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# **GUIDANCE FOR THE DRAFTING OF MEMORANDA TO CABINET**

**Privy Council Office  
October 2017**

## FOREWORD

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In August 2016, a new Memorandum to Cabinet (MC) template was introduced to better support Cabinet decision-making.

This *Guidance for the Drafting of Memoranda to Cabinet* has been prepared by the Machinery of Government Secretariat at the Privy Council Office (PCO), working in close collaboration with other PCO Secretariats, departmental Cabinet Affairs units and a wide range of departmental MC drafters. It also reflects input received from Ministers, whose views were solicited on how best to construct a product that met their particular information needs.

The template, and accompanying guidance, are intended to help MC drafters develop clear and reasoned proposals for ministerial consideration, both at Cabinet Committees and at full Cabinet, so that Ministers can make maximum use of Cabinet-time and engage in fully-informed deliberations about the pressing policy issues of the day.

## 1. WHAT IS A MEMORANDUM TO CABINET?

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Cabinet, and its various policy committees<sup>1</sup>, are the forum through which Ministers make collective decisions about government policy. At these meetings, policy proposals are brought forward by individual ministers, or sometimes by several ministers working together, for their colleagues' consideration. Cabinet deliberations are secret in order to allow for frank discussion and debate. While Ministers may disagree among themselves behind closed doors, once a decision is made, convention dictates that they must present a unified front and take collective responsibility for the decision (this is called the principle of "Cabinet solidarity").<sup>2</sup>

The **Memorandum to Cabinet** (MC) is the primary instrument through which Ministers bring forward policy proposals for the consideration and approval of their Cabinet colleagues. The MC was first introduced in 1968 as a tool to help focus Cabinet discussions and to ensure that all Ministers around the Cabinet table had common information with which to make informed decisions. Since this time, the MC has taken on many different forms – evolving to reflect the changing priorities of successive Prime Ministers and governments.

At its most basic level, the MC is a tool to facilitate decision-making. While it is drafted by public servants, *its intended audience is ministers*. A good MC makes a clear, coherent and compelling argument. It provides contexts, lays out options, clearly identifies the pros and cons of different actions and gives ministers a real and honest appreciation of what they are being asked to decide. MCs are rooted in evidence and balance policy, political, and strategic considerations. They also take into consideration issues around communications, implementation, and evaluation of a proposal. Once approved, they serve as a guide to officials to execute the decision.

This document provides direction for public servants on how to develop high quality MCs to support their Minister's participation in Cabinet and Cabinet committee meetings. It is based on the new MC template first released in August 2016, and revised

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<sup>1</sup> A list of the current Cabinet committees and their membership can be found on the Prime Minister's website at [www.pm.gc.ca](http://www.pm.gc.ca).

<sup>2</sup> More information on the Cabinet decision-making system is available in the document *Open and Accountable Government* which can be found on the Prime Minister's website.

in September 2017, which can be found on the Privy Council Office website ([www.pco-bcp.gc.ca](http://www.pco-bcp.gc.ca)) or by consulting with your Cabinet liaison units.

The information provided here is subject to change. Drafters are encouraged to work with their Cabinet liaison units and their PCO analysts to ensure current procedures, requirements and emerging best practices, are being appropriately followed.

## 2. WHEN TO GO TO CABINET

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Generally, Cabinet time focuses on decision items rather than on introductory or preliminary discussion of issues (except as requested by the Prime Minister). At Cabinet, ministers seek their colleagues' consideration of proposals in their area of responsibility when they wish to:

- ❖ advance a new policy or initiative ("policy authority" to move forward);
- ❖ implement priorities that were announced in the Speech from the Throne or Budget or were requested by the Prime Minister;
- ❖ propose a substantive change to an existing program or policy;
- ❖ advance a proposal that implicates other ministers' responsibilities or other jurisdictions, or that may be controversial; or,
- ❖ submit legislative proposals to Parliament or respond to a parliamentary committee or to private members' bills or motions.

If a policy proposal is horizontal in nature and touches upon two or more departments, and two or more minister's authorities, it is often appropriate for the departments to collaborate on a single MC up to, and including having their respective ministers co-sign. PCO analysts can help determine when co-signature is required. It should be noted that when departments directly involved in a proposal differ on a substantive matter, the dispute should not be referred to Cabinet or a Cabinet committee until all other means of resolving the issue have been exhausted.

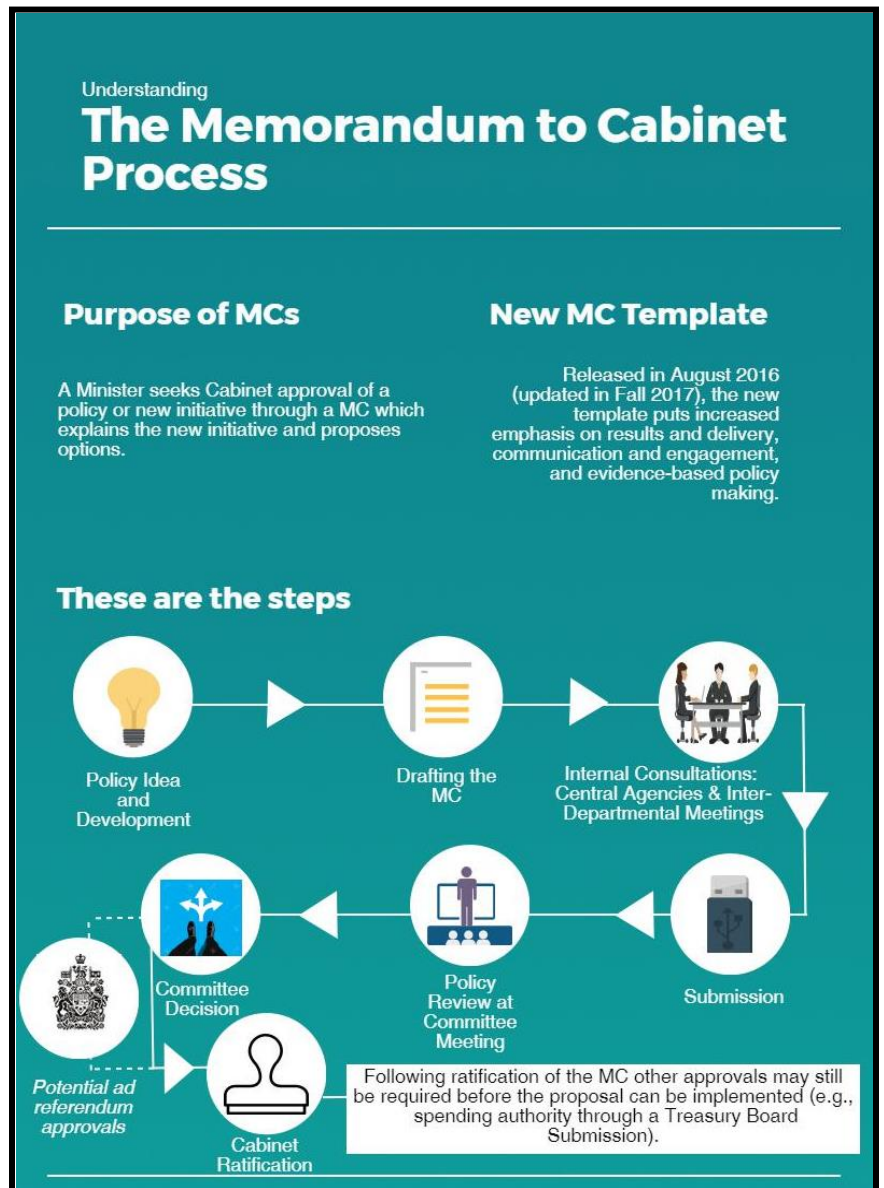
If the only decision being sought for a proposal is funding, then an MC is not the right instrument for the task. As explained above, the purpose of an MC is to seek policy authority from Cabinet, not funding approval. The latter is obtained through a separate process, with its own guidelines and procedures (e.g. the annual budget call letter), overseen by the Minister of Finance and the Prime Minister.

### 3. THE MEMORANDUM TO CABINET PROCESS

#### I. Drafting an MC

Once plans are in place to develop a Cabinet proposal, drafters should contact PCO to confirm:

- ✓ that the item should be brought forward for consideration;
- ✓ the appropriate Cabinet Committee where it should be considered (and to have the item added to that Committee’s forward agenda); and
- ✓ the requirements and timelines for completing and submitting the proposal (and whether a “full” or “slim” MC is required).



If a Minister wishes to propose an initiative for which a pre-existing source of funds has not been identified (an “unfunded” project), drafters should consult PCO as early as possible to determine the appropriate processes to seek funding approval. **As noted above, an MC is not a funding vehicle – the purpose of an MC is to provide policy authority and its approval does not constitute approval of the required funds.** Funding approval is obtained through a separate process overseen by the Minister of Finance and the

Prime Minister which is normally initiated once Cabinet has reached its policy decision based on the MC. Nonetheless, the inclusion of detailed costing information is necessary to enable informed decision-making.

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The drafting of an MC comes at the end of the policy development process. While they are sometimes drafted in weeks, MCs are often the culmination of months, if not years, of consultation, analysis and reflection. The MC represents the distillation of an enormous amount of information and work. Good policy making takes into consideration a wide and varied range of factors – everything from federal-provincial-territorial (F-P/T) and Indigenous relations, to socio-economic considerations, to environmental impacts to potential legal and Charter concerns.

While this Guide is not intended to provide a comprehensive overview of policy making processes, it is important for MC Drafters to be aware of certain requirements that are in place around the development of policies. There are, for example, several Cabinet Directives that require policy makers to undertake specific activities or to consider certain factors when developing their options for ministerial consideration. The following list is not exhaustive but rather provides examples of the kinds of analysis that needs to be undertaken when developing policies.

