across-the-board approach. It won't be consistent with Prince Edward Island.

When the province failed to take the leadership, failed to step into that role to say yes, Retail Council, we will have one rule across the province, what kind of burden does that place? Is there a role that your office could play in advocating within government, in those spaces that I can't see, for the province to take the lead?

FRED CROOKS: I'll take that, although Leanne would probably do a better job. That being said, thank you for the question. First of all, the policy of the province on the status of single-use plastics, including plastic bags, is really not in our bailiwick. If a change in policy were initiated or to be proposed it likely would come to our office for evaluation. But short of that, it's really not our role to advocate in favour of any one policy, one way or another, other than the policy at a regional and national level, harmonization and reduction of burden inside the province. I hope that's responsive to one part of your question.

I think the second part was about how our cost calculator applies to municipalities. The cost calculator is really a way of measuring the compliance cost that originates in regulations. It's something that municipalities can use, and in fact, I think there has been some discussion of the possibility of HRM looking at or utilizing as part of our partnership the cost calculator that the province has developed for measuring that, but it's only in that context that the cost calculator would really be relevant to the relationship between the province and municipalities.

LISA ROBERTS: Maybe to clarify though - do you agree that there is a cost to, for example, retailers when there is a variety of different regulatory regimes across the province within our jurisdiction because instead of a provincial legislation or regulation, municipalities are responding to demands from citizens by imposing different regulatory regimes at the municipal level?

FRED CROOKS: There could be a cost by analogy to all of the things we've said, but what we don't know is looking at this on a net economic basis, whether a particular instrument - whether it's a ban or whatever it is - from a burden point of view, creates additional burden or actually creates savings.

Even nationally, when we're looking at burden reduction, there is no shortage of examples of situations where there is just stuff that's different without any policy rationale for it being different. If you can harmonize that, you can reduce burden without necessarily altering the policy position in substance of any one jurisdiction, which would then - once you start doing that, you've got to look at the wider context.

In the case of potential for differing regulation, depending on the municipality in Nova Scotia, you'd have to look at both in order to come up with a conclusion as to whether or not the net outcome of a ban would be added burden or savings.

LISA ROBERTS: The Retail Council has argued that they would prefer a provincial ban, rather than municipal.

FRED CROOKS: Right. All I'd be doing by answering that question here is I'd just be speculating. The Retail Council may well have a view on that and may have done some work on it, but we're not party to that. I'd like to be more responsive.

THE CHAIR: We'll move over to the Liberal caucus - Mr. Horne.

BILL HORNE: It's pretty interesting, all the complications of trying to reduce regulations between provinces and municipalities. It's certainly a different ideal that I have. It's not as simple as I first thought.

How are we working with the provinces? Are there some of them coming around to listening to not to be so protectionist and are able to work with the other provinces and maybe more so with what Nova Scotia has seen successful - say between New Brunswick and Nova Scotia or P.E.I. and Nova Scotia? Are there examples of how that's working? Does it look like it's going to improve our economy - economies for both sides?

FRED CROOKS: I guess one of the best indications of how it's working is to look at what the Council of Atlantic Premiers just concluded in January where transportation, workers' compensation, and the licensing of health care professionals - the Premiers came to an agreement, on an accelerated basis, to look at doing collaboratively something in those three areas.

[2:15 p.m.]

You remember I mentioned there was a national agenda, a regional agenda, an inside Nova Scotia agenda. Those are items that for the most part are on the regional agenda which feed into the Council of Atlantic Premiers. They took that away and it's something that we negotiated with the other provinces in advance, two out of the three. So we're feeling - the Premiers made it clear in their communiqué following that meeting, that they are really committed to this process. The evidence of that is that they've given direction that we're to aggressively pursue changes in these areas, so I think that's a pretty good indication.

BILL HORNE: I guess the only other follow-up I have at the moment is do you think we have records, or do you keep good records of the businesses that move in and out of the province, and try to find out why they're moving? Is it because of the red tape that is chasing them out or bringing them in?

FRED CROOKS: In our office we don't specifically track that except through - we've started to do some work on that. To be honest with you, I can't speak to whether NSBI or the Department of Business may have some information on that. But to the extent

that we're doing the navigator service, we've got a fairly rich source of data about who is doing what within the community of 3,000.

