Public Service Commission
of Canada

Commission de la fonction publique
du Canada

PUBLIC SERVICE COMMISSION
2001-2002 Annual Report

Protecting Merit and the Public Trust

Canada

The Commission invites your comments about our Annual Report.

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The Honourable Sheila Copps, P.C., M.P.
Minister of Canadian Heritage
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Minister:

We have the honour of asking you to transmit for tabling in Parliament the report of the Public Service Commission of Canada for the 2001-2002 fiscal year.

It is submitted to Parliament in accordance with section 47 of the *Public Service Employment Act* (Chapter P-33, Revised Statutes of Canada, 1985).
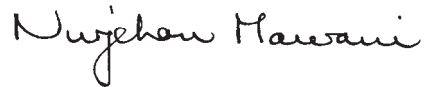
Yours sincerely,

Michelle Chartrand
Commissioner

Scott Serson
President

Nurjehan Mawani
Commissioner

MISSION OF THE PUBLIC SERVICE COMMISSION OF CANADA (PSC)

The mission of the PSC is, through its statutory authorities, to:

> Maintain and preserve a non-partisan Public Service, able to provide service in both official languages, staffed with competent employees, that is representative of the Canadian population it serves.

The PSC is an active partner in developing the broad framework for human resources management and ensuring the health of the federal human resources system, within the scope of its mandate.

PSC VISION

An independent agency reporting to Parliament accountable for merit in staffing and a key partner in shaping an effective and respected Public Service for Canadians.

PSC STRATEGIC OUTCOMES

The current Strategic Outcomes of the PSC are, within its legislative mandate, to assist in providing Canadians with:

➡ A highly competent, non-partisan and representative Public Service with appointments based on the values of fairness, equity of access and transparency.

➡ A timely, efficient and flexible values-based staffing system owned by Public Service managers.

➡ A Public Service that builds on its competencies through development and continuous learning.

Note: The wording that appears above was adopted by the Commission on June 17, 2002 and is an amendment to what appears in other official published reports.

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Commissioners Michelle Chartrand, Nurjehan Mawani and I are pleased to present the Annual Report of the Public Service Commission of Canada for 2001-2002. This year's Report is the second time we are providing an assessment of the overall health of the staffing system based on values as well as identifying challenges which impact the staffing system. The Report aims to present a comprehensive picture of what has or has not worked in the federal staffing system over the past year.

ACCOUNTABILITY

This past year, as we continued to strengthen our oversight of merit, departments also strengthened their own accountability for their delegated staffing authority. In 2001-2002, 39 departments representing 81.4% of the Public Service population presented staffing accountability reports, compared to only 10 departments in 2000-2001. The quality of departmental reporting has improved significantly. There was also evidence of greater understanding and ownership of the staffing system by departments. Consequently, this year's Annual Report reflects more comprehensive reporting than last year.

While we maintain the authority to take corrective measures where appropriate, our oversight of merit involves a process of continuous learning whereby departments learn from best practices — an approach that is reflected in the Report's discussion of departmental best practices. These best practices reveal how departments are working to achieve the results of competency, non-partisanship, and representativeness, while respecting the process values of equity of access, fairness and transparency in appointments. Whether a given department is developing its human resources planning capacity, providing training in values-based staffing, or implementing an employment equity action plan, these departmental initiatives provide valuable information necessary for the continuous improvement of the staffing system.

Our examination of the above staffing values and the management and service delivery principles of flexibility and affordability/efficiency, reveals that, overall, the staffing system continues to be healthy. As last year's Report stated, competent individuals are being appointed to the Public Service and appointments are made free of partisan influence. However, the Commission continues to identify some areas where improvements are required. As we indicated in last year's Report, more effort is required with reference to the values of representativeness, equity of access, fairness and transparency, and the principles of flexibility and affordability/efficiency. The Commission is also concerned about a number of practices that may have a negative impact on some of the values, such as appointments without competition from outside the Public Service and the use of temporary staffing. In light of this concern, departments will be required to report on these practices in their accountability reports for next year.

MODERNIZING HUMAN RESOURCES MANAGEMENT

The Commission is also looking ahead to human resources management modernization later this year. As this message is being written in late spring, the shape and form of the new human resources management framework is not yet clear. We will be in a position to present our precise views on the renewed framework as more information becomes available.

In the interim, we continue to be guided in this changing human resources management environment by some key principles. For example:

➭ Merit must continue to be the fundamental principle for all recruitment and promotion to ensure a Public Service that is highly competent, professional and representative, capable of serving Canadians in the new economy.

➭ The independent oversight of staffing is critical to preserving the integrity of merit and the credibility of the Public Service.

➭ A human resources management system that simplifies the current rules-based approach while emphasizing the values on which staffing is based is essential to a modernized, streamlined staffing regime. Managers need this simplified approach along with greater authority and accountability so they can respond to changing operating environments and evolving client needs.

➭ Official Languages and Employment Equity must continue to be important principles in any new human resources management framework. Serving Canadians in the official language of their choice and having a federal workforce that reflects the society it serves are two important objectives of the Public Service of Canada.

Furthermore, we believe that while legislative change is necessary, it will not be enough to create the human resources management system capable of responding to the future demands on the Public Service. Just as important is the sustained commitment to making the necessary investments for modernization. For example, managers need to be trained, guided and held accountable for the application of values-based staffing.

Staffing actions need to be based on effective departmental and Public Service-wide human resources planning. Rebuilding the capacity of the human resources community — which had been significantly downsized in the 1990s — is essential to modernization as is the investment in new technology. Finally, as we have been reminded of the need for probity in areas of financial management, we must also remain vigilant about probity in our management of human resources.

In last year's message, we referred to our wish to discuss the issues surrounding human resources management modernization in greater depth with parliamentarians and encouraged parliamentarians to reflect on these issues. My fellow Commissioners and I have been particularly pleased to have established a closer link with many parliamentarians over the course of this past year. As we have taken steps to engage in a dialogue through our Committee appearances, technical briefings and face-to-face meetings, parliamentarians have likewise brought public interest issues of concern about the staffing system to our attention. Among other things, these issues have included equity of access, short-term hiring, speed of staffing, employment equity, and the issue of linguistic requirements for Public Service jobs.

This continuing dialogue is essential to developing a common understanding of what it means to protect merit and the public trust in a changing human resources management environment. This dialogue is of great value to the Commission in discharging its responsibility to Parliament and we look forward to continuing this important discussion in the months ahead.

CHAPTER 1:

Introduction

With this *2001-2002 Annual Report*, the Commission has assessed for the second time the overall health of the staffing system[1] throughout the Public Service based on the values that define merit — competency, non-partisanship, and representativeness (the results values); equity of access, fairness and transparency (the process values).

The Commission has used a variety of sources, both within and outside the PSC, to give Parliament, and Canadians alike, a comprehensive picture of the present state of the staffing system in terms of what is and what is not functioning well. In order to achieve this goal, this *2001-2002 Annual Report* has been divided into the following four main chapters:

Protecting merit and the public trust

This chapter discusses several crucial issues, from the Commission's perspective, that are limiting the effectiveness of human resources management in the federal government. It also outlines challenges of modernization and what we believe is required over and above legislation that will govern human resources management across the Public Service in the future.

Overseeing Merit

The Commission's role in oversight is discussed at length. This chapter describes the key components of the accountability framework, introduced in our *1999-2000 Annual Report*, that is based primarily on the modern comptrollership model. It also points to the fact that, even though progress has been made, departments and agencies are still learning and adapting to values-based reporting.

Assessing the health of the merit system

This is the Commission's second assessment of the overall health of the staffing system Public Service-wide in terms of the three results values, the three process values and the management and service delivery principles that make up the framework. As in the previous fiscal year, the Commission's assessment concludes with a succinct statement of the health of the value or principle discussed.

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[1] The PSC's *2001-2002 Annual Report* focuses on the overall health of the staffing system throughout the Public Service. Details on the results achieved by the PSC this fiscal year will be found in its *2001-2002 Departmental Performance Report*.

Protecting Merit and
the Public Trust

**Key issues and recommendations for a
results-centred staffing system**

Chapter 5 builds on issues raised in the *2000-2001
Annual Report* that the Commission believes are
critical to a successful staffing system. Progress
and the challenges that remain regarding human
resources planning, electronic recruitment and
human resources capacity are thoroughly discussed
and recommendations to address these shortfalls
are also made.

As in previous years, the Appendices provide infor-
mation pertaining to hiring and staffing activities,
investigations, appeals, deployments, authorities
delegated to departments and agencies, Exclusion
Approval Orders, personal exclusions and requests
for leave of absence pursuant to subsection 33(3)
of the *Public Service Employment Act*.

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> and what is not functioning well.

CHAPTER 2:

Protecting merit and the public trust

2.1 MODERNIZING HUMAN RESOURCES MANAGEMENT

In April 2001, the Prime Minister announced the formation of a Task Force on Modernizing Human Resources Management in the Public Service. His announcement followed the commitment in the January 2001 Speech from the Throne to reform the Public Service of Canada.

The Commission supports this initiative. It is an opportunity to address several crucial issues that, from our perspective, are limiting the effectiveness of human resources management in the federal government. The Commission:

➡ hopes to see changes to the legislation governing staffing, so that managers will be relieved of the burden of excessive rules inherent in the existing legislation and in the jurisprudence that has built up around it;

➡ looks forward to a clear definition of the term "merit" as it is applied to the staffing process, a definition that will allow for a balance of the full range of values that public service staffing ought to reflect; and

➡ views modernization as a timely occasion to reconsider, with our partners in the human resources system, the most appropriate role for the Public Service Commission (PSC) taking into consideration its core mandate as an independent agency responsible to Parliament for the protection of merit in staffing and its role as a provider of human resources programs and services for the federal government. We are prepared to reconsider the PSC's role in delivering these programs and services, and to evaluate whether they directly support its central responsibilities in overseeing and protecting merit.

The Commission envisages human resources modernization as leading to a more flexible staffing system, in which our efforts would be focused on working closely with accountable managers to guarantee the continued protection of the merit principle. The result will be a Public Service that is fully equipped to meet the needs of Canadians now and in the future.

2.2 PRINCIPLES OF MODERNIZATION

A major challenge in modernizing human resources management will be to provide the new system with the flexibility and cohesion needed to attract and retain top-quality people to meet the needs of Canadians in the future, while retaining those characteristics of the current system that have produced in Canada one of the best public services in the world.

The current high quality of the Public Service of Canada is due in part to the care with which public servants are selected through the federal government's merit-based staffing system. Through this system, individual Canadians enter and progress through the Public Service as employees, public service managers find the people they need to serve Canadians, and Parliament and the public see that the Public Service is competent and reflects the diversity of the country.

> The current high quality of the Public Service is due in part to the careful application of merit in the staffing process.

Canada's public servants are an exceptional group of Canadians. They make sure that the country's food supply is safe. They assist Canadian companies in landing international contracts. They keep our ports ice-free, promote our national heritage, and analyze our country's finances. They enforce our hazardous-goods regulations, develop new policies for the information age, care for ageing veterans, keep our country safe and secure and do dozens of other essential jobs that help make Canada one of the best countries in the world.

Given the important work that public servants carry out daily, Canadians are entitled to be assured that our public servants are hired and promoted not because of their relationship with the governing party (partisan patronage) or solely because of their relationship with the person doing the hiring (bureaucratic patronage), but because they are qualified to do the work and are committed to excellence. This is what the merit principle seeks to achieve.

Yet the staffing system has evolved in a way that has made it less responsive than it needs to be to meet the future needs of Canadians. While recent efforts to build flexibility into public service staffing have achieved significant progress, more still needs to be done, including legislative reform. We believe that, as it has in the past, Parliament will play a central role in laying the foundation for a professional, non-partisan and representative Public Service able to serve Canadians in both official languages.

2.3 Protecting merit

Parliament has helped to modernize the management of human resources in the federal government on several occasions in the past, always paying close attention to the need to protect merit. It first introduced the concept of merit early in the 20th century to deal with patronage in the Public Service. It created the Civil Service Commission as an independent agency, reporting directly to Parliament and charged with making sure that public service employment would be based on merit. Through the *Civil Service Act* of 1908, together with amendments in 1918, the Commission was given responsibility for all *staffing* — both the hiring of new employees and the appointment of existing employees to new positions.

Over the course of the past century, the Commission redefined its approach to merit in response to new dynamics in society and government, while staying true to the underlying essence of the merit principle. A significant turning point occurred with the passage by Parliament in 1961 of amendments to the *Civil Service Act*, which allowed the Commission to delegate staffing authority to deputy/agency heads in special circumstances (a deputy/agency head is the most senior public servant in charge of a department or agency).

In addition to renaming the Civil Service Commission as the Public Service Commission, the *Public Service Employment Act* of 1967 expanded the Commission's power to delegate staffing authority to deputy/agency heads. Over the course of the years to follow, with this authority deputy/agency heads began to do their own hiring and promoting within a set of rules established by the Commission — a development in keeping with the growing call to let the managers manage.

By the early 1980s, most staffing was done under delegated authority, although staffing activity was largely standardized because of the policies and procedures provided to departments by the Commission (the term "departments" as used in this Report includes agencies). Thereafter the emphasis gradually shifted from generating rules to providing enabling frameworks (see Figure A) that emphasize the values underlying the rules to guide managers in making staffing decisions. This approach gave managers greater flexibility to meet their staffing needs through tailored measures suited to specific departmental needs.

FIGURE A: The Public Service Commission's evolving role in staffing

PRE-1970s	1970s AND 1980s	1990s	PRESENT
Non-delegated staffing	→ **Towards staffing delegation to departments**	→ **Almost all staffing authorities delegated to departments***	
• Commission made all appointments *to* and *within* the Public Service	• Prescriptive approach • Hands-on support in day-to-day operations and transactions • Oversight focuses on outputs and is reactive	• Focus on values-based enabling frameworks • Support through advising, guiding and facilitating • Oversight focuses on outcomes and results, and is preventative	

* PSC remains directly involved in aspects of recruitment and Executive appointments.

2.3.1 Recent improvements

One problem that evolved over the decades related to the definition of merit. Merit itself is not defined in the *Public Service Employment Act*, which refers only to the appointment of "qualified persons" based on selection according to merit. Over time, however, this was interpreted by the courts to mean "the selection of the best qualified candidate". This interpretation hobbled the staffing process, because managers had to be prepared to demonstrate in judicial proceedings that every successful candidate was the best person for the job.

In 1993, Parliament amended the *Public Service Employment Act*. This legislation introduced the concept of "individual merit", whereby in some cases managers could hire a candidate who was able to meet a standard of competence required for the position. In other words, managers could hire people who were fully qualified without having to identify small and possibly insignificant distinctions between candidates in order to prove that the individual was "the best qualified candidate". This approach provided some needed flexibility, but in some cases, the courts have circumscribed how it may be applied.

Continuing dissatisfaction with the length of time required to complete the average staffing action, and the amount of managerial time required for each action, led us to undertake a major *Consultative Review of Staffing* in 1996. The review team recommended:

➠ values-based, not rules-based, resourcing systems and processes;

➠ direct deputy/agency head accountability for internal resourcing below the Executive levels;

➠ resourcing processes that are developed jointly with employee representatives; and

➠ recourse with corrective action as a last resort.

These conclusions were instrumental in guiding our 1997 reform of staffing. The reform gave greater staffing authorities to deputy/agency heads, introduced new flexibilities, and developed customized delegation and accountability instruments.

The reforms introduced since the 1960s, and particularly in the 1990s, have fundamentally reoriented the federal staffing system, shifting the responsibility for staffing from the Public

Service Commission to departments and agencies. They also clarified the accountability of managers and deputy/agency heads for the exercise of delegated authority.

Today, almost all authority for hiring and staffing activities in the Public Service has been delegated to departments, with the Commission retaining a direct role in initial hiring to the Public Service and in Executive-level appointments, which are particularly sensitive areas.

Many busy managers, despite the greater delegation, are unaware of how much more flexibility they now have to conduct staffing. Furthermore, there is a shortage of Public Service human resources experts to offer them sound advice. Without this support, and with pressing demands to serve Canadians, managers have come to rely on short-term solutions such as hiring casual or term employees, rather than indeterminate employees, to fulfill their obligations to Canadians.

Although this approach may help individual managers in the short term, it is not in the long-term interest of the Public Service or Canadians. An over reliance on casual and term employees does not bring into play the full range of values that staffing activities should reflect. Public policy goals such as increasing the diversity of the Public Service or attracting the skilled employees we will need for the future are largely overlooked.

Meanwhile, temporary employees, lacking the security of an indeterminate position, must always be on the lookout for other employment opportunities, reducing their effectiveness in their current positions. This does little to encourage them to remain in the Public Service, or to convince others to pursue a Public Service career, at a time when the Government needs to replace the large numbers of older employees who will be retiring soon.