#### **Gender Based Analysis and Diversity Issues (GBA+)**

- GBA+ is an analytical tool used to help identify the potential impacts of policies and programs on diverse groups of women, men and gender-diverse people. The “plus” acknowledges that GBA+ goes beyond sex and gender differences to consider multiple identity factors that intersect to make people who they are (such as race, ethnicity, religion, age, gender identity and mental or physical disability). GBA+ contributes to the development of policies and programs that foster recognition of multiple gender identities, as well as economic and sociocultural inclusion of different groups of women, men and gender-diverse people.
- The Government expects that all policy proposals brought forward for consideration by Ministers will be informed and shaped by robust GBA+. The Government’s objective is to ensure that differentiated impacts on diverse groups of women, men and gender-diverse people are explicitly recognized and

mitigated, as required. As such, ministers considering policy proposals need to have a clear understanding of how an initiative has differing impacts on diverse groups of people. Due consideration must be given to the full range of potential impacts of a new program or policy.

- A sound GBA+ is conducted and applied early in the development of a policy or program proposal. It should be informed by diverse and inclusive sources of information, including data that is gender-disaggregated and accounts for other intersecting identity factors. It should be considered in options and considerations related to a given proposal, as well as inform related communications and results and delivery strategies. In short, GBA+ findings should be integrated throughout the various dimensions of a policy or program proposal, and not simply be presented as an annexed add-on.
- Subject matter experts and Memorandum to Cabinet drafters should consult early with internal departmental GBA+ resources for advice and support on conducting and applying GBA+ to their proposals. Departments and agencies should have a gender focal point, as well as a senior-level GBA+ Champion and other resources dedicated to supporting departmental GBA+ efforts.
- In addition, a suite of tools and resources is available on the GBA+ GCPedia page – [http://www.gcpedia.gc.ca/wiki/GBA%2B\\_\(Gender-based\\_Analysis%2B\)](http://www.gcpedia.gc.ca/wiki/GBA%2B_(Gender-based_Analysis%2B)) –, as well as on the Status of Women Canada website.

### **Strategic Environmental Assessment (SEA)**

- The *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals* requires that a **Strategic Environmental Assessment (SEA)** be conducted whenever a proposal is submitted to Cabinet for approval that may result in important environmental effects, either positive or negative.
- An environmental effect could be any change that the policy, plan or program may cause in the environment (local or national) or, equally, any change to the policy, plan or program that may be caused by the environment. In this later context, consideration of climate change impacts, both in terms its mitigation and adapting to it, is warranted.



- SEAs should consider the scope and nature of the likely environmental effects, the need for mitigation to reduce or eliminate adverse effects, and the likely importance of any adverse environmental effects, taking mitigation into account. Ideally, they should also focus on adaptation strategies. These environmental considerations should be fully integrated into the analysis of each of the options developed for consideration.
- While the salient findings of the SEA would only be included in this Annex if they are directly relevant to informing ministerial decision-making, it should be noted that a Preliminary Scan for The Strategic Environmental Assessment must be conducted as part of the policy development process.
- For more information and resources on how to conduct a SEA, please consult the Canadian Environmental Assessment Agency website.

#### **Modern Treaty Implications**

- The *Cabinet Directive on the Federal Approach to Modern Treaty Implementation* requires departments and agencies to consider the implications of modern treaties on their proposals to Cabinet, and to attest to the compliance of the proposals with the obligations contained in modern treaties.
- Departments are encouraged to consult their Legal Services units and the implicated office under the Minister of Crown-Indigenous Relations and Northern Affairs (i.e., The Modern Treaty Implementation Office) for support and guidance on conducting assessments.

#### **Official Language (OL) Considerations**

- To comply with the *Official Languages Act* proposals must consider factors related to the vitality and development of English and French minority communities in Canada, the use of official languages in the work setting, and the full recognition and use of both English and French in Canadian society. Drafters should consult with their department's Official Languages experts.

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To assist with policy development a new **Due Diligence and Evidence-Based Analysis Tool** has been introduced. The Tool is meant to be a helpful aid for analysts. It provides a checklist for MC drafters outlining the various considerations that should be assessed when developing effective public policy. While not every consideration is relevant in all circumstances, it is important that they be reflected upon and thought through. Ultimately, the Tool is intended to help ensure that MCs are grounded on a foundation of evidence and that all relevant considerations have been weighed before putting forward options for ministerial consideration.

**Filling out the Tool is mandatory and it must be signed by a relevant Assistant Deputy Minister who attests that the appropriate analysis has been conducted.**

The Tool should be filled out and shared with PCO analysts early in the MC development process. If there is uncertainty around how to proceed, or what resources or evidence might be available, PCO can help provide direction. There are no page limits but drafters should aim to keep content as brief as possible. Ultimately, the goal of the Tool is not to “show all the work” but rather to verify that the work has been completed effectively (though analysts should be prepared to provide background analysis, such as GBA+ analysis, if asked to by PCO as the MC evolves).

The Tool is not an official Cabinet document. An ADM-signed copy does, however, need to be submitted with the final MC. If there are multiple departments working on an MC it is not necessary to submit multiple documents – departments should decide among themselves whether a single or joint signature is appropriate. While the Tool will not be proactively circulated to Ministers, it will be shared with any Minister who asks to see it.

While the Tool is not a Cabinet document *per se*, once completed it will likely contain information that should be protected as Cabinet confidences (e.g., if there is information in the Tool that clearly indicates

**Note:** The **Due Diligence and Evidence-Based Analysis Tool** is not intended to replace the various mandatory assessments that are required in the policy development process (e.g., the Preliminary Scan for The Strategic Environmental Assessment). Rather, it serves as a check-list and attestation that all relevant policy factors have been considered before options are brought forward for ministerial consideration.

the options being presented in the MC). The Cabinet confidences contained in the Tool are subject to the same protections as other Cabinet documents, and the document should be handled accordingly (see Section 8 *Handling Cabinet Documents*).

## II. **Central Agency Consultations and Inter-Departmental Meetings**

Early drafts of MCs should be shared with the appropriate PCO, Department of Finance and Treasury Board Secretariat (TBS) analysts. Consulting with central agencies at an early stage helps to ensure that the proposal is aligned with the Government's overall agenda, and to identify any policy, fiscal and implementation issues that should be addressed before the document is submitted.

- ✓ **Central Agency Meeting** - Unless otherwise agreed with PCO, drafters must hold at least one meeting with central agency analysts well before documents are submitted for Cabinet consideration. This meeting should be scheduled in consultation with PCO and should only include departments signing and co-signing the MC in question (in addition to central agencies). A draft MC should be shared with central agency analysts a minimum of 48 hours in advance of the Central Agencies meeting taking place.

**PCO's role** in the MC drafting process is to work with a department to ensure that there is rigorous analysis, proper due diligence, and careful consideration of a proposal's implications, with the ultimate goal of ensuring that a proposal allows for an informed choice based on relevant considerations and evidence-based analysis.

- ✓ **Interdepartmental Meeting** - Drafters are also responsible for ensuring that other affected departments and agencies are adequately consulted in advance about upcoming proposals and that coordination across portfolios is pursued. An inter-departmental meeting must be held after the central agencies meeting once central agency comments have been addressed. Central agency analysts should be invited to participate as well. These consultations ensure that cross-cutting issues are recognized and properly addressed in proposals and that other ministers are prepared for Cabinet discussion. A draft MC should be shared with all departments and central agencies a minimum of 48 hours in advance of the interdepartmental meeting taking place.

Departments should ensure that there are two separate meetings (one for the central agencies and one for the interdepartmental), and should avoid having them back-to-back. Instead, comments from the Central Agencies Meeting should be fully integrated into the draft MC before it is considered at an Interdepartmental Meeting.

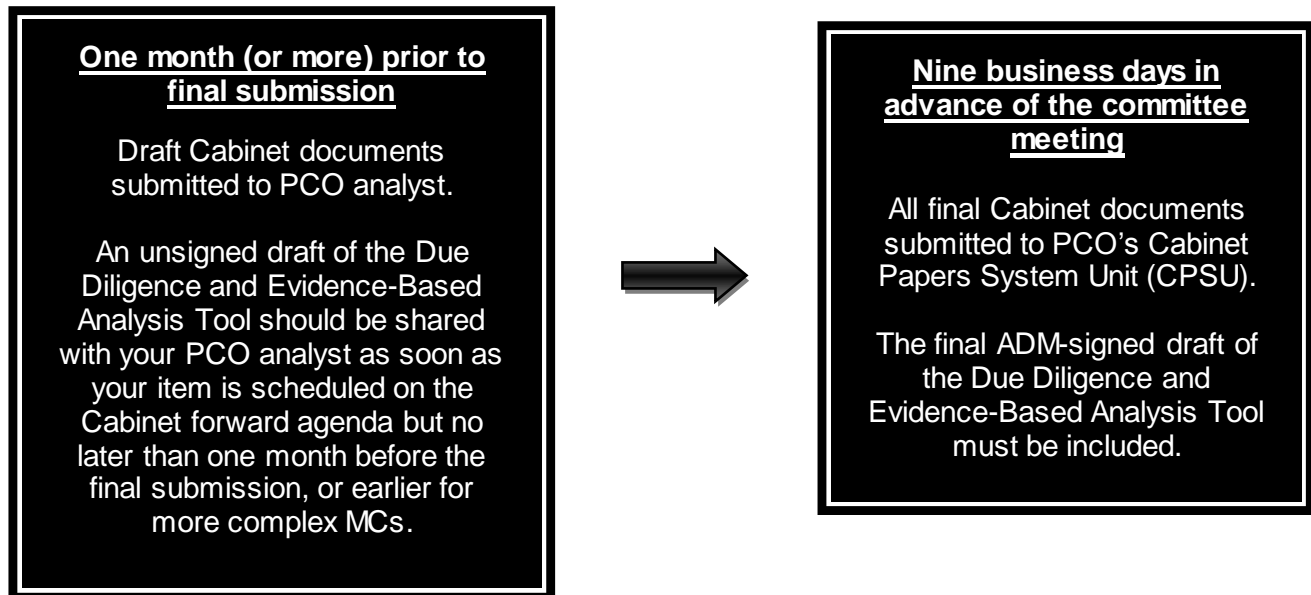
Once Cabinet documents have addressed, as appropriate, the input received through central agency and departmental consultations, and have been reviewed by senior departmental officials, they should be provided to the sponsoring ministers for approval and signature. All of these approvals must be completed prior to their submission.

