

# **Public Service Commission of Canada**

## Performance Report

For the period ending  
March 31, 2005

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The Honorable Liza Frulla, P.C., M.P.  
Minister of Canadian Heritage and Minister responsible for  
Status of Women

**Public Service Commission of Canada**  
**Departmental Performance Report 2004-2005**  
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## Section I - Overview

### President's Message



I am pleased to present the 2004-2005 Departmental Performance Report (DPR) of the Public Service Commission (PSC) of Canada. In combination with our Annual Report (also tabled in the fall of 2005), this DPR provides an overview of the PSC's performance during the reporting year.

In 2004-2005 we have been preparing for the coming into force of the *Public Service Modernization Act*, passed in November 2003. This Act which incorporates a new *Public Service Employment Act* (PSEA) is expected to come into full force in December 2005.

Departments and agencies have been preparing themselves to take on their added responsibilities and accountabilities under the new Act; similarly, the PSC, as an organization, continues to restructure and realign its resources to fulfill its enhanced mandate for oversight of the staffing system.

All of the PSC's strategies and activities are aimed at building a merit-based, non-partisan and representative public service to serve Canadians. Such a public service is able to provide service in both official languages, and is populated by professionals who have been appointed in accordance with the staffing values of fairness, equity of access and transparency.

To support us in achieving that outcome, we have identified three main priorities:

- to fully implement the PSC's responsibilities under the new PSEA for setting appointment policies and safeguarding the integrity of the appointment process;
- to implement a modernized service vision that incorporates the delivery options best suited to the needs of the public service; and
- to ensure that a modernized governance structure for the Commission (that is, the President and the Commissioners) and organizational structure are in place to support the PSC's obligations under the new PSEA.

As described in Sections I and II of this report, these priorities have been the focus of our efforts. During the reporting year, the PSC made significant progress on a number of commitments outlined in our 2004-2005 Report on Plans and Priorities. However, we still have work to do in furthering our priorities and fulfilling our obligations under the new PSEA. In this regard, we continue to strengthen our capacity to safeguard the integrity of the appointment system. We will be using audit more intensively and effectively, in order to improve the way we account to Parliament. We also continue to realign our human and financial resources to allow us to focus more strongly on our oversight mandate. For example, on July 26, 2005, we announced that we

would be consolidating our current 16 points of service into seven regional locations. The locations were chosen based on where the demand for services is highest, and where most of our clients, federal departments and agencies, are located. This consolidation will allow us to increase the efficiency of our operations, reallocate resources to other needs, and put in place the bilingual recruitment and assessment services required under the new PSEA. More information on the consolidation will be included in next year's DPR.

We are also making progress on the creation of our new service organization, which will continue to deliver quality resourcing (including executive resourcing) and assessment services to our clients across the country. We continue to make every effort to model good human resources practices, as we transform to the organizational structure that better reflects the PSC's business lines under the new Act.

Ultimately, we will be working with departments and agencies to take advantage of the flexibilities and opportunities offered by the new PSEA, and to make the modernized system work. We will be working to strengthen our capacity to safeguard the integrity of the appointment system. We look forward to working for Parliament to ensure that Canadians are served by a workforce that responds to their needs effectively and efficiently.

## **Management Representation Statement**

I submit for tabling in Parliament, the 2004-2005 Departmental Performance Report (DPR) for the Public Service Commission (PSC).

This document has been prepared based on the reporting principles contained in the Treasury Board of Canada Secretariat's *Guide for the preparation of 2004-2005 Departmental Performance Reports*:

- It adheres to the specific reporting requirements;
- It uses an approved Program Activity Architecture;
- It presents consistent, comprehensive, balanced and accurate information;
- It provides a basis of accountability for the results pursued or achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

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Maria Barrados, PhD  
President  
September 8, 2005

## Summary Information and Operating Environment

### Mission, Vision and Values - Striving for Excellence

The Public Service Commission (PSC) is dedicated to building a Public Service that strives for excellence. We protect merit, non-partisanship, representativeness and the use of both official languages.

We safeguard the integrity of staffing in the public service and the political impartiality of public servants. We develop policies and guidance for public service managers and hold them accountable for their staffing decisions. We conduct audits and investigations to confirm the effectiveness of the staffing system and to make improvements. As an independent agency, we report our results to Parliament.

We recruit talented Canadians to the Public service, drawn from across the country. We continually renew our recruitment services to meet the needs of a modern and innovative public service.

### Values to Guide our Actions

In serving Parliament and Canadians, we are guided by and proudly adhere to the following values:

- **Integrity** in our actions;
- **Fairness** in our decisions;
- **Respect** in our relationships; and
- **Transparency** in our communication.

### Financial and Human Resources

#### 2004-2005 Financial Resources (\$ thousands)

Planned Spending	Actual Spending
92,405	91,867

#### 2004-2005 Human Resources (Full-Time Equivalents)

Planned	Actual
920	942

## **Context: The PSC is Changing**

The *Public Service Modernization Act* (PSMA) received Royal Assent on November 7, 2003. The PSMA is omnibus legislation consisting of a number of Acts. One of these is the new *Public Service Employment Act* (PSEA). The PSMA is designed to facilitate the hiring of public servants, to promote more collaborative labour-management relations, to focus on learning and training for employees at all levels, and to clarify roles and accountabilities.

Although the new PSEA is not expected to come into full force before December 2005, the passing of the PSMA has already brought with it a number of significant changes for the Public Service Commission (PSC).

The first major change for our organization was the transfer, on April 1, 2004 of Language Training Canada and Training Development Canada to the Canada School of Public Service (CSPS).

On April 1, 2004, a number of the PSC's other longstanding programs were transferred to the Public Service Human Resources Management Agency of Canada (PSHRMAC). These transferred programs included: the Management Trainee Program (MTP); the Career Assignment Program (CAP); the Accelerated Economist Training Program (AETP); the Accelerated Executive Development Program (AEXDP); the Assistant Deputy Minister Prequalification Process (now discontinued); Interchange Canada; and the Labour Market and Demographic Research units of our Research division. The transfer of those programs has helped the PSC to focus more clearly on its oversight and service delivery roles.

In addition, effective April 1, 2005, the PSC no longer provides services in the areas of harrassment investigations, mediations and related training, pursuant to Treasury Board's policy on Prevention and Resolution of Harrassment in the Workplace.

Under the new PSEA, the PSC will remain responsible for ensuring that Canada's public service is merit-based, non-partisan, representative of the nation's diverse population, and able to serve citizens in the official language of their choice. The new PSEA emphasizes the PSC's accountability to Parliament for overseeing the appointment system and for maintaining the impartiality of the public service through a new regime governing the political activities of public servants.

The PSC's governance system and organizational structure has evolved to support the implementation of the new PSEA. Our governance structure has changed from three full-time Commissioners to one full-time and two part-time Commissioners.

The PSC has reorganized to support its oversight and service delivery roles. An initial organizational structure for the Services Branch (previously named Recruitment and Assessment Services Branch) was approved in September 2004. Our subsequent decision, announced on

July 26, 2005, was to consolidate the work of our current 16 points of service into seven regional locations. These locations were chosen based on where the demand for services is the highest and where most of our clients, federal departments and agencies, are located.

The creation of our Services Branch will complement the restructuring we had already done to strengthen our oversight capacity. This oversight mandate is carried out by three branches of the PSC: the Policy Branch (previously named Merit, Policy and Accountability Branch); the Investigations Branch (previously named Recourse Branch); and the new Audit Branch, which was created on April 1, 2004. These branches will focus on issues relevant to the public service as a whole, as well as on the staffing activities of specific departments and agencies. Building up the audit capacity has been a priority in 2004-2005. This was accomplished through staffing, learning and development of an audit methodology, policy and plan.

The PSC remains responsible for operating the priority system. We are taking action to ensure we have the capacity, resources and systems to help departments and agencies deal with priority persons in a fair and transparent manner.

Implementation of the new PSEA and the new approach to service delivery directly affect the PSC's operations and resources. Finding additional funds through re-allocation was a priority last year. Additionally the PSC reduced its discretionary expenditures by implementing a series of spending controls which have allowed us to reallocate resources to other priority activities. As a result of changes to our mandate and the resulting internal reorganizations lapses have occurred. However, we expect to fully use our budget in the future by enhancing our oversight activities (audit and investigations), building additional capacity in priority administration and making any necessary investments in a redefined Services Branch.

While preparing for the coming into force of the new legislation, the PSC continued to fulfil its responsibilities under the current PSEA. The PSC remains committed to supporting its valued employees throughout the transition to the modernized human resources management regime.

For more information about how we envision our near future, please see our *Report on Plans and Priorities for 2005-2006* at:

[http://www.tbs-sct.gc.ca/est-pre/20052006/PSC-CFP/PSC-CFPr56\\_e.asp](http://www.tbs-sct.gc.ca/est-pre/20052006/PSC-CFP/PSC-CFPr56_e.asp)

For more information about the overall health of the public service staffing system, please see our *2004-2005 Annual Report* at: <http://www.psc-cfp.gc.ca/>

## **Risks and Challenges**

The public service of Canada is in the process of implementing a modernized human resources management system. Transitioning to the new system, while continuing to function under the existing system in the short term, will require a concerted effort on the part of all stakeholders.

The PSC is responsible for independently assuring the integrity of the staffing system under both the current and new PSEA. Our activities need to reinforce this independence, which has been called into question during consideration of the *Public Servants Disclosure Protection Act*. It is a challenge for the PSC to reinforce its uniquely independent status.

The PSC aims to fully delegate responsibility for all staffing and recruitment, including executive staffing, to departments and agencies by December 2005 if they are ready. We also intend to clearly distinguish our recruitment and assessment agency. We are creating a separate recruitment and assessment service organization to be headed by a senior official who will report directly and exclusively to the President. A challenge will be providing the highest quality of service across Canada to respond to client needs by consolidating and modernizing the services of the PSC. Until the new PSEA comes into force expected in December 2005, the service organization will deliver services mandated under the current PSEA, while planning for a smooth transition to its new operation.

A significant challenge under the new PSEA is ensuring that those to whom staffing authorities are delegated are held accountable for the exercise of their authorities. To oversee the integrity of the appointment system, the PSC will monitor and assess departmental performance and provide feedback to deputy heads to ensure they are exercising their authorities in accordance with their Appointment Delegation and Accountability Instrument. We will use our independent and direct reporting relationship to Parliament to keep Canadians and parliamentarians apprised of the state of the staffing system in the Public Service.

Capacity will remain a key risk for the foreseeable future. We are addressing this by working with the Public Service Human Resources Management Agency of Canada (PSHRMAC) and the Canada School of Public Service (CSPS) to build staffing expertise throughout the Public Service.

As a result of the PSC's activities during the reporting period, we have identified a number of key risks which will require continued attention as we move forward. These key risks are based on an assessment of the PSC's business environment. They are detailed in Section IV, along with the impacts which could require our intervention, and the strategies we will adopt in response.

### **Key Partners and Relationships**

The PSC worked collaboratively with the following major organizations and stakeholders:

- **Parliament**, to which we are accountable for the overall integrity of the appointment system, through regular and special reports, including those related to audit findings; appearances before committees; and direct communication with members when required. Additionally, we maintained our capacity to independently interpret and exercise our powers in the best interests of Canadians;



- **Deputy heads, managers and human resources specialists**, who, together with the PSC, are responsible for creating a modernized human resources management system for the benefit of Canadians. Following extensive formal and informal consultation throughout fiscal year 2004-2005, the PSC provided departments and agencies with support and a range of learning tools during the transition to the new PSEA to ensure effective, streamlined service delivery as part of our overall rollout strategy. We consulted with other government agencies and stakeholders that have responsibilities and interests in the appointment system. These include PSHRMAC, the Public Service Staffing Tribunal, and the CSPS;
- **The Employer and bargaining agents**, with whom we consult on issues of mutual interest under the new PSEA; and
- **Other parties, including:**
  - ✓ **academics and external experts**, to develop effective and innovative practices under the Appointment Framework, to strengthen the PSC's approach to oversight, and to develop a new regime for the political activities of public servants;
  - ✓ **the Public Service Commission Advisory Council**, where we participate in regular meetings with departments and unions to discuss issues and receive advice related to PSC responsibilities under the new PSEA; and
  - ✓ **the Human Resources Modernization Implementation Deputy Minister and Union-Management Advisory Committee Structure**, to discuss issues of common interest.

