

# **Public Service Human Resources Management Agency of Canada**

**2005–06**

## **Departmental Performance Report**

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The Honourable John Baird, P.C., M.P.  
President of the Treasury Board



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## **Section I: Messages**

### **1.1 Minister's Message**

As the President of the Treasury Board responsible for the Public Service Human Resources Management Agency of Canada (the Agency), I am pleased to present the Agency's *Departmental Performance Report* for 2005-06.

2005-06 has been marked by the implementation of the last component of the *Public Service Modernization Act* (PSMA). Indeed, with the new *Public Service Employment Act* that came into force on December 31<sup>st</sup> 2005, the *Public Service Modernization Act* (PSMA) is now fully enacted.

In complement to this legislative change, further progress was made in core areas, particularly as it relates to strengthening HR planning and accountability, values and ethics and learning.

Looking ahead, the Agency will be instrumental in assisting the new government in implementing its agenda. The new government has committed to a clear set of priorities—one of which is to improve Canadians' faith in public institutions by making government more accountable and more effective. In support of this priority the government has introduced a solid piece of legislation and a clear plan of action: The *Federal Accountability Act* and Action Plan that will shape a new vision for a more effective and accountable government for all Canadians.

This new vision is also essential for public service employees who work hard and are dedicated to the public interest. To perform, they must be well supported and have faith in, and be proud of, their institution. People are at the heart of management. Through their professionalism and engagement, they drive change and make it work. In addition, people are not only the most important but also the largest asset for the government—Canada's largest employer.

I therefore encourage all Canadians, parliamentarians, and federal public service employees to read this report.



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The Honourable John Baird, P.C., M.P.  
President of the Treasury Board

## **1.2 Management Representation Statement**

I submit for tabling in Parliament the 2005-06 *Departmental Performance Report for the Public Service Human Resources Management Agency of Canada*.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2005-06 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*.

- It adheres to the specific reporting requirements outlined in the Treasury Board of Canada Secretariat guidance.
- It is based on the department's approved Program Activity Architecture structure as reflected in its Management Resources and Results Structure.
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it.
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada in the Departmental Performance Report.



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Nicole Jauvin, President  
Public Service Human Resources Management Agency of Canada

## Section II: Overview

### 2.1 Our *raison d'être* and vision

***Our raison d'être is to modernize and foster continuing excellence in people management and leadership across the public service.***

This is the second *Departmental Performance Report* (DPR) covering a complete fiscal year for the Public Service Human Resources Management Agency of Canada (the Agency), which was created on December 12, 2003. The creation of the Agency is anchored in the necessity to rejuvenate, strengthen and modernize human resources (HR) management in the public service, in particular through implementation of the *Public Service Modernization Act* (PSMA), which received royal assent on

November 7, 2003.

#### ***Our Results for Canadians***

By leveraging the PSMA and other tools, the Agency aims to provide the leadership and focus needed to foster and sustain modern, effective, results-driven people management and leadership across the public service. Through excellence in HR management, the Agency's ultimate goal is to enable public service organizations to deliver quality services to Canadians while upholding the values of integrity, transparency and accountability.

As a result, the Agency serves Canadians by striving for *a workforce and a workplace second to none*.

***Our strategic outcome is a modern, professional public service dedicated to the public interest and supporting ministers in democratic governance, representative of the Canadian public and serving Canadians with excellence in the official language of their choice, with employees effectively and ethically led in a high-quality work environment respectful of their linguistic rights.***

### 2.2 Our primary functions within the Treasury Board's portfolio

The Agency is part of the [Treasury Board](#)'s portfolio. As the general manager and employer of the public service, the Treasury Board of Canada manages the government's financial, personnel and administrative responsibilities. There are three organizations within the Treasury Board's portfolio, each playing a unique role in supporting the Board's role as employer: the [Treasury Board of Canada Secretariat](#) (the Secretariat), the [Canada School of Public Service](#) (the School) and the [Agency](#).

- The Secretariat provides advice and support to Treasury Board ministers in their role of ensuring value for money, and provides oversight of the financial management functions in

departments and agencies. From an HR management perspective, the Secretariat manages compensation, pensions, benefits and labour relations;

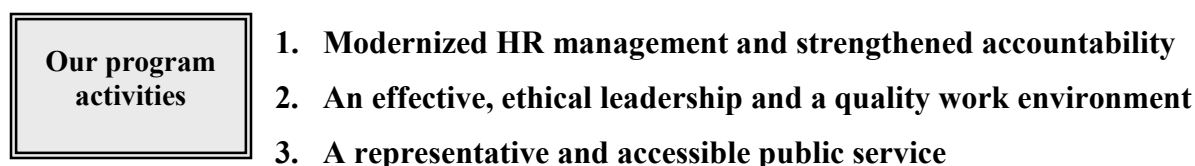
- The School ensures that public service employees have access to the common learning they need to effectively serve Canadians;

The Agency brings together most of the HR management functions, including HR planning and accountability (including research, demographic analysis and the Public Service Employee Survey); the implementation and management of the PSMA and of the reform of the classification system for the public service; learning policy; leadership development (including the Performance Management Program for executives); values and ethics (including harassment in the workplace and workplace well-being); employment equity and diversity; and official languages.

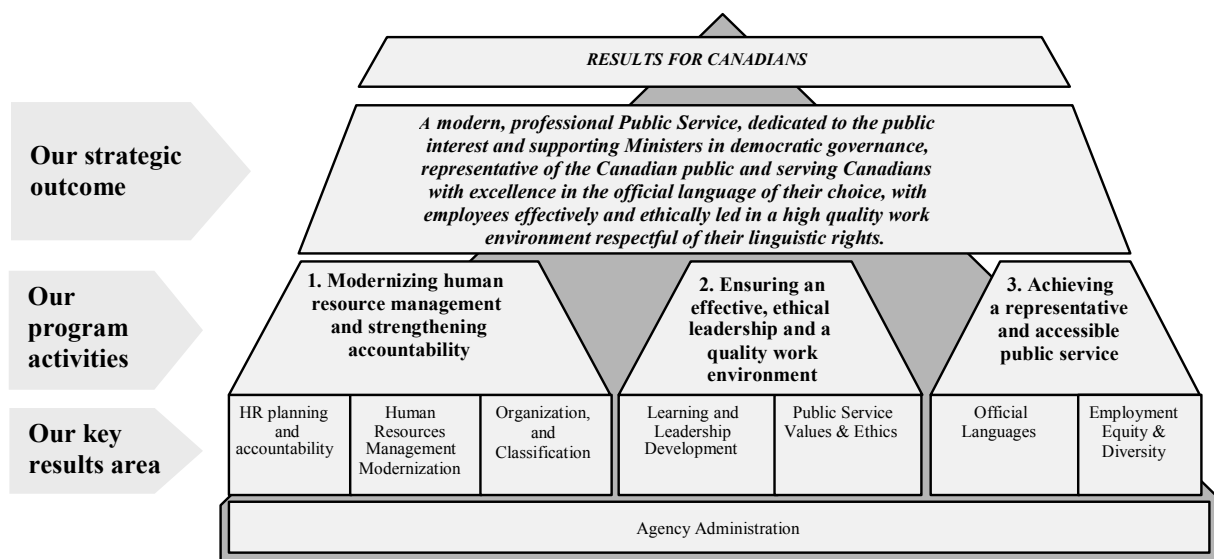
More information can also be found at: [http://www.hrma-agrh.gc.ca/common/resp\\_e.asp](http://www.hrma-agrh.gc.ca/common/resp_e.asp)

## 2.3 Our strategic planning framework

As illustrated below, to achieve its strategic outcome and deliver results for Canadians, the Agency articulates its plans and priorities around three results-based program activities:



These program activities are broken down into interrelated key results areas. They are aligned with the accountability structure of the Agency presented in Section II. The Agency’s strategic outcome and program activities are aligned to the Government of Canada outcome “Federal organizations that contribute to all Government of Canada outcomes”.





## 2.4 The Agency's financial and human resources at a glance

### Financial Resources (\$ thousands):

Planned Spending	Total Authorities	Actual Spending
74,938	108,817 (a)	99,310 (b)

(a) The total increase of \$33.8M from the 2005-06 total Authorities over the 2005-06 total Planned Spending is mainly attributable to the increase in funding made available through the Governor General Special Warrants related to:

- Funding to modernize HR management in the federal public service (*Public Service Modernization Act*)
- Funding to promote ethical practices in the federal public service and a positive environment for disclosing wrongdoing

(b) Actual Spending of \$99.3M includes operating expenditures of \$9.5M for participants in career development programs and \$8.4M for the provision of Corporate Services provided by the Department of Finance.

### Human Resources (full-time equivalents or FTE):

Planned	Actual	Difference
504	539 (c)	35

Planned and Actual Human Resources include 73 full-time equivalents for the provision of Corporate Services provided by the Department of Finance.

(c) Actual FTEs do not include the participants in career development programs of some 85 full-time equivalents.

### Financial Resources by Program Activity (strategic outcome components):

2005-06 Program Activity (Strategic outcome components)	Type	Planned Spending (\$000s)	Total Authorities (\$000s)	Actual Spending (\$000s)	Overall Progress Status
<b>Modernized HR Management and Strengthened Accountability</b>	On-going	23,631	37,685	37,465	Progress as per plans
<ul style="list-style-type: none"> <li>• Implement the PSMA</li> <li>• Modernize the public service classification system</li> <li>• Establish effective and integrated HR planning and accountability systems</li> </ul>					
<b>Effective, Ethical Leadership and a Quality Work Environment</b>	On-going	40,100	58,155	49,334	Progress as per plans
<ul style="list-style-type: none"> <li>• Foster strong, effective, and ongoing leadership renewal</li> <li>• Promote and reinforce public service values and ethics</li> </ul>					
<b>Representative and Accessible public service</b>	On-going	11,207	12,977	12,511	Progress as per plans with challenges in specific areas
<ul style="list-style-type: none"> <li>• Achieve and preserve employment equity commitments</li> <li>• Achieve and preserve official languages commitments</li> </ul>					
<b>Total for the Agency</b>		<b>74,938</b>	<b>108,817</b>	<b>99,310</b>	

## 2.5 Departmental performance overview

***2005-06 has been marked by the implementation of the last component of the Public Service Modernization Act (PSMA).***

This section presents an overview of the Agency's most significant achievements for each of its three program activities: modernized HR management and strengthened accountability; an effective, ethical leadership and a quality work environment; and a representative and accessible public service.

As depicted below, in addition to consolidating its role as a new central agency, during 2005-06 the Agency has continued to lead the implementation of essential building blocks for modernizing HR management across the public Service.

### 2.5.1 Modernized HR management and strengthened accountability

Profound changes were needed to bring the management of the public service to the modernization and accountability standards of our times. HR legislation, processes and systems had become too complex and outdated to address its current and future needs.

In addressing these challenges, the Agency's plans and priorities for 2005-06 were articulated around the three key results areas: the implementation of the PSMA; the reform of the public service classification system; and the establishment of effective and integrated HR planning and accountability systems. The following provides an overview of the main areas of progress for 2005-06 for each of these three priorities. More details can be found in Section II of this report.

***All legislative components for a modernized and strengthened HR regime are now in place and the implementation of the new management infrastructure is well advanced.***

The catalyst for moving to a new era is the PSMA, which received royal assent on November 7, 2003. The PSMA is one of the Government's key initiatives for transforming the way the public service hires, develops, manages and leads its employees. However, it is in 2005-06 that its final two components came into force: the *Public Service Labour Relations Act* (PSLRA), including amendments to the *Financial Administration Act*, on

April 1<sup>st</sup>, 2005, and the *Public Service Employment Act* (PSEA), on December 31<sup>st</sup>, 2005. The implementation of this legislation requires new institutional structures and mechanisms, new policies, tools, support services and systems, as well as non-legislated initiatives such as the reform of the classification system and the establishment of more effective and integrated HR planning systems.

Together with its partners, the Public Service Commission of Canada (PSC), the Treasury Board of Canada Secretariat, and the Canada School of Public Service, as well as departments and agencies, the Agency successfully led the transition to the new regime in this critical year as evidenced by tangible results in several key areas. Policy instruments were implemented and

tools provided to enable departments and agencies to carry out their responsibilities under a modernized staffing and staffing recourse system called for by the new PSEA.

As the majority of departments and agencies have now implemented their own Informal Conflict Management Systems, a new Centre of Expertise was established within the Agency to provide the necessary guidance and monitoring. Performance assessment methodology and indicators were developed under the People Component of the Management Accountability Framework. They will assist in tracking departmental progress in implementing the PSMA, thus strengthening accountability, performance management and reporting.

Enabling horizontal initiatives were launched, including communications and learning programs. A Public Service Modernization Communicators Network was created with representation from all departments and agencies. Financial support was provided to some 40 organizations after the review of over 65 business cases. Work progressed considerably on identifying systems modifications to meet the new reporting requirements and building a cost-effective and integrated HR shared services delivery system.

***With the modernization of classification standards for key occupational groups, among other accomplishments, incremental progress was made toward the reform of the classification system.***

The Agency leads the multi-year modernization of the classification system that was launched by the Treasury Board in 2002. In 2005-06, classification modernization initiatives were completed or nearly completed for seven key occupational groups. Qualifications standards were transferred from the PSC to the employer with the coming into force of the PSEA. The Classification Policy Framework was revised and core policies and guidelines were reviewed and updated to ensure alignment with the PSMA.

