

Annual Report to Parliament

2009–10

Human Resources Management

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Catalogue No. BT1-19/2010

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Message from the President of the Treasury Board

As President of the Treasury Board, I am pleased to present the fifth annual report to Parliament on people management in the public service of Canada. The report provides parliamentarians and Canadians with information and analysis on the state of human resources management across the public service of Canada. It is a requirement under section 12.4(1) of the *Financial Administration Act* (FAA) and has been prepared in accordance with the reporting provisions of sections 11 through 12.3 of the FAA and section 28 of the *Public Service Employment Act*.

The report outlines the progress made in the fiscal year 2009–10 toward achieving excellence in people management. Through the lens of the people management drivers model, which provides an approach to people management excellence in the public service, the report emphasizes improvement efforts in relation to key drivers of change: infrastructure, leadership, workforce, and workplace.

The Treasury Board of Canada Secretariat's Office of the Chief Human Resources Officer is the centre of expertise for people management excellence in the federal public service. It supports deputy heads, managers and the human resources community to fulfill their responsibilities for people management in their organizations.

I am proud of the achievements thus far and look forward to ongoing improvements in people management in the federal public service aimed at providing results for Canadians.

A handwritten signature in black ink, appearing to read 'Tony Clement', with a stylized flourish at the end.

The Honourable Tony Clement,
President of the Treasury Board and Minister for FedNor

Message from the Chief Human Resources Officer

The fifth annual report to Parliament on people management provides an overview of the state of people management in the public service of Canada. It outlines the accomplishments in improving people management and provides important insights into some of the issues and challenges that are shaping the future direction of the public service.

This report has been prepared in accordance with the requirements of the *Financial Administration Act* and the *Public Service Employment Act*.

I am proud of our achievements so far and look forward to successfully advancing the people management excellence agenda, as well as to building a public service able to meet the needs of Canadians today and into the future.

A handwritten signature in black ink, appearing to read 'D Meredith'.

Daphne Meredith
Chief Human Resources Officer

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Executive Summary

This fifth annual report to Parliament presents the state of people management in the federal public service in fiscal year 2009–10, in accordance with the reporting provisions of sections 11 through 12.3 of the *Financial Administration Act* and section 28 of the *Public Service Employment Act* (PSEA).

Other reports to Parliament on human resources prepared by the Office of the Chief Human Resources Officer (OCHRO) include the Annual Report on Official Languages, the Annual Report to Parliament on Employment Equity in the Public Service of Canada, the Annual Report on the *Public Servants Disclosure Protection Act* and the Report on the Public Service Pension Plan.

This report reflects accomplishments in policy development and program administration to achieve employee engagement and a culture of excellence by modernizing the key areas of the people management system: integrated planning, classification, compensation, staffing, learning and development, and labour relations. The report provides information on the state of human resources management in the public service in 2009–10 through the lens of the people management drivers model.

Accomplishments at a glance

The following people management results in 2009–10 reflect efforts targeted at improving human resources infrastructure, as well as the leadership, workforce and workplace of the core public administration:

- ▶ Implementation of the Common Human Resources Business Process in 11 vanguard departments signalled the beginning of a consistent approach to the standardized delivery of human resources services in the Government of Canada.
- ▶ Review of the Treasury Board of Canada Secretariat's (the Secretariat's) people management policy suite resulted in the elimination of six redundant policies and the development of a *Policy Framework for People Management* that enables deputy heads to assume primary responsibility for people management in their organizations.
- ▶ Development of the public service management (PSM) dashboard supported performance monitoring and the development of system-wide departmental strategies and action plans to address key people management issues.
- ▶ Strengthening the governance of human resources management resulted in the establishment of new governance committees to engage deputy heads in collaborative priority-setting exercises.

- ▶ Enhancement of executive leadership development and talent management contributed to strengthening the capacity and skills of the executive community.
- ▶ Development of the *Public Sector Equitable Compensation Act* regulations enabled a new equitable compensation regime across the public sector.

Section I: Introduction

The fifth annual report to Parliament on human resources management in the public service highlights the progress made to modernize and renew core components of the people management system in the fiscal year 2009–10. This report is divided into three sections:

- ▶ **Section I: Introduction**—Presents the fundamentals of people management in an overview of the foundational framework for people management modernization and public service renewal.
- ▶ **Section II: Providing Overall Stewardship for People Management in the Public Service**—Introduces the people management drivers for a high-performing public service and highlights people management modernization by examining progress and achievements in 2009–10.
- ▶ **Section III: Conclusion**—Addresses the state of people management in the public service.

Fundamentals of people management

The core public administration¹ in the Government of Canada is the largest and most complex people management organization in the country. It comprises over 216,571 employees² in 89 departments and agencies that are responsible for providing advice to government and for delivering a wide range of services to Canadians across the country and internationally.

In 2003, the *Public Service Modernization Act* (PSMA) redefined all aspects of people management, which resulted in increased staffing flexibility, clearer accountability, more harmonious labour management relations and better integration of learning and development for public service employees. The implementation of the PSMA responded to long-standing concerns that the human resources management regime was cumbersome, complex, inflexible, and outdated and that its roles and responsibilities were fragmented. The improved legislation is the foundational framework for ensuring a public service that is more responsive to addressing the changing needs of Canadians and delivering better services for them. Building on the PSMA framework, the Clerk of the Privy Council's public service renewal initiative has, since 2006, provided an even greater momentum for public service modernization.

In 2008, six central organizations involved in supporting public service people management underwent a horizontal strategic review. This resulted in the realignment of roles and

1. The term "core public administration" refers to the 89 departments and agencies for which the Treasury Board is the employer, as listed in Appendix 1.

2. Appendix 2 provides a more detailed picture of the demographics, diversity and language of employees within the core public administration.

responsibilities across these organizations, as well as in the redistribution of their responsibilities between the central organizations and departments. In March 2009, the Prime Minister announced changes to streamline the management of human resources in the public service, including the creation of OCHRO. The changes reinforced the leadership role assigned to deputy heads for people management in their respective organizations.³

The Chief Human Resources Officer provides government-wide leadership for human resources management within the public service. This is a strategic role that enables deputy heads to fulfill their responsibilities for human resources management issues. OCHRO initiatives, which include policy renewal, the development of the PSM dashboard and scorecard, and the implementation of the Common Human Resources Business Process, have contributed to people management excellence and the creation of a high-performing public service.

3. Appendix 3 presents the roles and responsibilities of the key central agencies and departments that share responsibility for human resources management in the public service of Canada.

Section II: Providing Overall Stewardship of People Management in the Public Service

People management drivers and a high-performing public service

The drivers approach to advancing the people management modernization agenda is built on the core elements of workforce, workplace and leadership supported by an enabling people-management infrastructure.

The people management drivers model in Figure 1 presents the core elements of sound human resources management, demonstrates how these elements contribute to a high-performing public service and sets the expectations for people management in the public service.

Figure 1. People Management Drivers and a High-Performing Public Service

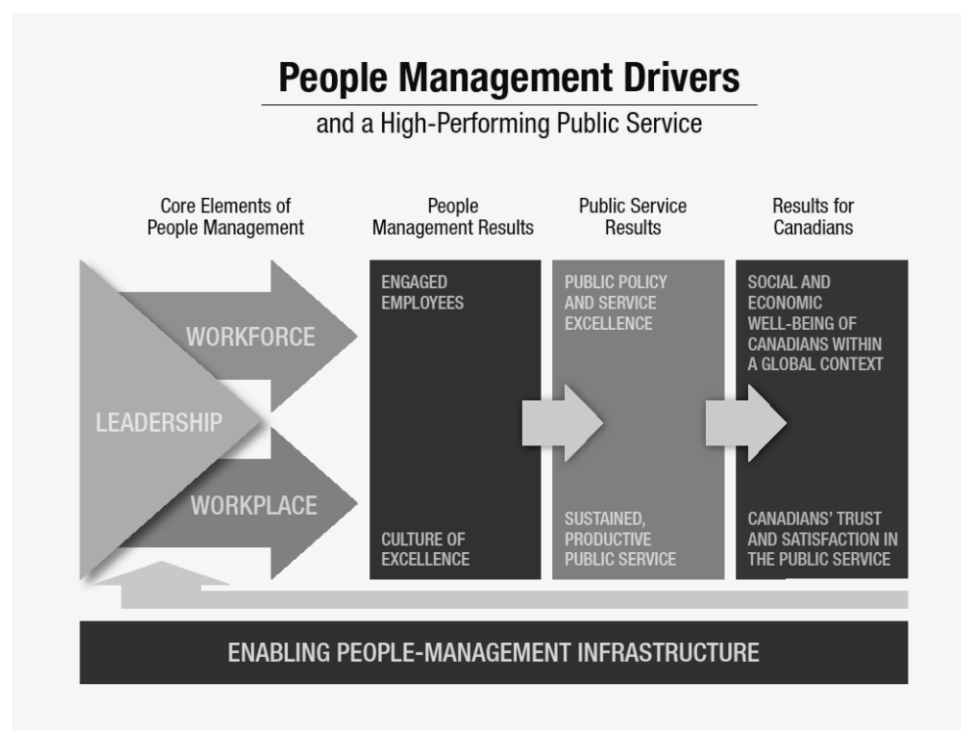


Figure 2 details the components of the people management drivers model. The components of the drivers model were incorporated into the design of the 2008 Public Service Employee Survey and were also used to present the results. This enabled departments and agencies to identify areas of success, as well as areas that required improvement.

The components of the drivers model were also the foundation on which the PSM dashboard was built. The dashboard provides valuable data, information and knowledge transfer tools in specific areas of people management to enable departments and central agencies in performance monitoring and reporting, and in their overall people management improvement efforts.

