

# ANNEX F

## PROVINCIAL INITIATIVES

All levels of Canadian government are rethinking the way they do business. There are enormous pressures to transform the public service in order to develop viable solutions to reduced federal transfers; ever increasing public debt; and, an increasingly vocal public demanding public goods and services which are affordable, accessible, and an efficient and effective use of taxpayers dollars.

Today, governments are restructuring and grappling with the challenges of finding alternative ways of financing and delivering public programs and services. Provinces are evaluating what they do and how they do it, and in the process they are looking for new and innovative ways to collaborate with the communities to deliver programs and services. As a result, a great deal of experimentation with alternative delivery models is under way at the provincial level.

What follows is a compilation of information received from nine of the ten provinces in response to a December 1995 request. It represents a snapshot of some of the more unique and innovative alternatives being used to deliver services to the Canadian public. Additional information on specific programs can be obtained directly by contacting the applicable provincial government.

It should be noted that the British Columbian government underwent many of their downsizing initiatives in the late 1980s, including workforce reduction and privatization. These changes reflected a movement towards an entrepreneurial/market organizational structure and a changing corporate culture. As a result, many of their present initiatives reflect the need to work with the current public servants to redesign service delivery. In fact, the B.C. government now emphasizes a movement towards increased collaboration with unions and staff in order to examine ways of improving the quality of services delivered in their province.

### 1. CHANGES IN PROGRAM DESIGN

#### 1.1 Regulatory Reform

- *Nfld.:* A review of all regulations has been undertaken. To date, the review has determined that 48 Acts and 1088 regulations will not be re-enacted, 123 Acts will be re-enacted with major amendments and 1147 regulation will be re-enacted with little or no change. The process is scheduled to be completed by June 30, 1996.
- *Ont.:* Amendments to the Mining Act will require that mining companies 'self-regulate' mine closures. This amendment will clarify mine site rehabilitation regulatory processes and reduce government administration costs.
- *Ont.:* Reduction in the number of regulatory permits required. Legislation has been changed to remove the requirement to issue permits for specific activities, for example permits will no longer be issued where there is a low risk of damage or degradation to the natural resources.
- *Man.:* In the process of implementing recommendations from a joint public/private committee whereby the proliferation of new regulations will be reduced by 50%; all new regulations will be vetted with clients in the earlier stages and in the later stages a caucus committee will establish sunset clauses. All new regulations will be outcome-based rather than process based.

## 1.2 Consolidation and Service Integration

- *N.S.:* Amalgamation of school boards from 22 to 6, plus province-wide Francophone board.
- *N.S.:* Municipalities restructured, amalgamated to create regional efficiencies.
- *P.E.I.:* Following the 1992 Task Force on Health, the government reduced the number of administrative structures in the health system from 23 to 8, including 5 regional authorities.
- *Ont.:* Three ministries were consolidated into the Ministry of Finance, reducing overlap in areas of taxation policy and design and administration of tax statutes. This integration has resulted in a leaner, more efficient and responsive organization.
- *Man.:* Better Methods is a recent initiative encompassing most of the government's internal administrative systems. Phase I is expected to identify several million dollars worth of re-engineering opportunities resulting from the elimination of non-valued activity and strategic use of technology.
- *Alta.:* The Agriculture Financial Services Corporation was formed from the Hail and Crop Insurance Commission and the Agriculture Development Corporation. This service integration reduced administrative duplication and also provided a one window approach to clients financial and insurance needs.
- *Alta.:* The Alberta Energy and Utilities Board was formed from the merger of the Energy Resources and Conservation Board and the Public Utilities Board because the majority of clients had dealings with both Boards, often on the same issues. The amalgamation with reduce administrative costs and the number of time clients must make representations to regulatory boards.
- *Alta.:* The Department of Justice was created by amalgamating the departments of the Solicitor General and the Attorney General. The responsibility for the Civil and Criminal Justice were put under the same roof as the responsibility for policing and incarceration system.
- *Alta.:* The responsibility for the delivery of Health Services was consolidated into 17 Regional Health Authorities. This has facilitated the coordination of the Health delivery system and will lead to more efficient, affordable and accountable system. These changes in the health care system are designed to improve the health of citizens, reduce the emphasis on hospital care and increase the focus on wellness and prevention.
- *Alta.:* All grants to municipalities were consolidated through one department, Municipal Affairs, and the conditional requirements for these grants were, in most cases, removed.

## 1.3 Amendments to Funding Regulations

- *Man.:* The Service First Fund was established whereby departments who demonstrate an improvement in service while cutting costs or who reduce the regulatory burden while cutting costs are allowed to retain 1/3 of their savings (1/3 will go into the Fund, 1/3 will be applied to debt reduction). In addition, Departments are allowed to retain 1/3 of any non-traditional revenue. The long term goal of this idea is to "fund innovation through proceeds of innovation".

## 2. NEW DELIVERY MECHANISMS

### 2.1 Decentralized Decision-Making

- *N.B.:* Staff at the Service New Brunswick (SNB) centres developed a set of values and operating principles to guide them in their day-to-day work. In addition, a set of service standards has been developed for the delivery of service in the SNB sites.
- *Ont.:* A Change Council was established at the Ministry of the Solicitor General and Correctional Services to provide an innovative approach to participatory management. Members from all divisional staff levels, branches and locations participate.
- *B.C.:* Government employees under the Employee Suggestion Program provided ideas and solutions which produced savings of over \$5.27 million in 1995.

### 2.2 Community-Based Decision-Making

- *N.B.:* The Service New Brunswick initiative has established local advisory committees which, on an informal basis, provide guidance on office hours, local demand for services and general views on the centre's operation.
- *N.S.:* Establishment of Community Health Boards to support local decisions and to advise regional authorities.
- *P.E.I.:* Government restructuring has pushed decision-making down to the local level and community volunteer boards have taken on the responsibility for the local authorities. The government appointed the initial members to the boards, but beginning in 1997, the communities will elect their members. These boards decide the priorities for meeting health needs and the resources available to satisfy local needs. This facilitated the development of partnerships between the formal system and the informal community networks of resources and expertise.
- *Ont.:* The government established the Fish and Wildlife Advisory Committee and Trust to collaborate with the clients regarding the design and delivery of programs and services. In addition, the Ministry of Natural Resources has developed more collaborative relations with its clients and in the future the delivery of forest management will result in increased involvement and responsibility of the private sector. The Forestry Industry will assume responsibility for planning, forestry operations, compliance and data collection inventory within government-set standards and policies.
- *Ont.:* Private Land Forestry Stewardship facilitates resource management on private lands and involves community players on a Stewardship Council to find a balance between landowners and other land interests. In addition, a Private Forest Sustainability Fund provides money to stimulate investment at the community level by resource agencies, foundations, industry, land-owners and other non-government funding of resource management.
- *Sask.:* The Saskatchewan Health Renewal allows for increased community involvement throughout the formation of 30 district health boards, which will consist primarily of members elected by local residents.
- *Alta.:* Child welfare programs will now emphasize the importance of involving communities in program development and delivery to achieve the goal of protecting children and keeping them safe.

### 2.3 Intergovernmental Collaboration

- *Nfld.*: A federal-provincial Task Force on Community Economic Development has been established to make recommendations on the creation of economic zones. To date, 19 permanent Regional Economic Development Boards have been created.
- *N.S.*: Negotiations are under way to establish Atlantic Canada On-Line, an electronic, on-line, information service on behalf of the four Atlantic governments.
- *P.E.I.*: The Regional Health and Community Services has developed many partnerships with Human Resources Development Canada, as a result of sharing the same client base. For example, East Prince Health has a project officer working with 'People Investments' within HRDC offices in Summerside to deal with local unemployment. In Queen's region, regional social services officers are co-located with HRDC in a shopping mall with future plans to integrate their operations and systems with HRDC's systems. In Souris, HRDC and provincial regional officials share facilities and common databases.
- *Ont.*: A joint project between the Ministry of Finance and Revenue Canada is under way to combine annual filing for pension plans.

### 2.4 Interdepartmental Collaboration

- *N.B.*: Increased inter-departmental communications between the Justice Administration and Social departments to ensure that there is continuity and coordination in delivering services to common clients who enter/exit the traditional justice system.
- *N.B.*: Presently, there are four Service New Brunswick (SNB) centres located throughout the province. These centres provide more than 60 services, representing 16 government departments, under one roof, behind one counter. Services range from driver's license and birth certificates to information on student loans and hunting licenses. SNB demonstrates how one-stop shopping for government programs and services can significantly resolve access issues and customer satisfaction. In addition, it demonstrates ways of reducing cost and duplication through shared service delivery and the use of advanced information technology.
- *N.S.*: Access Nova Scotia is a partnership with all government departments (led by the Economic Renewal Agency) which provides Nova Scotians with information and advice respecting current services and programs offered by all levels of government.
- *N.S.*: Negotiations are under way with a supplier to develop and implement a single government number for those conducting non-personal business. They are also examining the introduction of a single physical permit to be issued on behalf of multiple departments.
- *Ont.*: Clearing the Path is an interministerial initiative designed to reduce the red tape burden for business by streamlining registration and reporting process. This initiative provides one-stop registration of business names; sales tax; employer health tax; and workers' compensation and enables businesses to receive consolidated monthly account statements and remit taxes in a single payment. This program is supported through the establishment of 50 single window, self-service workstations. The use of technology has allowed for improved service for example, by reducing business name search from 4 weeks to 5 minutes and instantaneous name registration versus a 6 to 8 week waiting period.