To ensure that a sufficient number of qualified classification advisors are able to carry out the reform across the public service, actions were directed at re-building capacity. A new curriculum, competency profile and training programs were developed for HR specialists and classification advisors. On-line tools, including applications to streamline the writing of work descriptions and the classification of positions, and a web-based Community of Practice was launched to enable advisors to share information and best practices.

In order to enhance performance monitoring and cost control, a comprehensive tracking system was established to assess and report total classification standards modernization costs in departments and agencies for five occupational groups. Looking ahead, departments and agencies will be requested in the spring of 2007 to include their 2006-07 classification costs data in their HR reports to the Agency. These reports will be reviewed in order to evaluate departmental classification program delivery and the integrity of the overall system.

***Improved HR planning and accountability systems are vital ingredients in the modernization of the public service and tangible results are seen across the public service to that effect.***

In line with the government's decision on mandatory proactive reporting and publication of information on reclassifications of occupied positions, the Agency continued to oversee compliance of departments and agencies and prepared to produce review reports.

Solid HR planning and accountability systems are essential to integrating business needs and people management effectively, and to understanding current

and future needs of departments and agencies so that the public service as a whole can adapt to a rapidly evolving environment.

Partnerships with stakeholders were consolidated and new tools and training materials were implemented to ensure that HR capacity in departments and agencies is renewed and integrated with business planning. In collaboration with the Treasury Board of Canada Secretariat, the decision was made to have HR planning included in the guidelines for the 2006-07 Estimates Reports on Plans and Priorities. This will be instrumental in reinforcing the accountability of departments and agencies.

Tangible support was provided to both corporate managers and HR professionals in departments and agencies with regard to the use of effective HR planning, succession planning and knowledge retention tools. Direct support was provided to a number of targeted organizations.

To ensure that the highest-standard accountability systems are in place, HR management performance indicators were implemented across the public service. In collaboration with the Secretariat, the Agency can measure progress made by departments and agencies in assuming their responsibilities in the modernized HR management regime through the annual bilateral Management Accountability Framework assessment process. Advice and tools were provided to stakeholders to assist them in this process.

Finally, as required by the new legislation, plans were developed for the tabling of a first annual report to Parliament on HR management across the public service in 2006-07.

### **2.5.2 Effective, Ethical Leadership and a Quality Work Environment**

Strong, competent, ethical and accountable leadership is a key factor in successfully modernizing and strengthening management of the public service.

As a result, the Agency's plans and priorities for 2005-06 were articulated around two key results areas: foster strong, effective and ongoing leadership renewal; and promote and reinforce public service values and ethics. The following provides an overview of the main areas of progress for each of these priorities. Further details can be found in Section II of this report.

***Dedicated programs, tools and standards are now in place to foster the development of the best leaders for now and the future.***

The Agency, through The Leadership Network (TLN), has central agency responsibilities to support deputy heads as they develop leadership in their respective organizations. TLN also supports the President of the Treasury Board, Treasury Board ministers, the Committee of Senior Officials and other deputy minister committees.

A number of essential elements were put in place in 2005-06 to allow for the development of strong leadership skills across the public service. The core-learning framework was implemented and further developed and a new *Policy on Learning, Training and Development* came into effect on January 1, 2006. The framework provides for the orientation of newly appointed employees, required training for managers at all levels, regular knowledge validation for existing managers and executives, specialized training for functional specialists as well as learning plans for all employees. Required training is developed to meet the upcoming knowledge standards and is delivered by the Canada School of Public Service.

A revised competency profile was distributed to HR specialists and executives and mechanisms were put in place to allow the integration of the competencies into HR management, including succession planning. The effectiveness of the Performance Management Program was further enhanced. Leadership development programs were re-aligned with a common infrastructure. In some cases, the Career Assignment Program (CAP) was adapted to respond to the specific needs of functional communities and regions. Tighter controls on the classification of executive positions were implemented and monitored. Substantial progress was made in the foundation work for an integrated framework for the management of the executive cadre that will enhance the management of the executive community and the ability to attract and retain the most competent leaders. Finally, the Public Service Awards Program was streamlined and aligned with the PSMA and evolving government priorities.

***A continued focus on fostering and maintaining a culture of integrity is key to strengthening management and reaching excellence in the public service.***

Since its establishment in November 2003, the Agency's Office of Public Service Values and Ethics has continued to play a critical role as expectations for a more transparent and accountable public service continue to mount. Notable achievements were made in 2005-06 to promote a strong culture of public service values and ethics.

The *Public Servants Disclosure Protection Act* (PSDPA) received Royal Assent in November 2005. As it is being reviewed in light of the proposed *Federal Accountability Act*, its implementation was put on hold. However, key departmental officers were briefed on the Act and groundwork was started toward the development of a companion Code of Conduct for the federal public sector.

A learning strategy for values and ethics was developed and implemented. As a result, values and ethics have been integrated into the orientation sessions provided to deputy heads and all new government employees by the Canada School of Public Service. A series of initiatives and

tools, including a communications strategy, were launched to promote awareness and understanding of public service values and ethics in general and of the *Values and Ethics Code* and other specific policies in particular. Performance indicators for values and ethics were refined and used to assess the performance of 33 departments and agencies. Following a global review of current practices in measuring key areas of values and ethics performance in both the public and private sectors, a comprehensive measurement strategy was developed with full-scale implementation planned for 2006-07. Research and reviews were undertaken that will lead to new and improved Treasury Board policies that support a culture of public service values and ethics.

As the existence of healthy workplaces is critical to continuing to develop and sustain a culture of integrity within the public service, the Agency, in partnership with the Treasury Board of Canada Secretariat, undertook a joint Workplace Well-Being Pilot Project to develop a model approach to workplace improvement. Based on the results of the Pilot Project and of a business case that was prepared, an initial public service-wide strategy for improving workplace well-being was developed for implementation in 2006-07.

### **2.5.3 Representative and accessible public service**

The federal public service must draw on the talents of the entire population and build a workforce that truly reflects Canada's official languages and ethnic and cultural diversity.

The Agency oversees the implementation of two acts in this regard: the *Employment Equity Act*, in partnership with the Public Service Commission of Canada, and Parts IV, V and VI of the *Official Languages Act*. Despite challenges in specific areas, significant progress has been made on both fronts since these acts have come into force.

In this regard, the Agency's programs for 2005-06 were articulated around two key results: achieve and preserve employment equity plans and priorities; and achieve and preserve official languages plans and priorities. The following provides an overview of the main areas of progress for both priorities. Further details can be found in Section II of this report.

***The public service continues to become more representative and inclusive.***

While significant progress was made overall, in particular amongst women, improving visible minority representation remains a challenge. The Agency developed a performance measurement framework to assess departmental compliance with the *Employment Equity Act*, the *Embracing Change*

initiative and measures outlined by the Canadian Human Rights Commission. The framework is an integral part of the Management Accountability Framework assessments process.

Most departmental programs for visible minorities have surpassed the 1-in-5 benchmark in 2005-06. Indicators were developed to assess employment equity organizational performance. A management-preparedness course was expanded in collaboration with the Canada School of Public Service.

The Agency continued to develop or improve modern and fully integrated employment equity policy instruments, tools and support, including a compendium of *Diversity Tools and Practices for Managers*. A comprehensive communications strategy was designed with implementation to be initiated in 2006. In addition, the Agency helped departments and agencies integrate employment equity and diversity requirements into their PSMA strategies. The Agency placed an increased emphasis on objective reporting to ensure that compliance results continue to be made more transparent and accessible to Canadians.

***Challenges remain in specific areas for official languages.***

Strengthened monitoring and reporting systems were used by the Agency in 2005-06 to track progress made by the 196 federal institutions subject to the *Official Languages Act* in delivering the Official Languages Program. The Agency continued to modernize its official languages policies and the revised instruments clarify current obligations and expected results in a contemporary setting.

Through the Innovation Program, the Agency continued to support institutions for special projects. In June 2005, the Public Service Award of Excellence was given to the western federal councils in recognition of their joint efforts to improve the delivery of bilingual services in western Canada.

Efforts were directed at promoting a stronger shared vision of a bilingual workplace in designated regions through special events and projects implemented under the Innovation Program. These initiatives resulted in a better understanding by participants of official languages roles and responsibilities. Finally, through an agreement with the Public Service Commission of Canada, efforts were made to increase the recruitment of bilingual candidates for bilingual positions through intensified awareness and communications activities held across the country and the establishment of partnerships with external groups, including universities.

## Section III: Analysis of Program Activities by Strategic Outcome

As mentioned in the Overview Section of this report, the Agency has organized its work around three program activities to achieve its strategic outcome and deliver results for Canadians:

- Modernized HR management and strengthened accountability
- An effective, ethical leadership, and a quality work environment
- A representative and accessible public service

This section provides further details on the commitments and achievements made by the Agency from April 1, 2005 to March 31, 2006. It also covers achievements relating to departmental administration.

### 3.1 Modernized human resources management and strengthened accountability

The 2005-06 plans and priorities set by the Agency to achieve this program activity were articulated around the following three key results areas:

- **Implementation of the *Public Service Modernisation Act (PSMA)*;**
- **Reform of the public service classification system; and**
- **Establishment of effective and integrated HR planning and accountability systems.**

Financial and human resources devoted to this program activity were as follows:

#### Financial Resources (\$ thousands):

Planned Spending	Authorities	Actual Spending
23,631	37,685	37,465

#### Human Resources (\$ thousands):

Planned	Authorities	Actuals
191	n/a	259



### 3.1.1 Implement the *Public Service Modernisation Act*

#### *Context and commitments*

The *Public Service Modernization Act* (PSMA) is one of the government's key initiatives for modernizing and strengthening public sector management. It represents the most significant change in more than 35 years in the way the public service hires, develops, manages and leads its employees.

While the Act received royal assent on November 7, 2003, its final two major components came into force in 2005-06. These were the *Public Service Labour Relations Act* (PSLRA), including amendments to the *Financial Administration Act*, on April 1<sup>st</sup>, 2005, and the *Public Service Employment Act* (PSEA) on December 31, 2005. The PSLRA fosters more collaborative labour-management relations and dispute resolution systems while the PSEA establishes a simplified and more flexible staffing system, improving the ability of managers to attract and hire the right people, when and where they are needed.

These changes require the establishment of new institutional structures and mechanisms and the implementation of new policies, tools, support services and systems at both the central agency and departmental levels.

A key priority is to ensure that PSMA investments and objectives are monitored and reported on, including departmental assessments and reporting and accountability mechanisms. This includes the implementation of the People Component of the Management Accountability Framework as a foundation for preparing the first annual report to Parliament as well as to support the mandatory five-year review of the PSMA.

PSMA implementation is being reinforced by non-legislated initiatives such as the reform of the classification system and the establishment of more effective and integrated HR planning systems.

Together with its partners, the Public Service Commission of Canada, the Treasury Board of Canada Secretariat, the Canada School of Public Service, as well as departments and agencies, the Agency successfully led the transition to the new HR management regime in this critical year. This includes providing leadership, communication, learning programs and enabling initiatives to support the actualization of PSMA objectives.

In this context, plans and priorities set out for 2005-06 were as follows:

<b>2005-06 Plans and Priorities</b>	<b>Time Frame</b>
<ul style="list-style-type: none"> <li>• <b>The staffing and staffing recourse system is modernized</b> <ul style="list-style-type: none"> <li>○ New and/or revised policies and instruments are developed and departments and agencies are given the tools and support they need to carry out their new responsibilities in the context of a simplified and more flexible staffing system, with increased opportunities for a faster selection process</li> <li>○ The Public Service Staffing Tribunal becomes operational</li> </ul> </li> </ul>	<p>2005-06</p> <p>2005-06</p>
<ul style="list-style-type: none"> <li>• <b>The labour relations and dispute resolution system is modernized</b> <ul style="list-style-type: none"> <li>○ A centre of policy expertise for the Informal Conflict Resolution system is established</li> <li>○ Monitoring systems are in place to ensure that PSMA implementation has a sustained impact on labour relations in the public service</li> </ul> </li> </ul>	<p>2005-06</p> <p>2005-06</p>
<ul style="list-style-type: none"> <li>• <b>PSMA accountability, performance management, and reporting systems are strengthened</b> <ul style="list-style-type: none"> <li>○ A performance measurement system for tracking departmental implementation of the PSMA is established</li> <li>○ A results-based management accountability framework is established to support project evaluation and legislative review of the PSMA</li> </ul> </li> </ul>	<p>2005-06</p> <p>2005-06</p>
<ul style="list-style-type: none"> <li>• <b>PSMA accountability, performance management, and reporting systems are strengthened</b> <ul style="list-style-type: none"> <li>○ A performance measurement system for tracking departmental implementation of the PSMA is established</li> <li>○ A results-based management accountability framework is established to support project evaluation and legislative review of the PSMA</li> </ul> </li> </ul>	<p>2005-06</p> <p>2005-06</p>
<ul style="list-style-type: none"> <li>• <b>Enabling horizontal initiatives to support PSMA implementation are delivered</b> <ul style="list-style-type: none"> <li>○ Communications are effectively managed</li> <li>○ Managers and HR professionals have the tools and learning programs to support new skills and abilities</li> <li>○ Financial support to modernization initiatives is provided</li> <li>○ New data-capture capabilities and reporting requirements are available as a result of PSMA implementation</li> <li>○ There is support for departments and agencies in their efforts to move to more modern, cost-effective and integrated HR service delivery model</li> </ul> </li> </ul>	<p>2005-06</p> <p>2005-06</p> <p>2005-09</p> <p>2005-09</p> <p>2005-06</p>

***Main achievements***

All legislative components of the PSMA are now in force. As planned, the implementation of the new management infrastructure is well advanced and the effective implementation of the Act in day-to-day activities is ongoing in departments and agencies.

