

3

GOVERNMENT MANPOWER STATISTICS

1 Given the size and complexity of present day government, a clear picture of the human resources of the public service is a necessary foundation for efficient personnel management. Examination of available data, however, reveals that the means for providing information on manpower in the public service are inadequate for the needs of day-to-day personnel management, formulation of personnel policies, manpower planning and research, and control and co-ordination of manpower. Your Commissioners' assessment of the present state of manpower data in the public service points up the urgent need for the more systematic compilation and use of such data.

ASSESSMENT

2 A number of fundamental difficulties have given rise to the inadequacies of manpower data. In most central agencies and departments the value of manpower statistics and analysis as an aid to efficient personnel management has not been fully appreciated. While this is a matter of only recent concern in the private sector of the economy, never-

theless, in view of the size and complexity of the government organization, it is surprising that this need has not been recognized in the public service.

3 A major deficiency has been the lack of a central agency charged with responsibility for the compilation of basic manpower data. Up to the present, the Civil Service Commission has not concerned itself with manpower statistics on any comprehensive or consistent basis. Data on numbers and some characteristics of civil servants can be obtained from the Dominion Bureau of Statistics, which has examined some aspects of these matters since 1952. Data on other phases of the operations of the Civil Service Commission, such as recruitment, turnover, new appointments and so on, are not compiled in any meaningful way. While numerous forms find their way to the Civil Service Commission, there has been little or no appreciation of the value of the statistical information they contain as a tool of analysis for personnel management. For example, no record has yet been kept of the number of appointees in a given year with university degrees.

4 Other information concerning the make-up of the civil service has had to be collected by your Commissioners from a variety of sources. Extensive and valuable information has been derived from studies prepared recently by the Pay Research Bureau. Statistics relative to labour costs and other items of government expenditure have been collected through the Comptroller of the Treasury.

5 As a result, the varying concepts and standards which exist confuse the picture on manpower statistics for the public service. There is little consistency in historical data even within individual departments. These circumstances make it virtually impossible to add together data from different departments in order to obtain a comprehensive picture. Such a global view is extremely important when one is considering government as a whole rather than specific departments.

6 Where statistics are available in a department, they reveal that many significant characteristics of public servants are often not recorded and assessed. For example, it was difficult to obtain data concerning previous experience of individuals in other jobs and other departments. Little is recorded concerning special skills not at present in use. Similarly, knowledge of linguistic ability is also generally lacking. Equally important, meaningful operational statistics dealing with such matters as turnover ratios for different classes of personnel, absenteeism, and manpower trends and patterns are not available.

7 The public service has not made optimum use of modern electronic data processing to handle and analyze existing manpower data. For example, to obtain data about a particular characteristic of manpower many departments must hand-sort individual personnel record files. Consequently, the extraction of valuable information is difficult, slow and costly. Even where departments have kept employee data on punched cards, these often are not processed and analyzed on a regular

and continuing basis. This reflects a lack of appreciation of the value of maintaining data in order to identify trends.

8 In summary, it is not only difficult to obtain a clear picture of manpower trends, patterns and characteristics in particular departments but also almost impossible to obtain such data for the public service as a whole. These deficiencies are a serious barrier to governmental efficiency in personnel management.

PUBLISHED STATISTICS

9 For a number of reasons data on government employment published by the Dominion Bureau of Statistics do little to compensate for the lack of proper statistical tools for personnel management in the public service. Decennial census data dealing with government employment are inadequate. The questions asked from census to census have not been consistent and the content of the figures has varied widely. The distinction between an occupational and an industrial classification has not been clearly made. There is no one place in the census data where all employees of the federal government can be found. Likewise, the Dominion Bureau of Statistics series, "Federal Government Employment", while providing since 1952 a clearer picture of total employment figures, suffers from lack of an appropriate conceptual framework. Definitions are imprecise and inconsistent. There are certain gaps in its coverage and not all the significant manpower characteristics are recorded.