Figure 2. Components of the People Management Drivers and a High-Performing Public Service

CANADIANS' TRUST AND SATISFACTION IN THE PUBLIC SERVICE						
Canadians' satisfaction with government service delivery			Canadians' confidence in the government		Canadians' confidence in the Public Service	
SOCIAL AND ECONOMIC WELL-BEING OF CANADIANS						
Economic Affairs			Social Affairs		International Affairs	
Income security and employment for Canadians	Strong economic growth	Innovative and knowledge-based economy	Healthy Canadians	Safe and secure communities	Safe and secure world through international cooperation	Global poverty reduction through sustainable development
Clean and healthy environment	Fair and secure market place	Diverse society	Vibrant Canadian culture and heritage	Strong and mutually beneficial North American partnership	Prosperous Canada through global commerce	
PUBLIC POLICY AND SERVICE EXCELLENCE				SUSTAINED, PRODUCTIVE PUBLIC SERVICE		
Quality of public policy advice		Quality of service and program delivery		Attractiveness of public service employment	Retention of employees	Health of employees
ENGAGED EMPLOYEES				CULTURE OF EXCELLENCE		
Job satisfaction	Commitment to the organization	Satisfaction with the organization	Innovative	Results-oriented	Public interest-oriented	People-oriented
WORKFORCE			WORKPLACE			
Talented people attracted and recruited		Well-managed employee potential		Well-managed work		Fair, supportive and ethical environment
Right talent in the right place at the right time		Employee development		Meaningful work		Physical conditions and resources
Diversity of characteristics		Performance management		Appropriate workload and stress		Appropriate compensation
Values-based staffing		Career opportunities		Empowerment		Positive working relationships and communications
						Ethical environment
						Trusted, effective recourse
LEADERSHIP (EXECUTIVE AND SUPERVISORY)						
Planning and direction setting			Competence		Values	
ENABLING PEOPLE-MANAGEMENT INFRASTRUCTURE						
People management capacity		High-quality people management advice and support services			Knowledge of the state of the Public Service	
Right talent in the right places		Access to people management services			Research	
Stability		High-quality people management services			Information systems	

This section of the report presents the accomplishments in people management through the lens of the people management drivers model.

The drivers provide an approach to people management that contributes to building a public service that:

- ▶ Invests in an infrastructure of people and systems that enables high-quality people management services;
- ▶ Fosters leadership at all levels, sets clear direction, engages employees, and demonstrates and promotes public service values and ethics;
- ▶ Attracts, recruits and retains talented individuals and maximizes the potential of its workforce to meet both current and future organizational needs; and
- ▶ Provides an enabled workplace where employees have meaningful work in a fair, supportive and ethical environment.

Enabling People-Management Infrastructure		
People management capacity	High-quality people management advice and support services	Knowledge of the state of the public service

Performance measurement, monitoring and reporting

Public service management dashboard

In 2009–10, OCHRO developed a new suite of tools and information for people management and values and ethics. The PSM dashboard is an online management tool for central agency and departmental decision makers and deputy heads. It is based on a broad set of people management indicators and measures, and provides its users with valuable information and tools for performance monitoring and the development of strategies and action plans to address both system-wide and departmental people management issues.

The dashboard is based on the people management drivers and includes a system-wide dashboard, departmental dashboards, departmental scorecards, and exemplary and innovative departmental toolkits. The PSM dashboard tools are designed to complement each other to provide more information for analysis, decision making and the resolution of issues. It minimizes reporting on human resources performance measurement for departments and agencies by leveraging data from central systems and provides its users with regularly updated information in support of people management strategies and actions.

The dashboard contributes to strengthening deputy head accountability for people management, while providing central agencies with the means to monitor system-wide trends and issues as well as departmental performance. It also aims to accelerate people management knowledge transfer across the public service through the sharing of exemplary and innovative departmental practices and tools.

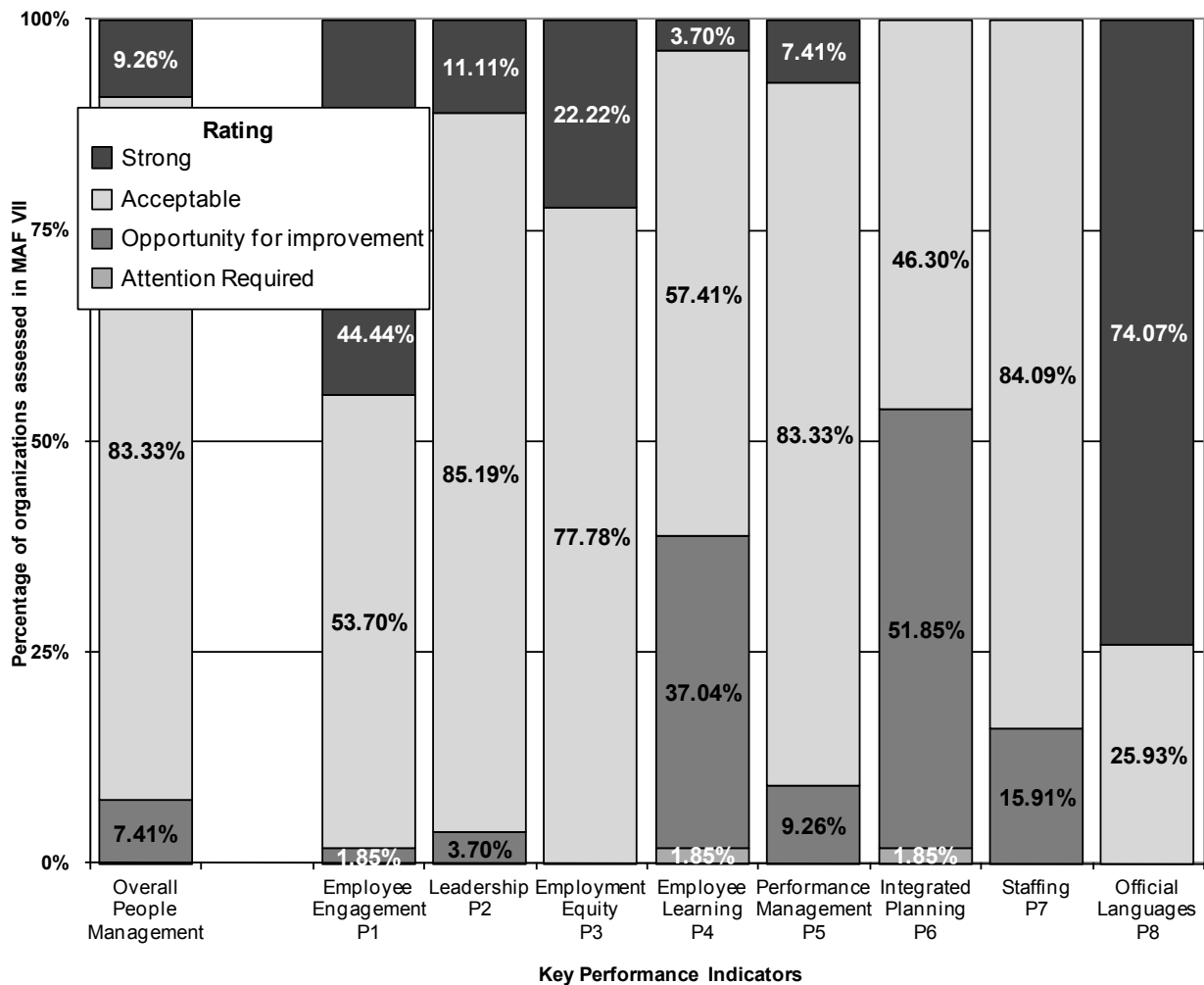
Management Accountability Framework scorecards

In 2009–10, departmental Management Accountability Framework (MAF) scorecards were produced for areas of management 1 (values and ethics) and 10 (people management) as part of the MAF process to assess and monitor departmental performance. The new MAF scorecards were drawn from measures now available in the PSM dashboard, including best practices and benchmarks. The MAF scorecards will continue to be complemented by the PSM dashboard.

Enabling People-Management Infrastructure		
People management capacity	High-quality people management advice and support services	Knowledge of the state of the public service

The following chart depicts the MAF VII assessment results for people management by key performance indicator.

Figure 3. MAF Round VII People Management Results by Key Performance Indicator



Employee engagement, leadership, employment equity and official languages are reported to be the top performing areas in the MAF VII assessment of people management.

Enabling People-Management Infrastructure		
People management capacity	High-quality people management advice and support services	Knowledge of the state of the public service

Common Human Resources Business Process

In the current environment of public service renewal and strategic reviews, departments recognize the need to transform their business. Key to effective business transformation is a better understanding of the core business in order to find ways to become more efficient and cost-effective. Supporting this transformation in the area of people management, the human resources community has developed a common set of business processes that reflect the human resources legislative framework and are based on leading practices. As the custodian of these processes, the Chief Human Resources Officer is in a unique position to drive business transformation in human resources across the Government of Canada.

The Common Human Resources Business Process was designed and endorsed by the human resources community to provide a standard set of business rules that promote efficient, integrated and cross-functional human resources services across the public service. The Common Human Resources Business Process promotes consistency in the delivery of effective and efficient human resources services while maximizing the use of existing and innovative methods and tools. Spanning the relationships between typical organizational structures and across functions (Human Resources, Finance, etc.), it depicts the human resources business process end-to-end from a “client manager’s” perspective. OCHRO will continue to provide guidance to departments in streamlining and standardizing how they conduct key human resources functions, while reinforcing the responsibilities of deputy heads in terms of people management.