### **III. Submission of Documents**

Departments are required to submit all documents in both official languages and in the required format to the Cabinet Papers System Unit (CPSU) of PCO. The Cabinet Liaison Unit in each department or agency makes arrangements for the documents to be delivered. Once PCO receives the MC, it is confirmed on the agenda of the relevant Cabinet Committee and will be distributed to participating ministers.

The deadline for submission of documents is **nine business days in advance of the committee meeting**. It is important to respect this deadline as it is intended to allow ministers sufficient time to receive and review documents before they are discussed around the Cabinet committee table. If ministers do not receive an MC in time to allow for thorough review, then it is of little use in supporting informed decision making. If the deadline is not met, the related item could be removed from the agenda and rescheduled for discussion at a future meeting, unless PCO determines that there are extenuating circumstances. As the government moves toward e-Cabinet it will be increasingly important to respect submission deadlines as MCs will need to be pre-loaded on to tablets for ministerial use in advance of meetings.

**Note:** It is important to leave ample time for translation of the MC into both official languages. The English and French versions of the MC must be of equal quality and must reflect each other completely. Should quality issues or errors be found, the MC will be sent back to the department for correction before it is approved by PCO. These corrections can put at risk the department's ability to remain on the agenda for a particular Cabinet or Cabinet Committee meeting.



#### **IV. Policy Review at Committee Meetings**

Cabinet committees examine the policy, financial, political and communications implications of all MCs. In a Cabinet committee, the sponsoring Minister may make an oral presentation of the proposal for colleagues, drawing from speaking notes prepared by officials or exempt staff. As noted, traditionally, and with limited exception, ministers are the only members of Cabinet committees and only they participate in deliberations and decisions. Cabinet discussions are confidential so that committee members can have a protected space in which to offer unvarnished and diverse views on sensitive topics. Limiting attendance of non-members has traditionally been viewed as essential to effective decision-making.

#### **V. Committee Decisions**

Once a Cabinet committee has concluded its deliberations, it will issue a Committee Recommendation (CR). This forms the committee's recommendation as to what decisions should be taken by Cabinet. The CR is based on the recommendations put forward by the sponsoring Minister but can be altered by the committee. The CR is then submitted to full Cabinet for its consideration. A Record of Decision (RD) is then issued

that either endorses the CR or amends it. It should be noted that in some cases, Cabinet approval is granted contingent on other approvals being received – notably approvals of funding and spending, as well as the Prime Minister’s approval of machinery of government changes. In these cases, these additional approvals are required before a final RD is issued.

CRs and RDs are prepared and circulated by PCO to all Ministers and Deputy Ministers for the relevant departments to take action or implement. CRs and RDs are Cabinet confidences and are classified no lower than SECRET.

## 4. RELATED PROCESSES

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In some cases, in order for recommendations made in an MC to be implemented, other processes also need to be put in place prior to submission to gain the necessary approvals. **Initiatives should not be announced until all approvals are in place.** Announcements should be coordinated with the Prime Minister's Office and with PCO.

### I. Regulations and Orders in Council

Some proposals, including those requiring **regulations** and **Orders in Councils**<sup>3</sup> (OICs), need Governor in Council approval as part of their implementation. The Governor in Council is the Governor General acting on the advice of Cabinet or a designated committee.

Cabinet discusses and decides upon the policy and legal frameworks of proposals, including any recommendations that regulations and OICs be used to achieve objectives. However, Cabinet does **not** review or approve the regulations or OICs in question (although proposed OIC language may be included in an MC for information). Instead, proposed regulations and most OICs requiring Governor in Council approval are submitted directly by responsible Ministers to the Treasury Board, the committee designated to act as Council. Regulations and OICs approved by the Treasury Board only take legal effect once they are approved by the Governor General.

Information on the regulatory approval process can be found in the *TBS Guide to the Federal Regulatory Development Process*.

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<sup>3</sup> An Order in council (OIC) is a legal instrument made by the Governor in Council pursuant to a statutory authority or, less frequently, the royal prerogative. All orders in council are made on the recommendation of the responsible Minister of the Crown and take legal effect only when signed by the Governor General. (*Décret du Conseil*)

## II. Federal Appointments

The Governor in Council is also responsible for approving a number of federal appointments, including those of Deputy Ministers, Heads of Agencies, Crown Corporation Chief Executive Officers and Directors, Ambassadors, and members of quasi-judicial review boards and tribunals. Statutes set out which appointments require Governor in Council approval. Submissions are considered directly by Cabinet, with the prior approval of the Prime Minister. The appointments are not final until they receive the Governor General's approval.

The Senior Personnel Secretariat of PCO can provide guidance on the appointments process. Information can also be found in the Governor in Council Appointment Procedures Guide and on the Appointments website.

## III. Machinery of Government

The Prime Minister is responsible for approving all proposals affecting the "*machinery of government*". This includes proposals to:

- ✓ modify Ministers' powers, duties and functions;
- ✓ create, modify or terminate government organizations; or,
- ✓ transfer responsibilities from one Minister or organization to another.

If Ministers wish to propose machinery of government changes in their MCs they need to engage the Machinery of Government Secretariat at PCO to discuss the most appropriate means to seek PM approval. Sometimes this will require that the Minister write a letter to the PM explaining the rationale for the machinery change.

When machinery proposals are included in an MC, the MC needs to make it clear, in the summary box and throughout the annexes, where the machinery decisions are, and that the PM will have final approval of these elements rather than Cabinet (e.g., a line indicating that a certain aspect of the proposal is "*subject to the Prime Minister's approval under his prerogative for the machinery of government*").

## IV. Funding Decision

As noted previously, while an MC can propose a policy direction that has funding implications, approval of an MC does not constitute approval of a source of funds.



Funding decisions are made jointly by the Minister of Finance and the Prime Minister, preferably in the context of the annual federal budget process. Where there are urgent pressures, off-cycle funding decisions can also be considered.

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## 5. GENERAL GUIDANCE AND FORMATTING

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### I. General Guidance

As noted, the goal of a good MC is to present a complex issue in straightforward language for the intended audience: the Minister's colleagues who will discuss, make recommendations on, and decide on the proposals set out in the MC. MCs must balance the desire to provide comprehensive information with the need to be concise and clear. In most cases, the template is intended for one policy proposal per MC. Including more than one proposal in a single MC can prove challenging in supporting a Cabinet discussion, securing a clear decision, and can run the risk of issues receiving either disproportionate or insufficient attention.

The MC template is designed to facilitate the presentation of an integrated proposal. Rather than have many different specific headings and sub-headings, the template is intentionally organized around a small number of broad themes. The rationale behind this is to avoid having information siloed in the document. In the past, some MC templates have been structured in way that favoured comprehensiveness of information over the clarity of the narrative. A clear "story" was often sacrificed in order to ensure that each section was completed – often simply for its own sake. This sometimes lead to the inclusion of unnecessary *pro forma* language and to MCs being constructed as a series of disconnected paragraphs rather than as an integrated whole. The result was to make the proposal unnecessarily dense and difficult to understand.

With the attached template, the expectation is that important elements will be **woven into the narrative** rather than relegated to annexes. If, for example, there are significant gender implications to a proposal, these should be included in the body of the MC, not just in the annex on Findings of Mandatory Assessments. Likewise, if a proposal has significant implications for F-P/T relations this should be discussed up front in the document, the Intergovernmental Strategy Annex can then be used, for example, to flesh out the details as appropriate. Ultimately, it is up to the drafter (working with PCO) to decide where information fits in the template best in order to tell the optimal story.

It is important to remember that many Ministers will be seeing the policy proposal for the first time and may not be entirely familiar with the subject matter. With this in mind, there are general rules of thumb for drafting a good MC:

- ✓ Be concise, stick to the key points and use everyday language (avoid technical terms or bureaucratic jargon that would be unfamiliar to a broad audience);
- ✓ Organize information for easy readability (and skim-ability) by highlighting the decision points and eliminating unnecessary context;
- ✓ Build the narrative and arguments step-by-step with an integrated story, rather than silos of information, with analysis integrated into each of the sections; and
- ✓ Present information so that it unfolds logically rather than repeats.

## II. Formatting Guidelines

Cabinet and Cabinet committees review hundreds of MCs every year. To ensure the efficient and effective functioning of the Cabinet Papers System, there needs to be a significant degree of uniformity in how MCs are presented and formatted. For this reason, drafters must respect the page limits, formatting guidelines and bilingual requirements set out below.

The font style, font size and page margins cannot be changed to accommodate additional information. Improperly-formatted MCs will not be accepted by the PCO Cabinet Papers System Unit and will be returned to the submitting department or agency for editing.

**The headings in both the French and English MC template are not to be altered or removed.** Drafters are encouraged to add sub-headings if they improve the presentation and information flow of the document. When in doubt about a formatting question, advice should be sought from your PCO analyst.

FONT & SPACING	SECTION		MAXIMUM NUMBER OF PAGES	
			English	French
12 Calibri throughout, including spacing between paragraphs & headings  Text must be single-spaced	Cover page	<i>Mandatory Sections</i>	1 (bilingual)	
	Ministerial Recommendations (MR)		10 (including 1 page summary box)	13 (including 1.5 page summary box)
	Annex A to the MR – Costing Details		Ideally no more than 5 pages	Ideally no more than 6 pages
	Annex B to the MR – Results and Delivery Strategy		3	4
	Annex C to the MR – Engagement and Communications Strategy		3	4
	Annex D to the MR – Parliamentary Strategy		3	4
	Annex E to the MR – Findings of Mandatory Assessments		3	4
	Annex F to the MR – Summary of Authorities Sought		1	1
	Annex G to the MR – Intergovernmental Strategy		As Appropriate	3
	Additional Annexes (e.g. drafting instructions)	As Appropriate	TBD with PCO	TBD with PCO

**MARGINS:** 2.54 cm (1”) overall and 1.27 cm (0.5”) for the header and footer.

**JUSTIFICATION:** Paragraphs must be fully left-justified with no indents in the first line of the paragraph.

**NUMBERING:** Pages must be numbered at the bottom. Paragraphs must be numbered in the Ministerial Recommendations following the summary box (1. xxxxxx).

