



ONTARIO NONPROFIT NETWORK

FORGING A NEW RELATIONSHIP WITH GOVERNMENT

How the Non-Profit Sector in Ontario can thrive in Partnership with the
Government

Recommendations for Structural Change

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On behalf of the **Ontario Nonprofit Network**

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Background

In April 2010, Ontario Minister of Citizenship, Dr. Eric Hoskins and Ontario Trillium Foundation Board Chair, Helen Burstyn, began a process of consultation intended to help forge a new relationship between the provincial government and Ontario's non-profit sector.

This initiative, known as the Partnership Project, is very welcome. It reflects increasing recognition by the provincial government that Ontario's 45,000 non profit organizations are key contributors to the quality of life in communities throughout the province. That constructive contribution will only increase in the future.

In launching the initiative, the provincial government asked that the consultations consider the structural and legislative framework that might lead to better coordination of the government's engagement with the non-profit sector. This paper highlights key issues regarding the structural framework and the preferred changes that would be of mutual benefit to both non-profit organizations and the government and, ultimately, those served by both – the residents of Ontario.

The current engagement between non-profits and the provincial government is defined primarily by an array of one-on-one relationships between representatives of non-profit X and officials from Ministry Y. The proposals contained in this paper are not intended to supplant those relationships. On the contrary, they are intended to strengthen the whole-of-government and whole-of-sector relationship in ways that would complement the one-on-one relationships between individual non-profits and ministries.

A Vision for the Future

Before we began to focus on the immediate and mid-term steps that can and should be taken, we considered the nature of an ideal relationship between Ontario's non-profit sector and the provincial government. Our vision for a structural relationship is consistent with the broader vision articulated in ONN's introduction to these reports. We envision a future in which the nonprofit sector is vibrantly and effectively achieving improved social, environmental, cultural and economic outcomes for the citizens of Ontario. We envisage a future when the non-profit sector has the financial and human resource capacity to engage constructively with the provincial government as equals. We envisage a future when the government has developed effective internal structures to foster collaboration amongst all ministries that engage with non profit organizations. We envisage a future when both government and voluntary sector representatives exhibit mutual respect for and understanding of the different but complementary roles that each play in strengthening the fabric of Ontario's communities.

In particular, we envisage a future where the non-profit sector has different sets of relationships with all of the components of the broader public sector including: (i) Parliament (the legislature) (ii) the government in power (iii) the Ontario public service (iv) Government appointed Agencies, Boards and Commissions and (v) Special Purpose Ontario corporations or foundations.

We also anticipate a future where the relationship between the non-profit sector and the provincial government may be shaped by any or all of the following: the creation of an Officer of Parliament; the establishment of comprehensive legislation specific to the non-profit sector; and the development of an Accord that would detail the mutual roles and responsibilities of the government and the non-profit sector and what each should expect of the other. Most important of all, we envisage a future when the benefits of a stronger partnership between the government and non-profit sector are so manifest that they transcend changes in government.

A more detailed description of the kind of future we imagine is outlined in Appendix A.

