



Highlights



Public Service Commission 2007-2008 Annual Report

October 2008



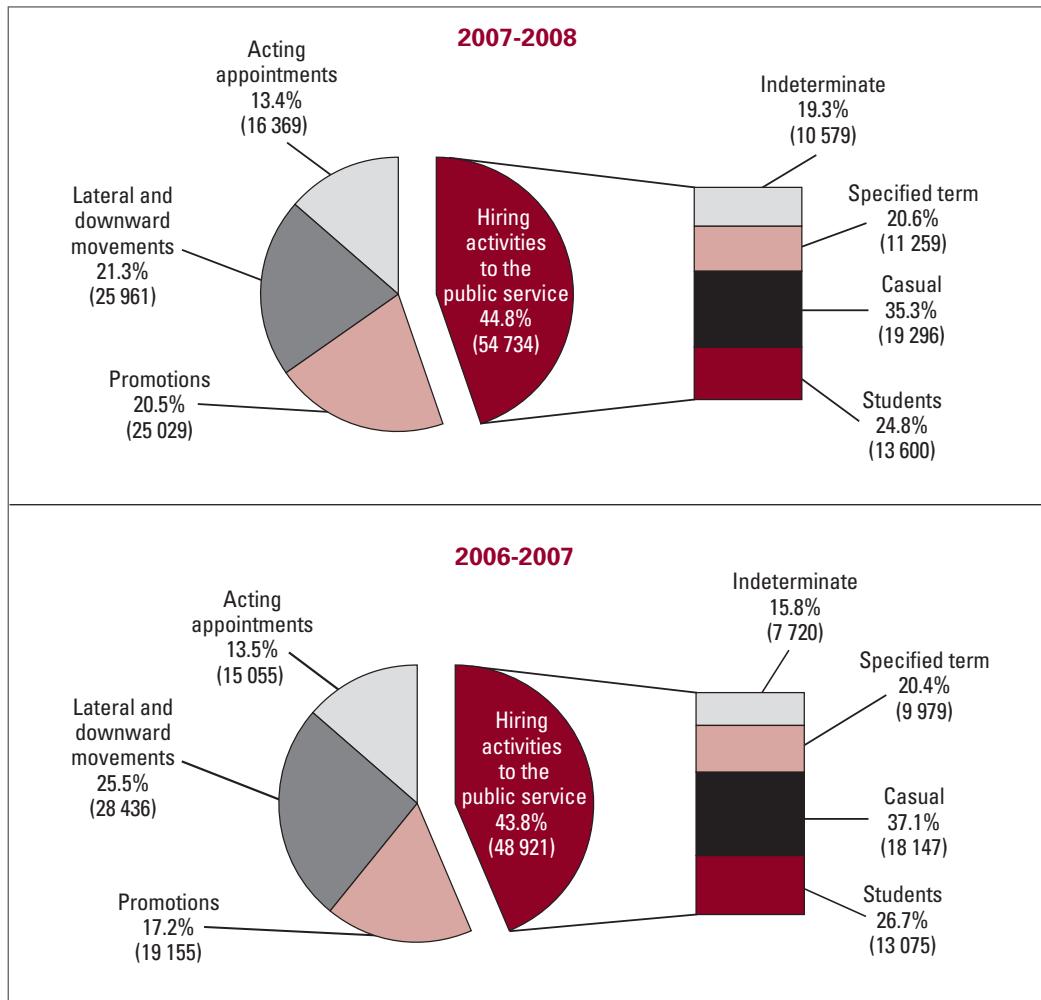
The Public Service Commission (PSC) is an independent agency reporting to Parliament, mandated to safeguard the integrity of the public service staffing system and the political neutrality of the public service. In addition, the PSC recruits qualified Canadians from across the country.

This Annual Report of the Public Service Commission of Canada (PSC) presents the results of its oversight of the integrity of the staffing system and non-partisanship in the federal public service during the fiscal year 2007-2008. It also reports on the delivery of PSC staffing and assessment services.