2.3.2 Keeping what works

In modernizing the Public Service, Parliament will face the challenge of making sure that the principles and characteristics of the human resources system that served us so well in the past — and that produced a professional and non-partisan Public Service — continue to serve current and future generations of Canadians.

The political neutrality of the Public Service, for example, is a fundamental feature of our Westminster model of government, and an important factor in the historically high quality of Canada's Public Service. It is because of this neutrality that governments, regardless of their party affiliation, can rely on the Public Service to provide them with objective and expert advice on the full range of policy issues they face. This neutrality also ensures that all Canadians are treated fairly and equitably in their dealings with the Public Service, whatever their own political beliefs.

Public Service neutrality is in large part a function of the accountability of deputy/agency heads to the Commission, who in turn is accountable directly to Parliament. Deputy/agency heads and the Commission are therefore protected from direct pressure from the government of the day in making appointments. This protection for deputy/agency heads from partisan influence should be maintained in the new system.

Partisanship is just one potential threat to the merit principle in Public Service staffing. Any practice that replaces "what you know" with "who you know" is fundamentally unfair. For example, it would be unfair for public servants to hire people based solely on personal relationships, a practice known as bureaucratic patronage. Such practices can interfere with the ability of other Canadians to

have fair and open access to employment opportunities in their Public Service. Under the current system, we have the authority to investigate any matter under our jurisdiction. This capacity for the system to counter bureaucratic patronage must be preserved in a modern system.

Another possible threat to merit would be an excessive emphasis on efficiency in staffing, at the expense of the values of fairness, transparency and equity of access. At present we are responsible for ensuring an appropriate balance among all the staffing values. In a modernized system, the Commission should have a way to guarantee that this balance continues to exist.

At the heart of these issues is the continuing need for an independent agent of Parliament, working to protect merit in co-operation with — but not subject to — the Government in its role as employer.

> **There is a continuing need for an independent agent of Parliament working to protect merit.**

2.4 LOOKING BEYOND THE LEGISLATION

The federal government has signalled its intent to address these issues when it places legislation before Parliament to create a modern policy, legislative and institutional framework for the management of human resources in the Government of Canada.

Whatever the virtues of the new legislation, however, it will not on its own be a sufficient remedy for some of the serious problems that confront human resources management. If the principles for modernization are to be respected in the future, additional action will be required.

2.4.1 Guiding managers

For example, we know from our experience in today's highly delegated environment that many managers are unfamiliar with the numerous factors they have to take into account when making hiring and staffing decisions.

Broad consultations conducted by the PSC several years ago identified the need for a simple decision-making framework to guide managers and their advisors in carrying out their responsibilities for hiring people. The PSC was strongly influenced by the substantial work undertaken during the 1990s to renew the Public Service and strengthen management in the federal government.

To help managers resolve these difficulties within the existing framework, and anticipating that legislative change would come in due course, the PSC developed and promoted a new approach to staffing, one in keeping with the principles of modern comptrollership.

In our *1999-2000 Annual Report*, the Commission outlined our values-based approach to staffing. The PSC has been implementing this approach through staffing delegation and accountability agreements with departments and agencies. Later in this Report, we assess the health of the merit system from a values-based perspective, drawing on the accountability reports of departments and agencies and on other sources of information.

Although the Commission is confident the values-based approach will help managers staff effectively, it will only be truly effective if managers are trained in its use, guided in its application, and held accountable for their results.

2.4.2 Holding managers accountable

Modernization of the human resources management system will introduce fundamental change with potentially unanticipated effects and consequences. Serious problems could develop over time, problems that could be difficult and costly to fix after the fact.

An audit-only approach to accountability would provide only limited protection against these problems. The gap between the time an audit begins and the time a report is issued, recommendations are made, and solutions are developed and implemented is generally quite long. During this time, a problem can become further entrenched and even more difficult and costly to fix than it would have been if it were identified and resolved early on, or even before it arose.

This issue is particularly sensitive as it relates to merit. Parliament's history of ensuring strong protection for merit in the past demonstrates that the principle is too important to leave open to

harm through weak accountability measures in the future. To make sure that merit is protected in departmental staffing practices, staffing authority should be delegated to departments from the Commission in its role as an independent agent of Parliament. The Commission should provide broad direction through non-prescriptive frameworks that guide departments in exercising their authority, together with up-front merit-related training. If a department's staffing practices fail persistently and systematically to protect merit, we should be able to impose remedial measures to make sure that the problems do not recur.

2.4.3 Human resources planning

With the appropriate training and guidance, managers should be capable of meeting their individual staffing needs. If their staffing actions are not informed by effective departmental and Public Service-wide human resources planning, however, the Government's overall human resources needs may not be met.

For example, if managers hire solely to meet today's operational needs, will the Public Service have enough people with the right mix of skills for the demands of tomorrow? If employment regimes are set separately by individual managers without knowledge of evolving labour market practices, will the Government be able to achieve a reputation as an employer of choice?

These issues can be resolved if the Government:

➡ conducts research to determine its own workforce requirements in the context of the broader labour market;

➡ plans strategically at government-wide and departmental levels to meet these requirements; and

➡ engages managers in implementing the plan through their individual hiring actions.

2.4.4 Building capacity in the human resources community

The human resources community within the Public Service should be an important source of support for managers in fulfilling their expanded hiring responsibilities, and in understanding broader government human resources objectives.

But the human resources community was reduced in the mid-1990s when the Government was doing very little hiring, and it remains understaffed and overworked. Workload pressures have been compounded by other factors, including slow progress towards professionalizing the community, insufficient training and development and uneven leadership for the community across the Public Service.

As busy managers are made increasingly responsible and accountable for human resources management, they will look to their human resources people for advice and assistance. Rebuilding this capacity will be an essential factor in the success of human resources modernization. Accomplishing this rebuilding will be no easy task, and planning for it should be a focus of the Government's post-legislation agenda.

2.4.5 Implementing e-HR

The PSC's *jobs.gc.ca* Web site has earned the Government international acclaim for using technology to serve the needs of Canadians. Yet the Government can and should go much further with electronic technology for human resources — e-HR.

As more and more Canadians have access to the Internet, the number of on-line applications for positions with the federal government will increase.

The Government will have to develop methods to process these applications quickly and effectively in order to identify meritorious candidates, particularly for certain types of jobs that attract large numbers of applicants. Technology is available to automate screening processes so that managers could make timely offers to qualified candidates.

As competition with the private sector for skilled knowledge workers increases, these innovations will be essential if the Government is to meet its recruitment targets.

2.5 A CRUCIAL ROLE FOR PARLIAMENT

Modernizing the management of the government's human resources is often viewed by outside observers as of limited interest and importance to Canadians at large. But public servants play critical roles in many aspects of the lives of Canada's citizens. The Public Service of Canada must have a modern, flexible framework capable of recruiting and retaining outstanding public servants who can do what needs to be done to maintain Canada's place in the world.

Parliament will soon have the opportunity to put such a framework in place for Canadians. The Commission is confident it will undertake this task with one eye on the important principles it has established in the past, and one on Canada's evolving needs for the future.

CHAPTER 3:

Overseeing merit

Our Annual Report for 1999-2000 described a new Values-Based Merit Accountability Framework for staffing based on modern comptrollership concepts. The Commission believes that the move to a staffing system that places more emphasis on the values underlying the rules was essential. At the heart of this approach is a focus on learning and improvement, and attention to risk areas rather than punishment and risk avoidance that would stifle the creativity of key players such as managers and human resources specialists actively involved in the staffing system.

A key component of modern comptrollership, which is a broad Government initiative to strengthen management and accountability, is self-assessment, that is, to encourage departmental management to fairly and accurately review its performance and then both act on and report on that assessment. In last year's Annual Report the Commission identified the fundamental values and principles of the new approach to staffing, and described how we were introducing the components of the framework in order to improve oversight of the staffing system. Implementing it in a highly decentralized and delegated environment required constant attentiveness and discussions with deputy/agency heads and the rest of the Public Service. The Commission continues to be conscious of its legislative mandate in delegating recruitment authority and ensures that appropriate measures are in place for continued oversight of merit.

> **Consistent with modern comptrollership, departments are encouraged to fairly and accurately review and report on their performance.**

Protecting Merit and
the Public Trust

This Report for 2001-2002 shows that our efforts have been successful. Yet the Commission needs to continue to improve its oversight tools to assure Parliament that staffing respects the values and principles that are the foundation of the *Public Service Employment Act* (PSEA).

3.1 BUILDING ON SUCCESS

The past year has been rich in learning for the Commission and for departments. Every department and agency has now signed a new Staffing Delegation and Accountability Agreement, and the 39 departments that were expected to report — accounting for 81.4% of the people in the Public Service, and listed below — provided staffing accountability reports to the Commission. Next year, all 72 departments and agencies, covered by the PSEA, will report. Based on negotiated indicators, these reports demonstrate how the departments used staffing effectively to deliver their business. Self-reporting promotes a better ownership of the authorities delegated to departments, and allows them to tell their stories.

Departments and agencies reporting in 2001-2002

Agriculture and Agri-Food Canada

Atlantic Canada Opportunities Agency

Canada Economic Development for Quebec Regions

Canadian Artists and Producers Professional Relations Tribunal

Canadian Environmental Assessment Agency

Canadian Forces Grievance Board

Canadian Grain Commission

Canadian Human Rights Commission

Canadian International Development Agency

Canadian Space Agency

Canadian Transportation Accident Investigation and Safety Board

Canadian Transportation Agency

Citizenship and Immigration Canada

Civil Aviation Tribunal

Commission for Public Complaints Against the RCMP

Communication Canada

Correctional Investigator Canada

Correctional Service of Canada

Department of Justice Canada

Environment Canada

Fisheries and Oceans Canada

Hazardous Materials Information Review Commission

Health Canada

Human Resources Development Canada

Indian and Northern Affairs Canada

Industry Canada

International Joint Commission

Law Commission of Canada

National Defence

Natural Resources Canada

Office of the Registrar of the Supreme Court of Canada

Office of the Superintendent of Financial Institutions

Passport Office (Reports to the Deputy Minister of the Department of Foreign Affairs and International Trade)

Public Service Commission of Canada

Royal Canadian Mounted Police (Civilian Staff)

Solicitor General Canada

Statistics Canada

Transport Canada

Western Economic Diversification Canada

Over the past two years, the Commission has noted a significant improvement in the quality of the reports, the completeness of supporting documentation, and the balance between achievements and challenges. Our assessment of departmental staffing performance has demonstrated that there is a greater understanding and ownership of the staffing system, one of the key goals of a values-based approach. Feedback provided to all deputy/agency heads indicated where they needed to pay greater attention, and they were asked for more information on the use and impact of temporary staffing. Departments that are not performing as well as they should, have been told of their shortcomings by the Commission, and action is being taken. Future reporting by these organizations will specify what they have done to make improvements. Our assessment of departmental performance also demonstrated the need to continuously review the Staffing Delegation and Accountability Agreements in order to strengthen their performance indicators. These indicators will be used to establish benchmarks for assessing departmental staffing performance. As 72 departments and agencies will be reporting in the 2002-2003 fiscal year, the Commission is confident that these indicators will provide a solid basis for our overall assessment. The key indicators, which departments and agencies use to report on their staffing performance, are highlighted under each merit value throughout the text.

To identify, assess and retain competent employees, one of the best investments is to review human resources management policies, guidelines and directives to make sure that they are up-to-date and support a values-based approach, and to modify them to meet new needs and circumstances.

There is evidence of greater ownership of the staffing system by departments and agencies.

Introducing a staffing monitoring program to identify problems also helps to guarantee the health of staffing activities and strategies. The Commission's assessment of departmental performance identified a need to help departments develop effective monitoring programs based on risk, and we have taken the lead in helping departments build their monitoring capacity.

3.2 CORRECTIVE ACTION

While emphasizing a learning approach, the Commission identifies a number of situations each year that require corrective action up to and including revocation of appointments and withdrawal of delegation. Under the *Public Service Employment Act*, the Commission has the authority to revoke an appointment and impose corrective action if an inquiry determines that a fraudulent practice or breach of the regulations concerning a selection process has occurred. During the past year, the Commission revoked 26 appointments. No delegations were revoked at the organizational level.

3.3 THE PUBLIC SERVICE COMMISSION ADVISORY COUNCIL

The Public Service Commission Advisory Council (PSCAC) was formed in 1999 as a tripartite advisory and consultative body, with representatives from departments and agencies, bargaining agents, and the Commission. The PSCAC provides an important vehicle for collaboration on strengthening the staffing system.

During the past year, two working groups submitted reports to the Commission:

➡ *A New Model of Human Resources Management Oversight and Deputy Minister Accountability* (August 2001) examined the concept of deputy ministers being directly accountable to Parliament for staffing and the role of various stakeholders in this process — the employer, bargaining agents and an oversight agency.

➡ *Merit in the Public Service* (August 2001) reviewed merit from a variety of perspectives, factoring in possible contexts such as different staffing regimes, demographic scenarios, values, and the concept of "best qualified" against the concepts of seniority, diversity, developmental potential, efficiency, fairness, equity of access and transparency.

The Commission accepted both reports and provided them to the Task Force on Modernizing Human Resources Management in the Public Service, where they were well received.

A report that studied the use of pre-qualified pools entitled *A Suggested Approach to the Establishment, Maintenance, and Review of a Pre-Qualified Pool* was submitted in February 2002. Another report entitled *Developing, Sharing and Retaining Talent in the 21st Century: Mobility — a Path to Success* was submitted in May 2002. It spoke to the need to facilitate mobility in order to ensure that the Public Service possesses the required skilled workers it needs to better serve Canadians.

New working groups are also studying mobility between the core Public Service and separate employers, as well as the concept of co-development.

3.4 CANADA CUSTOMS AND REVENUE AGENCY

The *Canada Customs and Revenue Agency Act* assigned responsibilities to the Public Service Commission for assessing the compatibility of the principles governing staffing in the Canada Customs and Revenue Agency with the values in the *Public Service Employment Act* universe, and for ensuring that the Agency used their principles in the implementation of their staffing program.

Last year, we reported that we believe that the principles governing staffing in the Agency are compatible with the values in the *Public Service Employment Act* universe. During this past year, we turned to our second responsibility. To date, the Commission is satisfied with the progress that the Agency has made in using their principles in the implementation of their staffing program.

The Commission has met regularly with the Agency to understand the implementation of their staffing program. They are moving to an integrated competency-based staffing system and to an accountability program that should integrate the business and human resources dimensions. The Canada Customs and Revenue Agency has developed an evaluation and audit program to assess their staffing program, and will consult us to make sure that it will provide coverage in sufficient depth to allow us to meet our respective statutory obligations.

3.5 PROGRESS IN IMPLEMENTING NEW OVERSIGHT TOOLS

In continuing to improve our oversight tools, the Commission has decided to review its staffing audit process to make sure that it reflects the most modern standards and methodology, particularly the ability to audit using electronic data systems. This updated audit process will be used more frequently as departments assume staffing authorities that are more risky.

Last year the Commission reported on the introduction of the Programme of Special Surveys; a survey of managers and appointees involved in recent staffing processes to obtain direct information on their experience. The Programme continues to progress, and we have conducted two new surveys. The coverage of staffing issues is also expanding, and in the coming year we will be experimenting with Web-based survey technology.

The results of a study of *Non-partisanship and Transparency in Staffing* were published in December 2001, and the results of another study of *Competency and Fairness* have recently been published. As part of the latter study, over 1,000 staffing actions were reviewed and the outcome of this analysis concluded that these actions allowed for appointments according to merit. This study also responds to some of the issues raised in the *Asselin* decision of October 1999.

Conclusion

The implementation of the new oversight program based on modern comptrollership principles has been successful. The Commission will continue to strengthen its approach through continuous innovation and improvements. This in turn will provide stronger reporting and accountability to Parliament.

Assessing the health of the merit system

The *2000-2001 Annual Report* introduced the Commission's assessment of the three results values, three process values and two management and service delivery principles that underlie values-based staffing. In this Report we continue that approach.

FIGURE B: Merit Values and Management/Service Delivery Principles — Definitions

Attributes which ensure that public servants are qualified to fulfill their Public Service duty.

Decisions are made objectively; practices reflect the just treatment of employees and applicants.

The composition of the Public Service reflects that of the labour market.

Equal access to employment opportunities; practices are barrier-free and inclusive.

Employees are appointed and promoted objectively, free from political or bureaucratic patronage.

Open communication with employees and applicants about resourcing practices and decisions.

Resourcing approaches are adapted to the specific needs of the organization.

Resourcing approaches ensure good value for money and are simple, timely and effective in their delivery.

Wheel diagram labels: Competency, Fairness, Representativeness, Results, Process, Equity, Non-Partisanship, Management, Transparency, Flexibility, Efficiency/Affordability

4.1 Results value: Competency

Competency describes the attributes that ensure employees are qualified to fulfill their public service duty.

