

# Dalhousie University

## Bachelor of Management



MGMT 2803 Management in the Public Sector  
Institutions of Governance

“Government is like an onion. To understand it, you have to peel through many different layers. Most outsiders never get beyond the first or second layer”.

Warren Bennis

# The Political Executive

- Prime Minister (PM) and cabinet form the political executive
- PM, *head of government*, is the single most influential person in the federal state
- All analyses of Canadian government revolve around the composition and exercise of Prime Ministerial authority
  - Responsibilities of the executive institutions are nowhere codified within the constitution
  - PM and organization of the cabinet exist within the realm of constitutional conventions, uncodified yet *immensely strong traditions*

# The Political Executive

- In the Constitution Act, 1867
  - Formal executive power in and over Canada is vested in Her Majesty the Queen (Queen Elizabeth II) and is officially exercised by the Governor General (GG; **Her Excellency the Right Honourable Julie Payette**)



# The Political Executive

- S.13 of the Constitution Act, 1867 also provides for the establishment of the **Privy Council**, to be appointed by the GG to “aid and advise” that official in the exercise of executive duties, while also stipulating that the exercise of all general powers by the GG “shall be construed as the GG acting by and with the Advice of the Queen’s Privy Council for Canada”
  - Privy Council is designated as the body that will exercise the de facto (“in fact”) executive authority in the country
  - When making appointments to the Privy Council, the GG will draw from the members of the political party that commands the confidence of the House, i.e., The Most Seated
  - Matter of convention, not constitutional law; the most practical course of action

# The Political Executive

- Leader of the governing party becomes Prime Minister; “*primus inter pares*” – the first among equals – within the Privy Council
- Democratic victory entitles the winning party to form a government by assuming command of the Privy Council, which will aid and advise the GG in the exercise of all executive authority within the federal state
- Appointments to the Privy Council are lifelong; an honorary testament; close to 400 members currently
- Convention is that only privy councilors selected from the current parliament act as the de facto advisers of the GG, forming the real executive within the country = **a cabinet chaired by the Prime Minister**

# The Political Executive

- After an election, the GG asks the PM to form a government
- Bestowed the title “the Right Honourable”
- PM advises (*really orders*) the GG to make other appointments to the Privy Council as a cabinet to assist in the exercise of government power
- Those selected are usually appointed as Ministers of the Crown, each responsible for the leadership and oversight of a department, i.e., portfolio, and given the title “the Honourable”
- Once sworn into office, the cabinet becomes the power centre of the federal government

# The Political Hierarchy



DALHOUSIE  
UNIVERSITY

PM

Cabinet

Caucus

Parliament

Electorate

*Minds*



# The Prime Minister

Authority of the Prime Minister can be observed through a variety of powers, privileges, and responsibilities

## *Leading the Governing Party*

- Personal “stamp” upon the party establishing bonds of loyalty with party members in general and the government **caucus** in particular
- A committed and enthusiastic following



# The Prime Minister, cont.

## ***Selecting a Cabinet***

- Powers of choice gives a PM extraordinary influence over elected party members — the caucus — and cabinet
- He / she alone decides who will gain a seat at the cabinet table
- Shapes cabinet's substance and style
- Full power to dismiss a Minister; they serve “at the pleasure” of the PM — continuation in office depends on maintaining the PM's trust and support



# The Prime Minister, cont.

## *Shaping the Decision-Making Structure*

- Determines the number of departments and the scope and nature of these portfolios
- Whether new departments are created or old ones disbanded
- Future of regulatory agencies and crown corporations
- Responsible for the organization of cabinet and the systems of determining policy and making decisions
- Each PM brings his/her own style to cabinet administration
- Last 50 years, major developments; roles of cabinet committees, central agencies and senior public servants
- **THE PM IS THE PREDOMINANT FIGURE IN EVERY GOVERNMENT**