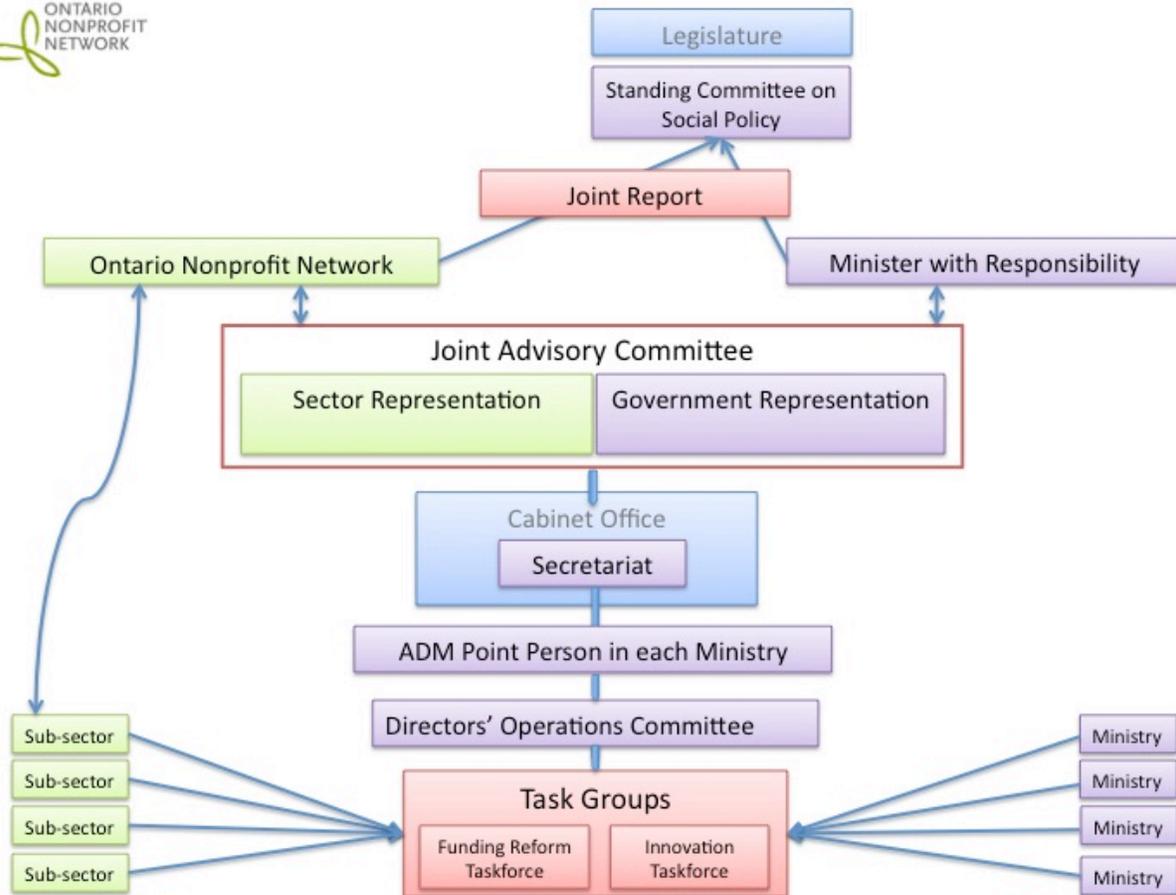
A Roadmap to the Future

While striving for a better future, we also recognize that Ontario is at an early stage in the evolution of the government/non-profit relationship. Frankly, there is much that each sector must learn about the other before the relationship can progress.

Nevertheless, we believe that there are a number of specific and immediate steps that can be taken to strengthen that relationship. The most important of those changes are described below.

In developing these proposals, we were mindful of another request the government made of the Partnership Initiative – to look at models of government/not-for-profit partnerships in other jurisdictions. Fortunately, we were able to learn from a variety of examples both in Canada and around the world. Some of these efforts in other jurisdictions have been successful; some have failed. All of them have informed the changes we are proposing.

The diagram below may serve as a useful reference for reviewing the recommendations that follow.



A) JOINT ADVISORY COUNCIL/STEERING COMMITTEE

Almost all other efforts to strengthen the partnership between government and the non-profit sector have entailed the establishment of some kind of oversight body. Sometimes called a Joint Advisory Committee or a Joint Steering Committee, it comprises an equal number of representatives from the non-profit sector and government. These individuals serve as “interlocutors” between the two.

We support the creation of a joint steering committee but would like to address two specific challenges to avoid structures that have weakened other such bodies.

Equal membership from the non-profit sector on a steering committee is a prerequisite for the success of any new partnership with government. But the experience of other jurisdictions also tells us that the time commitments involved are significant. Relatively few of Ontario’s non-profits have the resources required to enable their senior staff members to devote the time required. As a result, rather than a permanent group of non-profit representatives delegated to serve on this committee, we propose that at least

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part of the non-profit membership rotate. The rotating non-profit membership would be determined by the particular issue being dealt with at any given point in time and the requisite skills and competencies.

A rotating membership of non-profit sector representatives would have two specific benefits. It would help spread the work more evenly amongst non-profit organizations. And, it would engage a broader group of sector representatives with a stake in the success of the initiative as a whole. We think that the possible downsides of a rotating membership will be mitigated by the increasing degree of collaboration that is already being demonstrated by the non-profit sector.

With respect to government, we believe that representation should come from the professional public service and at the level of Assistant Deputy Minister (ADM). We also propose, however, that there be a “non-delegation” policy; ADM’s serving on the committee would not be able to delegate the task to more junior officials but would be required to participate themselves. Such a policy might avoid the experience of other jurisdictions where the downward delegation of responsibility by government representatives sent the message that strengthening relationships with the non-profit sector was not important.

Recommendation:

A joint steering committee should be established with equal representation from government and the non-profit sector. The non-profit representation should comprise a mix of permanent and rotating members and the public sector should be represented by Assistant Deputy Ministers with a “non-delegation” policy.

B) FRAMING THE RELATIONSHIP

In almost all instances where governments and the non-profit sector have attempted to establish a more systematic relationship, a framing document has been developed to guide the process. The best known of these is *The Compact* developed jointly by the English government and voluntary sector in 1998.

The concept of developing a framing document is well understood and consistent with good practice in the non-profit sector. Almost all non-profits have written statements of mission, goals and objectives that serve as a guide post for day-to-day activities.