### **Supporting the Government's Priorities**

The Government of Canada is putting in place changes that are redefining the government's relationship with Canadians, and is forging a culture of modern human resources management based on transparency, quality and efficiency.

The PSC is actively involved in this transformation. Its strategic outcome links to the Government of Canada's priority of *Strengthening and Modernizing Public Sector Management*, as outlined in the Budget 2005 (<http://www.fin.gc.ca/budget05/booklets/bkmgte.htm>).

The table presented below illustrates how the PSC contributes to this priority under the four initiatives described in the Budget 2005.

<b>Government of Canada Initiatives</b>	<b>PSC Contribution</b>
<b>Reinforced capacity of the public service</b>	<ul style="list-style-type: none"> <li>• The PSC is a key player in the implementation of the <i>Public Service Modernization Act</i> (PSMA). Section II of this document provides more detailed information about the major changes to PSC responsibilities under the new <i>Public Service Employment Act</i> (PSEA), as well as the various initiatives being undertaken to implement the Act.</li> <li>• Mechanisms to ensure greater emphasis on the PSC's accountability to Parliament for overseeing the appointment system are also described in section II under the <i>Appointment Integrity and Political Neutrality</i> Program Activity.</li> </ul>
<b>Improved service quality and efficiency</b>	<ul style="list-style-type: none"> <li>• The PSC contributes to improving efficiency through the implementation of the new PSEA. It is developing flexible staffing policies that will allow departments and agencies to customize their staffing approach and policies.</li> <li>• The PSC is reviewing its service vision to ensure that departments and agencies continue to have access to professional resourcing and assessment services following PSEA implementation. The PSC service organization aims to become the provider of choice for delegated managers.</li> <li>• In line with the Government-on-Line initiative, the PSC is working with other agencies and partners to provide improved and effective on-line human resourcing tools so that all Canadians have access to employment opportunities in the public service.</li> </ul>
<b>Strengthened governance and accountability</b>	<ul style="list-style-type: none"> <li>• The PSC reports annually to Parliament on the integrity of the appointment system and may make special reports to Parliament on urgent or important matters in 2005-2006.</li> <li>• As departments and agencies assume more control over their staffing systems, the PSC will increasingly focus on ensuring effective accountability, strengthening its oversight (audit and investigations) capacity and working more closely with parliamentarians.</li> </ul>
<b>Sound stewardship of public resources</b>	<ul style="list-style-type: none"> <li>• The PSC is committed to strengthening its reporting capacity to demonstrate greater accountability and transparency. Steps have been taken to improve parliamentary reports (Annual Report, Report on Plans and Priorities, Departmental Performance Report, and the Audited Financial Statements) to ensure they provide clear, concise, balanced and reliable information about PSC plans, performance and use of resources.</li> </ul>

## Summary of Performance in Relation to PSC Strategic Outcome, Priorities and Commitments

### Strategic Outcome

A highly competent, non-partisan and representative public service, able to provide service in both official languages, in which appointments are based on the values of fairness, equity and transparency.

Priority	2004-2005 RPP Commitments	Commitment Status	For more details see page
<p><b>Priority 1:</b>  <b>The PSC's responsibilities under the new PSEA for setting appointment policy and safeguarding the integrity of the appointment process are fully implemented.</b></p> <p><b>Spending:</b>  Planned: \$ 44,127,000  Actual: \$ 39,349,000</p>	Develop a flexible, enabling policy framework to assist managers in making appointment decisions.	Met	23
	Implement a new political activities regime which balances the rights of public servants to participate in the political process with the need to preserve the political impartiality of the public service.	Partially met In progress	24
	Further delegate staffing authorities to deputy heads and encourage them to sub-delegate to as low a level as possible in their organizations.	Partially met In progress	24
	Manage essential oversight and non-delegated appointment responsibilities according to the current PSEA and through the transition to the new PSEA.	Partially met In progress	25
	Strengthen approach to oversight, using audits and investigations more intensively and effectively in order to enhance accountability of deputy heads to the Commission, and of the Commission to Parliament.	Partially met In progress	26
	Assist departments in developing a modernized, effective, and values-based approach to resolve staffing complaints.	Met	28
	Manage and provide essential appeal services throughout the transition to the new PSC organizational structure.	Met	30

Priority	2004-2005 RPP Commitments	Commitment Status	For more details see page
<p><b>Priority 2:</b> A modernized service vision is implemented in which delivery options are best suited to the needs of the public service.</p> <p><b>Spending:</b> Planned: \$ 48,278,000 Actual: \$ 52,518,000</p>	Manage and provide essential recruitment services throughout the transition to the new PSC organizational structure.	Met	33
	Manage and provide essential assessment services throughout the transition to the new PSC organizational structure.	Met	34
	Assist departments in considering options for the delivery of resourcing and assessment services that respond efficiently and effectively to their staffing needs.	Partially met In progress	35
<p><b>Priority 3:</b> A modernized governance structure for the Commission and organizational structure for the PSC are in place to support new PSEA obligations.</p> <p><b>Resources:</b> Included under priorities 1 and 2.</p>	Change Commission governance structure and supporting operations to reflect its modernized roles and responsibilities, as well as the modernized responsibilities of the PSC.	Met	52
	Model good human resources management practices throughout the transition to the new PSC organizational structure.	Met	52

## Reporting Basis

This Report has been prepared based on the new PSC's Program Activity Architecture (PAA) to better reflect the current operating environment. This is in accordance with the Treasury Board Secretariat's process of implementing the Management Resources and Results Structure. To ensure consistency with the 2004-2005 Report on Plans and Priorities (RPP), which was prepared on the basis of the old structure (Priorities and Business Lines), crosswalks are presented on pages 39 to 41.

New performance measures and related performance at the program activity level have been included to ensure consistent and ongoing monitoring. The 2005-2006 Departmental Performance Report (DPR) will provide a more complete description of our performance at both the program activity and sub-activity levels.

## Performance Summary

To achieve the PSC's Strategic Outcome during the past year, we focussed on the following main priorities:

### **Priority 1: The PSC's responsibilities under the new PSEA for setting appointment policy and safeguarding the integrity of the appointment process are fully implemented.**

As an independent agency reporting to Parliament, the PSC is responsible for setting appointment policy and safeguarding the overall integrity of the Public Service appointment process. The PSC's policies under the new *Public Service Employment Act* (PSEA) need to be flexible enough to allow departments and agencies to develop their own customized approaches and policies while respecting legislative requirements.

While deputy heads have been delegated many of the PSC's appointment authorities under the current Act, they will be delegated almost all appointment authorities under the new Act, including all appointments from outside the public service and appointments to executive positions (with the exception of the executive appointments for minister's staff priorities). Deputy heads and managers will also have to account for the exercise of their delegated authorities.

To help departments and agencies assume their delegated authorities, we have developed an Appointment Framework that integrates appointment policy, delegation and accountability requirements, and provides deputy and agency heads the opportunity to tailor the appointment process to meet their organizational and business needs while respecting legislative requirements.

The Appointment Delegation and Accountability Instrument (ADAI) was developed by the PSC and approved in 2004-2005. It identifies all delegated authorities and any conditions related to the delegation and sub-delegation of these authorities. The ADAI also identifies how deputy heads will be held accountable for delegated authorities.

The PSC has developed a series of mechanisms to hold deputy heads accountable. One such mechanism is the Staffing Management Accountability Framework (SMAF), which sets out our expectations for a well managed appointment system. Other oversight mechanisms, such as monitoring and analysing appointment patterns, audits and remedial measures for unsatisfactory staffing performance, will supplement this new tool.

Strengthening the PSC's external oversight role requires that we develop an infrastructure and capacity to support a robust audit function. Over this past year we have created an Audit Branch; increased the number of auditors from five to twenty-three; developed audit policies and a audit manual. These policies draw upon the relevant standards and practices for compliance and performance auditing in the public sector, including those of the Canadian Institute of Chartered Accountants (CICA), as well as the standards and practices of other jurisdictions and disciplines.

Training on the audit manual was provided to the auditors. We launched eight audits during the fiscal year, and completed two by year-end.

Under the new PSEA, the PSC will have an expanded role in relation to the political activities of public servants. In 2004-2005 we worked to develop a new regime, to be introduced in December 2005, that will balance the right of federal employees to participate in political activities with the need to preserve the impartiality of the public service. The regime will include regulations, policy, guidelines and an investigation process. We will undertake numerous information sessions in 2005-2006 to help departments implement the new regime.

The PSC has adopted a monitoring plan regarding the application of the *Public Service Languages Exclusion Approval Order* (PSOLEAO). We have also approved a new Framework for Employment Equity Programs as part of an ongoing effort to assist federal departments and agencies in achieving a representative public service. It will serve as a bridge and model for departments in developing their own employment equity programs for staffing under the new PSEA.

In summary, we have fulfilled most of the 2004-2005 RPP commitments related to our first priority. A number of activities are still in progress and will be completed as we implement the new PSEA.

**Priority 2 : A modernized service vision is implemented in which delivery options are best suited to the needs of the public service.**

The PSC has for many years provided services that support the Employer's staffing needs, particularly in the areas of executive (EX) resourcing, student and post-secondary graduate recruitment, general recruitment and assessment. With the full delegation of staffing authority to departments and agencies, most of these services will shift from being mandatory to optional. To prepare for this shift, in 2004-2005 the PSC has been working on establishing a service organization. The vision of the service organization is to be the provider of choice for delegated departments and agencies in need of recruitment, executive resourcing and assessment services.

During the past year, the PSC continued to provide recruitment, executive resourcing and assessment services to departments and agencies as they prepare to assume delegated authority for recruitment in December 2005, while at the same time preparing itself for its new role under the PSMA.

We have also continued to administer corporate recruitment programs, to ensure the public service has access to new talent entering the labour market. In the context of general recruitment, we have helped departments identify and recruit experienced professionals to a wide variety of positions across numerous occupations and hierarchical levels. In both of these areas of recruitment activity, the PSC provides the only common point of access for citizens to federal public service jobs via our jobs.gc.ca Web site and Infotel.

The PSC is involved in researching and developing technology to streamline and facilitate the recruitment process. Its prototype for electronic screening has been in operation in two regions since spring 2003. Using the tool to electronically screen on experience factors has resulted in a 77% reduction in the number of applications requiring manual screening.

Under the Public Service Resourcing Modernization project, a short-term strategy is under way that will help enable the gradual implementation of national area of selection (that is, providing access to federal job opportunities to qualified Canadians across Canada). We are examining ways to increase the use of a national area of selection, focussing first on all officer-level positions open to the public in the National Capital Region, to coincide, as much as possible, with the coming into force of the new PSEA. In doing so, we will take into account both the flexibilities allowed under the new legislation and the availability of technological improvements, such as electronic screening tools, to manage the anticipated large volumes of applications.

The Personnel Psychology Centre (PPC) has continued to provide support to departments through the administration of a wide variety of standardized tests, ranging from language tests to assessments that measure leadership potential and readiness. The PPC also provided tailor-made assessment solutions to address departments' more specific assessment needs.

The PSC's service organization will continue to modernize its resourcing, assessment and client services programs under its new consolidated regional structure. Additionally, it will standardize service levels to ensure the highest quality of service across Canada and strengthen its capacity to respond to client needs.

In summary, we have fulfilled most of 2004-2005 RPP commitments related to our second priority. A number of activities are still in progress and will be completed as we continue to modernize our resourcing and assessment products and services.

**Priority 3: A modernized governance structure for the Commission and organizational structure for the PSC are in place to support new PSEA obligations.**

Our governance structure has changed from three full-time Commissioners to one full-time and two part-time Commissioners appointed for a maximum period of seven years.

PSC By-laws and Operating Principles were renewed to reflect the new legislation and governance framework of the Commission. This framework outlines the principles by which the Commission operates, the way responsibility is shared, the relationship between different parts of the organization, and the processes used to ensure accountability and measure progress towards objectives.

The PSC organizational structure was also realigned to focus more strongly on our oversight mandate, in line with the implementation of the PSC Program Activity Architecture.

In order to build the PSC's internal capacity to meet our resourcing needs now and in the years to come, and to ensure the sustainability of our workforce, in 2004-2005 we invested in reskilling, training and recruitment. Significant progress has also been made in developing an integrated human resources and business planning process.