- *Ont.:* The Taxation Data Centre provides deposit, data capture and electronic data transfer services in partnership with four ministries and the Pension Commission of Ontario and Revenue Canada.
- *Ont.:* The Ministry of the Solicitor General and Correctional Services is working closely with the Ministry of the Attorney General to rationalize information technology, finance, and HR services between the two ministries.
- *Ont.:* The Procurement Card Initiative is being led by the Ministry of Finance with government wide-application by April 1996. The procurement card will be implemented in partnership with private sector financial institutions.
- *Ont.:* The Family Support Plan has established working partnerships with other ministries, government agencies and the private sector to increase support payments.
- *Sask.:* The Action Plan for Children represents a co-operative effort of seven government departments and is designed to enhance the well-being of children, youth and families. It provides a process for working together in partnerships to develop common approaches to children's issues. This preventative program should save the government by reducing the future demand for social assistance, remedial education and losses due to crime. This Plan supports the service needs of their client by ensuring the services are available in the community.
- *Alta.:* Initiatives are under way to combine various inspection and permit responsibilities so a single inspector can sign off on a host of regulatory responsibilities.

## 2.5 External Partnerships

- *N.B.:* The Early Detection Program of the Integrated Justice Initiative is designed to work with local communities and other social agencies to give police officers a better understanding of community issues in order to help families who are at risk of entering the justice system.
- *N.B.:* Team IBM is the consortium which has been contracted to design and deliver an Integrated Revenue Management System. The members to the consortium include the following: IBM Canada Ltd., La Federation des Caisses Populaires Acadiennes Limitee, DMR Group Inc., KPMG Management Consulting, Datacor/ISM Information Systems Management Atlantic Corp., Job Oriented Training Inc. and Hawk Communications. Payment for services will flow from business case benefits, i.e., revenue increases and/or cost reductions.
- *N.S.:* In conjunction with a private sector company, changes are under way in the Registry of Joint Stocks and companies branch to decentralize the functions related corporate registration.
- *P.E.I.:* The East Prince Youth Development Centre is an inter-agency and community initiative concerned with needs and issues faced by youth and young adults in the Summerside area. Partners in the initiative include: Summerside HRDC, RCMP, East Prince Health, the Western School Board, three senior high schools, the City of Summerside, Summerside Police, the John Howard Society, the Greater Summerside Chamber of Commerce, the Summerside Christian Council and the Youth Employment Services Program. Previous to this initiative these organizations dealt with youth issues and needs separately.
- *Ont.:* GEO Enterprises Ontario (GEO) is a more business-like approach to operating government, a better utilization of resources and builds viable partnerships with private sector. GEO co-ordinates and markets products and services, such as consulting, data, publication and laboratories.

- *Ont.*: Collaboration with external entities in the delivery and development of environmental farm programs. At present a private, non-profit organization is responsible for the program design and administration, the federal government provides the funding and the provincial government provides the technical expertise and advice.
- *Ont.*: A proposal has been approved for the Ontario Ranger Program to explore partnerships.
- *Sask.*: The Multi-Party Training Plan is a cooperative, training-to-employment initiative among the province, the federal government, Aboriginal agencies and the northern mining industry. The parties agreed to share the \$10.5 million cost of the training stage of the plan which prepare northern people for new mine jobs up to 1999. The implementation of the Plan is being coordinated by the Mineral Sector Steering Committee, an industry-chaired group of stakeholders concerned with northern development, other participants include regional colleges, provincial education and economic development and Indian and Metis authorities. This Plan is being studied by the provinces forestry industry as a model for academic and skills upgrading, training and employment of northerners.
- *B.C.*: Purchasing Commission has initiated special licensing agreements with external entities. For example, the government developed a training program to deal with increasing awareness of harassment. This product is now used by private sector training vendors under a licensing agreement.

## 2.6 Devolution

- *N.B.*: Improved Community Alternatives is an initiative designed to devolve resources from existing institutions to an expanded community-based enforcement infrastructure which is recognized as a credible alternative solution for non-dangerous offenders.
- *N.S.*: The Economic Renewal Agency was restructured to deliver services on a regional basis with accountability and responsibility for service delivery being placed at the regional level.
- *Ont.*: The province has devolved all responsibility for commenting on or approving land use planning applications to the municipalities, although the province will retain a policy, review and appeal role. In addition, the Ministry of Municipal Affairs and Housing will coordinate a system of one-window plan with input from 7 other review ministries.
- *Sask.*: The Health Renewal process has led to the transfer of departmental responsibility for community-based health services to district boards, resulting in the district board being responsible for the delivery of a continuum of health services. Currently the province is developing and piloting various community health centre models.
- *Alta.*: Initiatives are under way to coordinate the delivery of social services and interdepartmental services to children through community based regional delivery models.

## 2.7 New Organizational Forms

- *N.S.*: The newly established Crown corporation, the Nova Scotia Innovation Corporation, will take the leadership in the development of technology-rich industrial sectors, formerly the mandate of various departmental divisions.

- *P.E.I.:* The government has created a Health and Community Services Agency which functions under the direction of a Provincial Board. The Agency handles development of the provincial plan (including core services) to be delivery regionally/provincially, program design, planning co-ordination, personnel issues and resource allocation of health services and reports to the Minister through the Board's Chairperson.
- *Ont.:* The province recently created of the Ontario Transportation Capital Corporation (OTCC) to develop innovative project financing for mega construction/ transportation projects. OTCC will generate new revenue streams by charging tolls to pay for construction, associated financing costs and maintenance, in order to achieve self-sufficiency. OTCC has also invited the private sector to participate in partnerships to accelerate construction.
- *Ont.:* The Ministry of Consumer and Commercial Relations (MCCR) invited the private sector to enter into a joint venture to provide the ministry with 50% of the funding to automate the province's land registration information system. A private sector corporation, Teranet Land Services Incorporated, was created. The development of a business partnership model has allowed MCCR's client to do their own searches and document registration beyond regular business hours.
- *Ont.:* The creation of the Ontario Financing Authority (OFA) which co-ordinates the borrowing and investing activities (acts as the financial intermediary) on behalf of the Province, its Crown corporations and other public bodies.
- *Ont.:* The Ministry of Natural Resources (MNR) is currently proposing the creation of a special operating agency, Parks Ontario. This agency will provide more cost-effective services to clients while maintaining the link to MNR.
- *Ont.:* Non-profit corporation established to administer and distribute Ontario's allocation of the federal Adaptation and Rural Development Fund.
- *Man.:* The establishment of 8 Special Operating Agencies (SOA), with expectations for 7 more to be created in the next fiscal year and another 40 are being analyzed for feasibility. Manitoba is currently the only jurisdiction in Canada with specific legislation governing the establishment of SOAs.
- *B.C.:* At present, four organizational units have become SOAs and approximately three are in the preliminary status of becoming a SOA. While BC's SOAs do not have embodying legislation, their performance objective is to reduce public expenses.

## **2.8 Privatization**

- *N.S.:* The Department of Natural Resources has signed an agreement with a community to take-over and operate an animal park. Currently assessing the viability of privatizing other operation and ownership of corrections facilities.
- *Ont.:* The PPSR Branch of the Ministry of Consumer and Commercial Relations in partnership with the Ministry of Transportation and the Ministry of Finance have developed a one-stop initiative, the Used Vehicle Information Package, to deliver vehicle information and to determine whether any liens are registered. Previously, this information was obtained from two different ministries. This initiative also offers service delivery options, ranging from 24 hour a day telephone service, and credit card payment.

- *Ont.*: Transfer of beef cattle and swine improvement programs to two private sector organizations: Beef Improvement Ontario and Ontario Swine Improvement. These new organizations determine user fees for products and services according to actual costs and market responses.
- *Ont.*: Proposed privatization of nurseries and hatcheries programs and services.
- *Alta.*: The retailing of liquor was privatized.
- *Alta.*: The issuance of licenses, permits and certificates was privatized through the Alberta Corporate Registry.
- *Alta.*: The responsibility for operating the central payroll and payment of accounts systems were privatized.