In 2009–10, 11 departments began to implement the Common Human Resources Business Process. OCHRO will continue to enable implementation through a centre of expertise. While OCHRO provides advice and guidance, departments will be ultimately responsible for identifying their own transformation objectives and for leading their implementation activities.

Additional systems activity was undertaken in fiscal year 2009–10 to design Web-based tools for automating people management data collection, reporting and workflows. Applications were released to the human resources community to facilitate the collection of data related to experience, competencies, and career paths in the executive community and to provide employees with virtual collaborative communication tools.

Enabling People-Management Infrastructure		
People management capacity	High-quality people management advice and support services	Knowledge of the state of the public service

People management policy review project

OCHRO is enabling deputy heads through the people management policy review project. The project is undertaking a comprehensive review of all mandatory people management policy instruments. The goals are to reduce unnecessary rules, overlap and duplication; to provide deputy heads with greater flexibility to effectively manage their people in a way that responds to the business and culture of their organization; and to ensure that appropriate central direction is provided where warranted. This will allow deputy heads to use a common sense approach to managing people, rather than having to navigate a complex web of rules.

The communications and change management activities over the year have helped develop greater understanding of the roles and responsibilities of OCHRO and deputy heads. To date, Treasury Board has approved the elimination of six outdated and redundant policies. The Human Resources Council, consisting of the heads of Human Resources, has developed a tool that assists deputy heads in considering what action they may need to take in their respective organizations relative to these eliminated policies. Several other policies have been reviewed and are recommended for amalgamation or revision to help clarify expectations and responsibilities.

***Public Service Modernization Act* legislative review**

The PSMA was an omnibus act that included a new PSEA and a new *Public Service Labour Relations Act* (PSLRA), as well as amendments to other legislation. As required by both the PSEA and the PSLRA, a five-year review of the administration and operation of the acts was launched in 2009. This review is examining the administration and operation of the PSEA and the PSLRA not only in relation to the intention of the PSMA at the time it was passed but also in the current context of people management in the public service. In this way, the review is more than a report card on implementation; it is forward-looking.

The legislative review of the PSEA and the PSLRA is being led by the PSMA review team, which is housed within OCHRO and works with the organizations that share responsibility for people management in the public service. The PSMA review team were able to consult a wide range of stakeholders. Consultations, both in-person and via teleconferencing, took place with deputy heads, bargaining agents, human resources professionals, managers and other communities of interest across the country and within the National Capital Region. The PSMA review will result in a report, which the President of the Treasury Board will table in Parliament in 2011.

Leadership (Executive and Supervisory)		
Planning and direction setting	Competence	Values

“The development of public servants as leaders, managers and empowered employees is central to a high performing organization. We will **improve our approaches to learning and managing talent, succession planning and performance** as fundamental to delivering on our business.”

2009–10 Public Service Renewal Action Plan

Executive and supervisory leadership plays a critical role in achieving high levels of organizational performance. Leadership provides the foundation for a workforce and a workplace that ensures engaged employees and a public service culture of excellence. Overall, the assessment results of the people management component of MAF VII point to a strength in leadership across the core public administration, and demonstrate that executives are committed and have experience in their organizations.

The MAF VII assessment of organizations in the core public administration revealed that:

- 85.2 per cent of organizations assessed received a rating of acceptable in leadership; 11.1 per cent of organizations received a strong rating.
- 46.3 per cent of organizations assessed received an acceptable rating in integrated human resources and business planning.
- 88.9 per cent of organizations obtained an overall rating of strong or acceptable in values and ethics.

Integrated planning

As highlighted in the *2009–10 Public Service Renewal Action Plan*, as well as in the Clerk of the Privy Council’s *Seventeenth Annual Report to the Prime Minister on the Public Service of Canada*, integrated planning remains a pillar of renewal. Some progress has been made in integrated planning in 2009–10, but more needs to be done to improve it across the core public administration. Deputy heads are increasingly reporting the integration of planning as a core business practice in their organizations. The Canada School of Public Service and the Chief Human Resources Officer delivered a peer review session of integrated plans for deputy heads and associate deputy heads in March 2010. This learning event was an effort to build and share best practices. The Canada School of Public Service contributes to advancing integrated planning across the core public administration by offering a course on integrated planning and supporting the government planning community.

Leadership (Executive and Supervisory)		
Planning and direction setting	Competence	Values

Executive talent management, leadership development framework and Interchange Canada

Executive talent management is taking root. This is the second year that departments have been conducting annual talent management activities for their full executive cadre, building on the approach implemented for assistant deputy ministers four years ago. OCHRO has undertaken more in-depth analyses of executive talent management data and produced the first baseline report using input from departments. Understanding the executive cadre public service-wide makes it easier to develop strategies to address learning needs, gaps and opportunities. OCHRO also worked closely with departments, and continues to do so, to refine the executive talent management process, cycle and tools to ensure better alignment with other initiatives such as the performance management program.

The Secretariat, through OCHRO, and the Canada School of Public Service worked in collaboration to implement the leadership development framework. This framework was endorsed in April 2009 by the Deputy Ministers' Committee on Public Service Renewal to support the accountability of deputy heads for leadership development. A proposal was included for a Workplace Development Innovation Fund, which will support new and enhanced leadership development approaches and tools in the workplace across the public service. The fund will contribute to fostering a public service where leading practices are widely shared and adapted to meet departments' business needs and support public service priorities.

The process of streamlining the policy and directive on Interchange Canada in the context of the new governance regime for human resources management continues. Results will contribute to identifying options to strategically leverage and strengthen program capacity. This will contribute to talent management, leadership development, the broader people management agenda and relationships with other sectors.

Values and ethics code of conduct

In 2009–10, OCHRO continued to provide advice and guidance on the application of the *Values and Ethics Code for the Public Service*. In addition, OCHRO's activities included developing a new code of values and ethics for the entire public sector, a requirement under section 5 of the *Public Servants Disclosure Protection Act*, as well as a policy on conflict of interest and post-employment for the core public administration. The new code will be an evolution of the current *Values and Ethics Code for the Public Service* to reflect what OCHRO has learned through consultation and research. It will build on the successes and lessons learned under the

current code. The establishment of the new code and the corresponding work that organizations will perform on their respective internal codes of conduct will provide all public sector organizations with an opportunity to engage their employees in discussions about public sector values and the elements that support an ethical organizational culture.

Workforce	
Talented people attracted and recruited	Well-managed employee potential

A well-managed workforce is one where talented individuals are attracted and recruited, and their potential is maximized to meet both current and future needs.

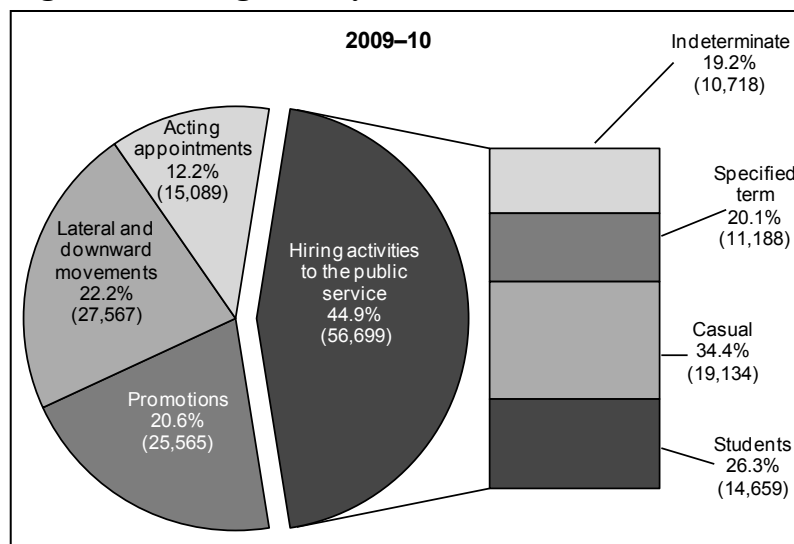
The MAF VII assessment of organizations in the core public administration revealed that:

- 84.1 per cent of organizations assessed received an acceptable rating with respect to staffing.
- 44.4 per cent of organizations assessed obtained a strong rating in employee engagement; 53.7 per cent received an acceptable rating.

Staffing

Several collaborative initiatives by the central agencies have contributed to improving future staffing activities in the public service. The Public Service Commission of Canada (PSC), OCHRO and deputy heads worked together to make the Public Service Commissioner's job seeker website friendlier and fully operational for all users. The jobs.gc.caⁱ site now incorporates a fresh new look and improved job search tools. These include a career explorer tool with career-related information such as featured jobs and career development programs.

Figure 4. Staffing Activity in Fiscal Year 2009–10⁴



4. Reproduced from the *Public Service Commission 2009-2010 Annual Report*.

Workforce	
Talented people attracted and recruited	Well-managed employee potential

Progress has been made in key areas. According to PSC reports, planning for staffing priorities and strategies has continued to improve, with 63 per cent of departments and agencies demonstrating “acceptable” or “strong” performance in this area in 2009–10, compared with 15 per cent in 2007–08.

The PSC’s overall assessment of the recruitment process indicated that the core values of the system, merit and non-partisanship, are being respected. In addition, the guiding values of fairness, access, transparency and representativeness are generally being respected to support values-based staffing across the public service. In 2010–11, the PSC will amend the appointment policy framework to place greater emphasis on core and guiding values.

