

All of the audit work in this chapter was conducted in accordance with the standards for assurance engagements set by the Canadian Institute of Chartered Accountants. While the Office adopts these standards as the minimum requirement for our audits, we also draw upon the standards and practices of other disciplines.

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Post-Secondary Recruitment Program of the Federal Public Service

Main Points

5.1 The Public Service Commission has redesigned the Post-Secondary Recruitment program to better meet the needs of both students and government departments and has improved the way it markets the program to universities. However, we found that departments use the program relatively infrequently to staff positions in their regional offices.

5.2 The Public Service Commission has substantially implemented the changes to the program that we recommended in our December 2000 Report. Over the last three years, departments have filled increasing numbers of jobs through the Post-Secondary Recruitment program. However, the increase has been minimal in proportion to the increase in total numbers of people hired into the public service during the same period.

5.3 In our December 2000 Report, Chapter 21, we recommended that the government develop a results-oriented recruitment strategy that would identify post-secondary recruitment targets to address workforce renewal challenges for the years ahead. In our 2002 follow-up work discussed here, we found that some departments and the government as a whole have made limited progress in human resources planning and in establishing recruitment targets. We found that some departments and the government as a whole have made have not analyzed their recruitment and renewal needs. Nor does the government have a complete picture of the educated and skilled people who are entering the public service through its various recruitment routes.

5.4 Many managers continue to adopt the expediency of short-term hiring, despite the opportunity to recruit through a fast and flexible program. Departments need a balance between hiring to fill immediate vacancies and hiring strategically, with a view to ensuring that the government will have qualified people to deliver its programs and services in the future.

The Public Service Commission, the Treasury Board Secretariat, and the departments we audited have responded. The Public Service Commission, the Treasury Board Secretariat, and the departments we audited agree with the recommendations of our follow-up. Responses throughout the chapter indicate measures being taken or planned to address the recommendations.

Introduction

A federal public service facing renewal needs

5.5 The federal public service will not have the capacity to deliver services if it does not attract people with high-level skills and education. An aging workforce, changes in the nature of work, and competition for resources are challenges that need to be addressed.

5.6 The aging of Canada's population is reflected in the make-up of the federal public service. According to the Treasury Board Secretariat's forecasting models, the proportion of employees aged 55 and over is expected to increase over the next 10 years. Particularly in the upper and middle ranks, many are approaching the time when they will be eligible to retire.

5.7 At the same time, the profile of jobs in the public service is undergoing a transformation to more scientific, technical, and professional positions that require higher levels of education and skills. Replenishing these positions is critical to maintaining a well-functioning public service. Departments are concerned about shortages in the technical and scientific occupations and the management and leadership categories.

5.8 Between 1999 and 2002, speeches from the Throne, the Clerk of the Privy Council's annual reports to the Prime Minister on the public service of Canada, and the Prime Minister's responses to the Clerk have reiterated the importance of attracting and developing the talent needed to serve Canadians in the 21st century. Following the hearings on our December 2000 Report, Chapter 21, and our December 2001 Report, chapters 2 and 3, the Standing Committee on Public Accounts concluded that the government's capacity to attract talented and skilled people needed significant improvement.

The Post-Secondary Recruitment program

5.9 The Post-Secondary Recruitment program is managed by the Public Service Commission. It is the federal government's main structured program for recruiting graduates into a wide variety of entry-level positions in the Administrative and Foreign Service category and the Scientific and Professional category. It is also an excellent source of candidates to renew and rejuvenate the federal workforce and help address the urgent challenge of recruiting for the years ahead.

5.10 At this time, the government has introduced new legislation to modernize the public service of Canada that proposes delegating authority for staffing to departments. We do not yet know the implications for centrally run programs. Exhibit 5.1 shows how graduates may currently enter the federal public service through the Post-Secondary Recruitment program and other avenues.

5.11 The Post-Secondary Recruitment program has a number of positive features. Its selection processes are based on an assessment of whether an applicant's education fits the job. The program has consistently met or

exceeded the federal public service's employment equity targets except for people with disabilities. It is open to applicants from all over Canada, and it offers jobs that are mostly indeterminate (continuing employment without a specified end date) and linked to long-term public service careers.