In 2005-06, policies and instruments to support the new *Public Service Employment Act* (PSEA) were created or modified, and implemented to enable departments and agencies to carry out their new responsibilities under a **modernized staffing and staffing recourse system**. These tools facilitate the application of a more flexible staffing approach with increased opportunities for a faster selection process. They include dedicated tools to meet the specific needs of small agencies and to leverage their scarce resources and capacity to comply with the requirements and

the spirit of the Act. New regulations were also made under the Treasury Board's authority to ensure a consistent, transparent and fair approach to staffing across the core public administration, consistent with the general accountability of the Government for more cost-effective, results-oriented performance.

The Agency assisted in the establishment of the Public Service Staffing Tribunal in December 2005. The Agency was also instrumental in enabling the Tribunal to obtain its own budget appropriations as a new government institution. A Centre of Expertise on Staffing Recourse was also established within the Agency to help departments and agencies in dealing with complaints going to the Tribunal and communicating the outcomes and impacts of decisions.

In the area of **modernization of labour relations and dispute resolution**, a Centre of Expertise for the Informal Conflict Management System (ICMS) has now been established within the Agency. The majority of departments and agencies have now implemented their own ICMS in accordance with the legislation and their own requirements. Support activities to ensure that these systems are effective are well underway. The design of monitoring systems to ensure that PSMA implementation has a sustained impact on labour relations was initiated on the basis of results of surveys and focus groups conducted by the Agency with a number of organizations on lessons learned and on particular challenges encountered in the implementation of the PSLRA.

Departments that received PSMA resources were contacted to obtain progress reports. A more formal request for information on PSMA implementation will be sent out in the new fiscal year to all partner organizations. The results of this request will be included in the next PSMA Progress Report to Treasury Board Ministers, planned for the spring of 2007.

In order to **strengthen PSMA accountability, performance management and reporting systems**, a performance assessment methodology and indicators were developed to assess departmental state of readiness for the coming into force of the new PSEA under the People Component of the Management Accountability Framework (MAF). Preliminary work on a performance measurement system and related indicators and measures to be utilized for tracking departmental implementation of the PSMA was launched. Once finalized in 2006-07, the system and indicators will be promulgated across the public service. A results-based MAF is being revised to adequately support both the project evaluation and the legislative review of the PSMA. In conjunction with the PSMA Master Plan, this framework will continue to evolve and be updated annually as the initiatives required to implement the PSMA are being integrated with corporate cultures.

The Agency continued to work with its partners on a series of **enabling horizontal initiatives to support the implementation of the PSMA**. Pre-approved, generic communications strategies, plans and products were designed, directed and delivered to ensure timely, comprehensive and consistent communications across the whole of government. For PSEA communications in particular, the Agency created a horizontal advisory forum to ensure that communications plans were effectively integrated in project management plans, as well as a web-based Communications Resource Centre to act as a single point of access to a wide range of generic communications products. A dedicated, comprehensive set of products was also created to

address the needs of small agencies. This approach was clearly cost effective, generating substantial product development.

The Agency developed and disseminated tools and learning programs needed to ensure that managers, HR professionals and staff achieved the targets for PSMA implementation. One of these tools is the *Government of Canada Staffing Toolkit for Managers* that was refined through a collaborative effort with the PSC and a cross-section of stakeholders. The idea was to produce a “starter document” that can show at a glance some of the enhanced authority and flexibility available under the new PSEA. In partnership with the Canada School of Public Service, the Agency also delivered a new three-day orientation program for HR professionals to equip them to exercise their new PSEA roles.

As planned, the Agency ensured that the necessary financial support was provided to stakeholders for the implementation of the PSMA, by means of a review of more than 65 business cases by an interdepartmental committee. This resulted in over 40 organizations receiving funding in 2005-06 to support PSMA-related implementation activities. These funds supplemented the funds which departments and agencies had re-allocated from existing budgets to prepare for the new legislation. Data on results achieved and total funds expended from all sources are being collected and will be reported in future progress reports on the PSMA.

Work is progressing on the identification of systems modifications and data-capture capabilities to meet the new reporting requirements and to reflect changes brought about by the PSMA. In addition, the Agency has worked with departments, agencies and various functional groups to identify opportunities and requirements associated with the development of detailed proposals for a cost-effective and integrated HR shared services delivery system.

***Main challenges ahead  
and next steps***

The implementation of the PSMA in more than 100 departments and agencies is a complex initiative that encompasses numerous challenges.

The sustained long-term success of the PSMA will require a significant and sustained management focus on instilling the cultural shift and championing the modernization of human resources practices made possible by the legislation. Consequently, efforts over the next few years will focus on being fully prepared to demonstrate success in anticipation of the legislative review and assessments by the Auditor General.

**3.1.2 Modernize the public service classification system**

***Context and  
commitments***

Successful and sustainable modernization of HR management also requires modern systems for organizing and evaluating the work that public service employees perform to deliver results to Canadians. To recruit, motivate and retain a highly competent workforce, the government needs a classification system that recognizes current business lines; evaluates work effectively; simplifies the administration of classification; reflects labour market realities; supports its compensation philosophy; treats work performed by men and women equitably; facilitates career development and mobility; and

ultimately empowers departmental managers to design organizations that foster an effective workforce and workplace. For departments and agencies, that means good organizational design, supported by clear, accurate and consistent work descriptions and classification standards flexible enough to adapt to changing work over time. It also means providing enabling policies and supporting tools as well as proper checks and balances for consistency in application and recourse mechanisms.

To have a well-structured and well-managed public service is of strategic importance to the government. The Agency, through its Human Resources Management Modernization Branch, leads the multi-year modernization of the classification system that was launched by the Treasury Board of Canada Secretariat in 2002. The objectives are to review classification standards of all occupational groups; rebuild the system capacity in support of the people who do classification work; protect the integrity of the system through effective monitoring; and ensure effective tracking and reporting of the costs of standards modernization. The vision is a system that simplifies the process of getting the right people in the right job, at the right time; ensures direct linkages to all other human resources disciplines, especially compensation, performance management and competency development; and creates pathways for the development of the leaders of the future.

The Agency continued to make incremental progress in this major initiative in 2005-06, in particular with the modernization of classification standards for several key occupational groups, the transfer of qualification standards from the Public Service Commission of Canada to the employer, the revision of the Classification Policy Framework, and in developing enabling tools, training, and monitoring systems that are critical to the re-building of capacity in departments and agencies

<b>2005-06 Plans and Priorities</b>	<b>Time Frame</b>
• <b>Classification standards are modernized</b>	2005-09
• <b>Transfer of the qualification standards from the Public Service Commission of Canada (PSC) is completed</b>	2005-06
• <b>Policies and guidelines are renewed</b>	
○ Core policies and guidelines are updated as modernization is carried out	2005-06
○ A modernized employee performance evaluation management approach is put in place	2005-06
• <b>Learning programs and support services are provided</b>	
○ Plans to promote the recruitment and retention of organization and classification advisors are put in place	2005-06
○ Core training programs for HR specialists are developed	2005-07
○ On-line core support services and tools are available	2005-06
○ Expanded training, support services and tools are provided	2005-06
○ Support to find new ways to simplify the classification process is provided	2005-07
• <b>Performance monitoring and cost control systems are in place</b>	
○ A government-wide system is established to track total cost of classifications	2005-06
○ Each department and agency has a monitoring system in place	
○ The Agency has the capacity to carry out horizontal reviews of any specific occupational group and/or any specific department or agency	2005-06 Ongoing

***Main achievements***

The Agency continued to build on the foundation established in the two years since its creation.

It made tangible progress or completed **classification modernization initiatives** for the following key groups: Border Services (FB), Economics and Social Sciences Services (EC), Program and Administration Services (PA), Health Services (SH), Foreign Service (FS), Law (LA), and Computer Systems (CS).

**Qualification standards were transferred** from the PSC to the employer when the new *Public Service Employment Act* (PSEA) came into force on December 31, 2005. The qualification standards represent the minimum qualifications that deputy heads must seek when making appointments under the PSEA and are organized according to occupational groups. As classification modernization progresses and new or amended standards are approved, corresponding qualification standards will continue to be established for targeted groups.

Core **policies and guidelines** were reviewed and updated and the development of a new Classification Policy Framework was undertaken to ensure alignment with the PSMA, the objectives of the Treasury Board Portfolio Policy Suite Renewal project, and to reflect federal court decisions on classification grievances.

A survey conducted in 2004-05 determined that departments and agencies are still confronted with issues of recruitment and retention of qualified classification advisors. Options were developed to ensure that a sufficient number of advisors would be available to carry out the program across the public service. These options will be rolled out in 2006-07.

Tangible progress was made in re-building the classification system capacity and in developing core and expanded training and programs for HR specialists and classification advisors in departments and agencies through the development of a new curriculum, competency profile and training program. Over 40 learning events were held across the country in partnership with the Canada School of Public Service. Some modules of the curriculum will become mandatory parts of the classification accreditation process. An awards and recognition program was designed specifically for organization and classification advisors. It will be implemented in 2006-07.

On-line tools, including applications to standardize the writing of work descriptions and to classify the workforce by occupation based on skill type and level, were developed. A strong web-based Community of Practice for advisors to share information and best practices was launched at the Classification Symposium held in the fall of 2005. As part of its continued effort to simplify the classification system, the Agency funded two community-led projects to develop pre-classified work descriptions for the PE and CS groups. These initiatives will allow both communities to be more efficient in their HR processes, practices and tools and respond to the government-wide identified priority needs for information technology and HR specialists. Upon completion of the projects in 2006-07, an application containing organizational models, work descriptions and a user guide for these communities will be available on the Agency's web site.

Significant progress was made in ensuring that **performance monitoring and cost control systems** are in place. A tracking system to assess and report total classification standards modernization costs in departments and agencies has been established. It will capture costs associated with the modernization projects for five occupational groups. This system is linked with and supports the Agency's Consolidated Information Collection and Integrated Reporting initiative. In the spring of 2007, departments and agencies will be requested to include their 2006-07 classification cost data in their HR data reports to the Agency. To ensure the effectiveness of monitoring systems in organizations, the Agency carefully reviewed a number of first departmental performance reports on their classification program. These reviews served as one of the tools to evaluate departmental classification program delivery and the integrity of the overall public service classification system. Final reports will be posted on the Agency's web site and will include departmental responses to our recommendations.

In response to the government announcement on the mandatory proactive reporting and publication of information on reclassifications in the public service, the Agency continued to support and oversee departmental compliance on the Proactive Reporting and Publication of reclassified occupied positions. In addition, its capacity to carry out horizontal reviews of specific occupational groups and/or specific departments and agencies was further strengthened. Several draft monitoring review reports are being finalized with respective government agencies.

***Main challenges ahead  
and next steps***

Modernizing the classification of an organization as large as the public service is a multi-year undertaking and incremental progress will continue to be achieved and reported over the coming years. The recruitment and retention of organization and classification advisors across the public service will continue to

be a challenge. A recruitment campaign is currently under way within the core public administration to attract both new and experienced classification professionals to the Agency in support of the modernization initiative.

**3.1.3 Establish effective and integrated HR planning and accountability systems**

***Context and  
commitments***

Improving HR planning and accountability systems is clearly a vital ingredient in the efforts to modernize the public service of Canada. Ongoing strategic HR planning combined with the legislative framework established by the PSMA provide departments and agencies with the flexibilities they need to carry out effective HR management activities. Good HR planning and accountability systems are essential to integrating business needs and people management effectively and to understand the current and future needs of departments and agencies so that they can adapt to a constantly evolving environment. Indeed, enhanced flexibility for managers must be balanced by new safeguards, clarified roles and strengthened accountability. Departments and agencies need effective systems covering all aspects of HR management – from staffing the right people at the right time at the right place to ensuring that employment equity, official languages and workplace well-being requirements are met.

In addressing these challenges, the Agency, through its Human Resources Planning, Accountability and Diversity Branch, continued in 2005-06 to deliver on its responsibility to ensure that departments and agencies have a modern planning function that is integrated with business planning; enabled by proper tools, including access to HR information and research; and supported by effective monitoring and accountability systems.

In this context, plans and priorities for 2005-06 were as follows:

<b>2005-06 Plans and Priorities</b>	<b>Time Frame</b>
<ul style="list-style-type: none"> <li>• <b>HR planning capacity is renewed and integrated with business planning</b> <ul style="list-style-type: none"> <li>○ Our partnerships with our existing networks to assist departments and agencies in their integrated planning efforts and develop improved tools are consolidated</li> <li>○ The Agency research capacity to facilitate departmental HR planning and identification of the current and future needs of the public service is enhanced</li> <li>○ The Centre of Excellence provides departments and agencies with ongoing advice and information, relevant tools, best practices, and/or on-site support</li> <li>○ An Employee Passport project to secure transfer of electronic individual and bulk employee records between departments is initiated (a key step towards creation of an HR information warehouse)</li> <li>○ Key HR performance information is made available across the public service through a web-based reporting system</li> </ul> </li> <li>• <b>Effective and integrated accountability systems are in place</b> <ul style="list-style-type: none"> <li>○ Test and begin implementation of HR management performance indicators at the departmental and government levels across the public service</li> <li>○ Clear and simple results-based HR management policies and instruments are developed or enhanced for implementation within departments and agencies</li> <li>○ An outcome-based model consistent with the Management Accountability Framework for departments and agencies is provided, together with the tools that will enable them to deliver on HR management outcomes</li> <li>○ Key HR performance information is made available across the public service through a reporting system using available technology</li> <li>○ An annual report to Parliament on HR management performance and challenges is produced</li> </ul> </li> </ul>	<p>2005-06</p> <p>2005-06</p> <p>2005-06</p> <p>2005-07</p> <p>2005-07</p> <p>2005-06</p> <p>2005-06</p> <p>2005-06</p> <p>2005-07</p> <p>2005-07</p>

***Main achievements***

To ensure **HR planning capacity in departments and agencies is renewed and integrated with business planning**, the Agency consolidated its partnerships with stakeholders and networks.