**TEMPLATE:** All instructional text contained in the template (demarcated in italics and brackets) must be deleted before final submission.

**VISUALS:** Graphics, including diagrams, charts and tables can be inserted in the text but must comply with the overall page limit and must be entirely translated in both official languages. They are encouraged if they tell a clearer story than words alone.

**STYLE AND CONTENT:** Use plain, everyday language. Limit standard formal language, simplify technical concepts, and avoid acronyms unless they are very widely known and spelling them out each time would cause greater confusion (e.g., OECD is more widely known as an acronym than as the Organization for Economic Cooperation and Development). **When using an acronym, spell it out with the first use. Footnotes and endnotes are not permitted.** Instead, drafters should note the author, title and year of the document in parentheses following the relevant text.

## 6. DRAFTING THE MC TEMPLATE

### **Ministerial Recommendations (MR)**

#### **The MR is the key component of the MC.**

It sets out the issue to be discussed, the Minister's recommended course of action and any funding requirements, the rationale for proceeding, alternative options that could be pursued, and the considerations to be taken into account. There should be a coherent, compelling and integrated argument within the MR. The MR should be able to stand on its own and provide a sufficient amount of information that a Minister would need to participate in a Cabinet discussion of the issue.

#### **Questions to ask when completing this section:**

- ❖ What is the main objective of this proposal?
- ❖ What are we trying to achieve for Canadians?
- ❖ What approvals/authorities are we seeking from Cabinet?
- ❖ What are the key considerations / issues that ministers need to know in order to make an informed decision?

As noted, the maximum length of an MR, without exception, is 10 pages in English and 13 pages in French. It is therefore important to focus on the essential information and avoid excessive background materials.

The MR must contain three distinct options for consideration. These options should each be robust and realistic in order to present ministers with real choices. **At least one of the options must be a credible no-cost option, by pursuing a less ambitious approach and/or reallocating funding internally**, unless such an option is truly unrealistic and unfeasible and including it would be misleading for Ministers. While there are some limited exceptions to the three options rule, these are the exception and approval from the committee chair should be sought and communicated to PCO, including the Cabinet Papers System Unit.

### **A. SUMMARY OF CABINET DECISION SOUGHT**

The first-page *Summary of Cabinet Decision Sought* box focuses on the decisions being sought and related approvals. It needs to clearly articulate what Ministers are being asked to approve. The box must be **one page only** and should focus only on the recommended option.

**a) ISSUE**

The Summary box should begin with a one-sentence explanation of the issue to be discussed and addressed.

**b) DECISION**

This section should outline what ministers are being asked to decide on and approve (e.g., what authorities are being sought? What course of action is being recommended?).

It should also make it clear which ministers are responsible for implementing the decision and what their respective roles should be (e.g., *“It is proposed that Minister X be authorized to establish an external advisory committee to provide advice on...”*).

This section should also include a statement that describes the main desired result for Canadians of the proposal (e.g., *“...this new program will lead to significant job creation in the xxx sector...”*)

**c) RATIONALE AND KEY CONSIDERATIONS**

This section should briefly describe why the proposal is being brought forward and why the recommended approach is the most appropriate.

Drafters should also use this section to highlight for ministers any major policy issues and challenges. These may take many different forms depending on the nature of the proposal. There may, for example, be significant legal risks to a proposal or implications on international relations. Given space restrictions in the text should highlight the most significant factors that ministers should take into consideration when making their decisions.

This section could also include, where relevant, background and context on the current state of play, investments made to date and potential shortcomings and gaps in existing approaches and programming. Ideally, the narrative could use a “From-To” approach, identifying challenges and showing how the proposed approach will provide solutions.

## d) RELATED APPROVALS

This section presents the various additional approvals that are being sought through the Annexes of the MC. This includes approvals associated with costs (Annex A); implementation and evaluation (results and delivery) (Annex B); communications and engagement (Annex C); Parliament affairs issues (Annex D) and any other approvals that are required (e.g., an intergovernmental strategy or approval of Drafting Instructions).

It is important to concisely state what specific approval is being sought from ministers (e.g., a specific approach to communications; a specific measurement strategy). This section should include one or two sentences providing a basic snapshot of the key element(s) in the appropriate Annex.

- ✓ **Estimated Costs for Decision Table** (Annex A): Briefly outline the costs associated with the policy proposal that Ministers are being asked to approve and whether:
  - a) the proposal requires new funding beyond existing sources of funds (these are referred to as “*incremental costs*”);
  - b) it will be funded through existing sources of funds (e.g., reallocation of existing reference levels);
  - c) it has no funding implications.

The MC template offers a choice of standard language for each of these situations.

- ✓ **Results and Delivery Strategy** (Annex B): Briefly (one or two sentences) outline the delivery/implementation/evaluation approaches that Ministers are being asked to approve. It is also important to include a line or two around the desired results of the initiative (i.e., what a successful initiative will achieve for Canadians). The focus should be on results for Canadians and not transactional or process-oriented outcomes such as concluding a contribution agreement. The results should be articulated as outcomes rather than outputs (e.g. more Canadians with in demand skills versus more Canadians going through training programs).



- ✓ **Engagement and Communications Strategy** (Annex C): Briefly outline the engagement that has taken place during the policy development process, as well as the proposed engagement and communications approach that Ministers are being asked to approve (e.g., a “low-key, responsive approach”; “a high-profile media campaign”, etc.). This should include communicating the implementation of the decision reached by Cabinet, and continuing engagement in the future.
- ✓ **Parliamentary Strategy** (Annex D): Briefly summarize the proposed approach to Parliamentary affairs that Ministers are being asked to approve (e.g., “approval is sought for Minister X to table legislative amendments in the House of Commons in spring 2018...”)
- ✓ **Authorities Summary** (Annex F): Include a statement along the lines that Ministers approve: “*The authorities sought in this MC as summarized in Annex F*”).
- ✓ **Other Annexes**: If there are other Annexes included in the document for decision (not information like the Findings of Mandatory Assessments Annex) they should be added to this section of the Summary box (e.g., legislative Drafting Instructions, Government Responses to House of Commons or Senate Committee Reports, or Negotiation Mandates).

## e) SOURCE OF FUNDS

This section outlines the proposed source of funds for a policy initiative. It is intended to let ministers know whether an initiative is going to require “new” monies or not. The MC template offers choices of standard language to use.

Of note, “Partially funded” is a technical term reserved for the rare cases where an MC requires a split Cabinet Record of Decision, i.e. MCs that require that an RD be issued on some funded decision items, ahead of the funding decision on unfunded items. It does not apply to proposals where each decision item is a mix of existing resources and incremental (i.e., “new” costs); those types of proposals are considered “unfunded”. A request to the Priorities and Planning Secretariat at PCO must be made if the department wishes to seek a split RD.

As previously indicated, MCs are not the mechanisms to approve new funding. All proposals requiring new sources of funds are subject to the approval of the Prime Minister and the Minister of Finance. This needs to be clearly indicated in the Summary box for all unfunded MCs.

## **B. BACKGROUND AND OPTIONS**

As noted, MCs must include three options for ministerial consideration. It is expected that the three options within the MR will all be legitimate options. As noted, at least one of the options must be a credible no-cost option, by advancing a less ambitious approach and/or reallocating funding internally. Even if the sponsoring minister or ministers have a very strong preference for a given option, their colleagues may or may not all share their view. The point of Cabinet is to reflect meaningfully on the possibilities through frank discussion and make a deliberate decision that all ministers are prepared to stand behind.

Before presenting the options, it is permissible, and in some cases recommended, to position the issue by including a short background section prior to outlining the options to provide a broader context for Ministers. This background section should not, however, be extensive and should focus only on the most immediately relevant information. The bulk of contextual information should, instead, be included in the Considerations section.

For each option, the MC should:

- ✓ briefly summarize the salient points of what is being proposed (e.g., proposed course of action, who it involves, timelines, costs, policy tools and expected results for Canadians); and,
- ✓ outline the main pros and cons of each approach.

The options should be clearly labeled “Option 1”, “Option 2”, and “Option 3” with “Option 1” being the recommended approach. All of the options need to be fairly presented to show that they are legitimate options (i.e. they should not be presented as “straw men”). Within the explanation of the recommended option, drafters should include an explanation of why it is the preferred course of action, as well as a few points of evidence of expected effectiveness (e.g., what evidence links the course of action to the

desired end state or result). For all options, it should be made clear how the approach will yield the desired outcome for Canadians.

Within the Options section and the costing tables in Annex A, each option should be broken out separately. **For all other sections of the MR and for all annexes other than Annex A (with the exception of proposals requiring drafting instructions), the recommended option (option 1) can serve as the base – with the alternative options (option 2 and option 3) underscored only when they would present significantly different outcomes or implications.** In the case where alternative options do have significantly different outcomes or implications, the differences with the recommended option should be explained in a clear, concise, and balanced manner (e.g., “*Option 3 impacts different groups than options 1 and 2 and would therefore require more targeted key messages, as outlined below...*”)

### **C. CONSIDERATIONS**

This section should be used to provide an overview of the different factors and considerations that informed the policy development process.

Considerations should align with those identified in the mandatory Due Diligence and Evidence-Based Analysis Tool, which includes scientific and gender-based analysis. This section can also be used to expand on the background context already provided in earlier sections.

#### **Questions to ask when completing this section:**

- ❖ What issues might ministers want to consider when weighing their options?
- ❖ Are there strategic or tactical points of interest?
- ❖ Are there significant barriers to success?

The material in this section should reinforce, but not duplicate, information already provided in earlier sections of the MR. As a rule of thumb, if there is a significant policy consideration then it should be flagged in this section with an appropriate level of detail for Ministers to understand the issues. If the issues at play deal with content in the annexes (e.g., implementation, gender-based analysis, F-P/T relations), the MC should, ideally, cross reference in which section more detailed information is available.

