NEW BRUNSWICK – NOVA SCOTIA PARTNERSHIP AGREEMENT on REGULATION and the ECONOMY (PARE)

PREAMBLE:

This Agreement details the articles of the understanding between:

The Government of New Brunswick

- and -

The Government of Nova Scotia

which will enhance competitiveness, improve productivity, contribute to workforce development and availability and positively influence issues of mutual interest by streamlining practices, removing duplication, and harmonizing regulations and practices between the Parties.

WHEREAS, many businesses operate across the two provinces, as well as within and from outside of Canada; and businesses encounter different regulatory regimes and requirements in most provinces and territories;

WHEREAS, the differing regulations represent a cost and burden to business, and an impediment to trade and competition;

WHEREAS, New Brunswick and Nova Scotia, being neighboring jurisdictions that share common objectives for improved productivity and competitiveness;

WHEREAS, a foundation for reducing regulatory burden and promoting regulatory excellence has already been established through New Brunswick's Red Tape Reduction Office and Nova Scotia's Better Regulation Initiative;

WHEREAS, Premiers recognize that the many successes achieved to date form the groundwork upon which to improve competitiveness; and that the *Atlantic Procurement Agreement,* which has been successfully implemented, demonstrates the provinces' commitment to working together to improve trade and commercial opportunities and regulatory conditions within the region;

WHEREAS, in December 2006, Atlantic Premiers directed their Ministers to consult with Atlantic stakeholders in order to target key areas in which opportunities exist for additional harmonization, and/or streamlining of regulations that would benefit the operation of Small and Medium-sized Enterprises (SMEs);

WHEREAS, stakeholders made broad recommendations for improving the regulatory climate and reducing barriers to competitiveness and sought leadership that would make real progress streamlining regulatory processes and implementing a greater service culture within Atlantic Canada;

WHEREAS, the Council of the Federation has made internal trade barrier reduction and regulatory harmonization an economic priority; and improvements to Canada's Agreement on Internal Trade remain of paramount importance;

WHEREAS, provincial bilateral trade, investment, workforce mobility and regulatory harmonization Agreements have been implemented between Alberta and British Columbia, and a similar Agreement is being negotiated between Ontario and Quebec; and these large trade and economic blocks have garnered support as examples of efforts to improve economic conditions between the partners and for Canada's economic union overall, a similar initiative between New Brunswick and Nova Scotia will demonstrate the Provinces' commitment to an improved economic environment in this region;

THEREFORE, an Agreement between New Brunswick and Nova Scotia to streamline, harmonize and/or simplify regulation is desirable, timely and achievable;

AND while the initial focus of this Agreement is on developing and implementing the NB-NS Partnership Agreement on Regulation and the Economy (PARE), the signatories are prepared to extend the arrangement to other Parties willing to accept the terms of the arrangement.

PART 1: GENERAL

1. OPERATING PRINCIPLES

This Agreement will focus on removing regulatory burdens and alleviating overlap and duplication impacting, among other things, trade and competitiveness, workforce availability and mobility, and will involve cooperation on other issues of mutual interest affecting transportation, health and safety, and government services.

To the extent possible, outcomes of the Agreement will include:

- Improved, standardized and/or harmonized regulation;
- Mutual recognition of professional and trade credentials;
- Improved workforce mobility;
- Clear, predictable requirements for business;
- Improved and streamlined services to business and the public in general.

2. EXTENT OF OBLIGATIONS

The intentions of the Parties are outlined in, but not limited to, those measures included in **Schedule 1**. The schedule is not intended to be inclusive or comprehensive; rather it serves as a starting point, and will be updated and enhanced on a regular basis to include new initiatives as opportunities arise.

The governments of New Brunswick and Nova Scotia will pursue progress on the items identified and will actively seek opportunities to add items to the schedule as appropriate. Accountabilities are outlined in the governance section Part 4: Institutional and Administrative Provisions.

3. PLEDGE TO STAKEHOLDERS

Recognizing that representatives of small and medium size business were the catalyst for this Agreement, and that the accomplishments will benefit them and consequently our economies individually and collectively, the governments will meet with stakeholders at least once a year to review progress and seek input on priorities and directions.