What we've done - and Joan Penney of our office leads that part of our program - I know that Joan and her team have just gone out to a number of the people who used our service to find out what happened eventually and if this was helpful. We are in the process and, in some cases, people haven't proceeded; in some cases they have very successfully; and in other cases their plan has changed.

I think there's more work - frankly, I think it's an excellent question and I think there's more work to be done, especially in the small business and entrepreneurship side. There may be some data that I'm not aware of, but I would be following up, based on this question, to see just exactly what there is in perhaps other parts of government that could augment the work that we're trying to do based on our data.

That part goes back a bit to the look-back concept that I mentioned earlier. It's one thing having these programs and looking forward; it's another thing to find out - it's hard sometimes to track people who may have given up, who have just left. We've got to find ways to make sure we understand the full extent to which we're not as welcoming or as supportive in terms of the environment as we could be. It's a bit of a gap now as far as our office is concerned, but it's something that we're paying attention to.

THE CHAIR: Thank you. We'll move over to the PC caucus, Ms. Elizabeth Smith-McCrossin.

ELIZABETH SMITH-MCCROSSIN: I have so many questions. I'll just make a point to something Mr. Horne said and then I'll ask my question. I find it interesting that regarding the licence for physicians, and considering that here in Nova Scotia we lose physicians because of our regulations around international medical graduates and how restrictive we are and how we're not helping them to be successful with their exams so we're losing them to New Brunswick all the time - I find it interesting because we have a lot of work to do here. But anyway, that's not my question.

My question is around - first of all, I'll say this is a very informative meeting, I've learned a lot.

Something happened about a year ago where I had a local business come to me. It was an abattoir in my area. This was happening all across the province. The Department of Environment had made a decision to change the time that the inspectors were going to be available to these abattoirs. It was going to cost businesses a significant increase to their bottom line.

I had one abattoir consider shutting down if the inspectors had gone ahead and changed their hours of operation. It caused a lot of undue stress. I would say that this went on for months. I had three different meetings with people from the Department of

Agriculture and the Department of Environment on his behalf, and it was a very distressing time for the business owner.

I didn't consider that your office might be able to help us in that way, but when I look at your mandate, it is about making service improvements, service effectiveness of government. I think in the future if something like that were to come up again we could contact you, as MLAs, to help us with those kinds of situations?

FRED CROOKS: That's squarely within our mandate, that's exactly the kind of thing we do, and we do a lot of it. It may be for individual businesses. There are a variety of ways in which those kinds of problems and issues come to us. That's a big part of what we do so we'd welcome that.

ELIZABETH SMITH-MCCROSSIN: A follow-up question. I'm curious - and I just looked it up on the Internet, because I don't want to ask an inappropriate question - where does your mandate fall? Do you go across all 19 government departments?

FRED CROOKS: Yes.

ELIZABETH SMITH-MCCROSSIN: You do, okay. So does your office do any work within Health and Wellness? The reason I'm asking is I just had a very good meeting with Continuing Care last week and it was all around the red tape and barriers in moving patients from our acute care in-patient beds into long-term care beds.

In Cumberland last Friday alone we had 15 empty long-term care beds that had been empty for a significant period of time. Meanwhile, we had around that same number of people in hospital waiting for long-term care beds. Meanwhile, we had 10 people in our emergency department on stretchers for three to four days admitted but no in-patient bed. You can see where I'm going.

When I met with Continuing Care one of the significant reasons she gave for the delay, she said it's the average length of time to get someone from an in-patient bed to a long-term care bed in this province - 10 to 12 days from the time a bed becomes available. One of the reasons that was identified was paperwork. Anyway, it's something I'm wondering if your office would consider helping them with because considering what the outcome is, and the outcome is that people are lying on stretchers for three to four days, sometimes in very unsafe conditions and it creates very stressful situations and conditions for our health care workers. If that's something your office would be able to help with, I think there is a real opportunity there for improvement.

THE CHAIR: Mr. Crooks, I want to hear this.

FRED CROOKS: Well there are really - our mandate is primarily focused on - it doesn't exclude citizen-based services but just from the point of view of trying to retain a scope that is manageable without having a huge bureaucracy ourselves, we have tended to

focus on business, or business-like entities, but to take that example, we'd be happy to look into it to see whether or not there might be something that reasonably falls within our mandate where we could work together with Health and Wellness.