It should be noted that the purpose of this section is not to provide historical program background except insofar as this background is directly relevant to the current decision before Ministers.

#### **D. RISKS**

This section is intended to include information about significant risks associated with the recommended options. These risks can take many different forms, including:

- ✓ *Legal risks* (e.g., the possibility that a proposed action could be challenged in the Courts; potential Charter risks);
- ✓ *Implementation risks* (e.g., potential capacity issues which could impact the roll-out of a proposed option);
- ✓ *Policy Risks* (e.g., risks that the proposed course of action could negatively impact relations with the province or international partner); and
- ✓ *Communications risks* (e.g., identifying where the government might face public criticism for a proposed action).

For each relevant risk there should be a paragraph or two outlining the salient points accompanied by a paragraph of two outlining how the identified risks would be mitigated or addressed by the recommended Option. Drafters should keep in mind that they should provide the most salient features of the identified risks and that they can use the Annexes to expand and provide additional details as necessary and appropriate.

#### **PART E: FINANCIAL, ASSET AND HUMAN RESOURCE IMPLICATIONS**

In this section drafters should outline potential issues relating to financial and human resources capacity linked to the initiative. There is no need to repeat financial information that is included in the Costing Details (Annex A).

The MC needs to indicate that the Departmental Comptrollers of all of the implicated departments have signed-off on, and attested to, costing information on all proposed options laid out in the MR and in Annex A to the MR. This needs to happen for all departments/agencies with costing implications related to the MC, even if their Minister is not co-sponsoring the MC.

**Shared Services Canada should be consulted for any projects or initiatives within the MC's proposal that may require IT infrastructure support (e.g., datacentre services, network and telephony services, IT and cyber security, or support for new FTEs, such as email services), and the results of that consultation should be reflected in the cost estimates for the proposal in the Costing Details annex.**

## **Annex A: Costing Details**

MCs now require more detailed costing than in the past. There is a higher level of required granularity in the analysis and tables need to be prepared for all of the options, not just the recommended one. This is designed to ensure that ministers can make informed judgements about the various options. It is also designed to encourage deeper reflection on implementation at the policy decision stage and to ensure that there is a stronger linkage between MCs and the Treasury Board submission, to favour timelier implementation of government decisions.

As noted above, the purpose of an MC is to seek *policy authority* from Cabinet, not funding approval. As such, any costs associated with a proposal should be presented as facts to support Cabinet's decision on policy, not as decision points themselves. The MC should avoid wording such as "*it is recommended that Cabinet provide \$X million in support of initiative Y*" or "*\$X million in new funding is requested for initiative Y*".

The costing annex is mandatory except in exceptional cases (e.g., those where there are truly no funding implications) (to be verified with PCO analysts) and where including the Annex would provide no added value for ministers.

If a given option has no "incremental cost"<sup>4</sup> (i.e., all of the costs are funded through existing sources of funds), the cost tables (estimated costs for decision and information) for that option can be replaced by a note to that effect (e.g., "This option has no incremental cost."). The rest of the costing annex should still be completed as appropriate. But even if an option has no incremental cost, it may still be useful to provide an "estimated costs for decision" table to give ministers a sense of the financial scale of a proposal and to provide context such as how a sponsoring department is reallocating existing resources to support the initiative.

Some general points to consider when completing the costing tables:

- ✓ Tables need to be prepared for each option, not just the recommended one;

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<sup>4</sup> "Incremental cost" refers to a cost without an identified source of funds to cover it.

- ✓ If costs differ on a cash and accrual basis, prepare separate cash and accrual tables. The accrual profile should come before the cash one. If both are identical, the bottom row of the accrual profile should state this;
- ✓ Notes can be added below the tables with additional pertinent information (e.g. “Totals may not add due to rounding”);
- ✓ While as a general rule the tables should not be altered, columns can be added to the tables if needed (e.g. for a proposal with costs spread over six years instead of five, etc.);
- ✓ Blank rows can be deleted for ease of presentation (e.g. if there is no use of existing resources).
- ✓ Costing tables in Annex A can be replaced by Excel tables as long as the content fully matches the tables embedded in the template.

## A. ESTIMATED COSTS FOR DECISION

The table for the option chosen by Cabinet (which may be different from the recommended option) will be included in the Cabinet Record of Decision (the others will not).

The row “*Less: Existing resources*” can be split out by department/element or can be provided as an aggregate, depending on circumstance.

## B. ESTIMATED COSTS FOR INFORMATION

These tables are presented in the MC for information only (and to help departments/agencies prepare for the Treasury Board submission stage); none of them will be included in the Cabinet Record of Decision. While it is important to provide detailed analysis, it is equally important to recognize that there are often diminishing returns associated with

### Questions to ask when completing this section:

- ❖ Are there appropriate cost contingency and containment strategies in place?
- ❖ If so, what are they?
- ❖ How would we course-correct?

including too much detail. In this context, while there is no strict page limit for the Costing Annex, it is expected that drafters will strive to be focused on concision as a lengthy annex will typically not contribute to better decision-making.

The table is to be completed for each option, adding rows for additional departments/elements as required (consider that costs will be further refined at the Treasury Board stage as applicable).

Full-time equivalent (FTE) numbers should only be provided for each fiscal year, not aggregated in the “total” column – the latter could be confusing and lead to misinterpretation of the number of FTEs required to implement a proposal. For example, if a proposal requires 20 new FTEs each year, put 20 in each fiscal year but do not put 100 in the total column (put nothing in the remaining amortization column as FTEs cannot be amortized):

(\$ millions)	20XX-YY	20XX-YY	20XX-YY	20XX-YY	20XX-YY	5-year total	Rem. Amort.	Ongoing
Incremental FTEs – Dept./Element 1	20	20	20	20	20	-	-	20

Below the table(s), include a narrative summary and any other details that ministers should know about estimated costs.

**C. COST UNCERTAINTY AND RISKS**

This section should be completed in collaboration with sponsoring departments’ Chief Financial Officer/Comptroller offices, and reflect their due diligence. It should outline for Ministers any potential uncertainties and/or risks associated with the costing estimates. It should also describe key cost drivers and the most important assumptions behind the costings, including explaining, where relevant, the various benchmarks that have been used to develop the costing (e.g. other programs, international examples, etc.)

Potential indirect costs: While all costs related to a proposal would ideally be incorporated into the costing tables, some costs may be particularly hard to quantify or ascertain (e.g. dependent on particular but uncertain events in the future, interaction between the proposal and other programs, etc.) and cannot be reliably estimated. These risks may or may not be significant enough to note in the body of the MC but could be explained in the costing annex.



The risk chart should give ministers a quick sense of the chances that the ultimate costs of a proposal may vary from the estimates outlined in the MR, and explain why (e.g., due to unforeseen circumstances such as changes in exchange rates, etc.)

#### **D. RISK MITIGATION**

This section is intended to build on the previous one and outline a department's plan to manage actual costs if they differ from the cost estimates in the proposal.

#### **E. SOURCES OF FUNDS**

Drafters should include any additional information on proposed sources of funds that is not covered elsewhere but would help ministers make an informed decision. For example, if a proposal requires any incremental funding, explain why that funding cannot be found within existing resources.

##### **Treatment of Revenues**

Revenues from increased Employment Insurance premiums do not lower the incremental cost of a proposal. However, the following should be mentioned in the Source of Funds section: "As per the Employment Insurance Act, incremental costs of new measures relating to the Employment Insurance program will be charged to the Employment Insurance Operating Account and ultimately recovered through future Employment Insurance premiums".

The proposal to improve or create a service or a good provided by the government can be accompanied by increased user fee revenues. The treatment of user fee revenues differs based on whether these user fees are:

- **Non-respensible** – these user fees are accounted in budgetary revenues and do not decrease a department's appropriation levels. Therefore, non-respensible user fees are not netted against incremental cost. However, the Source of Funds section can mention the expected fiscal impact of increased non-respensible user fees.
- **Respensible** – these user fees are netted against expenditures, rather than being reflected in budgetary revenues. As increased respensible user fees will lower a department's appropriation level, they are netted against the incremental cost of a

proposal. For clarity, as mentioned above, the Estimated Costs for Decision section should make the distinction between Total Cost and Incremental Cost and highlight the offsetting impact of increased responsible user fees.

- **Operating within a revolving fund** – these user fees are required to fully offset associated costs over their business cycle, so that the fund breaks even over time. As increased user fees operating within a revolving fund will lower a department's appropriation level, they should be treated the same as responsible user fees.

## **Annex B: Results and Delivery Strategy**

In line with the Government's focus on results and delivery, this annex is intended to describe how the proposal supports the Government's priorities and what the expected results and performance indicators will be. In particular, this annex addresses how tracking and reporting will inform course correction over the life of a program or initiative.

### **A. RESULTS AND KEY PERFORMANCE INDICATORS**

This section should outline for ministers the key results that the proposed initiative will achieve. This should include the expected short-, medium- and long-term results, performance indicators to measure the results, baselines, and expected trajectories (trend forecast of indicators).

Drafters are encouraged, where possible, to frame outcomes in terms of tangible results/impacts on Canadians or communities. Ideally, they should also explain how the proposed initiative supports one or more of the top government priorities, mandate letter commitments, Budget priorities, Speech from the Throne priorities or departmental results, as appropriate.

#### **Questions to ask when completing this section:**

- ❖ Is the overall vision clear?
- ❖ How will the proposal affect the lives of Canadians?
- ❖ Do the indicators match the desired results?
- ❖ What does success look like in the short-, medium-, and long-term? What are the actual problems, policy objectives and targets?
- ❖ How will we know we are on track?
- ❖ How do we course-correct?

Performance indicators should be a combination of long-term outcomes and medium- and short-term outputs. The indicators used to measure results should be in general:

- ✓ **Meaningful**: A change in the indicator will make a significant difference for Canadians;
- ✓ **Movable**: Federal actions can directly or indirectly impact the indicator; and,
- ✓ **Measurable**: Data is available, or a plan & resources are in place to obtain the data.

Indicators that are meaningful, movable and measurable may be influenced by factors outside of federal control (e.g., other levels of government, NGOs, etc.). This is to be expected. As long as the link between action and outcome is articulated and supported, the indicator will measure impact.