### **2.9 New Contracting Arrangements**

- *N.S.*: Contracts are being negotiated with private companies to build and maintain schools and a highway.
- *Ont.*: Transfer of operational responsibility for detailed, repetitive and labour intensive activities to banks and financial institutions. Also introduced the option of direct deposit for clients, customers, staff, service providers and vendors.

## **3. CLIENT-ORIENTED CHANGES**

### **3.1 One-Stop Access**

- *N.B.*: Clients of the Police, the Justice department and the Solicitor General are able to access services or be directed to appropriate services with minimal duplication or hand-off/transfer from one service to the next. Single window access provides information on the various types of assistance and support offered by government and non-government organizations.
- *Nfld.*: Five Government Service Centres were created to consolidate permitting, licensing and inspection services into one agency to provide clients with one-stop shopping service.
- *Man.*: Co-location of federal and provincial employees from the respective departments of Environment to reduce costs and provide one stop service to clients.
- *Sask.*: Newly created Family Law Divisions of the Court of Queen's Bench provides one court which handles all family law matters.
- *B.C.*: There is a long history in the use of Government Agent offices to provide local communities with one stop access to a variety of government services and programs. This has also been an effective way of co-locating services for efficiency purposes and for the increased convenience of customers.

### **3.2 More Convenient Access**

- *N.B.*: Service New Brunswick centres are open extended hours to meet the needs of their clients. For example, the Woodstock centre is open 58 hours per week, six days a week.



- *N.B.:* The new Revenue Management System will manage the collection of revenues from fees and licenses as well as property taxes and consumption taxes. This new system will make it easier for businesses and taxpayers to report information to government and make their payment electronically, by phone or computer.
- *N.S.:* Extended the hours of operation for the Registry of Motor Vehicles.
- *Ont.:* Now provides direct on-line production of certificates in several remote locations. With the introduction of information technology certificates can be obtained in minutes rather than days.
- *Ont.:* Recently introduced the Ontario Depression Hotline, whereby clients can call for information regarding depression, symptoms, available services and treatments and doctors can obtain information on new techniques, treatments and medication for individuals suffering from depression. This new initiative was developed in partnership with the Ontario Medical Association and the pharmaceutical industry.
- *Alta.:* Liquor stores are open at more convenient hours, in many more locations. In addition, the decor is more friendly and inviting, with better overall service and selection.
- *Alta.:* Citizens now get a wider range of services through the Registry Offices which are open extended hours in more convenient locations. For example, clients can now renew their driver's license while doing their shopping at the local mall.
- *B.C.:* Recently moved the motor vehicle licensing offices into shopping malls and extended the hours of operation in the regular offices.

### 3.3 Process Simplification

- *N.B.:* Recently introduced an Alternative Dispute Resolution process for resolving civil matters. This alternative has proven more cost-effective and has significantly decreased the time required to resolve disputes.
- *Ont.:* The integration of databases for all tax statutes has allowed for the delivery of one-stop shopping. These changes have led to standardized accounting practices and forms, and streamlining of the registration process.
- *Ont.:* The Office of Adjudication which deals with appeals under the Occupational Health and Safety Act, introduced a "small claims" day where by all disputes of \$3,000 or less are handled in succession rather than scheduling each hearing individually.
- *Ont.:* Metro Toronto Courts Administration has introduced a Business Process Re-engineering initiative which has reduced approximately 55 processes to 15 steps in the Civil Division through a staff led team approach.
- *B.C.:* Staff and management of the Sheltered Aid For Elderly Residents were able to eliminate approximately 20% of their work steps which resulted in a three month waiting period being removed and improved staff satisfaction, along with service and efficiency improvements.

### 3.4 Use of Technology to Improve Access

- *N.B.:* The introduction of a host of toll-free telephone numbers to provide citizens with more convenient access to government information.
- *N.B.:* New Brunswick Works takes a Case Management-type approach which has led to the introduction of a new system of technology and new work processes and skills to support the system.
- *N.S.:* Integrated Voice Response technology is being used to provide various information, ranging from student loan applications, values of second hand cars, tax payable on private sale, renewal information for vehicles to collection of sales tax by businesses. In addition, fax back technology is being used to provide information to businesses about provincial sales tax. In addition, government information is made available on the Internet.
- *N.S.:* A pilot project is under way with the Registry of Motor Vehicles to use kiosk technology to provide better service to the public.
- *Ont.:* Eight self-service kiosks are currently being piloted to deliver routine government products and services with improved convenience. Since the inception of the pilot in September 1993, over 270,000 transactions have been completed, with 50% of those transactions taking place outside of business hours. As of March 31, 1996, 60 additional kiosk units were rolled out across Ontario. This project is delivered almost entirely by the private sector in a cost-effective, fashion, including hardware, software, monitoring, maintenance and stocking.
- *Ont.:* The Liquor License Board of Ontario has automated all activities and streamlined processes to improve customer service and delivery. Permit application can now be turned around in 20 minutes rather than 7 days and sales licenses which once took 4 months can now be granted in half the time.
- *Ont.:* Innovative Sudbury managers of the Ministry of Labour's Employment Practices Branch has used the available services of a local community cable channel to air a series of call-in talk shows to communicate and discussion employment standards, occupational health and safety issues.
- *Ont.:* The Ontario Hospital Financial and Statistical System is a computerized, on-line system which provides the Ministry of Health, the Ontario Hospital Association, hospitals and the District Health Council with financial and statistical information on Ontario hospitals.
- *Ont.:* Caseworker technology has moved to electronic data capture from manual application forms and away from mainframe support to client service architecture and desk-top computers for all caseworkers.
- *Ont.:* Archives Ontario is re-engineering its information technology to promote self-service by clients, streamline services, and reduce administrative overhead.
- *Ont.:* The Outdoors Card provides a streamlined process, one-window approach for obtaining various hunting and fishing licenses. New voice technology has improved access for customers.
- *Sask.:* Continuing department initiatives to reduce barriers to health information through sharing and improvements in health industry technology. Activities include comprehensive integration of the Health Department's information systems and databases and development of on-line district information systems where information can be obtained from central databases and shared among health districts.

### 3.5 Service Quality Initiatives

- *Nfld.:* A permanent Service Quality Unit has been established at the Public Service Commission (PSC) and a Service Quality Council, comprised of government and non-government people, will provide advice and direction. The PSC will work with other government departments and the REDB to develop and design services which better service clients' needs.
- *N.B.:* To improve the quality of service delivery, staff at Service New Brunswick centres were cross-trained to delivery a host of services, ranging from fishing licenses to providing information regarding water sample tests. All staff participated in a six week, intensive classroom-based training program, supplemented by a field-based component. The training modules included customer service and team building as well as instructions on the procedures involved in the delivery of services.
- *N.S.:* The department of Municipal Affairs has been working with four metro municipal government to improve the quality and methods by which property assessment and other related information is exchanged and updated.
- *B.C.:* In the 1990s, the government introduced "Service Quality BC" which recognized that affordable, efficient, innovative and customer-focused public service could only be built by drawing on concept and tools from both the quality and the service movements.
- *B.C.:* In 1995, the province introduced initiatives to enhance accountability and performance management which have had a positive impact on quality and efficiency of service delivery.

## 4. OTHER

### 4.1 Restructuring

- *P.E.I.:* Recently created regional authorities (five in total) will bring together a range of social services, such as health, addiction treatment, income support, social services and corrections into a single integrated system. The reform offers a new system of governance which is based on the individual, family and community participation and effectively separates policy, programming and delivery.
- *N.B.:* Human Resources Development led a large organizational transformation initiative which involved the employees in the review of their business.
- *Ont.:* The OPP conducted a business process re-engineering exercise to streamline, delayer, reduce costs, address constraints and to identify ways to manage high rates of retirement/attrition. The process involved the development of a comprehensive, organizational plan and macro-level implementation plans which consists of 3 parts: business process re-engineering, organizational designing and implementation planning.
- *Ont.:* The Ministry of Natural Resources was reorganized resulting in the implementation of a team approach to the delivery of services in the field. The delivery structure allows ministry staff to become more knowledgeable about natural resources and issues related to specific areas, allowing staff to be better equipped to meet clients needs.

- *Ont.:* In 1995, the government announced the Restructuring Internal Administration Project which is an initiative designed to reduce the internal administration expenditures by 33 per cent (or \$300 million) over the next two years. It is anticipated that this initiative will reduce the process burden through streamlining policies, rules and reporting requirements, in addition to changing how administrative services are provided through standardization, re-engineering, consolidation and integration, alternative service delivery, etc. In addition, all non-core transactional services will be divested to service providers (i.e., outsourced to private sector or integrated with another Ministry).
- *Sask.:* Fundamental restructuring of the Health Department's organization to reflect and support a new framework of health service delivery in the province.
- *Alta.:* The Workers Compensation Board has been removed from the consolidated accounts of the Province and functions as an autonomous entity. It is accountable to the employers who pay the premiums and the workers who make claims. The Board is entirely funded by employers and will not operate with any deficits or debt, back stopped by the General Revenue Fund.
- *Alta.:* The Alberta Securities Commission is a stand alone entity totally funded by those that use it. The Commission has moved to a position of total cost recovery with no draws from the General Revenue Fund.
- *B.C.:* In response to the recent budget announcement regarding the reduction of 450 supervisory positions in the fiscal year 1995/96, the government introduced an Organizational Review Initiative. This review will provide opportunities to identify areas where positions can be eliminated and to introduce a pilot project for new ways of approaching the delivery of services in the regions.