The Compact developed in England is a fairly detailed document that identifies the principles that the government and non-profit sectors have in common. It then outlines the commitments of the government and the non-profit sector that flow from those

principles. As much as anything, *The Compact* outlined a way for both sectors to work together.

The English *Compact* and the process used to develop it, became a model for other jurisdictions attempting to strengthen government and non-profit sector relationships. The 2001 Canadian *Accord* developed jointly by the federal government and the voluntary sector drew heavily on the *Compact* model. Wales, however, has set “the gold standard” for framing the relationship by enacting detailed legislation known as *The National Assembly of Wales’ Voluntary Sector Scheme*.

The development of documents like the English *Compact* and the Canadian *Accord* entailed an enormous time commitment for both non-profit and government representatives. In recognition of this often onerous responsibility, more recent efforts to develop relationship framing documents have produced much shorter statements of shared principles and values. British Columbia and Alberta are examples of two other jurisdictions that have chosen this path. (See Appendix B for links to all of the documents cited above.)

ONN believes in the necessity of a framing document to serve as a touchstone for an evolving relationship. In our view, however, it should be a simple and succinct statement of the principles and values shared by the Ontario government and non-profit sector. It can and should be developed relatively quickly by drawing on other, similar documents and adapting them to fit the circumstances in Ontario. The document could serve as the basis for a more detailed document in the future similar to the English *Compact* or the Canadian *Accord*.

Recommendation:

The first task of the Joint Steering Committee should be the preparation of a succinct statement of shared principles and values that will guide the development of the relationship between the Ontario provincial government and the non-profit sector.

C) SECRETARIAT WITHIN GOVERNMENT

In many ways, the structure of the non-profit sector in Ontario mirrors the structure of the Ontario government. While the provincial government has often been criticized for operating in silos, this criticism could equally be applied to the non-profit sector. Most non-profit organizations and most provincial ministries have a mission or focus on one specific field of activity ranging from health care to the arts to social services and the environment, for example. As a result, most of the existing government-sector relationships are one-on-one interactions between a specific provincial ministry and a specific non-profit or, perhaps, a group of non-profits.

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While much of the work done by non-profits and provincial ministries will be unique and specific to their field of activity, there are issues of policy and practice that transcend and cut across individual non-profits and ministries. Bill 65, proposing a new Non-Profit Corporations Act, is one recent example. Provincial government rules and regulations regarding funding of non-profit organizations is another. What the provincial government lacks, however, is a single, internal centre of responsibility for the non-profit sector as a whole. To use a “trees and forest” analogy, the provincial government needs to be attentive to the health and vibrancy of the non-profit sector as a whole as well as the health of individual non-profit organizations.

The current situation in Ontario was typical of other governments at the outset of their efforts to develop stronger and more constructive relationships with their non-profit sector. The response in most of those jurisdictions has been to develop a secretariat within government. These Non-Profit Secretariats are responsible for focusing on issues with the potential to improve and strengthen the relationship between all government ministries and non-profit organizations.

Where governments have established internal secretariats with overall responsibility for the non-profit sector, two different approaches have been tried.

In some cases, the responsibility was given to individual ministries which already had some responsibilities relating to non-profit organizations. The Alberta government provides one such example. A Secretariat was established within the Alberta Ministry of Culture and Community Spirit which was designated the lead ministry to oversee a joint process with Alberta’s non-profit sector that began in 2008. The secretariat works with an interdepartmental committee with representation from 15 different ministries.

In other cases, Secretariats have been established in central agencies of government which have cross cutting responsibilities. In England, for example, responsibility for engagement with the English voluntary sector and honouring the commitments resulting from *The Compact* resides in the Cabinet Office. Even with the recent change in government, responsibility for the sector remained a Cabinet Office responsibility with the only change relating to the name of the Secretariat. Under the previous Labour government, the Cabinet Secretariat was called the Office of the Third Sector. Under the current coalition government, the Cabinet Secretariat’s function remains the same but it is now called the Office of Civil Society.

New Brunswick provides another example of a jurisdiction that has vested responsibility for the non-profit sector in a central agency. The Secretariat established within the New Brunswick government is located in the Premier’s Executive Council Office.