Each indicator should have an associated data strategy. Such a strategy would provide detail on: the data source, baseline data, frequency of collection, timeliness, and the plan & resources needed to address data gaps (if applicable).

## **B. PROPOSED DELIVERY APPROACH**

This section should provide an overview of implementation issues - focusing on who, how and when. It should describe specific actions and delivery agents, and key milestones to achieve the result(s). Where relevant, linkages should be made with delivery best practices as identified by the Auditor General and other reputable sources.

Actions and milestones should not focus only on departmental approval process (i.e. getting the Memorandum to Cabinet signed) and include actions until the point of citizen contact. In addition, delivery agents should include relevant parties outside of the federal government. In a complex proposal that involves multiple programs, the section

### **Questions to ask when completing this section:**

- ❖ Do the proposed activities align with the desired results?
- ❖ How complex is the delivery chain (who are the delivery agents)?
- ❖ How will the actions by each delivery agent(s) contribute to achieving the results? Are roles and responsibilities clear? Are people held accountable throughout the delivery chain? Are the interests and influences of key stakeholders understood? Is there an appropriate strategy for tackling weaknesses in the chain?
- ❖ What concrete steps will you and the delivery agent(s) take to achieve these outcomes?
- ❖ Have meaningful milestones been set at sufficiently frequent intervals to focus progress assessment?

should focus on the critical programs that would have the most impact on the desired results.

### **C. DELIVERY RISKS, DEPENDENCIES<sup>5</sup> AND MITIGATIONS**

Building on the delivery approach section, this section should focus on identifying risks that may affect implementation, as well as the mitigation measures. These may include legal risks, financial or capital pressures, organizational change, human resources considerations, stakeholder or partner relations, and policy and program implications (e.g. attribution, reliance on external parties for delivery, etc.). Key risks already highlighted in the Ministerial Recommendation section do not need to be repeated here.

#### **Questions to ask when completing this section:**

- ❖ What additional risks are associated with meeting this target? How great an impact could they have? How manageable are the risks?
- ❖ What are some of the potential risk mitigation strategies?
- ❖ When implementation issues arise, how and who will lead course correction?

### **D. TRACKING, EVALUATION AND REFINING**

This section should explain how progress will be systematically tracked throughout implementation and how results will be evaluated. Linkages should be made between key milestones and the proposed spending profile, specifying when policy objectives and results are anticipated and when programs will be wound up. This section should also include information on proposed methods of tracking milestones, monitoring performance and evaluating whether stated results are actually being achieved, including identifying specific individuals who are accountable for results and mechanisms to course correct, if necessary. This section should also indicate whether the results will be publically reported. Drafters should consult PCO's Results and Delivery Unit if questions arise in completing this section.

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<sup>5</sup> "Dependencies" refer to other government programs, policies or initiatives that could either facilitate or hinder your desired results or alternatively that your implementation could facilitate or hinder.

## **Annex C: Engagement and Communications Strategy**

The engagement and communications strategy is intended to outline for Ministers the consultations and engagement that has taken place to-date with key partners and stakeholders during the policy development process. It is also intended to propose how to communicate the implementation of the decision reached by Cabinet, as well as how to ensure continued engagement in the future.

The template places an emphasis on two-way communication and multi-directional engagement – focusing not just on the messages the government wants to convey to Canadians, but on listening to Canadians and reaching out to groups most impacted by a proposal.

Furthermore, the Government is increasingly looking beyond simply considering stakeholder reactions to federal proposals to instead actively fostering partner and stakeholder participation throughout the process – since proposals may rely on collaboration for their success. Drafters should think deeply about partnership opportunities – across levels of government and sectors (including from the perspective of the nation-to-nation relationship between the Government and Indigenous peoples) and how they might be

### **Questions to ask when completing this section:**

- ❖ Who is interested and affected, and how do we know? Consider sectors, stakeholder types, prominent groups, associations, and organizations, as well as populations/sub-populations, under-represented groups.
- ❖ Will it be clear to ministers who you are talking about and their interests in relation to the proposal or recommended option? Are consistent “labels” used throughout?
- ❖ Does the plan reflect particular approaches that could be taken with those who have a strong interest or stake in the outcome of the recommended option?
- ❖ Have you considered the timing of other approvals and authorities needed before announcements (e.g., TB submission)?
- ❖ Have under-represented groups (“silent but affected”) or stakeholders representing them been engaged?
- ❖ Is there a plan to engage interested parties post-decision? Will particular efforts be made – and might the success of the proposal depend on this?

woven into the options. Drafters should also consider whether the proposed engagement and communications plan reflects how the proposal will be delivered, and the interests of partners and stakeholders that can impact the success of the proposal as articulated in the Results and Delivery Annex.

There is also an expectation for departments to go beyond their traditional conceptions of stakeholders. This means thinking not only about who will be the most vocal, but also those who the proposal will impact but who may be silent either because they are marginalized or are unaware of the impacts, and those who will have an impact on the success of the proposal or its implementation – and how to reach out to them. Special attention should be paid to consulting and integrating the views of Indigenous peoples, youth, and women, as well as other under-represented groups, and describing the impact the initiative could have on them.

## **A. CURRENT PUBLIC ENVIRONMENT**

This section should demonstrate an understanding of the public and stakeholder environment or context in which the policy proposal is being advanced. Drafters should substantiate claims about the public environment by providing ministers with analysis of what stakeholders and partners have said in the past, public opinion research, media and social media analysis, consultations feedback (considering the particular issue and related topics), etc.

## **B. KEY AUDIENCES**

This section should summarize the anticipated reactions of key audiences to the proposal. Drafters should be careful to be consistent in the way that they label and characterize different groups, people or perspectives. At the same time, drafters should avoid making broad statements and generalizations about groups (e.g. making unsupported statements regarding “women” or “youth”).

## **C. OUTREACH UNDERTAKEN BEFORE SIGNING THIS MEMORANDUM**

In explaining the different outreach activities undertaken as part of the policy development process, drafters should place a greater emphasis on what was heard (e.g., “*In a series of cross-Canada roundtables that reached X Canadians from a range of stakeholder perspectives – such as .... - , we heard that [... key themes, big ideas, overall findings and significant areas of similarity or difference]*”) rather than simply focusing on what was done (e.g., “*The Department engaged X number of*

*Canadians/stakeholders cross-country in a series of roundtables... “The Department received 1500 submissions/ideas...”*).

Drafters should highlight areas of disagreement, difference, or dissonance between or across stakeholder perspectives and how they have affected the recommended option, informed the analysis, or affected the plan for post-decision communications and engagement in the MC.

Drafters should ensure that this section includes evidence of particular efforts to engage under-represented groups (e.g., Indigenous peoples or youth) to inform the proposal, the likely views, or take-up of these groups, and indication of past or planned engagement efforts with these groups, or stakeholders representing their perspectives.

#### **D. PROPOSED ENGAGEMENT AND COMMUNICATIONS APPROACH AFTER CABINET DECISION**

This section should outline the proposed communications activities that will take place following the Cabinet decision (e.g., “...*high-profile ministerial announcement...*”; “*low-key, reactive approach...*”). This should include providing an overview of what is planned, with whom, when, and how (design) public and stakeholder engagement will be maintained (as appropriate). Drafters should reflect consideration of how channels and methods in engaging the public and stakeholders have been or will be chosen, depending on the objectives of engaging. This should include outlining risks associated with meeting the target, potential mitigation strategies, and an explanation of how and who will lead course correction if issues arise.

#### **E. KEY MESSAGES**

The MC should, ideally, identify a **maximum of 3-5** messages that align with the policy objectives, are consistent with key government messages and capture the essence of the initiative. More message can be included, if necessary, though drafters should strive for brevity. The messages should be concise and in plain language and incorporate key facts and data-points such as figures/statistics, important dates/milestones, and success stories.



## Annex D: Parliamentary Strategy

A good Parliamentary Strategy identifies and analyses potential challenges to the implementation of a proposal in both the House and Senate chambers. Mitigation strategies are then proposed for these challenges. The strategy also helps identify where there are opportunities for collaboration between parties.

### A. PARLIAMENTARY ENVIRONMENT

This section should outline the expected reactions of all recognized parties in the House of Commons and of Senate members. Drafters should lead with the main positions of each party and describe any nuances in the subsequent paragraphs. Drafters are encouraged to insert subheadings for each Chamber and then each party. If an MC involves several components, drafters should itemize the positions to each component to ensure clarity.

**The Parliamentary Strategy** should be prepared jointly by departmental officials and the Minister's Office, in close consultation with the Parliamentary Secretary who will be approving the strategy to ensure a robust and sound approach.

Drafters should:

- ✓ List specific examples to illustrate a given party position (e.g., *"It is expected that Party X will support/oppose... because of Y and Z. However, MP/Senator A of Party X may disagree with their party's position because of..."*).
- ✓ State if the position of the party is unclear (e.g., *"The position of Party X is unknown / did not explicitly state their position; however, members have supported the related issue of Y..."*)
- ✓ If a Member of Parliament (MP) or Senator is particularly engaged in the issue at play indicate this fact highlighting things such as PMBs brought forward on the issue or concerns/support raised in Question Period (**avoid using long quotes and/or statements made by MPs and Senators**).
- ✓ Note any 3<sup>rd</sup> parties who are actively lobbying MPs and/or Senators (e.g., *"The Canadian Association of X actively lobbied Senators to support this PMB, and their web-site lists endorsements from..."* or *"The Government of (province) opposes the bill, and may lobby the opposition to defeat it."*)

- ✓ Outline anticipated pressures to amend Government Bills, Private Members' Bills (PMBs) and Motions, and Senate Public Bills.

Drafters should avoid duplicating the communications strategy in this section, but should add relevant parliamentary analysis to any material that may overlap with the communications strategy.

## **B. PREVIOUS POLICY POSITIONS**

This section should include a summary of any previous position the Government has taken on the issue in question, as well as the forum in which it was made. Drafters should check previous and current platforms, Throne Speeches, Mandate Letters, Budgets, Ministerial committee appearances and significant media statements.