One of the things we do is give advice to departments on proposals that may end up in regulatory form, which is advice to the Executive Council, so in that respect we are limited in what we can say. I can say there is a significant developing interest in the Department of Health and Wellness, and there has been some outreach with respect to red tape reduction and burden reduction. I really probably shouldn't, in deference to my colleagues in the Department of Health and Wellness, go much further than that - so I'm very happy to take your question away.

THE CHAIR: We'll move on to the NDP caucus - Ms. Roberts.

LISA ROBERTS: It's interesting to think about regulatory burden and red tape reduction, which are both negative ways of framing this whole discussion when there is also a possibility of thinking about investment in the infrastructure that business requires to do its work. I think actually the abattoir example is a great example of that.

I just happened to have the opportunity to spend a day in Cape Breton and I was at a meeting with some municipal officials and farmers and local entrepreneurs who are involved with the Cape Breton Food Hub. I learned that anyone who raises chickens in Cape Breton and sells them on the market has to take them to a processing facility in Tatamagouche. If they want to take away the chicken cut into pieces, that actually requires an overnight stay in Tatamagouche, because first the chicken needs to be cooled and then it needs to be cut and cooled, and then it can go back to Cape Breton to be sold.

I wonder if we could really work as a province towards maximizing economic activity and well-being - not just by thinking about reducing red tape and reducing regulatory burden, but also thinking about where the investments are that we require in regulatory infrastructure so that we can actually allow people to do their business and connect. In this case, you might be talking about the chicken farmer who would like to be selling to a restaurant that's five kilometres down the road, but that requires that expenditure of time and effort. I can imagine that it would be sizeable certainly for those farmers.

FRED CROOKS: Thank you for those comments and the question. That's one of the disadvantages of the descriptor "red tape," to be honest with you, because it really doesn't capture the full extent of both sides of the ledger.

A lot of the initiatives that Leanne mentioned are the result of investment in better process - the infrastructure that supports better process. To take, for example, the business registration improvements - that required some systems investment in order to produce that outcome. So it's not just red tape reduction; it's really the investment required to support better service or more efficient regulation is often part of the equation.

I know the issue a little bit about abattoirs. One of the challenges is, for example, if you want to ship - we know a number of producers that have, whether it's in meat or other areas, that Loblaws and Sobeys love their product and they'd love to be able to ship it into New Brunswick and beyond, but they can't because somebody in Pictou County has to ship their product to somewhere in the Valley in order to get processed in a federally inspected facility, which means - and if you don't do that, you can't cross the border, which is uneconomic to do, for essentially the same reasons that you're suggesting about Tatamagouche.

So there is an investment side of this equation. These numbers don't just jump out of slash and burn, which is what people sometimes think about when it comes to red tape. They come from planning and investment for better service and more efficient service. It's a great point.

[2:30 p.m.]

LISA ROBERTS: Thank you for those thoughts. I guess also building off my colleague from Cumberland, I would suggest there could also be great potential in taking sort of the same lens and looking not just at the health care - the Department of Health and Wellness - but also the Department of Community Services. I'll tell you that where I see regulatory burden is at the level of Nova Scotians' lives. We place a tremendous burden on low-income Nova Scotians. I just had a woman in my house who took herself off income assistance after having to provide four years of bank statements, umpteen calls back with her paperwork, to see if she had been receiving some very modest amount of income that had been unreported. She had literally gone back and back to her bank, trying to get more paperwork to assure her caseworker that in fact she was not living on income assistance.

I get calls certainly on a weekly if not daily basis from very low-income Nova Scotians, who spend a tremendous amount of time jumping through the regulatory hoops of income assistance. They have talked about transforming that system, but it remains almost punitive in its regulatory regime, so I would welcome your contribution to that department as well.

THE CHAIR: Are you looking for a response or was that a comment?

LISA ROBERTS: Maybe it was more of a comment, but I would welcome any thoughts back.

FRED CROOKS: I appreciate the suggestions. Regulation, whether it is in the business sphere or for citizens, can have a profound impact, particularly where people don't have the - whether it's a small business, an entrepreneur, or otherwise - where they don't have the resources to hire professionals to help them through.