#### 4.2 Collaboration with Unions

- *Ont.:* The Public Service Appeal Board developed a Expedited Arbitration policy with MBS and OPSEU as an alternative for cases which are scheduled to last in excess of 5 days. Under this process, no evidence is presented and no witnesses are called, there are only arguments based on a brief, which reduces costs and decreases delays.
- *Sask.:* Continuing activity related to labour adjustment issues and implementation of labour adjustment strategies at the district level, in conjunction with the Saskatchewan Association of Health Organizations and labour unions.
- *B.C.:* In 1994, the government and its largest union, BC Government and Service Employees' Union, signed a memorandum of agreement outlining how they would work together to enhance the delivery of quality services to the people of the province. In the spirit of renewal and partnership, worksites across government have formed teams to review and improve their work processes.

# ANNEX G

## PROGRAM REVIEW INITIATIVES

(1995 Budget)

### Commercialization/Privatization

- *TC*: Air Navigation System
- *PWGSC*: Canada Communication Group

### Devolution

- *DFO*: Possible transfer of inland fisheries/waters management to provinces.
- *DFO*: Transfer of recreational harbours to municipalities/others.
- *TC*: Transfer of airports to local airport authorities.
- *DFAIT*: Transfer of Radio Canada International to the CBC.

### Abandonment

- *PWGSC*: Termination of Stocked Item Supply and closure of stores and warehouses.

### Reduction or Elimination of Subsidies

- *AAFC*: Elimination of grain subsidies under Western Grain Transportation Act.
- *AAFC*: 30% reduction in subsidies to industrial milk producers.
- *AAFC*: Termination of the Feed Freight Assistance Subsidy.
- *DFO*: Phase out of the Fishing Vessel Insurance Program.
- *DFO*: Wind up of the Fisheries Prices Support Board.
- *NRCan*: Discontinuance of Forest Resource Development Agreements and Mineral Development Agreements.
- *NRCan*: End of direct financial support for energy mega-projects (after Hibernia).
- *TC*: Ending of ARFAA and MFRA.
- *IC*: Reduction in business subsidies by 60%.
- *RDA*: Switch from grants to loans.
- *IC*: Switch from grants to loans.
- *SolGen*: Reduction in grants and contributions, termination of funds to university centres of criminology.
- *CH*: Budget reductions for CBC, Telefilm Canada and the NFB.
- *HC*: Reductions in operating budgets of national parks.

- *CIDA*: Reduction in contributions to international financial institutions.
- *CIDA*: Reductions in program spending.
- *HC*: Funding reductions for the Medical Research Council, Patented Medicine Prices Review Board and the Hazardous Materials Information Review Commission.
- *HC*: Cap on rate of growth of Indian Health Services Program (quid-pro-quo is more involvement of First Nations in management).
- *HRDC*: Freezing of transfers to provinces under the Vocational Rehabilitation for Disabled Persons program.
- *DIAND*: No basic change, but a cap on growth.
- *CMHC*: Reduced funding for new social housing initiatives and for housing research and administration.
- *VAC*: Discontinuance of certain benefits.
- *VAC*: Discontinuance of Pensioners' Training and Educational Assistance since they overlap with other sources of funding.

#### **Consolidation and Reduction of Transfers**

- *AAFC*: Move to "whole farm" (rather than commodity-based) approach for agriculture safety net (note: more flexibility, and requires 30% less money).
- *HRDC*: More flexible use of UI funds to improve employment assistance.
- *HRDC*: Combined financing of programs into a Human Resources Investment Fund to help people find jobs, combat child poverty and help those in most need of assistance.
- Replacement of EPF and CAP with a new block grant (reduces and stabilizes federal funding, while giving the provinces more flexibility) – also reduces administration costs

#### **Consolidation of Activities**

- *EC*: Consolidate AES.
- *IC*: Reduce and refocus industry sector branches.
- *SolGen*: Plan to consolidate federal criminal law enforcement activities in RCMP.
- *RC*: Consolidate a number of activities.

#### **Consolidation of Facilities**

- *DFO*: Commercial fishing harbours.
- *NRCan*: Reduction in number of forestry centres/offices from 16 to 5 with national mandate.
- *HRDC*: Consolidation of some offices.
- *PWGSC*: Consolidation of cheque production and printing sites and data centres.

**Program Integration**

- *DFO*: CCG and DFO fleets.
- *JC*: Possible merger of Federal Court-Trial Division and the Tax Court.
- *HC*: Consolidation of HRDC's Women's Program with Status of Women Canada.

**Single Window Approaches**

- *AAFC*: Agri-Food Trade Service (integrates and co-ordinates new initiatives in support of trade and market development).

**Reduction in Overlap and Duplication**

- *AAFC*: Food inspection and regulatory activities.
- *IC*: Elimination of overlap with other federal agencies in regional industrial programs.
- *RDA*: Intention to work strategically with provinces to reduce overlap and duplication.

**Common Systems**

- *PWGSC*: Implementation of government-wide financial and compensation systems.

**Increased Cost Recovery**

- *AAFC*: From industry for inspection and regulation.
- *DFO*: Higher fees for use of fishing harbours.
- *DFO*: Higher fees for services and licences.
- *EC*: Possibility of recovering cost of environmental assessments.
- *TC*: Fees for en route air navigation services and other possible fee increases.
- *JC*: Cost-recovery pilot projects with government departments.
- *NCC-CH*: Operation on a more commercial basis.
- *CIC*: Introduction of immigration fee.
- *CIC*: Increased citizenship fee.
- *HC*: Implementation of additional cost-recovery measures.
- *DFAIT*: Cost-recovery for consular and trade development services.
- *EC*: Fees for customized weather forecasting services and products.
- *DIAND*: Increased cost recovery from northern resources management.

**Partnering and Cost Sharing**

- *AAFC*: Sharing inspection and regulation responsibilities with industry.
- *DFO*: Sharing responsibility with industry for fisheries management.
- *IC*: Delivery in partnership with private sector.

- *RDA*: Working closely with provinces.
- *AAFC*: Matching investment in R&D with industry.
- *NRCan*: Cost sharing of geological research with provinces and private sector.
- *CSA*: Joint ventures for earth observation, space science and technology with private sector.
- *JC*: Federal-provincial cost sharing under Criminal Legal Aid and Young Offender Program.
- *RCMP-SolGen*: Work with TC to increase the efficiency of airport security.
- *NCC-CH*: Strive for greater municipal participation in maintaining municipal-like assets.
- *DFAIT*: Increase proportion of consular and trade development functions to prime users.
- *CIC*: Partnership with local bodies in the management of settlement services.
- *HC*: HC, AAFC, DFO and IC, together with food industry and provinces, to co-operate to improve the effectiveness and cost-efficiency of the federal component of the Canadian food inspection system.
- *HRDC*: National workplace strategy involving collaboration with sector councils to facilitate adjustment to changing economic conditions and labour market needs.

#### **Facility Closure and Asset Sell-Off**

- *AAFC*: Closure of 7 research facilities – criteria: local impact, low value, technological alternatives.
- *EC*: Closure of 50+ weather services and labs.
- *SolGen*: 5 regional offices.
- *NCC-HC*: Divestiture of non-critical land holdings.
- *DFAIT*: Sale of property.
- *HRDC*: Closure of some offices.

#### **SOAs**

- *NRCan*: Geomatics Canada.

#### **Process Redesign**

- *EC*: possible changes to procedures and timelines for environmental assessment
- *JC*: Simplification of justice system, including reliance on mediation as an alternative to litigation, sentencing reform, development of government regulation and legislation (JC)
- *PWGSC*: Increased use of direct deposit.
- *CIC*: Changes to speed up the refugee determination system.

#### **Reduced Levels of Service**

- *DFO*: Coastguard fleet.



**Switch to Indirect Support**

- *RDA*: Brokering information services to SMEs.
- *HRDC*: More emphasis on employment development services such as initial needs assessment, counselling, literacy and basic skills training, workplace training and experience, child care support and earnings supplementation.

**Reduce Demand for Services**

- *JC*: Work with client departments to change policies and practices to reduce legal problems.
- *SolGen*: Work with JC and provinces to contain growth of inmate population.
- *NPB-SolGen*: Switch from annual to biennial review for conditional release.