In last year's Report the Commission concluded that rigorous and effective human resources planning at all levels must become a priority to make sure that the Public Service has the necessary competencies for the future. Our view has not changed in 2001-2002, and is reinforced by Chapter 2 of the 2001 *Report of the Auditor General of Canada*, "Recruiting for Canada's Future Public Service: Changing the System". The Auditor General also believes that effective human resources planning is vital to resolving the problem of short-term hiring and enabling the Public Service to meet its long-term human resources needs.

As already noted in Chapter 3, the staffing performance of 39 departments was assessed using information obtained by analyzing their 2000-2001 reports and by consultations with the PSC's district offices and headquarters staff. Departments report on their staffing performance through sets of indicators that they developed jointly with the PSC. In this chapter the assessments will be used extensively, because they provide a unique picture of what is happening at the departmental level — and, in effect, reflect what is taking place throughout the Public Service.

The following are key indicators that have been used to assess competency:

➡ the availability of a human resources strategy for each department, and the links between the strategy and the departmental business plan;

➡ the use of competency profiles;

➡ the provision of training and support to those involved in making staffing decisions; and

➡ the monitoring and review of human resources strategies and their outcomes.

Results confirm that, when compared to the other staffing values, competency is by far the best understood and applied value as it is more traditionally linked to merit.

4.1.1 Human resources strategies

The result of the Commission's overall assessment indicates that some progress is being made towards more effective human resources planning, particularly in larger departments with more than 2,000 full-time equivalent staff members. In general, larger departments have developed and implemented more detailed and integrated human resources management strategies, which is to be expected.

Statistics Canada and the Royal Canadian Mounted Police (RCMP) are two prime examples of departments successfully making solid links between human resources management strategies and long-term business plans. The infrastructure for human resources management at Statistics Canada is an integral part of the strategic planning process, and has been in place for over 10 years. This approach constitutes part of their management culture. With the participation of approximately 400 middle and senior managers on more than 50 human resources management committees and working groups, it is evident that all operational decision-making is aligned with human resources management planning and considerations.

Moreover, there are several notable examples among small departments with fewer than 400 full-time equivalent staff members. Worthy of special mention is the quality of human resources planning at the Canadian Environmental Assessment Agency as an integral part of the Agency's activities, demonstrated through their organization's governance structure, management philosophies and staffing and recruitment successes.

Many departments, however, supplied only limited information and supporting documentation to demonstrate that a link exists between human resources management activities and decisions and departmental business plans and operations. In some cases it appears that no strategic or succession planning occurs. This problem is more common among small departments because of their relatively small workforces and their limited capacity in this regard.

4.1.2 Competency profiles

Most reporting departments provided information on their use of competency profiles. (Competencies are defined as the characteristics of an individual that underlie performance or behaviour at work. A competency profile is a list of competencies pertaining to a specific job or group of jobs). Many reported that they were at an early stage in developing profiles, and most reported that this work is a strategic partnership between line management and human resources.

The Office of the Superintendent of Financial Institutions provided examples of profiles used for a variety of purposes, including recruitment, resourcing, employee development, promotion and monitoring overall workforce capacity. These profiles are among the best examples that the Commission has seen so far.

4.1.3 Training and support

Training investments ensure that those involved in making staffing decisions understand merit and competency, and are equipped to make decisions that will sustain the highest levels of scrutiny. The departmental reports provided some examples of continuous training. The RCMP is one of the best examples. This organization is very attentive to the competency and effectiveness of its human resources staff. Management provides continuous feedback, conferences, and up-to-date policies and tools (such as the Web site and form letters).

Among small departments, the Canadian Transportation Agency and Western Economic Diversification Canada have introduced some very good practices. These include a cross-training program to promote employee mobility and competency, and the development and delivery of sessions on staffing and values for managers and human resources professionals. It is important to note that the PSC offers a Values in Staffing Workshop that is directed towards the human resources community to help them understand the meaning of each of the values in staffing and apply a "values-based" approach in cases representing typical staffing situations. In order to reach a broader audience, this workshop is now available on-line and via a CD-ROM.

4.1.4 Renewal for the future

Staffing and rejuvenation

Table A indicates more long-term staffing on the part of departments and agencies, measured by hiring activity to the Public Service for the period of April 1, 2001 to March 31, 2002, compared to the same period in 2000-2001. There is a marked (30.9%) increase in the proportion of indeterminate hires, from 3,856 to 5,046 and a decrease in the number of specified period hires, from 16,268 to 16,022. In an attempt to rejuvenate the Public Service, departments increased by 7.3% the number of students they hired during the same time periods, from 11,495 to 12,334.

Encouraging the use of inventories

The PSC keeps inventories of fully assessed candidates who qualified for, but were not appointed to, the Accelerated Economist Training, Human Resources Training, Management Trainee and Policy Research Development programs. In addition, through the Post-Secondary Recruitment Program, the PSC now maintains a continuing fully automated national general inventory of pre-screened university graduates that managers can use to staff various types of entry-level officer positions. In addition to these, some 31 general recruitment inventories are also maintained, four of which are national in scope. Of these 36 inventories, nearly half are limited to members of one or more of the designated employment equity groups.

Executive recruitment and renewal

The PSC operates an executive recruitment program to find and attract qualified executives from all areas of Canada to fill current and future vacancies. As part of the overall strategy for ensuring the renewal of the Executive group, the Commission and departments share the responsibilities of preparing high-potential employees for leadership in the Public Service, and of working together for the effective use of developmental programs both below and at the Executive level. These programs provide a continuum of development to the most senior ranks. They include the Career Assignment, Management Trainee, Accelerated Economist Development and Accelerated Executive Development programs, and the Assistant Deputy Minister Pre-qualification process.

TABLE A: Hiring activity _to_ the Public Service by tenure

	April 1, 2000 to March 31, 2001		April 1, 2001 to March 31, 2002		Difference	Change
	Hires	%	Hires	%	Hires	%
Indeterminate staffing activities	3 856	7.6	5 046	9.5	+ 1 190	+ 30.9
Specified period staffing activities	16 268	32.2	16 022	30.2	- 246	- 1.5
Casuals (as per PSEA s. 21.2)	18 916	37.4	19 716	37.1	+ 800	+ 4.2
Students (under Employment Exclusion Approval Order)	11 495	22.8*	12 334	23.2	+ 839	+ 7.3
Total	**50 535**	**100.0**	**53 118**	**100.0**		

Source: Appendix A, Table A — Overall hiring and staffing activities

*Note: Numbers have been rounded off.

Reliance on short-term staffing

The use of temporary staffing practices, such as short-term hiring, has been raised both by the Commission in a number of our reviews and by the Auditor General as placing competency and other merit values at risk. In an attempt to fully understand the reasons why short-term staffing is being used throughout the Public Service, the PSC is conducting a survey of hiring managers on behalf of the Joint Committee on Term Employment (Treasury Board of Canada and the Public Service Alliance of Canada). The survey results will be instrumental in helping the committee improve policies and practices related to term employment. The Commission has also asked departments to report on their short-term hiring practices in their respective departmental staffing accountability reports that are due in fall 2002.

Another practice that might put competency at risk is the appointment of casual workers to indeterminate and term positions, because the hiring of casual workers (as opposed to term and indeterminate employees) is not subject to the scrutiny of merit. Table B indicates the tenure and previous employment status for hiring and

staffing activities for the period of April 1, 2001 to March 31, 2002, compared to the same period in 2000-2001.

The Commission will keep track of this practice over the next fiscal year, and will provide details in the *2002-2003 Annual Report*.

4.1.5 Employees' and managers' perceptions

Preliminary results of the PSC's study of *Competency and Fairness*, conducted in 2001-2002, indicated the following points about employees' views of competency as a value:

➥ 75% of employees surveyed agreed that "In my work unit, we appoint people who can do the job";

➥ 66% agreed that "My department appoints qualified people"; and

➥ the results of the close-ended questionnaire items and the narrative comments showed a very strong correlation between the degree of a person's career success in the last two years and his or her general perception of both competency and fairness in staffing.

TABLE B: Tenure and previous employment status

	April 1, 2000 to March 31, 2001	April 1, 2001 to March 31, 2002	Difference	% Change
Casual to indeterminate	255	413	+ 158	+ 62.0
Casual to specified period	1 901	2 224	+ 323	+ 17.0
Specified period to indeterminate	6 200	7 431	+ 1 231	+ 19.9

Source: Appendix A, Table B — Tenure and previous employment status

Among managers and human resources advisors:

➠ most managers were very satisfied with the calibre of people they hired, and held the view that a high proportion of their staff were competent;

➠ overall, formal assessments of personal suitability and abilities were rated higher than knowledge and level of education;

➠ managers also rated directly-related work experience and positive reference checks very highly, while human resources advisors had more confidence in written test scores and level of education; and

➠ several managers said that a good process contributes to competency, and that putting more time into the hiring process is worth the price in terms of quality of people hired, however, many reported being only somewhat satisfied with the tools available to assess competency and would like more tools to be developed to assess abilities and personal suitability.

Overall, the study shows that people have very similar understandings of what competency means, and by and large managers and most employees perceive that competency is respected in staffing. However, there is a strong need for better tools to assess abilities and personal suitability effectively. This is reinforced by the fact that our cyclical survey of managers and recent appointees indicated that of all the merit values, competency is rated as the most important by both parties.

Competency health check:

The Commission believes that, overall, the staffing system appoints competent employees both to and within the Public Service, however, areas of concern such as the use of casual and short-term hiring still need to be addressed. While some progress is being made regarding long-term HR planning as evidenced by linkages to business plans, particularly with respect to the larger departments, more effort is needed from all departments and agencies regardless of size. The Commission is concerned that, without the benefit of HR plans, managers will continue to focus on expediency rather than the very competent individuals that the Public Service will need to address Canada's future challenges.

4.2 RESULTS VALUE: NON-PARTISANSHIP

Non-partisanship means that employees are appointed and promoted objectively, free from political or bureaucratic patronage.

In the *2000-2001 Annual Report* the Commission affirmed that, overall, appointments were being made objectively and free from partisan influence. To safeguard this value, however, we argued that continued vigilance was required.

In assessing non-partisanship in staffing within departments, the following are some of the key measures that have been developed:

➠ an attestation of non-partisanship by the deputy/agency head;

➠ an annual reminder about conflict of interest and political activities to all employees;

➠ a statement on conflict of interest in letters of offer; and

➠ department-specific activities, such as training those involved in making staffing decisions.

4.2.1 Deputy/agency head attestation

Among the 39 departments that reported in October 2001, 32 deputy/agency heads attested to the fact that all departmental staffing activities and decisions support the value of non-partisanship.

4.2.2 Annual reminder to staff

Ten departments confirmed that the deputy/agency head sends an annual reminder to all employees about conflict of interest and political activities. Some departments have gone further by distributing a Code of Values and Ethics.

4.2.3 Letters of offer

The majority of reporting departments include a statement on conflict of interest in their letters of offer. Most require selection board members to sign a *Signed Statement of Persons Present at Board* form for each selection process. Their signatures demonstrate that all board members have been made aware of and confirm their responsibility to make sure that all candidates are assessed fairly, objectively and impartially.

4.2.4 Department-specific activities

A number of departments reported on specific activities. Some of the most prevalent practices were monitoring recourse records for bureaucratic and political partisanship, and developing a policy on casual employment that focuses on political and bureaucratic influence.

Citizenship and Immigration Canada is noteworthy for non-partisanship training of those involved in staffing activities, and including information on non-partisanship in their orientation training for new staff members. The Canadian Environmental Assessment Agency is another organization that has included information on non-partisanship and an ethics session in their orientation guide.

The PSC's study of *Non-Partisanship and Transparency in Staffing* examined the extent to which staffing practices are based on values, and whether staffing policies and programs are used for the purpose for which they were intended.

For more details on the findings and conclusions of the review, see the PSC's Web site at http://www.psc-cfp.gc.ca/publications/monogra/non-partisanship_e.htm.

In general, the review found that:

➠ line managers, human resources specialists and union representatives are committed to introducing a values-based approach to staffing; and

➠ managers, human resources specialists, and union representatives all considered the values of non-partisanship and transparency to be complementary and essential for good morale.

Specifically on non-partisanship, the review found that:

➠ political patronage was not considered an issue by those interviewed — in fact none of the 273 comments made by employees concerned political patronage;

➠ although many departments received calls and letters from politicians to consider candidates, departments responded by acknowledging the requests and explaining the appropriate staffing procedures;

➠ departments clearly conveyed the message that political interference was not permitted;

➠ most respondents agreed that bureaucratic patronage (personal favouritism) may be an issue; and

➠ human resources specialists said that managers who indulge in bureaucratic patronage are not always conscious of their actions. Some specialists indicated that when such a situation is about to happen and the matter is brought to the manager's attention, the manager will usually react positively, be appreciative, and discontinue the action.

As noted in the study, the Commission is well aware of the concerns surrounding the use of appointments without competition from outside the Public Service. Given the potential impact that the delegation of this authority will have on non-partisanship, we are carefully examining current practices with the use of a number of departmental pilot projects. Once the pilots have been fully evaluated, the Commission will then decide whether it will grant the authority to deputy/agency heads within appropriately controlled departmental frameworks (see also Management and service delivery principles).

In Chapter 2 of the 2001 *Report of the Auditor General of Canada*, the Auditor General stated unequivocally that the Commission has maintained a strict oversight of non-partisanship, and that the audit did not find any concerns about the principle. The Auditor General noted that the principle of a non-partisan Public Service is well understood on the whole, and that it has been maintained and needs to continue to be maintained, because it has served the country well.

The Commission itself safeguards the value of non-partisanship in two ways:

➠ by granting or withholding political leave of absence under subsection 33(3) of the *Public Service Employment Act*: in 2001-2002 the Commission received one request for leave from a federal public servant who sought candidacy in a provincial election, and granted the leave; and

➠ by deciding for or against appointing ministerial staff to a Public Service position under certain conditions and as a priority, under section 39 of the *Public Service Employment Act*: as of March 31, 2002 , 31 people were placed and 17 were seeking appointment.

Non-partisanship health check:

There is strong evidence to suggest that the current system is working well and that political patronage is not a major source of concern. Staffing practices such as long-term acting appointments and appointments without competition from outside the Public Service, while justified in their specific contexts, might lead to perceptions of bureaucratic patronage (personal favouritism) as these tend not to be as transparent as other competitive processes. In light of these perceptions, deputy/agency heads are encouraged to use more transparent processes or, at the very least, to use long-term acting appointments and/or appointments without competition from outside the Public Service only when they can be justified as being in the public interest.

4.3 RESULTS VALUE: REPRESENTATIVENESS

Representativeness means that the composition of the Public Service reflects that of Canada's labour market.

In the *2000-2001 Annual Report* the Commission recognized that some progress had been made towards the achievement of a fully representative Public Service, but we also acknowledged that Program Review and the reality of the ever-changing face of the Canadian workforce made attaining this goal more of a challenge. We argued that whatever efforts were underway at the time needed to be actively pursued.

Following the expiry of the Employment Equity Positive Measures Program on March 31, 2002, the Commission will continue to assist departments, managers and human resources advisors with staffing guidance, programs, policies and tools to help them meet the challenge of building and

sustaining a representative workforce. We have added an employment equity component to the Human Resources Professional Development Program, developed an employment equity program for Executives at the EX-1, EX-2 and EX-3 levels, and expanded the current employment equity components of the Career Assignment Program.

The Commission's assessment of 39 departments revealed that most understand the importance of this value and are making concerted efforts to improve employment equity representation in their respective workforces. To assess representativeness within departments, several key indicators are prevalent in the majority of the Staffing Delegation and Accountability Agreements:

⟹ a comparison between the number of designated group members in departments and their labour market availability;

⟹ the availability of employment equity plans and their links to overall recruitment to improve representation;

⟹ department-specific initiatives;

⟹ the monitoring of short-term hiring of employment equity groups; and

⟹ employment equity representation at the Executive levels.

4.3.1 Employment equity demography

The majority of the 39 departments that reported in October 2001 included a comparison between the actual number of designated group members in the department and their labour market availability.

Women and Aboriginal peoples were well represented in most of the reporting departments. These results mirror the latest figures published by the President of the Treasury Board in *Employment Equity in the Federal Public Service 2000-2001*. The report indicates that for three of

the four designated groups, the overall representation of women (52.1%), persons with disabilities (5.1%), and Aboriginal peoples (3.6%) throughout the Public Service is higher than their respective workforce availability rates of 48.7%, 4.8%, and 1.7%. Members of visible minorities, however, are still under-represented — a 2.6% gap exists between representation (at 6.1%) and workforce availability (at 8.7%).