On the other hand, in terms of our office, our primary focus is economic, and our primary focus is business. We're not dogmatic about that, we will pick it up where we think

there might be an opportunity for us, on the other hand, if we let our ambition to deal with all regulation go, we could probably double our staff and then there might be comments about that. But a fair point and one we'll take away with us. Thank you.

THE CHAIR: Thank you. We'll move over to the Liberal caucus - Mr. Jessome.

BEN JESSOME: I just have a quick one here and you touched on it a little bit earlier. I'm just looking for some comments around your relationship specifically with the HRM and I guess their joint initiative to reduce red tape - please and thank you.

FRED CROOKS: I'm going to, if I might, Madam Chair, ask Leanne to respond to that. Leanne actually leads that initiative.

LEANNE HACHEY: Our relationship with HRM started out as a pilot project, a partnership just for a year, to see if we could get the two levels of government working together to take a shared approach to burden reduction. In that first year, HRM Council adopted the Charter of Governing Principles for Regulation, so essentially both levels of government are looking at best practice regulation through the same lens, so that was a big win, I think.

We also put together an advisory committee, because as we know with our work, this work has to be led and championed and understood by the business community. After all, in the economic development aspect of our work, that's really who we're doing it for, so we've established a business advisory table, again under the pilot.

Also, as we did with our work, we tried to find some specific actions that we could advance to kind of illustrate what this looks like. Some of that work would have been making it easier to get a special permit so that when we have parties downtown, you don't have to go through tons of hoops to get a permit for that special event.

We also made it a bit easier for people to open up sidewalk cafés. We've got a great new street on Argyle, lots of great patios. Rather than them having to apply for a permit every time they put it up or put it down, if you provide the blueprint drawings once and if you commit that that's going to be the same footprint every year, you only have to get a permit once. Those were some actions we took through that first-year pilot project.

Because it was welcomed with success, it was extended, so we just started sort of another two-year phase of the project. We're working with our business stakeholders now to identify what areas we can work in. Some of them are that business navigation service we have. Right now we have kind of departmental navigators who were already established in their departments. Those are the folks we reach out to who are experts in the field. We get the information and provide it back to the client.

Can we have that same relationship with HRM? Oftentimes we'll get calls to our business navigators and they really don't care what level of government they are dealing

with, they just want to get an answer, so we are trying to work with HRM to see if we can deepen our business navigation service so we can reach into HRM and get those answers to our clients. That's the second piece.

We're also looking at that cost calculator, as Fred mentioned, that we've developed for our regulatory proposals, passing it on to HRM so they can use it as appropriate for their bylaws. That would be another second phase of the process, as well as specific initiatives.

Right now we've asked our business stakeholders to give us some ideas, what are things we can do in the next year or two that will have the meaningful impact on your business? So not huge, we're not trying to fix the world, but what are some specific things that we can fix for you? We are in the process of gathering those ideas and that will be part of our work plan for the next two years. In a nutshell, that's some of our work that we're doing with HRM.

I will say, to HRM's credit, they've devoted a resource specifically to this, which we've learned is key to the success of this work. It's really hard to do if it's on the side of someone's desk, so we have an excellent resource in HRM. That's what she does day in and day out, like us, is focus on how we can improve and modernize our regulatory environment.

BEN JESSOME: Thank you and that's great to hear. Coming from the community I represent, zoning and things of that nature tend to cause some anxiety for businesses so I'm glad to hear that HRM is full steam ahead.

Can you talk a little bit about your - I guess I'm coming from this in the context that I represent a number of home-based businesses and we've seen some complications with respect to what a home-based business is permitted to do and what the Building Code enables and what it is, for example, that the Fire Marshal's Office expects or requires. I'm wondering, have you had much experience working with the Fire Marshal's Office, and I guess the Building Code folks, in terms of making their policies more seamless? I don't know if I'm explaining myself.

I'll use an example. There is a local business that was okayed to expand their space for infants, but the Fire Marshal's Office did not align with the Building Code, so they were approved to go ahead - they were okayed from the Building Code's perspective. But then the Fire Marshal's Office had a conflicting policy where they were required to have - we're on wells out there - so another well. I'm just wondering what the relationship is with the Building Code folks and the Fire Marshal's Office.