Intergovernmental consultations were carried out with the provincial governments of Ontario, Nova Scotia, British Columbia, Alberta and Manitoba. In collaboration with the Canada School of Public Service, new course materials in integrated human resource planning, accountability and diversity were developed. A conference entitled ‘Plan, Learn and Thrive’ attracted more than 500 managers, human resources specialists and corporate planners from across the country to share best practices. The Agency collaborated with the Treasury Board of Canada Secretariat to have human resource planning included in the guidelines for the 2006-2007 Estimates Report on Plans and Priorities. This will reinforce the accountability of departments and agencies for ensuring that they integrate human resources in their business plans and priorities.



Plans to enhance the agency research capacity to facilitate departmental HR planning and identification of future needs of the public service have been overtaken as conditions evolved. The agenda and timelines are now driven by the new Committee on Public Service Renewal that was established in June 2006. The Agency will be in a position to restate this objective in its next *Report on Plans and Priorities*.

After conducting extensive consultations with provincial governments and over 100 public service human resource professionals from 35 departments and agencies across Canada, the Branch's Centre of Excellence developed succession planning tools for both managers and corporate human resource planners to help them identify and develop skills in targeted areas and to implement strategies to pass on corporate knowledge. Outreach was provided to over 1000 departmental clients across the country in the form of advice and guidance to promote the effective use of human resource planning policies, programs and products. Interdepartmental committees and working groups were established to develop and implement tools for improved human resources accountabilities and reporting on results. Direct service support on the integration of human resource planning with business planning was also provided to a number of organizations including Public Works and Government Services Canada, Health Canada, and the Communications Security Establishment.

A preliminary technical architecture for the Employee Passport and a common employee record definition were developed and aligned with associated business processes. Web-based templates were developed to facilitate and streamline departmental HR reporting on results and are being well received by departments and agencies.

To ensure that **effective and efficient accountability systems are in place**, human resources management performance indicators were implemented across the public service. Through the annual bilateral Management Accountability Framework assessment process, the Agency can gauge how well departments and agencies are assuming their human resource management responsibilities. Advice in the form of a Guide was provided to departments and agencies on the People Component of the Management Accountability Framework. Indicators from the People Component of the framework were successfully used for assessment process in 2005-06 on 35 large and 22 small agencies. Further work was undertaken to refine the outcome-based approach, tools, indicators and measures. In addition, work was initiated on other results-based instruments for departments and agencies such as a proposed policy on planning and reporting for human resources results, as well as a draft directive on the use of Personal Record Identifier (PRI) and Individual Agency Number (IAN).

The Agency also developed an outline and a comprehensive plan for the publication of the first Annual Report on HR management across the public service. The report will be tabled in Parliament during fiscal year 2006-07.

***Main challenges ahead  
and next steps***

Like any major transformation that affects all departments and agencies, sustaining the necessary changes to improve HR planning and accountability across the system will remain a key priority for the Agency in the years to come. This will require the continued engagement of public service leaders and ongoing investments in both people and supporting infrastructures.

## 3.2 An effective, ethical leadership, and a quality work environment

The 2005-06 plans and priorities set by the Agency to achieve this program activity were articulated around the following two key results areas:

- **Fostering of strong, effective, and ongoing leadership renewal; and**
- **Promotion and reinforcement of public service values and ethics.**

Financial and human resources devoted to this program activity were as follows:

### Financial Resources (\$ thousands):

Planned Spending	Authorities	Actual Spending
40,100	58,155	49,334

### Human Resources:

Planned	Authorities	Actuals
227	n/a	207 <sup>(1)</sup>

(1) Actual full-time equivalents do not include 85 participants in career development programs.

### 3.2.1 Foster strong, effective and ongoing leadership renewal

#### *Context and commitments*

The renewal of human resources in the public service will enhance how we recruit, develop, support, and reward leaders at all levels. Competent, ethical and accountable leadership helps navigate the public service to meet the diverse and changing demands of Canadian society.

While deputy heads are responsible for developing leadership in their respective organizations, the Agency, through The Leadership Network (TLN), has central agency responsibilities to support deputy heads, the President of the Treasury Board, Treasury Board ministers, the Committee of Senior Officials (COSO) and other deputy minister committees. TLN is responsible for all policies and policy advice to Treasury Board ministers and deputy heads related to the management of the executive group including organizational design, classification of positions, staffing, performance management, salary administration, and terms and conditions of employment. TLN supports deputy heads and COSO in planning the renewal and development of the executive community and defining the leadership competencies required from all managers. TLN supports deputy heads in the staffing of positions at the assistant deputy minister (ADM) level, and supports the ADM community through annual personal visits with ADMs, networking events, career counselling, advice and support.

TLN is responsible for a suite of corporate leadership development programs from entry level through to the executive levels that will help ensure the public service has the leadership talent it

needs, and identify and develop leaders of today and tomorrow. TLN is also responsible for the executive component of Interchange Canada, a program which brings talent in from outside the public service to gain experience and share expertise with public sector organizations, and similarly supports public servants in gaining expertise on assignments outside of the federal government.

TLN is the policy centre for learning within the public service, setting direction for learning throughout the core public administration. The new *Policy on Learning, Training and Development* supports employees at all levels by providing learning and training opportunities designed to foster excellence and a world-class workforce serving the needs of Canadians of today and future generations.

To promote excellence within the public service, TLN administers the government-wide awards and recognition programs and policy, including National Public Service Week, and works closely with the Privy Council Office, for example, in the annual deliberations on the Prime Minister's Outstanding Achievement Award and the Public Service Award of Excellence.

In this context, plans and priorities set out for 2005-06 were as follows:

<b>2005-06 Plans and Priorities</b>	<b>Time Frame</b>
<ul style="list-style-type: none"><li>• <b>Core learning, including public service orientation, and mandatory training are in place</b><ul style="list-style-type: none"><li>○ The core learning framework is implemented and further developed</li></ul></li></ul>	2005-07
<ul style="list-style-type: none"><li>• <b>Leadership competencies are simplified and updated</b><ul style="list-style-type: none"><li>○ Mechanisms are in place to facilitate the integration of the revised competencies into HR management</li></ul></li></ul>	2005-06
<ul style="list-style-type: none"><li>• <b>Ongoing monitoring of the Performance Management Program (PMP) for executives is in place</b></li></ul>	2005-06
<ul style="list-style-type: none"><li>• <b>A framework is developed to integrate leadership development programs into a continuum reflecting the current and future needs of the public service</b><ul style="list-style-type: none"><li>○ A new program is launched that integrates various facets of existing programs</li></ul></li></ul>	2005-07
<ul style="list-style-type: none"><li>• <b>Tighter controls on the classification of executive positions are implemented</b><ul style="list-style-type: none"><li>○ Ongoing monitoring is in place</li></ul></li></ul>	2005-06
<ul style="list-style-type: none"><li>• <b>A framework is developed for the management of the Executive cadre</b></li></ul>	2005-07
<ul style="list-style-type: none"><li>• <b>A streamlined Public Service Awards Program is implemented</b></li></ul>	2005-06

### ***Main achievements***

With regard to **core learning and mandatory training** the new *Policy on Learning, Training and Development* came into effect on January 1, 2006 for employees at all levels in the core public administration. The policy, with its *Directive on the Administration of Required Training and Standards of Knowledge for Required Training*, forms the basis of the core-learning framework. The framework provides for:

- an orientation for newly appointed employees, to share a core of common knowledge and ensure an understanding of the values of the public service;

- learning plans for employees at all levels, to acquire and maintain the knowledge, skills and competencies related to their level and functions;
- required training for first-time supervisors, managers and executives, and regular validation (through testing) by all managers and executives to ensure their knowledge to exercise delegated authorities is up-to-date;
- specialized training for specialists in finance, internal audit, human resources, procurement, materiel management and real property, and information management; and
- the identification and integration into required training programs of minimum knowledge standards relating to legal responsibilities and delegated authorities.

All these activities were piloted in 2005-06, and fully implemented as of May 15, 2006 when the *Directive* came into force. The Canada School of Public Service is the service provider for mandated required training. Roles and responsibilities for departmental Required Training Coordinators have been identified and requirements for monitoring and reporting established in the Directive. Further development of the core-learning framework includes work to support organizational leadership and innovative management practices, approval of the Standards on Knowledge for Required Training, development of guidelines, and a mechanism to report to Parliament.

Key **leadership competencies** were simplified and updated in 2005. The revised competency profile, as part of a broader communications strategy, was distributed to the HR and executive communities in 2005-06. Several mechanisms are now in place to facilitate integration of the competencies into HR management, including succession planning:

- an employee information website is in place and a kit which outlines the updated competencies and provides guidance on how they should be used has been distributed;
- TLN has met with a number of departmental teams and representatives as well as with functional communities to present the updated competencies and to offer advice and assistance;
- the Career Assignment Program and the Management Trainee Program have fully integrated the competencies into their selection, promotion and graduation processes, and have developed a *Competency Development Resource Guide* for participants;
- the key leadership competency profile is the main component of the new EX Qualification Standard and integrates the revised competencies directly into the selection process for all EX staffing actions; and
- assessment tools for EX appointments, under the Public Service Commission's responsibility, have been aligned with the updated competencies.

TLN launched the *Performance Management Program (PMP) Monitoring and Evaluation of Effectiveness Framework* (PMP Scorecard) in all departments in 2005, accompanied by information on TLN's website and training for departments. Each year, departments and agencies will complete an evaluation of their administration of the program, and one third of them will complete a detailed monitoring exercise of cascading performance agreements and

performance evaluations. The attestation of performance bonus results was completed with 100% of departments and agencies reporting results.

The *Policy on Learning, Training and Development* also establishes the framework for an **integrated approach to leadership development that supports a leadership continuum** – from entry level, to middle managers and to the executive cadre. The framework aligns the Management Trainee Program (MTP) and Career Assignment Program (CAP) under a single, new occupational group (PL) with a salary and administration plan. This common infrastructure will facilitate the creation of new leadership development programs in the future. Flowing from the Policy and as a result of extensive consultations amongst the programs' stakeholders, the *Directive on the Administration of the Leadership Development Programs - Management Trainee Program and Career Assignment Program* was developed and approved effective April 2, 2006. The Directive provides formal guidance on salary administration, and program terms and conditions for participants in these leadership development programs. New intakes were launched in 2005-06 under the revised Policy and Directive. Overall, 25 departments and agencies committed to take on over 100 PL program participants.

The Leadership Development Programs are also committed to being more flexible and responsive to the needs of various functional communities and regions across Canada. In partnership with the Human Resources Council, a recruitment campaign was launched to identify and hire up to 125 new entry level HR professionals into the public service. A new pilot project was developed and launched in partnership with the Federal Regional Councils of British Columbia, Manitoba, Nova Scotia, Quebec, and Newfoundland and Labrador to identify five public servants from each region and put them on a two-year development program. The Career Assignment Program continues to work with the finance community, in partnership with the Office of the Comptroller General, and in 2005-06 added another 26 participants. These initiatives help address public service renewal and respond to the need to provide a more comprehensive continuum of development opportunities at all levels.

**Tighter controls on the classification of executive positions** have been implemented and ongoing monitoring is in place. Monitoring of EX-1 to 3 classification files was completed in 13 small departments. These departments are now developing action plans to address the monitoring observations. A sample of roughly one third of the EX-1 to 3 positions in a large department (Correctional Service Canada) was completed and the department is now addressing the observations.

Effective January 1, 2006, deputy heads were delegated additional authority for the classification of EX-4 and EX-5 positions in their departments. This authority may be exercised provided there is neither an increase in the total number of EX-4 and EX-5 positions nor an increase in the number of EX-5 positions approved by the Treasury Board (as of January 1, 2006). Departments were provided with their departmental baseline list of approved indeterminate and term EX-4 and EX-5 positions and the *Policy On Organizational Authority and Classification of Executive Group Positions* policy was amended to reflect this new classification delegation.

Work related to the developmental phase of an **integrated framework for the management of the executive cadre** is well underway. This comprehensive, integrated approach will enhance the management of all aspects of human resources for the executive community and improve the

ability to attract and retain qualified and experienced executives. The framework is aimed at three key stakeholders – government as a whole, deputy heads and individual executives. Best practices have been identified through research, a literature review and consultations with other jurisdictions. Consultations with HR planners across the country have taken place and existing policy instruments, programs, services and tools have been mapped out to identify gaps and opportunities.

A review of the **Public Service Awards Program** was carried out in 2005 to identify options to simplify the program and reduce duplication, and to align the program with the PSMA and evolving government priorities. The review resulted in the creation of the Public Service Award of Excellence, which includes components of the three previous awards (the Head of the Public Service Award, the Award of Excellence, and the Employment Equity and Diversity Award). No changes were made to the Outstanding Achievement Award.

The first ceremony of the Public Service Award of Excellence was held on June 17, 2005, during National Public Service Week. The Award recognizes employees who have demonstrated excellence in the achievement of results for Canadians that reflect the values, ethics and current priorities of the public service of Canada.