Overall staffing activities

- This report covers the staffing activities of 82 organizations subject to the *Public Service Employment Act (PSEA)*. These organizations included 188 160 employees and 7 477 casual workers. This population represents a growth of 4.1% over the previous fiscal year.
- These organizations conducted 122 093 staffing actions during 2007-2008, of which 89 197 were appointments to or within the public service (73 106 indeterminate [permanent] and 16 091 specified term). This figure represented a 9.4% increase in the level of staffing activity over the previous fiscal year.
- There were 2 345 staffing activities within the Executive Group in 2007-2008. This figure included appointments to the public service, promotions, lateral and downward movements and acting appointments, and represented an increase of 3.5% over the previous fiscal year.
- In 2007-2008, the public service made 54 734 hires, including 21 838 to indeterminate and specified term positions, 13 600 student hires and 19 296 hires of casual workers. Indeterminate hires increased from 7 720 to 10 579 between 2006-2007 and 2007-2008. Approximately 43% of all hiring occurred in the National Capital Region.

Overall public service hiring and staffing activities



Source: PSC hiring and staffing activities files

Overall assessment

The fiscal year 2007-2008 represented the second full year of operation under the current *Public Service Employment Act* (PSEA). The federal public service can now be described as operating under a fully delegated staffing regime, with deputy heads fully in charge of, and accountable for, implementing their staffing processes.

Overall, the performance of the staffing system is assessed as acceptable, with few examples of management excellence and some areas that require greater attention. Generally, the core values of merit and non-partisanship are being respected, but ongoing vigilance is required.

Strengthening results-based accountability

- In 2007-2008, the PSC restructured the requirements of its Staffing Management Accountability Framework to focus more on the results of hiring activities and the staffing values of the PSEA. By setting out clear expectations of a well-managed appointment system, deputy heads will be able to monitor their organization's staffing performance and adjust their staffing strategies and activities as necessary.
- This new monitoring approach will enable the PSC to give more timely feedback to delegated organizations and provide more rigorous assessments of the overall integrity of the staffing system to Parliament. It also resulted in a reduction of up to 60% in the reporting requirements placed on departments and agencies.

- Departments and agencies have made an important start through improved planning but further progress is needed in the areas of organizational human resources (HR) support systems, including the capacity of the HR community and managerial accountability. The PSC expects the performance of organizations to improve as they gain experience with this new monitoring approach.

Mobility of public servants

- In the 2006-2007 Annual Report, the PSC identified the level of movement within the federal public service as a challenge. The PSC completed a study on the mobility of public servants to better understand recent movement trends.
- Mobility in the last four years increased from 30% in 2004-2005 to 42% in 2007-2008. A combination of increases in internal promotions and lateral movements contributed to this trend. There were more indeterminate appointments in 2007-2008 than at any other time in the study period.
- The study found that mobility is more pronounced in specific occupational groups. Among these are the Personnel Administration Group (PE), followed by the Economics, Sociology and Statistics Group (ES). The mobility rates for 2007-2008 were 74% and 71%, respectively.
- The PSC noted a decline in the number of years at level before promotion for certain occupational groups, with the PE group experiencing the most significant decline.
- The study reinforces the need for HR planning to take into account the nature and scope of employee movement in each organization. It also highlights the need for recruitment, retention and succession strategies for specific occupational groups.
- In particular, the increased volume of staffing activities created by increased mobility affects the workload of those involved in human resources management.

Careful staffing of executives

- The public service of Canada entrusts its executives (EX) to serve with integrity, to uphold the values of the institution and to demonstrate professionalism. Their responsibilities, their leadership role and the impact they have on their employees, on their organization and on the reputation of the public service all point to the need to exercise particular care in staffing these positions.
- With the implementation of the PSEA in December 2005, the PSC delegated its authority to make EX appointments to deputy heads. In 2007-2008, the PSC undertook a government-wide audit across 53 organizations of all EX-4 and EX-5 appointments and 50 % of EX-1, EX-2 and EX-3 appointments for the first year after the implementation of the PSEA.
- While, overall, the PSC found that executive appointment processes respected merit, significant improvement is needed in the application of PSC and organizational policies. Out of 348 appointments reviewed, half were satisfactory, while the remaining files had areas that required attention.
- The PSC identified 47 unsatisfactory appointments in which merit was not respected, there was the appearance of a preferred candidate or there was no evidence of an assessment.
- The PSC will use this audit as a benchmark and adapt its ongoing monitoring to report effectively on the results of executive appointments.
- The PSC is committed to working with departments and will review the services and guidance it provides to departments and agencies.

Employment equity

- The preamble of the PSEA notes the importance of having a public service that is representative of Canada's diversity. In 2007-2008 the PSC provided guidance, tools and services to help deputy heads, managers and human resources professionals achieve employment equity goals.