Exhibit 5.1 How university graduates enter the federal public service

General recruitment

Individual competitions for vacant positions in departments for both short- and longterm employment in all occupational groups.

Competitions managed by the Public Service Commission or by departments with special delegated authority to recruit for highly specialized jobs, such as nurses and doctors at Health Canada and Veteran Affairs Canada and economists at the Department of Finance.

Post-Secondary Recruitment program

Recruitment to specific entry-level positions in departments—managed by the Public Service Commission for the Administrative and Foreign Service and the Scientific and Professional occupational groups; mainly for long-term career appointments.

Recruitment to entry-level positions for development programs—managed by the departments, for example, programs at Statistics Canada for economists/sociologists and mathematical statisticians; Public Works and Government Services Canada for supply officer trainees, and Foreign Affairs and International Trade for the Foreign Service and for management and consular affairs officers.

Recruitment to entry-level positions for corporate development programs—managed by the Public Service Commission: the Management Trainee program, the Accelerated Economist Training program, the Policy Research Development program, and the Human Resources Development program.

Recruitment to entry-level positions for the Financial Officer Recruitment and Development program and the Internal Auditor Recruitment and Development program—managed by the Treasury Board Secretariat.

Student bridging

Students who have worked for the federal government under an official student program and who are hired through the bridging program after graduation.

Managed by departments for all occupational groups; indeterminate or term status employment.

Focus of the follow-up

5.12 Our December 2000 Report (Chapter 21) discussed our audit of how the Public Service Commission was managing the Post-Secondary Recruitment program and to what extent federal departments were using the program. This follow-up audit examined the government's progress in addressing our recommendations from that chapter. As part of the follow-up, we looked at changes to the program and at their impact. We looked at whether more departments are using the program as part of their strategy for human resources renewal and recruiting more new graduates into their workforce, particularly in their regional offices. We also examined whether the Public Service Commission has improved the way it markets the program to universities. Finally, we examined whether the Commission has improved

the way it reports the program's results to Parliament. We did not audit the Commission's quantitative data on the Post-Secondary Recruitment program; however, we assessed the Commission's data compilation methods.

5.13 Our 2000 audit included three departments as examples of users of the Post-Secondary Recruitment program: the Department of Foreign Affairs and International Trade, Fisheries and Oceans Canada, and Statistics Canada. For the follow-up, we added three departments: Public Works and Government Services Canada (PWGSC), Human Resources Development Canada (HRDC), and Veterans Affairs Canada. We chose PWGSC and HRDC because they are very large departments with a sizeable presence in all regions of Canada. We chose Veterans Affairs because its headquarters are outside the National Capital Region and we were interested in the regional recruitment practices of departments in this situation. Our follow-up scope and criteria are set out in About the Follow-up at the end of the chapter.

Observations and Recommendations

The program's new design

Changes in the design of the program represent progress

5.14 Our December 2000 Report made a number of recommendations to improve the Post-Secondary Recruitment program. We recommended that the Public Service Commission create inventories of pre-screened, qualified candidates to speed up the staffing process and encourage managers to hire graduates from the inventory to indeterminate positions. We said that it needed to improve the scheduling and timeliness of the program's recruitment campaigns. And we recommended that the Commission and departments systematically assess recruitment activities under the program and report to Parliament on the program's use.

5.15 Following the hearing on our Report, the Standing Committee on Public Accounts also made a number of recommendations to the Commission. They included enhancing opportunities through the program for recruitment in all regions across Canada, developing a database of pre-screened candidates, and reporting to Parliament on improvements made and the results achieved.

5.16 The Public Service Commission redesigned the program as a result. Earlier in 2000, the Commission and the Treasury Board Secretariat had published a Recruitment Action Plan, which called for the government to improve its human resources planning and to set recruitment targets. It recommended that departments use the Post-Secondary Recruitment program to fill more positions, that the Commission and departments co-ordinate their marketing of the program on university campuses, and that the marketing promote the government as a workplace of choice.

5.17 The differences between the former program and the redesigned program are shown in Exhibit 5.2. The program's application process has been entirely electronic since the fall 2001 recruiting campaign, allowing candidates to apply directly through the Internet.