The ONN believes that the creation of a Non-Profit Secretariat within a central agency of the provincial government, rather than an individual ministry, is more likely to

contribute to a stronger relationship with the non-profit sector. We also believe the Secretariat should be established within the Cabinet Office. We have come to this conclusion because the experience in other provinces and countries suggests the following factors are key contributors to the success of a Non-Profit secretariat within government:

- Senior officials at the Deputy Minister's level must be involved and implicated in the initiative.
- The secretariat must be (i) adequately resourced and (ii) at arm's length from individual ministries.
- The secretariat must have a dual mandate both (i) to assist the efforts of individual ministries to strengthen relationships with sector organizations and (ii) to build the capacity of non-profit organizations to better understand and work with the provincial government
- A "point person" for the sector should be designated within each ministry
- Secretariat activities must complement, not supplant, the daily one-on-one individual relationships between sector organizations and ministerial officials
- Development of an easily accessible, one-stop repository of information about the provincial government that is specific to the non-profit sector
- Rather than providing direct funding itself, the Secretariat should lead cross government efforts to standardize granting policies, procedures etc.
- Updates about key developments or changes in the relationship should be communicated simply but consistently both internally within government and externally to non-profit organizations

While we believe that the criteria for success outlined above are more likely to be achieved by locating the responsibility within a central agency, the Secretariat will need to have strong linkages with individual ministries and, especially, with those having significant relationships with non-profit organizations. An interdepartmental committee of Assistant Deputy Ministers should be established to serve as an internal reference group for the Secretariat. There should be at least some overlap with the membership on this committee and government representation on the Joint Steering Committee. In addition, consideration will need to be given to the appropriate involvement of political staff who play an important but different role than professional public servants.

The Secretariat should have a fair degree of latitude to develop a work plan in conjunction with the non-profit sector. We would strongly suggest, however, that the first tasks of the Secretariat should focus on two key points:

- a) the systematization of provincial government funding policies and practices relating to non-profit organizations, using a modernized approach to funding that we believe will best serve the interests of non-profit groups in Ontario and the communities they serve; and
- b) the development of a social innovation team inside government, capable of moving across Ministries, to remove barriers to innovation inside government and be responsible for working with social innovators outside government to scale for impact.

The accompanying paper on Funding Reform outlines the recommended modernized approach to funding, and the accompanying paper on Social Innovation outlines the recommended transformative approach to unleash innovation for the highest possible social impact.

Recommendation:

The provincial government should establish, within Cabinet Office, a Secretariat with overall responsibility for the government's relationship with Ontario's non-profit sector. The Secretariat must create strong linkages to individual ministries and its first order of business should focus on funding policies.

In addition to the Secretariat, serious consideration should be given to the creation of an Advisory Agency to the Office of the Premier with fixed term Order-in-Council (OIC) appointments. The Agency would be chaired by a prominent member of the non-profit sector. The Chair would be responsible to suggest appointments from the non-profit sector to the government while the government itself would appoint members to the advisory body. The Advisory Agency would have access to the work of the Secretariat and would be in a position to advise the Premier's Office on the Secretariat's work and other matters of importance. The OIC appointments to such an Agency would serve the same purpose as the first of our recommendations, the Joint Steering Committee. If selected as the vehicle for this partnership, the Advisory Agency would thus replace the Joint Steering Committee.

This type of Advisory Agency is not without precedent. The current Premier's Climate Change Advisory Panel is a formal agency with unpaid, fixed term, order in council appointees who advise the Premier and his office on matters related to climate change policy. The creation of such an Agency could serve to profile the ongoing work of the Secretariat while ensuring a continuing priority within government for the engagement of the non-profit sector by government.

D) MINISTERIAL RESPONSIBILITY

As a further indication of a commitment to strengthen government/non-profit sector relationships, ONN believes that the government should explicitly designate a member of Cabinet as Minister Responsible for the Non-Profit Sector. In particular, we believe that the designated Minister should be a senior and experienced Minister.

Some of the most senior members of Cabinet, like the Finance Minister or the Attorney General, oversee Ministries with relatively little engagement with non-profit organizations. Although it may seem counterintuitive, there may be some advantage to appointing a senior Minister with relatively little day-to-day engagement with the sector. The seniority of such an appointment would signal the importance the government attaches to developing stronger relationships with the non-profit sector. It would also reinforce the view that the responsibility for strengthening relationships with the non-profit sector is a cross-cutting responsibility of all ministries rather than that of a single ministry.

Whichever senior Minister is assigned responsibility for the non-profit sector, it is unlikely that their current ministry officials will have the expertise, skills and competencies necessary to support the minister in his or her capacity as Minister responsible for the Non-Profit sector. Rather, we see the staff of the Non-Profit Secretariat providing that support.

Recommendation:

The provincial government should designate a senior Minister with explicit responsibility for the Non-Profit sector and that Minister should be supported in the exercise of his or her responsibilities by the Non-Profit Secretariat.

e) Engagement with the legislature

The ONN believes that any effort to strengthen the government/non-profit sector relationship must be accompanied by initiatives to strengthen linkages between the non-profit sector and the provincial legislature.

