



Organizing for Action: Farmed Animal Health and Welfare Governance in Canada

1. Problem Statement

Policy and operational fragmentation (within and across industry and provincial and federal governments), and a corresponding lack of clarity with respect to roles and responsibilities, is an impediment to comprehensive, coherent farmed animal health policy across Canada, and to timely, coordinated action in the event of an outbreak. In particular, there is a need for a mechanism whereby decision makers systematically intake expert policy advice that is formulated on a *collaborative* basis by key stakeholders.

2. Existing Structures

Canada is a major producer of farm animal products, counting some 14 million head of cattle, 12 million pigs and more than 640 million chickens, among other commercially significant species. Canada is the world's 10th largest producer of beef and its seventh largest exporter; it is the sixth largest producer of pork globally and the third largest exporter.

Farmed animal health and welfare, including its points of intersection with human health, are matters of shared federal and provincial jurisdiction in Canada. This reflects (among other legal and constitutional responsibilities such as trade) the explicit division of responsibility for agriculture under section 95 of the *Constitution Act 1867* as well as the joint involvement of the federal and provincial governments in health care.

Notwithstanding the complexity of the policy landscape in animal health, the predominant public policy actor is the Canadian Food Inspection Agency (CFIA). A federal departmental corporation, CFIA is the largest science-based regulatory agency in Canada, with more than 160 field offices across the country and over 7,000 employees (roughly 1,500 of them in animal health, including 800 veterinarians). Under the direct authority of the Minister of Agriculture, CFIA is responsible for the safety of the food chain from livestock and primary producers to the retail level, managing animal inspection, quarantine and compensation programs across the country. It administers 13 federal statutes and 38 sets of regulations, including the wide-ranging *Health of Animals Act and Regulations*, under which it has sweeping authorities, particularly for taking measures in cases of outbreak.

The creation of CFIA in 1997 constituted an important step towards policy and operational integration at the federal level, bringing together the related inspection services of three separate federal government departments: Agriculture and Agri-Food Canada, Fisheries and Oceans Canada and Health Canada. As a further mechanism of coordination, CFIA has entered into Memoranda of Understanding (MOUs) with other federal organizations (e.g., with Agriculture and Agri-food Canada concerning food safety and bio-security risk management systems) and with provinces (e.g., the Foreign Animal Disease Emergency Support Plan concerning the management of foreign animal disease outbreaks). CFIA also represents Canada internationally (e.g., within the World Organization for Animal Health and the Canada-US Consultative Committee on Agriculture).

CFIA is the principal authority for federally reportable diseases, which include most major identified trans-boundary diseases, and it leads the National Animal Health Strategy. CFIA leadership is particularly relevant in instances of outbreak, given that Canada's compensation system is funded entirely from federal revenues and administered by CFIA under the authority of the *Compensation for Destroyed Animals Regulations of the Health of Animals Act*.

The provinces are also active in animal health and welfare, often, although not always, either in coordination with the federal government or complementary to it. Each province has a Chief Veterinary Officer or equivalent with responsibilities for surveillance, food safety and animal welfare. Provinces cooperate in administering national policies (e.g., under the applicable MOUs) and develop specific programs for production-limiting diseases that are considered non-federally reportable. However, there is no clear demarcation in this area and practices and programs vary across provinces.

Given the multiplicity of players at different levels and the complexity of issues in play, it is not surprising that Canada's system is characterized by extensive consultations. A recent OECD comparative study of animal health management and compensation regimes in several countries described Canada as having the most elaborate consultations framework of any of the countries surveyed.

CFIA's key partners within the Government of Canada are Agriculture and Agri-Food Canada (AAFC), Health Canada (HC) and the Public Health Agency of Canada (PHAC). CFIA, PHAC and HC are all parties to a multi-jurisdictional emergency response protocol entitled the *Foodborne Illness Outbreak Response Protocol*. There are also a number of important Federal/Provincial/Territorial (FPT) discussion forums, such as the Council of Chief Veterinary Officers and the Council of Chief Medical Officers of Health. The FPT Regulatory Committee of Assistant Deputy Ministers of Agriculture has played a significant role in program coordination. The Committee is advised by the National Farmed Animal Health

and Welfare Council, a 14-member body of technical experts jointly funded by, and with representation from, industry and both levels of government.

Consultations also take place with other technical, industry and consumer groups. The Minister of Agriculture has a Ministerial Advisory Board whose advice includes matters of concern to CFIA, and CFIA receives professional and technical advice from its Expert Advisory Committee. AAFC's Value Chain Roundtables (VCRs) are a further important venue for consulting with industry. The Consumer Association Roundtable, chaired by the Chief Food Safety Officer/CVO of Canada meets two or more times a year for dialogue with consumers.

CFIA reports that it is attempting to improve consultations. A 2011 assessment prepared for the CFIA identified a number of management and communication gaps in the organization's stakeholder consultation processes. The report recommended improving stakeholder representation and developing a cohesive framework to better coordinate consultation inputs. The CFIA has developed an action plan to implement these recommendations and is establishing a focal point for consultants with its Program and Policy Branch; it has also developed a draft *Consultation Policy and Framework* to improve consistency in consultation processes.

3. Challenges under the Status Quo

The OECD report referred to Canada's distinctively elaborate consultative processes in broadly favorable terms, and admittedly these processes signal a significant effort to draw in the vast swath of relevant stakeholders. However, the elaborateness is actually indicative of the core problems facing the governance of animal health policy in Canada, namely the fragmentation of authority and responsibilities, the large number of actors inside government and out, and the lack of a streamlined and transparent mechanism for achieving overall coherence in a complex policy area. In short, the system needs to be rationalized.

Achieving coherence is not simply or even primarily a matter of improving consultations. Animal health includes a number of issues that are effectively national in nature but do not fall squarely under federal jurisdiction and hence need better coordination and emergency planning. Moreover, the existing policy development model is top down – that is, central authorities formulate policy, albeit with the benefit of consultations – as opposed to a bottom-up model in which stakeholders collectively formulate policy proposals for consideration and adoption by authorities. Given the large number of actors in the system and the lack of a single jurisdictional authority, a more bottom-up approach might be able to provide coherence at the policy *input* level that is otherwise difficult to achieve at the *output* level. However, this would require the development of an

authoritative policy voice to serve as a “clearing house” for stakeholder input, as well as clear point of intake and leadership within government to receive it.

The rudiments of such a system do exist. The NFAHWC (“the Council”), a jointly financed and jointly representative government-industry body, provides advice to the FPT Regulatory ADMs Committee, a senior intergovernmental group for policy coordination. Moreover, the Council was established under a collaborative FPT-industry initiative – the National Farmed Animal Health and Welfare Strategy – that signaled collective recognition of the need for collaborative governance.

However, as matters stand, the Council is not ideally placed to play the role of authoritative voice and the Regulatory ADMs Committee is not placed to be the point of intake. The Council, though broadly representative, does not include all the relevant stakeholders at the table. Moreover, while it has extensive experience and expertise and benefits from secretariat support from the Canadian Animal Health Coalition, it does not have internal policy formulation capacity. That is, it must rely on the ad hoc commitment of time and resources by members and the organizations they represent in order to pursue major policy development initiatives. It is also questionable whether the Regulatory ADMs Committee is sufficiently effective and sufficiently senior to ensure the routine adoption of the policies recommended to it, especially when advice is being provided to more senior levels on a parallel basis (e.g., the Ministerial Advisory Board).

Additionally, animal health policy governance remains fragmented within jurisdictions. The establishment of CFIA was an important step towards consolidation at the national level, but CFIA’s mandate does not cover every issue relevant to animal health and at the same time extends well beyond animal health, such that animal health issues risk becoming diffused within a broader agenda. (Currently, several CFIA branches have significant involvement in this area, notably the Policy and Programs Branch and the Science Branch.) In this sense, animal health continues to lack a fully dedicated champion within the federal government.