In summary, we have fulfilled 2004-2005 RPP commitments related to our third priority.



## Section II - Detailed Performance by Strategic Outcome and Program Activity

### Strategic Outcome

A highly competent, non-partisan and representative public service, able to provide service in both official languages, in which appointments are based on the values of fairness, equity and transparency.

The PSC contributes to the achievement of this strategic outcome by helping to ensure staffing that respects merit is carried out across the public service. This is achieved when staffing activities adhere to the values and principles of competency, non-partisanship, representativeness, equity of access, fairness, transparency, flexibility and efficiency.

The following two performance indicators were identified to monitor the achievement of the PSC's strategic outcome. The differentiation between sizes of organizations provides for better comparability of performance information.

Performance Indicators	Performance Information
<p><b>Percentage of medium and large departments or agencies with fully satisfactory or better rating of staffing performance with respect to the public service staffing values and management principles.</b></p> <p><b>Target:</b> To be determined after one full year of baseline data.</p> <p><b>Reporting Frequency:</b> Annual</p>	<p>The PSC Annual Report provides an assessment of departments' and agencies' adherence to the staffing values as well as observations on staffing management and results in terms of the Staffing Management Accountability Framework. Information on the Annual Report can be obtained through the PSC Web site at: <a href="http://www.psc-cfp.gc.ca/">http://www.psc-cfp.gc.ca/</a>.</p> <p>Departments and agencies are making progress towards incorporating the staffing values (competency, fairness, transparency, access and representativeness) and management principles (flexibility and efficiency) into their staffing processes. Improvements are required in a number of areas, in particular compliance with the staffing values of non-partisanship, representativeness and equity of access. A review of staffing management reveals weaknesses, particularly in the areas of policy development, human resources planning and monitoring of the human resources management information and practices.</p>
<p><b>Percentage of small departments or agencies with fully satisfactory or better rating of staffing performance with respect to the public service staffing values and management principles.</b></p> <p><b>Target:</b> To be determined after one full year of baseline data.</p> <p><b>Reporting Frequency:</b> Annual</p>	

The PSC identified two program activities to contribute to the achievement of the strategic outcome.

The first activity, *Appointment Integrity and Political Neutrality*, is aimed at ensuring that the appropriate policies, procedures, incentives and controls are in place to protect the integrity of the public service staffing system, including protecting the impartiality of the public service with respect to the political activities of employees.

The second activity, *Recruitment and Assessment Services*, provides both mandatory and optional recruitment and resourcing services to departmental clients, in accordance with the policy framework developed by the PSC. This activity ensures that services and products are consistent with staffing policies and that clients are satisfied.

**2004-2005 Financial Resources** (\$ thousands)

Program Activity	Planned Spending	Total Authorities (Note 1)	Actual Spending
Program Activity 1	44,127		39,349
Program Activity 2	48,278		52,518
<b>Total</b>	<b>92,405</b>	<b>95,294</b>	<b>91,867</b>

**2004-2005 Human Resources** (Full-Time Equivalents)

Program Activity	Planned	Total Authorities (Note 1)	Actual
Program Activity 1	398		372
Program Activity 2	522		570
<b>Total</b>	<b>920</b>	<b>942</b>	<b>942</b>

Note 1. The figures are not available at the Program Activity levels.

**Financial Performance Highlights**

The variance between Total Authorities and Actual Spending is explained by the following factors:

- The PSC continued to implement spending controls on non-salary expenditures during the year;
- Because of the change in the PSC's mandate, and the associated internal reorganizations, lapses accrued as we implemented these changes; and
- Funding for the Federal Public Service Modernization Project was reprofiled to 2005-2006 due to delays in project development. The PSC expects to fully use its budget in future years by enhancing its oversight activities (audit and investigations), building additional capacity in priority administration and making any necessary investments in a redefined Services Branch.

## Program Activity 1 - Appointment Integrity and Political Neutrality

### Program Activity Description

The Appointment Integrity and Political Neutrality activity develops, maintains and monitors the implementation of a policy and regulatory framework for safeguarding the integrity of public service staffing and ensuring political neutrality. This activity includes establishing selection policies and standards, delegation and oversight of appointment authorities to departments, and administering non-delegated authorities such as executive appointments and priority administration. This activity also includes conducting audits, investigations and inquiries, as well as administering the appeal process and reporting to Parliament on the integrity of public service staffing.

Program Activity 1 - Appointment Integrity and Political Neutrality - supports priority 1: **The PSC's responsibilities under the new PSEA for setting appointment policy and safeguarding the integrity of the appointment process are fully implemented.**

In order to ensure that this program activity is on track, the following expected results and performance indicators were established. Performance information against these indicators is provided below, as well as PSC achievements under its key programs and services and related 2004-2005 RPP commitments.

Expected Results and Performance Indicators	Performance Information
<p><b>Enhanced protection of the integrity of public service staffing.</b></p> <p><b>Performance Indicators:</b> Percentage of small, medium and large departments or agencies with fully satisfactory or better rating of staffing performance with respect to staffing management and expectations for a well managed staffing system.</p> <p><b>Target:</b> To be determined after one full year of baseline data.</p> <p><b>Reporting Frequency:</b> Annual</p>	<p>The PSC 2004-2005 Annual Report provides an assessment of the staffing performance of federal organizations with respect to staffing management.</p> <p>The PSC has introduced the Staffing Management and Accountability Framework (SMAF) to hold deputy heads accountable for the exercise of their delegated staffing authorities. The SMAF sets out expectations for a well managed appointment system under five elements (governance, planning, policy, communication and control).</p> <p>Overall, departmental reporting demonstrates that the elements of governance and communication show the best performance and the least risk. Some weaknesses have been identified for the elements of policy, planning and control.</p>

Expected Results and Performance Indicators	Performance Information
<p><b>Strengthened accountability from the Commission to Parliament regarding the integrity of public service staffing.</b></p> <p><b>Performance Indicator:</b> The number of potential PSC appearances before parliamentary committees measured against the number of actual appearances.</p> <p><b>Target:</b> To be determined after one full year of baseline data.</p> <p><b>Reporting Frequency:</b> Annual</p> <p><b>Performance Indicator:</b> Number of committee hearings on PSC issues.</p> <p><b>Target:</b> Increase over previous year.</p> <p><b>Reporting Frequency:</b> Annual</p>	<p>Baseline data is being assembled for 2005-2006 reporting on potential PSC appearances.</p> <p>In 2004-2005, 83 standing committee hearings dealt with matters of interest to the PSC, including official languages, whistleblowers legislation, visible minority representation in the public service, and the appointment of a new PSC President. This is an increase of 17 hearings over the previous year, when 66 hearings dealt with matters of interest to the PSC. The President of the PSC appeared eight times before parliamentary standing committees compared to four times in 2003-2004. This included the confirmation appearance before the Standing Senate Committee on National Finance.</p>
<p><b>Protection of the impartiality of the public service with respect to political activities of employees while respecting the political rights of employees.</b></p> <p><b>Performance Indicator:</b> Study findings of the effectiveness of policies, procedures and decisions related to the political activities of public service employees.</p> <p><b>Target:</b> Satisfactory study findings with respect to achieving this expected result.</p> <p><b>Reporting Frequency:</b> Every three to five years, or timed to coincide with the five-year review of the new PSEA.</p>	<p>The new PSEA expands on the PSC's role related to the political activities of federal public servants. Over the past year, the PSC has developed policy instruments, tools and processes as part of a framework to govern such activities. This framework will come into effect in December 2005.</p> <p>It is too early to assess the effectiveness of policies, procedures and decisions related to the political activities of public service employees. An evaluation framework and plan will be developed in 2005-2006.</p>

## **Policy, Regulation, Guidelines, Exclusion Approval Orders and Orders in Council**

**RPP Commitment:** Develop a flexible enabling policy framework to assist managers in making appointment decisions.

### **Status towards fulfilling commitment**

In 2004-2005, the PSC developed an Appointment Framework that includes three components: appointment policy; delegation; and accountability. This Framework will guide deputy heads in building their own staffing systems adapted to their needs and ensure that those systems respect legislative requirements and the core values.

In developing the Appointment Framework, the PSC, in collaboration with Public Service Human Resources Management Agency of Canada (PSHRMAC) and Canada School of Public Service (CSPS), consulted with departments and agencies, bargaining agents and other stakeholders, and held learning sessions to engage the human resources community and determine departmental needs. In addition, the PSC, in partnership with APEX, undertook a cross-country tour to gain the input and insights of executives, middle managers, human resources specialists and unions. Upon its approval in March 2005, the PSC launched the Appointment Framework on its Web site and distributed it broadly to deputy heads, federal councils and bargaining agents.

A significant and complex knowledge transfer must occur within a very limited time frame for the transition to the new PSEA to be a success. The PSC worked, and will continue to work with PSHRMAC and CSPS, to build staffing expertise throughout the public service. We worked closely with the CSPS on the development of a curriculum. At the same time, we began development of various guides and tools to support departments. In collaboration with PSHRMAC, we began to design and develop “Get Ready” information sessions for operational staffing specialists. On an ongoing basis, PSC staffing consultants offered support and advice to departments, communities and networks engaged in implementing the new PSEA (e.g., Human Resources Council, National Staffing Council). This transition support activity will continue in 2005-2006 and beyond, as departments continue to elaborate and further refine their organizational staffing systems.

We launched the PSC’s new Framework for Employment Equity Programs, which bridges employment equity provisions of the current PSEA to the new PSMA and serves as a model for departments in developing their own employment equity programs. The Framework will provide a consistent policy and management approach to establishing and using employment equity programs, which will ultimately facilitate progress in closing representation gaps in the public service workforce.

We put in place a new, on-line newsletter entitled INFO-PSC, published on a quarterly basis to keep managers and human resources professionals informed of the PSC’s work both in providing recruitment and assessment services to departments and in safeguarding the integrity of the appointment process and political neutrality in the federal public service.

We are working closely with PSHRMAC with respect to its new policy responsibilities for the setting of qualification standards and the definition of promotion – responsibilities that were previously with the PSC.

**RPP Commitment:** Implement a new political activities regime which balances the political rights of public servants with the need to preserve the political impartiality of the public service.

#### **Status towards fulfilling commitment**

Over the past year, we have developed guidance, tools and processes to be released in December 2005 as part of the new approach to the political activities of public servants. This new approach was developed in consultation with union, departmental and central agency representatives, among others, and also discussed during a symposium held with key stakeholders and outside experts on October 13, 2004.

A number of information sessions will take place early in 2005-2006 to assist departments in implementing the new rules and regulations concerning political activities. The PSC is working closely with the CSPA to ensure integration of the new political activity regime in their curriculum.

#### **Staffing Delegation and Accountability Agreements, Policy Interpretations and Accountability Assessments**

**RPP Commitment:** Further delegate staffing authorities to deputy heads and encourage them to sub-delegate to as low a level as possible in their organizations.

#### **Status towards fulfilling commitment**

As a component of the new Appointment Framework, the PSC will delegate appointment authorities to departments, with the expectation that they will sub-delegate to the lowest level possible.

During the reporting period, the PSC developed and approved the Appointment Delegation Accountability Instrument (ADAI) that identifies the appointment and appointment-related authorities being delegated, the authorities deputy heads may sub-delegate, the conditions of the delegation, and accountabilities. The ADAIs will signal remedial measures to be taken should there have been contraventions or abuses of delegated or sub-delegated authorities. They will be signed and implemented with all deputy heads, prior to the coming into force of the new Act if the departments and agencies are ready.

To ensure that processes established support the PSC's accountability requirements and expectations, the PSC has developed the following tools and guides:

- Staffing Management Accountability Framework - identifies five key dimensions and expectations (governance, planning, policy, communication and control);
- A Working Guide to Monitoring and Assessing Staffing Risks;

- Best Practice Presentation on Active Monitoring Initiative at Fisheries and Oceans Canada; and
- Statistical Information Site (statistical analyses of federal Public Service hiring and staffing activities).

Our assessment of the information we received from the 72 departments and agencies reporting through the Departmental Staffing Accountability Reports (DSAR) provided a number of findings related to the current staffing regime and associated areas of risk. These findings are presented in our 2004-2005 Annual Report. We assessed the readiness of departments to take on increased authorities and their overall ongoing performance.