# The Prime Minister, cont.

## ***Making Appointments***

- The Governor General
- Lieutenant-Governors
- Members of the Senate
- Judges of the Supreme Court
- The Federal Court of Canada
- The provincial superior courts
- All Canadian Ambassadors abroad
- Senior public servants
  - Heads of regulatory agencies
  - Crown corporations
  - Deputy Ministers, including the most senior public servant – the **Clerk of the Privy Council and the Secretary to Cabinet** – official head of the Public Service - currently Michael Wernick - [https://www.huffingtonpost.ca/2016/01/20/trudeau-picks-veteran-bureaucrat-wernick-to-be-new-clerk-of-the-privy-council\\_n\\_9031956.html](https://www.huffingtonpost.ca/2016/01/20/trudeau-picks-veteran-bureaucrat-wernick-to-be-new-clerk-of-the-privy-council_n_9031956.html)

# The Prime Minister, cont.

## ***Leading Parliament and Directing the Governor General***

- Central figure in the House of Commons
- Sets the tone of parliament; in the daily Question Period is ordinarily the target of opposition attacks; the chief advocate & defender of government policy
  - - <https://toronto.citynews.ca/video/2018/10/01/justin-trudeau-defends-usmca-deal-in-the-house-of-commons/>
- Convention of party loyalty and discipline influences all government backbenchers (acts of disloyalty can be punished)
- PM alone “advises” and communicates with the Governor General
  - Dissolution of parliament and calling of a general election

# The Prime Minister, cont.

## ***Communicating the Government Message***

- Chief communicator for the government abroad and at home
- Primary Canadian diplomat, making decisions about CDN foreign policy and representing Canada at meetings with the U.S. President, the United Nations (UN), G-8/20, La Francophonie, The Commonwealth
  - <https://www.youtube.com/watch?v=CnvLR5gHWGU>
- Ultimate link between the government and the national media
- The leadership of the Prime Minister cannot be underestimated
  - See themselves as “great communicators” for their governments; try to connect with the voters through savvy use of the media

# Forming a Cabinet

**Selection** - Convention dictates that certain realities must be addressed

## ***Choosing from the Elected***

- Must be selected from **governing** members holding seats in Parliament; Party caucus as the main source of cabinet material

## ***Choosing from the Unelected***

- But there can be exceptions; a cabinet minister does not necessarily have to come from the House of Commons
- Someone from the Senate (Al Graham in 1997)
- An ordinary citizen (but usually someone of high quality) (Stéphane Dion in 1996)

# Forming a Cabinet

## ***Choosing from the Experience and Among Rivals***

- Veteran MPs
- Close competitors / Rivals (Paul Martin, Peter MacKay)
  - Proverb: **Keep your friends close, and your enemies closer**

## ***Choosing an Ideology***

- Reflect ideological diversity found within the party to make it broadly representative of the sweep of opinion within the party

## ***Choosing Regionally***

- Ensure that every province and major region are represented; there are challenges to this, *see Pierre Trudeau and western Canada*
  - Concern for provincial/regional representation vs. background/experience, *see Prince Edward island's Gail Shea; sometimes larger provinces are discriminated against; "ins" and the "outs" can lead to disharmony within the governing caucus*



## Trudeau Cabinet Membership by Province / Territory, January 2019

PROVINCE / TERRITORY / # OF SEATS	MINISTERS
Ontario – 78/120	15
Québec – 40/77	8
British Columbia – 18/40	4
Alberta – 3/34	1
Manitoba – 7/14	1
New Brunswick – 10/10	2
Saskatchewan – 1/14	1
Nova Scotia – 11/11	1
Prince Edward Island – 4/4	1
Newfoundland and Labrador – 7/7	1
Northwest Territories – 1/1	1
<b>Total</b>	<b>36</b>

# Forming a Cabinet, cont.

## ***Choosing Demographically***

- Balance between anglophones and francophones is important in a number of ways
  - Currently 8 + 2 Acadians
- Religion, gender equality (because its 2015!) and ethnic and visible minorities / multiculturalism (Justin Trudeau appointed four Sikhs to cabinet in 2015)