Drafters should note any relevant PMBs and motions in the House and Senate (even if not selected for debate) from current and previous parliaments, including current caucus members. Recognize that PMBs from government MPs do not necessarily reflect the government view. However, past voting positions need to be considered in the development of a strategy.

## **C. ENGAGEMENT WITH PARLIAMENTARIANS BEFORE SIGNING THE MC**

This section should outline how the recommending Minister and his/her Parliamentary Secretary have engaged with caucus, opposition members and Senators on the proposal. If engagement has not yet happened, this section should include the plan and timing of future engagement.

Drafters should engage with their Minister's Office early on as they develop this section, seeking information on the dates of meetings, the positions of parties engaged, and any other issues raised. **Note:** Drafters should provide Legislation and House Planning at PCO with any additional information if conversations/meetings are scheduled between the signature of the MC and the presentation to the Cabinet Committee.

## D. PROPOSED PARLIAMENTARY APPROACH AFTER CABINET DECISION

This section should identify strategies to respond to any concerns identified in the previous sections or to identify ways to further collaboration among parties. It should be developed in conjunction with the Minister's Office.

Drafters should begin by providing a high-level summary of the Parliamentary Strategy in one short paragraph that might mirror the paragraph in the MR box. This must include what the strategy explicitly is and what steps will be taken.

- ✓ Include both key arguments to respond to criticisms (e.g., will respond to criticism X by pointing out Y) and key actions (e.g., *The Minister will counter criticisms of X by accompanying the bill with the announcement of non-legislative measures to...*; *"The Government MPs will propose supportive witnesses from Association X at committee"*; *"The Minister will meet with caucus or opposition members"*; *"the Parliamentary Secretary will work with the opposition on amendments"*).
- ✓ If a current position differs from a previous position taken, provide a strategy to explain why the position has changed and how it will be dealt with in Parliament.
- ✓ For non-legislative items, drafters should indicate the key messages that will be used by the Minister to respond to questions in Question Period (these should be consistent with the communications strategy), as well as note planned questions, statements, debates & other possible activities.
- ✓ Ensure that the proposed approach is consistent with the *Standing Orders of the House* and the *Rules of the Senate*. Review proposed amendments to bills to ensure that they are admissible. Propose the appropriate tabling strategy. Consult your Departmental Legal Services and PCO's Legislation and House Planning if unsure.

Drafters should use the issues raised in the previous sections of the Parliamentary Strategy as a checklist to ensure that the "*Proposed Parliamentary Approach after Cabinet Decision*" section has specific details to address each issue and/or challenge/opportunity they have identified.

- ✓ Consider the appropriate legislative vehicle to address challenges listed in the strategy. Use “*if... then...*” statements to analyze potential scenarios if the strategy is for amendments to be made.
- ✓ With respect to Government Responses, if there were to be a concurrence motion, would the Minister recommend that Government vote in favour or oppose?

#### **E. LEGISLATIVE PLAN** *(if applicable)*

If the proposal includes legislation drafters should consult with their Minister’s office and their PCO Legislation and House Planning analyst on the completion of this section.

Drafters should indicate drivers that should be taken into consideration when scheduling the bill (e.g., regulation requirements, F-P/T commitments, international commitments, deadlines for Government Responses, Committee and Senate agendas and pressures, etc.). Drafters should also indicate if these drivers impact a decision on the appropriate chamber in which to introduce a bill (e.g., *Government Bill: “The Minister will introduce the bill in the Senate in spring 2018, in order to expedite passage. The bill must be passed by (day, month, year), in order to meet Canada’s commitment to bring the changes into force / in order to ratify the international convention by the deadline of (day, month, year)”*).

Drafters should also indicate the planned fallback position should the intended legislative plan fail.

#### **F. PARLIAMENTARY SECRETARY APPROVAL**

Ministers are expected to involve their Parliamentary Secretary in the development of the Parliamentary Strategy and seek their approval of it. This section should briefly (one or two sentences) indicate that the Parliamentary Secretary has approved the Parliamentary Strategy, and describe their role in the proposed initiative.

## **Annex E: Findings of Mandatory Assessments**

The drafting of an MC is the culmination of a long and often complex process of consultation, analysis and reflection. As previously noted, good policy development takes into consideration the interplay of a wide and varied range of factors (many of which are identified in the Due Diligence Tool).

Given space restrictions in the Ministerial Recommendations section, it is often necessary to focus only on the most immediately relevant information that minister's need to make an informed decision on a proposal. This Annex is intended to provide space for drafters to provide additional detail on key policy elements as well as to explain how their analysis and findings have informed the formulation of the proposed options. The objective of this Annex is to **expand** on (**rather than repeat**) the information included in the MR.

While the Annex can be used to expand on any relevant analysis not contained in other parts of the MC, there are several policy areas where special attention should be paid and where ministers would typically benefit from having expanded information, including GBA+, Strategic Environmental Assessments, Modern Treaty Implementation and Official Languages.

## **Annex F: Summary of Authorities Sought**

This annex is the basis for the Committee Recommendation (CR) and Record of Decision (RD) issued by the responsible Cabinet committee and Cabinet respectively. In this Annex, drafters are to identify and consolidate all the specific authorities being sought in the MC and describe the funding implications.

### **A. AUTHORITIES SOUGHT:**

This section begins with the phrase “It is recommended that,” followed by an itemized list of the approvals being sought. It sets out:

- ✓ The specific policy or initiative being recommended;
- ✓ The specific roles and authorities of implicated Ministers in implementing the proposal; and,
- ✓ What policy instruments (e.g., legislation, grants and contributions) will be used (refer to relevant annex as appropriate).

In some cases, describing the authorities sought may simply require cutting and pasting statements from the “Decision” section of the Summary Box at the beginning of the MR.

While the “Decision” section of the MR asks drafters to provide additional context for the authorities being sought (i.e., what is the intention of the authority? What results are anticipated to be achieved?) such extra detail should not be included here. Instead, the authorities being sought should be stated in the most concise and clear manner possible.

As previously noted, some proposals may require the Prime Minister’s approval (e.g., machinery of government changes) in addition to that of Cabinet. In these cases, the “authorities sought” section must clearly identify matters that are being referred to the Prime Minister by noting that the decision in question is subject to the Prime Minister’s approval. PCO analysts can assist in developing the wording to identify *such ad referendum* decisions.

### **B. RELATED APPROVALS SOUGHT:**

This section asks MC drafters to list the titles of the annexes for which approval is being sought. This includes the Results and Delivery Strategy (Annex B), the Communications and Engagement Strategy (Annex C), and the Parliamentary Strategy

(Annex D), and any other approvals that are required (e.g., an intergovernmental strategy, a proposed government response, or approval of drafting instructions).

**C. FUNDING IMPLICATIONS:**

This section describes the costs associated with the policy proposal that ministers are being asked to approve and whether:

- ✓ the proposal requires new funding beyond existing resources (“*incremental costs*”);
- ✓ it will be funded through existing resources (e.g., reallocation); or,
- ✓ it has no funding implications.

This section also outlines the proposed source of funds for a policy initiative. It is intended to let ministers know whether an initiative is going to require “new” monies or whether it can be fully, or partially, financed for through existing resources. The template offers choices of standard language to use.

In most cases, describing the funding implications simply requires cutting and pasting statements from the “Estimated Costs” annex statement and the “Source of Funds” statement at the beginning of the MR (please delete any repetitive statements).

Except in cases where there are no funding implications, this section should also include the funding profile for the recommended option on a cash and accrual basis as set out in a summary table, as per the below format. The funding tables must not be presented as graphics or pictures.

(million \$)	20XX— 20YY	20XX— 20YY	20XX— 20YY	20XX— 20YY	20XX— 20YY	5-year total	Remaining amortization	Ongoing
<b>ACCRUAL PROFILE</b>								
[Department X]								
[Department Y]								
Total Cost								
Less: Existing Resources								
Incremental Cost								
<b>CASH PROFILE</b>								
Same as accrual (if not, include cash table)								

## **Annex G: Intergovernmental Strategy**

This annex should be completed if the proposal has significant considerations related to F-P/T relations, Indigenous government/treaty bodies, and/or global affairs (including any potential impact on Canada-U.S. relations). The annex should be used to expand on issues raised in the MR but should not repeat them.

### **CURRENT INTERGOVERNMENTAL ENVIRONMENT**

This section should provide ministers with an overview of how the proposal might impact intergovernmental relations. In this context, it should explore the expected views and reactions of each impacted P/T and Indigenous government/treaty body, as well as identify any impacts on Canada's international relations and position on the global stage.

#### **Questions to ask when completing this section:**

- ❖ What is the overall assessment of the current intergovernmental environment relevant to your proposed policy options?
- ❖ What are the anticipated positions of each P/T and Indigenous government/treaty body or their representatives? Are they aligned or divided? Are there any regional differences?
- ❖ What are the implications for global affairs?
- ❖ Could any of the options have an impact on Canada-U.S. relations?

### **LEGAL FRAMEWORK**

This section should outline any jurisdictional or legal issues related to the proposal. This could include issues around the constitutional division of powers as well as obligations around Indigenous consultation and accommodation (drafters may wish to consult Indigenous and Northern Affairs Canada's guidelines on *Aboriginal Consultation and Accommodation*).

### **PREVIOUS ENGAGEMENT**

This section should highlight any previous intergovernmental engagement that has taken place, as well as any recent successes or irritants that might be relevant to future engagement/negotiations. Where relevant, it should also highlight any previous stances that the federal government has taken on the issue.



## PROPOSED ENGAGEMENT/NEGOTIATION/PARTNERSHIP/MITIGATION APPROACH

This section should outline the proposed partnership, engagement, negotiation, or mitigation approach.

This should include:

- ✓ The role of the Minister and senior officials;
- ✓ The use of fora such as F-P/T tables and their working groups;
- ✓ The use of bilateral vs. multilateral engagement; and,
- ✓ Any plans for municipal/community engagement.

