



Management Response and Action Plan for the Mid-Term Evaluation of the Implementation of the Cabinet Directive on Streamlining Regulation

© Her Majesty the Queen in Right of Canada,
represented by the President of the Treasury Board, 2011

Published by Treasury Board of Canada, Secretariat
90 Elgin, Ottawa, Ontario, K1A 0R5, Canada

Catalogue Number: BT22-204/2011-1E-PDF
ISBN: 978-0-660-25608-5

This document is available on the Government of Canada website, Canada.ca

This document is available in alternative formats upon request.

Aussi offert en français sous le titre : Réponse de la direction et plan d'action pour l'évaluation à mi-mandat de la mise en œuvre de la Directive du Cabinet sur la rationalisation de la réglementation

Management Response

The Treasury Board of Canada Secretariat's Regulatory Affairs Sector (TBS-RAS) would like to thank the TBS's Internal Audit and Evaluation Bureau of the Treasury Board of Canada Secretariat for their its oversight and guidance throughout the evaluation process. TBS-RAS welcomes the evaluation's findings and recommendations.

It should be noted that the mid-term evaluation does did not address the fact that the sunset date for funding allocated for CDSR implementation is expected to sunset at the end of fiscal year 2011-12, nor does did it consider future demands or potential implications arising from the federal government's recently established Red Tape Reduction Commission on Red Tape Reduction.

A five-year evaluation of the CDSR and TBS-RAS's contribution to its implementation is planned for next year.

Proposed Action Plan

Recommendation 1: Address the remaining gaps in outputs, such as guidance on service standards.
Management Response: Agree.

Management Action	Completion Date	Office of Primary Interest (OPI)
<p>The following actions have been taken and / or are being planned to address recommendation 1:</p> <p>Context:</p> <p>Under section 4.5 of the <i>Cabinet Directive on Streamlining Regulation</i> (CDSR), departments and agencies are responsible for publishing service standards, including timelines for approval processes set out in regulations, setting transparent program objectives, and identifying requirements for approval processes.</p> <p>In the second year of the CDSR implementation of the CDSR, the Treasury Board of Canada Secretariat's (TBS's) Office of the Comptroller General (OCG) was revising the <i>Treasury Board Policy on Service Standards for External Fees</i> while its TBS Service Sector was developing a new definition of service standard. Accordingly, the TBS's Regulatory Affairs Sector (TBS-RAS) decided to delay piloting its draft service standards guide for regulatory initiatives. It was understood that the pilot would allow TBS-RAS to assess the need for a service standards guide for regulatory activities such as licensing, permitting, certification and other approvals. It was also understood that such a guide could be integrated as an annex into the overall <i>Guideline on Service Standards</i> prepared by the Service Sector.</p>		

1a. TBS-RAS solicited participation from seven high-volume regulatory departments and agencies to pilot its draft service standards guide for regulatory activities as part of the Regulatory Cooperation Plans (RCPs).	March to May 2010	Policy Division of TBS-RAS
1b. TBS-RAS consulted with the TBS's Service Sector and the OCG when developing the service standards guide for regulatory initiatives. TBS-RAS is currently piloting its draft service standards guide with at Health Canada.	June 2010 to March 2011	Policy Division of TBS-RAS
1c. TBS-RAS will finalize its service standards guide for regulatory initiatives and will determine the need to publish the guide.	March 2011	Policy Division within of TBS-RAS

Recommendation 2: Continue the current efforts to create pools of qualified cost-benefit analysts and regulatory experts to help ensure that departments and agencies have access to individuals with the appropriate level of expertise skills set.

Management Response: Partially agree.

Management Action	Completion Date	Office of Primary Interest (OPI)
<p>Context:</p> <p>An external collective staffing process to recruit cost-benefit analysts across Canada to join the federal government was ongoing at the time of the evaluation in January 2010. This collective staffing responded to a temporary need of selected regulatory departments and agencies. Nearly 60 applications were received, and a pool of 11 candidates qualified at the EC-06 level was established in June 2010. As of December 2010, six candidates remain available for future appointments.</p> <p>Collective staffing alternative explored through Community of Practice. In late August 2010, as part of the Community of Federal Regulators (CFR) Renewal Task Group, representatives from nine departments and agencies were asked if the CFR Secretariat should conduct collective staffing processes to address capacity gaps in their respective organizations. These departments and agencies indicated that they would prefer to use existing recruitment processes and job fairs designed to meet specific functional community requirements (e.g., the Canadian Food Inspection Agency recruitment of veterinarians). Furthermore, it should be noted that the utility of centrally- led staffing processes for the regulatory community is compromised by the fact that the regulatory community is spread over 17 main classifications. Most regulatory functions are concentrated in the following classifications: Engineering and Scientific Support (EG), Biological Science (BI),</p>		