Innovative practices to support recruitment efforts were also undertaken in fiscal year 2009–10. Regional Federal Councils, human resources organizations and deputy minister university champions delivered government-wide career fairs across Canada. The results are an impressive response to the Clerk’s Public Service Renewal Action Plan. In 2009–10, deputy heads reported recruitment of over 4,000 post-secondary graduates into indeterminate positions across the public service.

Diversity of characteristics

Diversity of characteristics in the public service workforce has historically been understood in terms of employment equity representation. As documented in *Employment Equity in the Public Service of Canada 2009–10*,ⁱⁱ three of the four employment equity groups—women, Aboriginal peoples and persons with disabilities—are now being appointed to the public service at a proportion exceeding their respective workforce availability.

It is reported in *Employment Equity in the Public Service of Canada 2009–10* that:

- As of March 31, 2010, women comprised 54.8 per cent of the core public administration, a marginal increase from the previous year at 54.7 per cent. This representation level was above the workforce availability (WFA) for women (52.3 per cent).
- Aboriginal peoples made up 4.6 per cent of the core public administration, a marginal increase from the previous year at 4.5 per cent. This representation level was above the WFA for Aboriginal peoples (3.0 per cent).
- The representation of persons with disabilities was at 5.7 per cent, a slight decrease from the previous year at 5.9 per cent but still above their WFA (4.0 per cent).

Workforce	
Talented people attracted and recruited	Well-managed employee potential

Visible minorities are currently under-represented in the public service. Visible minority representation was 10.7 per cent in 2009–10, notably below the workforce availability figure of 12.4 per cent. It is important to note that this group experienced the largest gain of the four designated groups, an increase of almost one percentage point, from 9.8 per cent in 2008–09. However, current under-representation, coupled with actual and projected changes in the demographics of the Canadian population, signals a strong need to take advantage of the opportunities offered by this growing segment of the labour market and its diversified workforce potential.

Statistics Canada projections of the Canadian population indicate that the diversity of Canada's population will continue to increase significantly during the next two decades. It is projected that by 2031, between 29 and 32 per cent of the population could belong to a visible minority group as defined in the *Employment Equity Act*. This projection is nearly double the proportion reported in the 2006 Census. As a result, under-representation of employees in the visible minority group in the federal public service is recognized as an area requiring attention.

Best practices in public service employment in Canada and internationally reveal that “right talent in the right place at the right time” is predicated on a diversity of characteristics that include a variety of cultures, work styles, opinions, perspectives and ideas.

Recognizing this principle, the Clerk of the Privy Council tasked Monique Collette, President of the Atlantic Canada Opportunities Agency, to examine diversity, internal communications and official languages in the public service. Conclusions and lessons learned were published in the *Workplace and Workforce Task Force: Compendium of Practical Approaches*ⁱⁱⁱ. A key finding of the report points to the importance of maximizing the presence of new perspectives in the workplace based on generational, gender, geographic, cultural and ethnic representation in order to increase Canadians' trust and satisfaction with the public service.

In addition, a GCPEDIA page has been created for ongoing discussion among federal employees about the importance of diversity in the workforce. The *2009–10 Public Service Renewal Action Plan* highlighted the role of employee engagement in renewal, as well as the active involvement of deputy heads and managers at all levels to implement practical approaches in creating a more diverse and representative workforce.

Workforce	
Talented people attracted and recruited	Well-managed employee potential

Learning and development

Through sustained investment in people and their learning and leadership development, the public service is continuing to ensure that it has the professional, management and leadership skills it needs to meet challenges today and into the future. Management of employee potential occurs through employee development, performance management and career opportunities.

The MAF VII assessment of organizations in the core public administration revealed that:

- 57.4 per cent of organizations assessed received an acceptable rating for employee learning.
- 83.3 per cent of organizations obtained an acceptable rating in the area of performance management.
- Collaborative initiatives among central agencies in the coming year will focus on improving employee learning and development as well as performance management in the public service.

In fiscal year 2009–10, deputy heads focused on ensuring that personal learning plans were completed for each employee and that formal discussions occurred between supervisors and their employees on career progression. Opportunities for learning, professional development and getting more experience are seen to be important factors in attracting and retaining employees. Addressing the management of employee potential as a priority for public service renewal will have an impact on the future of the public service workforce and will therefore continue to be an area of ongoing work.

Performance management

Performance management is a critical component of a well-managed workforce. In its new guidelines, which took effect in April 2009, OCHRO has enhanced the performance management program for executives, harmonizing it with the performance management program for deputy ministers. The new regime has increased the rigour that is applied to performance management and includes a strong emphasis on mid-year reviews. OCHRO has provided departments and agencies with the necessary tools and training for the first year of the regime's implementation and will continue to support deputy heads in the coming years.

Workforce	
Talented people attracted and recruited	Well-managed employee potential

Another key element of performance management is recognizing excellence in employee performance. Two new categories were introduced to the Public Service Award of Excellence in 2009–10. The Excellence in Policy award recognizes individuals and teams who provide professional analysis-based policy advice that requires collaboration with external partners and other levels of government and who demonstrate excellence in strengthening policy capacity. The Joan Atkinson Award is in honour of Mrs. Atkinson, a leading assistant deputy minister who passed away in 2009. This award recognizes public servants at the assistant deputy minister level who, through a combination of personal qualities, exceptional ability and superior leadership, have demonstrated the courage, wisdom and compassion exemplified by Joan Atkinson throughout her public service career and have thereby made an important contribution to the public service of Canada.

Official languages

The status of official languages in the public service is detailed in the Annual Report on Official Languages^{iv} tabled each year in Parliament. In fiscal year 2009–10, activities continued to strengthen the application of official languages policies across the public service. These included finding ways to share best practices, developing directives on the use of social media in the workplace, and implementing a strategy to support the use of official languages at the Vancouver 2010 Winter Games. Early this year, the Official Languages Centre of Excellence (OLCE) launched the regulations⁵ management system, a computer-based tool that helps organizations determine whether their offices should provide services to and communicate with the public in both official languages. The system also allows institutions to regularly update the list of their offices that provide such services.

Throughout the year, the OLCE plans and coordinates the work and meetings of two official languages advisory committees, as well as the annual conference of official languages champions from all institutions subject to the *Official Languages Act*. In addition, it will be organizing its sixth Forum on Official Languages Good Practices. Through the new OLCE model for collaborating with its advisory committees and the Council of the Network of Official Languages Champions, the OLCE aims to be a stronger institutional leader in matters of official languages.

5. *Official Languages (Communications with and Services to the Public) Regulations*.

Workplace	
Well-managed work	Fair, supportive and ethical environment

Workplace excellence fosters high-performing organizations by establishing the right environment and working conditions for generating high levels of employee engagement and productivity. In 2009–10, OCHRO focused on supporting deputy heads to assume full responsibility for their human resources and on fostering effective stakeholder relations to achieve results in the areas of compensation, labour relations and classification.

Proactive approach to collective bargaining

Compensation

Compensation is an important component in effective human resources management, helping to attract, retain, motivate and renew a talented workforce in a competitive national labour market. In response to the Canadian economic situation, the government passed the *Expenditure Restraint Act* on March 12, 2009. The act sets increases in the rates of pay of unionized and non-unionized employees in the federal public sector until 2010–11, while maintaining collective bargaining and established dispute resolution mechanisms (strike or arbitration). Within these parameters, the Secretariat was responsible for negotiating collective agreements with a number of bargaining units subject to the terms of the *Expenditure Restraint Act*. Despite the set increases available, the Secretariat successfully signed 12 collective agreements in the core public administration in fiscal year 2009–10.

In 2009, the government also passed the *Public Sector Equitable Compensation Act* (PSECA), which establishes a proactive approach to ensuring equitable compensation across the federal public sector. PSECA will replace the existing adversarial, reactive complaints-based system with a new, proactive and timelier regime to address equitable compensation issues in the federal public sector. In late fall 2009, OCHRO launched the integrated PSECA implementation project externally and began consulting stakeholders who have direct accountabilities under the act. The objective was to obtain critical input for the implementation of PSECA and the development of PSECA regulations. Stakeholder engagement in implementing PSECA is key to enabling a new equitable compensation regime across the federal public sector because it builds awareness and understanding of obligations under the act. The engagement model is considered a best practice; it has proven to be a good example of people working together on policy issues and learning from each other.

Workplace	
Well-managed work	Fair, supportive and ethical environment

Pensions and benefits

Pensions and benefits are another important component of the compensation strategy, which is designed to support the human resources objectives of the government. The Secretariat's focus is to ensure that pension and benefit group plans are responsive to human resources needs, while supporting the fiscal sustainability of these plans, the effectiveness of the pensions and benefits system and services for employees, and public service renewal objectives. To facilitate access to up-to-date accurate pension and benefits information for active and retired plan members, a "one-stop shop" Web-based portal, Your Public Service Pension and Benefits,^v has been developed and implemented by OCHRO's Pensions and Benefits Sector in partnership with Public Works and Government Services Canada.

Disability management initiative

The disability management initiative was launched in 2009. It is a three-year collaborative initiative that examines how best to increase disability management capacity within departments in support of deputy heads' accountability for people management. Under this initiative, departments and central agencies will identify, design and implement key disability management services that assist departments in reducing the incidence and duration of disability. The overall objective is to support a respectful workplace that promotes employee engagement and workforce wellness.

Labour relations

Several labour relations initiatives underway have fostered good relationships between the unions and the Secretariat, and contributed to constructive harmonious labour-management relations as well as improved workplace quality. Broad consultations, led by OCHRO, are targeting priority areas for the PSMA legislative review to ensure that the proposed revisions to this act will improve the legislative regime for labour relations in the public service.

