

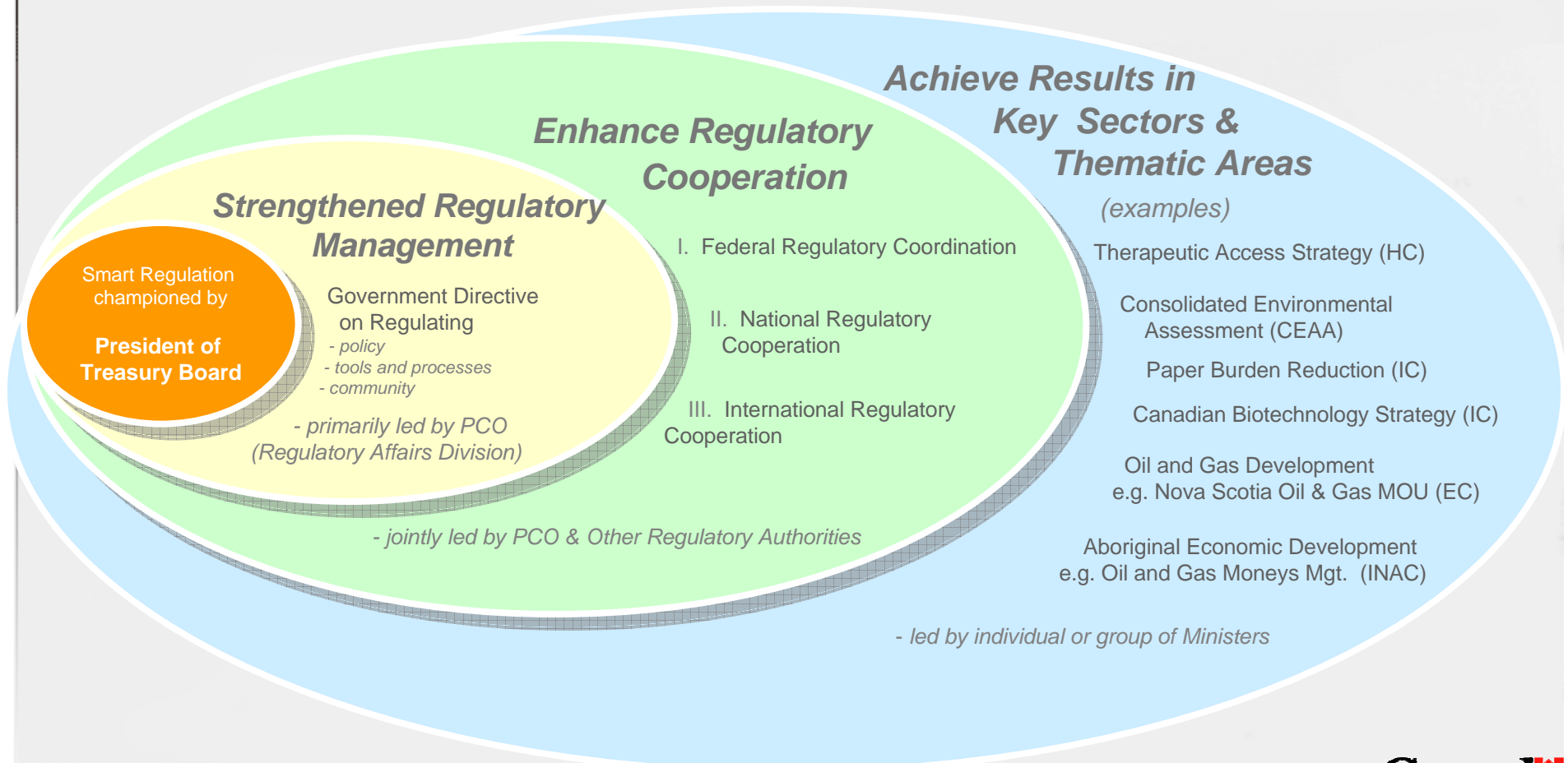


Public Workshops on the *Government Directive on Regulating*

**Regulatory Affairs Division,
Privy Council Office**

Smart Regulation

- ✓ Smart Regulation is a whole of government approach to improving regulation. The strategy has three key areas of **concurrent** activity:





Today's Workshop...