Technical Inspection (TI), Veterinary Medicine (VM), Economics and Social Science Services (EC), Scientific Regulation (SG-SRE) and Program Administration (PM).		
A pool of qualified cost-benefit analysts has been established to help ensure that departments and agencies have access to individuals with the appropriate level of expertise. No following follow-up actions are anticipated to address recommendation 2. Looking into the future, it is TBS-RAS's view that, in the future, departments and agencies will be in a better position to recruit and retain qualified regulatory experts that meet their specific needs.	Implemented in June 2010	CORE division of TBS-RAS

Recommendation 3: Establish an overall communication strategy for the CDSR. In particular, departments and agencies need to be made aware of TBS-RAS's products and services, as well as its partnering efforts, and research and /information information-sharing initiatives.

Management Response: Agree

Management Action	Completion Date	Office of Primary Interest (OPI)
<p>The following actions have been taken and / or are being planned to address recommendation 3:</p> <p>Context:</p> <p>Departments or agencies who that seek assistance from TBS-RAS in order to meet the rigorous analytical requirements for higher high-impact proposals are likely to have higher awareness and satisfaction levels with CORE the services offered by TBS-RAS's CORE division. Within During the first two-and-half years following the CDSR implementation of the CDSR, very few departments and agencies required RAS' the full range of TBS-RAS products and services. This is largely because two out of three regulatory proposals were deemed to have had low impacts on health, safety, security, the environment, and the social and economic well-being of Canadians. For such these low-impact proposals, the CDSR does not require a cost-benefit analysis and a Performance Measurement and Evaluation Plan. Not surprisingly, about approximately 85% of survey respondents to this evaluation were not aware of TBS-RAS's products and services. This low level of awareness is likely a function result of having limited exposures to the CDSR, limited involvement with RAS' the full range of TBS-RAS products and services, or both.</p> <p>To date, at least 16 sessions related to the CDSR requirements, CDSR implementation, and the development of policy guidance were presented to countries of the Organisation for Economic Co-operation and Development (OECD) and the European Union countries, the United States, Mexico, China and the Netherlands. Within the federal</p>		

<p>government, over 30 inter-departmental presentations related to the CDSR were completed. In addition, five presentations to provinces and territories were carried- out where TBS-RAS co-chairs the Federal-Provincial-Territorial Committee on Regulatory Governance and Reform. Twelve presentations to industry and / or academic forums were also completed.</p>		
<p>3a. TBS-RAS's The Policy Division is developing an outreach strategy to ensure that the CDSR requirements of the CDSR are well understood and that the regulatory analysis continues to be based on evidence. TBS-RAS will focus its outreach efforts by on conducting more workshops, and by on increasing the awareness around of peer review or and coaching services offered by the CORE division.</p>	<p>March 2011</p>	<p>Policy and CORE divisions of TBS-RAS.</p>
<p>3b. TBS-RAS will also work with the CER to increase the understanding of the CDSR and to disseminate best practices.</p>	<p>Implemented and on-going.</p>	<p>CORE division of TBS-RAS.</p>

Recommendation 4: Ensure that reporting requirements are met and ensure that departments and agencies include the level of additional resources (if any) that they have expended to meet CDSR the requirements of the CDSR. This Full reporting will provide a government-wide view picture of the CDSR resource needs.

Management Response: Partially agree.