***Main challenges ahead  
and next steps***

Contributing to public service renewal and ensuring that leaders are well equipped to carry out their responsibilities effectively and with integrity requires ongoing commitment and course correction involving all our partners and the engagement of senior officials.

Looking ahead, the Agency will continue to review specific HR policies required to support deputy heads, managers and HR professionals in exercising their new responsibilities under the PSMA and to build on the new centres of policy expertise regarding executive HR management and performance evaluation, learning, training, development, and competency profiles.

**3.2.2 Promote and reinforce public service values and ethics**

*Results for Canadians* explicitly recognizes the government’s commitment to managing its business according to the highest public service values. As an important national institution, the public service must earn the respect and trust of ministers, Parliament and Canadians through its dedication to the public interest and its strong culture of democratic, professional, ethical and people values.

***Context and  
commitments***

To this end, the Agency plays a leadership role in supporting ministers, public service leaders and employees in meeting their responsibilities to develop and sustain a strong culture of values and ethics. The Agency’s Office of Public Service Values and Ethics, established in November 2003, ensures that departments, agencies and the public service as a whole have the policies, tools, management infrastructure and practices required to ensure that public service values and ethical conduct are reflected in daily practices and that they are an integral part of the performance management and assessment processes. The Office acts as a centre of expertise for policy-making and advice on values and

ethics, which includes developing policies and strategies related to workplace well-being; establishing public service-wide learning and communications strategies; developing and disseminating tools and best practices; establishing a results-based accountability approach to values and ethics; and monitoring the performance of departments and agencies.

In this context, plans and priorities set out for 2005-06 were as follows:

<b>2005-06 Plans and Priorities</b>	<b>Time Frame</b>
<ul style="list-style-type: none"> <li>• <b>Through a comprehensive and sustained learning and communications strategy, create widespread employee awareness, understanding, and application of public service values and ethics, including obligations under the <i>Values and Ethics Code</i></b> <ul style="list-style-type: none"> <li>○ Awareness and learning programs are implemented in the public service and their results assessed</li> <li>○ Departmental experts in values and ethics are trained and have the materials, support, and access to advice that they need to carry out their responsibilities</li> </ul> </li> </ul>	<p>2005-07</p> <p>2005-07</p>
<ul style="list-style-type: none"> <li>• <b>Additional support is provided to departments and agencies for meeting their accountabilities</b> <ul style="list-style-type: none"> <li>○ Performance indicators for values and ethics are adopted</li> <li>○ Departments and agencies are provided with a ‘road map’ for assessing and continuing improving their results in public service values and ethics</li> <li>○ A measurement and evaluation strategy, including surveys, is implemented</li> <li>○ Public service communities of practice in values and ethics are strengthened</li> </ul> </li> </ul>	<p>2005-08</p> <p>2005-06</p> <p>2005-08</p> <p>2005-08</p>
<ul style="list-style-type: none"> <li>• <b>Key Treasury Board policies that support a culture of public service values and ethics are introduced or improved</b> <ul style="list-style-type: none"> <li>○ The policy and system for preventing and resolving cases of harassment is reviewed and necessary changes are implemented</li> <li>○ Informal Conflict Management Services (ICMS) are implemented in departments</li> <li>○ A workplace well-being strategy for the public service is developed and implemented</li> </ul> </li> </ul>	<p>2005-07</p> <p>2005-07</p> <p>2005-08</p>
<ul style="list-style-type: none"> <li>• <b>Support is provided to government on legislation for disclosure of wrongdoing, including protection from reprisal for those who make disclosure</b> <ul style="list-style-type: none"> <li>○ Creation of the new regime is supported and policies and instruments are updated</li> <li>○ The new disclosure regime and other related new instruments are promoted and integrated into management practices</li> </ul> </li> </ul>	<p>2005-06</p> <p>2005-07</p>

**Main achievements**

Since its establishment two years ago, the Agency's Office of Public Service Values and Ethics role remains absolutely central as expectations and pressure for a more transparent and accountable public service continue to increase.

Efforts continued to promote a **comprehensive and sustained learning and communications strategy** targeted at employees at all levels in the public service. A Learning Strategy for Values and Ethics was developed and initiated, which included incorporating a results and management practices-based approach to values and ethics into the orientation sessions for Deputy Heads as well as for new employees that are being led by the Canada School of Public Service (CSPS). It also included developing a draft program of formal training for departmental Conflict of Interest practitioners, web-based tools and resources as well as scoping out an E-Learning Program in partnership with the CSPS to provide public service employees, managers and executives with desktop courses that will develop broad awareness of the key principles and concepts of public service values and ethics. A Communications Strategy for Values and Ethics for the public service was crafted to guide initiatives over the next 36 months to improve awareness and understanding of the *Values and Ethics Code* and of specific policies and initiatives, including harassment prevention. As a result of having developed a more robust implementation plan, work on these commitments will continue until at least 2009.

The Agency continued to **support departments and agencies in meeting their accountabilities**. Performance indicators for values and ethics were refined in 2005-06 to focus on organizational culture, leadership and recourse and disclosure mechanisms. These indicators were used to collect, analyse and assess the values and ethics performance information for all 33 organizations reviewed this year. The revisions introduced the need for departments to focus on measuring substantive, rather than procedural, performance in each of the three areas as part of the Management Accountability Framework assessments. It is expected that the final major refinements to the expectations and indicators of organizational performance will be completed by the end of 2006-07. A road map to values and ethics results has also been developed and introduced to departments to ensure that values and ethics are embedded in the everyday practice of organizations. The road map is a living document that will continue to be refined as knowledge grows of key management practices required to produce organizational performance in values and ethics. Nevertheless, it is expected that the initial roll-out of the road map through the web-based tool will be completed in 2006-07.

The Agency completed a global review of current practices in measuring key areas of values and ethics performance in both the public and private sectors. Based in part on the review's findings, a comprehensive measurement strategy was developed with full-scale implementation planned to begin in 2006-07. It also developed a prototype Organizational Values and Ethics Culture and Performance survey and associated risk analysis diagnostic tools, to be pilot-tested with departments and agencies. With the continued objective of strengthening public service communities of practice in values and ethics, the Agency identified issues in the implementation of systems, policies and management practices that promote values and ethics throughout the federal public service and developed strategies and tools for addressing these issues by conducting extensive consultations with departmental Senior Officers for internal disclosure, Senior Officials for the *Values and Ethics Code* and Delegated Managers and Coordinators for



the prevention and resolution of harassment and producing a Guide to Action for Senior Officials.

As a result of these and other consultations, progress was made in improving **key Treasury Board policies that support a culture of public service values and ethics**. In particular, work continued on the review of the *Policy on the Prevention and Resolution of Harassment in the Workplace* at the same time as the Agency initiated a review of the *Policy on the Indemnification of and Legal Assistance for Crown Servants*. Changes to these policies are planned to be implemented in 2006-07. As planned, over the course of 2005-06, departments and agencies began implementing the requirement of the new *Public Service Labour Relations Act* that they establish Informal Conflict Management Systems (ICMS) as a way of reducing the use of formal redress mechanisms. A Centre of Excellence for ICMS was established early in the 2006-07 fiscal year.

As the existence of healthy workplaces is critical to continuing to develop and sustain a culture of integrity within the public service, the Agency built upon a literature review of the key drivers affecting workplace well-being undertaken in 2004-05, by undertaking a joint Workplace Well-Being Pilot Project with the Treasury Board of Canada Secretariat in 2005-06. The purpose of the pilot project was to develop a model approach to workplace improvement, part of which involved a survey of departmental employees to determine the key factors that affect their job satisfaction and commitment. Based on the results of the pilot project and of a business case study that was prepared, an initial public service-wide strategy for improving workplace well-being was developed with implementation to begin in 2006-07.

With respect to **support on legislation for disclosure on wrongdoing**, the *Public Servants Disclosure Protection Act* (PSDPA), an Act to establish a legislated disclosure process and reprisal protection for the federal public sector, received Royal Assent on November 25, 2005. The government will bring the PSDPA into force once it has completed its review in light of amendments being introduced through the proposed new *Federal Accountability Act*. The PSDPA will require that the Treasury Board adopt a Code of Conduct for the federal public sector. Research and analysis were started towards the development of such a Code. As the PSDPA is being refined, its promotion and integration into management practices were put on hold. To help pave the way for the eventual coming into force of the Act, key departmental officials were briefed in 2005-06 on the Act, its current requirements and anticipated amendments through the *Federal Accountability Act*. It is now anticipated that the focus on promoting the regime and integrating it into management practices will continue until at least 2009.

***Main challenges ahead  
and next steps***

Adherence to core public service values and continued emphasis on a healthy working culture of integrity are key ingredients to public service excellence and to restoring Canadians' trust in this important national institution. This requires strong and effective legislation and policies to specify the high standards expected of public servants both to employees and to Canadians and providing employees with ways to understand and safely raise and resolve values and ethics issues in the workplace. It also requires

concrete results and healthy workplaces made up of highly engaged employees, led by leaders who demonstrate integrity.

The Agency researched, developed and began to implement in 2005-06 the strategies necessary for making progress in each of these areas. Work in 2006-07 and beyond will be focused on fully implementing these strategies.

### 3.3 A representative and accessible public service

This is the third program activity (or strategic outcome component) of the Agency. The 2005-06 programs set by the Agency to achieve this program activity are articulated around the following two key results areas:

- **Achieve and preserve employment equity and diversity plans and priorities; and**
- **Achieve and preserve official languages plans and priorities.**

Financial and human resources devoted to this program activity were as follows:

#### Financial Resources (\$ thousands):

Planned Spending	Authorities	Actual Spending
11,207	12,977	12,511

#### Human Resources:

Planned	Authorities	Actuals
86	n/a	73

#### 3.3.1 Achieve and preserve employment equity and diversity plans and priorities

##### **Context and commitments**

The federal public service must draw on the talents of the entire population and build a workforce that truly reflects Canada's ethnic and cultural diversity. The 1996 *Employment Equity Act* requires that the public service become a representative workplace with respect to the employment of persons in four employment equity designated groups: women, Aboriginal peoples, visible minorities and persons with disabilities. The public service also seeks to become a more inclusive workplace in which designated group members, like all employees, have an opportunity to participate fully in serving Canadians without barriers to their employment and advancement.

To this end, in partnership with the Public Service Commission of Canada and departments and agencies, the Agency has the lead responsibility for supporting the implementation of the Act and ensuring the integration of its principles and goals into all aspects of HR management. Thus, the Agency develops employment equity policies and guidelines; communicates program objectives and priorities; helps departments and agencies by developing and disseminating

successful practices, instituting programs, developing tools and building institutional capacity through information sessions, gives advice on the Act and other employment equity-related issues, monitors performance and reports progress to Parliament through annual reports.

In this context, plans and priorities set out for 2005-06 were as follows:

2005-06 Plans and Priorities	Time Frame
<ul style="list-style-type: none"> <li>• <b>The public service is representative and inclusive</b></li> </ul>	
<ul style="list-style-type: none"> <li>○ Continuous improvements are made in the representation of visible minorities and in their recruitment rates, both for term appointments of over three months and for indeterminate appointments</li> </ul>	Ongoing
<ul style="list-style-type: none"> <li>○ Performance is monitored and reasonable progress is achieved by departments and agencies</li> </ul>	Ongoing
<ul style="list-style-type: none"> <li>○ Continued assistance is provided to departments and agencies to accelerate progress on <i>Embracing Change Action Plan</i>, and, in particular, to meet the 1-in-5 benchmarks established for 2005</li> </ul>	2005-07
<ul style="list-style-type: none"> <li>○ A strengthened Employment Equity (EE) Policy will replace the current EE Policy and the Policy on the Duty to Accommodate Persons with Disabilities in the federal public service in order to extend the duty to accommodate to all groups protected by the <i>Canadian Human Rights Act</i></li> </ul>	2005-07
<ul style="list-style-type: none"> <li>• <b>The public service has access to modern and fully integrated employment equity policies, directives, tools, and support</b></li> </ul>	
<ul style="list-style-type: none"> <li>○ Clearer, simpler, and results-based policy instruments and tools are provided to departments and agencies, integrating employment equity goals into all aspects of HR management and business planning processes</li> </ul>	Ongoing
<ul style="list-style-type: none"> <li>○ Modernized communications are developed to enable departments and agencies to shift behaviours from a passive commitment to an active one</li> </ul>	2005-07
<ul style="list-style-type: none"> <li>○ PSMA and non-legislative HR modernization initiatives are integrated with the <i>Employment Equity Act</i> to ensure that requirements are met in applying the new definition of “merit” when considering requirements for diversity in current and future needs</li> </ul>	2005-06
<ul style="list-style-type: none"> <li>• <b>Results are more transparent and accessible to Canadians</b></li> </ul>	
<ul style="list-style-type: none"> <li>○ Continued improvements are made in the monitoring and reporting systems to make results more accessible, timely, and transparent to Canadians, including progress in achieving <i>Employment Equity Act</i> and <i>Embracing Change</i> objectives</li> </ul>	Ongoing

**Main achievements**

As detailed in the last annual report on employment equity, significant progress continued to be made to make the public service more representative and inclusive. Representation rates for three designated groups – women, Aboriginal peoples and persons with disabilities – continued to surpass workforce availability. For visible minorities, notable increases have been achieved in the following areas: overall representation, proportion of indeterminate employees, promotions, representation in and promotions from within or to the Executive category.