The purpose is to:

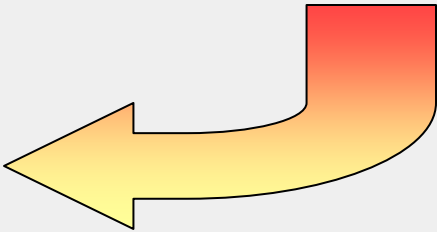
- ✓ Provide an opportunity for you to present your views and hear the views of others, and
- ✓ Enable you to work with others to develop advice on improving the draft Directive.

Our expectations are to:

- ✓ Receive practical and workable advice on how to improve the draft Directive and to prepare a policy proposal to Ministers, and
- ✓ Understand the diverse views of Canadians so we can provide quality advice to Ministers.



Our approach is to:

- ✓ Encourage interactive discussions in a mixed-group setting, and
 - ✓ Hold plenary discussions for you to present views and advice on improving the draft Directive.
- 



Agenda Review

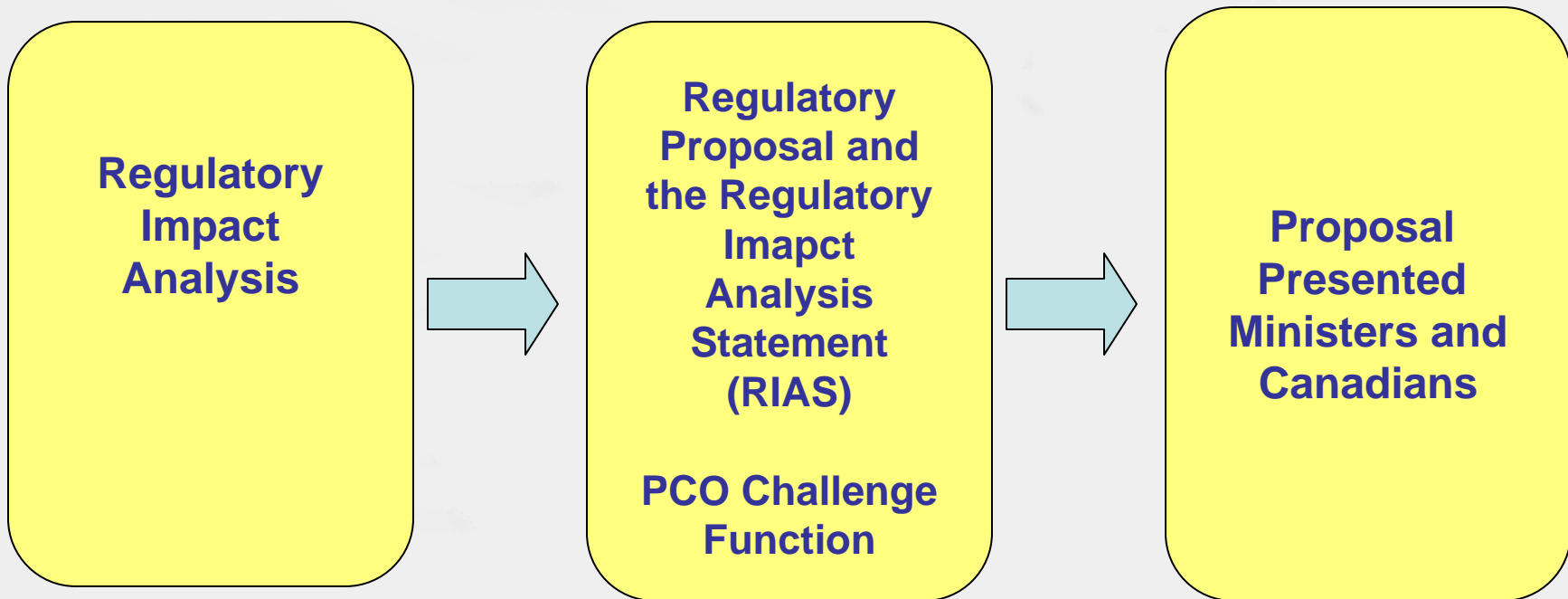
- ✓ Discussion of the agenda and workshop format:
 - Confirm agenda and format
 - Purpose of the workshops
 - Participant handbooks



What is the regulatory system?

Regulatory Impact Analysis:

- What is the nature of the problem?
- Should government action be taken?
- What are the objectives and what are the options to achieve them?
- What are the impacts of the key options?
- What are the best ways to ensure compliance?





