

SECTION 4: IMPROVING PARTNERSHIPS WITH ORGANISATIONS/ AGENCIES OUTSIDE CENTRAL GOVERNMENT

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4.1 Contestable policy advice

The context for change

Recent changes in the Canadian public policy environment (i.e. lack of confidence in politicians and political institutions; increasingly complex issues; concern about growing influence of interest groups; a better-informed public) have strengthened pressures for a more open and consultative approach to government decision-making.

The recently-elected Government (October 1993) made commitments during the election to provide Canadians with better government, including new measures related to integrity in government and more transparent and effective decision-making. The Government is currently working on approaches to translate these commitments into action.

Implementing change

Cabinet Ministers are responsible for bringing forth policy options and advice for review and decision by Cabinet. The new Government has indicated that Ministers will look to their Deputy Ministers and departments for professional advice and support on policy issues, as well as operational matters, across the full range of their responsibilities. The growing emphasis on consultation and public-private partnerships reflects the recognition that shared problem-solving leads to policies that are better and are seen to be better. The result is more effective and more credible government.

The Canadian Government is committed to consulting with provincial/territorial levels of government, non-governmental organisations and the general public. Consultation occurs on both a formal (e.g. First Ministers' Meetings, Parliamentary Committees, Royal Commissions) and informal basis (e.g. ongoing departmental liaison with stakeholder groups).

While there is no specific government-wide policy on consultation, the Privy Council Office has issued federal consultation guidelines, which have formed the basis of individual departmental strategies and policies on consultation.

The Treasury Board, in conjunction with the Canadian Centre for Management Development, has developed training programmes on consultation to sensitise senior management to the importance of public input to the policy development process.

There is a wide range of "consultative cultures" and experience in the Canadian Government. Some examples are outlined below:

National Round Table on the Environment and the Economy: an independent, multi-sectoral forum which promotes the principles and practices of sustainable development in all regions of Canada. A hallmark of the Round Table is consensus decision-making.

Canadian Labour Market and Productivity Centre: an innovative approach in which the private sector sets the agenda and plays a significant role in the development and implementation of public policy. The CLMPC has succeeded in forging a consensus among business and labour groups on the key elements of a Labour Force Development Strategy for Canada.

International Trade Advisory Committee/Sectoral Advisory Groups on Industry and Trade: formal mechanisms for consulting business, labour, consumer, academic and environmental experts on international and domestic trade policy (e.g. North American Free Trade Agreement, Uruguay Round, inter-provincial trade barriers).

Pre-Budget Consultations (In Progress): The new Minister of Finance has recently fulfilled a commitment to "open up" the federal budget process. A roundtable discussion with economists from across the country, as well as a series of four national conferences, have been designed to acquire both expert and public input.

Consultative processes are also being planned for upcoming policy reviews on such major national issues as health, income security, defence and foreign policy.

Emerging issues include:

- The overlapping nature of many policy issues and the problem of "consultation fatigue", dictate a more strategic, co-ordinated approach to public consultation;
- An increased emphasis on interchange experiences between public and private sectors is required to promote more effective partnerships;
- The balance of consultation with leadership (i.e. when to stop listening and to start taking action).

4.2 Deregulation

In the 1992 Budget, the Minister of Finance set the stage for regulatory review. The Government began a department-by-department review of existing regulations to ensure they resulted in the greatest prosperity for Canadians.

Part of this review required a public "re-justification" of existing regulations to ensure that those which stifled the creativity and efficiency of Canadian business or which served no public good, were removed.

The context for change

It is government policy that departments and agencies:

- justify the need for regulation;
- weigh the benefits of the regulations against their cost;
- establish the framework (compliance and enforcement policies, management systems and resources) needed to implement regulatory programmes;
- determine the relevance, success and cost-effectiveness of existing regulatory programmes; and
- provide for an open regulatory process.