PART 2: GENERAL COMMITMENTS

1. COMMON REGULATORY PRINCIPLES

The Provinces of New Brunswick and of Nova Scotia are committed to improving the regulatory systems across the two provinces to ensure that citizens have safe communities and workplaces, and competitive business environments. They will work to keep the benefits and protections of regulation while making it easier to do business within and between the provinces.

In recognition of this shared objective, the Premiers are committed to applying the following ten regulatory principles¹ in the processes they use in New Brunswick and Nova Scotia when considering, developing, implementing and reviewing regulations.

- 1. Justify the need for regulation
- 2. Ensure transparent regulatory development and implementation
- 3. Assess the costs and benefits of regulation to inform decisions
- 4. Minimize the impact of regulation on a fair, competitive and innovative market economy

¹ These principles are the ten principles developed and endorsed by the Federal/Provincial/Territorial Working Group on Regulatory Reform and are already reflected in the regulatory management processes of NB and NS.

- 5. Minimize or eliminate divergent or duplicative requirements with other jurisdictions
- 6. Design results-based regulation where appropriate and to the extent practicable
- 7. Ensure timeliness in regulatory decision making
- 8. Write regulations so they are easily understood
- 9. Make regulations easily accessible
- 10. Evaluate and review regulations routinely

In addition, both Provinces recognize their mutual interest in streamlining regulatory procedures for small and medium sized enterprises in, and across, New Brunswick and Nova Scotia. To accomplish this objective, implementation of the principles will place priority, wherever appropriate, on these practices:

- 1. Encouraging mutual recognition of licenses, permits, certifications and approvals wherever practical between the two provinces.
- 2. Utilizing a business lens, where appropriate, when reviewing or developing regulations, including a business impact test.

Finally, the objective of applying the principles will reinforce the Governments' commitment to the protection of citizens, community and environment while minimizing impacts on business.

2. TRANSPARENCY

In order to prevent and mitigate the trade/mobility impacts of new measures and to better inform their legislative and regulatory processes, New Brunswick and Nova Scotia will develop and implement a mechanism to notify the other Party in advance of changes to Provincial measures. The Parties, to the extent practicable, will: a) notify each other at least 45 days in advance of the intention to adopt or modify measures having the potential to affect trade or conduct of business between the two provinces; b) provide information to describe the proposal; and c) offer the other Party an opportunity to comment.

3. COOPERATION

Service Delivery Best Practices & Shared Infrastructure

New Brunswick and Nova Scotia will take a proactive role in identifying and engineering improvements and efficiencies in service delivery, focus on the reduction of transactions times and costs, and explore opportunities to share common infrastructure.

PART 3: SPECIFIC COMMITMENTS

WORKFORCE MOBILITY

Main objective:

To work toward improved workforce mobility by:

- facilitating more flexible movement of trained workers between the provinces in, for example, the following areas:
 - Harmonizing compulsory trades
 - Licenses for Gas technicians
 - Private Security (guard) Industry
- harmonizing standards and policies affecting the administrative requirements for business so that small businesses can reduce the overall administrative burden, by implementing:
 - Employment Standards Harmonization Administrative Requirements for Business

WORKFORCE TRANSFORMATION

Main objective:

To ensure that we have the people with the abilities needed to achieve selfsufficiency; to support continuous learning of new skills; to improve client services and financial efficiencies, by pursuing initiatives such as:

- Youth Employee Rights Campaign
- Increased Cooperation between N.S. & N.B. Student Assistance
- Unique Student identifier

ENERGY

Main objectives:

- To harmonize each jurisdiction's measures; examine an opportunity for a common Onshore Petroleum Operational Regulatory Authority; facilitate cross jurisdictional business processes and transfer of equipment and workforce; and enable technological flexibility, by working toward:
 - Harmonization of onshore petroleum operational regulation and legislation
- To collaborate on a research program for tidal energy in the Bay of Fundy, via the following initiative entitled:
 - Collaboration on tidal energy development

- To improve the integration and coordination of transmission of energy from all sources; with the potential to lead to a fully coordinated common market with a single system operator, by pursuing initiatives, such as:
 - Potential improved/integrated regional electrical transmission

FINANCIAL SERVICES

Main objective:

To foster an efficient, sound and fair financial sector within the NB-NS economic region, by pursuing improvements to, among other things:

- Uniform Securities Transfer Act
- Improvements to pension benefits acts

TRANSPORTATION

Main objective:

To increase the free, efficient and safe movement of people and goods through the NB-NS economic region by further improving a smart transportation corridor; by harmonizing transportation regulations and operations, while advancing safety and efficiency; implementing new technology and innovation to support enforcement; harmonizing regulations and permits for weights, dimensions and operations of commercial vehicles via initiatives such as:

- 511 Traveler Information System
- Commercial Vehicle "Driver Simulation" Needs Assessment
- Joint Commercial Vehicle Enforcement Pilot Project
- NS-NB Vehicle Configuration Harmonization and Common Enforcement
- Special Move permit (on-line regional special permit system)

HEALTH AND SAFETY

Main objective:

To work cooperatively to provide citizens with a safe and progressive society; to ensure that health care needs are met now and in the future, by incorporating new technology and innovative methods of health care delivery into our health system, through initiatives such as:

• Drug Information System (DIS)

And by working to align regulation to ensure public safety and to encourage new technology and modern practices, by the following initiatives for example:

- Technical Safety Legislation
- Building Code Act
- Liquor License Modernization Project

NON-SECTORAL REGULATORY COOPERATION

Main objective:

To apply the set of *Common Regulatory Principles* in aligning and modernizing regulation and cooperating on best practices in delivery of programs and services, including initiatives such as:

- Lobbyist Registry
- Regulation of Gift Cards and Gift Certificates
- Tourism Development Act
- Harmonized treatment of microbreweries
- Shared liquor import distribution facility
- Real property registry systems
- Harmonization of Fish Trade

PART 4: INSTITUTIONAL AND ADMINISTRATIVE PROVISIONS

1. GOVERNANCE

Committee of Ministers

The Parties shall establish a Committee of Ministers consisting of four ministers (two from each Party) accountable for the overall implementation of the Agreement, for assisting in the resolution of issues arising from the application of this Agreement; and for considering any other matter that may affect the operation of this Agreement.

Two (2) Ministers, representative of each Party, will be required to form a quorum for the purposes of this Agreement.

Management Committee

A Management Committee of four (4) Deputy Ministers, two from each Party, to supervise the implementation of the Agreement.

Two (2) Deputy Ministers, representative of each Party, will be required to form a quorum for the purposes of this Agreement.

Steering Committee

The Steering Committee, representing Departments responsible for the implementation of the Agreement, a minimum of two from each Party, shall be

designated by the Parties and report to the Deputy Ministers' Management Committee. The Steering Committee will be responsible for:

- administration and management of this Agreement,
- preparation of annual evaluation and report-backs to Government,
- communication of activities undertaken through this Agreement,
- ongoing consultation with stakeholders, and
- coordinating this Agreement with other provincial programs.

Working committees comprised of departmental officials who will assist in defining the direction and evolution of initiatives within each government will be set up at the discretion of each Party.

2. ACCOUNTABILITY AND REPORTING

The Management Committee, through the Premiers, will report annually to the public on the progress of economic and regulatory cooperation.

Recognizing that representatives of small and medium size business were the catalyst for this Agreement, and that accomplishments will benefit them and consequently our economies individually and collectively, Parties will meet with stakeholders at least once a year to review progress and seek input on priorities and directions.

Any press releases or other public statement must be approved by both Parties prior to release.

The Management Committee is responsible for ensuring the accountability and reporting obligations of this Agreement are met.

3. ISSUES RESOLUTION

The Parties agree to undertake to resolve non-implementation and other disagreements in a conciliatory, cooperative and harmonious manner.

In general, for implementation and compliance complaints and disagreements arising out of this Agreement the following rules and procedures shall apply:

- a) Each Party shall designate a **Contact Point** (see Part 4.4 below) for receiving and reviewing complaints from Parties that may arise from the application of this Agreement.
- **b**) Parties will attempt to resolve the matter between themselves;
- c) In the case where Parties cannot resolve the matter between themselves, the offended Party may refer the matter in writing to the Management Committee.

d) In the case where the Management Committee cannot agree on a resolution, the offended Party may refer the matter to the Committee of Ministers.

4. CONTACT POINT

A Steering Committee member in each Province that is a Party to this Agreement will serve as a contact point for information on the implementation and issue resolution aspects of this Agreement.