**Use of Technology**

- *EC*: Delivery of weather and other services (EC)
- *EC*: Automation of AES.
- *HC*: Reexamination of mandates and strategies of CBC, Telefilm Canada and the NFB in light of technological evolution.
- *HRDC*: Use of new technology to improve national labour market information to match skills with available jobs.
- *HRDC*: Use of computerized matches to avoid UI overpayment.

**Focus on Core Mandate**

- *DFO*: Emphasis on scientific services.
- *AAFC*: R&D.
- *EC*: R&D – reduction of non-core.
- *TC*: Policy, legislation, safety and security standards – not operations.
- *NRC*: Reduction of low priority activities.

**Policy Re-Orientations**

- *TC*: Shift away from owning, operating and subsidizing large parts of the transportation system to focus on core policy and regulatory responsibilities to ensure the safety and security of the system.
- *NRCan*: Shift away from energy supply to efficiency, alternative sources, environment and sustainable development.
- *NRCan*: Concentrate mining and forestry policy on international issues and sustainable development.
- *EC*: More emphasis on science, international and national policy and nationally significant ecosystems and less on local issues and service delivery.
- *JC*: Shift in support to high growth sectors.

- *RDA*: Focus on SMEs.
- *HC*: Shift to address priorities such as enhancements to the public health intelligence network, breast cancer research, Prenatal Nutrition and Aboriginal Headstart.
- *RC*: Reallocate some savings to audit and other enforcement activities.

**General**

- Reduction of overhead and administrative costs.
- Reductions in operating budgets.
- Improved strategic focus through business planning.
- Service delivery innovations.
- Use of information technology.
- Sharing common services among departments.

**Agency Review**

- 73 agencies, boards and commissions to be wound up.
- Remaining 47 to be “restructured and streamlined”.

# ANNEX H

## DEPARTMENTAL INITIATIVES RELATED TO SERVICE DELIVERY

### LEVEL A

#### 1. GENERAL ROLE AND POLICIES OF THE GOVERNMENT

##### 1.1 Abandonment, Devolution and Privatization of Policies and Programs

- *AAFC and TC*: Elimination of WGTA grain subsidies.
- *DIAND*: Devolving complete control for almost all socio-economic activity to the First Nations.
- *DFO*: Privatization of public marine telephone services and certain pollution responses.
- *TC*: As announced in the 1995 budget, the federal government is proceeding with the privatization of Canadian National Railways.
- *TC*: Work continues on the transfer of ownership of regional/local airports to provincial/regional/local governments, not-for-profit organizations and possibly the private sector in this order of priority. Federal subsidies to regional/local airports are to be eliminated by April 1, 2000. Three regional/local airports have been transferred and Letters of Intent have been signed for over 30. In 1995-96, it is expected that 15 regional/local airports will be transferred.

##### 1.2 Adoption of New Policies and Programs

- *EC*: "Greening Government", an interdepartmental initiative has been undertaken, with EC exercising horizontal leadership.

#### 2. GENERAL STRUCTURE OF GOVERNMENT

##### 2.1 Reconfiguration of Departments

- *VAC*: Currently conducting a study to investigate possible opportunities for amalgamation with other departments.
- *Canadian Coast Guard*: As part of the move to integrate all federal government marine programs (*DFO/EC/TC*), the Canadian Coast Guard has begun merging 90 percent of its functions with the Department of Fisheries and Oceans. Responsibility for most of ship safety and harbours and ports remain with TC. All elements of the merger will be completed by April 1, 1996.

##### 2.2 Creation of New Entities

- Announcement of three new agencies, Single Food Inspection Agency, Canada Revenue Commission and Parks Canada Agency, in the 1996 Budget.
- *TC*: The department is in the process of commercializing its Air Navigation System (ANS). NAV CANADA was incorporated on May 26, 1995 to operate as a public utility, pricing services to recover all costs from users. There are no shareholders and any profits will be re-invested in the business or charges to users reduced. The Board of Directors, appointed by user groups, unions and Transport Canada, held its first meeting on August 4, 1995 and will appoint four independent Board members in the near future. The new organization should be in operation on April 1, 1996.

- *EC*: The department is conducting a study to examine 8 different commercialization models.

## **LEVEL B**

### **3. CONSULTATION MECHANISMS FOR POLICY DEVELOPMENT AND PROGRAM DESIGN**

- *CSA*: The Space Program Overview Committee has been created with sixty representatives from all stakeholders across Canada. The committee was established to provide advice on strategic matters related to the planning and implementation of the CSA.
- *TC*: In order to modernize the regulatory process in the area of aviation, the Canadian Aviation Regulation Advisory Council (CARAC) was established as a cooperative rulemaking body. CARAC is a joint undertaking of the government and the aviation community and is composed of representatives from air carriers, manufacturers, and professional associations. CARAC offers the aviation community the opportunity to be a partner in improving and maintaining this regulatory system.

### **4. PROGRAM FUNDING ARRANGEMENTS**

#### **4.1 Reductions in the level of transfer payments**

- *AAFC*: Has reduced its subsidies to milk producers.
- *AAFC*: The department has moved to a "whole farm" approach to income stabilization, allowing for greater flexibility in the use of the funds, but a lower total amount.
- *IC*: The department has decreased its business subsidies.

#### **4.2 Cost recovery measures**

- *CH*: Parks Canada has developed a new policy based on introducing a recovery fee approach to personal services and a market-price approach for commercial services.
- *CRTC*: User fees have been established to cover the cost of regulating telecommunications carriers.
- *CIC*: Cost recovery for immigration and citizenship applications was introduced several years ago, in an attempt to offset the increasing cost of delivering the program. Over time, the fees have been extended to other immigration services, including visitor visa applications, and the amount of the fees have also been increased to better reflect actual processing costs. Following Program Review, CIC introduced a "Right of Landing Fee" and a "Right of Citizenship Fee" to transfer some of the costs from government to the direct beneficiaries of the programs.
- *DFO*: User fees have been introduced in a number of areas.
- *CORCAN*: The organization now sells products in both the public and private sectors. Correction and training fees have also been established.
- *HC*: Cost recovery has been implemented for several services, such as pharmaceutical products, medical devices, pesticides and other consumer products. HC is also considering implementing cost recovery in the area of food safety, which involves discussions with AAFC and DFO. The department plans to fund approximately a third of these health protection activities through cost recovery.
- *HRDC*: The department plans to introduce user fees for SIN Cards and U.I. Umpire Benefit decisions.

- *NEB*: Regulations have been approved that allow 85% cost recovery from oil, gas and electricity.
- *NPB*: User fees for pardons were introduced in April 1995.
- *STATSCAN*: The organization has introduced extensive cost-recovery.

## **5. PROGRAM DESIGN**

### **5.1 Regulatory Strategy**

- *CRTC*: The commission has instituted operational deregulation.
- *DFO*: The department has initiated an amendment to the Fisheries Act which reduces regulatory burden.

*NEB*: Companies have been granted authority to complete routine capital projects, without applying to the board for approval, provided they do not have safety or environmental implications. There has also been devolution of toll and tariff regulations and a move towards incentive regulations.

- *TC*: As the department moves out of its operational role, it is assuming an increased regulatory role in safety related areas. For instance, the TC aircraft fire fighting policy was revised and promulgated on September 1, 1994. The first phase included the withdrawal of approximately 62 TC fire fighters and the transfer of vehicles to municipalities where TC was providing a category 4 level of service. This phase was implemented at the majority of those airports (16) in April 1995.
- *TC*: In order to streamline and modernize Canada's outdated air regulations, the Regulatory Renewal Project was created. Operational and legal specialists from Aviation Regulation, the Privy Council Office and the Justice Department have joined together to revise and update the existing legislation, producing a user-friendly, clear and logical set of regulations called the Canadian Aviation Regulations (CARs).
- *DFO*: In February 1992, the department launched a new program in cooperation with the fish processing industry. This initiative is the first to incorporate quality management practices into a mandatory regulatory framework for industry. Under the program, the role of industry in monitoring its own performance against Canadian Fish Inspection Regulations is increased. As a result, DFO can focus its resources on plants with lower compliance levels, and those areas that have a higher risk.

### **5.2 Harmonization and Amalgamation of Programs**

#### ***Within Departments***

- *AAFC*: Regional harmonization of client services in trade development. Also established Agri-Food Trade Service to integrate policies and programs in export development.
- *CSA*: Reorganization based on generic functions – organization-wide focus on projects.
- *HRDC*: Integration of employment and insurance activities to improve UI claims – counsellors can now approve UI claims for trainee clients.

#### ***Between Departments***

- *DFO*: Integration of Coast Guard and DFO fleets.