### **Non-Delegated Authorities (Executives appointed and priority candidates placed)**

**RPP Commitment:** Manage essential oversight and non-delegated appointment responsibilities according to the current PSEA through the transition to the new PSEA.

#### **Status towards fulfilling commitment**

The PSC has continued to administer priority entitlements, vetting 958 registrations of priority persons into the priority system in 2004-2005. The number of appointments of priority persons has increased significantly over the past two fiscal years, rising from 540 in 2002-2003 to 697 in 2004-2005. Although overall appointment numbers are rising, average time to placement remains relatively stable, averaging 330 calendar days over the past three fiscal years. To ensure that departments deal with priority persons in a fair and transparent manner, and in keeping with its increased oversight role, the PSC will augment its monitoring activities of the overall health of the priority system, as well as individual departmental and agency performance.

We developed a new automated Priority Information Management System (PIMS), including an automated report function designed to help departments monitor their adherence to priority entitlements. Implementation of this new system started in Summer 2005.

In 2004-2005, the PSC received 591 requests to initiate executive (EX) selection processes. Generic EX competitions for functional communities continued to increase, resulting in a more consistent assessment and selection process. The percentage of EX-1 to EX-3 positions staffed through competitive processes increased from 62% in 2003-2004 to 73% in 2004-2005.

Representation of visible minorities in the executive group remains below labour market availability. Concerted efforts are being made to improve representation, including the initiation of a competition process open only to members of visible minority groups across Canada.

An internal study on the use of open competition processes for EX-1 to EX-3 positions found that the “experience” and “knowledge” factors were too specific to the position or to the federal government, and as a result, most external candidates were eliminated. The PSC is addressing this issue to assure equity of access to executive positions.

## Audits and Studies

**RPP Commitment:** Strengthen approach to oversight, using audit more intensively and effectively in order to enhance accountability of both deputy heads to the Commission, and of the Commission to Parliament.

### Status towards fulfilling commitment

We established the Audit Branch in April 2004 to strengthen our oversight role. Since then, we have increased the number of auditors from five to twenty-three.

We developed an audit plan encompassing nine audits selected through a risk assessment process. The plan is posted on the PSC's Web site. We launched eight of the nine audits during 2004-2005; two were completed as of March 31, 2005, and six are under way. Three will be published in October 2005, with the final three in 2006. One audit planned for the Department of Foreign Affairs and International Trade was deferred, given the proposal to divide the Department into two separate departments.

The two completed audits include the Military Police Complaints Commission (MPCC) and the follow-up audit of the Office of the Privacy Commissioner (OPC).

**MPCC:** [http://www.psc-cfp.gc.ca/audit-verif/reports/2004/mpcc/index\\_e.htm](http://www.psc-cfp.gc.ca/audit-verif/reports/2004/mpcc/index_e.htm)

**OPC:** [http://www.psc-cfp.gc.ca/audit-verif/reports/2003/opc/index\\_e.htm](http://www.psc-cfp.gc.ca/audit-verif/reports/2003/opc/index_e.htm)

Both audits demonstrated weaknesses in the organizations' staffing programs. Consequently, the PSC is continuing to restrict the staffing authority until the required management and human resources capacity is in place.

We developed the PSC audit policies which must be met in the conduct of audits. As well, we developed the PSC Audit Manual to set out the details governing the conduct of all audit work, including audit selection, planning, examination, reporting and follow-up. In addition, we developed the PSC Audit Code of Professional Conduct that addresses key ethical issues for auditors, such as independence, objectivity and avoiding conflict of interest, and builds the foundation for credibility, integrity and professional discipline in the audit function. We also developed a learning strategy and training program for PSC auditors to help them build their audit competencies.

We developed a new PSC Statistical Information site which utilizes Web-based tools that provide departments with on-line access to staffing and related human resources data and information on an aggregate basis. This site provides clients with the ability to produce customized reports related to staffing and human resources planning issues for their own department and for the public service. The PSC provides ongoing departmental training support on the use of these new tools.



The Job-Based Appointments Information System (JAIS), developed over the last years, is now operational. This new data base enables the production of statistical information by the PSC on the positions occupied by public servants since 1990, for purposes of analysis and research. It permits the gathering of information on employment, appointments, departures and leave without pay. Because JAIS data is at the individual record level, the PSC developed Memoranda of Understanding with central agencies and departments that need to access this information in the context of their departmental human resources analytical studies, to govern the appropriate use of the data.

We undertook a variety of statistical studies. These studies were undertaken primarily to support the Commission's oversight role as exercised through its audit, policy, delegation and accountability functions. These statistical studies are to be published on our Web site.

[http://www.psc-cfp.gc.ca/audit-verif/index\\_e.htm](http://www.psc-cfp.gc.ca/audit-verif/index_e.htm)

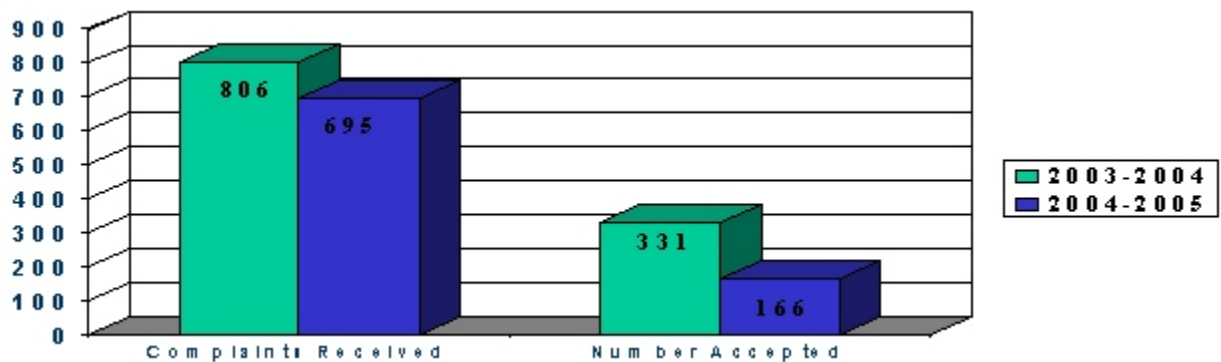
## Investigations, Inquiries and Informal Resolution Processes

**RPP Commitment:** Assist departments in developing a modernized, effective, and values-based approach to resolve staffing complaints.

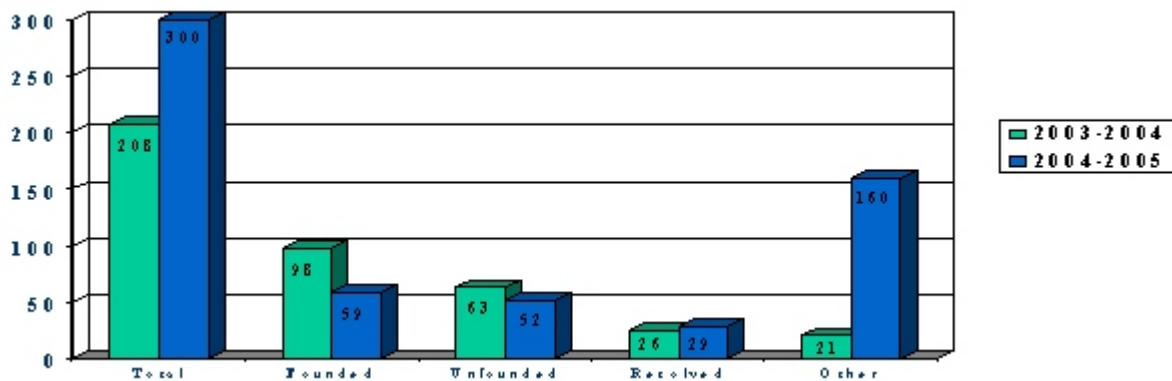
### Status towards fulfilling commitments

The PSC conducts inquiries and investigations to ensure that staffing under the PSEA is carried out in accordance with the law and conducted on the basis of merit. It also offers alternative informal conflict resolution processes for the complaints that are received. The following tables provide statistics related to investigations.

#### NUMBER OF COMPLAINTS RECEIVED AND NUMBER OF CASES ACCEPTED



#### NUMBER OF CASES CLOSED



Source: Recourse Branch Electronic Data Tracking System

In 2004-2005, 300 cases were closed, of which 59 or 20% were founded. The 160 cases under “other”, were either discontinued or withdrawn cases.

The service standard for issuance of an investigation report is 20 calendar days after the completion of the fact-finding meeting or on-site investigation or the date the last document was received. A recent sampling study of cases processed indicated that the actual average for PSC reports was 27 calendar days. We intend to look into the reasons why we are not meeting the standard.

Our informal conflict resolution services, such as mediation in investigations and early intervention in appeals, continue to be a model for departments as they develop their internal staffing recourse mechanisms to meet the requirements of the new PSEA. The following table provides 2004-2005 information on early intervention (EI) results compared to 2003-2004.

PERIOD	EI OFFER	# OF EI MEETINGS	RESULT OF MEETINGS		EARLY INTERVENTION DECLINED
			ALL APPELLANTS WITHDREW	AN APPEAL HEARING NEEDED TO TAKE PLACE	
2003-2004	534	214 (40%)	122 (57%)	81 (38%)	288 (57%)
2004-2005	553	190 (34%)	92 (48%)	96 (51%)	327 (59%)

*Source: Recourse Branch Electronic Data Tracking System*

In the EI meetings held in 2004-2005, 27 subject issues related to merit and selection process concerns were raised. These included, among others: improper assessment of qualifications; conduct of the selection board (bad faith, bias, unfair advantage); concerns about disclosure of information; failure to assess qualifications; and values issues of fairness and transparency.

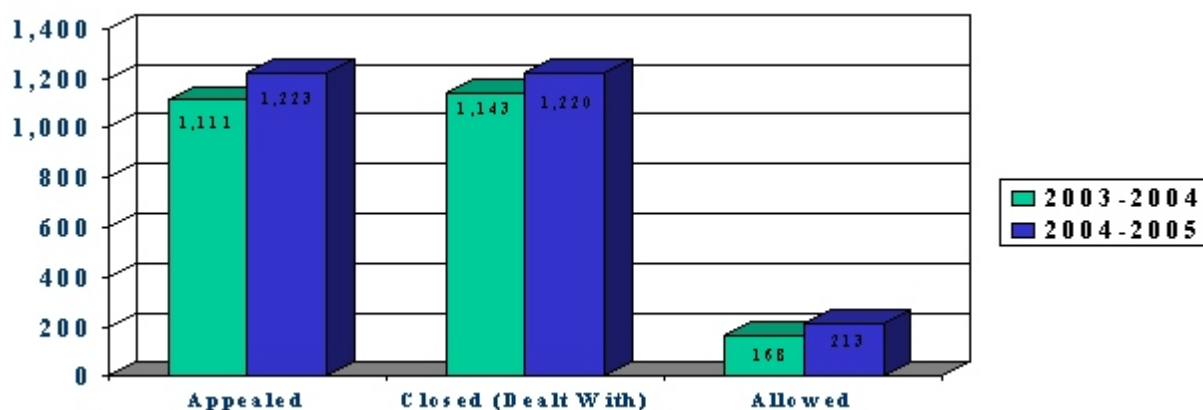
Of the EI meetings scheduled, 142 (65%) were scheduled within the service standard of 21 calendar days. As this is a voluntary process, both parties must agree to an early intervention, which is entirely subject to their availability.

## Appeals Decisions

**RPP Commitment:** Manage and provide essential appeals services throughout the transition to a new PSC organizational structure.

### Status towards fulfilling commitment

The PSC hears appeals concerning alleged violations of the current PSEA and its Regulations. The appeals process will remain in place even after the coming into effect of the new PSEA, until all selection processes initiated under the current Act are completed. The table below provides 2004-2005 statistical information on appeals compared to 2003-2004.



Source: Recourse Branch Electronic Data Tracking System

Appeals in 2004-2005 were allowed for situations in which the selection boards made an improper assessment of the qualifications; in other cases the conduct of the selection board was questioned (bad faith, bias or unfair advantage). Other situations were noted, such as failure to assess qualifications and the unreasonable conditions under which examinations were held. All these errors affected the merit principle. The table below provides the number of appeal decisions rendered and average disposal time.