The Agency has developed a performance measurement framework that allows for the consistent assessment of departmental adherence to the provisions of the *Employment Equity Act*, the

*Embracing Change* initiative and compliance with the measures outlined by the Canadian Human Rights Commission. The measurement of employment equity progress in the public service is an important component of the Management Accountability Framework assessments. The most noticeable gains have been amongst women.

With regard to accelerating progress on the *Embracing Change Action Plan* and the 1-in-5 benchmark established for 2005, significant success continued to be evident in corporate development programs for visible minorities, with most of these surpassing the benchmark last year. The Agency initiated a future directions strategy to address the need for considerable leadership and efforts to meet the deadlines. The main output of these consultations was the development of indicators against which employment equity organizational performance will be assessed. Work was also conducted with a number of departments and agencies to address the issue of language training for visible minority and Aboriginal groups. In collaboration with the Canada School of Public Service, a management-preparedness course aimed at visible minorities, Aboriginal peoples and persons with disabilities, *Ottawa and Me*, was expanded. In March 2005, the Agency sponsored an employment equity conference that brought together hundreds of participants from many departments, regions and various levels of employees to share ideas on the future of diversity in the public service. Policy instruments covering employment equity and the duty to accommodate are planned for roll out early in 2007.

The Agency continued to develop **modern and fully integrated employment equity policies, directives, tools** and provide support to departments and agencies. The compendium of *Diversity Tools and Practices for Managers*, a collection of methods to better leverage diversity, expand designated group representation in the workforce, and assess progress of corporate culture change, was expanded and actively marketed through workshops held in Ottawa, Toronto and Montreal. A comprehensive communications strategy was designed to integrate - permanently and effectively - the principles and practices of employment equity and diversity across the public service along four strategic priorities: the need to present a business case for diversity and employment equity, the advantage of positioning them in the context of the current federal priority around accountability, the requirement to clarify their interdependence, as well as the need to reframe diversity and employment equity in a positive, values-based context. The first of the strategy's four stages will be initiated in the fall of 2006. In addition, the Agency helped departments and agencies integrate employment equity and diversity requirements into their PSMA strategies.

Results continued to be made more transparent and accessible to Canadians. As of March 2005, 67 departments and agencies had been audited or were undergoing an audit by the Canadian Human Rights Commission (CHRC) to determine their compliance with the requirements of the *Employment Equity Act*. A total of 56 are currently compliant, including nine that achieved compliant status in 2004-05. The Agency placed an increased emphasis on objective and balanced reporting. This includes rigorous measures such as identifying, under the Management Accountability Framework, those departments and agencies that fail to reach officially endorsed diversity and employment equity objectives

***Main challenges ahead  
and next steps***

The continually increasing diversity of Canada's population and workforce is a challenge as well as an opportunity for the Agency to demonstrate leadership through the implementation of employment equity as an intrinsic part of public service renewal.

**3.3.2 Achieve and preserve official languages plans and priorities**

***Context and  
commitments***

The Canadian approach to bilingualism is a testament to our desire to reflect our fundamental values in our public life. It is set out in the *Official Languages Act* and commits the government, through the 196 federal institutions that are subject to it, to serve Canadians in the official language of their choice (Part IV); to enable employees in bilingual regions to work in the official language of their choice (Part V); and to ensure equitable participation of English-speaking and French-speaking Canadians (Part VI).

In support of these commitments, the Agency, through its Official Languages Branch, develops and coordinates federal policies and programs concerning service to the public, language of work and the participation of English- and French-speaking Canadians. The Agency oversees the compliance of institutions with obligations of the Act by monitoring and conducting audits and evaluating the effectiveness and efficiency of their programs and it prepares the annual report to Parliament.

The Agency is the lead player in the implementation of the five-year Exemplary Public Service component of the *Action Plan for Official Languages* announced in 2003 to provide a new momentum for Canada's linguistic duality. As part of this Action Plan, the Agency also manages the Official Languages Innovation Program to support institutions and federal regional councils in the implementations of innovative projects that have a ripple effect in promoting official languages and in delivering service to Canadians.

In this context, plans and priorities set out for 2005-06 were as follows:

2005-06 Plans and Priorities	Time Frame
<ul style="list-style-type: none"><li>• <b>Service and accountability to Canadians with regard to official languages are improved</b><ul style="list-style-type: none"><li>○ Strengthened monitoring and reporting systems, encompassing performance indicators and assessment tools, are in place to make results more accessible and transparent to Canadians</li><li>○ Simpler, clearer, more accessible, results-based policy instruments are developed</li><li>○ Modernized policies on service to the public are implemented, including new directives on electronic communications and Web sites</li><li>○ The compliance review of the <i>Official Languages Regulations</i> pertaining to communications with, and services to, the public is completed</li><li>○ Continuing support is provided to institutions to ensure that official languages are an integral part of operations and that bilingual service delivery to Canadians is enhanced, in particular through work conducted under the Action Plan, including the Innovation Program, to support cultural change</li></ul></li><li>• <b>A stronger shared vision of a bilingual workplace and its underlying values is achieved, contributing to the effective use of both official languages in prescribed regions</b><ul style="list-style-type: none"><li>○ Continuing support is provided to institutions in promoting the use of official languages in the workplace, in particular through work conducted under the Action Plan, including the Innovation Program, to support cultural change</li></ul></li><li>• <b>Targets are achieved for increasing bilingual capacities within the executive and executive feeder groups, thereby fostering, in bilingual regions, the use of both official languages in the workplace</b></li></ul>	<p>2005-06</p> <p>2005-06</p> <p>2004-06</p> <p>2004-05</p> <p>2004-08</p> <p>2004-08</p> <p>2004-08</p>

**Main achievements**

**Service and accountability to Canadians are improved** through strengthened monitoring and reporting systems. The new management model and related tools and the dashboard that were finalized during the year make it possible to track progress by federal institutions in delivering the Official Languages Program. An increase in the number of horizontal and vertical audits will also ensure that tangible measures are put in place and that the public is informed accordingly.

The Agency continued the work started in 2004-05 on the review of its official languages policies within the framework of the *Action Plan for Official Languages* with a view to updating them, reducing their number, focusing on results, adapting them for publication on the Web and adding performance indicators and reporting requirements. The revised policy instruments do not create any new obligations, but they do clarify current obligations in a contemporary setting. They are based on the values of the public service and clearly identify the expected results and associated responsibilities. Following extensive consultations with departments, agencies, Crown corporations and official language minority communities, Phase II came into effect in July 2005. The *Policy on the Use of Official Languages for Communications with and Services to the Public* and two new directives, namely the Directive on the Use of Official Languages on Web Sites and the Directive on the Use of Official Languages in Electronic Communications, replace six policy

instruments. The implementation of Phase II gives public servants a better understanding of the rights of the public and the obligations of institutions regarding the language aspect of communications with and services to the public and clarifies rights, obligations and results related to language of work.

With regard to the compliance review of the *Official Languages Regulations*, the last phase of the review of the application of the significant demand provisions of the Regulations is not quite finished. Over two thirds of the approximately 50 institutions involved in this phase have met their obligations by conducting surveys to measure the demand for service in the offices concerned. The dispute over the obligations of airport authorities and the draft legislation affecting the Air Canada Consortium are the reasons why the remaining 15 or so institutions have yet to complete the exercise.

Strong support continued to be provided to institutions to ensure that official languages are an integral part of operations and that bilingual service delivery to Canadians is enhanced through the Innovation Program. With a budget of \$14 million over five years, the start-up fund supports innovative projects that promote cultural change. Year 3 of the program – 2005-06 – was launched in December 2004. Of the more than 50 project proposals that were submitted for funding, 32 were selected in February 2005 at a total cost of \$2.8 million.

Regular meetings are held with the federal regional councils' executive and the official languages committee to provide them with information on the content of new policies, share regional concerns and to discuss good practices. The regional councils have proven to be a valuable forum and a useful network, enabling the members and participating departments to share information. In June 2005, the Public Service Award of Excellence was presented to the western federal councils in recognition of their joint effort to implement their official languages strategic plan. The plan, another success story under the Official Languages Innovation Program, focuses on the delivery of bilingual services to Canadians in western Canada.

The Agency continued to provide support to institutions to achieve a **stronger shared vision of a bilingual workplace, contributing to the effective use of both official languages in prescribed regions**. For instance, the Quebec Federal Council launched a project that addressed official languages concerns raised by Anglophone communities in the Quebec Region. In the winter of 2005, the Council held its first forum on linguistic duality – *Parle-moi, I'm listening* – which dealt with regional priorities and provided the foundation for projects that were implemented through the Innovation Program. The Official Languages Branch held information sessions, annual conferences and special meetings for key stakeholders and official languages champions. These events gave participants a better understanding of their roles and responsibilities, and of risk management associated with the new Part VII of the *Official Languages Act*. The events included the first "Good Practices Forum" in Ottawa in November 2005 and the second annual joint conference in March 2006 in Vancouver.

The Public Service Commission of Canada was allocated \$2 million over five years (to 2008) under the *Action Plan for Official Languages* to increase the **recruitment of bilingual candidates in bilingual regions**. The initiative is well under way; many awareness activities were organized and communication and information tools provided on employment

opportunities, language requirements, and second-language evaluation in the public service, including:

- 174 workshops with 5,236 participants on the competition process, language requirements, and second-language evaluation;
- some 58 regional and national partnerships with various groups, in particular universities (32), lobby groups (20) and federal departments (6); and
- data gathering on the language skills reported by candidates for bilingual positions, results of oral interaction tests based on position language requirements, and reported language skills compared with candidates' results.

Work with the executive and executive feeder groups continued jointly with organizations. The Agency kept a watching brief over progress in each organization and, among other initiatives, follow-up was carried out in the context of year-end financial statements. Federal institutions are responsible for ensuring that members of their executive and executive feeder groups meet the official languages requirements of their positions. In addition, the Agency reinforces the importance of using both official languages in the workplace during all of its regular meetings with the organizations as well as with its network of committees.

***Main challenges ahead  
and next steps***

The respect for official languages in the delivery of services to Canadians as well as in the workplace is an ongoing challenge that requires sustained and focused efforts that have to be carried out in conjunction with institutions. The Agency, through its Official Languages Branch, is committed to continue promoting a shared vision and the underlying values of Canada's linguistic duality.



## Section IV: Our organization

### 4.1 Corporate commitments:

<p><i>Context and commitments</i></p>
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The Agency was created on December 12, 2003 for the purpose of leading the modernization of HR management in the public service, in particular through the implementation of the PSMA. However, the success of PSMA implementation requires, first and foremost, a cultural change that involves a new type of relationship with unions characterized by engagement, collaboration and consultation, as well as an effective shift of authority from HR professionals to line managers and from central agencies to deputy heads.

In this pivotal year that has seen all legislative components of PSMA come into place, the Agency has continued to take firm steps to move from the traditional central agency monitoring role described as ‘rules driven’ and ‘enforcement oriented’ to become a true enabler that is there to help departments and agencies meet their new responsibilities. Monitoring and reporting systems have been designed or strengthened along a portfolio approach to aid and facilitate HR management accountability and transparency in a spirit of continuous improvement.

As a new organization, the Agency wants to lead by example and be recognized as a model organization. To this end, our own HR policies and procedures are grounded in the values, concepts and requirements of the new legislation, thus allowing us to work efficiently, effectively and in a collaboration with all partners to put in practice the following management principles:

- Working effectively with our partners;
- Enabling departments and agencies and ensuring effective oversight;
- Demonstrating innovative and responsible leadership;
- Practicing simplicity and clarity; and
- Developing holistic approaches towards integrated HR management disciplines.

In this context, plans and priorities set out for 2005-06 were as follows:

- Create and develop an affordable organization fully committed to achieving the objectives set out in *Results for Canadians*, and foster and apply within the Agency the vision, objectives and principles of modern HR management and comptrollership.
- Create and sustain a cost-effective organizational structure with business lines aligned with the Agency’s overall strategic objectives.
- Develop a robust, clear strategic planning and results framework linked to an overall vision and objectives, with key high-level results identified clearly.
- Create an affordable communications infrastructure that enables the Agency to position itself across the public service and communicate effectively with all target audiences.

- Establish an operating model that enables the Agency to provide clear, coherent, integrated HR management leadership, policies, programs and support services to the public service, demonstrating value to departments, agencies and public service employees.
- Develop a core competency in performance measurement and management accountability, thus leading by example.

***Main achievements***

Integrated HR and business planning is the foundation for assessing and understanding the current and future needs of departments and agencies so that they can deliver effective services to Canadians. One of the challenges in effectively applying these management principles is to ensure that the organization is effectively established to successfully advance the government's HR management modernization agenda. In doing so, the Agency focused on the following internal plans and priorities.

A particular emphasis was placed on instituting the **vision, objectives and principles found in the new legislation** as the Agency firmly believes that it must model the behaviours and values it expects of others. PSMA legislation was implemented on time and below budget. To ensure the organization would be ready for the coming into force of the new *Public Service Employment Act* in December 2005, new standards and mechanisms were established to lead, manage and develop its workforce in an integrated manner, horizontally and vertically. Externally, the Agency had a strong participation in PSMA-related forums, including through sharing products and documents such as the PSHRMAC Guide to Staffing and PSMA Learning for Employees.