The National Joint Council (NJC) continues to be the forum of choice for co-development, consultation and information sharing between the government as employer and public service bargaining agents. In 2009–10, the NJC revised the NJC *Commuting Assistance Directive*, which came into effect on June 1, 2010, and is currently reviewing its *Work Force Adjustment Directive* and occupational safety and health directives.

Workplace	
Well-managed work	Fair, supportive and ethical environment

The Joint Learning Program (JLP) is a partnership between the Public Service Alliance of Canada and the Secretariat that aims to improve labour relations and increase the understanding of the roles of the union and management in the workplace. The JLP achieves its objectives by providing workshops in areas of mutual interest for which the employer does not already have a legal obligation to provide training. In 2010, the JLP reached an important milestone by delivering its 1000th workshop. It is also entering into more strategic partnerships with departments so that they can build capacity to deliver specific workshops to their employees.

Classification

Classification, which includes the occupational group structure and the development and application of classification standards, provides the foundation for compensation and collective bargaining. Pay rates are developed for each occupational group within the level structure provided in the classification standard. This is the foundation on which other human resources programs are developed, such as recruitment and talent management.

In 2009–10, the focus of classification was two-fold: ongoing review of the occupational group structure within the core public administration and continued delivery of the classification program within the current operational context. The comprehensive review of the occupational group structure began with the Program and Administrative Services (PA) and Computer Systems (CS) groups. This review will provide a more robust, enduring business-based framework for organizing, classifying, compensating and managing work and the workforce within the core public administration. It will also serve as the foundation for reform and innovation in other areas of human resources management, such as staffing and career development. The outcome will enable departments to better meet their ongoing business needs to provide services to Canadians. In addition, preliminary data analysis was undertaken to better understand issues related to work streams within the current PA and CS occupational groups.

In addition to providing ongoing advice to departments on classification issues, the classification program dealt with a number of initiatives in 2009–10. Work continued on the development and implementation of two new classification standards. Specifically, classification conversion for the Economics and Social Science Services group was completed with a collective agreement and new rates of pay coming into effect on June 21, 2010. As well, progress was made on the development of new occupational group definitions and classification standards for the Law Managers and Law Practitioners groups. Following the May 2009 remedy decision by the Canadian Human Rights Tribunal in the medical adjudicators' case, work began on the creation

of a new Nursing occupational subgroup within the Health Services group. This work is still underway.

Section III: Conclusion

MAF is a performance management framework used across the federal government to support the management accountability of deputy heads and improve management practices. The results of the people management component of MAF provide a comprehensive and integrated perspective on the state of human resources management practices and challenges in the public service. In 2009–10, MAF VII assessed organizations in the area of people management excellence against eight key performance indicators. Overall, public service results reflect strong to acceptable performance in people management.

Employee engagement, leadership, employment equity and official languages are reported to be the top performing areas in MAF VII. These four areas are showing a solid performance with a strong rating score throughout the core public administration. Deputy heads have promoted a more diversified workforce and have ensured that staffing activities are more transparent and efficient and that official language requirements are being met.

Further information on the Management Accountability Framework^{vi} can be found on the Secretariat's website.

Public service renewal commitments in the areas of integrated planning, recruitment, employee and leadership development, and enabling infrastructure, as well as the recommendations of the Prime Minister's Advisory Committee on the Public Service, continue to frame the direction and priorities for modernization in fiscal year 2010–11. For detailed information on the Public Service Renewal Action Plan^{vii} and on the recommendations of the Prime Minister's Advisory Committee found in Annex E of the *Seventeenth Annual Report to the Prime Minister on the Public Service of Canada*,^{viii} please consult the respective websites.⁶

Initiatives to improve the fundamentals of people management and to modernize the human resources functions will continue in fiscal year 2010–11. This will build on the foundation set in place by the PSMA, the human resources horizontal review and public service renewal to achieve excellence in people management.

6. Appendix 4 provides website addresses for additional information on subjects and reports referenced in this annual report.

Appendix 1: List of Departments and Agencies under Schedules I and IV of the *Financial Administration Act*

Core Public Administration

The core public administration is defined as the organizations named in Schedule I and Schedule IV of the *Financial Administration Act*.

Schedule I (Sections 2 and 11)

Department of Agriculture and Agri-Food
Department of Canadian Heritage
Department of Citizenship and Immigration
Department of the Environment
Department of Finance
Department of Fisheries and Oceans
Department of Foreign Affairs and International Trade
Department of Health
Department of Human Resources and Skills Development
Department of Indian Affairs and Northern Development
Department of Industry
Department of Justice
Department of National Defence
Department of Natural Resources
Department of Public Safety and Emergency Preparedness
Department of Public Works and Government Services
Department of Social Development
Department of Transport
Treasury Board
Department of Veterans Affairs
Department of Western Economic Diversification

Schedule IV (Sections 3 and 11)

Assisted Human Reproduction Agency of Canada
Atlantic Canada Opportunities Agency
Canada Border Services Agency
Canada Emission Reduction Incentives Agency
Canada Industrial Relations Board
Canada School of Public Service
Canadian Artists and Producers Professional Relations Tribunal
Canadian Dairy Commission
Canadian Environmental Assessment Agency
Canadian Forces Grievance Board

Canadian Grain Commission
Canadian Human Rights Commission
Canadian Human Rights Tribunal
Canadian Intergovernmental Conference Secretariat
Canadian International Development Agency
Canadian International Trade Tribunal
Canadian Northern Economic Development Agency
Canadian Radio-television and Telecommunications Commission
Canadian Space Agency
Canadian Transportation Accident Investigation and Safety Board
Canadian Transportation Agency
Communication Canada
Competition Tribunal
Copyright Board
Correctional Service of Canada
Courts Administration Service
Director of Soldier Settlement
The Director, The *Veterans' Land Act*
Economic Development Agency of Canada for the Regions of Quebec
Energy Supplies Allocation Board
Federal Economic Development Agency for Southern Ontario
Hazardous Materials Information Review Commission
Immigration and Refugee Board
Indian Residential Schools Truth and Reconciliation Commission
International Joint Commission (Canadian Section)
Law Commission of Canada
Library and Archives of Canada
Military Police Complaints Commission
NAFTA Secretariat—Canadian Section
National Farm Products Council
National Parole Board
Office of Infrastructure of Canada
Office of the Chief Electoral Officer
Office of the Commissioner for Federal Judicial Affairs
Office of the Commissioner of Lobbying
Office of the Commissioner of Official Languages
Office of the Co-ordinator, Status of Women
Office of the Director of Public Prosecutions
Office of the Governor General's Secretary
Office of the Public Sector Integrity Commissioner
Office of the Superintendent of Bankruptcy
Offices of the Information and Privacy Commissioners of Canada
Patented Medicine Prices Review Board
Prairie Farm Rehabilitation Administration

Privy Council Office
Public Appointments Commission Secretariat
Public Health Agency of Canada
Public Service Commission
Public Service Staffing Tribunal
Registry of the Public Servants Disclosure Protection Tribunal
Royal Canadian Mounted Police
Royal Canadian Mounted Police External Review Committee
Royal Canadian Mounted Police Public Complaints Commission
Specific Claims Tribunal
Staff of the Supreme Court
Statistics Canada
Transportation Appeal Tribunal of Canada
Veterans Review and Appeal Board

Appendix 2: Human Resources Management Demographics for Employees in the Core Public Administration