NEED FOR MANPOWER DATA AND ANALYSIS

10 Good government administration can be achieved only by effective utilization of manpower. Thus the quality, number and kinds of people serving government determine how high its performance quotient will be. Little can be done to improve personnel management without a keen awareness of what has

happened, what is currently taking place and what is likely to happen to manpower in the future. Thus a first and most crucial step in any programme designed to solve personnel problems must be manpower fact-finding and research. Unless facts are available, it is difficult to approach personnel management on a realistic basis.

11 The growing size of the public service and the complexity of government operations in themselves emphasize the increasing need for manpower data and its careful analysis. The rapid rate of innovation and occupational change currently taking place reinforces this conclusion. Fortunately, it is now feasible to maintain data on a continuing and up-to-date basis. Advances in electronic data processing permit extensive detail on manpower and its characteristics to be maintained for large groups of employees.

12 Manpower data and analysis are personnel management tools for:

- day-to-day administration
- policy formulation
- research and planning
- co-ordination and control.

Day-to-Day Personnel Administration

13 Day-to-day handling of employees in large-scale, complex institutions can no longer be met by rule-of-thumb administration. There is an increasing need for a background of facts for careful analysis at the first stage in the decision-making process. Indeed, to achieve efficient utilization of personnel in terms of promotion, transfers, training and development, these data are vital. Similarly, without manpower statistics it is virtually impossible to assess employee efficiency among occupational groups and departments, and to relate it to the private sector of the economy. Perhaps most important of all is the reduction by statistical manipulation of large masses of information to significant operational ratios, dealing with such items as turn-

over, numbers and types of grievances, accident frequency, staffing ratios and so on. Correlation of this information makes possible the evaluation of areas and groups quickly and accurately. It permits those concerned to answer criticisms, evaluate activities, locate managerial and operational weak spots and determine the optimum operating conditions.

Formulation of Personnel Policy

14 Knowledge of manpower patterns and trends is important in shaping appropriate personnel policies. Policy makers must be aware of the direction of manpower trends in order to develop personnel policies compatible with them. For example, a clear picture of the age and service composition of different occupational groups is essential for the actuarial planning of pensions and other benefits. An inventory of skills, age and service in various departments is needed to develop appropriate policies for training and development, transfer and recruitment, to insure adequate staffing of government operations. It is also important to know the broad occupational groups and types of occupations within them so that policies can be drawn up to reflect the skills and needs of the employees involved as well as to keep the public service competitive in the labour markets concerned.

Research and Planning

15 Clearly, in a complex, modern civilization, research and planning are vital in all areas. As implied earlier, facts alone without research and analysis are useless. To date very little research into government personnel problems has been undertaken. An obvious and urgent need for research is linked to the necessity for forward manpower planning in the public service. In a time of rapid technological change, future needs must be foreseen and appraised. Government must examine those presently employed in the public service to assess their skills and to gauge

the numbers of personnel currently or readily available. The resources available can then be compared with the government's future manpower requirements. Appropriate guidelines for transfers, training and development, recruitment, and other policies can be developed to staff the government in the most effective and economical manner.

Co-ordination and Control

16 Manpower data are essential also for both central co-ordination and departmental control of personnel activities. Such data are indispensable in making personnel audits, analyzing labour costs and efficiency, and in providing general guides for assessing the effectiveness with which different departments, sections and occupational groups are meeting their goals and objectives. Evaluation of the effectiveness with which government uses its manpower, particularly the talents in short supply, is another task made possible by proper statistical data.

17 With adequate manpower statistics useful rough measures of productivity in the

public service can be developed. Over-all output of major sections of departments could be related to input, expressed either in terms of manpower, or manpower and other resources. For specific occupational groups, efficiency could be measured by comparing employees in one department with those in another, and with those in the private sector of the economy.

18 Manpower statistics and analysis should also aid in creating an efficient unified public service. Group operations would be more comprehensible both to those directly involved and to outsiders. The study of organizational structures, management practices, and human relations problems would be assisted. Objectives would be communicated more succinctly to employees. At the same time unified planning would be improved and the development of long-range policies made more realistic. Indeed, the allocation of scarce resources to a relatively limitless series of programmes could be done on a more rational basis, while facilitating more intelligent budgeting.

