



# Highlights



## Public Service Commission 2004-2005 Annual Report

October 2005

*The Public Service Commission of Canada is an independent agency reporting to Parliament. It is responsible for safeguarding the integrity of the staffing system in the federal public service and the political impartiality of public servants, and for recruiting talented Canadians drawn from across the country.*

### Why did the PSC prepare this Report?

Section 47 of the *Public Service Employment Act* (PSEA) requires that the Public Service Commission (PSC) prepare a report of its activities every year, for tabling in Parliament. The PSC's Annual Report provides our observations and reflections on the public service staffing system in 2004-2005, under the current PSEA.

In all of our work this year, our goal has been to put in place corrective measures wherever possible. We have also aimed to draw lessons from our findings in order to help departments implement the new PSEA, which is scheduled to come into force in December 2005. Human resources specialists, managers, deputy heads, central agencies and the PSC must work together to ensure that the problematic practices of the past are not carried forward into the new human resources management regime.

### What did the PSC find?

Last year nearly 35,000 people were hired into the public service and more than 46,000 internal staffing actions took place. Despite this large number, most staffing is carried out properly. Only a small number of these transactions were challenged or brought into question: 1,223 internal staffing actions were appealed; 213 of these appeals were allowed.

In addition, managers are generally appointing competent people. We found no evidence of political patronage in public service staffing this past year and we observed progress in achieving a representative public service.

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There are areas where improvements need to be made. More progress is needed towards making public service jobs accessible to Canadians: the need to use broader areas of selection, the continued reliance on a contingent workforce, and barriers to the recruitment of executives are areas that require attention. Also, employees continue to express concerns about the lack of transparency and fairness in staffing. Finally, special initiatives to recruit one in five from members of visible minority groups have not reached the benchmarks.

While we have observed many effective staffing practices in 2004-2005, the following issues need to be addressed:

### **Accessibility**

As noted in the Annual Report, progress has been slow in making public service jobs more widely available to all Canadians. Federal organizations have respected the use of national area of selection where required by PSC policy; however, little overall progress has been made in opening public service jobs nationally to Canadians.

### **Short-term hiring**

While the overall number of new hires into the public service has declined over the past two years, hiring is still predominantly for a contingent workforce of specified-period (term), casual and student employment.

This continued reliance on contingent hiring works against fair access for Canadians to public service jobs, and the representativeness of Canada's public service. Also, the hiring of casual or term employees does not usually adhere to the more stringent requirements associated with permanent appointments. Data shows that the route to permanent employment is primarily through the contingent workforce. Only 26 percent of those hired came from outside of the public service. Workers hired from the contingent workforce clearly had an advantage in competitions for permanent jobs, having enjoyed privileged access to the workplace and the opportunity to learn about the job and the public service.

### **Personal favouritism**

The PSC's study of personal favouritism indicated that the federal public servants we surveyed believe that personal favouritism occurs in staffing.

Proven incidence of personal favouritism is small in comparison to the large number of transactions occurring annually. Over the last two years, PSC audits and investigations have identified only a small number of cases of personal favouritism.

As part of our study, we developed and validated a definition of personal favouritism with the input of experts. Our research shows that not all situations involving perceptions about personal favouritism are straight forward, thereby suggesting that the definition, combined with clear messaging about what behaviours are acceptable, would be useful for hiring managers across the public service.

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### **Under-representation of members of visible minorities**

Three of the four employment equity groups – women, Aboriginal peoples and persons with disabilities – are represented in the same proportion as in the workforce at large. However, members of visible minorities are still significantly under-represented, compared to their labour market availability. In addition, the federal public service has not met the one-in-five benchmark established in the Government’s Embracing Change Action Plan for the participation of members of visible minorities in external recruitment and for entry into the Executive (EX) group.

### **What can be done by departments?**

With the new PSEA, departments and agencies have an opportunity for real change. To take full advantage of this opportunity, organizations must:

#### **Improve human resources planning**

It will be crucial to conduct better planning of recruitment needs and to recruit more often on an indeterminate (permanent) basis. Not doing so can hamper efforts to build capacity in areas where it is either lacking or where an increased need is anticipated, as highly sought-after candidates are less attracted to offers of temporary work.

### **Increase transparency in staffing and promotion**

The results of our study of personal favouritism are being made widely available to give deputy ministers and senior human resources officials insight into the kind of information that should be communicated, as well as the types of high-risk activities that should be carefully monitored. The PSC will continue to examine this issue and monitor the integrity of the appointment process.

### **Make employment equity a part of human resources and business planning**

In many departments and agencies, employment equity plans are not aligned with human resources and business plans; this creates inconsistencies in policies and procedures.

Under the new PSEA, the PSC will provide guidance to departments and agencies to assist them in developing their own employment equity programs, as well as in applying the new flexibilities related to employment equity. The PSC will then monitor how departments use these flexibilities to make progress in achieving a representative public service. The PSC is also challenging the executive staffing requests submitted for approval by a sample of departments whose executive staffing plans did not include positions targeted to visible minorities.

### **Prepare for the new PSEA**

To be ready for the new PSEA, departments need to make further progress in the areas of human resources planning, policy and control. There is also a need for additional skilled professionals and for cultural change in the human resources community, as well as for more information systems support and training.

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## And the PSC?

### A new policy on national area of selection

The PSC is committed to expanding access to public service jobs and, as a result, is changing its policy on the use of areas of selection. As of April 2006, all officer-level positions in the National Capital Region that are open to the public will be required to use a national area of selection. This means that all Canadians may apply and be considered for these jobs.

The flexibilities available in the new PSEA and technological solutions, like the PSC's Public Service Resourcing System (PSRS), will help departments to manage larger volumes of applications.

### Increased monitoring of the staffing system

In preparing for the coming into force of the new PSEA, and as part of our obligation to provide strengthened oversight, the PSC has increased its monitoring, audits and investigations of the staffing system.

### PSC services

The PSC will continue to offer recruitment, assessment and executive resourcing services to federal departments and agencies.