The Agency's Senior Management Committee continued to take an active involvement in HR policy and program development and decision-making. The committee held an HR planning retreat in June 2005 to focus exclusively on identifying areas where support was required to ensure the organization is capable of addressing its business needs for the current and foreseeable future. This provided the context and framework under which the Agency developed its first comprehensive corporate HR plan as an integral part of its strategic and business planning process. *Human Resources – A Plan for the Future* focuses on six key Agency-wide HR management goals to address the priorities that emerged. For each goal a series of objectives, activities and/or strategies were developed to assist in achieving the desired outcomes: renew policy capacity; increase administrative capacities; strengthen leadership capacities; optimize efficiency and effectiveness; retain and transfer corporate knowledge; and act upon the results of the 2005 Workplace Well-Being Survey.

In 2005-06, a majority of Agency employees participated in a groundbreaking workplace well-being survey designed to explore the drivers of employee satisfaction and to assess departmental performance in respect of the same. While overall results were positive, areas of improvements were identified. Work was immediately launched on several fronts to ensure that the Agency continues to be a workplace in which all employees can contribute meaningfully and are committed to results. This work is further supported by the Agency's high rate of participation (71.8%) in the third Public Service Employee Survey (PSES) in November 2005. Results from the PSES will further inform the work to improve work-life at the Agency.

As of March 31, 2006, the employee population meets or exceeds labour market availability in all Employment Equity designated groups, and 88 per cent (91 per cent of EXs and 87 per cent of non-EXs) meet the official languages requirements of their position. Forums and retreats at the Branch level and Agency-wide continued to be held to encourage the sharing of views and concerns and to facilitate direct participation and engagement. Most of these events were facilitated by the Agency's in-house change management and organizational development team. Champions were appointed in a number of areas.

Although the Agency's business lines were already aligned with its overall strategic objectives, steps were taken to **ensure that the organizational structure remained cost-effective**. For instance, upon its creation, the Agency had entered into a service agreement with the Department of Finance Canada to share common corporate functions and services. Meanwhile, the Agency continued to build expertise in strategic functions, one of them being HR management. Consequently, it was decided in 2005-06 to repatriate operational staffing services to the Agency as effective and efficient resourcing was essential for the Agency to meet its strategic and business objectives. By the fourth quarter, it was determined that classification and other operational HR services, such as official languages and all awards, would also be brought in-house. Negotiations to that effect with the service provider resulted in an early takeover of the operational classification files, for which a significant backlog was returned and completed in March 2006.

With a view to embracing central and administrative shared services as a means to increase efficiency and effectiveness, the Agency is partnering with the Treasury Board of Canada Secretariat, the Department of Finance Canada, the Canada School of Public Service and the Privy Council Office to pursue a shared systems service arrangement (central agency cluster). Experience shows that shared services do not result in immediate savings. In fact, there is an initial cost increase but over time the pay-off comes from increased efficiency and effectiveness.

With regard to the Agency's **communications infrastructure**, a partnership agreement between the Communications Branch and the program areas is being developed by the Communications Committee members to ensure that roles and responsibilities with regard to communications are clearly defined. In addition to helping the Agency maintain good performance, the agreement is designed to ensure that the Agency complies with all the requirements set out in the *Communications Policy of the Government of Canada*, while making effective use of human and financial resources.

The media relations protocol has been reviewed and the Agency's media spokespeople have been trained. The protocol on the preparation of Question Period cards has been revised and a Parliamentary Affairs Coordination Committee has been established to improve the effectiveness of the Agency's preparation for parliamentary hearings.

The Communications Council, established in 2004, continues to coordinate communications on major public service-wide initiatives such as PSMA implementation or business transformation, whether they fall under the responsibility of the Treasury Board portfolio or any other department.

In addition, the Public Service Modernization Communicators' Network, created in 2005, meets every three months. The Network, which is made up of at least one communicator per federal department and agency and which has over 100 members, is an effective way of keeping the entire public service informed of corporate initiatives and issues relating to the new HR management system.

The Agency is firmly committed to providing **clear, coherent, integrated HR management leadership, policies, programs and support services** to the public service and to demonstrate value to departments, agencies and public service employees. With this objective in mind, the Agency made it a key priority in 2005-06 to collaborate with the Treasury Board of Canada Secretariat in the Policy Renewal Initiative. This initiative clarifies the management responsibilities and accountabilities of Ministers and Deputy Heads as well as the responsibilities of functional experts. By strengthening and streamlining how government works, the renewed policy suite makes government more effective and accountable. Each and every existing HR policy instrument is being reviewed through a rigorous challenge process, aligned with the project's objectives and grouped under a new 'People Framework' in the Treasury Board Policy Suite. This work was well underway in March 2006 and is scheduled to be completed by December 2006.

The Agency continued to lead and support the workings of the Human Resources Management Advisory Committee, the first committee entirely dedicated to HR management issues. The Privy Council Office, the Public Service Commission of Canada, the Canada School of Public Service and the Treasury Board of Canada Secretariat are among the members of the committee. The Agency also supported a number of other deputy minister and associate deputy minister committees that were created in connection with PSMA implementation. These committees serve as unparalleled venues for exchange, co-ordination and integration on all HR management issues. They are key mechanisms through which the Agency engages all of its partners to successfully consolidate the foundations of the modernized HR regime. Unions continued to be engaged as never before at various levels, including within the Agency's own PSMA Implementation Secretariat.

Finally, the Agency has taken the necessary steps to develop an effective planning function and **performance measurement processes to ensure management accountability**. Operational plans and performance agreements are linked to strategic plans and an effective performance management system is in place that includes objective setting, performance feedback, incentives and recognition as well as the management of poor performance. An infrastructure was established to support the tracking and reporting systems for new policies, programs and operations. The management team is accountable for employment equity and official languages through performance management and compensation.

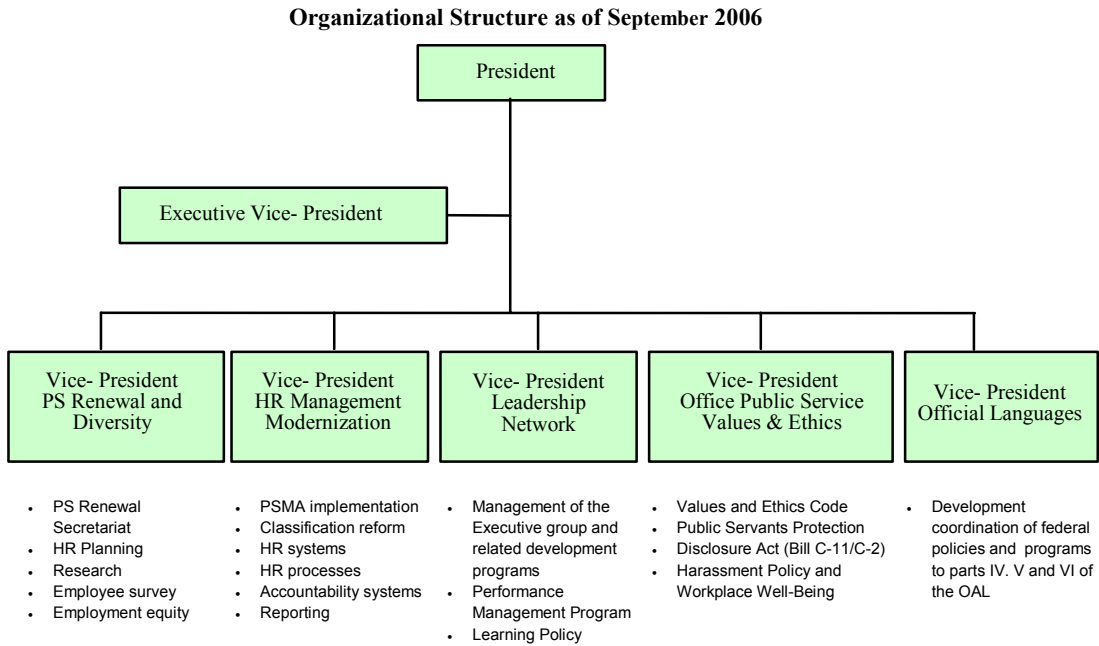
***Main challenges ahead  
and next steps***

In this critical year in the implementation of the PSMA and after only more than two years in existence, the Agency has met a number of challenges to successfully advance the Government's HR modernization agenda. As a department, it led by example and met all the requirements for the coming into force of the *Public Service Employment Act* in December 2005, and was recognized accordingly by the

Public Service Commission of Canada in its Staffing Management Accountability Framework assessment. As a central agency, it sustained the engagement and collaboration of all its partners.

The Agency will continue to develop the HR management infrastructure needed to model excellence in staffing, retention and development programs, so that it can ensure an ongoing source of highly qualified professionals and future leaders. It will also develop organizational learning strategies to ensure employees have the necessary knowledge and competencies to meet current and future needs as well as a corporate knowledge retention and transfer strategy, as envisaged in the corporate HR plan.

## 4.2 Organizational Structure as at September 30, 2006



## Section V: Supplementary Information

**Table 1: Comparison of Planned to Actual Spending (including FTEs)**

This table offers a comparison of the Main Estimates, Planned Spending, Total Authorities, and Actual Spending for the most recently completed fiscal year, as well as historical figures for Actual Spending.

(\$ thousands)	2003-04 Actual	2004-05 Actual	2005-06			
			Main Estimates	Planned Spending	Total Authorities	Total Actuals <sup>(2)</sup>
Modernized human resources management and strengthened accountability	n/a	29,074	23,840	23,631	37,685	37,465
An effective, ethical leadership, and a quality work environment	n/a	49,958	51,590	40,100	58,155	49,334
A representative and accessible public service	n/a	14,951	11,290	11,207	12,977	12,511
<b>Total</b>	<b>64,354</b>	<b>93,983</b>	<b>86,720</b>	<b>74,938</b>	<b>108,817</b>	<b>99,310</b>
Plus: Cost of services received without charge <sup>(1)</sup>	4,807	8,587	n/a	7,400	n/a	8,375
<b>Total Agency Spending</b>	<b>69,161</b>	<b>102,571</b>	<b>86,720</b>	<b>82,338</b>	<b>108,817</b>	<b>107,685</b>

<b>Full Time Equivalents</b>	<b>374</b>	<b>477</b>	<b>n/a</b>	<b>504</b>	<b>n/a</b>	<b>539</b>
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Note : Totals may differ between and within tables due to rounding of figures.

(1) Services received without charge include accommodation provided by Public Works and Government Services Canada, the employer's share of employees' insurance premiums, expenditures paid by Treasury Board Secretariat, and services received from the Department of Justice Canada (see Table 4).

(2) Due to the distortion caused by the fact contribution authorities could not be transferred as planned through Supplementary Estimates, the variance between total actuals and total authorities is best explained under Table 6.

The 2005-06 total Authorities of \$108.8M represent a net increase of \$33.9M or 45% over the 2005-06 Planned Spending of \$74.9M. This difference represents the net funding received through the Governor General Special Warrants. It consists of the following:

An increase of \$38.6M explained as follows:

- \$14.6M - Funding to modernize human resources management in the federal public service (Public Service Modernization Act);
- \$4.2M - Funding to promote ethical practices in the federal public service and a positive environment for disclosing wrongdoing;
- \$3.3M - Allocation of Operating Budget carry forward;
- \$0.1M - Funding to support employment equity projects to increase the representation in the federal public service of designated groups, in particular visible minorities, Aboriginal peoples, and persons with disabilities;
- \$0.2M - Funding to support a joint learning program with the Public Service Alliance of Canada;

- \$16.2M – The Initial Planned Spending did not include contributions of \$16.2M for the Youth Internship Program (YIP) as this program and funding were to be transferred to Human Resources and Skills Development Canada (HRSDS) through Supplementary Estimates and integrated to the Youth Employment Strategy (YES) - see Table 6 for further detail.

A decrease of \$4.7M is mainly related to items not required through the Governor General Special Warrants and is explained as follows:

- (\$0.6M) - Expenditure Review Committee Savings – Departmental initiatives/Procurement;
- (\$0.2M) - Employment Equity Reprofiting;
- (\$0.4M) - Technical adjustment to the Statutory Item - Contributions to employee benefits plans;
- (\$0.5M) - Funding to undertake or participate in feasibility studies concerning the introduction of a shared services approach to the government's internal financial, human resources and materiel systems and services;
- (\$2.1M) - Collective bargaining agreements;
- (\$0.9M) - Paylist items (severance pay, vacation credits, parental benefits).



**Table 2: Use of Resources by Program Activity**

The following table provides information on how resources were used for the recently completed fiscal year.

<b>2005-06</b>			
<i>(\$ thousands)</i>	<b>Budgetary</b>		
<b>Program Activities (Strategic Outcome Components)</b>	<b>Operating</b>	<b>Contributions</b>	<b>Total: Budgetary Expenditures</b>
<b>Modernized HR Management and Strengthened Accountability</b>			
Main Estimates	23,840	-	23,840
<i>Planned Spending</i>	23,631	-	23,631
Total Authorities	37,685	-	37,685
<i>Actual Spending</i>	37,465	-	37,465
<b>Effective, Ethical Leadership, and a Quality Work Environment</b>			
Main Estimates	35,390	16,200	51,590
<i>Planned Spending</i>	40,100	-	40,100
Total Authorities	41,955	16,200	58,155
<i>Actual Spending</i>	41,186	8,148	49,334
<b>Representative and Accessible Public Service</b>			
Main Estimates	11,290	-	11,290
<i>Planned Spending</i>	11,207	-	11,207
Total Authorities	12,977	-	12,977
<i>Actual Spending</i>	12,511	-	12,511
<b>Total PSHRMAC</b>			
Main Estimates	70,520	16,200	86,720
<i>Planned Spending</i>	74,938	-	74,938
Total Authorities	92,617	16,200	108,817
<i>Actual Spending</i>	91,162	8,148	99,310

### Table 3: Voted and Statutory Items

This Table explains the way Parliament votes resources to the Agency.