An examination of Treasury Board Employment Equity Data from April 1, 2001 to March 31, 2002 indicates that the Public Service will not likely reach several goals for members of visible minorities, set out in *Embracing Change in the Federal Public Service* (March 2000), the action plan of the Task Force on the Participation of Visible Minorities in the Federal Public Service. The goals are those for recruitment to the Public Service, acting appointments in the feeder groups, entries to the feeder groups, entries to the Executive group, and entries into and graduations from the Career Assignment and Management Trainee programs. The Commission is concerned that the problem of under-representation will likely persist when a study of the new Census figures for employment equity designated group members are published by Statistics Canada.

4.3.2 Employment equity plans

Most of the large departments have developed an employment equity plan to resolve the problem of under-representation of designated group members. Environment Canada, the Department of Justice Canada, Natural Resources Canada and Human Resources Development Canada are a few examples of organizations that already have evergreen employment equity plans. These plans are blended into the departments' overall human resources management plan to manage and measure progress in closing the representation gaps for designated group members.

Environment Canada is noteworthy for its comprehensive and detailed employment equity plan. When combined with other projects, the plan clearly demonstrates the department's efforts to support diversity and employment equity. To date, the department has attained 99.5% of its 2005 objective for the representation of women, 94.5% for Aboriginal people, 71.7% for members of visible minorities and 69.9% for persons with disabilities.

Some of the reporting departments have implemented an employment equity action plan, but have failed to establish a clear link between this plan and their business and human resources management plans. The Commission expects that departments will continue to improve over time; meanwhile, treating representation in isolation may put their ability to improve their representation at risk.

4.3.3 Department-specific initiatives

Departments noted a number of training and other internal initiatives and measures, such as:

⮕ establishing employment equity networks and advisory committees;

⮕ nominating employment equity champions;

- developing and providing diversity training to managers, human resources practitioners and employees;

- regularly reviewing all human resources management policies to identify barriers and to highlight staffing values;

- regularly monitoring progress in implementing employment equity plans; and

- introducing projects to eliminate systemic barriers.

Among reporting departments, Health Canada has demonstrated one of the best examples of concerted efforts and investments to improve representativeness. Their actions redress deficiencies identified through the Canadian Human Rights Commission Tribunal Order issued in 1997. The department has gone beyond the desire to achieve representation numbers at the labour market availability level, to build a vibrant pool of employment equity group members for future advancement within the department and the Public Service. Its current performance in the area of representativeness shows that the combination of senior management accountability and leadership, strategic approaches, training investments, dedication of resources to achieve goals, and collective responsibility for both failures and successes can result in positive change.

Agriculture and Agri-Food Canada has also incorporated its representativeness efforts within its broader human resources management initiatives. The deputy head has determined that equal opportunities will exist for all, and so each departmental strategy and every staffing decision is undertaken with the needs of designated group members in mind, taking into account the overall needs of the departmental workforce.

4.3.4 Monitoring

Drop-off study

The PSC recently conducted a national study of the general recruitment process in a sample of departments to examine the sources and causes of the differences between the application and appointment rates (referred to as drop-off) of employment equity group members — particularly members of visible minorities. Three major steps in staffing were examined: PSC initial screening, departmental screening for the short lists and final selection.

Results indicated that drop-off exists in the general recruitment process. At the initial screening, where applications are generally assessed for the basic advertised requirements of citizenship, education, timeliness of application, linguistic profile and area of selection, drop-off was small and observed only for members of visible minorities with the main reason at this stage being lack of Canadian citizenship. When the screened-in applications were then reviewed by departments, primarily for appropriateness of experience, drop-off was again observed and was the highest for women with 6.5% dropping off due to their experience not meeting the advertised requirements. Members of visible minorities also dropped off at about half those rates, with 3.4% being eliminated due to experience not meeting the job requirements. From the application to the short list stage, there was drop-off for all employment equity groups, but the highest was for members of visible minorities at 5.7%. This figure was similar to that observed in the study on Post-Secondary Recruitment (5%) for the same staffing steps. As all possible reasons for elimination up to this point in the staffing process were associated with failure to meet *bona fide* job requirements, the causes of drop-off up to and including the departmental screening stage were deemed valid.

While study objectives were to assess drop-off through to the final selection stage, no definitive conclusions could be reached regarding that stage as the required information was not readily available without extensive search in departments. Where it was available, the study was able to compare rates of selection for women and for members of visible minorities and found that they were selected at the same rates — providing preliminary indications that there were no differential selection rates. A more in-depth analysis of the data suggested that drop-off is a complex process with more than one contributing factor. At the selection phase, members of visible minorities had the highest rates of elimination for not meeting the rated requirements. Recommendations primarily addressed the need for improvements in data capture, application processing, and communication with candidates, as these were the major impediments to a more effective monitoring and a complete study of the drop-off, as well as transparency of recruitment for Canadians.

Appointments

Table C presents the appointments to the Public Service by employment equity designated group compared to their labour market availability for the period of April 1, 2001 to March 31, 2002,

and for the same period in 2000-2001. Availability estimates are based on Statistics Canada labour market availability data adjusted to reflect the positions staffed during the fiscal year within the Public Service. These numbers are different from those published by the President of the Treasury Board because they reflect the total population in the Public Service at the end of the fiscal year.

When comparing external availability with appointments to the Public Service, it is apparent that persons with disabilities are still being hired below their external availability — as was the case last fiscal year.

Representativeness health check:

While work is underway at the departmental level to improve the overall representation of designated group members, the progress achieved to date has been limited to three of the four designated groups, as members of visible minorities are still under-represented. Data for the 2001-2002 fiscal year indicate that current hiring trends of designated group members will not be enough to remedy the situation. In order to reach the goal of a fully representative Public Service, greater effort from all managers in the system is required.

TABLE C: Appointments *to* the Public Service by employment equity designated groups

	April 1, 2000 to March 31, 2001			April 1, 2001 to March 31, 2002		
	Appointments to the Public Service	External availability	Gap	Appointments to the Public Service	External availability	Gap
	No.	%	%	%	No.	%	%	%
Women	9 056	58.1	50.8	+ 7.3	9 649	57.0	50.7	+ 6.3
Members of visible minorities	1 290	8.3	7.0	+ 1.3	1 735	10.3	7.2	+ 3.1
Persons with disabilities	485	3.1	5.4	- 2.3	488	2.9	5.2	- 2.3
Aboriginal peoples	722	4.6	2.2	+ 2.4	784	4.6	2.0	+ 2.6

Source: Appendix A, Table C — Staffing activities by type and employment equity designated groups

4.4 PROCESS VALUE: EQUITY OF ACCESS

Equity of access means that Canadians have equal access to employment opportunities with the Public Service, and that employment practices are barrier-free and inclusive.

As a result of the analysis of the merit values in our *2000-2001 Annual Report*, the Commission was not reassured that equal access to employment opportunities was the norm, nor were we able to determine that practices were barrier-free and inclusive throughout the Public Service. We argued that more work needed to be directed to changing the situation. A year has passed, and many tangible efforts are now underway to improve equity of access.

The assessment of departmental performance regarding all the process values of equity of access, fairness and transparency is partially attributed to an analysis of the following key indicators:

➠ the degree of manager and employee satisfaction with staffing;

➠ training in all the process values for those involved in making staffing decisions;

➠ the nature and frequency of communication at all levels; and

➠ the monitoring of trends in term and acting appointments, and in selection areas.

4.4.1 Monitoring term and acting appointments

A number of the 39 reporting departments are monitoring staffing actions to make sure that they make all term and acting appointments as a result of competitive processes. Among the departments that presented information and supporting documentation are Statistics Canada, Transport Canada and the RCMP. Each has provided evidence of an effective infrastructure to guarantee that all appointments are made on the basis of merit.

Some of the activities to support these process values by reporting departments are:

➠ training managers and those involved in staffing actions;

➠ reviewing staffing policies, guidelines, tools and training courses that explicitly deal with equity of access, fairness, and transparency, to make sure that they are gender-neutral, barrier-free and bias-free; and

➠ analyzing exit interviews.

In last year's Annual Report, the Commission voiced concerns about acting appointments — particularly at the Executive level — because of advantages incumbents might have in subsequent competitive processes. This fiscal year the PSC carried out some additional work on acting appointments, which clearly indicates that departments are still adjusting in response to a letter that the President of the Commission sent to deputy/agency heads on the matter. The Commission has concluded that the proper use of acting appointments is at the heart of the dilemma of meeting management and operational needs both efficiently and effectively, while maintaining the values of equity of access, fairness and transparency. To encourage departments to manage better their use of acting appointments, the PSC:

➠ is reviewing the *Manager's Handbook on Staffing and Recruitment*, the *Staffing Manual*, and training and development courses;

➠ is adding questions about selection processes and the duration of acting appointments before a promotion to the Programme of Special Surveys' questionnaire; and

➠ will continue to analyze the use of acting appointments at the Executive levels to determine whether any improvements have been made.

As part of the Commission's commitment to improving the access of persons with disabilities, we have undertaken two projects:

➠ with the Treasury Board, we have developed a new policy on the *Duty to Accommodate Persons with Disabilities in the federal Public Service*; the policy covers both employees and candidates for employment; and

➠ we have developed *Guidelines for Assessing Persons with Disabilities*, and hired an expert in the area of assessing persons with disabilities; the expert will streamline and systematize consultations on assessment of persons with disabilities, and provide leadership in this increasingly complex area.

On March 8, 2002, the Supreme Court of Canada handed down its decision in the case of *Lavoie v. Canada*. The case challenged the constitutionality of the provision in the *Public Service Employment Act* that allows open competitions to be confined to Canadian citizens, where it is expected that there will be enough qualified Canadian citizens for the available positions. In its decision the Supreme Court dismissed the appeal and found the preference for citizens to be constitutional. Consequently, the decision will not affect existing policies and procedures for equity of access.

4.4.2 Increased access to Public Service jobs

To improve labour mobility, increase regional and cultural diversity in federal decision-making, and equity of access to Public Service jobs, the Commission is in favour of gradually moving away from using geographically based areas of selection toward a national area of selection. As a result of concerns raised by various stakeholders, we are introducing a measured approach to find

the right balance between access to federal employment for all Canadians and the wise use of taxpayer's money.

In October 2001, a national area of selection for senior officer-level positions (Executives and two levels below) was implemented in the National Capital Region, and was expanded to all other regions in November 2001.

The PSC has conducted a number of regional pilot projects — in the National Capital Region, Vancouver Island, Saskatchewan, Eastern Quebec, and New Brunswick — that examined the impact of using a national area of selection for external recruitment for lower and middle officer positions. The pilot projects looked at the effects on the volume of applications, workload, costs, the time it took to staff positions, and the loss of local preference. The pilot projects' requirement to use a national area of selection for jobs ended on March 31, 2002. Because many of the pilot-project competitions are still ongoing and will not likely be finalized by departments for several months, complete data were not available for this report. Initial indications were that the volume of applications increased significantly when a national area of selection was used. The results of the projects will be presented to Parliament and will be discussed in detail in our 2002-2003 *Annual Report*.

The PSC has made progress in increasing access for all Canadians to federal Public Service jobs: 22% of jobs open to the public were posted across the country in 2001-2002 compared to 17% in 2000-2001. The remaining jobs were restricted to one or more regions of the country: 25% were restricted to residents of the National Capital Region, while the other 53% were restricted to residents of other regions of the country.

4.4.3 Gauging obstacles to career progress

May 2002 marked the launch of the second Public Service-wide Employee Survey that was distributed to all employees of departments and agencies for whom Treasury Board is the employer. The survey was designed to obtain employee input on organizational effectiveness, well-being and overall climate within individual workplaces. The results of the Employee Survey will be made available in the fall of 2002 — and will be highlighted in the *2002-2003 Annual Report*. Worthy of note, at this juncture, are the questions regarding perceived obstacles to career progress that invariably affect equity of access.

That is:

➠ employees were asked whether they were satisfied with their career progress in the Public Service; and

➠ to what extent, if at all, have any of the following adversely affected your career progress in the Public Service over the last three years (conflict between work and family or personal obligations; lack of access to language training in the other official language; lack of access to learning opportunities; lack of access to developmental assignments; lack of information about job opportunities; restriction in the area of competitions; level of education; and discrimination).

Equity of access health check:

Efforts over the 2001-2002 fiscal year both at the departmental and system-wide levels have improved equity of access. Work needs to continue in this regard — particularly on the use of national areas of selection — in order to maintain the progress achieved to date and to ensure that practices remain barrier-free and inclusive.

4.5 PROCESS VALUE: FAIRNESS

Fairness means that decisions are made objectively, free from political or bureaucratic patronage, and that practices reflect the just treatment of employees and applicants.

In 2000-2001, the Commission concluded that, overall, the staffing system was fair. The problem lay in the perceptions to the contrary that were largely the result of problems within the workplace environment. We held managers accountable for resolving the problems to improve negative perceptions. Our assessment of the staffing performance of 39 departments reveals that some headway is being made.

4.5.1 Employee satisfaction

Most of the reporting departments have different practices in place to confirm management and employee satisfaction with fairness. Conducting employee opinion surveys and acting upon the results to increase the satisfaction of staff is a positive practice reported by many departments. The results of the 1999 Public Service-wide Employee Survey and subsequent departmental action were regular sources of information used by departments to assess the degree of satisfaction among employees.

The RCMP has sound practices that uphold this staffing value, such as Personnel Psychology Centre testing, work-life balance issues, and regular and appropriate consultations and surveys with managers and employees.

The Canadian Grain Commission has made concerted efforts to make the value of fairness part of its operations, including investments to build more positive employee perceptions of selection processes by training provided to managers and staff, and leveraging technology to disseminate educational information.

4.5.2 Recourse

The lack of analysis of recourse activity in several departments causes us some unease. Most departments detailed the number and disposition of recourse actions, but did not describe what remedial action was taken to resolve problems at a departmental level. The Commission is concerned that many departments did not do more to analyze causes of recourse requests, and did not make more use of alternative dispute resolution. Recent survey results indicated that close to 19% of appointees surveyed expressed an interest in obtaining information on recourse options — such as post-boards, mediation and appeals — from their human resources advisors or the PSC.

4.5.3 Monitoring

Results of the PSC's review on *Competency and Fairness* indicate that while the majority of employees report that staffing is fair in their departments, many perceive fairness to be at risk. Managers identify many challenges to fairness in the staffing process since it involves not only decisions about how to conduct the staffing process, but ongoing communications with employees and candidates during the various stages of the process to explain how fairness is being defined and carried out in the particular staffing action.

The findings also demonstrate the close linkages between the values of fairness and transparency, and underline the importance for managers to pay attention to their communications with employees and candidates in staffing actions.

It will be interesting to note the results of the second Public Service-wide Employee Survey that are expected to come out in the fall of 2002. Information will be provided on issues related to one's skills and career, as well as staffing within the work unit. As over 104,000 employees participated in the first Public Service-wide Employee

Survey of 1999, the Commission expects that the results of the second survey will provide a wealth of information regarding this value.

Fairness health check:

In 2000-2001 the Commission believed that, overall, staffing practices were fair. The evidence gathered points to improved perceptions in this regard. The litmus test, however, is yet to come. As 60% of the respondents to the 1999 Public Service-wide Employee Survey indicated that the selection process is fair, it will be interesting to compare these results with those of the second Public Service-wide survey due in the fall of 2002.

4.6 PROCESS VALUE: TRANSPARENCY

Transparency means that communication with employees and applicants about resourcing practices and decisions is open.

In the *2000-2001 Annual Report*, the Commission affirmed that transparency was not sufficiently practiced, and that more attention was needed both within departments and throughout the Public Service to guarantee that resourcing practices and decisions are transparent.

4.6.1 Union involvement

Among the 39 departments that reported this fiscal year, some improvements have been made. Twenty-eight departments consulted their unions about the staffing accountability report. A number of departments demonstrated that the unions are also consulted on proposals for internal resourcing authorities and guidelines before their official release to managers and human resources consultants.

Human Resources Development Canada provided clear evidence that the unions were highly involved with both the employment systems review process and the employment equity plan.

4.6.2 Communication

Widespread use of the Intranet, regular distribution of information from the deputy/agency head and other means of communication play a crucial role in supporting transparency. Departments provided managers and employees with information on a variety of human resources management issues, including career opportunities and learning.

One of the best examples the Commission identified was the PSC's own practice of providing employees with a weekly reminder of the career opportunities available within the department. This ready source of information allows employees to determine at a glance whether a career opportunity is available, and serves as a timely reminder to employees to submit their candidacies for positions of interest. The PSC's electronic orientation site is also worthy of note.

Interviews conducted for the PSC's review of *Non-Partisanship and Transparency in Staffing* indicated that transparency goes beyond actions related to individual staffing decisions — it includes broader communication issues. Individual staffing actions are perceived as transparent if there is open communication about them, and a general openness about staffing and related issues in the organization. Indeed, the review found that it might be the perception of transparency that is most important.