To date, the most significant practical consequences arising from the status quo arguably are a level of uncertainty regarding the line between “federally reportable” diseases and those which are subject to provincial regimes, together with a general lack of coordination (and sometimes outright inconsistency) across provincial systems. For example, there isn’t uniformity among provinces on Johne’s Disease control programs. The lack of certainty concerning roles and responsibilities impacts negatively on response time, which in turn carries risk as new diseases emerge. That said, Canada has passed through a number of significant outbreaks in the past decade – Avian Influenza, BSE, H1N1 – in a manner that, while resulting in severe shocks (including trade, fiscal and human

health impacts) have not fundamentally discredited the status quo in the manner of the tainted blood scandal.

4. Case Studies Summaries

In developing options for alternatives to the current Canadian regime for the governance of farmed animal health policy, the Institute on Governance examined a number of models. These included animal health policy governance in other countries as well as alternative organizational arrangements in Canada for other policy areas comparable to animal health. Brief summaries of the most salient models follow, with more detailed descriptions found at Annex A.

Canadian Blood Services

In this model, provincial governments, the federal government, and health service providers are brought together to manage the national blood system through a two-tiered governance framework. The Canadian Blood Services (CBS) structure splits up key roles by granting operational autonomy to health professionals, oversight and funding responsibilities to Provincial-Territorial Ministries of Health, and regulatory authority to the Federal Ministry of Health. These roles and responsibilities are assigned in a FPT Memorandum of Understanding. The Provincial-Territorial Ministers of Health act as the Corporate Members of CBS, and as such, they appoint the Board of Directors, provide the policy framework and approve the plans of the Board. The Federal regulatory authority is derived from the *Food and Drugs Act*. A key feature of the CBS governance framework is the participation of public and health sector stakeholders on both the Board and on the two Liaison Committees, which helps achieve the organization's aim of a high standard of public accountability.

Electrical Safety Authority

The Electrical Safety Authority (ESA) is the only case study that is isolated to a single jurisdiction, in this case, the province of Ontario. The ESA is an interesting case though as it demonstrates an example of industry maintaining a high degree of autonomy in administering its regulations. In this model, the Minister of Consumer Services' delegates responsibilities for consumer protection and public safety to a self-financing not-for-profit organization that provides services on a cost recovery and fee-for-service basis. The roles and responsibilities of the Ministerial branches and the ESA are set out in an Act, in Regulations, and in an Administrative Agreement. Industry retains that autonomy by maintaining control of the Board of Directors. The Ministry exercises oversight by retaining control of policy decisions, receiving an annual report from the ESA, and retaining the ability to revoke the ESA's delegation of authority if it is not properly discharging its public duties. Policy capacity is created for the ESA through a network of

advisory councils. While final policy decisions rest with the Minister, the ESA and the Ministry work together in developing regulatory policies that keep the regulatory framework responsive and up-to-date.

Canadian Securities Administrators

Two organizations bring together securities regulators and finance ministers in order to arrange Pan-Canadian harmonization of a policy area that falls under provincial jurisdiction. The Canadian Securities Administrators (CSA) and the Council of Ministers of Securities Regulation (the Council) each have a role in governing the Passport System that provides a single window of access to Canadian capital markets by ensuring that an applicant that is approved in one province is granted approval in the other provinces. Importantly, Ontario has the biggest market in this sector; yet, it has retained greater regulatory autonomy by opting out of the Passport System. Ontario integrates into the Passport System by having a parallel agreement that allows it to review decisions of regulators from other provinces and territories and conversely other provinces accept the decisions of Ontario's regulator. The CSA has responsibilities for policy development, investigation, enforcement, and public education of investors, while the Council monitors the work of the CSA and gives policy direction. Industry does not have a major role in decision-making within this model. The Council and the Passport System are granted their non-binding legal status through a Memorandum of Understanding (MOU).

Emergency Animal Disease Response Agreement of Australia

State governments, the national Commonwealth government, and industry organizations jointly fund and participate in the key animal health emergency response agreement and policy coordinating bodies of Australia. The Australian system has been effective in bringing industry into a partnership role in animal health governance through cost sharing, shared decision-making and through the legally binding authority of the Emergency Animal Disease Response Agreement. Industry participates in the three key emergency and day-to-day animal health governing bodies including: 1) the National Management Group that determines when cost sharing should be invoked during animal health emergencies; 2) Animal Health Australia, which is the custodian of the EADRA and the facilitator of program planning and high-level strategic policy; and 3) the Consultative Committee on Emergency Animal Disease, which is the key technical coordination body during emergencies that links AHA, the NMG, and the three key groups of states, Commonwealth, and industry.

United States Animal Health Association

The premier animal health policy forum in America is the United States Animal Health Association (USAHA). The USAHA attracts the comprehensive participation of state governments, federal agencies, and industry organizations on its Board and on its vast committee structure. There are two reasons why the USAHA functions as the central locus of animal health decision-making amongst its diverse stakeholders despite the fact that it does not have a formal understanding or agreement with federal decision-makers. One, it has a long established tradition of bringing together all the major experts and decision-makers into one clearly structured body. Two, it channels that power and expertise most often towards a single authoritative federal government body, the United States Department of Agriculture (USDA). The USAHA communicates with the USDA through a system of Association resolutions and government responses. The strength of the USAHA is in its capacity and tradition. The organization has 32 science-based committees, a widely representative 102-member Board of Directors, and substantial buy-in from industry organizations and governments.

Pan-Canadian Public Health Network

The inter-governmental mechanism that helps Canada prepare for health emergencies and builds public health infrastructure is the Pan-Canadian Public Health Network (PHN). The PHN Council governs the network. This Council is composed of the chief public health officers of the provinces and is co-chaired by the Public Health Agency of Canada's Chief Public Health Officer. The PHN Council receives technical advice from the Council of Chief Medical Officers of Health and absorbs the expertise of the health sector through its steering committees. The reporting relationship of the PHN Council is to the Conference of FPT Ministers of Health, who also provides some of the funding. Another key body involved in the network is the Public Health Agency of Canada (PHAC). PHAC's role involves providing most of the funding, participating in Council decision-making, and providing a six-person secretariat for supporting the Council. Two Memoranda of Understanding set out the PHN's role in public health emergencies including the provisions of support, mutual aid, and information sharing.

5. Analysis and Considerations

Applying the Case Studies – the Pros and Cons of Different Models

While each of the models set out above includes at least some key elements that would constitute an improvement over the existing governance regime, each also carries its own challenges, although these vary considerably in extent and kind.

Broadly, the challenges are of two sorts: (1) imperfect applicability of the model to the functions of animal health policy in a Canadian context and (2) strategic considerations, such as the scope or cost of the model, the time needed for its realization, or the need for an unrealistically high level of political will to bring it about. The most overarching consideration of the second sort relates to jurisdictional divisions: Council members have recognized that as a practical matter any proposals will have to operate within existing constitutional authorities.

Probably the second most significant consideration is whether to seek major structural changes to the formal machinery of government, such as the creation of a new agency at either the federal level or with a multilateral mandate.

There is an understandable tendency for advocates of coordinated policy in search of a “champion” to propose the creation of a dedicated agency along the lines of the **Public Health Agency** (PHA). This model has the benefit of creating a dedicated animal health organization at the federal level that could galvanize public awareness and provide focus to animal health management across Canada. It would also reduce outstanding divisions at the federal level.

However, in itself the creation of such an agency would not directly address jurisdictional issues, and on balance might add rather marginally to the role already being fulfilled by CFIA. Moreover, it would entail a significant reorganization within the federal machinery, with the associated costs, disruption and resistance of government and other vested interests. The pursuit of such an initiative would also tend to divert Council resources and focus away from the need to evolve into an effective partner for government.

The **Canadian Blood Services Agency** (CBS) model has certain advantages over the PHA model, most notably its resolution of jurisdictional divisions in a national body with a pan-Canadian mandate. In addition to the successful allocation of federal and provincial responsibilities and funding, the model also achieves a sound balance of operational independence and government control, as well as the representation of stakeholder perspectives and expertise on its board and committees, while keeping these ultimately subordinate to a body of “Corporate Members”.