4

AUTHORITY AND RESPONSIBILITY FOR PERSONNEL MANAGEMENT

1 The study of personnel management in the federal public service has revealed a variety of problems, particularly in such matters as establishments, classification and recruitment, compensation, selection and appointment, promotions and transfers, training and development, grievances and appeals and the role of supervisor. The underlying cause of these problems, identified at an early stage of the field investigations, appears to be the lack of authority and responsibility for personnel management in departments and agencies.

2 An effective system of authority, responsibility and accountability is basic to the efficiency of any organization. The importance of such a system becomes increasingly critical as an organization grows. If a manager, at any level, is to manage effectively and is to be held accountable for the efficiency of his operation, he must have appropriate authority for making decisions on personnel matters. These decisions have a direct bearing on morale and productivity.

3 In general, departmental management has

not been effective in personnel management because it has been denied full authority and responsibility for making personnel decisions. This restriction of authority began when the public service was much smaller. Today the basic problem of lack of departmental authority is aggravated by the increased size of the service. The public service itself has recognized the problem to a degree, and there is some evidence of this recognition reflected in the new Civil Service Act. However, the new Act does not provide basic solutions to the problem in departments and agencies.

4 An understanding of the present structure of authority and responsibility is facilitated by a review of the respective roles of the Civil Service Commission, the Treasury Board, and the departments and agencies (including those exempt from the provisions of the Civil Service Act), by a description of the control processes as reflected in the establishment review procedures and the climate in which it is conducted, and by some observations on the present handling of the personnel function in departments.

The Civil Service Commission

5 The primary functions of the Civil Service Commission as a central control agency were established by the Civil Service Act of 1918 and reaffirmed by the new Act of 1961. The primary purpose was and still is to protect the main sectors of the public service from the "malign influence of patronage" and to achieve a career service based on competence and merit. The Commission provides an annual statement to Parliament, whose agent it is.

6 The Commission's jurisdiction covers all personnel coming under the Civil Service Act. Its authority extends over most aspects of personnel management, including: recruitment, competitions, selection, appointment, promotions, transfers, classifications, pay research, salary structure, appeals, and training programmes, as well as policy on hours of work and regulations governing such related matters as leave. It also shares responsibility for the determination of establishments (types and numbers of positions) and it is responsible for providing an organization and methods service. It has final authority in matters of recruitment, selection, appointment, classification and appeals. However, the Commission can and has, occasionally, delegated to departments some of its authority in these matters. The new Civil Service Act (section 39) provides that "the Commission may authorize a deputy head to exercise and perform any of the powers or functions of the Commission under this Act in relation to the selection of candidates for a position".

7 While the Commission has described its role as "the central personnel service of the Government" as well as "one of the control agencies", the concept of control rather than service predominates in its relations with departments.

The Treasury Board

8 The Treasury Board has effective final authority in matters of establishments and compensation and allowances pertaining to departmental and agency classifications under the Civil Service Act. In addition, the Board has complete authority to determine pay for prevailing rate positions. Thus all departmental and Commission personnel programmes which have financial implications are analyzed and approved or rejected by the Board. In 1960, for example, forty-three per cent of the Committees on which the Treasury Board was represented were concerned with personnel matters; one-third of the submissions to the Board, and two-thirds of its regulations dealt with personnel. Some of the work of the Treasury Board staff duplicates the functions of the Civil Service Commission.

Departments and Agencies

9 The departments and agencies under the Civil Service Act must comply with all controls founded on statutes and regulations jointly or separately administered by the Civil Service Commission and the Treasury Board. They must submit detailed requests pertaining to each and every aspect of personnel management (if expenditure of money is involved). Thus the agencies and departments which come under the Civil Service Act have no independent authority over their personnel, although the new Act follows the previous legislation in permitting some authority to be delegated to them.

10 Much time must be spent by departmental management in requesting, expediting and negotiating decisions with the Commission and the Treasury Board. Experience teaches the managers to seek methods of short-circuiting the system of control and to bargain with the control agencies. It is reasonable to assume that some departments, knowing that requests will be bargained downward, apply for more than they need.

11 While the departments are strictly controlled, in practice there is considerable variation in the nature and extent of control over individual departments and agencies in the civil service. A few departments have managed to gain some freedom of action by convincing the control agencies of their "competence" and "trustworthiness" in personnel management.