PERIOD	NUMBER OF DECISIONS	AVERAGE DISPOSAL TIME	WITHIN STANDARD	
			NUMBER	%
2003-2004	404	18.4	276	68
2004-2005	424	12.5	324	76

Source: Recourse Branch Electronic Data Tracking System

Productivity in rendering appeal decisions increased by 5% in 2004-2005. In 2004-2005, there were 3,153 appellants, which was a significant increase in the number of appellants over the previous year (1,808 appellants).

## Program Activity 2 - Recruitment and Assessment Services

### Program Activity Description

The Recruitment and Assessment Services Branch develops and maintains the resourcing systems that link Canadians and public servants seeking employment opportunities in the federal public service with hiring departments and agencies; provides assessment and counselling services and products for use in recruitment, selection and development throughout the federal public service; and delivers resourcing services, programs and products to departments and agencies and to Canadians and public servants, through client service units located across Canada.

Program Activity 2 – Recruitment and Assessment Services - supports priority 2:

A modernized service vision is implemented in which delivery options are best suited to the needs of the public Service.

The *Public Service Modernization Act* (PSMA) is expected to come into full force in December 2005. Until that time, the PSC continues to deliver services under the current PSEA while preparing for implementation of the new Act. In order to ensure that this program activity is on track, the following expected results and performance indicators were established. Performance information against these indicators is provided below, as well as PSC achievements under its key programs and services and related 2004-2005 RPP commitments.

Expected Results and Performance Indicators	Performance Information
<p><b>Recruitment and assessment services and products meet the business needs of clients and are consistent with PSC staffing policies.</b></p> <p><b>Performance Indicator:</b> Study findings.</p> <p><b>Target:</b> Satisfactory study findings.</p> <p><b>Reporting Frequency:</b> Three-year cycle.</p>	<p><b><u>On-line PSRS Journal Applicant Survey</u></b></p> <p>As part of the Personnel Psychology Centre's (PPC) quantitative and qualitative monitoring of the effectiveness of the new Public Service Resourcing System (PSRS) electronic screening tool, an on-line candidate survey was conducted, soliciting feedback on the tool and the process. Over 11,000 respondents completed the survey by August 2004; 72% applied from home, suggesting easy access. Positive feedback was received on the new method of applying on-line and the qualities of the electronic screening functionality.</p> <ul style="list-style-type: none"> <li>67% were very positive and rated important: the on-line screening, instructions, privacy, and fairness to all, including employment equity groups; the experience types; and the rating grid for the breadth and depth of experience. Feedback from respondents identified the need to continue the enhancements to PSRS to improve instructions to applicants and to clarify experience statements.</li> </ul> <p>Applicants were asked to compare this process to private sector processes in which they had participated:</p> <ul style="list-style-type: none"> <li>91.6 % said that the electronic screen format and the experience questions were comparable, somewhat better or better than the private sector.</li> </ul>

Expected Results and Performance Indicators	Performance Information
<p><b>Clients are satisfied with recruitment and assessment services and products.</b></p> <p><b>Performance Indicator:</b> Percentage of departmental clients satisfied or very satisfied overall with recruitment and assessment services.</p> <p><b>Target:</b> 85%</p> <p><b>Reporting Frequency:</b> Annual</p>	<p>The PSC is committed to service excellence. In 2004-2005, we developed service standards and performance objectives to respond to client requirements.</p> <p><b><u>Recruitment Client Satisfaction Survey</u></b> A pilot Recruitment and Referral Service client satisfaction survey questionnaire was developed to address timeliness, accessibility of services, staff knowledge, client orientation, outcome of the service process as it relates to the number and quality of candidates, and an overall service evaluation. The survey questionnaire will be refined and implemented in 2005-2006.</p> <p><b><u>Federal Student Work Experience Program (FSWEP) Survey</u></b> The FSWEP administered a survey in February 2005 and obtained feedback from 404 respondents in 28 departments in the regions and the National Capital Region;</p> <ul style="list-style-type: none"> <li>• 62.6% of managers were satisfied with the length of time it takes to hire a student;</li> <li>• 69.0% said that the process to hire students was not difficult; and</li> <li>• both applicants and departments expressed the need for the FSWEP form to be improved to allow for more flexibility in the selection of work locations. Improvements to the form are planned for 2005-2006. More flexibility will also be provided to hiring managers pertaining to the number of referrals they receive per position.</li> </ul> <p><b><u>Personnel Psychology Centre (PPC) Oral Interaction Test Survey</u></b> The PPC undertook a number of initiatives to improve second language testing during 2004-2005, particularly the Oral Interaction Test (OI Test). These OI Test initiatives were well received by 1,700 surveyed candidates. Survey results indicated that 95% of respondents agreed that the OI testing process was “very professional” and “efficient.” Approximately two-thirds of the respondents viewed their testing experience as more positive than previous tests.</p>

## **Recruitment Services (jobs posted, applications processed, candidates screened, and referrals made)**

**RPP Commitment:** Manage and provide essential recruitment services throughout the transition to a new PSC organizational structure.

### **Status towards fulfilling commitment**

#### General recruitment

The PSC's scope of responsibility encompasses a population of 170,908, representing 47% of the larger public service. Recruitment services and some assessment activities are provided through our 16 district and regional offices across Canada.

In fiscal year 2004-2005, there was a total of 34,844 new hires across the country. Of these, 3,400 were for indeterminate positions; 8,447 were for specified-period (term) positions; 13,288 were casual appointments; and 9,709 were for student employment.

#### Recruitment programs and initiatives

The PSC currently administers five corporate recruitment programs, which can be divided into two categories. Student recruitment programs include the Federal Student Work Experience Program, the Co-operative Education and Internship Program, and the Research Affiliate Program. University graduate programs include the Post-Secondary Recruitment Program and the Recruitment of Policy Leaders Program.

The Federal Student Work Experience Program continued to be in high demand by departments and agencies. During 2004-2005, 6,556 students were hired through the Program, compared to 6,460 in 2003-2004.

Despite ongoing efforts to encourage its use by departments and agencies, the Post-Secondary Recruitment Program remains under-utilized. During 2004-2005, 7,224 graduates applied to 14 streams of career opportunities. Over 7,000 candidates were referred but only 446 were hired. The number of applicants was lower than last year because of greater use of on-line screening and because foreign service officers were not recruited this year.

New partnerships with departments and agencies led to recruitment initiatives tailored to specific communities. For example, the Recruitment of Policy Leaders Program, introduced in January 2005, is aimed at enhancing the policy analysis and development capacity of the public service, by targeting exceptional individuals who might not have considered the public service as a career option. During fiscal year 2004-2005, the Program received 903 applications from Canadians across Canada and abroad. We will report on the number of appointments in next year's DPR.

### Recruitment of bilingual candidates

For fiscal year 2004-2005, the PSC informed internal and external stakeholders of the availability of tools such as the DVD explaining second language requirements in the public service, and the demographic analysis of bilingual Canadians.

Links to information on all aspects of second language requirements and support tools were grouped on a single Web site ([http://www.psc-cfp.gc.ca/centres/ol/index\\_e.htm](http://www.psc-cfp.gc.ca/centres/ol/index_e.htm)), to serve as a “one-stop shop” where visitors can learn more about specific topics such as evaluation, training, policies and legislation. In 2004-2005, 151 presentations were made to various audiences, including:

- post-secondary institutions offering immersion or second language training programs;
- interest groups such as associations representing official language minority communities;
- the general public interested in knowing more about recruitment for bilingual jobs in the public service;
- public service employees on or about to undertake language training; and
- human resources specialists and hiring managers in the federal government.

### **Assessment Services (assessment tools, instruments and products)**

**RPP Commitment:** Manage and provide essential assessment services throughout the transition to a new PSC.

#### **Status towards fulfilling commitment**

During 2004-2005, the Personnel Psychology Centre (PPC) conducted more than 112,000 assessments for departments and agencies. The 12.9% decrease in volume from 2003-2004 was accounted for by a significant decline in testing related to Post-Secondary Recruitment, which this year did not include recruitment of foreign service officers.

The overall figure includes the administration of more than 60,000 tests for second language evaluation, comprising 20,610 reading tests, 23,347 writing tests, and 20,291 oral interaction tests, all slightly higher volumes than the previous year. Despite the higher volume, a backlog in French oral interaction testing was eliminated during 2004-2005.

Significant efforts were invested in modernizing the PSC’s Second Language Evaluation procedures and instruments, in response to concerns raised during the year that the success rates on the French Oral Interaction (OI) Test were decreasing, and the perception that the Test had become more difficult. Information to candidates was standardized and increased, and greater flexibility was introduced into the warm-up phase.

The PPC developed tailor-made instruments for a number of federal clients, including Public Service Human Resources Management Agency of Canada, the Canada Revenue Agency, and the Canadian Coast Guard.



The number of requests for information and assessment expertise related to departmental development programs remained high during the reporting year. The volume of general consultation inquiries rose by 6.7. Inquiries related to accommodation for persons with disabilities accounted for 26.3% of assessment consultations, substantially more than the previous year. As a result, the PSC made investments in alternative formats for a number of assessment instruments.

During the past two years, the PPC has explored the viability and potential advantages of e-testing. Focus group results suggest that roughly 50% of candidates continue to prefer paper and pencil testing over the e-testing format. Furthermore, many departments do not have the facilities necessary for e-testing. If properly implemented, e-testing could offer savings and flexibility in service delivery. A gradual and strategic implementation will be explored in 2005-2006.

During 2004-2005, the PPC's authority to recover costs for its services, and its mandate to serve certain clients, were reviewed. As a result of this review, the PPC will provide assessment and counselling instruments, and related services, only to organizations falling under the jurisdiction of the PSEA. In addition, the PSC prepared a Treasury Board submission seeking authority to respend revenue through a change to its vote wording and authority to vote net. This authority was obtained in early 2005-2006.

### **Client Services (electronic resourcing systems, assessment systems and operational policies)**

**RPP Commitment:** Assist departments in considering options for the delivery of resourcing services that respond efficiently and effectively to their staffing needs.

#### **Status towards fulfilling commitment**

Funds received in the context of the Recruitment Action Plan are essential to enable the federal government to modernize recruitment and compete with major Canadian recruiters to attract qualified candidates efficiently and effectively.

In 2004-2005, examples of improvements to recruitment systems to support modernization efforts included enhancements made to the Post-Secondary Recruitment campaign to provide for more flexibility for departments in the posting of job opportunities, and the creation of the Science and Technology inventory to respond to departments' resourcing needs for entry-level positions in biological sciences, chemistry, physical sciences, and technical support. Also in 2004-2005, the Recruitment of Policy Leaders Program and the Research Affiliate Program were created to meet the specific needs of the client departments; both of these programs have garnered many accolades from both hiring managers and program participants.

In addition, the electronic test registration system was changed to ensure that only those candidates who had submitted their application and who met all the screening requirements of the position were allowed to register for the respective tests.

This provided efficiencies to the PSC and to departments regarding test administration and test correction, as well as shortening the referral time of applications to departments.

To help departments develop their capacity in preparation for full delegation of staffing authority in December 2005, the Services Branch encouraged its clients to work together and in partnership with the PSC to take advantage of opportunities such as partially or fully assessed candidate pools to streamline and expedite the staffing and recruitment processes. Collaborative initiatives are under way for administrative support levels in regions and for some functional communities, such as economists and scientists, in the National Capital Region.

#### National Area of Selection (NAOS)

Under the Public Service Resourcing Modernization project, a short-term strategy is under way that will help enable the gradual implementation of national area of selection (that is, providing access to federal job opportunities to qualified Canadians across Canada). We are examining ways to increase the use of a national area of selection, focussing first on all officer-level positions open to the public in the National Capital Region, to coincide, as much as possible, with the coming into force of the new PSEA. In doing so, we will take into account the staffing flexibilities delegated managers will have under the new legislation. We will also take into account the availability of technological improvements, such as electronic screening tools, to manage the anticipated large volumes of applications. The value of these tools has been tested and proven by means of pilot projects conducted in several of our regional offices.