FRED CROOKS: Thanks for that question. In terms of day-to-day and hands on, that's primarily municipal so we haven't got the same extent of involvement as we would have with our departmental colleagues. That being said, the group that Leanne has mentioned, getting an inspection experience where there is a greater degree of both

alignment between the province and consistency among inspectors - both we and the HRM agree - is a huge challenge. Everybody has probably got a story and it's not just Halifax, it's an issue in this kind of environment where an inspector shows up and says, yes, that's okay, and work proceeds and another inspector who is filling in for the day comes and says with equal authority, sorry, but that doesn't work, and you've got to redo it. As my grandfather used to say - sinking a nail with a sledgehammer.

We and the HRM are very conscious of the need for consistency and experience, even within the same department among inspectors, but also among agencies that are coming in. There is a whole issue there around trying to coordinate availability. So you get some inspectors who come at a certain time and others who want to come at a different time. Trying to bring greater system to that is a big part of what we're trying to do in our work with HRM, and I know they're dedicated to it. In fact, I think their whole planning and developing process is under review from that point of view. We can't comment on the specific situation, obviously, but hopefully the objective is to make the experience smoother and to make those kinds of occurrences less frequent - and we've all had stories about it.

THE CHAIR: We really don't have time for another round so I thank you for your questions. There were some very good questions that came forward today and some answers to some questions that many of us have been wondering about for a while. I hope we've given you information to take back to your department and think about implementing or looking into, so I think some good suggestions came from around the table. Do you have some closing statements that you would like to make?

FRED CROOKS: Really, I would like to thank the committee. The hope you expressed in your last comment is actually the case for us. We have benefited from this and we appreciate the questions, the comments, and the feedback. We're happy to come any time and respond to questions. It's also in the back of my mind that it's probably not a bad idea, when we've got a bit of an update to provide when there's something new or some direction that we're taking, to come and make ourselves available to the committee and let them know, and not wait to be asked - although we're not looking to intrude on your agenda, which is probably busy enough.

The other thing I would like to say is how grateful I am to our partners in the public service - our stakeholder partners who include a lot of businesses and business advocacy organizations. You sometimes hear this said, but we are constantly saying to each other what a privilege it is to be able to do the work we do, especially when we look at other provinces, in an environment where we're so well supported. That goes for the conversation at this committee meeting today, which we really appreciate. Thank you.

THE CHAIR: We appreciate you taking the time to come in today. You are excused. We have some committee business - or you're welcome to stay and join the fun.

A request to appear, the Mining Association of Nova Scotia regarding uranium mining. Mr. Dunn, you brought that forward. There was a request also from the Mining Association. We all received a communication that the clerk circulated. As a result of the motion that you made on February 13th, we needed the name of the forestry - DNR - I'll let the clerk clarify this.

[2:45 p.m.]

DARLENE HENRY (Legislative Committee Clerk): At the agenda-setting meeting, under Uranium Mining Exploration, what the witness put forward was Lands and Forestry when it should have been Energy and Mines, but despite that, it was said that the Mining Association should be the ones to come in.

They had sent out this request to appear to all of you prior to the transcript coming in, so I didn't know anything about it because, frankly, I wasn't paying attention to what you were saying at the time.

THE CHAIR: Disclosure.

DARLENE HENRY: So because we received this request before the transcript, and then I later found out that you had, indeed, put forward the Mining Association, it's just more or less to confirm and if the committee is okay to have the Mining Association people come in.

THE CHAIR: It's just committee red tape. We either need full agreement or a motion. Is everyone in agreement to having the Mining Association come in for that meeting?

It is agreed.

Our next item is discussion over the Yarmouth ferry. This is passed down from the Public Accounts Committee meeting. Mr. MacKay.

HUGH MACKAY: As you mentioned, this was passed down from the Public Accounts Committee meeting where I think it was recognized by all Parties the importance of the Nova Scotia to Maine ferry. Certainly, the public discussion that is going on around this now within various media and columnists' reports has certainly brought this into the public eye.

We feel that there is a need to have this brought forward into a fulsome discussion perhaps here at the committee. The motion that brought this forward from the Public Accounts Committee to here is somewhat unusual, but we at the Liberal caucus are certainly prepared to look at this as a special exception to bring forward the discussion on this. I would like to make a motion to that effect.