12 The variation in control also stems from the differing personalities of the deputy ministers, some of whom insist on a measure of autonomy in personnel management. Others are content to let the control agencies make all major personnel decisions and perform necessary personnel services. The latter merely requisition the required staff, usually through their personnel officers. The Treasury Board staff has evolved working relationships with some departments and agencies which favour consideration of their views in setting establishments. However, the personnel work of most of the departments consists essentially of paperwork related to detailed requests and to compliance with exacting procedures of the two central agencies.

Crown Corporations and Agencies

13 Crown corporations and other agencies, where the Civil Service Act does not apply, do not have to comply with controls in such detail as do the departments and agencies under the Civil Service Act, and enjoy considerable latitude in personnel management. There is a wide range of effectiveness in personnel management among these agencies. Some have achieved a proper balance of authority in their organizational structures; others, which have not achieved such a balance, have set up miniature internal control agencies, operating much like the Civil Service Commission and the Treasury Board. Such systems are smaller and less complicated but nevertheless divorce line managers and supervisors from personnel management authority. A number of agencies have adopted

the Civil Service Commission classification and pay structure for certain positions without testing its adequacy to their needs.

CONTROL OF MANPOWER EXPENDITURES

14 Whereas prior to World War II the growth in the civil service of Canada was gradual, expansion of government activity and assumption of new functions in the immediate post-war period brought about a notable increase in the rate of growth of government employment. The absence of a co-ordinated control mechanism became a matter of concern when the growth rate reached a peak of 8 per cent per annum and the situation threatened to get completely out of hand. To remedy this situation an annual establishment review procedure was introduced under Treasury Board control. This procedure used as its principal yardstick the numbers employed by the individual departments and agencies. Based on trends and changes in functions, percentage growth targets were established, with the result that an immediate reduction in the rate of growth of the civil service as a whole was accomplished. As an emergency measure these techniques were effective, but they have not proved satisfactory over the longer term and have resulted in many cases in placing departmental administration in a strait-jacket.

15 The system of control presently in use involves these factors:

The Establishment: The establishment is a collection of positions in an organizational unit, each classified and coded. Positions are created on a continuing or term basis. An employee is 'in' or 'occupies' a position on an establishment when he is certified in the position.

Establishment Records: These consist of records of each position according to its code number or classification (or both). Establishment history cards show the classification and incumbent for each position, together with

the authorizing document for any change in such position. Thus the establishment history card is not a personnel record as such. In addition, establishments may be portrayed by a series of organization charts showing the relationship between established positions.

Establishment Review Procedure: An annual review of establishments is conducted by a committee, generally composed of one officer drawn from the Civil Service Commission, the Treasury Board staff and the department concerned. In practice, the Treasury Board officer is the chief examiner. The department may begin its preparation for the establishment review committee as early as fifteen months before the fiscal year in respect of which it will be used for justification of its estimates. The review committee usually meets in August and September to review the recommendations which are to take effect in the following fiscal year. Financial estimates resulting from this review are usually tabled in the House in February and normally are approved by the end of July.

Other Establishment Changes: A transfer of a position to another unit or location, the 'occupation' of a position by another classification with the same or lower salary range, or the transfer of an employee involving change in residence or upward change in classification, may be handled at any time throughout the year by departmental recommendations.

Other Systems: Other systems of controlling manpower expenditures are in use in those parts of the public service not subject to the Civil Service Act. Some are rapid, flexible and practical in their application. On the other hand, many of the exempt agencies have adopted variations on the establishment system. Therefore, it is the civil service system which will be described in detail because of its serious drawbacks. It imposes damaging delays, creates frustrating inflexibility, and is expensive.

Delay

16 In certain operating departments subject to uncontrollable workload, a growth factor is applied to determine future staff needs. (An example is the use of projections of classes and quantities of mail to estimate numbers of postal workers needed.) But, more generally, recommendations for changes in establishments must be on the basis of a provable need; that is, upon present facts or proposed additions to activities which have policy approval. Within the regular establishment review procedure, a change can be obtained only by a recommendation in the personnel estimates which are prepared and presented once annually. Thus departments must justify personnel requirements from nine months to two and one-half years in advance, although, as indicated in paragraph 25, there is flexibility to meet what are considered to be really pressing needs.