4.6.3 Department-specific initiatives

The review of *Non-Partisanship and Transparency in Staffing* found that some departments and agencies are making concerted efforts to keep the lines of communication open.

The Atlantic Canada Opportunities Agency has taken steps to minimize complaints resulting from a perceived unfair advantage of employees in acting positions. Whenever feasible, the Agency advertises acting appointment opportunities, and requires interested employees to compete for these opportunities. For acting appointments not resulting from a competitive process, the Agency makes every attempt to minimize the duration of the appointment, and conducts a competitive process as early as possible. It has also offered to all interested employees on an equitable basis a number of developmental opportunities in which two or more employees act in rotation.

The Atlantic Region of Indian and Northern Affairs Canada publishes a weekly *Staffing Action Report* that outlines all current staffing actions and provides information such as position title, classification, type of staffing process, tenure and successful candidates. The Report keeps employees informed of staffing matters and reflects the value of transparency in staffing.

4.6.4 Monitoring

The review of *Non-Partisanship and Transparency in Staffing* indicated that although managers and human resources specialists were at ease in defining transparency, many admitted that making processes transparent and applying this value in day-to-day staffing actions and decisions are not so simple. Human resources specialists believe the solution to improving perceptions about transparency is to exhibit a consistent approach over time by staffing in a transparent manner. They maintain that this will eventually build trust. Several managers also indicated that non-transparent staffing affects staff morale and motivation negatively, and can lead some to leave.

Human resources specialists, union representatives and most managers agree on the importance of transparency as a central value in staffing. Some even go so far as saying that it is the cornerstone of the values, because they are aware of how important it is for employees to understand what is going on in staffing processes.

Even though most individual staffing actions seemed justified by their specific context, the review found evidence of three factors that collectively have a detrimental effect on transparency, as well as on the other staffing values:

➠ a preference for short-term staffing through term appointments (often by appointments without competition from outside the Public Service) and re-appointments;

➠ a high incidence of closed competitive processes won by persons previously acting in the unit; and

➠ inconsistencies as well as a lack of rationale about the exercise of authorities for appointments without competition.

On communication, the second cycle of the Programme of Special Surveys asked managers whether any feedback or follow-up was provided to participants of a competition after the selection process. The findings indicated that 73% of the managers said yes — these results are consistent with the results of the first cycle, which were reported in last year's Annual Report.

Transparency health check:

While some effort has been made to improve communication regarding resourcing practices — the focus has been centered at individual/transactional levels. The Commission believes that transparency might very well be the linchpin that ties all the values and principles together and is key to the overall health of the merit system. As such, managers must ensure that resourcing strategies and decisions are clearly communicated to all stakeholders in the system. At present, the Commission is still not satisfied with what has been accomplished to date.

4.7 MANAGEMENT AND SERVICE DELIVERY PRINCIPLES: FLEXIBILITY AND AFFORDABILITY/EFFICIENCY

Flexibility means that resourcing approaches are adapted to the specific needs of the organization.

Affordability and efficiency mean that resourcing approaches ensure good value for money and are simple, timely and effective in their delivery.

Departments were not asked to report on these principles in their annual staffing accountability reports this fiscal year but will be asked to share this information when they report in the fall of 2002. As noted in our previous Annual Report, however, the Commission believes that a comprehensive picture of the overall health of the merit system cannot be obtained without discussing them. In 2000-2001, we maintained that the

flexibilities that already existed within the system were not being used to their full extent by departments — even while work to simplify the staffing system was underway.

Although the Commission fully supports the modernization of human resources management, our view has not changed. We believe that a number of flexibilities and efficiencies already exist within the current staffing system. We have added a number of others during the 2001-2002 fiscal year, that are described below, but it is up to the managers to make sure that they are used responsibly in day-to-day staffing operations within their respective departments. The Commission believes that the failure of many departments to take full advantage of these flexibilities and adapt them may very well undermine the credibility of the system and the values on which it is based.

4.7.1 Amendments to the Regulations

As discussed in Chapter 2 of this Report, Parliament amended the *Public Service Employment Act* in 1993 to introduce the concept of "individual merit". This provided the basis for two substantive amendments to the *Public Service Employment Regulations* over the course of the 2001-2002 fiscal year that the Commission approved.

The first provides for appointments from pools of pre-qualified candidates. Using these pools can lead to increased efficiency in staffing, because one process can serve to fill several vacancies. Managers do not have to assess the same employees repeatedly for similar positions, and qualified candidates are available when a vacancy occurs. Employees, moreover, do not have to apply to many competitions for similar positions.

The second amendment concerns appointments to positions for which there is a shortage of qualified candidates. Merit will be based on a person's being qualified in relation to a standard of competence, rather than in relation to the competence of others.

The change will be of particular interest to departments, agencies and functional communities facing severe recruitment problems. It will improve efficiency and effectiveness as the Public Service competes with other sectors for highly qualified individuals.

4.7.2 Pre-qualified pools

The Commission has delegated to departments the authority to appoint from pools of pre-qualified candidates, within a strict management framework. By delegating this authority to all departments, we have improved access to one department's approved pre-qualified pool by other departments. This delegation not only promotes partnering and a sharing of the workload, but also makes sure that all departments are accountable for their staffing decisions. It also aids the establishment of pre-qualified pools for functional communities. Delegation of this authority will be piloted to interested departments in order to allow for the monitoring of the pre-qualified pool process.

A simplified recourse system for pools of pre-qualified candidates has also been introduced. Recourse for unsuccessful candidates — including review by a third party — is now available where and when a decision is made. Since a complaint is based on individual interests, the level of information to be reviewed will be significantly reduced, compared to the appeals system, and the time and resources required for a review will be much lower. Providing independent third-party review at all decision points was considered essential by union representatives, because it would prevent personal favouritism and any potential abuses of individual merit appointments.

4.7.3 Electronic testing

The PSC conducted a highly successful e-testing pilot project during the fall 2001 Post-Secondary Recruitment campaign. A cognitive ability test, written communication test and situational judgement test were administered on-line for the first time. Results indicated that scoring time and expense were dramatically reduced, and candidate feedback was very positive. A preliminary cost analysis of delivering the tests indicates a potential saving of 57%. The time savings are estimated to be about 85%. From the client's perspective, the time drops from 2-6 weeks to a few hours, depending on the test.

4.7.4 Recourse

The Commission has decided to promote and market the Early Intervention in Appeals Program based on positive feedback received from a pilot project conducted in the Atlantic Region. Early Intervention is an informal, non-adversarial process that provides an opportunity for the parties to enhance workplace wellness by resolving issues prior to a formal appeal hearing. Among the participants, 89% indicated that they would recommend the program to others and 71% indicated that the program was successful. Last year, the percentage of appeals withdrawn rose from 66.7% in 2000-2001 to 71% in 2001-2002. These results are partially attributable to the increasing use of early intervention meetings.

The appeal process has long been cited as one of the causes of inefficiencies in the staffing system. Repeated requests for extensions to the disclosure period account for much of the criticism, and have proven to be a major source of prolonging staffing. (Disclosure is the process by which parties in an appeal have access to relevant information and documentation, and generally exchange information, including the detailed allegations, before the appeal hearing.) Although the parties have 45 days to disclose information, the Commission

has determined that in many cases extensions are requested because neither party has taken steps to disclose until well into the period. To achieve a more expeditious handling of appeals, Appeal Boards will rigorously apply the standard of reasonable grounds when they consider requests for an extension of the period of disclosure. They will consider requests for extensions only if requests show that the parties did indeed begin the disclosure process in good faith from the beginning of the period, and if the requests include legitimate reasons why the 45 days were not sufficient.

4.7.5 Appointments without competition from outside the Public Service

The Commission is considering delegating the authority to make appointments without competition from outside the Public Service to deputy/agency heads. Given the perceived risk to the staffing values of non-partisanship, transparency, equity of access and fairness, this delegation will be subject to the development of an appropriate departmental framework for managing this authority. In light of this, a number of pilot projects are being carried out with departments — primarily those facing recruitment challenges related to new security measures. Results of the pilot projects will help to determine what works best in a variety of settings, and will shape the nature of any subsequent delegation. The Commission will decide whether to delegate this authority broadly after the projects are evaluated during the 2002-2003 fiscal year.

4.7.6 Students

The Commission has approved amendments to student re-hiring and bridging mechanisms that apply to the Co-op Education and Federal Student Work Experience programs. These bridging mechanisms facilitate the appointment on a without competition basis of former students brought in through these programs by the deputy/agency head.

The changes will further streamline the hiring of experienced students, because amendments to Exclusion Approval Orders or related regulations are not required; will help students diversify their work experience within the federal Public Service, increasing their competence and their employability during and after completion of their educational program; will make the federal Public Service more attractive to students and increase their mobility between organizations; and will place additional authorities in the hands of deputy/agency heads, which might lead to better human resources planning.

4.7.7 Executive resourcing

Canadian Heritage and Western Economic Diversification Canada are two departments that have entered into formal agreements with the Commission to staff positions at the Executive level. These Strategic Executive Staffing agreements allow departments to move away from transactional staffing — to be more strategic in how they plan and fill vacant positions at the Executive level. They also provide the flexibility to address the particular human resources needs that are unique to a department, and the ability to adjust to unexpected operational requirements. During 2001-2002, we have also delegated a number of new authorities that must rest with the deputy/agency heads, as they cannot be sub-delegated further within the department.

4.7.8 Amendments to selection and assessment standards

Through the *Generic Standards for Selection and Assessment*, the Commission establishes and communicates basic assessment and selection principles to create a solid basis for staffing decisions. Recent Federal Court of Canada decisions have highlighted a need to make sure that staffing practices are more clearly understood. In response, the Commission has amended the standards for the review of qualifications, the roles and responsibilities of managers and selection boards, and *bona fide* occupational requirements and accommodation in assessments.

4.7.9 New chapters for the Manager's Handbook

The *Manager's Handbook on Staffing and Recruitment* provides clear and concise information on staffing and recruitment and is routinely updated to keep managers informed of new flexibilities. Two new chapters have been added. Chapter 5 outlines the flexibilities and tools that managers can use to achieve employment equity recruitment objectives. The case for employment equity is presented from business, legal and human resources management perspectives. Chapter 6 provides basic information about priority appointments and how to use this special appointment tool. It offers a concise overview of the legal foundations of priority appointments, and the manager's role and responsibility in applying priority entitlements.

4.7.10 Speed of staffing

As discussed in the *2000-2001 Annual Report*, the time it takes to staff a position in the Public Service has been much talked about for many years, and various stakeholders within the staffing system have raised the speed of staffing as a major source of concern. Yet little objective evidence has been available to quantify the issue. To benchmark staffing time, the PSC added a number of questions on staffing time to an ongoing survey targeting indeterminate recruitment, indeterminate promotion and term-to-indeterminate movement through competitive processes.

Analysis of the responses indicated that those positions that were the slowest to staff had quite different characteristics — including the numbers of candidates and appointees — from the average position staffed. Consequently, it is questionable whether it is fair to compare many of the processes in the slowest quartile — that is, the slowest 25% of all staffing actions — to the rest because of the size and scope of many of the processes. Had these large processes been broken down into several smaller ones, it is likely that the overall staffing time as measured in the survey would have been less. Overall efficiency, however, may have suffered had there been such a breakdown into several smaller processes.

The large number of applicants in the processes that took longest to staff was an important factor in the time that was needed to staff. An average of three times as many applications were received for positions in the slowest quartile than were received for all positions. There was also a higher proportion of time spent in assessing candidates in the slowest quartile — not surprisingly, given the higher number of applications and appointments. In some sense, these large processes represent one of the solutions to the speed of staffing issue, i.e., staffing from pre-qualified pools, except that in this latter case, the clock is started after the assessment has been completed.

If these "bulk" processes are excluded on the basis of the above, the overall elapsed time for staffing an indeterminate position through a competitive process is estimated to be on average 14 weeks, a number identical to the median, indicating a relatively normal distribution for these processes.

An estimated 51% of all indeterminate recruitment, promotions and term-to-indeterminate movement are non-competitive processes. While generally the non-competitive processes were not covered by the survey, a small number of these processes were reviewed and it was found that these categories are staffed about three times faster than the estimated average for the competitive processes. On the basis of this, it is clear that the average time to staff across all indeterminate staffing processes is significantly less than 14 weeks — which compares favourably to other jurisdictions as well.

The Advisory Committee on Senior Level Retention and Compensation, headed by Lawrence F. Strong, recommended that 60 working days be the benchmark for Executive staffing. The PSC had reported at the time (May 2000) that it took 16 weeks or 80 working days to staff these positions. The PSC is pleased to report that despite an increasing workload, the current timeframe has now been reduced to 55 working days this 2001-2002 fiscal year.

In the future, however, care will need to be taken to ensure that the appropriate balance is struck between the need for greater speed in hiring and the need to ensure that Canadians have access to Public Service employment opportunities, and that employees have opportunities for career development through mobility.

Flexibility and affordability/efficiency health check:

There is evidence that staffing times are declining except when large-scale competitive processes are used to find the most talented candidates. While the Commission has added a number of flexibilities over the 2001-2002 fiscal year —

it is up to the managers to ensure that they are used responsibly in day-to-day staffing operations. As seen in other areas of government, we cannot simply focus on results or speed as this erodes attention away from fairness and transparency and, therefore, reduces the credibility of the system.

4.8 Overall assessment of the values and principles

This is the second year that the Commission is reporting on the overall health of the staffing system from a values-based perspective. This assessment is based not only on a multitude of studies and surveys but also on an analysis of the staffing performance of 39 departments. We believe that this is a very solid foundation for the overall assessment — which will only be strengthened next fiscal year as 72 departments will be reporting in 2002-2003. The following list contains all of the health checks that appear in this chapter under each merit value and management and service delivery principle discussed:

Competency health check:

The Commission believes that, overall, the staffing system appoints competent employees both to and within the Public Service, however, areas of concern such as the use of casual and short-term hiring still need to be addressed. While some progress is being made regarding long-term HR planning as evidenced by linkages to business plans, particularly with respect to the larger departments, more effort is needed from all departments and agencies regardless of size. The Commission is concerned that, without the benefit of HR plans, managers will continue to focus on expediency rather than the very competent individuals that the Public Service will need to address Canada's future challenges.

Non-partisanship health check:

There is strong evidence to suggest that the current system is working well and that political patronage is not a major source of concern. Staffing practices such as long-term acting appointments and appointments without competition from outside the Public Service, while justified in their specific contexts, might lead to perceptions of bureaucratic patronage (personal favouritism) as these tend not to be as transparent as other competitive processes. In light of these perceptions, deputy/agency heads are encouraged to use more transparent processes or, at the very least, to use long-term acting appointments and/or appointments without competition from outside the Public Service only when they can be justified as being in the public interest.

Representativeness health check:

While work is underway at the departmental level to improve the overall representation of designated group members, the progress achieved to date has been limited to three of the four designated groups, as members of visible minorities are still under-represented. Data for the 2001-2002 fiscal year indicate that current hiring trends of designated group members will not be enough to remedy the situation. In order to reach the goal of a fully representative Public Service, greater effort from all managers in the system is required.

Equity of access health check:

Efforts over the 2001-2002 fiscal year both at the departmental and system-wide levels have improved equity of access. Work needs to continue in this regard — particularly on the use of national areas of selection — in order to maintain the progress achieved to date and to ensure that practices remain barrier-free and inclusive.

Fairness health check:

In 2000-2001 the Commission believed that, overall, staffing practices were fair. The evidence gathered points to improved perceptions in this regard. The litmus test, however, is yet to come. As 60% of the respondents to the 1999 Public Service-wide Employee Survey indicated that the selection process is fair, it will be interesting to compare these results with those of the second Public Service-wide survey due in the fall of 2002.

Transparency health check:

While some effort has been made to improve communication regarding resourcing practices — the focus has been centered at individual/transactional levels. The Commission believes that transparency might very well be the linchpin that ties all the values and principles together and is key to the overall health of the merit system. As such, managers must ensure that resourcing strategies and decisions are clearly communicated to all stakeholders in the system. At present, the Commission is still not satisfied with what has been accomplished to date.

Flexibility and affordability/efficiency health check:

There is evidence that staffing times are declining except when large-scale competitive processes are used to find the most talented candidates. While the Commission has added a number of flexibilities over the 2001-2002 fiscal year — it is up to the managers to ensure that they are used responsibly in day-to-day staffing operations. As seen in other areas of government, we cannot simply focus on results or speed as this erodes attention away from fairness and transparency and, therefore, reduces the credibility of the system.