However, while this model would achieve much more collaboration than a PHA-style option, it would be correspondingly more difficult to achieve, given the extent of up-front FPT cooperation and devolution required. It is telling that CBS is the only publicly funded provider of health care acting on a pan-Canadian basis, and its establishment was clearly linked to a public health scandal of unprecedented proportions. From a functional perspective, it should be noted that CBS is largely operationally oriented, whereas the Council is seeking to advance a more collaborative approach to policy making. Governments are

generally more reluctant to surrender policy authority than operational responsibility. Also, the stakeholders represented in CBS are not perceived as representing vested interests in the same manner as industry groups.

Ontario's **Electrical Safety Authority (ESA)** is considered to be a successful model of delegation to an industry-driven entity, albeit only at the provincial level. The model leverages industry expertise in the health and safety area while maintaining ultimate government control to ensure the overall acceptability of standards. It has the added advantage, from the government's perspective, of being "self-funding" through cost-recovery and licensing fees.

On the down side, this is a distinctive Ontario model (a "delegated administrative authority") that is unlikely to be readily adopted at the federal level, especially as a multi-lateral initiative. Moreover, the transfer of regulatory authority and operational responsibility goes well beyond the policy role envisaged under the Animal Health Care Strategy, and would require a very high degree of collective industry capacity and engagement.

As an alternative to the establishment of a new government agency, the **Canadian Securities Administrators** offers a model of a "virtual" organization (it describes itself as "informal") that has achieved a level of harmonization in a notoriously complex field with a minimum of legal and organizational change. Basically a system of voluntary harmonization and mutual recognition of standards, certification, etc, unlike a delegated administrative authority, it does not require legislation, operating on the basis of an MOU. It also can operate beneficially without the need of full provincial participation.

Despite its merits in managing, however imperfectly, complex inter-jurisdictional challenges, the model probably has limited applicability to the animal health sector. The most important difference is that the CSA model relies on extensive pre-existing capacity and regulatory authority on the part of its participants. Another difference is that its "incentive structure" does not have a clear parallel in the animal health sector – i.e., provinces other than Ontario want securities offerings to be available in their jurisdiction that might otherwise gravitate overwhelmingly to Ontario (it is notable that Ontario does not participate on the same terms as other provinces). CSA also has the luxury of not requiring federal involvement.

The **Australian model – the Emergency Animal Disease Response Agreement** or EADRA – has, overall, the highest level of attractiveness among the models surveyed when looked at from a functional perspective, although there are reasons to believe that it would be premature to attempt to adopt it in Canada. The model achieves a high degree of inter-jurisdictional coordination in a constitutional context very similar to Canada's while allowing each jurisdiction

to operate within its own sphere and with its own organizational machinery. At the same time, it systematically engages non-government stakeholders to make maximum use of their expertise and operational capacity. The regime works through a well-entrenched partnership among stakeholders (Animal Health Australia, the Australian Government, all state and territorial governments and fourteen livestock industries) working under a system of comprehensive agreements that clarify roles, responsibilities and financial obligations. The policy positions that are jointly developed, including detailed emergency protocols (AUSVETPLAN), are systematically adopted as government policies, resulting in a kind of de-facto multi-jurisdictional delegated administrative authority.

While a system along Australian lines may be broadly desirable as an eventual goal, adopting the model in Canada would likely require significant prior groundwork. Implementation of such a system would require a high level of political will, and goodwill, not only on the part of governments but also industry. While the farmed animal industry in Canada is not marked by serious internal divisions, it is not clear that it is yet in a position to be an equal partner with government in this way. The industry likely needs to establish greater collective capacity before being able to speak authoritatively as a full partner. A specific consideration is the extent to which the Australian model is driven by cost-sharing arrangements: not only do these shape the regime's formal machinery, they also provide industry with the moral authority to command a partnership role. In Canada, where compensation is publicly financed, this will be harder to achieve.

The **United States Animal Health Association (USAHA)** is substantially “looser” or more “open-ended” than the Australian model, given that USAHA is not formally integrated into the government decision-making process in the same way as EADRA – i.e., the federal government (and specifically the US Department of Agriculture), which is the principal target of USAHA's policy advice, does not have a formal agreement with the organization. On its face, the arrangement looks rather one-sided, with elaborate collaboration, including representatives of all 50 states, on the development of policy advice without a corresponding commitment on the part of the federal government to treat that advice authoritatively.

That said, USAHA has proven a very influential voice in US policy, and its “bottom up” policy formulation process and lack of formal government machinery can be viewed as favourable features. It has extremely inclusive participation (in an environment in which industry is more divided than in Canada) and deep capacity; its policy development process is sophisticated yet clear and transparent; and its governance, although hardly minimalist, is attuned to its broad membership.

Ultimately an organization of this nature is dependent on its brand as a highly representative, credible policy voice. The high level of “buy-in” throughout the animal health sector positions it to serve as a “clearing house” for policy advice that the government is neither inclined nor readily able to ignore. But USAHA has a century-long history, and positioning a body to have this kind of network and capacity requires time and financial commitment.

The **Canadian Public Health Network** (PHN) offers a model that probably represents the most direct evolution from where animal health governance stands today. Established under an agreement among the Conference of FPT Deputy Ministers of Health (the CDMH) governed by a council of the top FPT public health officers, and able to draw on the technical expertise of its committees and task groups, PHN has discernable parallels to the NFAHW Council and CAHC under the National Farmed Animal Health Strategy.

Some of the differences between the PHN Council and the NFAHW Council are attributable to the differences between the animal health and human sectors. In particular, membership on the PHN Council is entirely composed of government representatives, who make use of technical expertise in their committees and task groups following what is essentially a top-down consultative model. However, this reflects the fact that human health does not engage private sector interests in the same way as animal health, and the model could be adapted if desired to make industry a more equal partner. The fact that the PHN Council is composed of the senior public health officers from each jurisdiction probably accounts for the willingness of governments to let it determine technical and operational issues while reserving those with a policy component to the CDMH. The fact that it reports to the CDMH is a key difference between the PHN Council and the NFAHW Council, as this link enhances both its legitimacy and its influence.

The Broader Environment

As a rule of thumb, it is difficult to pursue a major organizational change within government in a context of fiscal restraint unless that change is perceived as furthering the fiscal agenda. At a time when saving is a priority, governance change is generally costly and disruptive, particularly in the near term. This underscores the value of pursuing near-term objectives that are modest in terms of formal structures, possibly with a view to their evolution down the road. It also underscores the value of linking farmed animal health not only to human health but also emphasizing the current risks to the economy and trade.

From the perspective of human health, the current environment has favorable elements. Not only is health a priority issue for Canadians, but outbreaks over the past decade have raised awareness of our vulnerability to infectious diseases

and the links between animal and human health. Those concerns do not generally translate into views about governance in the popular consciousness but they do heighten receptivity within government to some degree. The most recent concerns over food plant safety and the reliability of CFIA inspections may tend to reinforce the government's focus on food safety, narrowly conceived. However, it is not too great a leap to emphasize the unbroken nature of the continuum from the farm to the consumer.

A more specific positive signal is that CFIA has demonstrated a significant degree of support for the Council, for example, involving it in policy decisions such as the review of criteria for dealing with reportable diseases. On the provincial side, the Council of Chief Veterinary Officers have also been receptive to taking in Council analysis.

The Council's direct reporting relationship to the FPT Regulatory ADMs Committee is in some respects less encouraging. The Committee is not demonstrating a high level of effectiveness at this time and, more fundamentally, the question arises whether a regulatory committee is the most appropriate interlocutor for the Council's policy-oriented agenda. The Joint Policy and Regulatory Committee might be an alternative, but meets twice a year and in any case is still not at the Deputy Minister level. While in the near-term it may be advisable to establish credibility and capacity within the existing framework, the Council's "reporting structure" is a matter that could be targeted for medium-term change.