The objective of this policy is to ensure that use of the Government's regulatory powers results in the greatest net benefit to Canadians.

Central agencies have a responsibility to assist departments to implement the policy requirements and to ensure an efficient and timely regulatory process.

Implementing change

For existing regulatory programmes, and substantive new or amended regulations, departments and agencies must demonstrate that:

- A problem or risk exists, government intervention is justified, and regulation is the best alternative;

- Canadians have been consulted and have had an opportunity to participate in developing or modifying regulations and regulatory programmes. (Regulatory Plans are published every year);
- The benefits of the regulatory activity outweigh the costs, and the regulatory programme is "structured" to maximise the gains to beneficiaries in relation to the costs to Canadian governments, businesses, and individuals;
- Steps have been taken to ensure that the regulatory activity impedes as little as possible Canada's competitiveness;
- The regulatory burden on Canadians has been minimised through such methods as co-operation with other governments; and
- Systems are in place to manage regulatory resources effectively. In particular:
 - compliance and enforcement policies are articulated, as appropriate;
 - resources have been approved and are adequate to discharge enforcement responsibilities effectively, and to ensure compliance where the regulation binds the government.

Monitoring

The Treasury Board Secretariat will monitor departmental performance and the effectiveness of this policy.

To do this, the Secretariat will rely on existing sources of information, including, where appropriate, the Federal Regulatory Plan, the departmental Multi-Year Operational Plans, Treasury Board submissions, major regulatory initiatives for Cabinet consideration, proposals going through the regulatory process, formal programme evaluations and results of internal audits.

In addition, where appropriate, the Secretariat will utilise the work of third parties (e.g. Office of the Auditor-General) to assist in determining the degree of compliance with this policy.

Supporting material

- (i) Regulatory Affairs Guide, Treasury Board of Canada Secretariat, October 1992
- (ii) 1994 Federal Regulatory Plan

4.3 Inter-governmental relations

This entry gives a broad overview of inter-governmental relations in Canada and highlights the primary decision-making agencies and processes used to manage federal-provincial relations. For the most part, "best practices" in Canadian inter-governmental affairs have emerged through evolutionary and incremental change and not through dedicated efforts at reform or systematic restructuring. No single inter-governmental process or forum captures all possible "best practices". Instead, what works best has been achieved through ongoing experimentation and innovation, two defining characteristics of inter-governmental affairs in Canada.

The context for change

Inter-governmental affairs can be restructured or realigned through four primary means: (i) formal constitutional change, to redefine the roles and responsibilities of the federal and provincial governments, an approach that has not been used successfully in recent years; (ii) non-statutory federal-provincial agreements which set out obligations and commitments for governments in specific policy areas, such as the environment; (iii) statutory agreements which establish specific obligations and objectives for each level of government, such as inter-governmental fiscal transfers; and (iv) informal agreements or commitments among political leaders to undertake a certain course of action.

The federal nature of Canada's political system means that the core activities of inter-governmental relations takes place between the federal and provincial governments. The federal government has minimal direct contact with local governments since they are the constitutional creations and responsibilities of the provinces.

Inter-governmental agencies and processes can be characterised by either the number of participants (multilateral, regional or bilateral) or by the type of participants (political or bureaucratic), and by the nature of the interaction (consultative or decision-making).

Multilateral processes, such as First Ministers' Conferences or meetings of Finance Ministers, involve the federal government and all provinces and territories. These meetings are normally chaired by the federal government and deal with issues of national importance.

Regional meetings are restricted to a select number of governments, such as the annual Western Premiers' Conference and the more frequent meetings of Atlantic

Premiers. Meetings among Atlantic Canada Premiers are supported by a permanent secretariat, which provides logistical and policy support. The federal government does not normally attend regional meetings.

Bilateral meetings are restricted to either the federal government and one province or between two provinces. Such meetings are held frequently and receive varying degrees of bureaucratic support.

