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How Governments Decide and What You Need to Know

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Issues on the Government's Mind

- 1. The Big Picture
 - Macroeconomic and nation-building
 - Fiscal
 - Monetary
 - Market stability
 - National unity
 - U.S.

Issues on the Government's Mind

- 2. Broad regulatory framework and responsibility
 - Which of the federal, provincial, or municipal governments is involved?
 - Independent regulatory agencies – e.g. CRTC, OSFI
- 3. Tax policy implications
 - Systemic tax reduction vs. targeted breaks

Issues on the Government's Mind

- 4. Timing
 - Budgetary cycle
 - Throne speech
 - Year end spend
 - Election
- 5. Sectoral impacts
 - Industries
 - Jobs

Issues on the Government's Mind

- 6. Slippery slope impact
 - Who else will want this?
 - Is there any way to stop other demands?

- 7. Policy constraints
 - Consistency with the party's position and other key government pronouncements

- 8. Historical constraints
 - What have we tried before?

Issues on the Government's Mind

- 9. Bureaucratic constraints
 - Who is willing to act and take responsibility?
 - Who wants the “hot potato”?
- 10. Regional impacts and benefits
- 11. Local effects
 - City/riding

Issues on the Government's Mind

- 12. Political/electoral
 - Who's for it? Who's against it?
 - Voter impact
 - The pain/gain algorithm
- 13. Media frame
 - The importance of the narrative
 - Focus v. “doing too much”
 - How does this fit into the overall government approach?

Externalities in Government Decision Making

- A. The Role of Time
 - Who has enough time to care and to see it through?
 - Politicians have a finite amount of time and capital – do they spend it on you?

Externalities in Government Decision Making

- B. The Role of Luck
 - Has your idea arrived at the right time?
 - What else is happening?
- C. The Role of Credibility
 - Do they know you or your company?
 - Have you been thoughtful and helpful before?
 - Picking the right language: framing your issue
 - Do you have allies?

Externalities in Government Decision Making

- D. The Role of Vertical Accountability
 - Is anyone in the bureaucracy interested in acting on this issue?
 - Do they have an internal incentive to do something?

Making Your Case to the Government

- Decide which is the appropriate level of government to which you should make your case
 - Not everything gets decided at the highest level

Making Your Case to the Government

- Be strategic:
 - If making the case for the first time when you are already in crisis, it is often too late
 - Focus on what you really need and what the government can realistically do for you

Making Your Case to the Government

- Reduce the complexity and difficulty involved in getting what you want.
 - Don't make the government think the request is bigger or more complicated than it really is.

Making Your Case to the Government

- Emphasize what you have to offer to the government and its agenda.
 - Don't focus on what the government can do for you
 - Stress what you can bring to the table

Making Your Case to the Government

- Once you have a meeting what should you say?
 - Remember that the government is your audience, and give it reasons to do what you want.
 - Make your request congruent with the government's overall tone and perspective.
 - It is not a good idea to ask the government to break a commitment or reverse itself. Can you frame your goal from a different angle?

Making Your Case to the Government

- Be honest
 - Identify the shortcomings of your proposal
 - Anticipate the government's objections and prepare an answer for each
- Remember the public and the media
 - Government responds to both

Making Your Case to the Government

- Include the opposition parties
 - Explain to them your goals, help them understand what you are trying to accomplish and get them to support your objectives

How Governments Decide

I. How Governments Decide (Critical Variables)

1. The role of the marginal constituency-the swing voter, locally and nationally
2. The cluster effect of our First Past the Post system: regional coherence trumps national policy
3. The External Exigencies: Macro-economic
 - Events
 - Trade Flows
 - Migration pressures
 - National Security
 - Federal-Provincial dynamics
 - Alliance Requirements

How Governments Decide

I. How Governments Decide (Critical Variables) Continued

4. Available Talent Pool Constraints
5. Public Confidence and Tolerance levels (GST, Jet Maintenance Contract, Gommery, Census, HST (BC) Language Laws (Quebec) Photo-Radar (Ontario))
6. Critical Issue of Style:
 - A. Deliberative
 - B. Judgemental
 - C. Uni-focus
 - D. Multi-initiative
 - E. Empowering
 - F. Controlling

How Governments Decide

II. How Governments Decide (Choice of Instruments)

1. Coercive vs Permissive Instruments, laws or regulations
2. The Coercive/Legitimacy spectrum
3. The problem of Policy Accumulation
4. The Regulatory Impulse in lean fiscal periods
5. The Post Lehman Bank Media Context

How Governments Decide

II. How Governments Decide (Choice of Instruments) Continued

6. Examples of this context and the regulatory impulse
 - A. Product safety legislation
 - B. “kiddie tobacco “ legislation
 - C. Credit card rules
 - D. Post Lehman approach to financial sector regulation

How Governments Decide

Interesting and Teachable Events:

- GST/HST/Market Value Assessment:
i.e. revenue neutral proposition
- Airport Management (Response to attempted privatizations)
- Suncor Purchase by Ontario
- Impotence re Contraband Tobacco
- Non Enforceable Immigration rules producing Visa as only answer