Vote or Statutory Item	Truncated Vote or Statutory Wording (\$ thousands)	2005-06			
		Main Estimates	Planned Spending	Total Authorities	Total Actuals
30	Operating expenditures	62,084	65,838	83,884	82,429
35	Contributions	16,200	-	16,200	8,148
(S)	Contributions to employee benefits plans	8,436	9,100	8,733	8,733
	<b>Total</b>	86,720	74,938	108,817	99,310

Note: Tables 1 and 6 provide information on significant variances.

**Table 4: Services Received Without Charge**

<b>(\$ thousands)</b>	<b>2005–2006</b>
Accommodation provided by Public Works and Government Services Canada (PWGSC)	3,920
Contributions covering employer's share of employees' insurance premiums and expenditures paid by Treasury Board of Canada Secretariat (excluding revolving funds). Employer's contribution to employees' insured benefits plans and associated expenditures paid by TBS	4,226
Salary and associated expenditures of legal services provided by Justice Canada	229
<b>Total 2005–06 Services received without charge</b>	<b>8,375</b>

**Table 5: Resource Requirements by Organization by Activity**

2005-2006				
<b>Program</b>  <b>Organizations</b>	<b>Modernized HR Management and Strengthened Accountability</b>	<b>Effective, Ethical Leadership, and a Quality Work Environment</b>	<b>Representative and Accessible Public Service</b>	<b>Total</b>
<b><i>President</i></b>				
Main Estimates	206	342	95	<b>643</b>
Planned Spending	200	300	100	<b>600</b>
<i>Total Authorities</i>	204	338	96	<b>638</b>
Actual Spending	220	363	103	<b>686</b>
<b><i>Executive Vice-President</i></b>				
Main Estimates	202	336	97	<b>635</b>
Planned Spending	200	300	100	<b>600</b>
<i>Total Authorities</i>	184	304	86	<b>574</b>
Actual Spending	173	287	81	<b>541</b>
<b><i>Strategic Management and Planning</i></b>				
Main Estimates	5,382	7,801	2,535	<b>15,718</b>
Planned Spending	5,950	7,280	2,502	<b>15,732</b>
<i>Total Authorities</i>	8,104	11,246	3,526	<b>22,876</b>
Actual Spending	8,155	10,832	2,686	<b>21,673</b>
<b><i>Communications</i></b>				
Main Estimates	478	791	224	<b>1,493</b>
Planned Spending	800	1,100	400	<b>2,300</b>
<i>Total Authorities</i>	864	1,430	405	<b>2,699</b>
Actual Spending	852	1,410	399	<b>2,661</b>
<b><i>Human Resources Planning, Accountability and Diversity</i></b>				
Main Estimates	8,426		2,537	<b>10,963</b>
Planned Spending	8,426		2,537	<b>10,963</b>
<i>Total Authorities</i>	9,226		2,927	<b>12,153</b>
Actual Spending	9,182		3,012	<b>12,194</b>

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<b>2005-2006</b>				
<b>Program</b>	<b>Modernized HR Management and Strengthened Accountability</b>	<b>Effective, Ethical Leadership, and a Quality Work Environment</b>	<b>Representative and Accessible Public Service</b>	<b>Total</b>
<b>Organizations</b>				
<b><i>Human Resources Management Modernization</i></b>				
Main Estimates	9,146			<b>9,146</b>
Planned Spending	8,055			<b>8,055</b>
<i>Total Authorities</i>	19,103			<b>19,103</b>
Actual Spending	18,883			<b>18,883</b>
<b><i>The Leadership Network</i></b>				
Main Estimates		41,708		<b>41,708</b>
Planned Spending		24,508		<b>24,508</b>
<i>Total Authorities</i>		40,142		<b>40,142</b>
Actual Spending		32,483		<b>32,483</b>
<b><i>Office of Public Service Values and Ethics</i></b>				
Main Estimates		612		<b>612</b>
Planned Spending		6,612		<b>6,612</b>
<i>Total Authorities</i>		4,695		<b>4,695</b>
Actual Spending		3,959		<b>3,959</b>
<b><i>Official Languages</i></b>				
Main Estimates			5,802	<b>5,802</b>
Planned Spending			5,568	<b>5,568</b>
<i>Total Authorities</i>			5,937	<b>5,937</b>
Actual Spending			6,230	<b>6,230</b>
<b>TOTAL PSHRMAC</b>				
Main Estimates	23,840	51,590	11,290	86,720
Planned Spending	23,631	40,100	11,207	74,938
<i>Total Authorities</i>	37,685	58,155	12,977	108,817
Actual Spending	37,465	49,334	12,511	99,310

Note: Tables 1 and 6 provide information on significant variances.

## Table 6: Details on Transfer Payment Programs (TPPs)

Supplementary information on Transfer Payment Programs can be found at: <http://www.tbs-sct.gc.ca/est-pre/estime.asp>.

<b>1) Name of Transfer Payment Program:</b> Youth Internship Program (Voted)						
<b>2) Start Date:</b> October 1997 - (1st year program) Sept.2000 - (renewed permanent program)		<b>3) End Date:</b> On-going Program (see number 6, and <b>note</b> below)				
<b>4) Description</b>						
The Federal Public Sector Youth Internship Program places interns in host federal government organizations. In 2004-05, the decision was made to integrate the Youth Internship Program with the Youth Employment Strategy led by Human Resources and Skills Development Canada (HRSDC). Both programs targeted youth facing barriers to employment. This would ensure better and more cost-effective delivery of programs aimed at helping youth make a successful transition to the workplace.						
<b>5) Strategic Outcomes</b>						
Objective: Through developmental internships at federal public service work sites, provide unemployed and under-employed Canadian youth an opportunity to develop employability skills and gain essential experience needed to secure future employment.						
<b>6) Results Achieved</b>						
Information on this program can be found in HRSDC's Departmental Performance Report (DPR).						
(\$ thousands)	7) Actual Spending 2003-04	8) Actual Spending 2004-05	9) Planned Spending 2005-06	10) Total Authorities 2005-06	11) Actual Spending 2005-06	12) Variance(s) Between 9 and 11
<b>13) Public Service Human Resources Management Agency of Canada</b>						
<b>14) Total Contributions</b>	16,175	16,082	0	16,200	8,148	-8,148
<b>15) Total Transfer Payment Program</b>	16,175	16,082	0	16,200	8,148	-8,148
<b>16) Comments on Variances:</b> Initial Planned Spending did not include contributions of \$16.2M for the Youth Internship Program (YIP) as this program and funding were to be transferred to Human Resources and Skills Development Canada (HRSDS) and integrated to the Youth Employment Strategy (YES).						
<b>17) Significant Evaluation Finding and URL to last evaluation:</b> <a href="http://www.hrma-agrh.gc.ca/reports-rapports/sefpsyip-sjspf_e.asp">http://www.hrma-agrh.gc.ca/reports-rapports/sefpsyip-sjspf_e.asp</a> ;						

Note: In 2005-06, the Program was transferred to Human Resources and Skills Development Canada (HRSDC). A further decision was made by the Expenditure Review Committee to reduce the program by \$8M. Both this \$8M reduction and the transfer of authorities and funding (the remaining \$8.2M in contribution funding plus \$1.2M operating funds) were to be made through 2005-06 Supplementary Estimates. This explains why planned spending was \$0. However, since there were no Supplementary Estimates in 2005-06, that year's budget and the corresponding expenditures remained within PSHRMAC.

Transfers with respect to fiscal year 2006-07 and the following were made through ARLU adjustments. Future expenditures under these authorities will therefore be made and reported on by HRSDC.

## Table 7: Responses to Parliamentary Committee Reports for Fiscal Year 2005-06

In April 2005, the Standing Committee on Public Accounts tabled its Ninth Report. It is a consideration of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada which informed Parliament of the results of a series of government-wide audits focused on sponsorship, advertising, and public opinion research, respectively. The committee made several recommendations, of which three were of specific relevance to the Agency.

Relevant Recommendations
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<i>That administrative penalties, up to and including dismissal from the public service of Canada, be established to discourage non-compliance with contracting rules and regulations.</i>
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<i>That when public service employees working in procurement are subject to annual evaluations, or are being considered for performance bonuses or promotion, adherence with contracting rules and regulations be taken into account.</i>
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<i>That section 41(2) – 41(3) of the Public Service Employment Act be repealed immediately.</i>
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**Response:** In its July 2005 response, the government underlined that the public service of Canada has a comprehensive administrative framework that governs discipline, up to and including termination of employment (dismissal). With respect to managing the performance of employees, it stressed that supervisors have a range of approaches and tools to assist them, including training, coaching, career counselling, withholding performance pay, and documenting poor performance on an employee's file. The government also stated it remains committed to the priorities found in the *Public Service Employment Act* that relate to certain political staff, and that this issue will be reconsidered again when the *Public Service Modernization Act* is up for review after five years.

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In June 2005, the Standing Committee on Public Accounts tabled its Nineteenth Report: *Management of Public Opinion Research*. It is a consideration of Chapter 5 of the November 2003 Report of the Auditor General of Canada. It included nine recommendations, of which two were of specific relevance to the Agency.

Relevant Recommendations
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<i>That the government adopt guidelines that instruct public servants on the identification and avoidance of conflicts of interest and appearance of conflict of interest in the awarding of public opinion research contracts.</i>
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<i>That, as recommended in its 9th Report of the 38th Parliament, 1st Session, administrative penalties up to and including dismissal from the public service of Canada be established to discourage non-compliance with contracting rules and regulations.</i>
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**Response:** In its October 2005 response, the government underlined that it has already undertaken a number of initiatives that address both recommendations and that no further action is needed. For example, the government outlined that federal public servants must abide by the

*Values and Ethics Code of the Public Service* that was instituted in September 2003. It also noted that supervisors have a range of approaches and tools to help them manage the performance of employees.

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In June 2005, the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities tabled its Eighth Report: *Accessibility for All*. It is an overview of accessibility-related questions facing persons with disabilities that the Government of Canada addresses through its employment-equity legislation, expenditure programs, targeted tax measures and community services. The committee made several recommendations, of which one was of specific relevance to the mandate of the Agency.

**Relevant Recommendation**

*The Subcommittee recommends that, without neglecting representation statistics, the performance of the federal public service with respect to the employment of persons with disabilities from now on be measured on the basis of hiring statistics. This change should be reflected explicitly in the next employment equity report tabled by the Public Service Human Resources Management Agency of Canada.*

**Response:** In its October 2005 response, the government underlined that any measure of the federal government's performance on employment equity must reflect the dynamics of disability status and self-identification. For instance, employees can develop a disability or self-identify a disability after being hired. It is therefore important to take into consideration annual statistics on hiring, promotion and termination of employees with disabilities. The government added that there will continue to be improvements to policies and programs as the Agency works with other federal departments and agencies as well as the National Committee of Federal Public Servants with Disabilities.

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*In May 2005, the Standing Committee on Official Languages tabled its Second Report: Bilingualism in the Public Service of Canada. It is a consideration of the implementation of the 1969 Official Languages Act. Many of the recommendations were of relevance to the Agency.*

**Relevant Recommendations**

*The Committee recommends that people newly appointed to management positions take a formal training session given by the Canada School of Public Service, in cooperation with the Office of the Commissioner of Official Languages, on the importance of creating and maintaining a workplace conducive to the effective use of both official languages.*

*The Committee recommends that the Agency develop an appropriate audit mechanism to ensure that the federal public service is a workplace that is conducive to the effective use of both official languages, and that it report on the audit in its annual report to Parliament.*

*The Committee recommends that the federal government ensure that there are no negative repercussions on service to the public in the official language of the client's choice, on language of work of federal employees and on the development of official language minority communities, when there are major administrative reorganizations, such as the move of the headquarters of a*



*federal institution.*

*The Committee recommends that the Governor in Council pass an order guaranteeing the right of federal employees to work in the official language of their choice, when the headquarters of a federal department or agency is moved to a region that is not designated bilingual for the purposes of language of work.*

*The Committee recommends that the Agency provide the data required on language training services, both those offered by public and by private suppliers, and that it report on this in its annual report on official languages tabled in Parliament, as Treasury Board did until 1999. In particular, departments and agencies must provide the Agency with the financial and non-financial data that it needs to conduct analyses of real and forecasted outcomes.*

*The Committee recommends that the PSC ensure that the exclusion order is used only in exceptional cases and, if it is used by federal departments and agencies, the PSC must ensure that the right of members of the public to receive services in the official language of their choice is protected.*

**Response:** In its October 2005 response, the government detailed a number of activities being undertaken by the Agency and the Canada School of Public Service, in collaboration with Justice Canada, the Privy Council Office, and the Office of the Commissioner of Official Languages, to strengthen performance evaluation and accountability. It highlighted the Agency's strengthened audit program; its newly developed tools for officials to self-assess their own department's performance; and the new leadership courses and language modules in progress.

The government underlined the creation of an interim measure that maintains the language rights of employees who choose to move when a head office relocates from a bilingual region to a unilingual region for language of work purposes. The measure was designed to expire after appropriate consultations. The government also agreed with the committee that it would be desirable to have more complete and relevant data on language training. However, it stressed that each institution accounts for the costs of language training in a different way, making it difficult to draw comparisons across the Public Service of Canada.

The Agency also took the opportunity to underline that it is mandated to ensure that the public's right to receive services in the official language of its choice is protected, while the Public Service Commission is responsible for the Public Service Official Languages Exclusion Approval Order.