- *CIC*: The overseas delivery of the immigration program has been transferred to CIC from External Affairs and medical assessment responsibilities formerly carried out by Health and Welfare have also been assumed by the department, in order to create direct accountability for all elements of the immigration program.
- *CIDA and DFAIT*: These departments are working together towards the development of country strategies that take into account and incorporate all relevant foreign policy instruments. This has led to greater co-operation between the two organizations to ensure coherent delivery of policies and programs.

#### ***With Other Orders of Government***

- *TC*: The Transportation of Dangerous Goods (TDG) Act 1992, included a provision for entering into agreements with the provinces respecting the administration of the Act. This provision is currently being implemented with three provincial agreements now signed and functioning. The agreements harmonize and coordinate the operational activities to ensure fair and equitable service and eliminate any possibility of duplication or overlap within the national TDG program. Action is proceeding towards completion of the remaining agreements.
- *TC*: The department has also been working with provincial governments to harmonize and coordinate the railway safety rules and regulations, and to assist the provinces in their monitoring and enforcement of provincial railways. A further step will see interdelegation by agreement in which the federal government will assume responsibility for the regulation of provincial railways. This will significantly reduce the cost of regulations and provincial governments will not need to establish separate monitoring organizations.

#### ***With Foreign Governments***

- *RC*: The Canada – U.S. Border Accord has harmonized travel processing systems, including streamlining border clearance for low risk travellers and reduction in paperburden and compliance costs.
- *TC*: Wherever practicable, Canadian Air Regulations (CAR) are being harmonized with those of the United States and Europe, in order to promote ongoing competitiveness of Canadian air carriers and manufacturers and remove unnecessary trade barriers.

## **6. DELIVERY MECHANISM**

### **6.1 Collaborative Delivery (Partnerships)**

#### ***Between Departments***

- *CIC*: The department is currently working with the RCMP and local police forces in the delivery of the enforcement program.
- *HRDC*: Financial and Administrative Services branch sets off debts for U.I., Immigration Loans, Canada Student Loans with Revenue Canada.

- *IC*: Until recently, IC services to alert Canadian firms to possible international business opportunities were done largely in an adhoc manner. The International Business Opportunities Centre (IBOC) was established jointly by DFAIT and IC to match systematically business leads provided by trade commissioners abroad with business interests of capable Canadian firms, particularly small and medium-sized enterprises.
- *VAC*: The department participates in Health Care Coordination Initiative with seven other federal departments/agencies to try to reduce client costs by coordinating certain health care services.

#### ***With Other Orders of Government***

- *ACOA*: Working with the investment team of NB's Economic Development and Tourism department to identify non-traditional forms of investment and also joint delivery of policies to financially assist tourist accommodations in the province.
- *CSA*: Works with provinces and private sector to bring about innovative financing to ensure commercial success.
- *PWGSC*: The department has signed an MOU with Quebec on sharing translation terminology research.
- *STATSCAN*: The agency works with provincial/territorial governments to develop statistics in their jurisdictions.
- *VAC*: The department has developed contracts with many of the provinces to identify health care needs of veterans and address priority access to long-term care.

#### ***With Foreign Governments***

- *RC*: Participated in conjunction with Mexican/US customs in a series of trade seminars sponsored by business and industry associations. Shared border crossing services with the U.S.
- *STATSCAN*: Works with other governments to improve quality of information on Canadian exports and to reduce the paper burden on Canadian exporters.

#### ***With Private Sector***

- *CSA*: Partnering with private sector to build and operate RADARSAT II and its successors – with the aim of developing an internationally competitive Canadian industry in the application of Earth observation satellite data.
- *CORCAN*: The agency has arrangements with a private company to employ offenders. It also partners with the private sector for design, testing and marketing of products, as well as determining the skills needed for employability.
- *NRCAN*: The organization is engaged in cost-sharing with Canadian companies for specific geological research and surveys. Additionally, Geomatics Canada is pursuing distribution agreements with private sector for maps.
- *RC*: The department has a partnering arrangement with Transact Data Services Inc. and the Bank of Montreal involving the use of a point of sale device to remit GST payments and allow filing of GST returns.

- **STATSCAN:** The agency works with newsmidia for communications, drawing out important findings, placing them in context and demonstrating relevance. It is also working with the private sector to develop software/technologies, to distribute their products and, in some cases, to co-publish, print and disseminate electronic products.

#### *With NFPOs*

- **STATSCAN:** Partners with secondary schools in electronic dissemination, statistical retrieval and graphing tools geared towards students.
- **VAC:** The department collaborates with the Last Post Fund, a not-for-profit organization to fund veteran's funerals.

#### *With a Range of Stakeholders*

- **Canada Business Service Centers (CBSCs):** CBSCs were created to deliver information and services in a client-centered fashion, rather than on a department by department basis. It is a collaborative effort involving 21 federal departments, provincial/territorial governments and the private sector. The first CBSC pilots were launched in 1992/93 and Centres have now been established in each province. A National Secretariat has been established to support the partnership and to ensure that the CBSCs evolve as a network.
- **IC:** The department has worked with other departments, NGOs, and client groups in the development and delivery of the SchoolNet program.
- **EC:** Numerous partnerships involving provinces, NGOs, universities.
- **PWGSC:** Under the Federal Building Initiative, PWGSC shares costs/savings with provinces and private sector.
- **IC and DFAIT:** Starting in 1994, a "Team Canada" approach to the delivery of International Business Development services was adopted. The idea is to pool the expertise and resources of federal and provincial governments and some private sector organizations to be responsive to business needs. At the regional level, the International Trade Centres, a joint venture of Industry Canada and DFAIT, will be the federal government's lead to bring together other federal, provincial and private sector partners. Companies will be directed through a "seamless" and transparent regional delivery system to have quick access to the products and services of all partners. Through the development of joint service delivery strategies and Regional Trade Plans, all participating organizations will also ensure that they are using their resources in an effective and client-focused manner. Specific examples include: New Brunswick Integrated Trade Strategy and Plan developed by the province of New Brunswick, Industry Canada and ACOA; the 1994 Trade Agreement between the four Atlantic provinces, ACOA, Industry Canada and DFAIT, and Federal Office of Regional Development in Quebec (FORD-Q), IC and DFAIT Agreement to maximize delivery of international business development programs to small businesses in Quebec.
- **IC:** Established the Pre-Competitive Advanced Research Network (PRECARN) and the Canadian Network for the Advancement of Research, Industry and Education (CANARIE) – consortiums of various stakeholders brought together to manage and administer a series of projects and networks of research teams in the areas of advanced robotics and artificial intelligence and information technology.



### 6.3 Devolution of Delivery (federal government retains responsibility)

#### *To Other Orders of Government*

- *DIAND*: Local control over service delivery accompanied by the establishment of service standards and granting First Nations jurisdictional control over services.
- *DFO*: Transfer to provincial governments management and administrative responsibility e.g. small craft licensing.
- *HC*: The responsibility for delivery of First Nations and Inuit health services is being devolved to communities.
- *JC*: Devolving criminal prosecution work to the provinces.
- *NEB*: The board has a contract with the Yukon Territorial Government for the delivery of energy regulation in the territory.
- *PWGSC*: The department has agreements with Québec and Manitoba to provide telephone information and referral services on federal programs/services, previously provided by PWGSC.
- *VAC*: Construction and operation of long-term care and rehabilitation facilities for veterans have been devolved to the provinces.

#### *To NFPOs*

- *CH*: Seven of eight components comprising the Sound Recording Development program, which provides grants and contributions to the sound-recording industry in Canada, have been administered by non-profit organizations.
- *CIC*: The department has designated an ADM to oversee and nurture partnerships. This will be particularly important in the area of settlement. CIC is withdrawing from direct administration and delivery of settlement programs and services over the next two years. These will be transferred to "delivery partners".
- *IC*: Spectrum management is exploring options to delegate the authority from the Minister to representatives of amateur organizations to issue amateur radio licenses.

#### *To Private Sector*

- *IC*: Legal Metrology has implemented third-party accreditation (or the delegation of authority to provide certain legislated services) of manufacturers, utilities, dealers and third party organizations to inspect and certify natural gas and electricity metres under the authority of the Electricity and Gas Inspection Act and certain types of scales and petroleum meters under the authority of the Weight and Measures Act.
- *TC*: The department has moved to a point where railway companies have the power to write their own safety regulations. Under the new approach, TC has passed a significant amount of operational responsibility for safety management to the railway companies. Yet, at the same time, Transport Canada has retained the ability to ensure that safety standards and requirements are appropriate and monitor and enforce where necessary.

- *TC*: In the interests of public safety, it is necessary to ensure that pilots are competent. TC delegates much of this responsibility to pilots employed by commercial air carriers. These "in house" inspectors are known as Company Check Pilots. They carry out most of the assessments related to pilot proficiency, as well as renewals of instrument (i.e. non-visual) rating tests. TC delegates regulatory responsibility to external entities in other areas as well, such as flight tests for private and commercial licenses and design approval for aeronautical products.
- *CRTC*: Transfer responsibilities for clearance of alcoholic beverage advertisements to the Canadian Advertising Foundation.