Multilateral, regional and bilateral meetings can involve either members of political executive, public servants or both. First Ministers' Conferences are the most prominent inter-governmental meetings, where the Prime Minister and the ten provincial premiers meet (usually at least once a year) to focus their collective leadership on the broad management of Canadian federalism. As well, there are approximately 500 multilateral meetings among senior public servants each year.

Some inter-governmental processes are consultative in nature; they are used to exchange information and ideas among governments, but they do not normally make decisions. Some inter-governmental agencies have mandates to forge inter-governmental consensus through formal collaboration and co-ordination on how specific public policy challenges should be managed (e.g., the multilateral inter-governmental affairs process underway to remove internal trade barriers).

The federal government and each province has a specialised agency dedicated exclusively to the management of inter-governmental affairs. The agency either reports directly to the First Minister or to a senior Cabinet minister.

The multiplicity of inter-governmental affairs activities and processes should be seen as a cumulative "best practices" since it allows political leaders and public servants to tailor specific public policy issues to the appropriate forum or decision-making process.

Implementing change

Notwithstanding the complex, dynamic universe of inter-governmental relations in Canada, a number of patterns and lessons can be extricated to suggest how important public policy challenges can be effectively managed:

- an inter-governmental affairs issue will only be treated as a high priority if there is a clear and durable consensus among federal-provincial political leaders to do so;
- governments and their citizens must have a shared interest in a successful

outcome;

- effective, working relationships among political leaders and public servants are required;
- progress is more likely when governments address a small number of related issues, rather than a broad range of unconnected items;
- framework agreements and credible time frames are key instruments in the successful management of inter-governmental affairs;
- open, continuous communication with stakeholders and clients affected by possible public policy changes is increasingly necessary;
- non-government experts can often be used as neutral intermediaries to manage differences among governments; and
- working groups of officials can be used to prepare the necessary policy advice and follow-up.

Supporting material

- (i) The European Community: A Political Model for Canada? by Peter Leslie (Minister of Supply and Services Canada 1991)
- (ii) Distribution of Powers and Functions in Federal Systems, by Dwight Herperger (Minister of Supply and Services Canada 1991)

4.4 Developing partnerships with academic institutions

A particular initiative in developing partnership with academic institutions: The Canadian Centre for Management Development

A number of government departments and agencies have partnership programmes with academic institutions. Examples include Industry Canada, Western Diversification, and the Atlantic Canada Opportunities Agency.

It is difficult to generalise across a wide variety of examples, or to provide details on them all. Here, the focus will be on one programme which aims at improving the quality of management and public administration: the Fellows Programme of the Canadian Centre for Management Development (CCMD).

This programme has the following components:

- Public service Fellows can spend up to one year in academic institutions, doing teaching and research;
- They can also do teaching and research at CCMD, for a period ranging between a few months and two years;
- University faculty can also spend time at CCMD, on matters related to their teaching and research, e.g. during a sabbatical year.

Background

There is a need to encourage interchange between academic institutions and the civil service, particularly on subjects related to public management. For their part, the universities are an excellent source of new ideas and broader perspectives, which need to be taken into account by civil servants seeking to update themselves and the government's policies and programmes. In the course of their everyday work, practitioners are often too preoccupied with immediate priorities to be fully aware of new developments and ideas in a wide range of relevant disciplines.

For their part, the universities can benefit from closer contact with the public service. Fellows from the public service can provide a practical perspective and many examples and illustrations to give a greater sense of reality to the courses and programmes of universities.

For university faculty spending time at CCMD, the main benefit is in access to the public service for their research projects. This access is typically much easier to

arrange from a base in CCMD (and in Ottawa) than it is from a university outside Ottawa.