CHAPTER 5:

Key issues and recommendations for a results-centred staffing system

5.1 UPDATE ON MAJOR ISSUES IMPACTING THE STAFFING SYSTEM

In the *2000-2001 Annual Report*, the Commission discussed three issues impacting the staffing system that were central to achieving a renewed Public Service workforce. As discussions about human resources management reform were beginning, we also expressed concern about the emphasis being placed on the efficiency of the recruitment process, and reiterated our conviction that merit — as reflected in all staffing values and principles — was central to guaranteeing Canadians the high quality services they depend on. The Commission remains convinced that legislative change in itself will not be sufficient to ensure the recruitment and retention of the talent the Public Service requires for the future.

This chapter discusses the progress being made in addressing issues critical to a successful staffing system, and highlights the challenges that remain. The discussion points to the necessity of maintaining momentum on these staffing issues at a strategic, system-wide level.

5.2 HUMAN RESOURCES PLANNING

5.2.1 The problem of short-term hiring

As discussed in Chapter 4, staffing processes and development programs are resulting in the appointment of competent individuals. However, the Commission's analysis of recent hiring and staffing activity data demonstrates the persistence of a culture of short-term hiring. Our assessment

of departmental staffing accountability reports indicates that progress is being made with systematic human resources planning, especially among several larger departments. It is not, however, an established part of all departmental planning. As the health check on competency illustrates, the Commission considers this to be an area of risk if it is not properly addressed. Appropriate strategies must be put in place to meet longer-term needs.

5.2.2 Barriers to human resources planning

Several factors contribute to the pattern of short-term hiring. These include workload pressures, temporary staff absences from the workplace, constraints posed by the availability of short-term funding, beliefs about the operational advantages of trying out new staff temporarily to avoid lengthy dismissal processes, and perceptions about the complexity of the staffing system. The general lack of human resources planning information also reinforces this approach of hiring on a short term, as-needed basis, particularly in the absence of plans for the longer term. As a result, departments often fill vacancies with casual and term employees instead of hiring indeterminate staff. While appointment data show some positive movement away from short-term hiring to more indeterminate hiring, this trend is incremental. The traditional patterns of the contingent workforce are still apparent.

The Auditor General of Canada has voiced similar concerns about the reliance on short-term hiring, and has identified the need for human resources planning to support a longer-term approach to recruitment.

5.2.3 Renewal and demographic shifts

In July 2000 the Committee of Senior Officials' Subcommittee on Recruitment issued its report on *Recruitment and Results*. Chaired by the former Clerk of the Privy Council, the Subcommittee identified the recruitment imperatives facing the Public Service. The resulting action plan set out priorities to be addressed over a three-year period. Of particular note was the focus on increasing recruitment of new post-secondary graduates, and on improving the representation of designated group members in the Public Service. Some progress has been made with these renewal efforts.

To be representative, the Public Service should reflect the Canadian Labour Market. The PSC's report on *The Road Ahead: Recruitment and Retention Challenges for the Public Service* (February 2002) noted that all sectors of the economy will face problems with the exodus of the baby-boom generation from the labour force between 2005 and 2020. Recent research indicates that if past trends continue, 40-45% of those who are eligible will actually retire. Managing this issue over the years ahead points to the need to replenish feeder groups within the Public Service. This need for continued attention to Executive succession planning and renewal has been highlighted in a recent follow-up Report to the Subcommittee. This Report identifies opportunities for mobility and access to language training among senior Executives and their immediate feeder groups as two issues requiring further action. In response, additional research to be completed in the fall of 2002, will provide a closer look at the profile of the feeder groups to the senior management level, including their training and development needs.

Retirements will be exacerbated by the baby bust: low birth rates in the late 1970s and early 1980s. Statistics Canada projects a continual decline in youth as a percentage of the population up to 2021. The result will be a reduced supply of new labour market entrants over the next decade. At the same time, the Public Service is experiencing a rapid pace of economic, technological and scientific change that will continue to affect the nature of duties at work.

The image of the newly hired indeterminate employee of the Public Service as a young recruit with no substantial work experience is not accurate. *The Road Ahead* reveals that only 31% of the respondents to the survey of new hires fit this profile. Most employees surveyed were between 30 and 39 years old, and new hires are highly educated, with 59% possessing a post-secondary degree.

The Commission has supported renewal efforts by redesigning the Post-Secondary Recruitment Program. The PSC's *Report on Post-Secondary Recruitment to the Public Service* (May 2002) describes the evolution of the recruitment program, the innovations made in extending the reach of the Public Service to students and in responding to departmental needs. The results of these efforts are illustrated by the 22,305 applications received in the fall 2001 campaign, representing an 80% increase over the number of applications received for the same campaign in the previous year (fall 2000). The PSC has recently made further improvements so that post-secondary recruitment is now conducted continuously, with the active participation and partnership of departments and the Treasury Board as the employer.

To ensure a workforce able to deliver quality services and programs into the future, active guidance is needed to assist departments who have not yet integrated human resources planning into their management approach. Because this issue has a direct impact on recruitment and staffing throughout the Public Service, it is critical that the Treasury Board as employer take the lead in guiding departments.

Recommendation

The Commission recommends that the Treasury Board as employer lead departments with a focused and targeted approach to human resources planning.

5.3 Electronic recruitment

In the *2000-2001 Annual Report* the Commission identified the necessity of continuing to build e-recruitment capability in the Public Service of Canada. This was aimed at improving access to job opportunities, our competitiveness as an employer, and the speed of staffing — both to attract qualified candidates and to guarantee our ability to meet short- and longer-term competency requirements.

The Commission continues to view this technology as an important tool for achieving a representative Public Service, by reaching a broader pool of candidates in an accessible manner. We recognize that these benefits come at a cost, and that e-recruitment requires a significant investment in order to reduce ongoing operating costs.

While the technology offers many advantages, the Commission remains aware of the need to make sure that it supports our Public Service values. This is not a matter of pursuing some values and principles at the expense of others, but of maintaining a balance among all. As the Task Force on Public Service Values and Ethics has reminded us:

> *Recent public service reforms have aimed to reduce complexity and rigidity in contracting, procurement and appointment processes. Yet it seems to us that public organizations must maintain a careful balance: they should protect merit, equity and neutrality, even as they pursue efficiency, responsiveness and organizational performance. A public organization does not and cannot enjoy the "flexibilities" of private sector organizations. It will always have to meet higher standards of transparency and due process in order to allay any fears of favouritism, whether internal or external. For this reason, neutrality and merit remain values fundamental to maintaining confidence in the public service as a great Canadian institution serving the common good.*

The Internet has revolutionized recruitment, creating a new playing field with new rules. Applicants are increasingly technology-savvy and want to interact with prospective employers on-line. Speed is the hallmark of this new labour market. Advances in technology and increased competition among recruiters have combined to accelerate the hiring process. By exploiting Internet technology, private-sector firms have cut the length of the hiring process by 30-50%. E-recruitment results in faster posting of jobs, faster response by candidates and faster processing of applications once they are received.

The impact of technology is illustrated by the increase in the volume of electronic applications to the Public Service for Internet recruitment

> **E-recruitment is critical to modernizing human resources management and requires significant investment.**

processes. Over the past year there has been an increase of approximately 70% in the number of applications for jobs posted on the Internet, with an average of 111 applications per job during 2001-2002 compared to 65 in the previous year.

It is expected that the volume of applications will increase even further if the Commission changes its area of selection policy to increase access to public service jobs. Initial results from a pilot project evaluating the impact of using a national area of selection for external recruitment of entry- and middle-level officer positions indicate that there has been a substantial increase in the volume of applications, which has increased the PSC's workload significantly and will likely have a similar impact in departments.

Harnessing the power of Internet technology to carry out on-line screening and other staffing processes is the best means of resolving the workload problems associated with increased volumes, particularly as we move to broaden areas of selection; and can assist in ensuring fairness since technology-based assessments are impartial. The Task Force on Modernizing Human Resources Management in the Public Service is reviewing the human resources policy framework, looking at changes that will enable current recruiting and staffing processes to be simplified. The application of e-recruitment technologies to the new human resources system is critical for modernizing human resources management.

Supported by a revised policy framework, e-recruitment and staffing can deliver cost savings and cost-avoidance benefits by automating, simplifying and streamlining human resources processes and by delivering that service directly to employees, managers and applicants.

5.3.1 E-recruitment and competitiveness

Coping with the need to recruit and retain new talent and to remain competitive in a labour market projected to continue to be very tight, poses a challenge well into the next decade. The PSC's research has determined that e-recruitment is particularly important in increasing the competitiveness of the Public Service as an employer by permitting broad exposure to potential candidates — particularly knowledge workers and members of visible minorities.

A Conference Board of Canada symposium in February 2002 explored further research on attracting, managing and keeping talent in the government sector. From an employee point of view, e-recruitment is viewed favourably because it speeds up recruitment. From the point of view of students as potential employees, technology is used as an everyday tool. Their expectations about whether an employer is attractive are more related to the content of the messages sent using technology. For example, they clearly want to hear about learning and development opportunities. This is consistent with the findings of the PSC's research based on surveys of students and of new hires. The Public Service needs to consider these issues as it re-engineers staffing processes, designs and implements e-recruitment technology and targets its marketing messages appropriately.

5.3.2 E-recruitment activities

In 2001-2002, the PSC continued its commitment to use the Internet as an effective means of assisting managers and human resources professionals reach top-notch applicants; and continued to expand and support existing e-recruitment infrastructure and systems. The PSC's Internet recruitment site (*jobs.gc.ca*) was visited more than 1,300,000 times per month. Visitors sought job opportunities and applied on-line to a variety of job openings. During the year 83.5% of applicants applied on-line through the general recruitment program, as did 100% of applicants to the Post-Secondary Recruitment Program.

Expanding the PSC's e-recruitment capability is the objective of a pilot project that is being conducted in partnership with departments in the Central and Southern Ontario Region. The pilot project examines the organizational implications of using smart systems to help re-engineer recruiting operations. We will evaluate the project in fall 2002 to assess improvements in public access to federal government job opportunities, selection choices of hiring managers, and the speed of recruitment. The results of this evaluation will be further discussed in the next Annual Report.

The redesigned Post-Secondary Recruitment (PSR) Program introduced in 2001 illustrates some of the benefits associated with e-recruitment for hiring managers and for candidates:

➡ complementing fall and winter campaigns with a facility to post PSR opportunities year-round;

➡ managers can tailor application forms to include questions for specialized positions allowing electronic matching of student qualifications with job requirements;

➡ scoring tests electronically means the results are produced within hours;

➡ an active inventory of partially assessed post-secondary graduates is continuously available;

➡ referrals are faster — within 48 hours for positions not requiring testing, compared to several weeks previously, and a reduction from eight weeks to an average of two weeks for positions requiring testing; and

⏺ candidates can track their applications at each stage of the selection process.

As was noted earlier in this Report, e-recruitment has resulted in an increase in the number of applications received by the Program, with the fall 2001 campaign experiencing an 80% increase over the same campaign in 2000.

During the year, the Commission recognized the need to expand collaboration and sharing of e-recruitment and staffing initiatives and solutions within the human resources community. We undertook the work under the auspices of the Treasury Board Secretariat's e-HR project. The project will provide a Web-based human resources portal that will consolidate, rationalize and co-ordinate human resources information, processes and services through a single user-friendly window.

There are also a number of e-recruitment initiatives underway across the Public Service in those organizations to which the Commission has delegated authority for recruitment. Off-the-shelf applications designed to automate aspects of recruiting and staffing have evolved significantly in both scope and sophistication over the course of the past few years and are being used by some departments. Other departments have developed in-house systems for one or more recruitment functions. However, the tendency has been toward isolated solutions that meet a particular need. There are very few end-to-end e-recruitment solutions and for the most part, Internet entry systems still feed a paper-based recruitment process.

5.3.3 Challenges

Some departments and agencies have acquired or developed tools to support their recruitment and staffing needs. There is a growing body of departmental e-recruitment knowledge and solutions that hold promise for wider use and sharing across the federal government. The challenge is to balance the corporate, government-wide view of e-recruitment and staffing with the unique needs of departments and opportunities to exploit established successes.

Research done in the private sector has shown that there is a substantial return on investment in e-recruitment technologies. Improvements in the speed of the recruitment process and the ability to make a better match between candidates and requirements will result in a more efficient and effective system — but not without initial and continuing investments in people, processes and technology. This system-wide investment has been lacking in the past.

Recommendation

The Commission intends to foster learning through the sharing of e-recruitment, staffing best practices and tools, as well as work collaboratively on common government-wide e-recruitment and staffing strategies and solutions that are in line with the aims of modernizing human resources management.

The Commission recommends that Treasury Board ensure adequate and continuing levels of investment for the expansion of e-recruitment and staffing capabilities throughout the Public Service.

5.4 Human resources capacity

5.4.1 The challenge

Last year the Commission flagged human resources capacity as an issue requiring immediate attention. At that time, we noted that resourcing in the human resources sector affected the capacity of the community to handle current workload pressures and to prepare for future challenges. The Treasury Board Secretariat's Human Resources Community Secretariat had indicated that the system needed to invest in developing a critical mass of highly qualified human resources professionals.

The challenge was twofold: new hires into the Public Service were necessary to alleviate the scarcity of human resources professionals, and an investment was needed in the form of training and work experience to assist existing staff acquire new competencies and mentor the new recruits. Similar concerns were raised in Chapter 3 of the 2001 *Report of the Auditor General of Canada*, including the need for more human resources officers to provide managers with more active support, and further development of consultative and advisory competencies within the human resources community.

As the discussion on e-recruitment has demonstrated, additional pressures will continue to be placed on the role of human resources professionals, as staffing processes are re-engineered and technology continues to be upgraded. These underscore the need for the human resources community to be ready to take on new roles and develop corresponding new skills. Along with managers, they must be prepared for new ways of working.

5.4.2 Strengthening the human resources community

Progress has been made in the past year, with 72 new hires into entry-level human resources positions through the Human Resources Development Program. In terms of renewal of the community, 50% of these hires were members of employment equity groups. To support their development, the Human Resources Community Secretariat designed a learning program available across the regions. This program focuses on orientation, coaching, functional skill development and networking among new human resources professionals. The components of the program also provide a framework for tailoring future training for the human resources community. Related initiatives championed by the Human Resources Community Secretariat have been undertaken to respond specifically to the changing role of human resources. One example is a consulting skills training course provided as a pilot project to 80 human resources practitioners. Feedback indicates that this is a valuable initiative in supporting competency-building for new roles. The development of senior human resources professionals is also being addressed through assessments of career progression and workplace well-being issues. These are aimed at identifying training and development needs and career-related barriers. The Secretariat is collaborating with the Commission on an examination of feeder groups to the Executive level, and has sponsored 25 human resources professionals for Executive assessment.

5.4.3 Tailored training

Training tailored to the needs of human resources advisors and managers needs to continue. Qualitative feedback gathered for the PSC's report on *Observations on the Staffing System* (May 2002) pointed to the need for this kind of training, to make sure that delegated authorities are understood and used effectively.

Given the momentum of efforts underway to train the human resources community, further attention must now be directed towards managers' training needs. Feedback received from the regions and the findings of the PSC's review of *Competency and Fairness* indicate that training should be targeted to managers' roles and learning needs. The issue of training operational managers to strengthen management capabilities is also raised as an emerging concern in Chapter 7 of the April 2002 *Report of the Auditor General of Canada*, "Strategies to Implement Modern Comptrollership".

The Commission is sufficiently concerned with this issue to undertake a capacity-check review.

> **With efforts underway to train the human resources community, further attention must now be directed towards managers' training needs.**

This review will address departments' ability to monitor and report on staffing, in preparation for future changes resulting from the modernization of human resources management.

Recommendation

The Commission recommends that Treasury Board's initiatives for capacity building within the human resources community continue to be actively pursued as a high priority, targeting the needs of both human resources professionals and managers.

CHAPTER 6:

Conclusion

The Commission believes that this *2001-2002 Annual Report* has provided Parliament with a second comprehensive assessment of the overall health of the staffing system throughout the Public Service.

Values and principles that underlie the rules, as a basis of reporting, is a difficult shift that departments and agencies are still learning to adapt to. Many best practices from departments and agencies have been highlighted throughout this Report. However, the Commission is concerned about a number of issues/practices, discussed below, that need to be addressed over the 2002-2003 fiscal year as we will be reporting on any progress achieved in our next Annual Report to Parliament.

The Public Service must strive to strike an appropriate balance between the need for greater speed in hiring with the need to ensure that Canadians have access to Public Service employment opportunities, employees have opportunities for career

development through mobility, and that there is a continuing commitment to excellence in the Public Service of Canada.

In order to understand fully why some practices are being used, the Commission has asked departments and agencies to report on the following within their respective departmental staffing accountability reports that are due in the fall of 2002:

➡ The use of certain staffing practices (i.e., long-term acting appointments and appointments without competition from outside the Public Service) might lead to perceptions of bureaucratic patronage (personal favouritism) or limit access to Public Service positions.

➡ The use of temporary staffing practices, such as casuals, terms and acting appointments, that might very well have a negative impact on competency, as well as the other merit values.