6. Options for Consideration

Common Elements

In conjunction with any of the three options set out below, it is recommended that the Council work towards the following objectives:

- Advocate consolidation of federal animal health responsibilities within CFIA. For example, consider whether elements of the Policy and Programs Branch and the Science Branch could be combined within an Animal Health Branch, whose ADM could serve as a "champion" to provide leadership within the federal government. Consider whether other groups within the federal government (e.g., functions currently housed within AAFC) might be candidates for inclusion in this Branch.
- Continue to build capacity within the NFAHWC. Although subject to the parameters of its mandate and structure under the National Farmed Animal Health Strategy, the Council could advocate for more inclusive membership as well as greater commitment of resources from non-

government stakeholders. Building momentum among industry stakeholders for a deeper partnership with government should be a focus of Council members.

- While the Council should continue to work with the FPT Regulatory ADMs of Agriculture Committee until it acquires an alternative interlocutor within the Government of Canada, in the event that its interlocutor does not change under one of the options below, it should explore the medium-term potential for reporting to a more policy-oriented and preferably more senior group. It could consider beginning by providing formal reports to the Regulatory and Policy Committee.

Option 1: Australian-style Partnership

Under this option, the Council would seek to enter into a formal agreement or agreements (in the manner of Animal Health Australia) with all FPT governments and other non-government stakeholders regarding the roles, responsibilities and commitments of each with respect to specific diseases on an ongoing basis and in the event of an outbreak. The intent would be for the scope of this agreement(s) to be as broad as possible – i.e., to extend to a commitment to develop binding policies and protocols in a broad range of specified areas. It would be necessary to gauge the extent to which cost-sharing (whether of compensation or otherwise) would be a prerequisite to such a partnership from the government’s perspective, and if so to assess the openness of non-government stakeholders to this kind of resource commitment.

Option 2: US-style “Unilateral” Capacity Building

Under this option, rather than pursuing a formal partnership with the Government of Canada (or for that matter, provincial governments) that would entail a commitment to implement mutually-agreed upon policies, the Council would work to evolve into the governance body for a comprehensive stakeholder network. While this network would include government representatives such as the Chief Veterinary Officers of the different jurisdictions, their input would not commit their respective governments to the adoption of the organization’s policies. This option would entail what amounts to a large-scale recruitment and “fund-raising” exercise, as well as the development of a “charter” for the new network, setting out its mandate, governance and policy development processes.

Option 3: Pan-Canadian Farmed Animal Health Network

Under this option, the Council would seek a FPT ministerial or DM-level mandate that would entail: (1) inclusion of all FPT CVOs on the Council; (2) comprehensive non-government stakeholder participation in policy formation

through an extensive technical committee structure (possibly also including direct industry participation on the Council); (3) a formal and authoritative advisory role for the Council to the FPT Ministers/DMs. This model would effectively “stretch” the NFAHWC in two directions – upwards as a more senior-level and authoritative source of policy advice and downwards as a deeper capacity stakeholder group. It would require additional resources from both government (possibly re-allocated from other consultations initiatives) and from industry.

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Annex A: Status Quo and Case Studies

1. Status Quo

a) Canadian Food Inspection Agency (CFIA)

The Canadian Food Inspection Agency (CFIA) is the largest science-based regulatory agency in Canada, serving as the national regulatory authority on federal food safety, animal health and plant health programs. It is responsible for administering 13 federal statutes and 38 sets of regulations, including the Health of Animals Act.

Mandate

The CFIA delivers its mandate mainly in areas of shared jurisdiction, partnering with other federal government departments and provincial, territorial and municipal governments. The CFIA is dedicated to safeguarding food, animals and plants, which contributes to a safe and accessible food supply and plant and animal resource base, thereby enhancing the health and well-being of Canada's people, environment and economy. It also represents Canada internationally and has been an active member of World Organisation for Animal Health.

Legal Authority

The Agency was created in April 1997 by the *Canadian Food Inspection Agency Act* for the purpose of combining and integrating the related inspection services of three separate federal government departments: Agriculture and Agri-Food Canada, Fisheries and Oceans Canada and Health Canada.

Several MOUs have been signed both at the federal and provincial levels. The AAFC and CFIA have agreed upon a MOU in the department of food safety and biosecurity risk management systems. Part of the *Growing Forward Framework Agreement*, this horizontal initiative seeks to enhance the CFIA-led System Recognition program, the National Biosecurity Standards Development and the Traceability infrastructure over the course of four years. MOUs between CFIA and provincial governments also exist. The Foreign Animal Disease Emergency Support Plan is one of the major initiatives undertaken between the CFIA and provincial ministries to control/eradicate foreign animal disease outbreaks.

Decision-making

The CFIA works with a number of consultative groups to develop regulatory policies and emergency readiness programs. The Consumer Association Roundtable (CAR) and the Value Chain Roundtables (VCRs) are two such

consultative parties along with an Expert Advisory Committee that provides professional and technical advice and a Ministerial Advisory Board that advise the Minister of Agriculture and Agri-food on topics related to CFIA. In terms of fair stakeholder representation, the CFIA works through its three Business Lines (Food Safety, Animal Health and Plant) to engage small businesses and consumers.

In 2011, an assessment report revealed some management and communication gaps within the CFIA's stakeholder consultation processes. These gaps included inconsistent processes, inefficiencies, unevenness, and the lack of a focal point in the Agency for sharing best practices and tools in the conduct of consultation activities. The report recommended improving stakeholder representation and developing a cohesive framework to better coordinate consultation inputs. The CFIA has developed an action plan to implement these recommendations. It is in the process of establishing a focal point for consultants with its Program and Policy Branch and has developed a comprehensive website on consultation through its Public Affair Branch. The Agency has also developed a draft *Consultation Policy and Framework* to improve consistency in consultation processes with relevant stakeholders.

Policy Capacity

The CFIA regularly consults with industry and other regulated parties to identify their priorities and challenges and to gather feedback on various programs and initiatives. The VCRs are one of the main venues for industry and government to come together. The CAR, on the other hand, encourages consumer participation. It has close to 7,200 professionals working across Canada, in the National Capital Region and in the four operational Areas (Atlantic, Quebec, Ontario and the West).

Key Actors and Operations

Its key federal partners are Health Canada (HC), Public Health Agency of Canada (PHAC) and Agriculture and Agri-Food Canada (AAFC). There are also a number of FPT discussion forums, operating at Director, Director General or Assistant Deputy Minister levels. The FPT Regulatory Committee of Assistant Deputy Ministers is one such committee that has been instrumental in carrying out CFIA's regulatory function to coordinate FPT programs. The CFIA's budget has increased steadily due to funding for initiatives such as Avian and Pandemic Influenza Preparedness, the Food and Consumer Safety Action Plan, the Pork Industry Recovery and Expansion Strategy, the Government's response to Listeriosis, Food Safety Modernization as well as resources for increased food inspections in meat processing plants. The recent Economic Action Plan 2012 has allocated \$51M to food safety that directs resources towards the Agency.

About 47% of the budget is spent on various food safety programs while around 18% is allocated towards animal health and zoonotic programs.

b) Public Health Agency of Canada (PHAC)

The Public Health Agency of Canada (PHAC) is the main government agency responsible for public health in Canada. A key dimension of public health is protection from food-borne and infectious animal diseases, and as such, PHAC has dedicated branches for these areas and participates in animal health bodies like the NFAHW Council. PHAC's human health role involves promoting good health, preventing and controlling infectious and chronic disease and injury, developing emergency preparedness and response, and strengthening intergovernmental collaboration on public health policy and planning. It conducts surveillance on two major categories: infectious diseases, and chronic diseases and health condition.

Mandate

The role of the PHAC in the health care system of Canada includes several key responsibilities. The PHAC mandate includes responsibility for preparing Canada for public health emergencies. The organization also generally aims to prevent and control chronic and infectious disease. It represents Canada to the world on public health issues and applies international research to Canadian problems. The PHAC also has a central role in intergovernmental collaboration, including its key role in the Pan-Canadian Public Health Network.