- In 2007-2008, of the 19 869 indeterminate and term appointments of greater than three months duration to the public service
 - women represented 58%;
 - persons with disabilities represented 2.5 %; and
 - Aboriginal peoples represented 3.4 %.
- In last year's Annual Report, the PSC raised concerns about the dropping proportion of visible minorities in the appointments being made to the public service. Recent changes to the PSC's database of applicant information have provided further information that suggests that the number of such appointments of visible minorities to the public service may have been underestimated.
- The PSC is working with the Canada Public Service Agency, the Privy Council Office, the Canadian Human Rights Commission and Statistics Canada to address this important issue. As soon as this work is completed, the PSC will report to Parliament.
- In 2007-2008, the PSC opened 20 investigations into allegations of improper political activities. During this same period, the PSC completed 17 investigations. In 16 instances, employees were found to have engaged in improper political activities contrary to the PSEA and in one instance, the allegation of improper political activity was unfounded.
- The PSC's corrective action ranged from informing employees of their non-compliance with the PSEA and reminding them of their obligations, to written reprimands, to requiring a department to clearly communicate information concerning political activities to its employees.
- This year, the PSC will publish a separate report on investigations. This report includes most of the summaries and names of individuals in founded cases involving fraud and those related to improper federal, provincial or territorial political activities by public servants.

Investigations

- In 2007-2008, the PSC refined its investigative processes for the various types of investigations mandated by the PSEA. The 169 investigations completed during the fiscal year helped to ensure the integrity of the staffing system, as well as the political impartiality of the public service.
- The PSC has a clear mandate under the PSEA to initiate investigations when fraud is suspected and to take corrective action. The PSC started investigations into eight appointment processes where fraud may have occurred.
- While a number of investigations are still underway, the PSC found three cases of fraud in the four investigations completed and one unfounded allegation.
- When fraud allegations concerning appointments are founded, the PSC has the power to revoke the appointment, to not make the appointment or to take any corrective action it considers to be appropriate. Pursuant to section 133 of the PSEA, all founded fraud cases are referred to the Royal Canadian Mounted Police, which determines if criminal investigations should take place.

Political activities

- As part of its role in protecting the impartiality of the public service, the PSC reviews political candidacy requests from public servants. In 2007-2008, the PSC received 45 new requests for permission to seek nomination as, or to be, a candidate in an election. Municipal election requests once again represented the majority of new candidacy requests (64%).
- Despite their previous communications efforts, the PSC and federal organizations must ensure that employees who wish to participate in political activities are aware of their obligations. These obligations include the new legislative requirement to obtain PSC permission prior to seeking to be, or being, a candidate in municipal elections.

Policy initiatives

- The PSC also took a number of steps to help ensure that the hiring system deals with concerns that have been raised by parliamentarians and other stakeholders.

Canadian Forces reservists

- The PSC worked closely with Human Resources and Social Development Canada to support amendments to the PSEA through Bill C-40

(which received Royal Assent on April 17, 2008). The changes ensure that federal public service organizations will reintegrate reservists into their jobs when they return from a leave of absence to take part in certain military activities and operations in Canada or abroad, regardless of the length of absence.

Spousal priority

- The PSC is drafting a regulatory priority entitlement for external appointments for surviving spouses of members of the Canadian Forces, the Royal Canadian Mounted Police and public service employees whose death was attributable to service or work. This priority will also apply to the spouses of reservists whose death has resulted from service to the country.

National area of selection

- In April 2007, the PSC expanded the requirement to use a national area of selection for all externally advertised officer-level jobs in all regions of the country. This measure increased the level of access for Canadians to federal public service jobs from 19% to approximately 55%.
- Expanding this requirement to all jobs (externally advertised non-officer-level) is planned for December 2008. The PSC has implemented an action plan to ensure sufficient readiness among organizations. Analysis of case studies and pilot projects will provide effective pool management strategies for specific occupational groups and levels. The plan also includes facilitating and providing collective pools for staffing, developing a random selection capacity and providing PSC services through a cost recovery mechanism.

Official languages

- There are many opportunities for both Anglophone and Francophone Canadians to join the public service. In 2007-2008, 70.6% of persons appointed to the public service indicated English as their first official language, whereas 29.4% indicated French. These percentages have remained relatively unchanged over the past five years.