17 In the normal course, if a need arises after the Main Estimates review has closed, it has to wait until the next Estimates. The actual period for departmental assessment of requirements is from December (when departments know what they have been granted for the next fiscal year) to May. Therefore, from December to May each element of the departmental organization reviews its requirements and prepares recommendations for the fiscal year which will follow the one about to begin. In the period June to mid-August, departmental reviews are conducted at various levels. These usually begin with the unit in the field and then move to headquarters, where division, branch and finally departmental reviews are conducted. The average wait between identification of need and inclusion in the department's estimates proposals is about six months.

18 The establishment review committee meets in August and September to consider requirements for the following fiscal year, that is, from April to the following March

31st. Thus, after the Estimates close in September, the regular procedure imposes delay of about six months before a position is (a) created and (b) can be filled.

19 Following the meetings of the establishment review committee, a report is prepared, with recommendations to the Treasury Board annexed to a complete revision of all the committee working papers. Prior to the advent of the new Civil Service Act this was prepared by the Civil Service Commission officer as committee chairman, and he was assisted by a departmental officer. The working papers show in the "Committee Recommendations" column the disposition of each of the departmental recommendations.

20 Generally in December an indication is given to the department of the cut-backs made by the Treasury Board; the rest of the establishment is assumed to be approved and, usually in January, the necessary authorizing Minute is issued. Once indication of Treasury Board approval has been given, (and subject always to the overriding power of Parliament to vote the necessary funds) the Civil Service Commission can proceed to advertise and recruit against potential April vacancies. However, a tremendous burden is placed on the Commission by virtue of the timing of the establishment changes. The Commission attempts to lessen the impact by forward planning of the competitions which will be called at various times of the year. Departments are asked to assign priorities to the filling of new positions. These are:

Priority 1—To be advertised prior to April 1st with appointments made as soon as possible thereafter.

Priority 2—To be advertised in the period April to June and appointment made as soon as possible thereafter.

Priority 3—To be advertised and filled in the remainder of the fiscal year.

21 Delay has not been confined to the creation of new positions: changes in the establishment involving reclassification have been made "subject to review". Although designed to speed up the review process by spreading out the work of reclassification, this, in reality, merely provided that a department could protect the effective date of reclassification of each position. Actual consideration of the merits of the reclassifications took place at a later date.

22 Ideally, in the period following the close of the Estimates and before any vacancies are to be advertised, the Commission should review all reclassifications included in the Estimates. However, because of the work load and inadequate specialist assistance, the Commission often is compelled to make but a cursory review of the recommended reclassifications. Certain departments may, by the fall of the year, have cleared all reclassifications to be made in the current fiscal year, but others may collectively have backlogs of several hundred awaiting action, in addition to many positions for reclassification in the following fiscal year. The result is delay, morale problems, and loss of staff.

23 Few positions are actually filled in April. Many are not filled by early fall and some are not filled in the fiscal year concerned. Yet the department must again approach the establishment review committee in August, showing staff as of June 30th. As much as ten per cent of a departmental establishment may consist of vacant positions. A portion represents turnover but others are new positions, created as of the preceding April 1st, which have not yet been filled. By way of contrast, approved prevailing rates positions can be filled within a matter of days after creation on April 1st.

24 To summarize, there is, in the normal course, an average of six months from identification of need in a departmental unit to the time when the position is requested at the

establishment review committee. There is a seven or eight months' wait from the time of request to the creation of the position on April 1st. A conservative average is a six months' lapse between creation and actual appointment to a position. This makes a total of about twenty months. The actual time from identification of need to appointment varies from a low of nine months to as much as two and one-half years.

25 The general procedure may in certain circumstances be abbreviated in one of three ways. The wait until April 1st after conclusion of the Estimates review committee meetings, may be shortened by a "semi-emergency" submission to Treasury Board requesting an advance of the effective date of creation of an approved position. An "emergency" submission may be made to provide staff for a sudden and urgent change in government policy. Thirdly, new positions required by less urgent policy changes, which were, nevertheless, unforeseeable as of the time of the main Estimates review, may be handled by supplementary Estimates. These do not extend to simple increases in work load which were not anticipated at the time of the main Estimates. The use of these mechanisms is strictly limited.