Legal Authority

PHAC was created in September 2004, partly in response to the SARS outbreak in 2003, and was given statutory basis in December 2006 through the *Public Health Agency of Canada Act*.¹ It is one of the six main agencies within the federal Health Portfolio², an initiative that has been undertaken by the Minister of Health to support the maintenance and improvement of the health of Canadians.

Separately, PHAC in collaboration with Health Canada and the CFIA has also developed a multi-jurisdictional and multi-party emergency response protocol called the *Foodborne Illness Outbreak Response Protocol (FIORP)*.³ PHAC is the primary custodian of the FIORP – responsible for its maintenance and review with PT consultations. The FIORP was established to enhance the collaboration

¹ Department of Justice, *Public Health Agency of Canada Act*, 15 December 2006. Link: <http://lois-laws.justice.gc.ca/eng/acts/P-29.5/>.

² The Health Portfolio is comprised of Health Canada, the Public Health Agency of Canada, the Canadian Institutes of Health Research, the Hazardous Materials Information Review Commission, the Patented Medicine Prices Review Board and Assisted Human Reproduction Canada. The Health Portfolio consists of approximately 12,000 full-time equivalent employees and an annual budget of over \$3.8 billion.

³ Link: <http://www.phac-aspc.gc.ca/zoono/fiorp-pritioa/index-eng.php#p>.

and overall effectiveness of response during multi-jurisdictional food-borne illness outbreaks. It serves as the national reference document to guide the FPT response to outbreaks and is intended to complement agreements and procedures established among the partners. It has been endorsed by the FPT Food Safety Committee, the Council of Chief Medical Officers of Health, the FPT Deputy Ministers of Health and other associated committees. The Outbreak Investigation Coordination Committee (OICC) established pursuant to FIORP serves as the main forum for information-sharing and interpretation, clarification of roles and responsibilities, establishment of response priorities, and the development of communications strategies related to an actual or suspected food-borne illness outbreak.

Decision-making

The Minister of Health presides over the Agency and is responsible for its strategic management and direction. The Chief Public Health Officer (CPHO) is the deputy head of PHAC and is directly accountable to the Minister. The CPHO prepares annual reports for the Minister on the state of Canada's public health, which are then presented to Parliament.

One of the primary functions of the CPHO is to advise the Minister and work with other FPT departments and agencies and the international community. The CPHO also acts as the lead federal government spokesperson on public health issues, in particular, during public health emergencies. The position is supported by three Assistant Deputy Ministers, who are in charge of the three main branches of PHAC – Infectious Disease Prevention and Control (IDPC), Health Promotion and Chronic Disease Prevention (HPCDP) and Emergency Management and Corporate Affairs (EMCA).

Key Actors and Operations

PHAC works in collaboration with a number of research groups that include the Six National Collaboration Centres for Public Health, the Pan-Canadian Public Health Network (PHN) and the Canadian Institutes for Health Research. Of these groups, the PHN is the main interlinking group that provides support to FPT governments for the purpose of responsibility sharing. The PHN is made up of FPT public health leaders and select public health partners and is governed through the PHN Council. The Council meet regularly to share knowledge, expertise and best practices on public health, and develop and implement efficient and collaborative approaches.

Policy Capacity

The PHAC has substantial in-house capacity as it employs a staff of 2700 individuals who work in operational, scientific, technical, and administrative

positions across the country. The Public Health Agency of Canada makes use of external advisory bodies in order to gain objective and specialized knowledge and advice on matters related to its mandate. The agency has a total of nine EABs. The agency also works closely with provincial, territorial, and municipal governments and non-governmental organizations in Canada and abroad.

Impact

The establishment of the PHAC is generally regarded as having expanded the capacity of the federal government to address public health issues, particularly public health emergencies. The agency has been effectively in building networks and partnerships with international, provincial, and professional organizations. The PHAC raises the profile of public health through its promotion and education role and through the CPHO position. With the PHAC Act and through direct reporting to the Minister of Health, the agency has authority to pursue its mandate. Through the structure of an agency there is now a focal point for public health that may be better at consultative, professional, and responsive results than would be achieved through the Ministry of Health.

2. Case Studies

a) Emergency Animal Disease Response Agreement

The *Government and Livestock Industry Cost Sharing Deed In Respect of Emergency Animal Disease Responses*,⁴ in short EADRA, is a legally binding agreement between Animal Health Australia⁵ (AHA), the Australian Government, all state and territory governments and fourteen livestock industries. It covers the management and funding of responses to Emergency Animal Disease (EAD) incidents. The EADRA was ratified in March 2002. It has been developed to facilitate rapid responses to, and control and eradication or containment of, certain animal diseases (EADs).

Mandate

AHA was established by the Australian, state and territory governments and major livestock industry organizations. It facilitates high-level decisions on strategic policy by governments and industry groups for future planning and funding of national animal health service programs. It also manages the review process of the EADRA that includes regular workshops with representatives of all parties. If the EADRA is activated in response to an EAD incident, AHA maintains the records of funds receivable and payable by parties.

⁴ AHA, "EAD Response Agreement." Link: <http://www.animalhealthaustralia.com.au/programs/emergency-animal-disease-preparedness/ead-response-agreement/>

In terms of cost sharing, the EADRA contains provisions for parties to agree on a limit on the amount that will be eligible for cost sharing between the parties in respect of a response plan for an EAD incident. The default agreed limit for a party is that party's proportional share of 1% of the GVP of the Industry(ies) affected by the EAD (2% in the case of foot-and-mouth disease).

Where the National Management Group has reason to believe that the cost of an EADRP will exceed the agreed limit, it must promptly determine whether the agreed limit should be increased, the EADRP should be continued, the proportional shares of the affected parties should be altered, the EADRP should be moved to an agreed long term control program, or any other appropriate alterations should be made to the EADRP.

Legal Authority

All Signatory Parties are obligated to report an EAD incident within 24 hours of becoming aware of it. This is particularly important for cost-sharing purposes. In this regard, Government Parties are required to give Formal Notification to the CCEAD regarding an EAD breakout and ensure that persons within their jurisdiction also report such incidents to their relevant authorities. The Industry Parties are required to advise their members and participants to notify the applicable authority about an EAD breakout so that CVOs can notify the CCEAD.

In the event of an EAD outbreak, the state or territory CVOs in whose jurisdiction(s) the incident has occurred is generally charged with developing the EADRP in consultation with the CCEAD. It is important to note that the EADRP must be endorsed by the CCEAD before being submitted to the NMG. The NMG will approve, or not approve, the invoking of cost sharing and manage, on behalf of the Affected Parties, the national policy and resourcing needs of the EADRP.

Additionally, the EADRP must follow the AUSVETPLAN⁶ framework and meet the specific requirements of the affected area where an outbreak has occurred. AUSVETPLAN, the Australian Veterinary Emergency Plan, is a series of technical response plans that describe the proposed Australian approach to an EAD incident. The documents provide guidance based on sound analysis, linking policy, strategies, implementation, coordination and emergency-management plans.

⁶ AHA, "AUSVETPLAN." Link: <http://www.animalhealthaustralia.com.au/programs/emergency-animal-disease-preparedness/ausvetplan/>

Decision-making

The National Management Group (NMG) is the group that approves or disapproves the invoking of cost sharing following advice from the Consultative Committee on Emergency Animal Diseases (CCEAD) of an appropriate EAD Response Plan (EADRP). It manages, on behalf of the Affected Parties, the national policy and resourcing needs of an EADRP. NMG is composed of representatives from each of the Affected Parties that include: the Secretary or Chair of the Department of Agriculture, Fisheries and Forestry; the Chief Executive Officers of the State and Territory Government Parties; the Presidents of all the relevant Industry Parties; and AHA that acts as an observer.