<p>Management Action</p>	<p>Completion Date</p>	<p>Office of Primary Interest (OPI)</p>
<p>The following actions have been taken and / or are being planned to address recommendation 4:</p> <p>Context:</p> <p>In fiscal 2010–11, TBS-RAS's the Policy Division within RAS has developed a self-assessment tool for seven high-volume regulatory departments and agencies to identify existing gaps that may prevent them from meeting the CDSR requirements of the CDSR. These organizations account for approximately 75% of all regulatory proposals. High-volume regulatory departments and agencies have been informed that the self-assessment tool is not intended to be a report card. Rather, it is intended to provide for RAS to obtain feedback from departments and agencies so that TBS-RAS's CORE division can tailor its enabling activities through CORE to align with areas of greatest risk and / or departmental needs.</p> <p>It is TBS-RAS's view that deputy ministers are accountable for complying with CDSR requirements. To implement the CDSR, about approximately \$2.2 M million was provided to 16 regulatory organizations to support transition and to staff regulatory coordinators under the CDSR. Through</p>		

Using Regulatory Cooperation Plans (RCPs) and departmental / agency self-assessment reports, TBS-RAS continues to monitor the shifting needs of regulatory organizations as CDSR implementation reaches a greater degree of maturity.		
4a. An analysis is being planned to look at the following aspects: related to the level of compliance to the CDSR requirements: consultations, planning for implementation, compliance and enforcement, cost-benefit analysis, and performance measurement and evaluation	March 2011	Policy and CORE divisions of TBS-RAS.
4b. TBS-RAS will continue to engage regulatory organizations at the assistant deputy minister (ADM) level as part of the RCP process.	Annual (May 2011 and May 2012)	ADMO.
4c. Since September 2010, high-volume regulatory departments and agencies have been completing a monthly report to inform TBS-RAS if funded projects are on track within the RCP context and about their level of utilization of CORE services to meet priorities. In For 2010-11, TBS-RAS located a total of \$878,000 and full-time equivalent FTE support for 57 projects.	Implemented and on-going.	Policy and CORE divisions of TBS-RAS.

Recommendation 5: Complete departments' and agencies performance reports and communicate the results to ensure that departments and agencies receive the feedback needed.

Management Response: Agree

Management Action	Completion Date	Office of Primary Interest (OPI)
<p>The following actions have been taken and / or are being planned to address recommendation 5:</p> <p>Context:</p> <p>At the time of the evaluation, performance data reports were available only for the first two quarters of FY2009-10. Plans have been made to complete performance reports going back to 2004, which will allow for a comparison of regulatory proposals approved pre- and post- CDSR.</p>		
5a. TBS-RAS continues to gather data for the remaining two quarters of FY2009-10.	March 2011	Policy Division of TBS-RAS.
5b. Performance reports for FY2010-11 and 2011-12 will be completed within six months following the end of the fiscal year.	October 2011 for FY2010-11	Policy Division within

	October 2012 for FY2011–12	of TBS-RAS.
5c. TBS-RAS will begin collecting performance data for FY 2004–05 to 2006–07, to which will allow for a comparison of regulatory proposals approved pre-and post-CDSR.	June 2011	Policy Division of TBS-RAS.
5d. As part of RCPs, TBS-RAS continues to inform departments and agencies of their performance using evidence gathered from several sources of information, including monthly reports from high-volume regulatory departments and agencies, self-assessment results, TBS-RAS compliance analysis and RAS the internal Project Information Tracking System.	April 2011 and April 2012	Policy Division of TBS-RAS.

Recommendation 6: Begin planning for the five five-year evaluation within the next six months to ensure that a performance measurement strategy is in place and that appropriate data is are being captured in an ongoing, systematic, and user-friendly manner to support the next evaluation.

Management Response: Agree.

Management Action	Completion Date	Office of Primary Interest (OPI)
<p>The following actions are being planned to address recommendation 6:</p> <p>Context:</p> <p>In late fiscal of 2008–09, TBS-RAS developed a mid-term evaluation plan in consultation with its key stakeholders in regulatory departments and agencies, CER representatives and TBS's Internal Audit and Evaluation Bureau. Eight interviews and two workshops were conducted. The first workshop was used to validate the CDSR logic model, and the second workshop was used to validate the CDSR Evaluation Matrix. Findings from this the mid-term evaluation indicate that measuring the impact that the implementation of the CDSR has had on industry as intermediate outcomes will prove to be challenging. Accordingly, TBS-RAS will revise its current logic model and its performance measurement strategy.</p>		
6a. TBS-RAS will revise its logic model in consultation with TBS's the Internal Audit and Evaluation Bureau.	January 2011	CORE division of TBS-RAS.
6b. TBS-RAS will develop a performance measurement strategy that will include the data collection approach.	March 2011	Policy and CORE divisions

	of TBS: RAS.
--	-----------------