26 Delays in obtaining staff affect the implementation of government programmes. Additional costs are incurred in staff overtime and loss of efficiency. Sometimes, delayed programmes incur invisible penalties: essential work not done well or not done at all.

Inflexibility

27 SHORT-TERM CHANGES in establishments are restricted to lateral or 'under-occupation' of positions (i.e., the use of a classification at a level equal to or lower than the one approved) and employee transfers. The departments may transfer an employee, when no change in residence or classification is in-

involved, without the approval of the Commission, but they must report their action. A department may transfer an employee with a change in residence or classification only with the Commission's approval.

28 MIDDLE-TERM CHANGES depend on the establishment review. Because approved positions often cannot be filled for many months or are filled by persons carrying lower classifications, lapses in departmental salary budgets are normal. A representative figure for such lapses would be approximately two and one-half per cent of the total payroll, although they have been known to run as high as sixty per cent.

29 These lapses may indicate looseness in the "fit" of the establishment to actual requirements. More generally they are due to delays in the filling of positions. Casual positions (to fill in for short periods) and overtime (to compensate for extra work required) during a staff shortage are not in the same "account". Thus no clear picture is given of the accuracy with which the establishments meet or exceed the needs of the departments. Departments, in bargaining with Treasury Board for increases of staff, often agree to get positions from 'resources'; that is, from those positions which are now on the establishment but carry a lower priority, or are no longer really needed. These can be transferred or occupied by another classification on a short-term basis to satisfy the department's requirements.

30 DESIRABLE LONG-TERM CHANGES are inhibited by the establishment system. Once approved, the continued need for positions is not often seriously challenged. Accordingly, there is a tendency to continue programmes once they are put into effect. Similarly, it is usually easier to obtain approval to create positions for a new programme than to add them for an existing programme. The resulting emphasis on drawing up statements of duties to show absence of overlap with exist-

ing functions leads often to undesirable splitting of departments into many compartments.

31 Conflict exists on the question of forward planning. A few departments have developed five and even ten year forecasts. Generally, Treasury Board staff blame departments for failure to do long-term planning. On the other hand, departments contend that they are forced into consideration of establishments on an annual basis by the procedures of the review committee.

Expense

32 **OVERSTAFFING.** The establishment system encourages the retention of unneeded positions because departments must forecast from nine months to two and one-half years in advance, often without adequate policy direction and in an atmosphere of uncertainty as to whether programmes are to be approved. Thus, the personnel estimates are considered before programme proposals. (Examples have been noted of buildings approved in the capital works programme without staff to use them and, conversely, staff approved in the estimates and no provision for buildings in which to work.) Although some trimming is done voluntarily, the general result is that the department tends to hold on to what it has. The establishment review committee usually considers only upward revisions in numbers and, although general pressure is put on departments, the procedure does not encourage scrutiny of the composition and size of existing departmental staff. Moreover, upward revisions in classification are 'subject to review' by the Civil Service Commission.

33 To avoid deletion of positions, departments tend to make work for temporarily redundant personnel. Moreover, the rules of employment in the civil service militate against a system of dismissals and temporary or permanent lay-offs except when absolutely unavoidable.

34 In some respects an exception, the Department of National Defence conducts a continuing establishment review by a travelling committee of service officers, Treasury Board and Civil Service Commission representatives. This committee assesses recommendations for changes in establishments, following a study in depth of the entire organizational unit by a team of departmental officers and Civil Service Commission representatives.

35 The Department of National Defence and some agencies "challenge" each position whenever it becomes vacant. If the position is not required, funds for it are held as a reserve against future requirements. Other departments have tried but subsequently discontinued this practice, because it worsens their bargaining position in the following year under the present review procedure.