A P P E N D I C E S

DEFINITIONS AND NOTES

Acting appointment
The temporary assignment of an employee to the duties of a higher position (i.e., one with a maximum rate of pay that would constitute a promotion). Only acting appointments of more than four months are reported in the tables.

Appointment
An action taken pursuant to the *Public Service Employment Act* (PSEA) to confer position or level incumbency upon a person. The action follows the consideration of relative merit, or, in certain situations, the consideration of individual merit. This action can result in an appointment to the Public Service, a promotion, a lateral or downward transfer or an acting appointment. See also "Staffing Activities".

Bilingual staffing activity
Imperative — An appointment or a deployment to a bilingual position whose language requirements must be met by the candidate upon the staffing action.

Non-imperative — An appointment or a deployment to a bilingual position whose language requirements need not be met by candidates upon the staffing action, if they are eligible for language training at public expense and agree in writing to meet the language requirements of the position within the specified time; or if unable to do so, to accept a transfer to a position for which they are qualified; or if they are excluded from having to meet language requirements for reasons of age, long service, reorganization, reclassification or on compassionate grounds (as specified in the Public Service Official Languages Exclusion Approval Order).

Casual employment
A short-term employment option to hire persons to the Public Service for a period not exceeding 90 days, or, with extensions, where the person does not work for more than 125 working days within a 12 month period, in any one department and under which the provisions of the *Public Service Employment Act* (except those relating to casual employment) do not apply.

Emergency term employment
A short-term employment option to hire persons to the Public Service to assist departments in responding to urgent situations, such as those where there is an immediate threat to health, safety, security, the environment or essential services to the public. This flexibility measure may only be used if the appointment cannot be made using casual employment hiring authority. See "Specified period employment".

Employment equity
Employment practices designed to ensure that the regular staffing process is free of attitudinal and systemic barriers in order that the Public Service reflects all groups present in the Canadian labour force, and designed to ensure that corrective measures are applied to redress any historical disadvantage experienced by certain designated groups.

Employment equity data
Data on members of visible minorities, persons with disabilities and Aboriginal peoples are obtained by matching estimated appointment data and deployments with the Treasury Board Secretariat's Employment Equity Data Bank, as of March 31, 2002. Data on women are obtained through estimation procedures using data derived from the Public Works and Government Services Canada pay system.

For Aboriginal peoples, members of visible minorities and women, estimates of external availability are based on their labour force representation derived from 1996 Census data.

For persons with disabilities, estimates of external availability are based on data from the 1991 Health and Activity Limitation Survey (HALS).

Estimates of internal availability are based on the representation of designated group members among Public Service indeterminate and specified period employees appointed for at least three months, as of March 2001, excluding employees working for separate employers not covered by Treasury Board.

In the case of promotions, lateral and downward movements and acting appointments to and within the various categories, the representation of designated group members is weighted to reflect the occupational and departmental make-up of the relevant staffing activities between April 2001 and March 2002 to determine internal availability.

Employment equity designated groups
Employment equity designated groups as defined by the *Employment Equity Act* include women, Aboriginal peoples, persons with disabilities and members of visible minorities.

Aboriginal peoples — Aboriginal peoples are the Status Indians, Non-status Indians, Métis and Inuit of Canada.

Persons with disabilities — Persons with disabilities are those who, for the purpose of employment, consider themselves, or believe that a potential employer would likely consider them, to be disadvantaged by reason of any persistent physical, mental, psychiatric, learning or sensory impairment.

Members of visible minorities — Persons who, because of their race or colour, are in a visible minority in Canada.

Executive group
The Executive group consists of five levels up to and including most Assistant Deputy Ministers (EX-1 to EX-5).

External recruitment process
A process that describes the main hiring activities conducted under Student Employment Programs, the Post-Secondary Recruitment Program (PSR), the Management Trainee Program (MTP) and general recruitment.

The *Student Employment Programs Exclusion Approval Order*, that took effect on April 9, 1997, excludes all persons employed within student employment programs (CO-OP and FSWEP) as designated by the Treasury Board from the operation of the *Public Service Employment Act*, with the exception of sections 16(4) and 17(4) which deal with citizenship and therefore are not considered as an appointment. However, recruitment from the PSR, the MTP and general recruitment are subject to the PSEA and therefore are considered appointments. See "Appointment to the Public Service under Staffing activities" and "Hiring activities".

Federal Student Work Experience Program (FSWEP)
This program offers employment opportunities for students, which need not be related to the student's field of study in order to develop their employability skills. It offers insights into future employment opportunities, particularly within the federal Public Service.

First official language
Groups — Designated language groups in the *Official Languages Act* are English and French.

Data — Unknown values are not displayed in some tables regarding first official language, but their values are included in the totals. Percentages for language group components are calculated using known language group as the respective denominators. Percentages for the totals are calculated on the sum of all components; known and unknown.

Geographic area

Data on geographic area is obtained from data derived from the Public Works and Government Services Canada pay system.

Hiring activities

The hiring activities include appointments to the Public Service, hiring of casuals as per PSEA, section 21.2 and recruits of students under the *Student Employment Programs Exclusion Approval Order and Regulations*.

Indeterminate employment

Part-time or full-time employment with no fixed duration.

Lateral and downward movements

These movements include lateral and downward transfers and deployments. The estimation process using the Public Works and Government Services Canada pay system cannot make the distinction between lateral transfers and deployments.

Deployment — A deployment is the move of an employee from one position to another within the same occupational group or, where authorized by regulations of the Public Service Commission, to another occupational group.

Downward transfer — An appointment of an employee to a position (at a lower level in the same occupational group or subgroup, or in another group or subgroup) for which the maximum rate of pay is less than that of the former position. The difference in maximum rates of pay must be equal to or greater than the lowest pay increment of the former position. When the former position has no fixed pay increments, the decrease in maximum rates must be at least four percent.

Lateral transfer — An appointment of an employee to a position in the same occupational group, subgroup and level or such that the difference in the maximum rates between the new position and the former position is less than the lowest pay increment of the new position. When the new position has no fixed pay increments, the difference must be less than four percent of the maximum rate of pay of the former position.

Occupational category

A broad series of job families characterized by the nature of the functions performed and the extent of academic preparation required. These include the Executive, Scientific and Professional, Administrative and Foreign Service, Technical, Administrative Support and Operational categories.

Not all hiring and staffing activities are made to standard Public Service occupational classifications. Standard occupational classifications are not applicable to Post-Secondary Co-op/Internship Program (CO-OP) recruitment, to Federal Student Work Experience Program (FSWEP) recruitment and to hiring and staffing activities made by departments where Treasury Board is not the employer.

Post-Secondary Co-op/Internship Program (CO-OP)

A program designed to provide post-secondary students with assignments related to their field of study and the opportunity to use their academic knowledge in a work setting.

Post-Secondary Recruitment Program

Post-Secondary Recruitment Program (PSR) appointments reflect appointments made during the fiscal year. The number of PSR appointments is not limited to the PSR campaign for that fiscal year and may include PSR applicants from the previous campaign.

Priority

The right to be appointed before others and without competition. There are three types of statutory priorities under the *Public Service Employment Act* (leave of absence, ministers' staffs and lay-off, in that order) and four regulated priorities under the *Public Service Employment Regulations* (surplus, reinstatement,

spousal relocation and employees who become disabled, in no specific order). The first three types of priorities have a higher rank than the last four.

Data — The data on priorities is obtained from the PSC's Priority Administration System (PAS). This table excludes information for employees who either resigned or retired on the date on which their surplus period commenced. In these cases, there was no entitlement to a priority. PAS is the operational inventory the PSC uses to refer employees with statutory and regulatory priorities to suitable vacancies within departments. The inventory is comprised of employees identified by departments as surplus, as well as other individuals entitled to statutory and regulatory priorities.

Promotion

An appointment of an employee to a position at a higher level (in the same occupational group or subgroup, or in another group or subgroup) for which the maximum rate of pay exceeds that of the former position by an amount equal to or greater than the lowest pay increment of the new position. When the new position has no fixed pay increments, the increase must be at least four percent of the maximum rate of pay of the former position.

Specified period employment (Term employment)

Part-time or full-time employment for a fixed, predetermined duration for which the person is appointed in accordance with Section 25 of the *Public Service Employment Act*. It also includes emergency term employment. See "Emergency term employment".

Staffing activities

Appointment to the Public Service — Appointment of a person from the general public, or an employee from a government agency that is not subject to the *Public Service Employment Act*. See also "Hiring Activities" and "External Recruitment Process".

Staffing Activity within the Public Service — An appointment and/or a deployment included in "Lateral and downward movements" of an employee within or between departments or agencies, which are subject to the *Public Service Employment Act*. See also "Lateral and downward movements".

Rates — Staffing activity rates reflect the number of staffing activities per 100 employees. These are derived by dividing the number of staffing activities in 2001-2002 within each occupational category or geographic location by the employee population within that category or by the employee population within each geographic location as of April 1, 2001.

Student/hiring of students

The *Student Employment Programs Exclusion Approval Order and Regulations*, that took effect on April 9, 1997, excludes students from the operation of the *Public Service Employment Act* with the exception of subsections 16(4) and 17(4) which deal with citizenship. These recruits are no longer considered appointments to the Public Service under the PSEA. For students programs, no occupational group is specified.

Total

Some tables may include unknown values in their total. Therefore, the sum of the values may not add up to the total. Percentages for the totals are calculated on the sum of all of the components; known and unknown.

Unknown

Unknown values are not displayed in some tables, but their values are included in the totals. Percentages for the totals are calculated on the sum of all of the components; known and unknown.

TABLE A: Overall hiring and staffing activities

Number and percentage of hiring and staffing activities *to* and *within* the Public Service by type and tenure
April 1, 2001 to March 31, 2002

| Tenure | Hiring activity *to* the Public Service | | Staffing activities *within* the Public Service | | | | | | Total | |
| | | | Promotions | | Lateral and downward movements (a) | | Acting appointments (b) | | | |
	No.	%	No.	%	No.	%	No.	%	No.	%
Indeterminate staffing activities	5 046	10.6	19 050	40.2	14 744	31.1	8 569	18.1	47 409	100.0
Specified period staffing activities	16 022	69.4	1 959	8.5	3 261	14.1	1 856	8.0	23 098	100.0
Sub-Total	**21 068**	**29.9**	**21 009**	**29.8**	**18 005**	**25.5**	**10 425**	**14.8**	**70 507**	**100.0**
Casuals (as per PSEA s.21.2)	19 716	100.0	0	0.0	0	0.0	0	0.0	19 716	100.0
Students (under Employment Exclusion Approval Order)	12 334	100.0	0	0.0	0	0.0	0	0.0	12 334	100.0
Total	**53 118**	**51.8**	**21 009**	**20.5**	**18 005**	**17.6**	**10 425**	**10.2**	**102 557**	**100.0**

(a) Lateral and downward movements in all tables combine lateral or downward transfers and deployments.
As no appointment process is available on the pay system, it is not possible to differentiate between these types of movements.

(b) Excludes acting appointments of four months or less.

TABLE B: Tenure and previous employment status

Number and percentage of hiring and staffing activities *to* and *within* the Public Service by tenure and previous employment status
April 1, 2001 to March 31, 2002

| Previous employment status | Tenure after hiring and staffing activities | | | | | | | | Total | |
| | Indeterminate | | Specified period | | Casual* | | Student* | | | |
	No.	%	No.	%	No.	%	No.	%	No.	%
Indeterminate	34 932	73.7	321	1.4	0	0.0	0	0.0	35 253	34.4
Specified period	7 431	15.7	6 755	29.2	0	0.0	0	0.0	14 186	13.8
Casual	413	0.9	2 224	9.6	0	0.0	0	0.0	2 637	2.6
Other federal agencies	125	0.3	109	0.5	0	0.0	0	0.0	234	0.2
General public	4 212	8.9	13 329	57.7	19 716	100.0	12 334	100.0	49 591	48.4
Student	296	0.6	360	1.6	0	0.0	0	0.0	656	0.6
Total	**47 409**	**100.0**	**23 098**	**100.0**	**19 716**	**100.0**	**12 334**	**100.0**	**102 557**	**100.0**

* Casuals and students do not have a previous employment status as these persons are reported under general public.

TABLE C: Staffing activities by type and employment equity designated groups

Number and percentage of staffing activities by type and employment equity designated group
April 1, 2001 to March 31, 2002

Employment equity designated groups	Appointments *to* the Public Service			Staffing activities *within* the Public Service									Total	
				Promotions			Lateral and downward movements			Acting appointments (a)				
	External availability (b)			Internal availability			Internal availability			Internal availability				
	No.	%	%	No.	%	%	No.	%	%	No.	%	%	No.	%
Women	9 649	57.0	50.7	12 584	60.4	59.6	10 761	60.5	57.8	6 317	60.7	60.0	39 311	59.6
Members of visible minorities	1 735	10.3	7.2	1 600	7.7	7.4	1 454	8.2	6.8	658	6.3	6.7	5 447	8.3
Persons with disabilities	488	2.9	5.2	1 009	4.8	5.8	877	4.9	5.6	460	4.4	5.9	2 834	4.3
Aboriginal peoples	784	4.6	2.0	862	4.1	4.0	834	4.7	4.0	435	4.2	4.0	2 915	4.4
Total (c)	**16 919**	**100.0**		**20 829**	**100.0**		**17 798**	**100.0**		**10 400**	**100.0**		**65 946**	**100.0**

(a) Excludes acting appointments of four months or less.

(b) Availability estimates are based on Statistics Canada Labour Market Availability data adjusted to reflect the positions staffed during the fiscal year *within* the Public Service. As a consequence, these numbers will not match those published elsewhere by Treasury Board Secretariat (TBS) which are adjusted to reflect the total population in the Public Service as of the end of the fiscal year. See Definitions and notes on Employment equity data for availability details.

(c) The counts for employment equity designated groups exclude specified period staffing activities of less than three months and appointments *to* and staffing activities *within* separate employers as TBS does not collect self-identification information on these populations. The sum of employment equity designated groups does not equal the total as a person may be in more than one group and men are included in the total. Consequently, the totals do not match other tables.

TABLE D: Staffing activities by type and official languages

Number and percentage of staffing activities by type, language group and language requirements of position
April 1, 2001 to March 31, 2002

Language requirements of position	Appointments *to* the Public Service					Staffing activities *within* the Public Service (a)					Total (b)				
	Anglophones		Francophones		Total	Anglophones		Francophones		Total	Anglophones		Francophones		Total
	No.	%	No.	%	No.	No.	%	No.	%	No.	No.	%	No.	%	No.
Bilingual imperative	1 333	32.5	2 774	67.5	4 113	5 794	33.7	11 422	66.3	17 233	7 127	33.4	14 196	66.6	21 346
Bilingual non-imperative															
– Met	247	57.2	185	42.8	436	2 171	52.8	1 938	47.2	4 114	2 418	53.2	2 123	46.8	4 550
– Must meet	49	87.5	7	12.5	56	505	92.7	40	7.3	545	554	92.2	47	7.8	601
– Not required to meet	1	50.0	1	50.0	2	86	71.7	34	28.3	120	87	71.3	35	28.7	122
English essential	10 510	95.7	476	4.3	11 129	21 295	95.8	924	4.2	22 332	31 805	95.8	1 400	4.2	33 451
French essential	47	2.9	1 556	97.1	1 606	53	2.8	1 829	97.2	1 883	100	2.9	3 385	97.1	3 489
English or French essential	1 907	62.7	1 133	37.3	3 042	1 923	70.5	805	29.5	2 728	3 830	66.4	1 938	33.6	5 770
Total (c)	**14 440**	**69.5**	**6 330**	**30.5**	**21 068**	**32 075**	**65.1**	**17 221**	**34.9**	**49 439**	**46 515**	**66.4**	**23 551**	**33.6**	**70 507**

(a) Excludes acting appointments of four months or less.

(b) See First Official Languages in Definitions and notes.

(c) See Unknown in Definitions and notes.

TABLE E: Investigations

Number of complaints received, cases opened (with basis for complaints) and cases closed (with outcomes)

Period	Complaints received	Opened cases				Closed cases				
		Total	Reverse order of merit	Harassment	PSEA and other	Total	Founded	Unfounded	Resolved	Other
2000-2001	501	167	1	42	124	233	45	89	54	45
2001-2002	435	168	0	15	153	190	21	80	69	20

Of the complaints received, 39% were accepted for investigation in 2001-2002 compared to 33% in 2000-2001. As well, in 2001-2002, 11% of completed cases were declared founded compared to 19% in 2000-2001; 47% were either resolved or withdrawn compared to 42% in 2000-2001.

TABLE F: Appeals

(a) Number of selection processes appealed and closed, with number and percentage of those allowed

Period	Appealed	Closed	Allowed	
			Number	%
2000-2001	1 343	845	79	9.3
2001-2002	1 432	1 148	75	6.5

In 2001-2002, approximately 6.5% of completed appeals against selection processes were allowed.

