
“Industry Self-Management” as a Strategy for Restructuring Government

The Case of the Ministry of Consumer and Commercial Relations (MCCR) and the Technical Standards and Safety Authority (TSSA) in Ontario

Governments in most Western industrialized nations are undergoing fundamental changes. They are re-examining what they do and how they do it. They are reviewing their current activities by seeking answers to the following questions:

- Does this activity need to be done at all?
- Should government be responsible for it?
- If so, does the government itself have to carry out the work?
- If the work should be carried out inside government, how should delivery of services be structured for more efficiency? (Aucoin, 1995).

As a result of these activities, the nature of government work is changing in a variety of ways. The changing nature of government work in turn requires changes in workplace practices and associated human resources and industrial relations policies. The two cases discussed here provide an opportunity to examine how large scale change in the scope and nature of government work impacts workplace practices.

The two cases describe a major restructuring at the Ministry of Consumer and Commercial Relations (MCCR) of the Government of Ontario. These cases describe the introduction of "industry self-management" (ISM) at MCCR. ISM is an alternative to conventional means of government service delivery. In essence, it entails the transfer of the responsibility for administering legislation and regulations from government to industry. It involves the creation of not-for-profit, self-funded corporations, led by industry councils, to deliver services and programs in specific markets where consumer protection or public safety has been traditionally regulated by the Ministry. ISM is a strategy that leaves the Ministry free to focus on its core business of setting policy directions and establishing safety standards. It also means tapping into sectoral best practices and letting industry do what they do best – deliver services.

The first case focuses on MCCR, describing the pressures leading to the delegation of certain government functions, the processes followed in creating the new entities, and the changes ISM brought in the nature of work and work practices at MCCR. The second case focuses on one of the new non-governmental entities created by MCCR: the Technical Standards and Safety Authority (TSSA). It examines the creation of the organization, its interface with MCCR, the changing nature of work and the introduction of new workplace practices at TSSA.

The two sites were selected for detailed examination for several reasons. ISM is considered an innovative, new way of providing services to the public by industry itself. After the case study was conducted, MCCR's ISM initiative received the prestigious bronze award for Innovative Management of the Institute of Public Administration of Canada (IPAC) in recognition of outstanding organizational achievement in the public sector. There is great interest both nationally and internationally in these new methods and a detailed analysis of their advantages and possible shortcomings. These case studies provide an opportunity for evaluating the short-term impact of this organizational change on services, the public, the employees, the unions, the industry and government. Experiences with ISM could be beneficial to other governments in their pursuit of more efficient and effective services to the public. The creation of TSSA also provides a unique opportunity to follow the move of a previously "sacred" government function - public safety - to a non-governmental entity. Finally, the introduction of ISM at MCCR allows describing in detail the changes taking place simultaneously in the Ministry and in the "spin-off" organization, the TSSA. "Spin-off" organizations are frequently the site of significant workplace change. They can offer considerable insight about the changes that might occur within government.

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