Exhibit 5.2 Changes in the Post-Secondary Recruitment program

Former program	Redesigned program
Up to 1999, the Post-Secondary Recruitment program was an annual campaign receiving applications only during one month in the fall. In 2000 and 2001 there were winter and fall campaigns.	The program runs throughout the year.
Departments were restricted to advertising during the one- month campaign period.	At any time of the year, departments can advertise positions requiring a recent university degree.
Periods for applying were restricted.	Candidates can apply to the inventory or to departments' current posters at any time.
Applications with missing data risked being rejected.	Applicants can provide missing data at a later date.
Departments had to rely on their own posters and could pick only from graduates who applied during the campaign periods.	Departments can select suitably qualified candidates from the inventory whenever they are ready to staff a position.
Prior to May 2001, departments could post jobs through the Post-Secondary Recruitment program only if there were five or more positions. Subsequently, to encourage use of the program, departments could advertise single positions.	Using the Post-Secondary Recruitment program's inventory allows one-stop shopping for candidates seeking similar positions in a number of departments.
Candidates not selected during a particular campaign would have to re-apply during the next campaign if they were interested in, and met the requirements of, the positions advertised.	Candidates can choose to keep their applications active by reconfirming their application every 60 days.
Screening tests were administered only in association with the annual or biannual campaigns.	Candidates can apply to specific posters and the inventory at any time.
Applicants needed to take whatever tests were required for the job for which they were applying.	Two tests, the Graduate Recruitment Test (GRT) and the Written Communication Proficiency Test (WCPT), are currently used to screen in the stronger candidates and are administered at regular intervals.
Departments made their own selection from applicants to their own posters.	Candidates applying to the inventory can write the GRT and WCPT to complete their applications and be readily available for consideration by departments. Taking these tests is optional but is recommended by the Public Service Commission. Departments may choose to require further testing.
Departments had a heavy workload of candidate screening.	A pre-screened inventory allows a department to request the Public Service Commission to refer the top 10 candidates meeting specific requirements. This reduces departments' workload considerably. Departments must still carry out their own screening of applicants responding to their own posters.
Applications were received during the campaign month, followed by mass testing, followed by referral to departments. Paper referrals were sent to departments.	A faster, electronic referral process takes under 48 hours for career choices requiring no further testing.
Tests were evaluated manually by correctors.	Tests are corrected electronically—95 percent of tests are corrected in two weeks.
Traditional testing methods were used. Applicants sat for exams at a designated centre at an appointed time.	On-line testing of candidates is planned (successfully piloted in Edmonton in fall 2001).

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5.18 Two fundamental changes are the transformation from a twice-yearly campaign to a continuous campaign and the creation of the Post-Secondary Recruitment program inventory.

The Public Service Commission has improved the way it markets the program on campuses

5.19 In our 2000 Report, we observed that the Public Service Commission needed to be a better recruiter: it was not promoting a career in the public service sufficiently and aggressively. Nor was it working with departments to co-ordinate their visits to university campuses. In response to our observations, the Commission said it had allocated resources to enhance its promotion and marketing efforts. In our follow-up we expected to find that the Post-Secondary Recruitment program was more visible on campuses and that students had a better perception of the career opportunities the public service has to offer.

5.20 The majority of university career advisors and recruitment co-ordinators we interviewed knew about the redesign of the program and liked the changes. We found that their perception of the public service as an employer had improved. In part, this was a response to changes in the economy, but it was also because the Commission had improved its marketing methods and materials. It continues to publicize the program on campuses by attending career fairs and communicating with program directors and deans. University career advisors and recruitment co-ordinators noted an improvement in the appearance of the Commission's kiosk, which features electronic access to the jobs.gc.ca Web site. The Web site itself is user-friendly. The kiosks are staffed by the Commission's local human resources personnel who are responsible for student recruitment and have the knowledge to respond to students' questions.

5.21 In 2001, the Commission added a Student Ambassador Initiative to its marketing strategy. Student ambassadors are full-time students who are paid a small salary to work 8 to 10 hours weekly throughout the academic year, promoting public service employment to their fellow students. University career advisors and recruitment co-ordinators on campuses where a student ambassador was present reported that the initiative was succeeding in educating students about careers in the federal government.