In addition to the Fellows programmes, CCMD also has several other channels of contact with the universities. These include:

- Teaching contracts, e.g. for presentations at CCMD's courses for senior managers;
- Research contracts, through CCMD's research programme. A Research Agenda is circulated on a regular basis to universities across Canada, and researchers are invited to submit proposals for studies related to current priorities in public management;
- CCMD's annual University Seminar, which brings together a large number of faculties who are interested in public policy and public management for two days of briefings and meetings with senior officials drawn from across the Canadian Government;
- Joint university/public service study teams on subjects of major importance. A current example would be the Governance project, which draws together top scholars and senior government officials for a continuing series of interchanges on current trends and developments in governance; a book on this subject will result from this project.

The role of CCMD

CCMD basically plays a brokerage role. This involves:

- Surveying the universities to see what their needs are, and where the gaps and opportunities are in their programmes and courses for public service Fellows to play a useful role. Detailed replies would normally be received from approximately 50 university faculties and departments across Canada and spanning a range of disciplines. The needs identified would vary considerably in their generality;
- Asking Universities to encourage their faculty members to spend time at CCMD, e.g. in order to do research on public management;
- Writing to the heads of all the federal government departments and agencies, asking them to consider supporting this programme and to identify senior public servants who would be good candidates for Fellows at CCMD or the universities. (The arrangement is that the departments/agencies pay the salary of the Fellow while he or she is on the

programme.)

Within the public service, Fellows programmes are initially developed through an informal process of consultation involving the home department, CCMD, and the universities. There are two decision points: the Deputy Minister of the home department must sponsor the Fellow, and the Principal of CCMD must agree, on the basis of a recommendation from the Vice-Principal, Research.

Participation from university faculty members in the CCMD Fellows programme is arranged on an informal basis between the university faculty member and the Vice-Principal, Research, at CCMD. To date, the participants in this programme have been well-known university scholars with an international reputation.

**A particular initiative in developing partnerships with academic institutions:
The Institute for Government Information Professionals**

Information Technology (IT) has become crucial to the efficient and effective delivery of many types of government services. Yet the complexity of modern information technology and the tremendous pace of technological change have made it very difficult for IT workers to keep abreast of state-of-the-art developments in their profession. To meet this challenge, the Government of Canada and three major Canadian universities joined forces in January 1993 to create "The Institute for Government Informatics Professionals" (The Institute). The overall objective of The Institute is to provide advanced professional training for IT professionals employed by the Government of Canada.

The Institute offers a selection of approximately 40 courses, all of which are university accredited and equivalent to a one-semester undergraduate course. Training is done at government facilities in Hull, Quebec by professors from the participating universities (University of Ottawa, University of Waterloo, University of Western Ontario). In addition to lectures in class, students complete homework assignments and write final examinations. Students have access to a microcomputer laboratory which they can use to do assignments.

The overall curriculum has been specifically designed to provide training that meets the needs of IT professionals in a government environment:

- *Technical courses* teach students about modern hardware and software and how they can be applied to meet government needs;
- *Professional courses* help students acquire the interpersonal, communications, and leadership skills they need to become effective managers;

- *Business courses* give students an overview of how the business of government works and demonstrate how finances, human resources, procurement, and service delivery are managed in a public sector environment.

Students who complete courses through the Institute can accumulate credits towards earning a Bachelor's degree through the University of Ottawa. The Institute is now working towards implementing a programme of certificates to recognise specific levels of accomplishment in different subject areas.

The Institute's curriculum is defined, monitored and revised by The Institute's Curriculum Councils under the guidance of an Advisory Board. Both the Advisory Board and the Curriculum Councils represent a partnership of government, industry and the university communities.

The Institute offers other activities to complement the courses which have been developed and delivered. A lecture series brings in outside experts to discuss new developments in various types of technologies. The Institute also offers professional development days at which guest speakers address topical issues such as leadership, building high-performance work teams, and marketing for services organisations.

The Institute is funded by Treasury Board's Human Resources Development Advisory Committee, the Department of Public Works and Government Services Canada and the numerous departments that enrol employees in the courses.