Figure 5. Number and Percentage of Employees by Employment Status

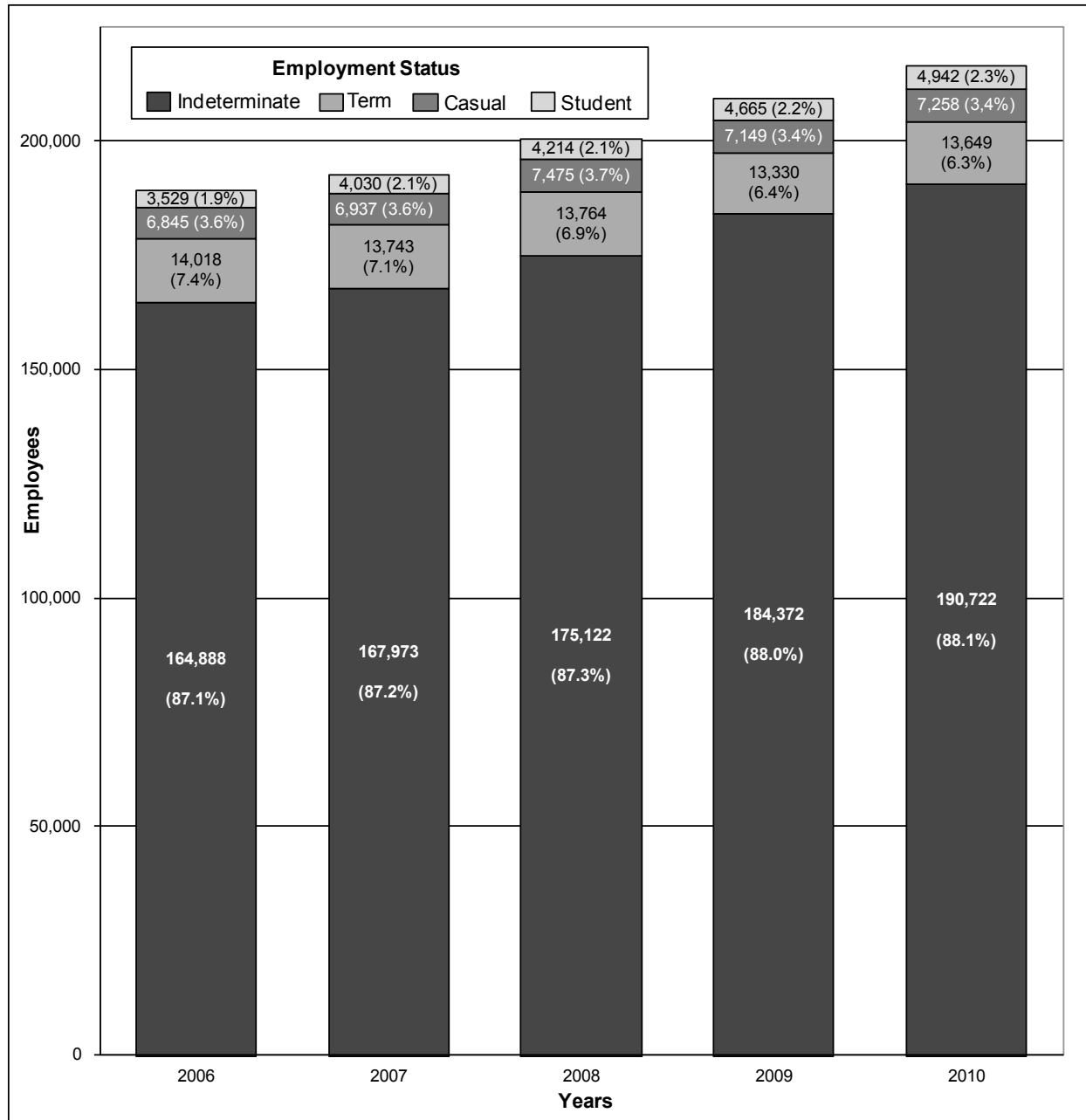
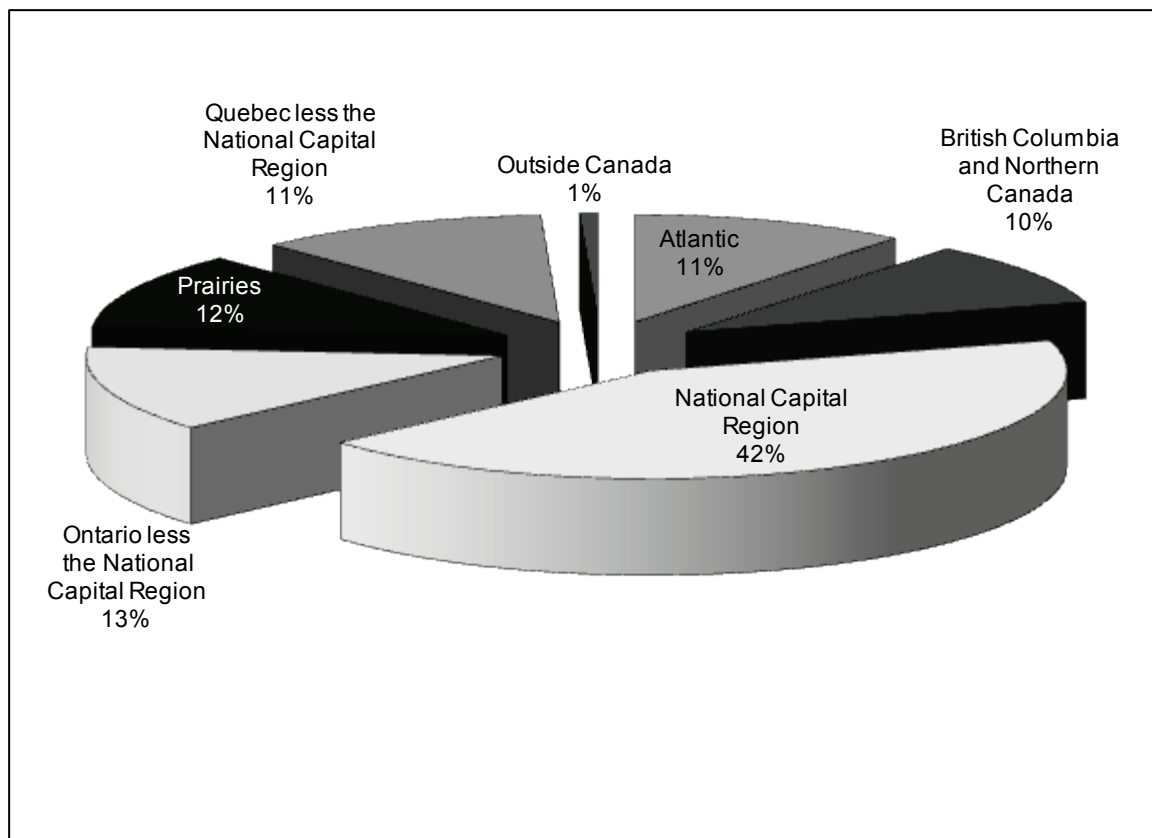


Figure 6. Regional Distribution of Employees as at March 2010



As shown in Figure 6, 42 per cent of the employees in the core public administration worked in the National Capital Region while 57 per cent worked in regional offices throughout the country, and 1 per cent worked outside Canada.

Figure 7. Number and Percentage of Employees with English or French as First Official Language

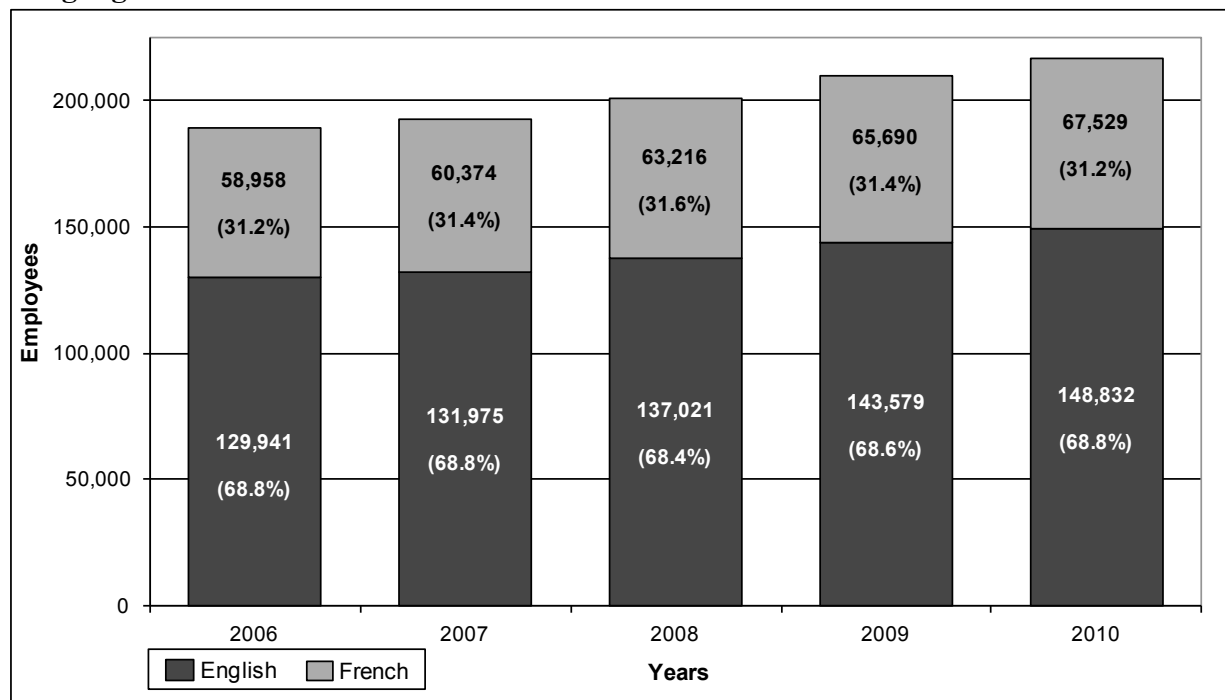
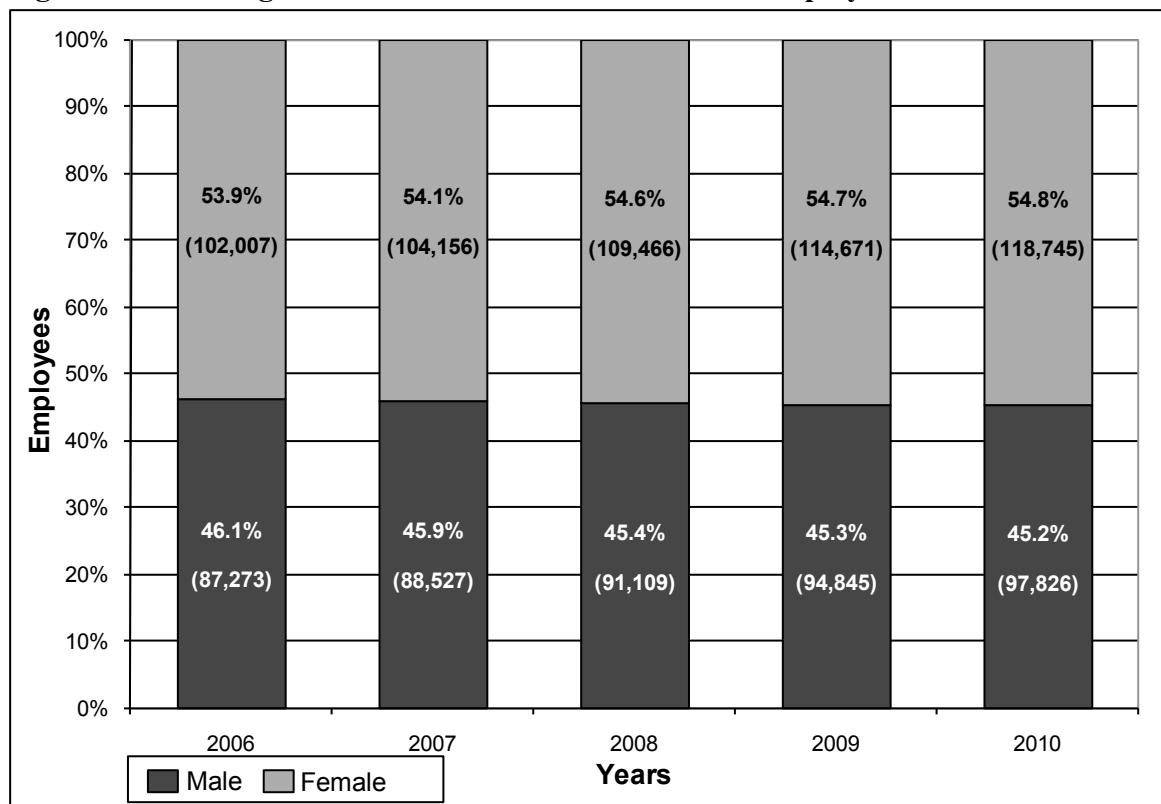


Figure 8. Percentage and Number of Male and Female Employees



As shown in Figure 8, as of March 31, 2010, women held 54.8 per cent of positions in the core public administration, and men held 45.2 per cent of such positions.