Key Features of the Regulatory Policy: Policy Direction

- ✓ High level internal policy and cornerstone of federal regulatory management
 - Key details found in the annexes
- ✓ Policy Objective:
 - Ensure that use of government's regulatory powers result in the greatest net benefit to Canadian society

Process Requirements

- ✓ Canadians are consulted
- ✓ Ensure that resources are used where they will do the most good
- ✓ International and intergovernmental agreements are respected
- ✓ Full advantage of is taken of opportunities for coordination with other governments and agencies
- ✓ Put in place systems to manage resources effectively

Analytical Requirements

- ✓ Demonstrate that a problem exists, government intervention is justified and that regulation is the best alternative
- ✓ Ensure that the benefits outweigh the costs
- ✓ Minimize adverse impacts on the capacity of the economy to generate wealth and employment
- ✓ Ensure that no unnecessary burden is imposed



Key Pieces of Advice

- ✓ 2000 - Office of the Auditor General reviewed health and safety regulatory programs. Report recommended:
 - The government should explain its priorities and the balance it has reached on achieving different objectives
 - Revise the Regulatory Policy
- ✓ 2002 - OECD invited to review Canadian regulatory system. Report recommends:
 - More systemic and strategic review of regulation and the regulatory system
 - Greater coordination across and between governments
- ✓ 2003-04 - External Advisory Committee on Smart Regulation released report in September 2004 with 41 recommendations:
 - Priority to review and update the regulatory policy
 - Establish mechanisms to review instrument decisions throughout the policy cycle



Where are we today and where are we going?

CURRENT Regulatory Policy

- ✓ Focus on regulatory development
- ✓ Lack of coordination and policy coherence, resulting in duplication and complexity
- ✓ Emphasis on economic analysis
- ✓ Static risk assessments and limited analysis of instrument selection
- ✓ High level document that provides very little direction to officials and has many gaps
- ✓ A document that “regulates the regulators”

PROPOSED Government Directive on Regulating

- ✓ Lifecycle management and performance measurement
- ✓ Requires greater coordination across government and jurisdictions
- ✓ Strengthened analyses of risk, instrument selection and impact assessment
- ✓ Communicates to officials their regulatory roles and responsibilities
- ✓ A statement to Canadians on government’s intent and policy direction

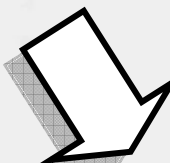
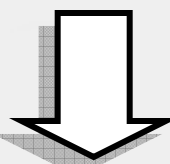
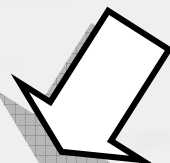


Strengthen Regulatory Management: What is the Government Directive on Regulating?

Government Directive on Regulating

Direction to Departments and Agencies

- ✦ Communicates to Canadians government's commitment to protect health and safety and provide supportive conditions for an innovative economy
- ✦ Ensures Canadians have information and opportunities to participate in regulating
- ✦ Communicates to government officials their regulatory roles and responsibilities
- ✦ Ensures that Ministers have the information necessary to make sound decisions



Analytical Frameworks

Guidance on how to fulfil Directions

Instrument
Choice

International
Regulatory
Cooperation

Compliance

Public
Consultation

Risk
Management

Regulatory
Review

Tools and Processes

*Used by Government of Canada to support analysis,
implementation, and decision-making*

Enhanced
PCO
Challenge
Function

Capacity
Assessment
& Learning
Strategy

Renewed
Regulatory
Impact
Analysis
Statement

Performance
Measurement
& Evaluation



Our Commitment to Canadians

★ Our Commitment

The Government of Canada will work with Canadians and other Governments to ensure the government's regulatory activities provide the greatest overall benefit to present and future generations of Canadians.

When regulating the government is committed to...