(b) Number of decisions rendered, average disposal time, with number and percentage of those disposed within standard

Period	Number of decisions	Average disposal time	Within standard	
			Number	%
2000-2001	428	10.2	299	70
2001-2002	477	12.6	334	70

In 2001-2002, 70% of decisions were rendered within the service standard of 14 days. However, the average disposal time for all decisions is 12.6 days which is lower than standard. In 2001-2002, 10% more decisions were rendered than in 2000-2001 and 13% less than in 1999-2000 (550 decisions rendered).

(c) Number of appeals lodged and disposed of (with outcomes)

Period	Appeals lodged (opened)	Appeals disposed (closed)	Allowed	Dismissed	Withdrawn		No right of appeal
					Number	%	
2000-2001	3 057	1 636	143	157	1 092	66.7	244
2001-2002	2 727	2 241	186	307	1 592	71.0	156

In 2001-2002, 8% of disposed appeals were allowed, 14% were dismissed, in 7% of appeals disposed, appellants had no right of appeal; and approximately 71% of appeals disposed were withdrawn.

TABLE G: Deployments

Number of complainants, number of deployments complained against and number of cases (with outcomes)

Period	Complaints	Deployments complained against	Closed	Founded	Unfounded	No jurisdiction	Withdrawn	Decisions
2000-2001	50	23	26	1	3	12	10	17
2001-2002	35	27	27	1	10	7	9	11

In 2001-2002, 4% of completed deployment investigations were founded, 37% were unfounded and 59% were either withdrawn or the Commission had no jurisdiction to investigate.

B. AUTHORITY DELEGATED

STAFFING DELEGATION AND ACCOUNTABILITY AGREEMENTS

Signed by the Deputy/Agency Heads and Completed in 2001-2002

Canada Industrial Relations Board

Canadian Centre for Management Development

Canadian Environmental Assessment Agency

Canadian Heritage

Canadian Human Rights Commission

Canadian International Trade Tribunal

Canadian Radio-television and
Telecommunications Commission

Canadian Transportation Accident Investigation
and Safety Board

Civil Aviation Tribunal

Commission for Public Complaints Against
the RCMP

Correctional Investigator Canada

Correctional Service of Canada

Department of Finance Canada

Department of Foreign Affairs and
International Trade

Federal Court of Canada

Immigration and Refugee Board of Canada

Indian Oil and Gas Canada

NAFTA Secretariat, Canadian Section

National Archives of Canada

National Energy Board

National Farm Products Council

National Library of Canada

National Parole Board

Office of Indian Residential Schools Resolution
of Canada

Office of the Chief Electoral Officer

Office of the Commissioner of Official Languages

Office of the Coordinator Status of
Women Canada

Office of the Information Commissioner
of Canada

Office of the Privacy Commissioner

Privy Council Office

Public Service Staff Relations Board

Public Works and Government Services Canada

Royal Canadian Mounted Police
External Review Committee

Treasury Board of Canada Secretariat

Veterans Affairs Canada

DELEGATION FOR EMPLOYMENT EQUITY PROGRAMS

DEPARTMENT/AGENCY	AUTHORITY DELEGATED
Canadian Heritage	New Employment Equity Program for members of visible minorities. The Program allows for appointments from inside the Public Service, at the PM-5 and PM-6 levels.
Department of Justice Canada	New Employment Equity Program for Aboriginal peoples, persons with disabilities and members of visible minorities, including appointments from within and outside the Public Service, all groups and levels, with and without competition. Recruitment authority retained by the PSC.
Fisheries and Oceans Canada	New Employment Equity Program for Aboriginal peoples, persons with disabilities and members of visible minorities.
Fisheries and Oceans Canada — Aquaculture Program	New Employment Equity Program for Aboriginal peoples, persons with disabilities and members of visible minorities, including appointments with and without competition, within and from outside the Public Service as well as recruitment authority up to the Executive Group.
Health Canada	Employment Equity Program extended up to September 2002.
Human Resources Development Canada	Employment Equity Program expanded to include recruitment and appointments of all designated groups within all job categories and levels up to the Executive Group.
National Defence	Amendment to the Employment Equity Program for disabled or injured members of the Canadian Forces. To clarify the eligibility clause and to expand the eligibility criteria. New Employment Equity Program for Aboriginal peoples, persons with disabilities and members of visible minorities. The Program allows for appointments with and without competition, within and from outside the Public Service as well as recruitment authority to recruit up to the Executive Group.
Natural Resources Canada	Employment Equity Program expanded to include Aboriginal peoples, persons with disabilities, members of visible minorities and women. All occupational groups, from within and outside the Public Service, with and without competition. The Public Service Commission retains its authority for the Executive Group.

DELEGATION FOR RECRUITMENT

DEPARTMENT/AGENCY	AUTHORITY DELEGATED
Department of Finance Canada	Authority to recruit economists at the ES-2, ES-3, and ES-4 levels. Two-year pilot project to end on August 31, 2003.
Privy Council Office	Authority to recruit Policy Analysts at the ES-4, ES-5, and ES-6 levels and equivalent groups and levels. Two-year pilot project to end on October 30, 2003.
Transport Canada	Recruitment authority expanded to include all levels of TIs (Technical Inspectors) and ELs (Electronics) across Canada.

Exclusion Approval Order to Certain Persons and to a Certain Position in Human Resources Development (P.C. 2001-1503, August 28, 2001)

This Exclusion Approval Order has been made in order to implement decisions rendered by a Human Rights Tribunal and the Federal Court of Canada Trial Division, which ruled that this employee was discriminated against based on disability. As part of the remedies, they ordered that she be appointed on an indeterminate basis to a level 1 position in the Executive Group in Human Resources Development Canada.

The Order facilitates the appointment on an indeterminate basis of this employee by excluding her appointment from the operation of section 10 of the *Public Service Employment Act* related to merit, subsection 21(1.1) of the same Act related to appeals, subsections 29(3), 30(1) and (2), and 39(3) and (4) and from the operation of any regulations made under paragraph 35(2)(*a*) of the said Act respecting priority entitlements for appointment.

Exclusion Approval Order for the Appointment of One Employee to a Position at the Correctional Service of Canada (P.C. 2001-1810, October 4, 2001)

This Exclusion Approval Order has been made in order to give effect to the settlement reached out of court by Brent Whetung and the Government of Canada.

Mr. Whetung launched a lawsuit against the Queen in right of Canada on February 8, 1999. He claimed that he was discriminated against by the department in that they treated him in an adverse differential manner and failed to provide him with a harassment-free work place on the grounds of his national or ethnic origin, contrary to sections 7 and 14 of the *Canadian Human Rights Act*.

Extensive negotiations were carried out subsequent to a Canadian Human Rights Commission investigation and they resulted in a fair and equitable treatment for all parties. Among other things, the agreement stipulates that Brent Whetung be appointed to Aboriginal Program Officer position at the AS-5 level at Correctional Services of Canada. The settlement is in the public interest in that it puts an end to long and expensive proceedings and it provides stability in the work environment.

The Order facilitates the appointment on an indeterminate basis of this employee by excluding his appointment from the operation of section 10 of the *Public Service Employment Act* related to merit, subsection 21(1.1) of the same Act related to appeals, subsections 29(3), 30(1) and (2), and 39(3) and (4) and from the operation of any regulations made under paragraph 35(2)(*a*) of the said Act respecting priority entitlements for appointment.

Exclusion Approval Order for the Appointment of One Employee to positions in the Canadian International Development Agency (P.C. 2001-2030, November 1, 2001)

This Exclusion Approval Order has been made in order to give effect to a settlement reached out of court by Mr. Ranjit Perera and the Queen in right of Canada.

Mssr. Perera, Fred Bloch and Frank Boahene launched a lawsuit against the Queen in right of Canada in 1992. They were claiming that they were systemically and personally subject to discrimination on the basis of their race, national or ethnic origin and colour, contrary to section 15 of the *Canadian Charter of Rights and Freedoms*. A settlement was reached with Mssr. Bloch and Boahene in 1998.

Among other things, the recent agreement between Mr. Perera and the Queen in right of Canada stipulates that he be appointed to a level 7 position in the Economics, Sociology and Statistics Group and, for a specified period of time, to a level 2 position in the Executive Group at the Canadian International Development Agency (CIDA). CIDA believes that Mr. Perera is qualified for the positions to which he will be appointed. The settlement is in the public interest in that it puts an end to the judicial proceedings.

Under the circumstances, it is not practicable nor in the best interests of the Public Service to apply certain provisions of the *Public Service Employment Act*. The Order facilitates the appointments by excluding them from the operation of section 10 of that Act related to merit, subsection 21(1.1) of the same Act related to appeals, subsections 29(3), 30(1) and (2), and 39(3) and (4), and from the operation of any regulations made under paragraph 35(2)(*a*) of the said Act respecting priority entitlements for appointment.

Order Repealing Order in Council P.C. 1996-1243 of August 7, 1996, as Amended by Order in Council P.C. 2001-1578 of August 28, 2001 (P.C. 2001-2285, December 13, 2001)

The Government of Canada has recently established Communication Canada, under the responsibility of the Minister of Public Works and Government Services. As the Canada Information Office ceased to exist and its functions are now carried out by Communication Canada, Order in Council P.C. 1996-1243 of August 7, 1996 concerning the Canada Information Office is no longer needed and has been repealed.

Exclusion Approval Order for the Appointment of One Employee to a position at the Department of Foreign Affairs and International Trade (P.C. 2001-2291, December 13, 2001)

Mr. Jocelyn Côté was appointed Director, Infrastructure Technology, with Foreign Affairs and International Trade in February 2001, following an omnibus competition held by the Public Service Commission (PSC) for the Information Management/Information Technology community. An appeal was lodged and upheld for this competition and Mr. Côté's appointment was revoked as of November 12, 2001.

Meanwhile, a second omnibus competition for the same community was held by the PSC with a closing date of June 29, 2001. Mr. Côté missed the chance to apply to this competition, since he was already at the group and level of the posted omnibus competition, i.e., EX-2.

Given these circumstances, the Order facilitates Mr. Côté's appointment to the position of Director, Infrastructure Technology (EX-2), Foreign Affairs and International Trade, after having been evaluated and found qualified against the statement of qualifications established for the most recent omnibus competition held for the Information Management/Information Technology community.

The Order facilitates the appointment on an indeterminate basis of this employee by excluding his appointment from the operation of section 10 of the *Public Service Employment Act* related to merit, subsection 21(1.1) of the same Act related to appeals, subsections 29(3), 30(1) and (2), and 39(3) and (4) and from the operation of any regulations made under paragraph 35(2)(*a*) of the said Act respecting priority entitlements for appointment.

Exclusion Approval Order for the Appointment of One Employee to a position at Public Works and Government Services Canada
(P.C. 2001-2292, December 13, 2001)

Ms. Christina Hastings was appointed Director, Application Support (EX-2), Public Works and Government Services Canada in January 2001, following an omnibus competition held by the Public Service Commission (PSC) for the Information Management/Information Technology community. An appeal was lodged and upheld for this competition and Ms. Hastings' appointment was revoked as of November 12, 2001.

Meanwhile, a second omnibus competition for the same community was held by the PSC with a closing date of June 29, 2001. Ms. Hastings missed the chance to apply to this competition, since she was already at the group and level of the posted omnibus competition, that of EX-2.

Given these circumstances, the Order facilitates Ms. Hastings' appointment to the position of Director, Application Support (EX-2), Public Works and Government Services Canada, after having been evaluated and found qualified against the statement of qualifications established for the most recent omnibus competition held for the Information Management/Information Technology community.

The Order facilitates the appointment on an indeterminate basis of this employee by excluding her appointment from the operation of section 10 of the *Public Service Employment Act* related to merit, subsection 21(1.1) of the same Act related to appeals, subsections 29(3), 30(1) and (2), and 39(3) and (4) and from the operation of any regulations made under paragraph 35(2)(*a*) of the said Act respecting priority entitlements for appointment.

Exclusion Approval Order for the Appointment of One Employee to a position at the Treasury Board Secretariat
(P.C. 2001-2293, December 13, 2001)

Ms. Brenda McKelvey was appointed Director, Shared Systems (EX-2), with the Treasury Board Secretariat in February 2001, following an omnibus competition held by the Public Service Commission (PSC) for the Information Management/Information Technology community. An appeal was lodged and upheld for this competition and Ms. McKelvey's appointment was revoked as of November 12, 2001.

Meanwhile, a second omnibus competition for the same community was held by the PSC with a closing date of June 29, 2001. Ms. McKelvey missed the chance to apply to this competition, since she was already at the group and level of the posted omnibus competition, that of EX-2.

Given these circumstances, the Order facilitates Ms. McKelvey's appointment to the position of Director, Shared Systems (EX-2), with the Treasury Board Secretariat, after having been evaluated and found qualified against the statement of qualifications established for the most recent omnibus competition held for the Information Management/Information Technology community.

The Order facilitates the appointment on an indeterminate basis of this employee by excluding her appointment from the operation of section 10 of the *Public Service Employment Act* related to merit, subsection 21(1.1) of the same Act related to appeals, subsections 29(3), 30(1) and (2), and 39(3) and (4) and from the operation of any regulations made under paragraph 35(2)(*a*) of the said Act respecting priority entitlements for appointment.

From April 1, 2001 to March 31, 2002, in addition to the general exclusions, fifteen persons were excluded from the application of the *Public Service Employment Act* when appointed to Public Service positions for a period specified in the exclusion approval orders, or to hold office "during pleasure" that is, the appointment may be revoked at any time by the Governor in Council.

ORDER IN COUNCIL NUMBER	DURATION	NAME	TITLE
P.C. 2001-531 2001.04.02	during pleasure effective April 9, 2001	Michael Nurse	Associate Deputy Minister of Public Works and Government Services
P.C. 2001-533 2001.04.02	during pleasure effective April 9, 2001	Louis Ranger	Associate Deputy Minister of Transport
P.C. 2001-618 2001.04.17	during pleasure effective June 1, 2001	Pierre Reid	Associate Deputy Minister of Industry
P.C. 2001-924 2001.05.28	during pleasure effective June 11, 2001	James Lahey	Associate Secretary to the Treasury Board
P.C. 2001-929 2001.05.28	during pleasure effective June 11, 2001	Ruth Dantzer	Associate Deputy Minister of Fisheries and Oceans
P.C. 2001-927 2001.05.28	during pleasure effective June 11, 2001	John E. (Jack) Stagg	Special Advisor to the Deputy Prime Minister
P.C. 2001-922 2001.05.28	during pleasure effective June 11, 2001	Guy McKenzie	Executive Director of the Canada Information Office
P.C. 2001-1002 2001.06.04	during pleasure effective June 11, 2001	John E. (Jack) Stagg	Executive Director and Deputy Head, Office of Indian Residential Schools Resolution of Canada, concurrent with his appointment as Special Advisor to the Deputy Prime Minister
P.C. 2001-1427 2001.08.13	during pleasure effective September 4, 2001	J. Michael Horgan	Senior Associate Deputy Minister of Finance
P.C. 2001-1430 2001.08.13	during pleasure effective September 4, 2001	Marie Fortier	Associate Deputy Minister of Indian Affairs and Northern Development
P.C. 2001-1432 2001.08.13	during pleasure effective September 4, 2001	Munir Sheikh	Associate Deputy Minister of Health

ORDER IN COUNCIL NUMBER	DURATION	NAME	TITLE
P.C. 2001-1601 2001.08.31	during pleasure effective September 1, 2001	Guy McKenzie	Executive Director of Communication Canada
P.C. 2001-2057 2001.11.06	during pleasure effective November 30, 2001	Edward W. Keyserlingk	Public Service Integrity Officer
P.C. 2002-77 2002.01.29	during pleasure effective March 1, 2002	Dan Goodleaf	Special Advisor to the Deputy Minister of Indian Affairs and Northern Development
P.C. 2002-207 2002.02.20	during pleasure effective February 20, 2002	André Juneau	Deputy Head of the Office of Infrastructure and Crown Corporations of Canada, concurrent with his appointment as Deputy Secretary to the Cabinet (Operations), Privy Council Office

A public servant who seeks to be nominated as a candidate and be a candidate in a federal, provincial or territorial election must, under subsection 33(3) of the *Public Service Employment Act*, apply to the Commission for a leave of absence without pay. The Commission may grant the leave if it is convinced that the employee's usefulness in the position he or she occupies — and to which the employee will return if unsuccessful in securing nomination or in being elected — would not be impaired as a result of having been a candidate for election.

For the period April 1, 2001 to March 31, 2002, the Commission received one request for leave from a federal public servant who was seeking to be candidate in the 2001 provincial election in British-Columbia. The request for leave was granted by the Commission.

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All PSC offices provide services in both official languages.

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