I move that the Natural Resources and Economic Development Committee meet to discuss the Nova Scotia to Maine ferry with the Deputy Minister of Transportation and Infrastructure Renewal, or the deputy's designate or designates, as well as Mr. Mark MacDonald, the CEO of Bay Ferries Ltd., and that the committee shall meet at a time when both of the aforementioned parties are available to meet, even during the House sitting.

Certainly as a member from the South Shore, I believe that this is the . . .

THE CHAIR: That's the end of your motion, right?

HUGH MACKAY: Yes. As a member from the South Shore and having seen first-hand the devastating impact that the cancellation of the ferry service at one point had on the South Shore and, in fact, on all of Nova Scotia tourism from Yarmouth to Cape North, I believe this is a critical topic to bring forward here to discuss at our Natural Resources and Economic Development Committee.

THE CHAIR: Ms. Roberts.

LISA ROBERTS: As a member of the Public Accounts Committee, I just want to express that, to me, I do not see the calling of these witnesses to this committee as an adequate or satisfactory replacement for that coming to the Public Accounts Committee, which operates quite differently from this committee.

I just want to express that. I'm certainly not going to stand in the way of the motion, but I just want to express that, for me, I would have welcomed this at the Public Accounts Committee, and this is not a substitute for that.

THE CHAIR: Noted, thank you. Mr. Dunn.

PAT DUNN: I certainly agree with my colleague across the way that it is a very valuable service between Nova Scotia and Maine. As you were talking, I was thinking that it would probably be more appropriate to be before the Public Accounts Committee, but it is not going to be before the Public Accounts Committee. It certainly would be nice to have them here to listen to them.

THE CHAIR: And ask questions. Ms. Chender.

CLAUDIA CHENDER: I'd like to echo what both of my colleagues have said, which is that the Public Accounts Committee exists, or formerly existed, to scrutinize the expenditure of public funds. I think what is in question around the ferry is not whether or not it should exist, but it's about whether or not the expenditure of public funds has met the scrutiny and passed the muster that it ought to.

I think it is beyond a shadow of a doubt for everyone, except perhaps for the government, that this is an issue that would properly be before that committee.

I also want to say that one of the reasons I believe that to be the case is that while the point is very well taken that the former cancellation of the ferry had devastating economic impacts, so does the current austerity program of the Liberal Government. When we measure success by balancing a budget year over year and then we have expenditures of millions and millions of dollars that we are not allowed to scrutinize, that we are not allowed to discuss in a robust public forum, those millions and millions of dollars come out of other places. They generally come out of social services and they generally tend to impact disproportionately the most marginalized people among us.

I want to make sure that we have the full context when we're talking about the impact of public spending. That's just preamble. All that being said, I would say that as everyone has said, we'd rather hear about it than not hear about it, so we're happy to hear about it here.

I would also point out that at our last agenda setting, despite our suggestions of maybe doing things differently, we, as the smallest Party, have one topic and we would hope that that topic won't be pushed forward into oblivion by the addition of other topics to the slate.

THE CHAIR: It will not be. This will be a special meeting so we will not do that. Ms. Smith-McCrossin.

ELIZABETH SMITH-MCCROSSIN: I just want to say I welcome this meeting and on behalf of our PC caucus, want to make the statement that we support the Yarmouth ferry. We also support a strong democracy, which means we have Opposition that can ask questions on behalf of the taxpayers of Nova Scotia, and we look forward to having them come to our committee meeting.

THE CHAIR: Okay, so are we ready for a vote? Would all those in favour of the committee having a special meeting please say Aye. Contrary minded, Nay.

The motion is carried.

We will ask the clerk to work with the witnesses and our busy schedules that are coming up, starting Thursday. It will be a morning meeting, just to let you know. It may be a Thursday morning - not sure, it's just that we have a couple of committee meetings on Tuesday. We have Health and we have Human Resources. Ms. Roberts.

LISA ROBERTS: I haven't entirely wrapped my head around the new regime at Public Accounts Committee, but I believe Wednesday mornings would also now be a possibility on three weeks out of the month.

THE CHAIR: Thank you for that information. Is there any further business? There being none, I adjourn this meeting of the Natural Resources and Economic Development Committee. Thank you all.

[The committee adjourned at 2:54 p.m.]