Since the programme was launched in January 1993 response to it has been extremely positive. Over 800 government IT professionals have taken at least one course through the Institute. Plans for the future include delivering courses at regional locations, beginning with a pilot course to be delivered in Vancouver, British Columbia, in January 1994. The Institute is also exploring development of career planning guides for government IT professionals.

4.5 Developing partnerships with industry

This entry focuses on partnerships with industry as an integral part of Public Works and Government Services Canada's (PWGSC's) approach to providing increased levels of service to clients. This entry will outline several of the Department's activities which are involved in fostering and strengthening relationships between clients and industries that market and sell their products to the Government of Canada.

The Canadian Government has come a long way in becoming more open and accessible with respect to the procurement process. *Common Purpose Procurement* was recognised as an area where the Department could initiate activity with a leadership style that would encourage initiative, and a partnership type of approach that would be committed to quality.

This type of procurement is used for competitively procuring integrated information technology systems for the Canadian Public Service. Suppliers are selected to help clients define and solve business problems through a continuing alliance between the client and the supplier. In relationships such as this, the supplier and the Crown share the responsibilities, risks, investments and results of the specific business endeavour. Through sharing the roles and responsibilities, innovations in defining timely solutions to problems result. Alliances such as this can potentially be extended beyond procurement into system implementation, system operation, and maintenance for a one-time stabilisation period.

Common Purpose Procurement could be applied to any situation where the solution to a business problem is not obvious. It is also effective in situations where there is no detailed specification for procurement, or else the choices are generally known but not certain. Within the Government of Canada, approval for projects of this nature requires at least two of the following criteria:

- the project must have a short lead time to meet urgent operational requirements;
- the project requires innovative approaches to solve specific business problems;
- the project must have functional requirements or goals but no detailed specifications.

As procurement of integrated systems is exempt from the General Agreement on Tariffs and Trade (GATT), only Canadian-based companies or Canadian-registered

subsidiaries of foreign-based companies are considered under the Common Purpose Procurement Framework. However, the procurement is subject to the North American Free Trade Agreement between Canada, the United States and Mexico (NAFTA).

It should be recognised, however, that Common Purpose Procurement is not a panacea and may not be applicable to all situations. To be successful, there must be a recognised problem, acceptance that assistance is required to solve the problem and an open-mindedness to the approach and the solution. Clients and suppliers must be ready to apply creative ideas and share in the investments, the risks and the results.

The context for change

Strong partnerships within any nation create a synergy that provides for increased productivity domestically, as well as international strength and recognition. Government/industry partnerships created in Canada set the stage for the development of first-class products and quality.

Government is currently working with industry to gain compliance with the world's leading indicator of product and service quality - the ISO 9000 Standard. Compliance with this Standard will give Canadian firms better access to markets in the European Community, Australia and the Pacific Rim. Canada recognises that these Standards will be fundamental to doing business internationally, and is committed to working closely with industry to ensure they have the resources and advice needed to meet the challenge. An advisory committee for each industry sector is being created to help phase in the Standard. Regional economic development agencies have developed programmes consisting of a combination of loans and grants for firms identified as needing assistance. With the implementation of the Standard, federal government departments will be getting better value for taxpayers' dollars. Improved operations means costs are cut and quality is consistent.

PWGSC also ensures that industry has direct links where it counts, that is into major projects undertaken on behalf of clients. These are commonly referred to as Major Crown Projects, which are often valued at over \$100 million and have a life cycle of up to ten years. Such Projects require extensive co-ordination and co-operation among departments and have a major impact on Canadian industry. By involving industry in reviewing project specifications prior to release of the request for proposal, administrative efficiencies can be gained and costs can be reduced for both government and industry. Project-specific Industry Awareness Seminars are undertaken early, often at the statement of requirements stage, and become a major forum to dialogue with industry. Common standards for project

management systems, jointly developed between government and industry, will simplify processes, reflect industry and government realities, and provide a consistency that can be used as a baseline for future projects of this nature.