The men and women from all parties who serve as Members of Provincial Parliament (MPP's) are crucial links to the communities they serve in every part of the province. Most will have a direct knowledge of the important work undertaken by non-profits in their communities. Many will have been actively involved with non-profits whether serving on committees of the Boards of Directors or helping to raise funds. MPP's can and should be key allies in efforts to strengthen the relationship between the government and the non-profit sector as a whole.

There is another practical reason to find appropriate ways to engage MPP's. Where efforts in other jurisdictions to strengthen relationships between governments and the non-profit sector have been unsuccessful, it was often the result of a change in the political party leading government. Non-profits working in a non-partisan way to develop better working relationships with the government of the day, were often taken aback to find their efforts dismissed by an incoming government solely because it had been agreed to by a previous administration of a different political bent. The development of stronger relationships between the government and non-profit sectors has the potential to benefit all of Ontario's residents and communities. It is not and should not be portrayed as a partisan activity. One way to minimize that possibility is to more directly involve MPP's from all political parties.

Somewhat surprisingly, most other initiatives to strengthen government/non-profit relationships have devoted little attention to engaging elected officials. Appendix A of this document, which sketches out a vision for the ideal government/non-profit relationship, considers a variety of ways in which we might more effectively involve members of the provincial legislature. These include the creation of an Officer of Parliament, supporting legislation, legislative appropriations and an advisory committee reporting to the legislature. Most of these ideas are new and untested but warrant further consideration. In the meantime, however, we believe there are some simple first steps that can and should be taken.

At a minimum, the Standing Committee on Social Policy should, at least annually, ask the Minister Responsible for the Non-Profit Sector to appear before the committee and provide a report on the state of the relationship between the government and the non-profit sector. Consideration should also be given to asking the Committee to consider other ways to more effectively involve the legislature, including but not limited to some of the suggestions contained in Appendix A.

Recommendation:

The Ontario legislature's Standing Committee on Social Policy should invite the Minister Responsible for the Non-Profit Sector as well as representatives of the non-profit sector itself to appear before the committee on an annual basis, at least, and provide a report on the state of the relationship between the government and the non-profit sector. The committee should also be asked to consider and suggest other ways in which members of the legislature may contribute more effectively to the strengthening of government/non-profit sector relationships.

APPENDIX A

A Comprehensive Vision for Reform

The Ontario public sector at the provincial level contains five pillars (outlined in more detail below) that could have a role in developing and implementing a formal relationship between government and the sector:

The Ontario Provincial Public Sector		
Pillar	Status	Website
1. Parliament (legislature)	Permanent	http://www.ontla.on.ca/web/home.do
2. The Liberal Government	Elected	http://www.ontarioliberal.ca/ http://www.ontario.ca/en/your_government/index.htm
3. The Ontario Public Service	Permanent	http://www.gojobs.gov.on.ca/Jobs.aspx
4. Agencies of government	Permanent and time limited depending on agency	http://www.ontario.ca/en/your_government/ONT06_018949 http://www.pas.gov.on.ca/scripts/en/home.asp
5. Special purpose entities e.g. Trillium; SHSC	Permanent	http://www.trilliumfoundation.org/cms/en/index.aspx http://www.shscorp.ca/

The purpose of this paper is to set out options for both the framework (structure) and the process for the relationship between the non-profit sector and the Ontario Government and to note the advantages and disadvantages of each alongside the possible unintended consequences of each. It is a given that both sides will want to take away significant advantages from the relationship. While government will want to better rely on a harmonious and productive partnership, manage public expectations and meet its service commitments more effectively, the non-profit sector will want greater recognition of their role in innovation, more robust, even-handed and longer term commitments related to funding.

Accordingly, our first task is to identify within the structure of government in Ontario where the objectives of both sectors can be met most effectively. Government is large and complex as is the non profit sector. While some relationship structures may appear promising (e.g. an accord with a political party), they can have fundamental weaknesses in terms of tenure. While others may appear overly ceremonial (e.g. the appointment of a new Officer of Parliament), there is the distinct advantage that the relationship necessarily survives changes in government.

Our second task is to choose from the many possible frameworks and processes and choose a the best possible relationship structures. Students of government see five large structures that define government in Parliament or the legislature, the government in power, the public Service, the large contingent of government regulated agencies, boards and commissions (ABC'S) and government-created corporate structures (such as the Trillium Foundation).

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Our task then is to set out framework options that essentially bundle the best combination of these entities to define the options and the relationships themselves. Following that, we set out our assessment and set out some possible next steps.

In advance of the options and their relative merits, we now define the possible relationship components between the three largest structures that define government.

The discussion is limited to the Ontario government and we do not consider the possible role of the non-profit sector with either the federal government or with Ontario Municipalities although such relationships merit separate discussion. The analysis and recommendations are also restricted to the structure and processes related to the relationship itself. The content of potential legislation, accords, terms of reference, MOU's, appropriations or agreements must be considered elsewhere.