Figure 9. Number of Employees by Occupational Category

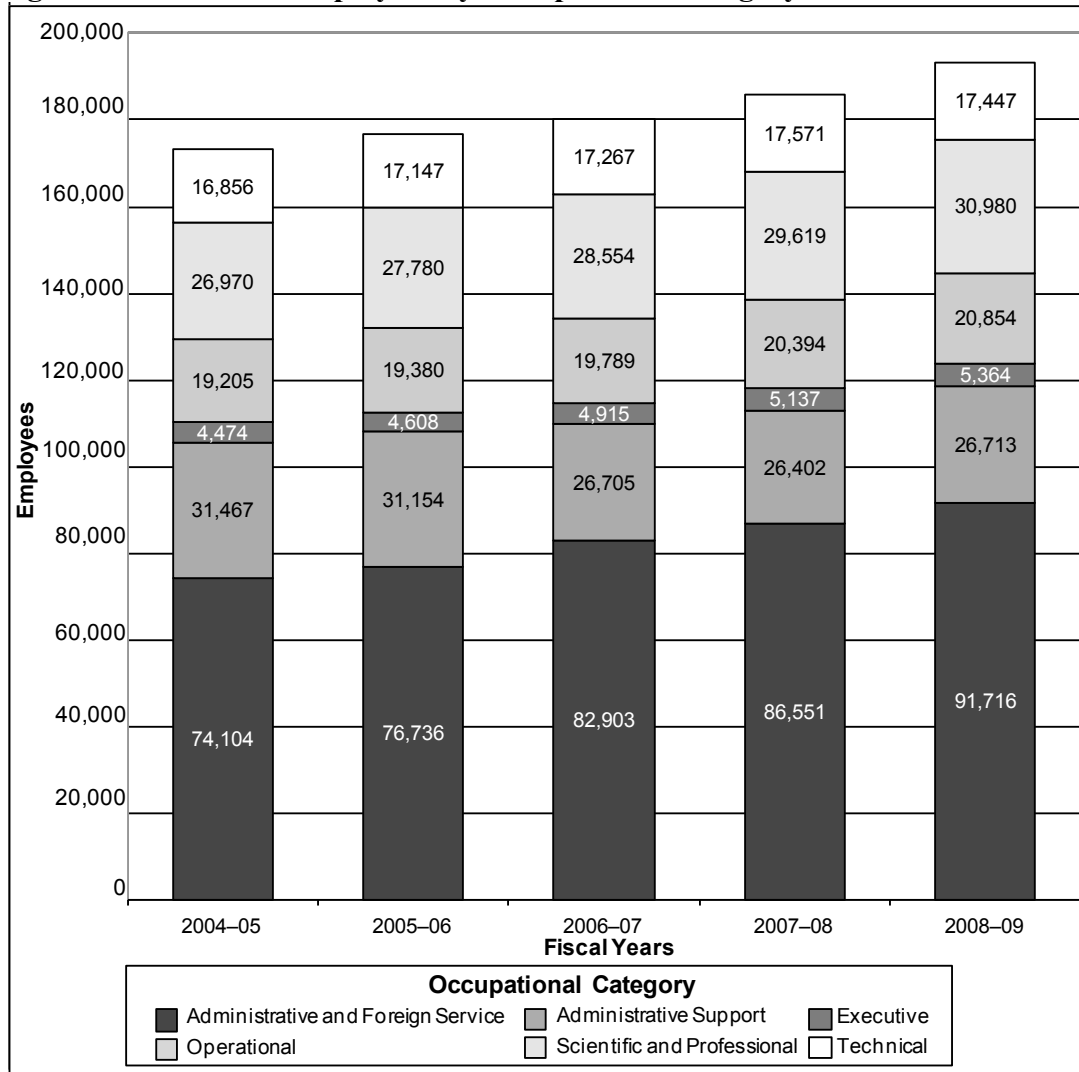
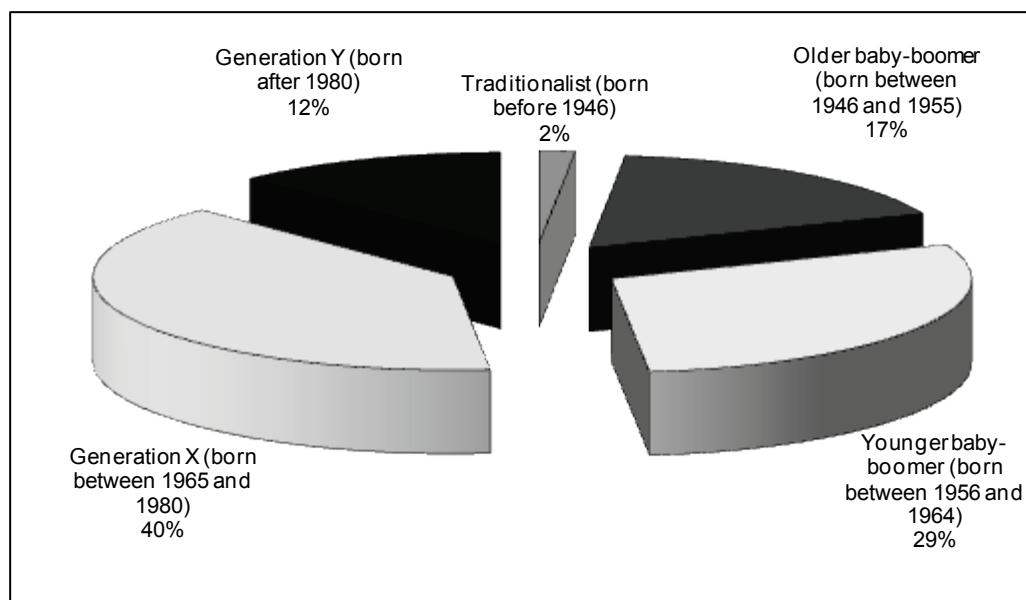


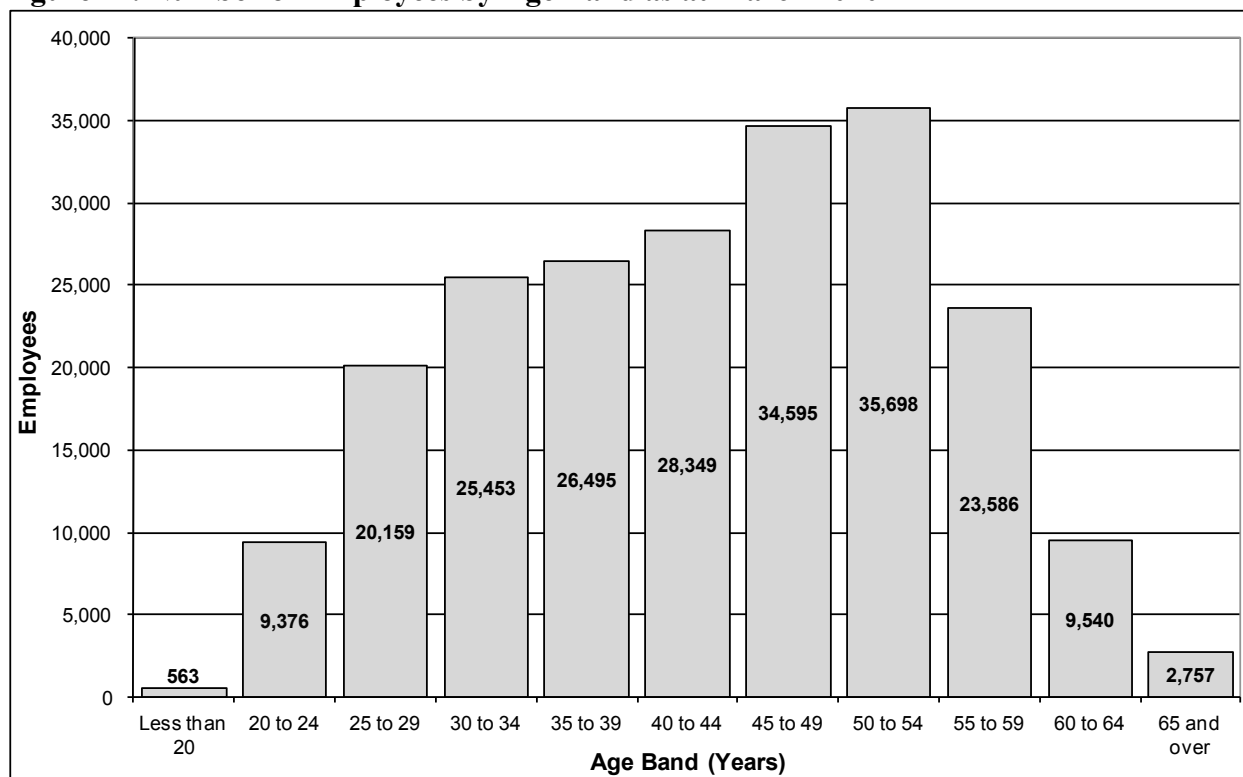
Figure 9 depicts the composition of the core public administration population by occupational category based on standard Secretariat definitions.