PART 5: MINOR MODIFICATIONS TO THE AGREEMENT AND THE USE OF INTERPRETIVE NOTES

The Parties agree that the Steering Committee may, from time to time and in the interests of clarifying the application of the provisions of this Agreement, agree on clarifications that do not alter its spirit or substantive intent. Documentation of clarifications or changes may be done through the use of interpretive notes.

The Parties agree that Schedule 1 will be an evolutionary document and that it may be expanded to include objectives that are approved by the Management Committee.

PART 6: RELATIONSHIP TO OTHER AGREEMENTS

This Agreement is established pursuant to Article 1800 (Trade Enhancement Arrangements) of the *Agreement on Internal Trade*, which permits the Parties to enter into additional arrangements to liberalize trade, investment and workforce mobility beyond the level required by that Agreement.

PART 7: ACCESSION AND WITHDRAWAL

The signatories to this Agreement are prepared to extend the arrangement within a reasonable period of time to other parties willing to accept the terms of the arrangement.

A Party may withdraw from this Agreement by giving six (6) months notice in writing to all other participating Provinces.

PART 8: ENTRY INTO FORCE

This Agreement shall enter into force upon signature by the Parties.

Signatures

For the Province of Nova Scotia Date:

For the Province of New Brunswick Date:

Item	Description	Timeline/Status
Workforce Mobility:	-	
Harmonizing compulsory trades	NB & NS have over the years designated certain trades as compulsory; however the compulsory trades that are designated in NB are different from those in NS. Harmonizing compulsory trades in NB & NS will allow more flexible movement of Construction and automotive Power trades workers between the provinces. This initiative will level the playing field for contractors, improve on the safety of workers and the public by ensuring that workers are trained and have attained a level of training transferable between both provinces. It will help to raise wages in compulsory trade.	To be worked on immediately (2008 – 2009)
Licenses for Gas Technicians	Recognize each others licensed gas technicians to address the issue of work force shortages by allowing a faster and easier worker mobility process.	To be worked on immediately (2008 – 2009)
Private Security (guard) Industry	 Security Guard License Criteria and Qualification have been aligned between NS and NB. The project will have the effect of streamlining the application process between the provinces to foster a "user-friendly" business environment for the private security industry by: Creating common application forms and eligibility screening criteria for licensing; Working towards standardized training. 	To be worked on immediately (2008 -2009) Longer term development
Employment Standards/Harmonization of Administrative Requirements for Business	Review the employment standards legislation with a joint effort to harmonize standards and policies. In particular, harmonize some of the administrative	To be worked on immediately (2008 – 2009)

Schedule 1² List of Items included in PARE

 $^{^{2}}$ Schedule 1a has been attached to this Agreement in order to record items that have been proposed by a Party and are under consideration or discussion, but no commitment has been made.

	requirements for business – for example: dates of minimum wages increases, methods of calculating holiday and vacation pay, record-keeping requirements, pay period requirements, etc. Small businesses operating in both provinces will be able to simplify payroll administration and reduce the overall administrative burden.	
Workforce		
Transformation:		
Youth Employee Rights Campaign	Both provinces are interested in enhanced outreach to youth. A joint media and internet campaign (e.g. posted on Facebook) will assist youth to become more aware of their employment rights. The project will provide employers a vehicle to communicate with youth and to create synergies between youth and business for better employment standards.	To be worked on immediately (2008 – 2009)
Increased Cooperation between N.S. & N.B. Student Assistance	Both NS and NB deliver student assistance programs; while there are some different program policies, there are many similarities and consistencies that would support cooperation between the two departments. The project will improve client service and potential financial efficiencies for students & families in both provinces.	To be worked on immediately (2008 – 2009)
Unique Student Identifier	NB will explore a possibility of using NS more effective and efficient USI process. This will permit the longitudinal study and linkage of student to their entire education history, including the potential of a linkage to post secondary education in both provinces. Service delivery, management of educational data and linkages in and between NB and NS will be improved.	Longer term development (2009-2010)

