

Premiers' Charter of Governing Principles for Regulation

Leading jurisdictions on regulatory reform and modernization adopt principles that guide regulators. The following statement of principles reflects the Maritime Premiers' vision for regulation in Nova Scotia, New Brunswick and Prince Edward Island and takes into account leading national and international practices.

Premiers' Charter of Governing Principles for Regulation ("Charter")

Regulation is a powerful and sometimes necessary instrument of public policy that can support efficient and effective markets and protect consumers, workers, and the health, safety and environment of citizens and communities. But it has limits. And there are often better instruments of public policy than regulation.

Experience shows that unnecessary or outmoded regulation can distort markets, unduly burden citizens, businesses and governments, and impede economic growth. Given this, regulation should never be an instrument of first resort, and should be deployed only when necessary and where there is clearly no better policy alternative.

A. Statement of Fundamental Intent on Regulation

- 1. The Government will regulate to achieve its policy objectives only**
 - a. having demonstrated that satisfactory outcomes cannot be achieved by alternative self-regulatory or non-regulatory approaches;
 - b. where analysis of the costs and benefits demonstrates that the regulatory approach is superior by a clear margin to alternative, self-regulatory or non-regulatory approaches;
 - c. where the regulation and the enforcement framework can be implemented in a fashion which is demonstrably proportionate, accountable, consistent, accessible, targeted and predictable; and
 - d. where the regulation and associated process is consistent with the Guidelines set out in section B below.

- 2. There is a general presumption that regulation should not impose costs and obligations on business, social enterprises, individuals and community groups unless a robust and compelling case has been made to do so.**

B. Guidelines for Developing and Assessing Regulation

1. The policy need should be clearly articulated at the outset

- illustrate how the need relates to relevant policy goals

2. Regulation should be the only effective and necessary way to meet the policy need

- a full range of regulatory and non-regulatory instruments and options is identified (e.g. do nothing; educate; improve information sharing; use the market; use financial or other incentives; self-regulate; voluntary codes of practice)
- regulation is shown to be clearly and demonstrably superior to other alternatives
- other alternatives are shown not to be effective in achieving a satisfactory outcome
- assessment of alternatives is based on best available evidence

3. Regulation should be a tempered response

- is proportionate to the issue being addressed
- is targeted to the area of need
- is the lightest form of regulation required to achieve the policy outcome
- does not unduly burden those being regulated
- takes into account the entire burden and impact of existing regulation on the regulated in considering the adoption of new regulation
- is considered and predictable and, barring compelling urgency, is not a rushed response to current events

4. Regulation should be accountable

- the costs and burdens of regulation are measurable
- the impact of regulation is assessed before it is adopted and outcomes are monitored afterward
- regulators and the regulated are accountable for an effective regulatory system and compliance, respectively
- regulation and the measurement of its performance and impact is evidence-based, objective and free from bias
- existing regulation should be systematically reviewed for compliance with the Charter

5. Regulation should be accessible and easy to comply with

- the process of making and monitoring regulation represents affected parties and is transparent

- representations from affected parties are solicited and considered in a timely and meaningful way in making and monitoring regulation
- regulation does not introduce unnecessary complexity by duplicating legislation or conflicting or overlapping with other regulations, requirements or forms already in place
- regulation should be written to be understood and complied with by the regulated as opposed to serving the administrative or drafting convenience of the regulator
- regulation should not be harder to comply with than equivalent regulation in relevant jurisdictions
- regulation should consider the critical importance of strong customer service values and standards in achieving high regulatory performance

6. Regulation should consider economic impact

- promotes a fair and competitive market economy
- promotes ease of interprovincial commerce
- presumed not to have the effect of creating an obstacle to internal or international trade
- presumed that the measured cost or burden of new regulation is at least offset by a reduction in the cost or burden of existing regulation

7. Good regulatory governance

- the responsibility of regulating, and of demonstrating that regulation is justified under this Charter, is that of the department, agency or office whose mandate includes the policy need the regulation seeks to address
- the Office of Regulatory Affairs and Service Effectiveness is an independent advisory office of government, reporting to the Premiers, which oversees and advises on the application of the Charter and the adoption of regulatory best practices in Nova Scotia, New Brunswick and Prince Edward Island