## ***Choosing on Merit***

- Cabinet appointments represent the pinnacle of a politicians career; PM's want exceptionally talented cabinet ministers

## ***Choosing by Performance***

- Difficult to get there and even more difficult to stay there!
- Recent Cabinet shuffle by Justin Trudeau

# Forming a Cabinet

## Size

- PM is the sole authority on the size of his/her cabinet and its organizational structure
  - Pierre Trudeau — 30
  - Brian Mulroney — 40
  - Jean Chrétien — 22 + 8 secretaries of state (to assist departmental ministries; not full ministers as they did not possess departmental portfolios; sworn into the Privy Council but did not attend cabinet meetings; nor the Ministerial salary)
  - Paul Martin — 28 + 7 ministers of state + House & Senate leaders
  - Stephen Harper — 27 in 2006; grew to 38 in 2008 and to 39 in 2011
  - Justin Trudeau — 31 in 2015; now 36

TABLE 3.2

## Federal Government Departments, 1867, 1984, 2015

FIRST MACDONALD MINISTRY, 1867	FIRST MULRONEY MINISTRY, 1984	JUSTIN TRUDEAU MINISTRY, 2015
Agriculture	Agriculture	Agriculture and Agri-food
Customs	Communications	Canadian Heritage
Finance	Consumer and Corporate Affairs	Employment, Workforce Development and Labour
Inland Revenue	Defence	Environment and Climate Change
Justice	Employment and Immigration	Families, Children and Social Development
Marine and Fisheries	Energy, Mines and Resources	Finance
Militia and Defence	Environment	Fisheries, Oceans and Canadian Coast Guard
Post Office	External Affairs	Foreign Affairs
Privy Council	External Relations	Health
Public Works	Finance	Immigration, Refugees and Citizenship
Secretary of State	Fisheries and Oceans	Indigenous and Northern Affairs
Secretary of State for Provinces	Fitness and Amateur Sport	Innovation, Science and Economic Development
	Forestry	Justice and Attorney General
	Health and Welfare	National Defence
	Indian Affairs and Northern Development	Public Safety and Emergency Preparedness
	International Trade	Public Services and Procurement
	Justice and Attorney General	Transport
	Labour	Treasury Board
	Multiculturalism	Veterans Affairs
	National Revenue	
	Public Works	
	Regional Industrial Expansion	
	Secretary of State	
	Science and Technology	
	Small Business	
	Solicitor General	
	Supply and Services	
	Tourism	
	Transport	
	Treasury Board	
	Veterans Affairs	
	Youth	

Sources: Canada, Privy Council Office 2015; Hodgetts 1973, 89; Landes 1987, 104.

# Ministerial Roles and Responsibilities

- Management of a government department involves
  - **Ministerial responsibility**
    - Ministers are individually responsible to parliament for the operation of their departments
    - Ministers must answer to parliament for the policy and program developments in their departments
    - Ministers must explain and defend the actions of their departments to parliament
    - Ministers must be prepared to resign if gross ministerial or departmental incompetence is found on their watch

# Ministerial Roles and Responsibilities, cont.

## ▫ **Collective responsibility**

- “All for one and one for all”; Cabinet must be understood in collective terms
- Ministers bear collective responsibility for the final approval of government policy
- Ministers are expected to support government legislation in parliament
- Ministers are expected to promote and defend all government policies and programs in public and to resign if they cannot do so in good faith

# Ministerial Roles and Responsibilities

- **Decision Making in Cabinet**

- Styles have varied from Prime Minister to Prime Minister, but the PM remains the number one decision maker in government
- PET – a university seminar; Harper – very controlled and disciplined
- PM's routinely seek consensus; no votes taken
- Once a decision has been made, collective responsibility kicks in
- Weakness can't be signaled; don't like it, leave