#### E-Resourcing

In 2002, the PSC developed and tested a prototype technology, the Public Service Recruitment System (PSRS), that gave on-line access to Canadians and allowed large numbers of applications to be screened electronically. The prototype successfully met its objectives. During 2004-2005, two PSC regions used the PSRS for 62% of their external hiring processes (29% of processes nationally). Using the tool to electronically screen on experience factors has resulted in a 77% reduction in the number of applications requiring manual screening. Using the PSRS as the interim solution will enable the phased-in implementation of national area of selection. This recruitment tool will be made available to departments, and will help them manage their delegated recruitment authorities.

A parallel effort began to develop a longer-term, single instance, service-wide e-resourcing solution that will include recruitment and staffing. This system will facilitate the management of the total resourcing process with optimal volume capacity.

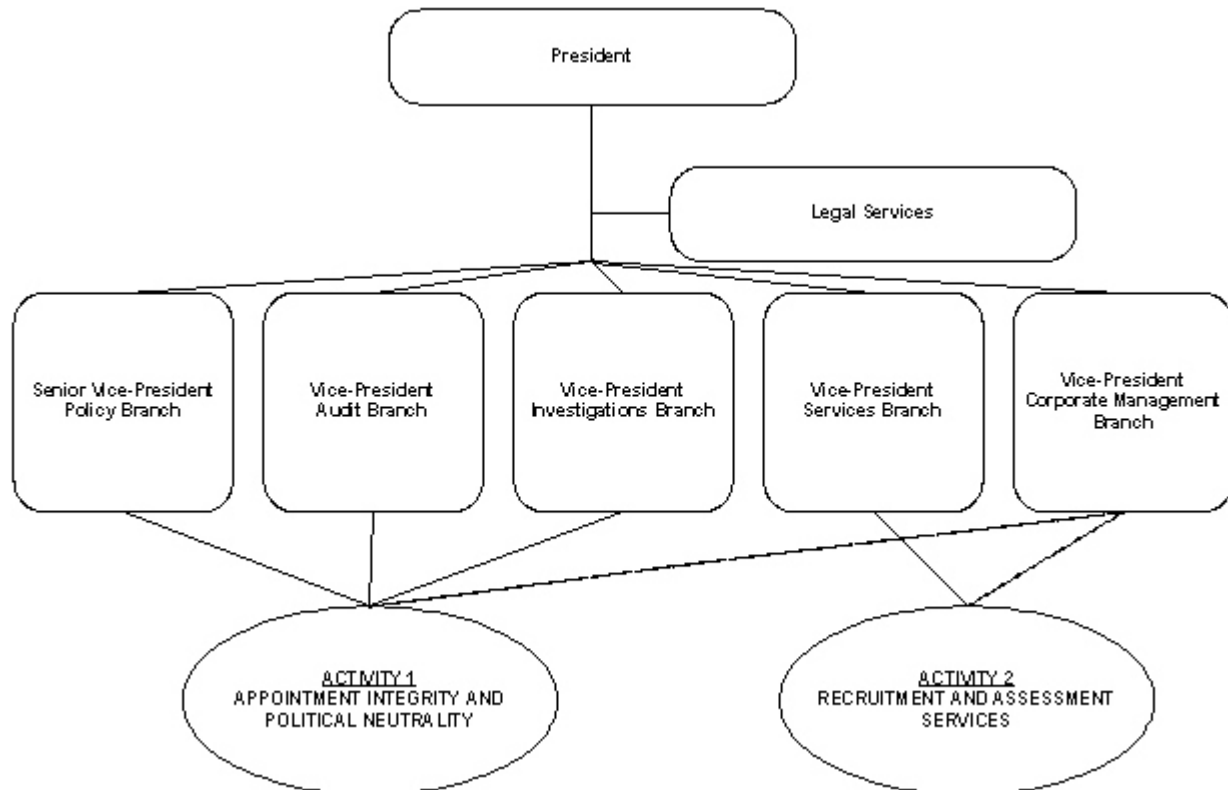
Funding of \$3.5M was approved for the project definition phase of the development of this long-term approach in 2004-2005. Due to changes in priorities, resulting delays created an under-expenditure of over two \$2 million dollars of which one \$1 million was re-profiled for use in 2005-2006. Work to secure long-term approval for a government-wide e-resourcing solution will be undertaken in 2005-2006.

## Section III - Supplementary Information

### Organizational Information and Accountability

The Public Service Commission (PSC) is an independent agency reporting to Parliament on matters under its jurisdiction. The Commission consists of a President and two or more part-time Commissioners appointed for a maximum period of seven years. The President is appointed under the Great Seal and the Commissioners are appointed by the Governor in Council. The President's position is currently held by Maria Barrados and the two Commissioner positions are held by Manon Vennat and David Zussman. The President is the Chief Executive Officer and is accountable to the Commission under the *Public Service Employment Act*. She is also accountable to the Minister of Canadian Heritage for specific duties and responsibilities under the *Financial Administration Act*.

Five branches headed by Vice-Presidents support the President in her role as Chief Executive Officer and contribute to the achievement of the PSC's strategic outcome under two program activities identified in the new PSC Program Activity Architecture: Appointment Integrity and Political Neutrality and Recruitment and Assessment Services. An organization chart outlining the PSC's structure and accountability is presented below.



The **Senior Vice-President, Policy** develops and advances the Commission's strategic policy frameworks; develops, promotes and monitors the implementation of appointment policies, standards and criteria; is accountable for advancing employment equity and linguistic duality in staffing and recruitment across the public service; develops and implements the Commission's policy and regulatory framework for staffing and the political activities of public servants; negotiates, monitors and assesses the exercise of the authorities delegated to deputy heads; carries out the delegated authority for the approval of non-delegated appointments; and ensures the exercise of non-delegated authorities.

The **Vice-President, Audit** develops and implements a public service-wide independent audit function to assess the application of the merit principle and the staffing values and to safeguard the public interest; and recommends corrective actions to address specific and systemic deficiencies identified through audits.

The **Vice-President, Investigations** conducts investigations and administers the appeal process against alleged breaches of the current *Public Service Employment Act* in order to protect the public interest and to promote the application of merit, fairness, equity and transparency; ensures the independence of the boards of appeals and investigations called upon to guide the Commission's actions; and promotes the use of alternative dispute resolution methods in recourse.

The **Vice-President, Services** develops, implements and delivers recruitment and assessment systems, programs, services and products for use across the public service; and develops and implements strategies, policies and structures to support the new PSC service organization.

The **Vice-President, Corporate Management** develops and monitors corporate management planning frameworks and policies related to the management accountability framework, finance, human resources management, information technology, communications and other administrative and support services; provides central services and systems in support of all PSC programs, including the Offices of the President and Commissioners; and formulates and implements policies, plans, guidelines, standards, processes and procedures to support the decision-making process for the Commission.

## Crosswalk between 2004-2005 RPP Priorities and PSC Program Activity Architecture

2004-2005 RPP Priorities	2004-2005 RPP Commitments	Crosswalk to PAA	
		Program Activity	Programs and Services
<b>1. The PSC's responsibilities under the new PSEA for setting appointment policy and safeguarding the integrity of the appointment process are fully implemented.</b>	Develop a flexible, enabling policy framework to assist managers in making appointment decisions.	<b>Appointment Integrity and Political Neutrality</b>	Policy, Regulation, Guidelines, Exclusion Approval Orders and Orders in Council
	Further delegate staffing authorities to deputy heads and encourage them to sub-delegate to as low a level as possible in their organizations.		Staffing Delegation and Accountability
	Strengthen approach to oversight, using audit more intensively and effectively in order to enhance accountability of both deputy heads to the Commission, and the Commission to Parliament.		Audits and Studies
	Implement a new political activities regime which balances the political rights of public servants with the need to preserve the political impartiality of the public service.		Policy, Regulation, Guidelines, Exclusion Approval Orders and Orders in Council
	Manage essential oversight and non-delegated appointment responsibilities according to the current PSEA through the transition to the new PSEA.		Non-Delegated Authorities

2004-2005 RPP Priorities	2004-2005 RPP Commitments	Crosswalk to PAA	
		Program Activity	Programs and Services
<b>2. A modernized service vision is implemented in which delivery options are best suited to the needs of the public service.</b>	Assist departments in considering options for the delivery of resourcing services that respond efficiently and effectively to their staffing needs.	<b>Recruitment and Assessment Services</b>	Client Services
	Assist departments in developing a modernized, effective, and values-based approach to resolve staffing complaints.	<b>Appointment Integrity and Political Neutrality</b>	Investigation, Inquiries and Informal Resolution Processes
	Manage and provide essential programs and services throughout the transition to a new PSC organizational structure.	<b>Appointment Integrity and Political Neutrality</b>	Appeal Decisions
		<b>Recruitment and Assessment Services</b>	Recruitment Services
		<b>Recruitment and Assessment Services</b>	Assessment Services
<b>3. A modernized governance structure for the Commission and organizational structure for the PSC are in place to support new PSEA obligations.</b>	Change Commission governance structure and supporting operations to reflect its modernized roles and responsibilities, as well as the modernized responsibilities of the PSC.  Model good human resources management practices throughout the transition to a new PSC organizational structure.	<b>Corporate Services</b> (reported under Section IV in the DPR)	

## Crosswalk between 2004-2005 RPP Business Lines and the PSC Program Activity Architecture

2004-2005						
By Business Line		By Program Activity		Major Adjustments between Main Estimates and Planned Spending (Note 4)		
		Appointment Integrity and Political Neutrality	Recruitment and Assessment Services	Transfer to CSPS	Transfer to PSHRMAC	Repeal of the SDTRF
<b>Related Financial Information:</b>						
<b>Resourcing</b>						
	Main Estimates	71,644				
	Planned Spending	50,653			(20,856)	
	<i>Total Authorities</i>	51,237				
	Actual Spending	44,911	7,140	37,771		
<b>Learning</b>						
	Main Estimates (Note 4)	31,688				
	Planned Spending			(31,681)		87
	<i>Total Authorities</i>					
	Actual Spending					
<b>Recourse</b>						
	Main Estimates	6,660				
	Planned Spending	7,104				
	<i>Total Authorities</i>	6,927				
	Actual Spending	5,913	5,913			
<b>Oversight and Outreach</b>						
	Main Estimates	14,138				
	Planned Spending	12,946			(1,192)	
	<i>Total Authorities</i>	15,382				
	Actual Spending	16,575	14,796	1,779		
<b>Corporate Services</b>						
	Main Estimates	23,279				
	Planned Spending	21,702		(1,407)	(399)	
	<i>Total Authorities</i>	21,748				
	Actual Spending	24,468	11,500	12,968		
<b>TOTAL</b>						
	Main Estimates (Note 1)	<b>147,409</b>				
	Planned Spending (Note 2)	<b>92,405</b>	<b>44,127</b>	<b>48,278</b>		
	<i>Total Authorities (Note 1)</i>	<b>95,294</b>				
	Actual Spending (Note 3)	<b>91,867</b>	<b>39,349</b>	<b>52,518</b>		

Note 1. The Main Estimates and Total Authorities figures are only available at the Business Line levels.

Note 2. The Planned Spending is available at the Business Line levels and as a total against each Program Activity.

Note 3. The Actual Spending figures are broken down by business line and program activities.

Note 4. As a result of the implementation of the PSMA effective April 1, 2004 resources were transferred from the PSC to the Public Service Human Resources Management Agency of Canada (PSHRMAC) and the Canada School of Public Service (CSPS), however, were still part of the Main Estimates figures. The Staff Development and Training Revolving Fund (SDTRF) was also repealed effective April 1, 2004. All of these changes were reflected as adjustments in the 2004-2005 Report on Plans and Priorities.

**Table 1: Comparison of Planned Spending and Full-Time Equivalents**

(\$ thousands)	2004-2005 (Note 2)					
	Actual 2002-03	Actual 2003-04	Main Estimates	Planned Spending	Total Authorities	Actual
Resourcing	71,616	65,038	71,644	50,653	51,237	44,911
Learning (includes Respendable Revenues) (Note 1)	25,413	27,308	31,688			
Recourse	6,679	6,745	6,660	7,104	6,927	5,913
Oversight and Outreach	14,607	14,796	14,138	12,946	15,382	16,575
Corporate Services	27,537	26,257	23,279	21,702	21,748	24,468
<b>Total</b>	<b>145,852</b>	<b>140,144</b>	<b>147,409</b>	<b>92,405</b>	<b>95,294</b>	<b>91,867</b>
Less: Non-respendable revenues	91	73				4,786
Plus: Cost of services received without charge (Note 3)	20,927	22,171	13,383	13,383	13,383	17,587
<b>Net cost of department</b>	<b>166,688</b>	<b>162,242</b>	<b>160,792</b>	<b>105,788</b>	<b>108,677</b>	<b>104,668</b>
<b>Full-Time Equivalents</b>	1,490	1,495	1,380	920	942	942

Note 1. The actual figures in 2002-2003 and 2003-2004 for the Staff Development and Training Revolving Fund component included in the Learning Business Line are reflected on an accrual basis of accounting.