Serve the
public interest

Instil trust
and confidence

Support a fair
and competitive
market economy

Make decisions
based on evidence

Facilitate
timeliness, efficiency
and policy coherence

Promote
effectiveness

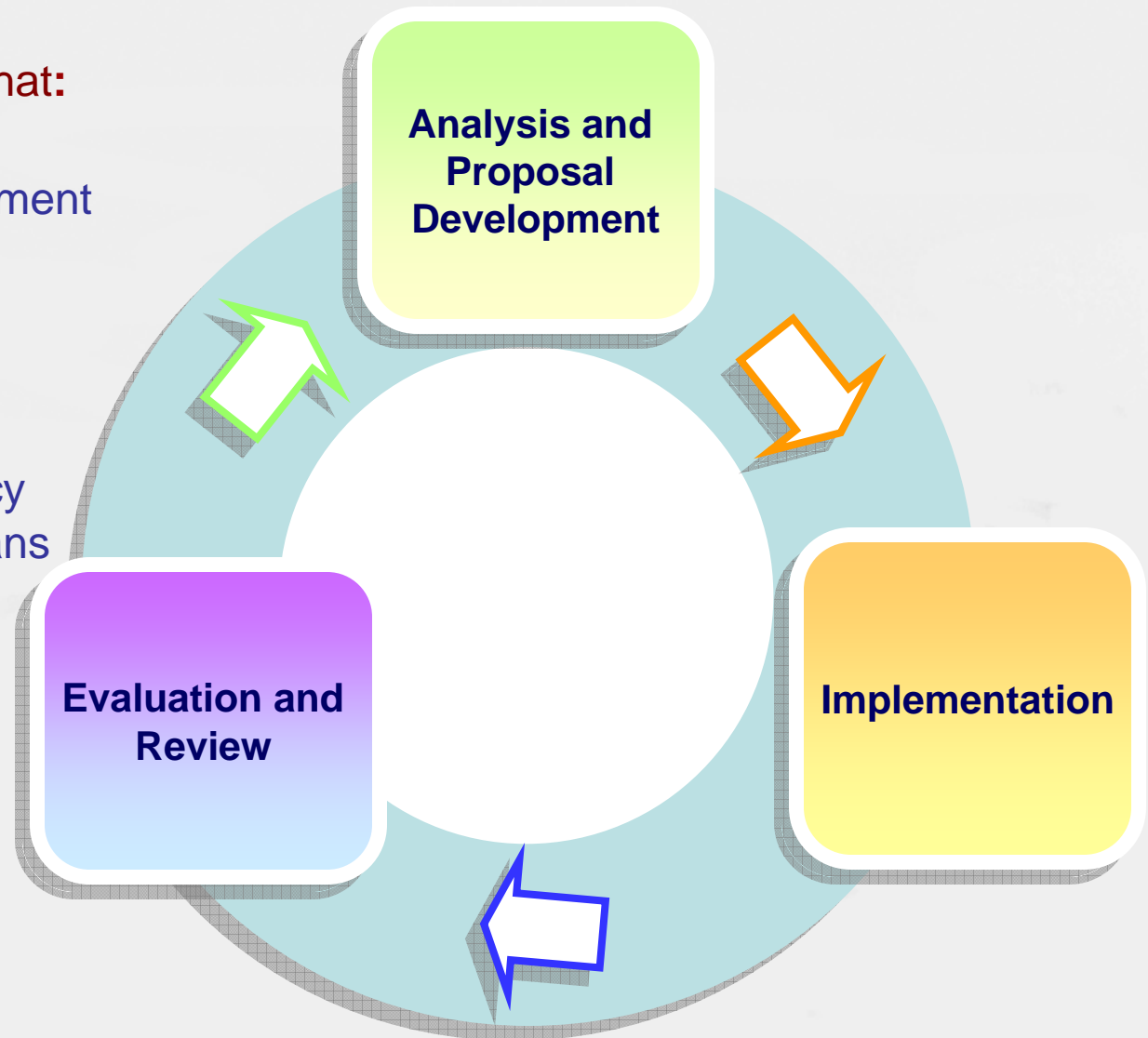
Create more accessible, understandable
and responsive regulation




The Lifecycle Approach: The Responsibilities of Departments and Agencies

A more dynamic approach that:

- ✓ Embeds performance monitoring and measurement into process
- ✓ Facilitates continuous learning and ongoing improvement
- ✓ Emphasizes transparency and reporting to Canadians





Compliance with the Directive: Privy Council Office and Departments

- ✓ **Performance over prescription**
 - Sets out the commitments, responsibilities and expectations to be met by departments and agencies
- ✓ **Role of the Privy Council Office (PCO)**
 - Provide advice and support to departments and agencies on the implementation of the Directive;
 - Assess policy and legislative proposals for regulatory implications;
 - Review regulatory proposals and advise departments when directions set out in the Directive have not been met
- ✓ **Systems to monitor compliance**
 - Departments are to document and report on how proposals meet the commitments and directions
 - PCO and departments to develop performance measurement and evaluation strategy for Directive
 - Review Directive in five years