Key Actors and Operations

CCEAD is the key technical coordinating body providing the link between the Commonwealth, States and Territories, Industry, AHA and NMG for animal health emergencies. Its main role is to effectively and efficiently coordinate the national technical response to, and to advise meetings of NMG on, emergency animal disease response in accordance with the EADRA. CCEAD members are representative of the Commonwealth, State and Territory animal health agencies that include: the Chief Veterinary Officer (CVO) of the Commonwealth of Australia (acting as the Chair); CVOs of the States and Territories; one representative each from the Commonwealth Scientific and Industrial Research Organization, the Australian Quarantine and Inspection Service and the Biosecurity Australia; and one observer from AHA. Animal Health Australia is a collaborative partnership that involves five member types: the national government, state governments, industry, service providers, and associate members. AHA manages 50 national animal health programs with a 15 member staff and a five person management team. The seven Board of Directors are appointed based on complementary skills and expertise after being nominated by a Selection Committee and approved at the general meeting. One of the major program initiatives of AHA is its management of the Emergency Animal Disease Preparedness program, including the EADRA. The other AHA business lines include disease surveillance, livestock health, biosecurity, livestock welfare, John's disease, and training. AHA is funded by members via annual subscriptions that are based on the Gross Value of Production of the jurisdiction or industry.

Policy Capacity

The Australian Government Department of Agriculture, Fisheries, and Forestry (DAFF) provides the secretariat for the CCEAD and has two representatives on it. The CCEAD links together the various actors and draws on the expertise of its members, which includes Chief Veterinary Officers, Industry representatives, and

laboratory scientists. The government of Australia encourages Parties to agree to as many policy principles (for disease strategies) as possible during “peace time”. The availability of agreed AUSVETPLAN disease strategies ensures that informed decisions about the policies and procedures needed to manage an EAD incident in Australia are immediately at hand and there is no time lost in mounting the response. Currently, AUSVETPLAN contains disease strategies for 35 of the 65 EADs listed in the EADRA and response policy briefs for a further 29 EADs.

Impact

A few factors are critical to the EADRA agreement existing as a successful animal health governance arrangement. Cost sharing between governments and industry is central to the success of the model. A framework for rapid and coordinated responses to emergencies provides an effective mechanism for dealing with outbreaks. Finally, the legally binding authority of the EADRA ensures that the system is empowered to take action.

b) Canadian Blood Services

Canadian Blood Services (CBS) is a Canada-wide health service provider that is federally regulated, and provincially funded. It is a national charitable organization that manages the supply of blood and blood products in all provinces and territories in Canada outside of Quebec. CBS has been successful in turning around a blood system that had undergone a major public health scandal to achieve a system that is recognized as safe, secure, cost-effective, affordable, and accessible. While the Provincial Ministers of Health maintain oversight and ultimate responsibility for the system, the Board maintains an arms-length autonomy that gives them control over operational decision-making.

Mandate

The CBS has a number of functions related to managing the blood supply system. The scope of its mandate includes setting policies that supplement FPT regulatory standards, coordination of Canadian blood research, surveillance and monitoring, professional and public education, and health risk management. The CBS has recently expanded its operations to include such areas as organ donation, tissue donation, and transplantation. This development involved a new funding arrangement for these areas and merging the Canadian Council for Donation and Transplantation into CBS.

Legal Authority

The authority of the CBS is divided between the federal and provincial jurisdictions as contained in the FPT MOU, which does not include Quebec. The federal government is responsible for regulating the system, which it does through the Health Canada department. This power is derived from the authority of the federal *Food and Drugs Act*. Ultimate responsibility for the effectiveness of the blood system is assigned to the provincial and territorial governments through their Health Ministries. The Ministers also provide the funding for the CBS and select the Board of Directors, but do not have the authority to direct the operational decisions of the Board and staff.

Decision-making

The CBS has a two-tiered governance structure that includes a Board of Directors and the Corporate Members consisting of the Provincial and Territorial Ministers of Health. The Ministers, as corporate members, appoint the Board and approve corporate plans, but more importantly provide the policy framework for planning and decision-making as well as provide funding for the CBS operations. The Board is responsible for the overall direction of the affairs, operational activities and the budget for the organization. The Board is composed of two consumer interest representatives, six representatives with technical expertise, and four regional directors that are nominated by the provinces from four regional groupings.

Key Actors and Operations

The key actors of CBS are the Provincial and Territorial Ministers of Health, Health Canada, and the diverse stakeholders that are included in the organization's Board of Directors and committees. Consumer groups, patient-recipient groups, healthcare professionals, hospitals, sponsors, and partners participate on the Board. These stakeholders are also involved in the National Liaison Committee and the Regional Liaison Committee. These two committees provide advice and discuss topics that help ensure consumers, professionals, and Canadians in general contribute recommendations and hold the CBS up to a high standard of public accountability.

Policy Capacity

The policy capacity of CBS must be understood in the context of the organization's operation-oriented mandate. The CBS's executive management team includes an executive director of policy and planning, as well as the six vice-presidents and CEO. The CBS aims to stay on top of emerging issues and it has a framework in place to adapt to and recommend policy changes. It has a

Research and Development Program that seeks to achieve continuous improvement and innovation, and a Scientific and Research Advisory Committee has been formed to provide advice and recommendations to the CEO on new developments. The Provincial Ministers of Health ultimately retain responsibility for policy, but their decisions are informed by the support and advice of the CBS's Provincial and Territorial Blood Liaison Committee.

Impact

The CBS inherited a system in crisis from the Canadian Red Cross, and successfully managed to restore public confidence through sound governance. In 1993, the federal government appointed, through an Order in Council, the Commission of Inquiry on the Blood System in Canada led by Justice Horace Krever. Krever's recommendations rebuilt a failed, fragmented, decentralized system made up of provincial silos into a successfully integrated system that was functional, multi-jurisdiction, and national. The arm's-length relationship to governments has allowed the CBS to operate within its business plan free from interference. The Ministers of Health have ensured that a reliable source of funding has been provided from provincial coffers. Stakeholders are sufficiently integrated into the work and decision-making of the organization and high standards of accountability and public reporting have been maintained. The CBS is the only publicly funded provider of a healthcare service that operates on a pan-Canadian basis.

c) Canadian Securities Administrators

The Canadian Securities Administrators (CSA) coordinates and harmonizes the securities regulation system in Canada through the consensus decision-making of its provincial and territorial members. The Council of Ministers of Securities Regulation oversees the passport system. The provincial and territorial governments are responsible for securities regulations, though the federal government has been attempting to create a national system. The CSA's main program is the passport system, which provides a single window of access to Canadian capital markets. A market participant can now deal with one regulator and through the passport system gain access to other provinces.

Mandate

The CSA's main responsibility is to run the passport system, which allows a market participant to receive access in one province or territory and then automatically be able to access other provinces through that first decision. The harmonization of laws is crucial for the system to work, as one jurisdiction must be able to trust the decision of others regarding access to capital markets. While Ontario importantly does not participate in the passport system, it has an

arrangement that effectively makes it a partner in the system but allows it to reserve the right to make a final decision on a review. Conversely, the other provincial regulators accept the decisions of the Ontario Securities Commission (OSC). The CSA also has responsibilities for policy development, investigation, enforcement, and public education of investors. The Council monitors the work of the CSA and gives policy direction.

Legal Authority

The Passport system is governed by the 2004 MOU Regarding Securities Regulation. This MOU sets out the terms for two important elements of the system: the Passport system agreement, and the establishment of the Provincial-Territorial Council of Ministers of Securities Regulation. The MOU does not bind the signatories and it has required each jurisdiction to bring its own legislative and regulatory framework into line with the agreed terms, which has been achieved. Individual provinces have implemented the required updates to their securities legislation in order to support an operational passport system.

Decision-making

The members of the CSA are the lead decision-makers of the securities commissions of the provinces and territories. The Provincial-Territorial Council of Ministers of Securities Regulation includes the Minister responsible for securities regulation in each province and territory, which in most cases is the Minister of Finance for that province or territory. It is responsible for overseeing implementation of the terms of the MOU and providing direction to the CSA members. A taskforce was appointed by the Council to spearhead the implementation of the passport system and coordinate ongoing policy and regulatory reform.