Energy:		
Harmonization of onshore petroleum operational regulation and legislation	To undertake a review to identify the gaps between NB/NS Onshore Petroleum Operational legislation and regulations to potentially: 1) harmonize each jurisdiction's legislation and regulations; 2) examine the opportunity to create a common Onshore Petroleum Operational Regulatory Authority; 3) facilitate cross jurisdictional business processes and transfer of equipment and workforce; 4) enable technological flexibility by making regulations performance based rather than prescriptive.	To be worked on immediately (2008 – 2009)
Collaboration on tidal energy development	NB and NS will collaborate on a research program for tidal energy in the Bay of Fundy. The project will help fill crucial knowledge gaps which will assist in the creation of a commercial development framework for marine renewable energy. NB and NS may also develop common marine renewable energy legislation and will collaborate on integrated management related to marine renewables.	Longer term development
Potential improved/integrated regional electrical transmission	Improve the integration and coordination of transmission of energy from all sources, especially renewable energy, between NB and NS. Both provinces are currently conducting major studies to better understand the opportunities for achieving these objectives, including cost and benefits. It is expected that this will lead to more renewable energy, especially wind, contribute to energy security, and support large scale capital investments such as wind, tidal, nuclear and hydro. This has the potential to lead to a fully coordinated common market with a single system operator.	Longer term development

Financial Services:		
Uniform Securities Transfer Act	NS and NB have been working together to harmonize and simplify regulatory requirements for the private security industry. Both provinces will adopt model legislation promoted by the Uniform Law Conference of Canada resulting in a modern and harmonized approach to law, governing the transfer of securities and allowing for electronic transfer.	To be worked on immediately (2008 – 2009)
Improvements to the pension benefits acts	NB and NS will collectively work toward meeting a national standard.	To be worked on immediately (2008 – 2009)
Transportation:		
511 Traveler Information System	To improve travel, safety and efficiency by providing real time traveler information for public traveling between NB and NS. Assign the same 511 telephone number to both provinces for traveler, weather information, and road report. NS has switched its road report number to 511 and implemented a data collection and dissemination system (website). NB is looking to do the same.	To be worked on immediately (2008 – 2009)
Commercial Vehicle "Driver Simulation" Needs Assessment	Investigate the merits of providing a facility (mobile) to provide commercial vehicle driver training. NB Community College to develop a proposal and provide a mobile testing unit for NB and NS. The project would help to reduce costs of training, improve highway/public safety and contribute to the environment.	To be worked on immediately (2008 – 2009)
Joint Commercial Vehicle Enforcement Pilot Project	A pilot project to utilize NB/NS scale facilities for enforcement for development of CVO corridor – i.e. Amherst opened when Salisbury closed, and to test sending information between scales, such as	To be worked on immediately (2008 – 2009)

	CVSA inspection reports and driver records. There would be a reduction in red tape for trucking industry. There would be enhanced enforcement by having scale opened at all times.	
NS-NB Vehicle Configuration Harmonization and Common Enforcement	Harmonize permit conditions for Long Combination Vehicle in both provinces to enhance trucking operations. Address driver shortage in NS/NB by allowing more cargo carried (Twin 53') with one driver. The project will contribute to enhancement of energy efficient vehicles and overall reduction of transportation costs in NS and NB.	To be worked on immediately (2008 – 2009)
Special Move permit (on- line regional special permit system)	The development of an on-line special permit for oversize/over dimension trucks which is consistent in both provinces will reduce red tape and create efficiency for trucking industry.	Possible in the near term (by 2010)
Health and Safatry		
Health and Safety: Drug Information System (DIS)	NS and NB (lead province) to conduct a joint Phase 1 Drug Information System (DIS) Planning Project to clarify the scope, benefits, costs, and effort to implement a Drug Information System as well as to identify opportunities for collaboration. To reduce the demand for physicians' visits and hospital admissions, medication profiles and prescriptions will be shared between pharmacists and physicians through an on-line, real-time interactive data base. Both provinces will benefit by co-operating in costs and experience sharing.	To be worked on immediately (2008 – 2009)
Technical Safety Legislation	Adopt a common Technical Safety legislation to simplify and encourage new technology and modern practices in Technical Safety. The commonality will reduce inconsistencies and provide for an	Possible in the near term (by 2010)