- Appointments to bilingual indeterminate positions can be made on an imperative or non-imperative basis. Under the *Public Service Official Languages Exclusion Approval Order*, for non-imperative appointments, individuals may be exempted for up to two years from the obligation to meet the language requirements of their position, to allow them time to learn the second official language. The initial exemption period may be extended for the reasons set out in the *Public Service Official Languages Appointment Regulations*.
- Since March 31, 2005, a steady decrease has been noted in the number of cases exceeding two years that are not compliant with the Order or its Regulations. On March 31, 2008, there were 156 such cases, whereas on March 31, 2005, there were 892. This reduction in the number of cases is attributable to monitoring efforts by both the PSC and federal organizations.

Staffing and assessment services and public service renewal

- In 2007-2008, the PSC continued its comprehensive business transformation initiative to offer organizations and managers a centre of expertise in staffing and assessment, and services that complement an organization's own internal staffing capacity.
- In December 2007, the Treasury Board of Canada granted the PSC authority to expand its cost recovery authority. The PSC is using this expansion to meet organizational needs for modernized staffing services across Canada. The PSC will involve deputy ministers in the governance of the services it provides through the creation of a Deputy Minister Advisory Committee on PSC Staffing and Assessment Services.

Contribution to public service renewal

- In 2007-2008, the PSC undertook its largest post-secondary recruitment campaign for public service renewal. Over 21 000 applicants submitted more than 48 000 applications, representing a 53% increase in applications over the previous fiscal year. As a result of PSC post-secondary recruitment initiatives,

federal organizations had hired approximately 1 000 graduates as of March 2008.

- There were over 22 million visits to the PSC's jobs.gc.ca and Public Service Resourcing System Web sites. More than 279 000 individuals sent about 1 million applications in response to over 5 000 job advertisements.
- In 2007-2008, the PSC managed various processes for functional communities by providing recruitment and assessment services and by creating inventories and pools of fully or partially assessed candidates.
- In 2008-2009, the PSC will again directly support the objectives of the *Public Service Renewal Action Plan*. It will help organizations recruiting graduates to indeterminate positions, with an emphasis on visible minorities. The PSC will also strengthen the public service "brand" by piloting a new public service-wide approach to career fairs and developing a plan for a job-seeker friendly Web site.

Assessment

- In 2007-2008, the use of PSC standardized assessment instruments increased by more than 30% compared with the previous fiscal year. There was substantially greater demand for a variety of PSC tests, including second language evaluation tests, cognitive ability, written communications and office skills tests, and double the number of tests (over 35 000) administered and scored for post-secondary recruitment processes.
- The PSC worked aggressively to reduce wait times for oral interaction testing. As a result, service times for imperative staffing and language training requests fell from a high of 21 weeks in the spring of 2007 to less than two weeks in February and March 2008.

Centenary celebration

- In 2008, the PSC celebrated 100 years of merit and non-partisanship in Canada's public service, as well as the creation of the Civil Service Commission.

- Impartiality has been a tradition since the adoption of the merit principle in 1908. Since then, Parliament, governments and the bureaucracy have taken care to build a merit-based, non-partisan public service.
- Before 1908, loyalty to a political party was often a key element in appointments to the public service. The introduction of the merit principle and the creation of a Civil Service Commission ensured that public servants in Ottawa were appointed based on their qualifications, rather than their political allegiances.
- The *Civil Service Act* of 1918 extended the merit principle across the country. Merit-based hiring gave rise to an impartial, professional public service and virtually eliminated political influence in hiring.
- With the public service currently experiencing significant renewal, it is essential for the PSC to remain vigilant and ensure an understanding of and commitment to impartiality throughout the public service.

Looking forward

Many people choose a career in the federal public service because it offers a wide range of interesting experiences and opportunities to serve Canadians.

The public service is recognized for its excellence and embraces a unique set of values and ethics.

The PSEA provides a foundation for transforming the federal staffing system, while ensuring a uniform framework across the public service. Mechanisms for recruiting, assessing and developing employees with the necessary skills need to be flexible and respectful of the PSEA staffing values to ensure that the public service continues to adapt.

The values of merit and non-partisanship helped guide Canada's public service through a century of change. They will endure and provide a solid foundation for the federal public service of the future to respond to the challenges that lie ahead for Canadians.