Key Actors and Operations

The CSA describes itself as an “informal body”, and it thus functions through a variety of informal meetings and conference calls. A Chair and Vice-chair are elected by the members of the CSA every two years to provide leadership for the organization. A number of bodies and programs help the CSA achieve its goal of harmonized regulation. A Policy Coordination Committee, a secretariat, standing committees, a National Registration Database, a System for Electronic Disclosure by Insiders, a System for Electronic Document Analysis and Retrieval, and Mutual Reliance Review System are the major initiatives of the CSA. The CSA also has investigation and enforcement responsibilities. In these activities it works with securities tribunals, self-regulatory organizations (SROs), exchanges, police, and the courts. The CSA Enforcement Standing Committee is the enforcement arm of the CSA. The CSA also participates in the Joint Forum of

Financial Markets Regulators, which includes Canadian Council of Insurance Regulators and the Canadian Association of Pension Supervisory Authorities, which looks at regulation more broadly in terms of products and services in Canadian financial markets.

Policy Capacity

Policy Coordination Committee (PCC) is responsible for oversight and coordination of CSA projects and facilitates decision-making. A permanent secretariat was established by the CSA in 2004, which monitors and coordinates the activities of the CSA committees and implements the strategic plan. The CSA also has nine standing committees and four project committees that allow staff to work on policy development and delivery of regulatory programs.

Impact

The federal government has called for the establishment of a single securities regulator, through a Canadian Securities Act, but the Supreme Court has ruled that this proposal was unconstitutional. There has been resistance to the federal government's proposal by the provinces, particularly Alberta and Quebec. In the meantime, the CSA, the Council of Ministers of Securities Regulation and the passport system provide an important service by harmonizing the regulatory framework in order to overcome jurisdictional boundaries in capital markets.

d) Pan-Canadian Public Health Network

The Pan-Canadian Public Health Network (PHN) is an intergovernmental mechanism that is jointly funded by the Public Health Agency of Canada and the provincial-territorial governments that strengthens the infrastructure for federal-provincial public health for day-to-day issues and for emergencies. It was established in 2005 by the FPT Ministers of Health. The objectives of the PHN are public health promotion, disease control, emergency preparation, and public health infrastructure. The key collaborative activities of the Network include information sharing and emergency support. The work of the PHN represents a trade-off between its role as a forum for multilateral intergovernmental collaboration and its recognition of jurisdictional responsibilities.

Mandate

The Conference of FPT Deputy Ministers of Health (CDMH) established the PHN's multifaceted mandate. That mandate includes facilitating information sharing between jurisdictions, emergency support, accountability and advice to the CDMH, and public health operations collaboration. During a public health emergency, the PHN draws on pre-established agreements like the *Agreement*

on Mutual Aid During an Emergency to ensure that a common and cooperative approach is achieved between jurisdictions. The scope of the PHN's work is collaborative but its decisions are not binding on any jurisdiction.

Legal Authority

The authority of the PHN is derived from a number of different agreements. A health care work plan produced from a First Minister's Meeting in 2004 committed federal and provincial governments the processes that would become the responsibility of the PHN. This arrangement was further established through two Memorandums of Understanding (MOU) that were achieved by the CDMH. These MOUs gave the PHN a central role in support, mutual aid, and information sharing during public health emergencies. Inter-jurisdictional agreements have also been established for public health laboratories, interchange of public health researchers and providers, and international cooperation. The lines of accountability in the governance structure can be drawn from the PHN to the CDMH. The CDMH provides direction to the PHN, and in return the PHN reports to the CDMH on its work.

Decision-making

The PHN Council is the central governing body for the network. It is governed by a 17 member Council composed of the top public health officers and their equivalents from FPT governments. The PHN Council has the authority to make decisions related to technical and operational issues for public health, but any decisions with policy implications must be forwarded to the CDMH for consideration. The Council does however have authority over its own committee structure and their terms of reference.

Key Actors and Operations

As public health is largely an issue of public and not private interest, the key actors of the PHN are government representatives. The Public Health Agency of Canada (PHAC) provides secretariat support and funding for the PHN Council with a six member staff. The provincial-territorial governments participate in the council and committees and provide funding for policy support and research. The Chief Public Health Officer, who is also head of the PHAC, is co-chair of the PHN Council. The other co-chair is a rotating position held by provincial public health leaders. The role of the Council of Chief Medical Officers of Health (CCMOH) should also be noted. The CCMOH provides technical advice to the PHN Council and committees, and reports to the Deputy Minister's through the PHN Council.

Policy Capacity

The capacity of the PHN is built through its committee and task group structure. Three steering committees manage the work of the PHN in the areas of Healthy People and Communities, Communicable and Infectious Disease, and Public Health Infrastructure. Similar to the PHN council, these committees are co-chaired by one federal and one provincial government official. The committees work in the areas of infectious disease, community health, and public health infrastructure. While the committees are composed of federal and provincial officials, they draw on the expertise of academics, researchers, members of non-governmental organizations, and health professionals. The CCMOH also draws on its membership of provincial-territorial Chief Medical Officers and federal public health representatives when it provides technical advice and recommendations to the Council and the committees.

Impact

The creation of the PHN helped strengthen and enhance Canada's public health capacity for both day-to-day public health issues and emergency response by creating inter-jurisdictional linkages. The PHN and its Council achieve a strong level of influence and legitimacy due to the participation of the highest levels of FPT government officials, and through its direct link to the CDMH. The main challenge for the PHN Council is the insistence by its members that it must respect the authority and jurisdiction of member governments. While this presents a notable restriction, the PHN played a key role in the FPT response to H1N1. The PHN has successfully become the focal point of collective action by FPT governments on public health in Canada. This can be partly attributed to the close alignment of the PHN's work and the direction it receives by the CDMH. The other limitation of the PHN Council's advice is that the CDMH maintains control over policy decision-making and directs the work of the PHN's council.

e) United States Animal Health Association

The United States Animal Health Association (USAHA) has been the United State's animal health policy forum since 1897. It facilitates communication and coordinates the activities of state and federal governments, industry, and other groups with an interest in animal health, animal welfare, public safety, and public health. The USAHA operates as a science-based, dues-supported, voluntary organization that includes comprehensive federal and state representation, as well as substantial representation of industry and other stakeholders in animal health. The key purposes of the organization are as a clearinghouse for new information on policy and programs, to develop animal health solutions, and as a forum for governments and other groups with an interest in animal health.

Mandate

The longstanding central mandate of the USAHA has been the control and elimination of livestock disease through communication and coordination. More recently, this mandate has expanded to include the impact of wildlife and livestock disease on public health, as well as addressing security concerns regarding the threats of agro-terrorism and bio-terrorism. This mandate is pursued through the application of science, new information and methods, and by developing a consensus for changing laws, regulations, policies, and programs.

Legal Authority

The USAHA describes itself as an advisor to the United States Department of Agriculture (USDA) and communicates most of its recommendations to that department, but there is no formal written agreement or MOU between the USAHA and USDA. The authority and legitimacy of the USAHA is established by convention and relies its tradition as a broadly inclusive, high capacity organization. The USDA is the government body primarily responsible for animal health and welfare policy and administration. The USDA has oversight of key federal agriculture agencies such as the Animal and Plant Health Inspection Service (APHIS), the Food Safety and Inspection Service (FSIS), and the National Institute of Food and Agriculture (NIFA). These agencies, and similar their equivalent state agents, participate as members of USAHA and also receive its recommendations and make responses through the USDA. Conflict of interest statements exist in the bylaws in order to guide officials in managing their roles as USAHA members and government officials. The USAHA is accountable to its *various government and industry members through its governance structure and the USDA is accountable to the USAHA through its response to resolutions.*

Decision-making

The decision-making process of the USAHA rests on the formulation and approval of policy resolutions, not on the meetings of the Board. There is a six-step process in formulation of policy. First, one of the 32 science-based committees produces a resolution in their mandated areas. Second, all the committee resolutions are reviewed by a Resolution Committee to see which ones can be combined. Third, the Board reviews the Committee reports and then the resolutions are finalized in anticipation of the annual meeting. Fourth, the finalized resolutions are then brought to the meeting where they are put to the membership for a vote on approval. Fifth, the approved, and non-approved, resolutions are published within the annual meeting proceedings report. Sixth, the USAHA moves its recommendations to the specified government decision-makers, usually the USDA, through a USAHA Resolutions report. By convention,

the USDA and its various agents provide a response to the resolutions that clarifies the government's plans or positions on each resolution.