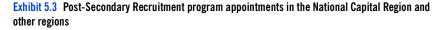
5.22 In our 2000 audit, we found that students were confused about who was doing the hiring: the Public Service Commission, a department, or a federal agency. The Public Service Commission has tried to solve this problem by linking the program's Web site to other federal government employment sites. The Commission also tries to co-ordinate its campus activities with those of departments. Although the students' understanding has improved, it is still not clear to them who is recruiting. A study by the Treasury Board Secretariat of the marketing and promotional practices that support recruitment recommended that the Government of Canada develop a more consistent corporate image, but no further action has been taken yet.

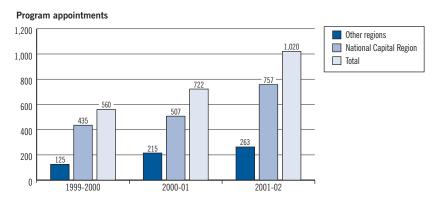
Results of the program changes

The program's contribution to new hiring has stayed about the same

5.23 According to the Public Service Commission's data, the number of appointments made through the Post-Secondary Recruitment program over the last three years shows a significant upward trend. However, the total number of indeterminate employees hired into the federal public service has also increased over the same period, and the proportional contribution of Post-Secondary Recruitment program appointments to new indeterminate hiring has remained roughly the same, despite the program's redesign.

5.24 Exhibit 5.3 shows that the number of appointments made through the program almost doubled between fiscal years 1999–2000 and 2001–02, from 560 to 1,020; the number of appointments outside the National Capital Region also more than doubled, from 125 to 263.





Data include all departmental and corporate programs that recruit through the Post-Secondary Recruitment program

Source: Public Service Commission: Post-Secondary Recruitment program data (not audited)

5.25 Over the same period, the total number of federal public service employees grew by some 18,000, an increase of about 12 percent according to the Treasury Board Secretariat's public service employment statistics. The number of new indeterminate employees hired rose from 2,874 in 1999–2000 to 3,856 in 2000–01, and to 5,046 in 2001–02. Exhibit 5.4 shows that appointments through the Post-Secondary Recruitment program remained steady at about 20 percent of total indeterminate hiring over the past three years.

5.26 Appointments through the Post-Secondary Recruitment program in regions outside the National Capital Region also rose in relation to all indeterminate hiring (Exhibit 5.4), from 4 percent in 1999–2000 to a high of 6 percent in 2000–01; and then it dropped to 5 percent in 2001–02.

5.27 In our 2000 Report, we said we were concerned about the low rate of use of the program in the regions, given that 60 percent of the federal public service works outside the National Capital Region. We recommended that

the Public Service Commission use the program to offer opportunities across the country. Our follow-up found that the number of people hired through the program in the regions remains relatively low.

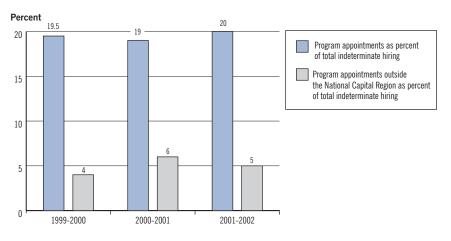


Exhibit 5.4 Appointments through the Post-Secondary Recruitment program as a percentage of new indeterminate hiring

Source: Public Service Commission: Post-Secondary Recruitment program data and annual report hiring statistics (not audited)

Many managers still do not use the program

5.28 The Public Service Commission's appointment statistics and the progress reports of its and the Treasury Board Secretariat's Recruitment Action Plan show that the number of departments using the program increased from 26 in 1999–2000 to 32 in 2000–01, and to 38 in 2001–02. These 38 departments together make up about 97 percent of the total public service population. Thus, what is needed is not so much for more departments to use the program but for those that already do to use it more, especially in the regions.

5.29 During our audit of the program in 2000 and our audit of general recruitment one year later (Auditor General's December 2001 Report, Chapter 3), managers told us they needed better tools to identify candidates for recruitment, including inventories of pre-qualified individuals from which they can quickly identify those who meet their needs. Managers also complained then about the long lead time needed to post positions under the former program, because they could not always predict job vacancies that far ahead. In our opinion, the changes to the program have addressed these problems.