Slide on how elements of GDR meet SR objectives

Proposed elements of the Directive

Smart Regulation Objective

- | | |
|---|--|
| <ul style="list-style-type: none">✓ Introduces life-cycle to managing regulation by:<ul style="list-style-type: none">▪ Integrates implementation planning, performance measuring and regulatory review | <ul style="list-style-type: none">✓ Timely and responsive regulation✓ Greater effectiveness |
| <ul style="list-style-type: none">✓ Strengthens requirements for cooperation:<ul style="list-style-type: none">▪ Across federal government, with provinces and territories and internationally▪ Through all stages of the life-cycle | <ul style="list-style-type: none">✓ Greater policy coherence, less duplication and complexity✓ Improves timeliness, effectiveness and efficiency |
| <ul style="list-style-type: none">✓ Requires improved analysis:<ul style="list-style-type: none">▪ Risk assessment, impact analysis, instrument selection and compliance planning▪ Integrates environmental, social, and economic objectives | <ul style="list-style-type: none">✓ Better information for decision making✓ Improved compliance✓ Renewed commitment to sustainable development |
| <ul style="list-style-type: none">✓ Engages Canadians throughout life-cycle:<ul style="list-style-type: none">▪ Including compliance planning and review▪ Report on regulatory performance | <ul style="list-style-type: none">✓ “user friendly” regulation✓ Greater transparency and accountability |



Your Views?

Step 1

Step 2

Step 3

Regulatory Analysis and Implementation

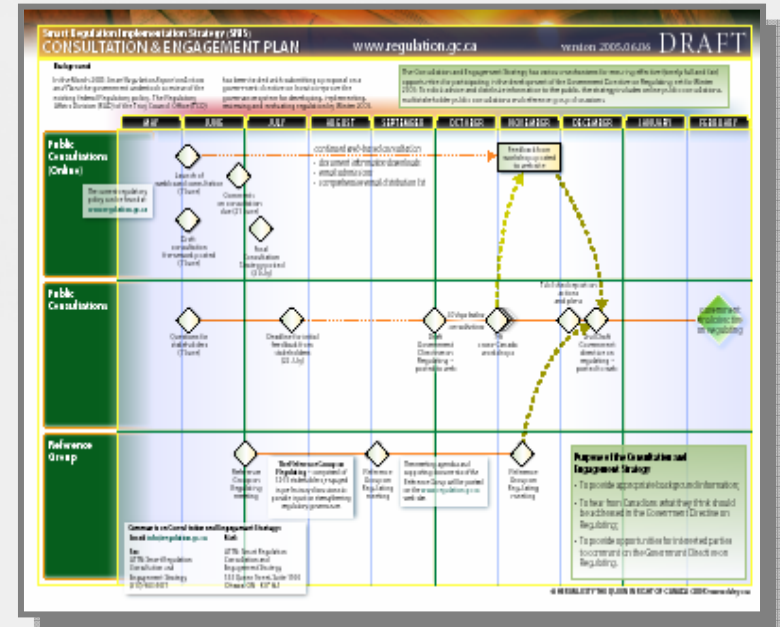
- ✓ Do you agree with the approach identified in the draft Directive?
- ✓ What issues or approaches are missing?
- ✓ Do you have any suggestions for improving the approach?
- ✓ How can we make the Directive more “user friendly”?

Our Commitment to Canadians

- ✓ Do you agree with the commitments outlined in the draft Directive?
- ✓ Will the directions set out in the “Accountabilities” section help us achieve these commitments?
- ✓ Do you have any suggestions for improving the approach?

Government Directive – Project Planning

- ✓ Summer 2005 – submissions from stakeholders
- ✓ Summer 2005 – two meetings of the Reference Group on Regulating
- ✓ October 31 – posted draft Directive on web site for public comment
- ✓ December 23 – last day to make submission on the draft Directive
- ✓ November 14 to December 12 – public workshops in 9 cities
- ✓ Fall 2005 – engage Aboriginal Peoples through the five national organizations
- ✓ January 2006 – final meeting of the Reference Group
- ✓ Winter 2006 – seek approval of the draft Directive



Project Plan



Contact

For more information:

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