Note 2. As a result of the PSMA, effective April 1, 2004, resources were transferred from the PSC to the Public Service Human Resources Management Agency (PSHRMAC) and the Canada School of Public Service (CSPS). The Staff Development and Training Revolving Fund was repealed effective April 1, 2004. However, these are all included in the Main Estimates figures. It also reflects the newly reported figure for Assessment, Diagnostic and Career Counselling Services.

Note 3. The actual accommodation cost figures provided by PWGSC have not yet been adjusted to consider the PSC employees transferred to the CSPS, as a result of the implementation of the PSMA effective April 1, 2004. Nonetheless, consideration was given in the calculation to factor in the employees who have since transferred to the PSHRMAC. However, the lower figure in the other exercises is attributable to a PSC calculation of the accommodation costs taking into account the employees that were transferred.



**Table 2: Use of Resources by Business Lines**

2004-2005				
(\$ thousands)	Budgetary			
	Operating	Total: Gross Budgetary Expenditures	Less: Respendable Revenue	Total: Net Budgetary Expenditures
<b>Resourcing</b>				
Main Estimates	71,644	71,644		71,644
Planned Spending	50,653	50,653		50,653
Total Authorities	51,237	51,237		51,237
Actual Spending	44,911	44,911		44,911
<b>Learning (Note 1)</b>				
Main Estimates	45,683	45,683	13,995	31,688
<b>Recourse</b>				
Main Estimates	6,660	6,660		6,660
Planned Spending	7,104	7,104		7,104
Total Authorities	6,927	6,927		6,927
Actual Spending	5,913	5,913		5,913
<b>Oversight and Outreach</b>				
Main Estimates	14,138	14,138		14,138
Planned Spending	12,946	12,946		12,946
Total Authorities	15,382	15,382		15,382
Actual Spending	16,575	16,575		16,575
<b>Corporate Services</b>				
Main Estimates	23,279	23,279		23,279
Planned Spending	21,702	21,702		21,702
Total Authorities	21,748	21,748		21,748
Actual Spending	24,468	24,468		24,468
<b>Total</b>				
Main Estimates	161,404	161,404	13,995	147,409
Planned Spending	92,405	92,405		92,405
Total Authorities	95,294	95,294		95,294
Actual Spending	91,867	91,867		91,867
<b>Other Revenues and Expenditures</b>				
<b>Non Respendable Revenues (Note 2)</b>				
Actual Spending				4,786
<b>Cost of Services Provided by Other Departments</b>				
Main Estimates				13,383
Planned Spending				13,383
Total Authorities				13,383
Actual Spending (Note 3)				17,587
<b>Net Cost of the Program</b>				
Main Estimates				160,792
Planned Spending				105,788
Total Authorities				108,677
Actual Spending				104,668

Note 1. As a result of the PSMA effective April 1, 2004, resources were transferred from the PSC to the PSHRMAC and the CSPS. As well, the Staff Development and Training Revolving Fund was repealed effective April 1, 2004. However, these are all included in the Main Estimates figures.

Note 2. Consists of Assessment, Diagnostic and Career Counselling Services.

Note 3. The actual accommodation cost figures provided by PWGSC have not yet been adjusted to consider the PSC employees transferred to the CSPS, as a result of the implementation of the PSMA effective April 1, 2004. Nonetheless, consideration was given in the calculation to factor in the employees who have since transferred to the PSHRMAC. However, the lower figure in the other exercises is attributable to a PSC calculation of the accommodation costs taking into account the employees that were transferred.

**Table 3: Voted and Statutory Items**

Vote or Statutory Item	Truncated Vote or Statutory Wording	2004-2005 (\$ thousands)			
		Main Estimates (Note 1)	Planned Spending	Total Authorities	Actual
100	Operating Expenditures	128,351	79,700	83,975	80,548
(S)	Contributions to Employee Benefit Plans	19,145	12,705	11,319	11,319
(S)	Staff Development and Training Revolving Fund	(87)			
	<b>Total</b>	<b>147,409</b>	<b>92,405</b>	<b>95,294</b>	<b>91,867</b>

Note 1. As a result of the PSMA effective April 1, 2004, resources were transferred from the PSC to the Public Service Human Resources Management Agency (PSHRMAC) and the Canada School of Public Service (CSPS). As well, the Staff Development and Training Revolving Fund was repealed effective April 1, 2004. However, these are all included in the Main Estimates figures.

**Table 4: Net Cost of Department**

(\$ thousands)	2004-2005
Total Actual Spending	91,867
Plus: Services Received Without Charge	
Accommodation Provided by Public Works and Government Services Canada (PWGSC) (Note 1)	11,743
Contributions Covering Employer's Share of Employees' Insurance Premiums and Expenditures Paid by TBS	5,103
Workers' Compensation Coverage Provided by Social Development Canada	128
Salary and Associated Expenditures of Legal Services Provided by Justice Canada	613
Less: Non-responsible Revenues (Note 2)	4,786
<b>2004-2005 Net Cost of Department</b>	<b>104,668</b>

Note 1. The actual accommodation cost figures provided by PWGSC have not yet been adjusted to consider the PSC employees transferred to the CSPS, as a result of the implementation of the PSMA effective April 1, 2004. Nonetheless, consideration was given in the calculation to factor in the employees who have since transferred to the PSHRMAC.

Note 2. Consists of Assessment, Diagnostic and Career Counselling Services.

**Table 5: Contingent Liabilities**

(\$ thousands)	March 31, 2004	March 31, 2005
Claims, Pending and Threatened Litigation	570	520
<b>Total</b>	<b>570</b>	<b>520</b>

## Table 6: Revolving Fund

### Statement of Operations (Note 1)

(\$ thousands)	Actual 2002-03	Actual 2003-04	2004-2005		
			Main Estimates	Planned Spending	Authorized Actual
<b>Respendable Revenue</b>	13,273	14,301	13,995		
<b>Expenses</b>					
Salaries and employee benefits	5,278	5,756	7,034		
Transportation and Communications	302	298	372		
Information	155	177	301		
Professional and Special Services	3,708	4,075	3,918		
Rentals	963	961	1,372		
Purchased repairs and upkeep	69	19			
Utilities, materials and supplies	1,589	608	597		
Depreciation	11	17	50		
Other	497	252	264		
<b>Total Expenses</b>	<b>12,572</b>	<b>12,163</b>	<b>13,908</b>		
<b>Surplus (Deficit) (Note 1)</b>	<b>701</b>	<b>2,138</b>	<b>87</b>		

### Statement of Cash flows

Revenues	13,273	14,301	13,995
Expenses	12,572	12,163	13,908
Profit or (Loss)	701	2,138	87
Add items not requiring use of funds:			
Depreciation/Amortization	11	17	
Provision for employee termination benefits	224	31	
Loss on disposal of capital assets			
Changes in working capital	(15)	(196)	
Investing activities			
Acquisition of depreciable Assets	(112)		
<b>Cash surplus (requirement)</b>	<b>809</b>	<b>1,990</b>	

Note 1. The Staff Development and Training Revolving Fund was repealed effective April 1, 2004. Consequently, only the Main Estimates figures are reflected for 2004-2005.

**Table 7: Source of Respendable and Non-Respendable Revenue**

**Respendable Revenues (\$ thousands)** (Note 1)

Business Line	Actual 2002-03	Actual 2003-04	2004-2005			Actual
			Main Estimates	Planned Revenue	Total Authorities	
Learning:						
Staff Development and Training Revolving Fund	13,273	14,301	13,995			
<b>Total Respendable Revenues</b>	<b>13,273</b>	<b>14,301</b>	<b>13,995</b>			

Note 1. As a result of the PSMA effective April 1, 2004, the Staff Development and Training Revolving Fund was repealed effective April 1, 2004. However, respendable revenues were included in the Main Estimates.

**Non-Respendable Revenues (\$ thousands)**

Business Lines	Actual 2002-03	Actual 2003-04	2004-2005			Actual (Note 1)
			Main Estimates	Planned Revenue	Total Authorities	
Learning:						
Discretionary Language Training	91	73				
Resourcing:						
Assessment Diagnostic and Career Counselling						4,786
<b>Total Non- Respendable Revenues</b>	<b>91</b>	<b>73</b>				<b>4,786</b>

Note 1. Reflects the newly reported figure. In 2005-2006, the PSC was granted net voting authority.

**Table 8: Details on Project Spending** (\$ thousands) (Note 1)

Business Line	Current Estimated Total Cost (Note 1)	Actual 2002-03 (Note 2)	Actual 2003-04 (Note 2)	2004-2005			
				Main Estimates	Planned Spending	Total Authorities	Actual
Resourcing:							
Federal Public Service Modernization Project (Definition Phase)	2,624	N/A	N/A	3,439	3,439	2,258	716

Note 1. The 2004-2005 surplus funds were included in the PSC carry-forward to 2005-2006. Consequently, the current estimated total cost includes the funds reprofiled to 2005-2006 as well as with the surplus funds from the project in 2004-2005.

Note 2. The Project Spending for 2002-2003 and 2003-2004 is not available.

**Table 9: Response to Parliamentary Committees, Audits and Evaluations**

### **Response to Parliamentary Committees**

The First Report of the Standing Committee on Public Accounts on the Audit of the Financial Management and Administration of the Privacy Commissioner of Canada outlined six recommendations (out of 20) aimed at the Public Service Commission. Recommendations 1, 2 and 3 dealt with the PSC Action Plan for the Office of the Privacy Commissioner. The updated action plan was included as Appendix A in the response to the Standing Committee at the following address:

[http://www.parl.gc.ca/InfocomDoc/Documents/38/1/parlbus/commbus/house/GovResponse/PACP\\_Rpt01\\_GvtRsp-e.htm](http://www.parl.gc.ca/InfocomDoc/Documents/38/1/parlbus/commbus/house/GovResponse/PACP_Rpt01_GvtRsp-e.htm). The current status of this action plan can be found at: [http://www.parl.gc.ca/InfocomDoc/Documents/38/1/parlbus/commbus/house/GovResponse/PACP\\_Rpt01\\_GvtRsp-e.htm#AppendA](http://www.parl.gc.ca/InfocomDoc/Documents/38/1/parlbus/commbus/house/GovResponse/PACP_Rpt01_GvtRsp-e.htm#AppendA)

Recommendations 4, 5 and 6 requested improvements to the information available, and the potential actions to be taken, should there be a problem with a delegated staffing authority. Revised delegation instruments were approved by the Commission on March 11, 2005 as a part of the new Appointment Framework see:

([http://www.psc-cfp.gc.ca/psea-lefp/framework/index\\_e.htm](http://www.psc-cfp.gc.ca/psea-lefp/framework/index_e.htm)).

### **Response to the Auditor General**

**Post-Secondary Recruitment (PSR)** (Chapter 5 of the 2003 Status Report of the Auditor General of Canada)

Having collected much information about the Program in 2003-2004, in 2004-2005, we analyzed the information and developed a detailed communication strategy to demonstrate the benefits of this Program to departments. We also began a review of the Program in light of the new PSEA.

**Office of the Privacy Commissioner of Canada** (September 2003 Report of the Auditor General of Canada)

The PSC conducted one systemic and eight individual investigations into nine staffing actions. These investigations concluded that no further action was necessary with one exception. In that case, the appointment was revoked.

## Internal Audits or Evaluations

### **Audit of Electronic Recruitment Project Expenditures**

The auditors concluded that expenditures for the project were accurately recorded in PSC's financial system. However, direct costs of approximately \$574,000 had not been allocated to this project. It was recommended that financial expertise for reporting of project expenditures be obtained and that planning and monitoring mechanisms be enhanced. Management developed a comprehensive action plan, which included adoption of a full costing approach, assignment of a dedicated financial officer and establishment of a separate organization for the project.