- **Ministers as Members of Parliament (MP)**

- Remains an MP and a Caucus member
- Parliamentary and constituency responsibilities (*sometimes this is forgotten*)
- De-fault leading party figures; must attend innumerable party events
- Personal lives get stressed; this can lead to divorce, substance abuse, etc.
  - Think for a second of the sacrifices

# The Bureaucratic Executive

## Government Departments – “workhorses of government”

### 1. Policy Administration

- Delivers programs within its field of jurisdiction
- Acts as the operational “conveyor belts” of government activity, taking policies and seeing that they are applied within society
- Vast majority of any government’s work involves the implementation of programs promulgated by its predecessors
- (transforming the policy into a programs)

### 2. Policy Development – “reform, adjustment, renewal, and creation”

- The operational strengths and weaknesses of existing policies and programs
- The continuing needs of individual citizens, interest groups, or business corporations as a client of the departments
- The potential for new state action to enhance government effectiveness in that field
- Closely tied to the leadership of the department



# The Bureaucratic Executive, cont.

## 3. Research, Analysis, and Record Keeping

- Maintaining their “institutional memory”; “**knowledge is power**”

## 4. Communication and Liaison

- Communicate with those concerned with their policy and programs about almost everything they do
- Gain information relevant to its duties
- Maintain close communication with clients and those concerned with departmental policy development and program delivery
- Facilitate feedback channels that enable department officials to become aware of emerging policy and program problems, and to respond quickly
- Establish effective liaison with all important government and parliamentary actors
- Maintain such links with other relevant actors within domestic and foreign governments

# The Bureaucratic Executive, cont.

## Departmental Structure

### Service Departments: “line” or “operational”

Primary responsibility is to provide services directly to the public or to specific client groups within the public; Dispersed across the country

- Agriculture and Agri-Food
- Canadian Heritage
- Employment, Workforce Development and Labour
- Environment and Climate Change
- Families, Children and Social Development
- Fisheries, Oceans and the Canadian Coast Guard
- Immigration, Refugees and Citizenship
- Indigenous and Northern Affairs
- Innovation, Science and Economic Development
- Natural Resources
- Public Safety and Emergency Preparedness
- Transport
- Veterans Affairs

# The Bureaucratic Executive, cont.

## Support Departments

Are primarily responsible for providing policy and program assistance more to the government itself; located principally in Ottawa; generally smaller than service departments (save DND)

- Finance
- Global Affairs
  - Canada's relations with the broader world, extending from diplomatic and consular work to intelligence gathering, and from representing and supporting state interests abroad to promoting CDN trade, commerce, and investment globally
- Health
- Justice and Attorney General
- National Defence
- Public Works Services and Procurement
- Treasury Board
- Supply the government with intelligence and policy options within their specific fields

# The Bureaucratic Executive, cont.

## Departmental Hierarchy, Size, and Magnitude

- All departments are hierarchical and pyramidal
  - At the apex is the Minister and just below him or her is the Deputy Minister; common throughout all governments in Canada and abroad
  - **Provide a clear line of managerial command and control from the top down**
  - Clear line of information from field level operations and regional offices up to senior management in the headquarters
- Most service departments possess large numbers of staff spread across the country
- Interact with citizens/clients on a routine basis, making decisions on: entitlement to services; the nature of services owed to any given citizen, group, or corporation; the delivery of non-delivery of services; the obligations of citizens, groups, or corporations to the department; the future needs of citizens
  - <https://www.businessinsider.com/government-shutdown-how-the-partial-closure-affects-average-americans-2019-1>
  - <https://www.youtube.com/watch?v=dJ77RSx6zfY>
- **KEY ACTORS FOR LINKING A GOVERNMENT TO THE COUNTRY IT SERVES**



# Crown Agencies

- Over 400 federal Crown Agencies / active in a wide variety of policy fields
- Share certain common organizational characteristics
  - Designed to be *relatively* independent of government
  - Organized differently from government departments
  - Not subject to departmental systems of accountability, financial management and personnel administration