Government in Canada supports the theory that contractors should share in the savings achieved when industry production methods are improved. In addition, contractors are encouraged to design and deliver products that meet minimum and desirable performance requirements in order to win non-governmental, commercial contracts. Initiatives such as these greatly facilitate industry to position itself better and compete more effectively for future projects, both domestically and internationally.

Implementing change

First steps involve defining and reviewing arenas where there is a firm basis for the willingness of government and industry to work together to achieve a common goal. It must also be recognised and evident that each participant can obtain fair value from the partnership by sharing both the risks and the benefits.

A commitment must be developed whereby all parties will invest time, effort and money into changing the way they do business. All parties must truly gain improvements to the bottom line.

The investment has to be weighed against the rate of return. It is these factors that will govern the level of commitment to be obtained. Each activity and each case scenario therein must be judged independently.

The culture of the organisations involved with the strategic partnerships must change to allow for the innovative problem-solving and skill development that is required. A very strong leadership and a sense of staff empowerment are necessary elements of this kind of partnering.

The scope of the activity and the magnitude of industry involvement will define planning and implementation phases. The Canadian Government Common Purpose Procurement Working Group was formed in January of 1991 with representatives from client departments, Public Works and Government Services Canada, and Canadian industry. The first business cases were undertaken in the same year. There are currently twenty individual projects underway, and more than five have already been successfully completed.

The implementation of the ISO 9000 Standards necessitate a much longer time frame. Public Works and Government Services Canada began promoting and assisting suppliers in the Spring of 1993. It is anticipated that the Department's

core cadre of suppliers will be compliant with the Standards within three to five years.

Supporting material

- (i) Common Purpose Procurement Framework, Public Works and Government Services Canada, November 1993
- (ii) ISO 9000: Improving Quality Is The Bottom Line, Let's Talk Business, Public Works and Government Services Canada, October, 1993

4.6 Partnership with Aboriginal people

A particular initiative in establishing partnership with Aboriginal people: comprehensive and land claim agreements

For centuries, the Aboriginal peoples of Canada have been the primary users of land, water and wildlife in their traditional areas. In recognition of this fact, and in an effort to incorporate the traditional knowledge of Aboriginal people in the daily management of natural resources, it is a central objective of Comprehensive Land Claim Agreements to guarantee Aboriginal people a role in the decision-making that affects the management and conservation of resources.

To achieve this objective, the Comprehensive Land Claim Agreements reached in the Northwest Territories and Yukon provide for the establishment of resource management boards referred to generally as "Public Government Institutions."

These institutions are typically comprised of equal numbers of Aboriginal and government nominees and are empowered, usually through separate Acts of Parliament, to perform a variety of resource management functions in geographical regions which include both Crown Lands and settlement lands.

Within the Nunavut Settlement Area, for example, the Nunavut Wildlife Management Board is responsible for conducting harvest studies, establishing total allowable harvest levels, approving plans for the management and protection of certain wildlife habitats and for providing advice on a range of issues to other wildlife management agencies. The Agreement explicitly acknowledges the Inuit's traditional and current use of wildlife and the need for an effective role for Inuit in all aspects of wildlife management.

Similar Boards will be established within settlement areas to issue land use permits, hear water licence applications and grant licences, develop and recommend land use plans, conduct environmental screening and assessment of development proposals and make recommendations to Ministers of government about policies and practices that would enable more effective resource management and conservation.

Although government retains ultimate jurisdiction over the resources in question, the Boards are granted significant autonomy in their operations and direct their own administrative, technical and research staff. The Boards are expected to play a key role in tapping traditional knowledge within individual communities by holding public hearings and engaging in consultation at the local level.

Supporting material

- (i) Gwich'in Comprehensive Land Claims Agreement
- (ii) Nunavut Land Claims Agreement