5.30 The human resources personnel we interviewed both at departmental headquarters and in the regions welcomed the changes to the program but reported that many of their line managers gave them a number of reasons for not using the program and the inventory. A primary reason was that the

inventory is new, and some managers are not yet fully aware of it and how it can reduce their recruitment workload and the time it takes to recruit.

5.31 Further, some managers prefer to use the student bridging program because they have already invested in training the students and they know their work. In the bridging program, students who have worked for the federal government to gain job experience during their studies can be hired after graduation either with or without a job competition, depending on the initial selection process.

5.32 However, the Public Service Commission is concerned that managers in many departments and agencies are not using the Post-Secondary Recruitment program enough to meet their renewal needs. A series of letters from the Commission to heads of personnel in departments and a letter dated July 2002 from the President of the Commission to deputy ministers and agency heads encouraged departments and agencies to increase the number of jobs available to graduates through the program, particularly in the regions. The Commission also uses presentations to the human resources community to call for more appointments through the program.

5.33 Three of the six departments covered in our follow-up audit have a sizeable presence in the regions outside their headquarters in the National Capital Region: Fisheries and Oceans Canada, Public Works and Government Services Canada, and Human Resources Development Canada. We found that their regional offices make only limited use of the program, although Fisheries and Oceans Canada's central Post-Secondary Recruitment program campaign in 2001 (for about 15 positions) took the Department's regional needs into account. We also noted a line manager in one of the regional offices of Public Works and Government Services Canada who had undertaken a special recruitment initiative through the program.

5.34 Human resources personnel in these departments' regional offices gave us various reasons why most of their line managers did not use the program. These included the fact that they had a stable workforce or that they did not need university graduates for the jobs that became vacant.

5.35 Veterans Affairs Canada, which has its headquarters in Prince Edward Island, said it has made little use of the program, in part because it has its own delegated authority to hire doctors and nurses for its hospital facilities. However, it does participate in the Post-Secondary Recruitment program's corporate development programs (as described in Exhibit 5.1) from time to time to recruit people in other fields.

5.36 The Commission is also worried about underuse of the Post-Secondary Recruitment program's inventory by regions outside the National Capital Region. As an additional initiative to promote the program's inventory to departments, the Commission recently instructed its Post-Secondary Recruitment program co-ordinators throughout the country to encourage departments to check the inventory for candidates to meet their general recruitment needs. In December 2002, the inventory listed 9,000 graduates or students about to graduate, 6,000 of whom had passed the Graduate

Recruitment Test and the Written Communication Proficiency Test, the two basic tests used to screen in the stronger candidates. Yet the total number of appointments made through the program in the previous year was around 1,000, and most were in the National Capital Region. University career advisors and recruitment co-ordinators caution that the inventory will lose credibility if students hear how few appointments are made from it.

5.37 We expected that the changes to the Post-Secondary Recruitment program, added to the program's impartial selection process, its national character, and its good record in meeting employment equity targets, would have led to more extensive use of the program, especially in the regions. We share the Public Service Commission's concerns about departments not using the redesigned program as much as anticipated.

Short-term hiring practices remain a problem

5.38 In the follow-up we were told that managers use short-term hiring because their departments do not have human resources plans and do not budget for more than a year at a time. Managers are also under pressure to complete their work on time, so they prefer to hire people who already have experience. The hiring managers who took part in the survey we conducted during our audit of general recruitment (December 2001 Report, Chapter 3) made similar comments.

5.39 In that audit chapter we referred to a culture of short-term hiring and said that recruitment practices needed to change. The recruitment system had to be faster and more flexible. Managers needed to change their mindset on recruitment to ensure a better balance between the immediate need to fill vacancies and the strategic needs of their departments. Though the Public Service Commission has redesigned the Post-Secondary Recruitment program since then to make it more nimble, our follow-up work indicated that many managers have not altered their outlook on recruitment.

5.40 A joint study on term employment published by the Public Service Alliance of Canada and the Treasury Board Secretariat in December 2002 showed the problems caused by the use of term hiring for other than legitimate short-term purposes. Examples of legitimate uses are filling temporary vacancies while indeterminate employees are on leave or on assignment, staffing short-term projects, or assisting with heavier than usual workloads. The study confirmed what we had found in 2001: some managers use term hiring because they find it more convenient than following the current rules for indeterminate hiring. The Treasury Board's new policy on term appointments shows the seriousness of the problem and the need for a drastic change in departments' approach to recruitment.