# Crown Agencies, cont.

## **Crown Corporations**

- Designed either to provide commercial services to Canadians and/or to interact with Canadian citizens and businesses in a corporate-like fashion
  - Field of commercial activity (transportation)
  - Promote the public interest (CBC)
  - “Business-like” (Atomic Energy of Canada / Canada Post / Royal Canadian Mint)
  - Delivery of special services (National Film Board (NFB))
  - Regional economic development (Atlantic Canada Opportunities Agency (ACOA))

# Crown Agencies, cont.

## Motives for Establishing Crown Corporations

- Defending traditional forms of economic activity and service (Canada Post)
- Promoting new industrial and commercial activity (Petro-Canada)
- Delivering important services nationwide (Air Canada, CN, VIA Rail)

## The Benefits of Independence

- Operationally independent from financial / personnel regulations and other rules
- Can undertake its own hiring and personnel management practices
- It can engage in business undertakings, commercial transactions, etc.
- Board of Directors can be chosen from the private sector
- Exist at “arm’s length”, so no partisan political interest interfere with its professional managerial judgement
  - Especially critical for an organization like the CBC



# Crown Agencies, cont.

## The Drive to Privatize

- It's controversial, because
  - To Privatize
    - Are wasteful and inefficient
    - You can raise money by selling off Crowns
    - Governments should not be in the business of owning or operating commercial enterprises
  - To not Privatize
    - They are cost-effective and generate profit for the state; think of the NSLC  
<https://www.mynslc.com/en/About-NSLC/Media-Centre/News-Releases/NSLC-Announces-Year-End-Results>
    - Established for valid public policy reasons
    - Provide important services that the private sector either can't or won't offer to the country overall or particular regions
    - The CBC, the NFB, CN, Air Canada, VIA Rail, and Petro-Canada did or do or should strengthen Canadian culture , advance Canadian nationalism, and defend Canadian economic sovereignty

# Regulatory Agencies

They are significantly different than Crown corps - Involved in the development and implementation of general forms of economic and social regulation across various and wide fields of activity as prescribed by law

- **Economic regulation**

- Deals with price and tariff setting and oversight, product supply management, market entry and conditions of service, product content, and methods of production (Investment Canada, the **National Energy Board (NEB)** and the National Transportation Agency (NTB))

- **Social regulation**

- Deals with such matters as labour standards, health and safety provisions, protection of human rights entitlements, and the promotion of Canadian culture, (Canadian Industrial Relations Board, the **Canadian Food Inspection Agency (CFIA)** and the Canadian Radio and Telecommunications Commission (CRTC) (advancement of Canadian content in television and radio broadcasting))

- **Environmental Regulation**

- The Canadian Environmental Assessment Agency is required to conduct comprehensive reviews of all major economic development projects within the federal sphere of jurisdiction that might have environmental consequences
- E.g. pipeline construction

# Regulatory Agencies, cont.

## **The Benefits of Independence**

- Are mandated to develop and implement standards in their field of jurisdiction, regardless of the source of activity, i.e. public or private
- Quasi-judicial entities in that their decision-making has legal authority
- Require a quasi-independent status, free from any political intervention; governments are forbidding from intervening in any particular case before an agency outside of normal hearing procedures

## **The Drive to Deregulate**

- Deregulation refers to a government's move to diminish or eliminate regulatory provisions governing a certain field of activity that was hitherto subject to them
- Regulatory policy remains a major part of the state presence in Canada

# Special Agencies

- These bodies are neither departments nor Crown Corporations, nor even regulatory agencies
- **Permanent**
  - Elections Canada, the Public Service Commission of Canada, Statistics Canada, the RCMP and CICS
- **Temporary**
  - Royal Commissions or Special Task Forces

## Wrap-up

- Questions and discussion



DALHOUSIE  
UNIVERSITY

---

*Inspiring Minds*