#### 6.4 Contracting with the Private Sector

- *CIC*: The department is shifting away from managing a system of "designated physicians" around the world, who were trained to do medical examinations for immigration. This activity will be contracted out to firms, such as insurers, who already do this, with more extensive networks of their own.
- *DND*: A "Government-Owned Contractor-Operated" (GOCO) contract was let for the Militia Training Support Centre (MTSC) Meaford with the aim of reducing required support resources for the site. Initial savings projections were for \$7 million over five years. The department views the project has proven valuable as a pilot, providing lessons in project management, scope definition, costing and methodology.
- *DND*: Primary Flight Training (PFT) for the CF is now contracted with Canadair at the Canadian Aviation Training Centre (CATC). Although the yearly flying rate under Canadair is only 10-15 % less than pre-contract, the number of personnel to operate and support CATC has dropped from the 700 previously employed by CFB Portage la Prairie.
- *DND*: In the past the department has designed buildings, then tendered a detailed package for construction. With its "design-build" approach, DND requests proposals on a "performance specification" with functional requirements. The "best solution" of design and construction is then contracted with the same bidder. Unless there is a need to closely control the design or cash flow, the majority of DND's construction is now "design-build". This approach fits government regulations and is popular with the industry.
- *EC*: The Environmental Choice Program was subject to an employee takeover to form a new company. It remains a government program delivered under a contribution agreement.
- *EC*: The Burlington Wastewater Technology Centre has been a GOCO since 1991.
- *IC*: A pilot project is being carried out in the Pacific region (Victoria) to have third parties (equipment suppliers) collect applications and licence fees for marine radio licenses. They will be paid a commission for this service. Potential future agents, should this project prove to be successful, include power squadrons, marinas, yacht clubs and equipment dealers.
- *NAC*: Portions of the organization's reprographic services have been contracted out, and this issue is again being examined, with a view to possible greater contracting out of such services.
- *PWGSC*: The department is collaborating with the private sector in the Northumberland Strait Crossing project. The "fixed link" to Prince Edward Island will be private sector financed, built and operated, with ownership ultimately transferred to government.

- *TC*: Airports designated as part of the National Airports System will be transferred to Canadian Airport Authorities under long term leases. Airports not transferred within five years will continue to be federally operated with zero deficit. Six letters of Intent have been signed with the incipient Canadian Airport Authorities (Lester B. Pearson, Winnipeg, and Macdonald-Cartier International Airports as well as the Moncton, Saskatoon and Thunder Bay Airports).
- *TC*: Following the signing of the FTA, amendments were made to the Motor Safety Act that permit U.S.-specification vehicles to be imported into Canada provided they are modified to meet Canadian standards prior to being presented to a provincial registration office for licensing. To assure compliance with this requirement the Act stipulates that "...the vehicle will be certified...by such person may be designated by the regulations." A position, Registrar of Imported Vehicles, was established by regulation and a competition held within the private sector for a company to fulfill the role. The Registrar has to devise and administer an inspection and certification program and provide information services to the public. Fees for these services are collected from importers and a license fee paid to the department for the privilege of delivering this service. There is no additional cost to the taxpayer for the provision of this service.
- *VAC*: The department has arrangements with many private sector firms to develop and market Canada Remembers souvenirs and memorabilia.

## **7. SPECIAL ACCOUNTABILITY ARRANGEMENTS**

### **7.1 Special Operating Agencies**

- *AAFC*: Two SOAs (Canadian Pari-Mutual Agency and the Canadian Grain Commission).
- *CH*: Two SOAs have been created: the Canadian Heritage Information Network (CHIN) and the Canadian Conservation Institute (CCI).
- *DND*: The Canadian Forces Housing Agency (CFHA) was created as a Special Operating Agency to provide family accommodation to members of the Canadian Forces effective April 1, 1996. The Agency will manage a portfolio of approximately 22,000 housing units at Canadian Forces locations across the country.
- *IC*: The Canadian Intellectual Property Office (CIPO) became an SOA in 1994.

### **7.2 Other Arrangements**

- *HC*: A number of new authorities have been negotiated with Treasury Board to allow Parks Canada to manage its resources and investments in a manner that simulates more commercial business practices. Authorities such as full revenue retention and easier transfer between votes, have allowed Parks Canada to plan and enter into new park and site agreements.
- *DND*: The Personnel Support Program (PSP) Defence Services Agency is under development to oversee the delivery of all PSP programs which include both public funded activities such as physical fitness training and sports, and non-public fund (NPF) activities such as CANEX (retail facilities), community recreation programs and the Service Income Security Insurance Plan (SISIP). This involves the civilianization of the majority of the 591 military positions employed in the management of PSP activities, creation of 472 publicly supported NPF positions, and establishment of an NPF Board of Directors. The transition to full Agency operations is planned over a three-year period,

1996-1999. At steady state, the net annual savings will be \$7.5 million. The pay back of publicly funded transition costs will occur in the second year of stable operations.

- *IC*: The Communications Research Centre, a principal federal telecommunications research institution, became a de facto special operating agency in 1992. It continues to evolve in the direction of greater autonomy.
- *NRCan*: Canadian Centre for Mineral and Energy Technology (CANMET) became a Second Generation Technology Centre. As part of this change, client-led advisory boards were established. As well, there is increased cost recovery, increased accountability via performance indicators, more flexibility regarding revenue retention and a single operating budget along with a comprehensive business plan have been introduced.

## LEVEL C

### 8. GENERAL CHANGES IN THE OPERATIONAL CAPACITY OF DELIVERY UNITS

#### 8.1 Additional Flexibilities

##### *Financial Management*

- *CORCAN*: Operates on a revolving fund.
- *CRTC*: Seeking vote netting authority for part of broadcast licence fees attributable to regulation costs.

##### *Human Resources Management*

- *NEB*: Attained separate employer status in 1992.

#### 8.2 Management Practices

##### *General*

- *CORCAN*: Certification under ISO 9000.

##### *Human Resources*

- *NPB*: Improved Board member appointment process, enhanced training for Board members and introduction of performance evaluation of Board members.
- *STATSCAN*: Front-line staff receive training in the skills needed to provide effective and professional service.

#### 8.3 Consolidation of Regions/Branches

- *DFO*: The number of regions were reduced from 12 to 5.
- *PWGSC*: Integrated three branches previously responsible for real property services.
- *STATSCAN*: Reorganization of two central branches into one – with a marketing division and a dissemination division.
- *VAC*: Merger of CPC and VAB to form VRAB.
- *CIDA*: Reduction in the number of branches from 11 to 9.

## 8.4 Reconfiguration of Activities

### *Consolidation*

- *EC*: Integration of regional activities with HQ responsibilities.
- *JC*: Creation of Legal Operations Centre to include all common law, legal advisory and litigation services. Also, grouped all policy related functions in one sector.
- *DFO*: Consolidation of laboratories.
- *TC*: Integrated Departmental Financial and Material Management System which improved aspects of public interaction with departmental activities.

### *Other*

- *CORCAN*: Established 6 business groupings that reflect strategic focus.
- *NRCan*: Client Forest Service program restructured into 10 networks, each with a focus on a particular topic.
- *CORCAN*: Thirty operational units became autonomous cost/profit centres.

## 8.5 Delayering

- *JC*: Examining delayering and legal classification levels.
- *AAFC*: PFRA eliminated 2 levels of authority and increased accountability.
- *CORCAN*: Hierarchy reduction from 8 levels to 4.
- *NEB*: Reduced hierarchy to 3 levels of management.

## 8.6 Creation of Project-Based Teams

- *CRTC*: Development of matrix-based teams to provide required project skills.
- *NRCan*: Employee designed reorganization of Canadian Geoscience Information Centre, led by 3 core work teams, with the aim of providing better service both internally and to the public.
- *IC*: The Industry Sector of IC uses teams as the primary work locus. Most branches operate on a matrix basis, with regional, sectoral and functional experts working on project teams. To bring expertise closer to clients, sector branches have a strong presence in 5 regional offices where they provide sectoral expertise (e.g. automotive assembly in Ontario) and ensure client services are delivered where these industries are concentrated. As well, Industry Sector branches operate in a flatter organization with resources in a coordination and management services branch to discipline staff overheads.
- *VA*: Client Service Delivery Network will use multi-skilled, client-oriented teams as front line delivery providers for all portfolio programs.

## 8.7 Centralization/Decentralization

### *Centralization*

- *CHRC*: Centralized a good part of the investigation process – reduced size of regional offices.
- *CIC*: The department has moved to a centralized mail-in operation, which has allowed the number of local offices to be reduced by half.