The program works well to recruit for development programs

5.41 Some departments are doing a good job of linking the program to their own development programs. Three of the departments in our follow-up— Statistics Canada, Public Works and Government Services Canada, and Foreign Affairs and International Trade—have used the program to recruit for their formal development programs. For the most part, these departments

have a good knowledge of their workforce and have looked ahead to their future business needs.

5.42 Statistics Canada establishes its human resources requirements through demographic projections and renewal and business planning. As we reported in December 2000, this department is highly regarded for its recruitment practices and continues to maintain its excellent reputation for planning and recruitment. PWGSC also uses demographic analysis to forecast its needs, although its human resources managers would like line managers to improve their planning of workforce renewal. PWGSC has put measures in place to help line managers use the demographic analysis for planning. At PWGSC we also found an example of a regional office using the Post-Secondary Recruitment program to fill the occupational gaps that its own regional human resources plan had identified. Foreign Affairs and International Trade relied mainly on its established procedures and traditions.

5.43 These three departments recognize that they must invest in recruiting and developing graduates to continue providing their core services. They have senior management support for strategic recruitment through the Post-Secondary Recruitment program.

5.4 At HRDC, one branch recently implemented a development program for its core staff and uses the Post-Secondary Recruitment program. In contrast, managers in departments with no longer-term renewal strategy hire mainly to fill each vacancy as it occurs.

5.45 The government also uses the Post-Secondary Recruitment program to recruit university graduates in specific disciplines for five special development programs to meet government-wide needs. These corporate programs set targets annually for the number of trainees they aim to hire. We reported in 2000 that some of the corporate development programs had not met their annual recruitment targets. Since then, the number of graduates recruited through the corporate programs has increased, and all programs have reached or almost reached their targets. The Treasury Board Secretariat's recent *Review of Corporate Student Employment and Entry Level Recruitment and Training Programs* concludes that corporate development programs contribute to the renewal of the public service.

Departments and the government as a whole have not determined their recruitment needs

5.46 Among the six departments involved in our follow-up, the extent of their demographic analysis and human resources planning varied considerably. Statistics Canada is recognized for its use of sophisticated demographic analyses and human resources planning models. It sets recruitment targets for its principal occupational groups. Some departments had a more accurate knowledge of their headquarters' and regional offices' recruitment needs and activities than others. For example, HRDC had done some recent demographic analysis of its workforce, but it had not updated its 1998 recruitment and retention strategy and had little knowledge of recruitment activities in its regional offices. One region had developed its

own strategic human resources plan in 2000 with an update planned in 2003. Fisheries and Oceans Canada has completed a demographic analysis of each occupational group and has identified where there are likely to be shortages. It recognized that it needed to improve its human resources planning capability and is working with the Public Service Commission to develop this capacity.

5.47 In both 2000 and 2001 we reported that capacity for human resources planning and demographic forecasting varied significantly from one department to the next. We said the government needed to develop a strategic direction and specific goals for recruitment to meet the renewal challenge. Without recruitment strategies, departments found it difficult to identify whom they needed to recruit. We were concerned that the government had made recruitment a priority without setting targets for recruiting to critical occupational groups.

The Recruitment Action Plan published in July 2000 by the Public 5.48 Service Commission and the Treasury Board Secretariat called for the government to clearly identify public service recruitment needs for the next three to five years. The plan listed recruitment forecasts among its short-term deliverables. In the two years since, the government has set no comprehensive targets, even though several occupational communities are at risk because people with the right qualifications are in short supply. People with these special qualifications are often attracted to work for the private sector rather than the public sector. The Recruitment Action Plan follow-up reports of September 2001 and November 2002 note that certain departments have made some progress and use good practices in their demographic analysis, human resources planning, and recruitment strategies. However, most of them do not report any recruitment targets. The Public Service Commission recently began training departments to improve their human resources forecasting and planning capacities.

5.49 The Treasury Board Secretariat's *Review of Corporate Student Employment and Entry Level Recruitment and Training Programs* found that any government renewal strategy would need to include an assessment of government-wide demand for entry-level recruitment and training programs.