Figure 10. Percentage of Employees in Each Generational Age Bracket as at March 2010



Figures 10 and 11 present the distribution of the core public administration by generational age bracket and age band respectively.

Figure 11. Number of Employees by Age Band as at March 2010



Appendix 3: New Human Resources Governance Regime

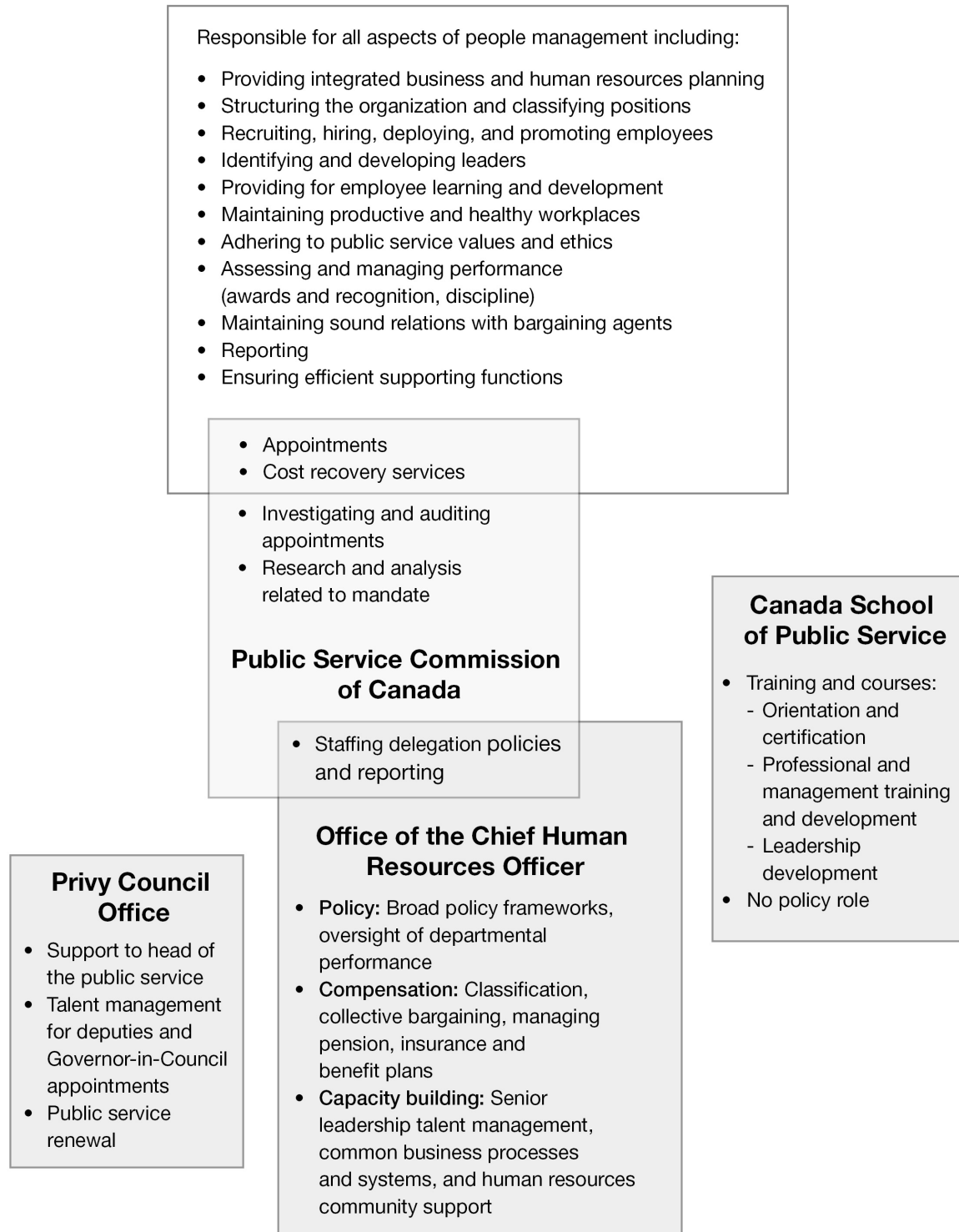
The following table explains the roles and responsibilities of the key central agencies and departments and the deputy heads in the new human resources governance regime.

New Human Resources Governance Regime: Roles and Responsibilities

Human Resources Governance Regime	Roles and Responsibilities
OCHRO	Is responsible for all aspects of compensation, including pensions and benefits, labour relations and compensation operations. It develops broad framework policies with clear indicators of performance, conducts analysis of basic data on the public service, and supports cohesive senior leadership development.
Deputy heads	Have primary responsibility for the effective management of the people in their organizations. They are responsible for planning and implementing people management practices that deliver on their operational objectives and for assessing their organization's people management performance. They are also responsible for working individually and collectively to foster a culture of people management excellence in the public service.
Heads of Human Resources	Are key departmental players who have an essential role in supporting deputy heads in fulfilling their responsibilities. They also support departmental managers, who are responsible for ensuring effective people management in all activities that fall under their area of responsibility.
Privy Council Office	Supports the Clerk in his role as head of the public service. This includes identifying and driving specific public service-wide people management priorities.
Canada School of Public Service	Has a legislated mandate to provide learning, training and development in the public service and to assist deputy heads in meeting the learning needs of their organizations.
Public Service Commission of Canada	Is responsible for independently safeguarding the integrity of the staffing system and the non-partisanship of the public service.
Human Resources Council	Plays an integral part in shaping a shared people management agenda and is engaged through established governance structures. The council is made up of heads of Human Resources.
Bargaining agents	Represent unionized employees in the workplace. They are engaged by the Secretariat, departments and other organizations in meaningful consultations on areas such as the people management agenda and policy development that could affect their membership.

Figure 12. New Human Resources Governance Structure—Organization Chart

Departments and Agencies



Appendix 4: Related Websites

The following websites provide additional information on the subjects and reports referenced in this annual report.

Office of the Chief Human Resources Officer^{ix}

- ▶ Annual Report to Parliament on Human Resources Management in the Public Service of Canada
- ▶ Annual Report on Official Languages
- ▶ Annual Report to Parliament on Employment Equity in the Public Service of Canada
- ▶ Annual Report on the *Public Servants Disclosure Protection Act*
- ▶ Annual Report on the *Policy on the Prevention and Resolution of Harassment in the Workplace*
- ▶ Labour relations and compensation operations
- ▶ Pensions and benefits
- ▶ Public service renewal
- ▶ Annual Report of the Advisory Committee on the Public Service
- ▶ Key leadership competencies
- ▶ *Policy on Learning, Training, and Development*
- ▶ Report on Plans and Priorities
- ▶ Departmental Performance Report

Treasury Board of Canada Secretariat^x

- ▶ Management Accountability Framework

Canada School of Public Service^{xi}

Public Service Commission of Canada^{xii}

- ▶ Annual Report of the Public Service Commission of Canada

Privy Council Office^{xiii}

- ▶ Annual Report to the Prime Minister on the Public Service of Canada

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- i. Careers in the federal public service, <http://jobs-emplois.gc.ca/index-eng.htm>
 - ii. Employment Equity in the Public Service of Canada, <http://www.tbs-sct.gc.ca/reports-rapports/ee/index-eng.asp>
 - iii. *Workplace and Workforce Task Force: Compendium of Practical Approaches*, <http://www.csps-efpc.gc.ca/pbp/pub/ww-cpa-eng.asp>
 - iv. Annual Report on Official Languages, <http://www.tbs-sct.gc.ca/reports-rapports/ol-lo/index-eng.asp>
 - v. Your Public Service Pension and Benefits, <http://pensionetavantages-pensionandbenefits.gc.ca/accueil-home-eng.html>
 - vi. Management Accountability Framework, <http://www.tbs-sct.gc.ca/maf-crg/index-eng.asp>
 - vii. Public Service Renewal Action Plan, <http://www.pco-bcp.gc.ca/index.asp?lang=eng&page=clerk-greffier&sub=plan&doc=2009-2010/plan-eng.htm>
 - viii. *Seventeenth Annual Report to the Prime Minister on the Public Service of Canada*, <http://www.clerk.gc.ca/eng/feature.asp?featureid=19&pageid=231>
 - ix. Office of the Chief Human Resources Officer, <http://www.tbs-sct.gc.ca/chro-dprh/index-eng.asp>
 - x. Treasury Board of Canada Secretariat, <http://www.tbs-sct.gc.ca/tbs-sct/index-eng.asp>
 - xi. Canada School of Public Service, <http://www.csps-efpc.gc.ca/index-eng.asp>
 - xii. Public Service Commission of Canada, <http://www.psc-cfp.gc.ca/index-eng.htm>
 - xiii. Privy Council Office, <http://www.pco-bcp.gc.ca/index.asp?lang=eng>