It is important to begin by referring to the Ontario public sector rather than the Ontario government. When people read "Ontario Government", they tend to think of a political relationship with government in power. The reality is that the Ontario public sector, for the purposes of this discussion contains five specific entities or pillars:

- Parliament (the legislature)
- The Ontario (Liberal) government
- The Ontario Public Service
- Government appointed Agencies of government (currently 630); and
- Special purpose Ontario corporations or foundations (e.g. Trillium)

A successful relationship will involve each of the five pillars of the provincial public sector in Ontario. The purpose here is to describe the best possible structure for a relationship between the non-profit sector and these five pillars.

LEGISLATURE: THE RELATIONSHIP WITH PARLIAMENT

An Officer of Parliament

An officer of Parliament with no power over Ministries but with the mandate to report to Parliament once per year would provide resiliency to withstand changes in government but most governments would not wish to add a new officer of Parliament however weak.

The advantage is that a new piece of legislation would be an automatic result as all officers of parliament are established through legislation.

The officer of parliament would automatically receive an allocation and an office and secretariat with a public website (by convention). The purpose would be to provide a very public locus, a long lasting place to house the relationship and the possibility of appointing an important leader in to the position.

Legislation

Apart from an Officer of Parliament, legislation is not uncommon to support the Non-profit relationship with one or more levels of a nation or sub-national entity. For example, the Welsh parliament adopted legislation about a decade ago:

http://www.thecomcompact.org.uk/shared_asp_files/gfsr.asp?nodeid=101332

The legislation would set out the 'location' of the work to be undertaken and all structural elements of the relationship. The Welsh legislation can perhaps be referred to as the 'Gold standard' for legislation as the relationship with all sub-sectors of the national government are spelled out in some detail.

One of the important advantages of legislation is that it would be founded on agreement or at least familiarity (in a majority government) from all parties and especially those on the standing committee that would review the legislation after second reading of the Bill.

Secretariat with Staff

The details surrounding staff - who and how they are compensated and organized is important. But it may be the case that where a secretariat is housed is of equal or more importance in terms of their long term success.

A secretariat within government is an option - there are many examples of important and long-lasting secretariats and directorates that have enduring reputations for good work and influence. Equally, many secretariats are considered to be 'boutiques' with limited force or effect.

A secretariat can be maintained in government or in an Advisory Agency under the appointments secretariat so that it is housed separately and is aloof from government. The latter arrangement, although it may suffer the downside of being located away from the day to day business of government, may prove more resilient in the medium to longer term.

Appropriation from Legislature

Ministry bound appropriations are dangerous at the best of times. Government are well known for their capacity to starve resources from legislatively protected entities that may be seen as hostile to their objectives. Accordingly, a legislative appropriation as

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opposed to a Ministry Estimates voted item would appear most appropriate. A good example in the federal realm is the National Council of Welfare that is similar to many other agencies that the federal government has terminated. However, the fact that the NCW is legislatively founded with a separate vote of its budget has protected both its existence and its ongoing funding.

THE GOVERNMENT OF ONTARIO - THE POLITICAL RELATIONSHIP

An Accord with the Government

The political accord with a government is politically important and especially so when a government maintains power. There appears to be two preferred choices that we may refer to as the 'long form' and the 'short form', the latter being a statement of purpose and the former having many signatures and perhaps a long preamble.

It appears that even though Parliament, agencies of government and the public service endure while the government in power does not, an Accord is an important guidepost for any relationship. Less detail would appear to be important to ensure ongoing engagement of future governments.

Initial Establishment of Lead Ministry (MCI)

The MCI appears to be the Ministry charged with the task of convening the Ontario Public Service and Ministers on the issue of the Non-profit relationship with the Ontario public sector at the provincial level.

It is not a line Ministry meaning that it cannot control or perhaps even suggest the role of government. In this role, it is a convening Ministry that can put political and public service structures into place to have conversations and to evolve a narrative for the relationship.

If done well, MCI can remove suspicions at all levels and:

- ensure that political and permanent staff engage in genuine dialogue without the sense that the sector is the subject of 'stakeholder management' and government staff are not 'being lobbied or converted' to a particular sector cause;
- attempt to ensure that the interests of the government and the sector are respected and maintained.

Relationship with Large Line Ministries (9)

There are at least 9 large line Ministries within the Ontario Government with direct delivery staff, regional offices and ground level assignments. It is well known that they 'run government' and do not necessarily adhere to direction from smaller strategy based or convening Ministries like MCI.