Key Actors and Operations

The key actors of the USAHA are government, industry, and to a lesser degree research institutions. The USAHA Board of Directors has 102 members, 65 of whom are state, federal, and international animal and public health agency representatives, and 31 Board members are from industry and professional organizations. Due to the size of the Board, the seven members elected to Executive Committee are active in managing the financial, administrative, and internal affairs of the organization. The Board itself has only two main duties. One is to accept or reject committee reports, and the other is to review and approve or disapprove of the actions of the Executive Committee. Despite having a government representative from every state on its Board, the USAHA also has regional representatives that come from its North Central, Northeast, Western, and Southern districts.

Policy Capacity

The USAHA has substantial policy capacity due to its vast system of science-based committees that have wide participation amongst animal health experts. The 32 species and subject-oriented committees of the USAHA implement the mission of the organization by drawing on the expertise of its hundreds of participants to draft resolutions for review at the annual meeting. Many of the committees have representation from most states with the largest committee having 175 members. The sheer scale of participation by experts provides a great depth of policy capacity.

Impact

The USAHA has become an institution of animal health due to its long history, its buy-in from all the major actors such as industry and all relevant government agencies, and through its formalized mechanism for policy uptake. The clear structure and mandate lends itself to simplifying, to some degree, the complexities of agricultural policy making in the United States. The reporting structure clearly demonstrates, in a publicly accessible way, the activities of the USAHA and the progress being made on its resolutions. There is a formal report on resolutions that contains such information as committee source, background information, resolution statement, interim response by the USDA, and final response by the USDA. This process demonstrates transparency and accountability, both on the recommendations by the USAHA, and on the actions taken or planned by the USDA.

f) Electrical Safety Authority

Delegated Administrative Authorities (DAA) are arm's-length, not-for-profit organizations that have been created by the Government of Ontario to administer specific statutory responsibilities for consumer protection and public safety under the terms of ministerial delegation. There are eight DAAs in Ontario that provide services on a cost recovery and fee-for-service basis. The Electrical Safety Authority (ESA) is one of two DAAs that have a public safety purpose, while the other six focus on consumer protection. The key service areas of the ESA include inspections, licensing, enforcement and public safety education.

Mandate

The ESA is responsible for administering the regulation of electrical safety and for licensing electricians. An administrative agreement sets out the roles of the Ontario Minister of Consumer Services and the ESA, with the Ministry maintaining an arm's-length oversight role. The Minister is responsible for consulting with the ESA on policy matters, making amendments to the Act and regulations, conduct reviews, and receives reports. The ESA's role, as set out in the agreement, is to administer the policies and regulations as set by the Minister, establish a complaints system, make appointments, and advise the Minister. The ESA advisory role involves identifying and developing proposals for new regulations as they arise, as well as forwarding, every four years, a list of amendment proposals for Ontario Regulation 89/99 to the Ministry for approval.

Legal Authority

The legal authority of the ESA is derived from four sources. The *Safety and Consumer Statutes Administration Act* and *Regulation 89/99*, provide the legislative and regulatory authority to delegate day-to-day administration of electrical safety to the ESA. The Administrative Agreement between the Ministry and the ESA describes the organizational structure, terms, conditions, and reporting requirements. The Administrative Agreement sets out the accountability relationship between ESA and the Ministry. The three key accountability mechanisms that are maintained by the Minister for oversight of the delegated authority include the requirement that an annual report be submitted by the ESA and table in the legislature, the ability to appoint up to 49% of the ESA Board members, and the right to revoke the ESA's delegation of authority at any time if it is not discharging its public duties.

Decision-making

As a not-for-profit corporation, the primary decision-making body of the ESA is the Board of Directors. The ESA Board has 12 members that include a mix of six elected industry members, five Ministry “corporate member” appointments, and the ex-officio President/CEO. Besides the Board, a key governing body in the governance structure of the ESA is the Regulatory Affairs Committee (RAC). The RAC has the purpose of evaluating and monitoring the effectiveness of the regulatory framework. It includes representatives from the Electrical Contracting Industry, Municipalities, Consumer Interest Groups, Utility Contractors, and the ESA. When changes to the regulatory framework are identified by RAC, or other actors involved in governing electrical safety, these changes are jointly developed by the ESA and Ministry branches, with final approval resting with the Ministry and Cabinet.

Key Actors and Operations

The key actors for day-to-day policy and administrative matters for the ESA include the two branches of the Ministry and industry representatives. The Ministry’s Sector Liaison Branch exercises primary oversight, the Policy Branch has a policy mandate related to electrical safety, and they both meet regularly with the ESA through liaison meetings. In the case of emergencies, a special Ministry team is available to coordinate the input from the ESA staff and the Ministry branches with the work of other Ministry resources like legal services, communications and senior ministerial offices. Industry is key to the ESA’s work. Industry representatives are involved on the Board, on advisory councils, and through an organization called the Electrical Contractor Registration Agency (ECRA), which is administered by the ESA as an examination, registration, and advisory body for electrical safety.

Policy Capacity

The ESA has fairly robust capacity through staff of 400 safety professionals, through five advisory councils, and through the advice provided by the ECRA Board to the Regulatory Affairs Committee. The Advisory Councils include the Consumers Advisory Council, a Contractors Advisory Council, an Industry Advisory Council, a Utility Advisory Council, and the Ontario Provincial Code Committee. The ESA staff is also key to building capacity as it engages stakeholders through the use of surveys, focus groups, regional meetings, and customized stakeholder engagement processes.

Impact

The ESA received a favourable assessment in the 2009 *Delegated Administrative Authority Model Review*. It was found that the ESA demonstrated a commitment to best practices and continual improvement in corporate governance including self-evaluation, structural reforms, and reviews of its relationship with major stakeholders. The Review found that establishment of the Regulatory Affairs Committee solidified its regulatory governance, and showed a commitment to strengthening its policy capacity. Stakeholder relations and operational performance were also deemed successful. Overall, this Delegated Administrative Authority was deemed a high performing organization that has provided the public and industry with services and initiatives that have addressed public safety concerns and risks associated with electrical hazards.

Draft

Figure 1: Summary of Options

OPTION	Issue identification	Policy formulation	Implementation	Evaluation	Comments
1. Status Quo	Council identifies issues	Formulation by Council w/o internal capacity – reliant on ad hoc commitment of members	Council reports to FPT Regulatory ADMs; no systematic mechanism	No systematic mechanism	Model requires relatively low level of commitment by industry
2. Cdn Farmed Animal Health Network	Formal collaborative process for identifying & prioritizing diseases of interest	Formulation by Council supported by technical committees; expanded internal policy development capacity	Council reports to FPT DM-level group, which supports national implementation on a partnership basis	Formal review process	Closest alternative to status quo; broadens & deepens Council, input received at more senior, policy-oriented level
3. Unilateral Capacity Building	Lobbying approach to putting issues forward	Formulation by broader stakeholder network under Council governance	No systematic mechanism; government is lobbied and implements on a discretionary basis	No formal mechanism; unilateral evaluation by Council & network	No government commitment; model relies on creating a comprehensive and credible stakeholder voice
4. Partnership	Formal collaborative process for identifying & prioritizing diseases of interest	Structure for achieving a joint policy	Systematic implementation on a partnership basis	Formal review process	Most reliable linkage between policy and implementation; implies highest level of resource commitment from industry; could be targeted as longer-term goal.