The government has no global picture of new graduates hired

5.50 The Post-Secondary Recruitment program is just one of several ways for graduates to begin a public service career. No government-wide tally exists to show how many graduates are entering the public service through each of the different recruiting avenues, such as student bridging and general recruitment, or what types of jobs these graduates accept when they are hired and under what status of employment.

5.51 The Treasury Board Secretariat's *Review of Corporate Student Employment and Entry Level Recruitment and Training Programs* pointed out that there is no inventory of departmental entry-level recruitment and training programs across departments—no record of who is doing what. The government needs to know how many graduates are entering the public

service and with what knowledge and skills. That knowledge and an understanding of where gaps in its workforce are likely to occur will help the government target development programs at graduates already in the public service. It will also help recruitment programs such as the Post-Secondary Recruitment program to advertise positions specifically and clearly and to make more timely job offers. Once the government has accurate information about the career opportunities it has available to graduates, it can market and promote its corporate image as a workplace of choice.

5.52 Recommendation. The government and departments should adopt a strategic approach to renewal based on demographic analysis, projections, and knowledge of current and anticipated business needs. They should develop specific targets for recruitment, particularly to the occupational groups that anticipate critical shortages.

Human Resources Development Canada's response. HRDC is currently undergoing an extensive renewal initiative to modernize service to Canadians and to undertake a complete policy and program review, as well as a corporate services review. A comprehensive human resources transition strategy will be developed to support the renewal agenda. This strategy will take into account the realignment of existing business lines and current resources as well as any future recruitment needs.

Public Works and Government Services Canada's response. PWGSC concurs with the recommendation. The Department is aware of the importance of building a strong foundation for the future and has undertaken a number of strategic human resources initiatives to support this objective, including a new integrated business planning cycle in 2001-02; the implementation of a comprehensive human resources management framework; and training in human resources planning for managers. As well, each branch head is provided semi-annually with demographic analyses and projections, including key group analyses, and is responsible for developing recruitment plans.

Managers are encouraged to staff positions on an indeterminate basis and to use apprenticeship and professional training programs for new recruits, with the result that PWGSC has a very low proportion of term employees.

Given that 70 percent of PWGSC staff are located in the national Capital area, and given the nature of regional work and the relatively low number of entry level professional positions in the regions, the opportunities for the regions to recruit through the Post-Secondary Recruitment program are limited.

Statistics Canada noted that the chapter recognized its excellent reputation for demographic analysis, projections, and knowledge of its future needs, and therefore offered no further response. The Department of Foreign Affairs and International Trade, Veterans Affairs Canada, and Fisheries and Oceans Canada acknowledged the chapter, with no further comment.

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Reporting on the program 5.53 In our last reports on human resources management issues, we criticized the quality of the information provided to Parliament. The Public Service Commission then established a process to improve its reporting. Its Annual Report to Parliament for 2001–02 provides significantly better information than in previous years. It provides more explanation about the modernization of staffing practices in the public service, the health of the staffing system, and some of the human resources challenges facing the federal public service. The report is more candid and open about the problems of the current staffing system.

5.54 However, the report refers to the Post-Secondary Recruitment program mainly as an example of the use of electronic recruitment, and it lists activities without discussing trends or the impact of the changes that have taken place. As an indicator of improvement in the program, for example, it gives only the increase in the number of applications received. It states that the 22,305 applications received during the fall 2001 campaign represent an 80 percent increase over the previous year. But it does not assess the contribution of the Post-Secondary Recruitment program to maintaining and renewing an educated and skilled government workforce while reflecting public service values, such as making sure that the composition of the public service reflects Canada's labour market. Nor does the report mention as a positive feature of the program that it meets or exceeds most of the government's employment equity targets.

5.55 The Commission's annual report does not discuss the challenge of encouraging departments and regions to use the program more. Further, it discusses the Post-Secondary Recruitment program in isolation from government policies and other government initiatives that may influence the level of use of the program. For example, when the Commission delegates authority to departments for external recruitment, they use the program less. In 2001 the Department of Finance received delegated authority for a two-year trial to recruit into three streams of economists. Finance now conducts its own recruitment campaign, although it had been a regular user of the program before.

