

*Opening up Canadian Federalism the European Way*  
**Coordination of Social Policy and the ‘Market’ for Coordination**  
**May 12<sup>th</sup>, 2014, Toronto, Ontario**

**Workshop Report by Isaac Alexander Gray, Carleton University Student Rapporteur**

This workshop engaged Canadian and European Union (EU) policy experts in order to create an opportunity for interactive learning and comparative analysis related to intergovernmental relations, policy learning, and social policy coordination in the EU and in Canada. In the opening address, Professor Amy Verdun from the University of Victoria drew attention to the comparison of the quasi-federal EU structure to the federal structure of Canada, pointing out that the two regions are logical comparators. She argued that the Canadian provinces tend to rely on path dependent solutions to guide policy making, and that there is potential for the provinces to learn from the information sharing practices of the Member States and specifically their Open Method of Coordination (OMC). The OMC provides an opportunity for intergovernmental cooperation in EU, something that is noticeably underdeveloped in the Canadian context.

Bart Vanhercke, Director of the European Social Observatory, spoke about the OMC and its potential applicability for Canada. He pointed out that the OMC is a malleable process that can be shaped to meet the needs of a policy area. As such, there is no concrete definition of ‘the OMC’, but it can be generally understood as “a cyclical process of reporting and evaluation of policy, which should facilitate policy learning between the member states and therefore improve social policy.” The OMC takes input from the Member States, EU institutions and civil society, but notably the European Parliament plays a marginal role. Today there are some 12 fully fledged OMCs with 30 different ‘OMC type’ variants, which use some but not all of the OMCs tools (indicators, targets, peer review etc.). OMCs are created as they are needed and are given different powers according to the needs associated with the relevant policy area. OMC instruments range from the ability to establish indicators, to stronger powers such as the authority to monitor the progress of the Member States and to institutionalize coordination processes. The European Commission plays an important role in the OMC, which is to summarize the progress/regress of the Member States in relation to policy objectives, to point out country-specific problems, and to make policy recommendations accordingly. The OMCs have influenced the character of domestic and European policy making by a) establishing a space for civil society to influence public policy b) increasing the statistical capacity, and c) allowing new policy issues to be put onto the policy agenda. It is also noteworthy that OMC tools have been replicated at the subnational-level across the EU (e.g. regional peer reviews).

University of Toronto PhD Candidate, Carey Doberstein presented a comparative study of Canada’s Homelessness Partnering Strategy (HPS) and the OMC. Through the HPS, the federal government has attempted to partner with municipal governments, giving them the power to design their own ‘community plans’, with Ottawa providing 50 percent of the total costs. These plans had to include significant input from ‘community advisory boards’, which were required to include civil society representatives. Similar to the OMC, participation in the HPS is voluntary and both also emphasize local/national control and civil society involvement. However unlike the OMC the HPS does not establish any mandatory indicators/targets. It also does not engage the provinces or facilitate national-level conversations, focusing only at the local-level. In

contrast, the OMC allows for civil society to engage directly with both the EU-level and member states. Doberstein believes that the OMC presents a learning opportunity for Canada with regards to effective performance measurements and institutionalized forms of policy sharing.

Peter Graefe, Associate Professor at McMaster University pointed out that Canada's history of policy coordination differs from that of the EU in that learning is a key focus in the EU but not in Canada. From the 1990s to 2006 accountability was the issue as the federal government tried to use financial incentives to get the provinces to adopt certain policy objectives. However, targets were never established and policy learning was never a primary objective. Coming to federal-provincial agreement on broadly comparable policy indicators was difficult and often tended to lowest-common denominator solutions. Little infrastructure was put in place to drive data development or to define or include advocacy and NGO organizations. In fact, through the 1990s there was a concerted effort to delegitimize them as special interests. The story of the social union in Canada ended in 2006 when the Conservatives came to power. If coordinated social policy action based on learning is to be taken in the future, Dr. Graefe feels that it would need to be done by the provinces, perhaps through some form of 'social council'.

Michael Mendelson, Senior Scholar at the Caledon Institute of Social Policy pointed out that the current Conservative federal government holds a traditional 'water-tight compartments' perception of the federal-provincial division of power. They see any perceived need for coordination as an indication of poorly defined boundaries between the two levels of government. Rather than seeking to co-ordinate – which they often view as adding another level of bureaucracy and only addressing symptoms – they seek to sort out the boundary issues to reduce or eliminate the need for co-ordination. They also feel that if there is a need for all of the provinces to coordinate on a specific issue, that it would be more effective to transfer the policy area to the federal government. Since 2006, the federal government has been backing away from mechanisms that allow for greater coordination. The provinces on the other hand, have informal means of coordination; senior bureaucrats in different provinces speak regularly to one another. Mendelson also noted that as the federal government cut down on funding policy research, the provinces have not stepped up to fill the void. This leads to the question of whether or not there is a 'market' for greater policy coordination and cooperation/information sharing in Canada. Policy coordination is not financially expensive, so other factors must be preventing progress.

A central topic of discussion in the plenary was the question of whether or not there was a market for a) intergovernmental policy coordination in social policy and b) for civil society participation. While provinces and civil society would benefit from information sharing, this is difficult because the provincial budgets are so tight. With regards to participation, the Federal Conservatives are ideologically opposed to this idea, and outside of Aboriginal communities, there has been a lack of leadership willing to champion civil society engagement. The influence of political ideology on intergovernmental cooperation was also a prominent theme, that neoliberal policy makers have put flexicurity on the agenda, in spite of protests from the left side of the political spectrum. While many in the Conservative Party of Canada are against intergovernmental cooperation, it was noted that if a process is so easily derailed, then it must have been weak to begin with. It was therefore agreed that mechanisms such as the OMC pose an opportunity for policy learning for Canada – specifically for the provinces – as a way to engage civil society, academia and bureaucrats at all levels in information sharing and policy learning.