The Line Ministries are:

- MOHLTC
- MCSS
- Transportation
- Community Safety
- The Attorney General
- Education
- MCYS
- MTCU
- OMAFRA

The convening or strategy Ministries include:

- MCI
- MEDT
- Culture
- Labour etc.

It will be important to map the relationships between the sector and all the Ministries of government regardless of their role as line Ministries or strategy Ministries. It may be easier to provide the mapping services through an agency of government reporting through a particular Ministry. This leads us to the relationship with Central Agencies of government.

THE ONTARIO PUBLIC SERVICE: THE RELATIONSHIP WITH THE BUREAUCRACY

Relationship with Central Agencies - Cabinet Office, Management Board, Ministry of Finance

The main agencies are Cabinet Office, MGS (including Management Board), and Finance.

The ideal relationship would be founded in Cabinet Office and the Premier's Office through the key advisors to the Premier supported by Cabinet Office staff.

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Specialized staff would be mobilized to relate to the Secretariat. There are pros and cons to the idea of housing the secretariat itself in any central agency of government. If it is housed within government, it is extraordinarily easy to disband.

Accordingly, it is recommended here that the secretariat be housed in its own special agency of government reporting through MCI but with specially assigned staff (both political and officials) in Finance, Cabinet Office and the Premier's Office.

In addition, a Deputy Minister's committee responsible for the relationship would be struck to forge MOU's, deal with issues of a cross-government nature. Central agency staff would relate to the Deputies Committee as well.

A Review (e.g. PMFSDR) should be undertaken by the Deputies' committee and MOU's with all relevant Ministries should be the result.

An Advisory Agency to Government: a Specialized Relationship

An Advisory Agency with OIC appointments along with the secretariat should be put in place as an Agency of MCI acting under their own legislation. Appropriate levels of staff and resources should be developed and implemented.

Although the Agency would report through the Minister, it should have the right (from time to time) to report to the Legislature without undue Ministerial interference. This may be more possible to achieve through a special relationship with the Trillium (or a separate Foundation) of government.

Special Purpose Entities: a hybrid relationship

The decision to be made here is whether to create new foundation or to create new role for the Trillium Foundation. So far, the government has assigned this role to Trillium but it may be necessary to amend Trillium's charter and legislation to take on the role. However, since Trillium (and in fact, any new foundation would be a funder), the secretariat and Agency of government should stay independent from both the government and Trillium in order to be able to do its job on behalf of the sector and government.

BACKGROUNDER ON RELATIONSHIP WITH THE LEGISLATURE (PARLIAMENT)

The Legislature

It is important to consider a strong relationship between the legislature (Parliament) and the non-profit sector if for no other reason than they are intended to last beyond and in practice, outlast any particular government in power. The legislature is made up

of Members of Provincial parliament from all parties and is responsible for lawmaking in all its aspects including public consultation. The Office of the legislative assembly is responsible for secretariat and other services to Parliament. Parliament is overseen by the Speaker of the House.

A New Agency Board or Commission

One option for a relationship with the legislature is to appoint a new agency (formally includes boards and commissions) responsible for the relationship between the sector and the Ontario government. The Public Appointments Secretariat is responsible for setting up such an agency.

The Public Appointment website usefully explains the role of an agency and in particular, the role of an advisory agency as follows¹:

There are approximately 630 agencies to which the provincial government makes appointments. They vary in size from large operating agencies like the Liquor Control Board of Ontario to small advisory committees like the Ontario Geographic Names Board. Many terms are used to describe different kinds of agencies - boards, commissions, councils, authorities and foundations. All of these bodies are referred to as agencies.

An agency means a provincial government organization:

- which is established by the government, but is not part of a ministry;
- which is accountable to the government;
- to which the government appoints the majority of the appointees; and
- to which the government has assigned or delegated authority and responsibility, or
- which otherwise has statutory authority and responsibility to perform a public function or service.

Agencies include government agencies, as well as the many agencies excluded from the financial and administrative requirements of the provincial government, but to which the government makes at least one representative appointment.

Advisory agencies (ADA)

The prime function of an advisory agency is to provide information and/or advice to assist in the development of policy and/or in the delivery of programs. Some examples of advisory agencies are the Livestock Medicines Advisory Committee, the Committee to Evaluate Drugs and the Commodity Futures Advisory Board."

¹ <http://www.pas.gov.on.ca/scripts/en/generalinfo.asp>

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<http://www.surveygizmo.com/s3/375253/partnershipprojectsurvey>

An Officer of Parliament

An officer of parliament provides independent services to Parliament often providing alternative decision making functions, reporting functions or assessments of government services from a particular perspective. Examples include the Human Rights Commissioner, the Ombudsman the Environmental Commissioner of Ontario, the Integrity Commissioner of Ontario, the Auditor General of Ontario and the Information and Privacy Commissioner of Ontario.