5.56 Enhancements to the student bridging program make it a viable alternative to the Post-Secondary Recruitment program. Other, more general policies may affect the use of the program in the future—an example is the Treasury Board's new policy of converting term employees to indeterminate status after three years of continuous government employment.

5.57 Recommendation. The Public Service Commission should provide more information on the outcomes of the Post-Secondary Recruitment program and explain the program's effectiveness relative to that of other recruitment initiatives and policies.

Public Service Commission's response. The Commission will seek the cooperation of the employer, departments, and agencies to describe in its annual report the results of its recruitment programs in the context of other policies and programs that also influence recruitment.

Conclusion

5.58 In response to our recommendations of 2000, the recommendations of the Standing Committee on Public Accounts, and the Public Service Commission's and Treasury Board Secretariat's joint Recruitment Action Plan, the Public Service Commission has succeeded in redesigning the Post-Secondary Recruitment program to better meet departments' renewal needs and to make it more attractive to university graduates. Qualified students are applying in large numbers and more are being hired than in previous years. However, it is too early to determine the program's effectiveness in contributing to the overall renewal of the federal public service.

5.59 Although the number of graduates hired through the program has increased, the program's proportional contribution to new hiring from outside the public service has remained the same. In our opinion, the program's effectiveness at hiring graduates as part of the renewal of the federal public service is limited by the lack of human resources planning and support for the program in departments.

5.60 As the government's main structured program for recruiting university graduates, the Post-Secondary Recruitment program should be a key part of public service renewal—although the government has yet to determine what will happen to centrally run programs under the new legislation, which proposes the delegating of staffing authority to departments. Federal departments face simultaneously the prospect of a high rate of retirement, particularly from their upper and middle ranks, and the challenge of recruiting people with higher education and levels of skill.

5.61 Although the level of indeterminate hiring has increased in relation to term hiring over the last two years, managers still use term hiring for expediency despite the opportunity to hire for indeterminate positions from a pre-screened inventory. They still need to change their perspective on recruitment to strike a better balance between the immediate need to fill vacancies and the strategic needs of their departments.

5.62 In co-operation with departments and agencies, the government needs to analyze its global requirements for recruitment and renewal. It also needs an accurate profile of the education and skills of people who are entering the public service through the various means of recruitment. Only then can it use its recruitment programs efficiently and promote more effectively the careers it can offer to university graduates.

5.63 The Public Service Commission has improved the way it reports to Parliament on the results of its recruitment program activities. However, it needs to describe these results in the context of other policies and programs that also influence recruitment.

Public Service Commission's comment. The Public Service Commission accepts the findings, which recognize the progress achieved in program design since the Auditor General's December 2000 Report. The Commission continues to improve the program and has implemented an extensive

marketing strategy to increase the use of the Post-Secondary Recruitment program by departments and agencies. On its Web site the Commission is also adding information on, and links to, departments and agencies that recruit for specific jobs.

Treasury Board Secretariat's comment. We concur with the majority of the findings and recommendations. With regard to the new Term Employment policy, we will be monitoring its implementation and will take steps to ensure that it does not have a negative impact on recruitment through the Post-Secondary Recruitment program. We believe that marketing the program and educating managers about it are the most effective ways to ensure that it is used fully. We will continue to work with departments and agencies and the Public Service Commission to identify human resources capacity shortages and develop strategies to respond to them.

About the Follow-up

Objectives

The objective of the follow-up was to determine whether changes to the Post-Secondary Recruitment program have made it more effective at hiring graduates as part of the renewal of the federal public service.

Scope and approach

We looked at whether the Public Service Commission met its commitment to redesign the program and improve the program's marketing, and whether this had led to the desired results. We assessed whether the changes had affected the use of the development programs that come under the Post-Secondary Recruitment program.

We interviewed Public Service Commission staff and human resources officials of six selected departments to explore reasons why departments are or are not using the Post-Secondary Recruitment program and to seek their views on the redesign.

We looked at the Public Service Commission's marketing of the program on university campuses and conducted interviews with some university staff to gauge the impact of the changes.

Given that the redesign of the program is recent, we also looked at whether plans for further improvements were being developed. Finally, we looked at whether the Public Service Commission has improved the information it reports to Parliament on the program, including the outcomes.

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