	easier process for workforce mobility.	
	The two provinces regulate through similar programs the same sort of technical programs (boilers, elevators, fuels, electrical, some trades).	
Building Code Act	Nova Scotia has adopted and New Brunswick is moving towards adoption of the National Building Code. Harmonization of construction processes will allow for easier application of common designs for buildings such as Tim Horton's, Scobey's and contractors will be familiar with the standard requirements.	Longer term development
Liquor License Modernization Project	NB DPS to look at NS licensing model in 2009.	To be worked on immediately (2008 – 2009)
Other Regulatory		
Cooperation:		
Lobbyist Registry	Encourage transparency and efficiency for NS/NB governments through lobbyist legislation. Explore opportunities to gain expertise and the potential to share a common platform for an on-line Lobbyist Registry with a common window to access the system and entering the primary client data only once. By way of background, NB is in the early stages of developing lobbyist legislation. A Lobbyist Registry will be required once the legislation is in place. NS has had lobbyist legislation and an online Lobbyist Registry since 2002. Significant system	To be worked on immediately (2008 – 2009)
	Imitations have been identified in the NS system for which there is no fix and a new build is required. An improved Lobbyist Registry will make it easier to register, and easier to search,	

	thus promoting compliance and ultimately transparency dealings with the governments of both provinces.	
Regulation of Gift Cards and Gift Certificates	NB and NS will move incrementally forward on regulations for gift cards, keeping current on each others' plans. The objective will be for both NB and NS to meet nationally standards, expected around 2010. Harmonization of provisions regulating expiry dates, fees and other terms associated with gift cards would benefit national retailers by letting them continue to issue the same card in all provinces. Businesses will be more efficient as they will have fewer individual provincial regulations to meet.	Longer term development (2010)
Tourism Development Act	A new Tourism Development Act will be introduced to allow accommodation operators to have more choice in how they run their business. More focus will be given to tourism development and promotion rather than policing the accommodation sector. NB and NS to adopt a common approach to removing existing prescriptive licensing process for accommodations and move to an incentive based model that encourages innovation and high standards.	To be worked on immediately (2008 – 2009)
Harmonized treatment of microbreweries	6 point proposal including common definition of brewpub/micro, eliminating cost of service and bottle collection reqs, allowing direct distribution of kegs/bottles, enhancing promotion opportunities, reducing mark-ups.	Work is ongoing
Shared liquor import distribution facility	NB-NS pilot project proceeding.	To be worked on immediately (2008- 2009)
Real property registry systems	Help professionals in Real Property Sector who do business in both provinces to serve their clients more efficiently and to expand their client base by exploring opportunities for harmonization of:	Longer term development

	regulations; e-submission policies; on-line user fees policies; and software development.	
Harmonization of Fish Trade	Harmonize regulations to facilitate the movement of fish between the two provinces and to promote greater efficiency and profitability for fish processing facilities. The first step is to develop a plan for discussion with industry.	Longer term development

Schedule 1a

Items proposed and/or under consideration for inclusion in PARE.

Item	Description	Timeline/Status
Workforce Mobility:	•	
Common ground to designate a trade in NB and NS	The rationale for the designation of a trade in NB and NS is basically the same: Workers Safety, Public Safety, Environment, however, in NB the rationale has never been articulated officially.	For longer term development
Workforce		
Transformation:		
MPHEC (including NBCC)		TBD
Single University Admission Centre		TBD
Complete Transferability of Community College and University Credits		TBD
Credit System for Prior Learning		TBD
Single Apprenticeship Accreditation program		TBD
Post-secondary co-operative education Harmonization		TBD
Common Student Assessment Grades 3, 6, 9		TBD
Jointly addressing demographic challenges/marketing		TBD
Financial Services:		
Maritime Insurance Harmonization Project	Develop model Maritime legislation to harmonize and modernize insurance acts (except vehicle) for New Brunswick, Nova Scotia and Prince Edward Island. This will make the rules the same for insurers, agencies and banks across the three provinces, and harmonize licensing for agents and brokers.	Longer term development

Health and Safety:		
Electronic Waste Management (Electronic Product Stewardship)	Enhance efficiency for industry in complying with common regulatory requirements for electronic waste management. The project will bring economic benefits, create new employment and encourage trade within the Atlantic region. Regional processing will increase interprovincial transportation.	Longer term development
	NS/NB Harmonization of Electronic Product Stewardship Regulations will ban selected electronic products from disposal and require brand owners to set up a process for their recycling.	