All officers report to government and have legislation that establishes their role. Some make binding rulings (Ombudsman) while others have functions that are advisory but can hold much weight in the eyes of the public (Auditor general) .

If an officer of parliament is a preferred option for a relationship structure for the non-profit sector, legislation would be a 'given'. A n agency could be put in place without legislation. Some agencies have legislation that support them, others do not.

Supporting Legislation² (Act of Parliament)

In the event that an agency of government is chosen as an option without an officer of parliament, a decision must be made as to whether separate legislation is desirable. The true value in legislation is that in order to cancel the formalized relationship enshrined in legislation, the Act of Parliament would have to be repealed by a present government in power.

Legislation would protest the provisions contained in the Act itself including potential staffing, reports to the legislature, allocations of funds and the relationship itself between the non-profit sector and government.

The chief problem with legislation is that could become outdated and possibly restrictive if changes were considered desirable.

Appropriations and Staff Functions

As noted, appropriations of funds can be set in legislation (e.g. most program related legislation or may not be present (e.g. anti-poverty legislation). An appropriation would cover staffing and the costs of a dedicated secretariat. The non-profit sector should negotiate with government appropriate levels and duties of staff.

Agencies are separately funded by the government and are therefore subject to all government financial restrictions that may be in force. Legislation can protest funding allocations in difficult times when governments seek to restrict funding.

² /www.ontla.on.ca/web/bills/bills_current.do?locale=en

Annual Report to the Legislature

With or without an officer of parliament in place, agencies can report through a Minister to Parliament. Some do and others do not.

Relationship to Standing and Select Committees³

There are two forms which Committees can take.⁴ The first, Standing Committees, are struck for the duration of the Parliament. The second, Select Committees, are struck usually by a Motion or an Order of the House to consider a specific Bill or issue which would otherwise monopolize the time of the Standing Committees.

Standing Committees exist for the duration of a parliamentary session. They examine and report on the general conduct of activities by government departments and agencies and reports on matters referred to it by the house, including proposed legislation.

Current committees include:

- Standing Committees in the current Parliament

- Standing Committee on Estimates	- Standing Committee on Justice Policy
- Standing Committee on Finance and Economic Affairs	- Standing Committee on Public Accounts
- Standing Committee on General Government	- Standing Committee on Regulations and Private Bills
- Standing Committee on Government Agencies	- Standing Committee on the Legislative Assembly
- Standing Committee on Social Policy	

If legislation is desired, a standing committee (likely the Standing Committee on Social Policy - already studying Bill 65 on Non-profits) would be assigned to the Bill. No other relationship between a standing committee and an Officer of parliament or an agency is mandated but officers of parliament and agency members routinely report to standing committees depending on the issue before the committee.

⁴ http://www.ontla.on.ca/web/committee-proceedings/committees_current.do?locale=en Ontario

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APPENDIX B – FRAMING DOCUMENTS

Links to documents that have been jointly developed in other jurisdictions to frame the relationship between governments and the non-profit sector have been provided below.

British Columbia and Alberta have both have relatively short statements developed jointly by non-profit and public sector in each province to guide their relationship.

British Columbia's document, *A Commitment to Collaboration* can be access here http://www.nonprofitinitiative.gov.bc.ca/docs/gnpi_cc_brochure_tabloid_viewable.pdf

and Alberta's *Framework for Collaboration* can be found here http://culture.alberta.ca/anvsi/documents/framework_brochure.pdf

England was the first jurisdiction to develop a framework document known as *The Compact*. <http://www.thecompact.org.uk/files/140472/FileName/TheCompact.pdf>

The Canadian federal government and non-profits at the national level developed the 2nd such document that in Canada is called *The Accord*. http://www.vsi-isbc.org/eng/relationship/the_accord_doc/index.cfm

Perhaps the most comprehensive framework document is to be found in Wales which developed comprehensive legislation prescribing the relationship in great detail. It can be accessed here <http://new.wales.gov.uk/dsjlg/publications/voluntary/volsectorscheme/scheme;jsessionid=M5npM8MLcN9HpjTTz8zR5M13Lt25M2zHV7pJ32DLy44Tvk30qhMq!-2005468515?lang=en>

APPENDIX C - SECRETARIATS

Examples of internal Secretariats established by other governments to coordinate and focus their relationship with the non-profit sector in their jurisdiction can be found at the following links:

Newfoundland and Labrador

<http://www.gov.nl.ca/vnps/index.html>

New Brunswick

<http://www.gnb.ca/0012/CNPO-OCSB/index-e.asp>

Alberta

<http://culture.alberta.ca/voluntarysector/default.aspx>

England

<http://www.cabinetoffice.gov.uk/voluntary-sector.aspx>