### Questions to ask when completing this section:

- ❖ What is your proposed F-P/T, international or Indigenous government engagement/negotiation/partnership approach?
- ❖ What are the anticipated milestones and timelines?
- ❖ What are the risks or barriers in your approach and how are you planning to mitigate them?
- ❖ Do P/Ts, other countries, or Indigenous governments/treaty bodies or their representatives have any limitations regarding engagement (election periods, resource capacity, etc.)?

Where appropriate, drafters should explain in this section how the proposed intergovernmental engagement/negotiation/partnership approach relates to the broader engagement and communications strategy in Annex C (if relevant, explicit cross walks can be made between Annexes to avoid repetition). In addition, an explanation should be provided as to how this initiative is advancing the overall F-P/T or nation-to-nation, government-to-government, and an Inuit-Crown agenda, and how it relates to other similar initiatives.

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## 7. SLIM MC TEMPLATE

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There are certain instances where the use of a full MC may not be necessary. In some cases, for example, there may only be one policy option for ministerial consideration (a straightforward “yes” or “no” decision is required, for example). In such cases, requiring the production of a full MC would not be a good use of departmental resources or ministers’ time.

In these circumstances, drafters are encouraged to use a “Slim” MC template. The “Slim MC Template” is a customized version of the standard template (included at Tab A) with fewer annexes, more streamlined requirements and greater flexibility.

**PCO approval is required before drafting a Slim MC.** If approval is received, drafters should discuss the best way to customize the template to ensure that ministers are provided with essential information to discuss their proposals. Typically, a Slim MC would have the following characteristics:

- ✓ an MR of roughly five pages in length;
- ✓ one option for consideration; and
- ✓ a reduced number of annexes (e.g., the Parliamentary Strategy and Communications and Engagement Strategy are generally considered to be essential for any proposal).

As stated, in certain cases not all annexes are necessary; however, the Cabinet directives for drafters to do their due diligence (e.g., when it comes to SEA, Modern Treaty Implications, OL, etc.) still applies and consideration should be given to referencing any relevant findings directly in the MR, where applicable.

There are three cases where the use of Slim MCs are generally considered:

### **1. Private Members’ Business (PMB) / Senate public bills**

The Slim MC approach can be used in relation to certain private members’ business (e.g., bills or motions).

**It should be considered when:**

- ✓ It is proposed that the government not support a PMB/Senate public bill, whether or not it is introduced by a government or opposition MP or Senator; or
- ✓ It is proposed that the government support a PMB/Senate public bill with or without amendments, and there are no significant policy, resource or operational considerations or risks to proceeding.

**It should not be used when:**

- ✓ It is proposed that the government support a PMB/Senate public bill, with or without amendments, and there are significant policy, resource, or operational considerations or risks.

**2. Government Responses to Senate and Parliamentary Committee Reports**

**It should be considered when:**

- ✓ The proposed Government response supports and/or acknowledges recommendations and focusses on current initiatives rather than committing to new policy directions.

**It should not be used when:**

- ✓ The proposed Government response signals a significant and new policy commitment, or one with significant fiscal implications.

For MCs that deal with **PMB's, Senate Public Bills**, and **Government Responses**, titles should be as follows:

- Government Responses: "Government Response to the Xth Report of the Standing Committee on XXX entitled "XXX".
- Private Member's Business: "Government Position on Private Member's Bill C-XXX, *An Act to amend the XXX Act (XXX)* / Private Member's Motion M-XXX (XXX)"
- Senate Public Bills: "Government Position on Senate Public Bill S-XXX, *An Act to amend the XXX Act (XXX)*"

### **3. Policy proposals where there is only one viable option (exceptional cases)**

The Slim MC approach can be used in exceptional cases where the proposal is straightforward, has little complexity and where there is only one viable option for consideration.

#### **It should be considered when:**

- ✓ The proposal being put forward for ministerial consideration only has one real option and where the inclusion of alternative options is not realistic (e.g., ratification of a treaty).

#### **It should not be used when:**

- ✓ The proposal being put forward for ministerial consideration includes a significant and new policy commitment, or one with significant fiscal implications.

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## 8. DECKS, PLACEMATS, AND VISUALS

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MCs do not need to be accompanied by presentation decks. In fact, decks **should only be used if it is deemed necessary to better inform the conversation** (e.g., if there is a compelling need for visuals which could not easily be incorporated into the MC template). It may be more appropriate to use decks when presenting information items or updates to Cabinet committees rather than presenting MCs. Departments should consult with their PCO analyst on whether or not to use a deck.

There is no standard format for a presentation deck, though the total number of slides should be kept to a minimum (with no more than 12 pages, including the cover page).

Other visual aids, such as placemats, should be used only on an exceptional basis if there is a compelling rationale that their use would facilitate conversation between, and deliberation by, Ministers. Drafters should consult with their PCO analysts to determine if placements or other visuals are appropriate.

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## 9. HANDLING CABINET DOCUMENTS

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The principle of collective responsibility within Cabinet dictates that Cabinet and Cabinet Committee proceedings must remain secret. Ministers must be able to consult among themselves freely, unconstrained by a concern that differences or disagreements could ever become public knowledge. As a result, Cabinet documents – MCs, presentations, Committee Reports, Records of Decisions, Treasury Board submissions and agendas – are considered confidences of the Queen’s Privy Council for Canada and must be safeguarded in accordance with the security requirements established by PCO.

Under these requirements, authorized individuals (i.e., persons who have a valid security clearance and a need to know the information to perform their duties) are required to:

- ✓ Use approved means, including information technology systems, to prepare, store, and transmit Cabinet documents;
- ✓ Mark such documents no lower than SECRET on the upper right corner of every page;
- ✓ Handle such information in restricted-access areas that are approved for its level of sensitivity;
- ✓ Use security equipment and procedures approved for the level of sensitivity of the information to transport, transmit, store and dispose of Cabinet documents;
- ✓ Ensure that the information is not discussed with, viewed or overheard by unauthorized individuals; and,
- ✓ Avoid discussing such information on cellular telephones or other wireless devices (e.g., BlackBerry, iPad, Bluetooth headset), unless approved secure means are used.

For additional security-related information, drafters should contact PCO’s Security Operations Division.

## 10.DRAFTING INSTRUCTIONS

When legislative change is being proposed in an MC (e.g., new legislation or amendments to existing legislation), it is always necessary to include **Drafting Instructions** (DIs). Good DIs should explain to ministers how the policy they are approving will be reflected in legislation. They are also intended to provide guidance to the legislative counsel at the Department of Justice who will have to draft a bill or legislative amendments. They need to strike a balance between providing clarity of intention without being overly detailed and trying to describe exactly how clauses should be drafted.

### Questions to ask when completing this section:

1. Do the drafting instructions address all the important issues?
2. Have you used plain language which is reader-friendly?
3. Have you consulted with your Legal Services Branch to review and comment on the DIs?

For ease of reference DIs should be numbered and grouped by themes. In addition, care should be taken to ensure that both the English and French versions of the DIs are of the same linguistic and substantive quality and that references to provisions, titles of Act and regulations are accurate in both Official Languages.

Typically, DIs are only needed for the recommended option. On occasion, however, it may be prudent to include DIs for multiple options. Drafters should consult with their PCO analyst for guidance on this point.

The “Related Approvals” section of the MR summary box, as well as the Annex F, should include standard language to seek approval for the Government House Leader to introduce the Government legislation in House of Commons:

*“That, the Legislation Section of the Department of Justice, in consultation with the Minister of X (and the Minister of Y) be authorized to draft a bill in accordance with the attached drafting instructions and that the Leader of the Government in the House of Commons be authorized to approve the introduction of the bill in Parliament.*

Drafters should consult with their Legal Services Branch, and with the Department of Justice itself, when developing DIs. See also Chapter 2.2 of the *Guide to Making Federal Acts and Regulations* for additional information and examples of drafting instructions.



## **ANNEX A – Key Resources**

### **Publications**

*Open and Accountable Government*

(<https://pm.gc.ca/eng/news/2015/11/27/open-and-accountable-government>)

*Cabinet Committee Mandates and Membership List*

(<https://pm.gc.ca/eng/cabinet-committee-mandate-and-membership>)

*Guide to the Federal Regulatory Development Process*

(<https://www.canada.ca/en/treasury-board-secretariat/services/federal-regulatory-management/guidelines-tools/guide-federal-regulatory-development-process.html>)

*Guide to Making Federal Acts and Regulations*

(<http://www.pco.gc.ca/index.asp?lang=eng&page=information&sub=publications&doc=legislation/table-eng.htm>)

*Guide to Preparing Treasury Board Submissions* (<https://www.canada.ca/en/treasury-board-secretariat/services/treasury-board-submissions.html>)

*Governor in Council Appointments Procedures Guide*

(<http://bcp.gc.ca/index.asp?lang=eng&page=secretariats&sub=oic-ddc&doc=procedure-processus-eng.htm>)

*Guideline on Chief Financial Officer Attestation for Cabinet Submissions*

(<https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=27256>)

*Speech from the Throne* (<https://www.canada.ca/en/privy-council/campaigns/speech-throne.html>)

*Aboriginal Consultation and Accommodation - Updated Guidelines for Federal Officials*

*to Fulfill the Duty to Consult* (<http://www.aadnc-aandc.gc.ca/eng/1100100014664/1100100014675>)

### **Web Sites**

Governor In Council Appointments web site (<http://www.appointments.gc.ca/>)

Budget website (<http://www.fin.gc.ca/access/budinfo-eng.asp>)

Finance Canada (<http://www.fin.gc.ca>)

Parliament of Canada (<http://www.parl.gc.ca/>)

Privy Council Office (<http://www.pco-bcp.gc.ca>)

**Parliamentary Strategy Resources:**

Legisinfo (<https://www.parl.ca/LegisInfo/Home.aspx?ParliamentSession=42-1>)

House of Commons debates and journals

House of Commons committees and their meeting minutes and reports

Senate debates and journals

Senate committees and their meeting minutes and reports

Senate publications, news releases, Twitter feed

Open Parliament

Mandate letters

Party platforms

Speech from the Throne, Budgets, and other major policy speeches

Departmental websites (for announcements)