### *Decentralization*

- *CH*: Parks Canada has decentralized its Real Property Management function, which entails the delegation of operational responsibilities to the regions for management of over 219,000 square kms of land throughout Canada.
- *NPB*: Significant decentralization – increased empowerment of all RC managers and increased delegation to regional management.
- *VA*: Veterans Independence Program (VIP) Improvements Project delegated increased authority to districts and regions.
- *AAFC*: Matching investment initiatives and PFRA project approval moved to community level.
- *DFO*: Increased resource management flexibility for RDG.
- *HRDC*: Empowerment of employees with expanded duties. Improved accountability process – more authority delegated to field managers.
- *TC*: Decentralization to regional offices. In 1991, Regional Directors General of Aviation were created at each of the six regional offices in order to establish a local focal point for industry on Aviation matters. Staffing authorities have been delegated to line managers across Transport Canada. In addition, increased delegation for casual employment was obtained from the Public Service Commission.
- *HRDC*: New service delivery network includes more local decision-making.

## 8.8 Consolidation/Sharing of Support Services and Systems

- *CIDA*: Examining potential for sharing common services with DFAIT.
- *HC*: Developing locally shared support services (LSSS) arrangements with other departments.
- *AAFC*: Worked with other departments to develop Travel Expert System.
- *HRDC*: Financial and Administrative Services branch provides common services for CIC (e.g. CIC uses HRDC's Financial Information System and HRDC collects immigration loans on behalf of CIC).
- *NAC*: Since 1994, the NAC has integrated its material management and financial services functions with those of the National Library. The NAC has recently explored options for common delivery of more support services with the National Library.
- *NPB*: Investigating sharing of services with Correctional Services.
- *PWGSC*: Involved in a number of locally shared support services initiatives, usually through Regional Councils.

- *Terasses de la Chaudiere complex, Hull, Quebec:* Since 1993, CH, EC, DIAND, the National Library, CRTC, and the National Transportation Agency have shared administrative services and human resource services (training catalogue, learning centre).
- *VA:* Partnering with ISP Branch of HRDC to share systems in order to meet VA's service delivery requirements. The department is presently involved in about 50 locally shared support services arrangements.

## 8.9 Internal Processes

### *Automation*

- *TC:* Lightstation automation.
- *HC:* Streamlining laboratory support services and other operations through automation.
- *NPB:* Introduction of an electronic infrastructure for employees.
- *STATSCAN:* Introduction of a product management information system for publications and other off-the-shelf products.

### *Other Changes*

- *NPB:* Investigating with Correctional Services Canada improvements in case preparation process.
- *CIDA:* New approval process for geographical programs to improve speed/efficiency.
- *TC:* Administrative arrangements with PWGSC to streamline access to various systems and to departmental network.
- *JC:* Client-Driven Services (CDS) initiative in which the department assesses the client's legal requirements and the department's capacity to meet them.
- *CIC:* The department is changing the way it distributes applications forms. On a pilot basis, application forms are being distributed by Canada Post's DocuPost service – a document and information storage, retrieval and distribution system. Canada Post has stored national immigration kits on a central computer system and prints these kits on demand, thereby reducing printing, storage and distribution costs for CIC (and eliminating stockouts).

## 8.10 Consultation

- *STATSCAN:* Client consultations, surveys, etc. to assess different aspects of service delivery.
- *VAC:* Client focus groups to obtain feedback on the use of technological advances in service delivery.

## 9. CHANGES TO SPECIFIC ASPECTS OF SERVICE

### 9.1 Simplified/Streamlined Procedures

- *HRDC:* Consulting with partners to simplify the Record of Employment procedures for business.
- *HRDC:* Direct Deposit of U.I. benefits to claimants bank account.
- *RC:* Direct deposit of tax returns, credits and benefits, simplified T1 tax returns.
- *CHRC:* Reduction in time to bring complaint forward for decision.

- *VAC*: VIP Advanced payment program improved and simplified client services.
- *HRDC*: Elimination of many procedural requirements. Also, has adopted the case worker approach, whereby a single agent now processes UI claims from start to finish.
- *TC*: Pre-clearance and pre-approval for exported automobiles from the U.S. TC has established lists of U.S. companies manufacturing and exporting new vehicles to Canada that are proven to be in compliance. This reduces the audit requirement for TC inspectors (e.g. it's simpler to establish compliance with one US manufacturer than 15 Canadian importers). It also saves the industry money by avoiding the need for re-calls for non-compliance problems.
- *TC*: An initiative is currently under way to write the Transportation of Dangerous Goods regulations in a new and understandable manner. This clear language initiative will replace "legal" and "bureaucratic" terminology, simplify the critical requirements and format the regulations to be more user friendly, in a effort to increase compliance and improve public safety.
- *RC*: Customized and streamlined operational systems to suit the needs of specific industry sectors.

## 9.2 Technology-Based Access

- *HRDC*: Use of toll-free telephone access.
- *IC*: In 1994, the Corporations Directorate became the first North American jurisdiction to proceed with electronic filing and issuance of documents under the Canada Business Corporations Act (CBCA). Also, clients may now use their own computer-generated forms to file information under the CBCA rather than forms produced by Corporations. Coupled with a new single filing provision which eliminates duplicate filing requirements among the federal and provincial regulators, these amendments are aimed at improving service delivery by ensuring equal access across the country and reducing the paperburden.
- *IC*: The department, in collaboration with Dataware Technologies and Electronic Publishing Alliance Ltd., has developed Insight Plus, a CD ROM containing over 250,000 pages of business information on topics ranging from market opportunities to government regulations. The CD ROM also provides pointers to additional sources of information, contact lists and events as well as access to on line services. Over 7,000 CDs have been distributed to the business community.
- *IC*: CIPO is introducing a 1-900 telephone system to provide basic intellectual property information services to all Canadians. A CIPO site has been added to the Open Government pilot on the Internet.
- *NAC*: The organization has developed geographically distant access sites in several cities across Canada to better serve the researching public. These have been supplemented with CD-ROM based reference systems, and a World Wide Web site was opened in December 1995.
- *RC*: Customs-electronic access to services.
- *CRTC*: Electronic filing of broadcasting and telecom applications.
- *EC*: Establishment of Green Lane on the Internet.
- *NEB*: Developed Electronic Regulatory Filing in consultation with industry clients.
- *NRCan*: Use of Internet and W W W.



- **RC:** Electronic filing of individual tax returns.
- **RC:** Toll-free NAFTA enquiry line.
- **RC:** Customs Line Release System couples electronic handling of cargo and release documents with automated enforcement and tariff databases to allow shipments to be cleared by customs officials away from the point of entry.
- **STATSCAN:** Use of Internet access to communicate with clients.
- **VAC:** Established W W W site on Internet in 1995. The department offers clients a choice in accessing services. Client services available face-to-face, toll-free telephone, mail or home visits.
- **CIC:** The department plans to establish call centres in major urban centres, in order to provide clients with better access to information. This will be implemented first in Canada during 1996 and then extended to the rest of North America and ultimately overseas.

### 9.3 Single Window Initiatives

- **STATSCAN:** Streamlining and harmonization of financial and purchasing systems – clients now have one-window access for product enquiries and purchases.
- **TC:** Business Centre in Canada Bldg. to improve access to information both for the department and the public.
- **AAFC:** Single window for federal food labelling regulations and policies.
- **RC:** Integrated 4 business account numbers into 1 new business number.
- **DFO:** Single window options being explored.
- **DIAND:** Funding Service Officers in the regions has become the primary point of contact for First Nations.
- **DFAIT:** InfoCentres providing one-stop shopping to business communities on trade issues.
- **RC:** Client Services Bureau – financial and personnel administration support to employees and RC managers.
- **RC:** Most offices offer one-stop service, ranging from applying for a business number, refund status, account balance, payments and notices, forms and general information on all business programs.
- **STATSCAN:** Restructuring of Regional Conference Centres into full service, one-stop mode each with toll-free service with recorded answers to frequently asked questions.

### 9.4 Co-Location

- **ACOA N.B:** Co-location of local, provincial and federal partners in economic development. Collocation of 6 of 10 Regional Economic Development Communities and Business Development Corporations.
- **HRDC:** Financial and Administrative Services branch has co-located with the province of Alberta and other Federal departments in Canada Place, Edmonton, Alberta.

- *HRDC*: Labour Branch has co-located federal Labour inspectors with Ontario inspectors in Kingston and with Saskatchewan inspectors in Regina and Saskatoon.

#### **9.5 Public Information Programs**

- *RC*: Small business information seminars for those who have recently started or are planning new businesses.
- *STATSCAN*: Training programs for users of Census data and products. New online system to assist clients who had purchased their software and equipment.

#### **9.6 Service Standards**

- *VAC*: Client-based service standards.

#### **9.7 Complaint Resolution Mechanisms**

- *CRTC*: New complaint resolution components.