[http://www.psc-cfp.gc.ca/centres/internal\\_audits/reports/2004/electronic\\_recruitment/audit\\_e.htm](http://www.psc-cfp.gc.ca/centres/internal_audits/reports/2004/electronic_recruitment/audit_e.htm)

### **Audit of Information Technology (IT) Planning**

The audit found that IT planning is hindered by both the lack of a strategic IT plan and ineffective communication with branches. Furthermore, it was difficult to determine whether the level of IT investments was appropriate, and work was needed to develop an overall information architecture and Business Continuity Plan. Management accepted the recommendations and significant progress has been made, including the striking of an active IT Committee and integration of planning. These efforts will be impacted by the government's overall realignment of IT operations.

[http://www.psc-cfp.gc.ca/centres/internal\\_audits/reports/2004/it/it\\_audit\\_e.htm](http://www.psc-cfp.gc.ca/centres/internal_audits/reports/2004/it/it_audit_e.htm)

### **Audit of Security**

This audit of the management framework for and effectiveness of PSC's security operations found that, overall, the major requirements of the Government Security Policy were met. Nonetheless, improvements were needed in some areas, notably: communications mechanisms; strategic planning; IT security; and business continuity planning. Management's action plan addressed all recommendations. It included establishment of a Finance and Administration Committee and a corporate planning function, mandatory security training, a security sweeps program, and development of a business continuity action plan.

[http://www.psc-cfp.gc.ca/centres/internal\\_audits/reports/2004/security/security\\_audit\\_e.htm](http://www.psc-cfp.gc.ca/centres/internal_audits/reports/2004/security/security_audit_e.htm)

**Table 10: Service Improvement Initiative (SII)**

TBS Reporting Requirements on Service Improvement Initiative	PSC Activities, Targets, and Achievements
<p>Programs and services covered by a service improvement plan</p>	<ul style="list-style-type: none"> <li>• The Common Measurements Tool (CMT), led by Treasury Board Secretariat (TBS), was initiated to measure and improve the quality of services offered to Canadians. Although the direct recipients of services are the departments, the PSC’s CMT is focussed on maintaining client satisfaction with the information provided to Canadians about job opportunities in the federal public service and the application process.</li> <li>• Recruitment is listed as a service component in the 2004 Government On-Line Report. Survey tools based on the CMT have been in place since 2001 and surveys are ongoing.</li> <li>• Client satisfaction results, on services provided prior to the publication of our service standards, are posted in PSC offices and on the intranet, at <a href="http://www.jobs-emplois.gc.ca/menu/sii_survey_e.htm">www.jobs-emplois.gc.ca/menu/sii_survey_e.htm</a>. We expect to publish the results of the on-line PSRS Journal Survey in 2005-2006.</li> </ul>
<p>Development of baseline client satisfaction levels and progress toward achieving satisfaction targets</p>	<ul style="list-style-type: none"> <li>• The PSC is committed to service excellence. In 2004-2005, we developed the new service agency’s service standards and performance objectives. Work was initiated on adjusting the client satisfaction survey tools and will continue into 2005-2006.</li> </ul>
<p>Service standards for all key public services; setting of standards and performance against those standards</p>	<ul style="list-style-type: none"> <li>• Core service standards are posted in PSC offices and on the Internet, at <a href="http://www.jobs-emplois.gc.ca/menu/sii_standards_e.htm">www.jobs-emplois.gc.ca/menu/sii_standards_e.htm</a></li> </ul>
<p>Main achievements in improving service from a citizen perspective</p>	<ul style="list-style-type: none"> <li>• Through the Internet, by telephone, and in person, the PSC provides Canadians with accessible, responsive, timely, and professional services to assist them in applying for employment opportunities in the federal public service.</li> <li>• As mentioned on Page 31, we measured the level of satisfaction of Canadians using the PSRS electronic tool and process. We are committed to improving our service level.</li> </ul>



**Table 11: Travel Policies**

**Comparison to the Treasury Board Secretariat (TBS) Special Travel Authorities**

The PSC follows the TBS Special Travel Authorities.

**Comparison to the Treasury Board Secretariat (TBS) Travel Directive, Rates and Allowances**

The PSC follows the TBS Travel Directive, Rates and Allowances.

## **Section IV - Other Subjects of Interest**

### **Management Priorities**

The third priority identified in the 2004-2005 Report on Plans and Priorities focussed on the impacts of the efforts under the first two priorities on the internal working of the PSC. We committed to implement a modernized governance and organizational structure and to model good human resources management practices throughout the transition to the new PSEA. Progress in this area is summarized in the Performance Summary section. Other management initiatives that had an impact on the PSC overall performance are described below.

The PSC has implemented a management framework consistent with the TBS Management Accountability Framework to improve its financial and management practices, strengthen reporting to Parliament and ensure sound stewardship, more rigour and discipline in the ongoing management of PSC resources. In 2004-2005, we developed our new PSC Program Activity Architecture (PAA) that provides a framework for managing resources in order to achieve our priorities, and serves as the basis for accountability, performance measurement, decision making and action. We established clear linkages between the PSC's strategic outcome, activities and sub-activities and related performance indicators.

To emphasize the importance of improved accountability, better support the PSC during transition and nurture a stronger relationship with Parliament, two new corporate units were put in place and are fully operational in 2005-2006. We integrated the corporate planning and reporting functions to ensure stronger focus on parliamentary reporting and continual improvement in a variety of management areas, such as performance measurement, information management, integrated planning and risk management. We established a dedicated unit for parliamentary affairs to enhance communications with parliamentarians.

Our new integrated planning process includes resource allocation, human resources and information technology planning, as well as monitoring of performance measures. It includes a risk assessment profile and strategies to mitigate risks. We will continually update our risk assessment with various components such as internal audit, staffing and external risk assessments. Working within the framework of the new Act, management priorities will be reviewed to include special emphasis on the proposed integrated risk management framework of the PSC.

The internal audit and evaluation function has also been strengthened to meet the needs of PSC's management in ensuring sound stewardship.

In light of the ongoing internal program review and reallocation process, we took preliminary steps to develop a standardized and corporate approach for 2005-2006 resource allocation following the principles of a zero-based budget. As a result, the PSC has funded high-priority activities through reallocation in the amount of \$5,527K. Further review of the budgeting process is envisaged for the next planning cycle.

The PSC has put in place improved procedures in the area of cost-recovery, procurement and contracting, asset management and utilization of PSC computers. Following an internal review of PSC cost-recovery activities and issues raised in an internal audit report, the PSC took immediate action to obtain appropriate cost-recovery authority.

To further enhance transparency and quality, we are preparing audited financial statements based on the Generally Accepted Accounting Principles. The PSC recognizes that there is still a need to improve some financial and management practices in areas such as information management, financial forecasting, retention and succession planning. We are taking a number of actions to address these management priorities and monitor progress.

## PSC Risks, Impact and Strategies

Risks	Risk Impacts	Strategies
<p><b>Insufficient capacity to support new PSEA implementation within departments, the human resources (HR) community and central agencies.</b></p>	<p>Significant demands for ‘hands-on’ PSC support for system-wide learning plans and training strategies.</p> <p>Slower and uneven PSEA implementation between small and large departments leading to significant differences in the integrity of staffing regimes.</p> <p>Flexibilities and efficiencies of new legislation not fully realized.</p> <p>Danger of continuing to use the existing staffing system.</p> <p>Lack of effective HR planning to proactively identify staffing needs consistent with new definition of merit.</p>	<p>Continue to demonstrate PSC leadership by offering support and guidance to departments, the human resources community, and managers.</p> <p>Monitor progress in using additional funding received to supplement PSC investment in PSMA implementation.</p> <p>Continue to work closely with CSPS to develop the curriculum of courses for staffing specialists and managers.</p> <p>Continue to offer specialized assistance and customized support to regions and small agencies.</p> <p>Work with central agencies to coordinate activities and tools to the greatest extent possible.</p> <p>Require that effective HR planning be demonstrated as part of the terms of delegation.</p> <p>Monitor progress of new PSEA implementation and report results to Parliament.</p>
<p><b>Poor understanding of and adherence to the intent of the new legislation, weak accountability reporting by departments, diminished human resource systems support.</b></p>	<p>Uneven take-up of values-based approaches central to new PSEA.</p> <p>Potential misuse of flexibilities and abuse of authorities resulting in unfairness and favouritism in staffing processes.</p> <p>Difficulty in sharing consistent HR information for planning purposes and to support the new PSEA information, monitoring and reporting requirements.</p> <p>Lack of compliance with PSC oversight requirements, hindering ability to report effectively to Parliament on health of the staffing system.</p>	<p>Make PSC expectations clear through rollout of Appointment Framework, support activities, guides and tools and through Appointment Delegation Accountability Instrument (ADAI).</p> <p>Monitor adherence closely through ADAI, providing feedback and intervening where necessary.</p> <p>Implement effective oversight mechanisms, including audits and investigations.</p> <p>Work with central agencies to integrate/streamline demands on departments to report on their activities.</p> <p>Continue to work on a longer-term resourcing modernization solution, providing systems support and enabling reporting requirements for both staffing and recruitment.</p>

Risks	Risk Impacts	Strategies
<p><b>Multiplicity and complexity of PSC transition challenges.</b></p> <p>Simultaneous pressures to implement new PSEA responsibilities including:</p> <ul style="list-style-type: none"> <li>• renewed audit and investigations functions;</li> <li>• support for current PSEA mandate; and</li> <li>• building new PSC organizational structures while responding to other human resources management system changes and government-wide priorities.</li> </ul>	<p>Potential impact on pace of PSEA implementation, extent of support offered to departments under current Act and transition to new PSEA, and workload capacity of PSC staff.</p> <p>Delays in building PSC capacities in audit and investigations.</p> <p>Ability to effectively oversee modernized appointment system adversely affected.</p>	<p>Seek to prioritize “new” vs. “old” work without compromising essential support to stakeholders.</p> <p>Continue to strengthen project management approach to focus on rollout of new Appointment Framework, and related support activities.</p> <p>Adjust resources to match modernized PSC organizational structure and PSEA implementation, while continuing to model good human resources management practices.</p> <p>Continue to identify opportunities for training of staff in new PSC areas of responsibility.</p>
<p><b>New PSC service agency does not have capacity and tools to build up new mandate while continuing to satisfy obligations under the current PSEA.</b></p>	<p>Agency not fully prepared to compete for business, not seen as a viable service delivery option.</p> <p>Insufficient demand for agency services.</p>	<p>Modernize recruitment and assessment services and develop innovative new products and services, including e-recruitment technology.</p> <p>Prioritize “new” and “old” work. Continuously review and update this plan.</p> <p>Market agency as centre of expertise for provision of services.</p> <p>Develop and implement HR strategy focussing on new or reinforced competency profile for its workforce.</p> <p>Implement new service standards.</p>
<p><b>Slow transformation to e-recruitment.</b></p>	<p>Slowed implementation of national area of selection – equity of access for all Canadians to federal employment adversely affected.</p> <p>Competitiveness of public service as employer of choice compromised.</p>	<p>Continue to seek support (funding and otherwise) for recruitment technology to allow continued development and expansion of Public Service Resourcing System as an interim solution.</p> <p>Work towards the development and approval of a Federal Public Service Resourcing Transformation Project to provide the longer-term solution for both recruitment and staffing.</p> <p>With the new legislation, look for opportunities to extend area of selection in a targeted way, such as officer-level positions in the National Capital Region.</p>

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## Common Acronyms

Acronyms	Description
<b>ADAI</b>	Appointment Delegation and Accountability Instrument
<b>CSPS</b>	Canada School of Public Service
<b>DPR</b>	Departmental Performance Report
<b>HR</b>	Human Resources
<b>JAIS</b>	Job-Based Appointments Information System
<b>PAA</b>	Program Activity Architecture
<b>PPC</b>	Personnel Psychology Centre
<b>PSC</b>	Public Service Commission
<b>PSEA</b>	<i>Public Service Employment Act</i>
<b>PSHRMAC</b>	Public Service Human Resources Management Agency of Canada
<b>PSMA</b>	<i>Public Service Modernization Act</i>
<b>PSRS</b>	Public Service Resourcing System
<b>SMAF</b>	Staffing Management Accountability Framework
<b>TBS</b>	Treasury Board Secretariat