36 A Treasury Board directive, dated July 21, 1961, ordered that the preparation of Estimates for the fiscal year 1962-63 begin with actual salary expenditures for 1960-61 adjusted for:

- a revision according to the man-year change approved for the fiscal year 1961-62.
- a provision for revised salary rates in 1961-62 (increases in prevailing rates, general increases, reclassifications and the shift of any of these which applied on a part-year basis to a full twelve-month impact).
- the annual merit increases to staff as estimated for 1961-62.
- a revision to the turnover rate in 1961-62, as compared with that in the previous year, 1960-61.

37 The new current year forecast would itself be subject to four corrections:

- a man-year change based on the establishment review committee recommendations for 1962-63.

- any estimated revisions in rates (reclassifications, prevailing rates, known general increases, etc., and their full impact in the year 1962-63).
- estimated annual merit increases in 1962-63 (usually taken as 1% for large organizational units).
- a safety margin, which is a standard 2%.

38 It is too soon to estimate what effect this costing analysis will have. While this system does provide for certain flexibility, a major component in the analysis—the man-year change involved—is still subject to the detailed and inflexible establishment system.

39 The lapse in salary allotments in the year just past continues to be used against departments in bargaining for staff in the year to come. The result is often last minute spending sprees by departments in February and March, because they may thereby gain a little more flexibility in next year's programmes. In the materials field, advance purchases are objectionable because they lead to a loss of inventory control, but it is equally true in the personnel field that "inventory" is expensive to maintain when not productive. The treatment given to under-expended votes is unfair to management and removes the incentive for efficiency.

40 Departments are often forced into un-economic choices. Laboratory technicians may be required to support professional staff and scientists to carry on research work. Clerks may be needed to assist engineers, and a professionally trained man to design facilities. Where a department is forced to make a choice of employees, it will pick the engineer rather than the clerk. The reason is obvious: one engineer can do a little clerical work but a clerk cannot perform engineering work. As a result, an efficient ratio is not achieved between sub-professional and professional manpower. Professional people become engaged in non-professional work, which re-

sults in frustration as well as overpayment for the work done. At the same time, junior staff are denied progression to work which could be done more effectively at the sub-professional level. The primary objective should be efficiency of operations; instead, the establishment review procedure is overly concerned with numbers.

41 Some departmental managers estimate over-staffing as high as fifty per cent. There are, no doubt, many contributory factors: incentives, protection, discipline, productivity, and management ability, not the least of which is the establishment system itself. This figure is almost certainly exaggerated but the fact that it is suggested by responsible officers is disquieting.

42 PAPERWORK: Personnel records and forms in the government service are generally numerous and complicated. In one department, one hundred and sixteen forms are in use to handle changes in personnel. Fifty-one of these are departmental, twenty-seven Civil Service Commission, twelve Treasury, fifteen Superannuation, four Health Insurance and seven from other sources. These are originated or prepared by the employee or personnel division for various personnel actions. The department concerned has drafted complete instructions for the use of these forms by its employees.

43 Traditionally, the handling of forms has been an "art" which has been passed down from employee to employee. Here, however, each process has been reduced to an instruction. As would be expected, the sheer number of forms produces a sizeable instruction manual—one hundred and seventy-three pages! Much of this paperwork simply maintains the establishment system. Treasury Board issues a Minute which authorizes so many of each type and salary range of position by department and branch. The Civil Service Commission prepares an establishment, assigning numbers to each position and allo-

cating them to organizational units. The department prepares its establishment records based on the Treasury Board and Civil Service Commission records. The clerical effort prior and subsequent to the establishment review and in publishing the detailed lists required involves formidable cost in time and materials. This elaborate record system is held to be necessary to maintain the establishment system but it is of no practical utility for departments.

44 The establishment history card is a highly detailed record, not merely of the present state of a position but also of each past change in incumbent, class, and so on, during the life of a position. Similar information is on the employee history card (both active and inactive), except that it is filed by employee name rather than by position reference number. The establishment history card is used to justify claims of increased job responsibility to the establishment review committee. If employee and organization records are properly kept, they can be used in such a way that periodic surveys may be made of departmental manpower without requiring a separate historical record of the position.

45 **TIME:** The establishment review committee procedure is extremely costly in the time of both senior officers and clerical staff required to produce the voluminous reports and records. It is understandable that Treasury Board and Civil Service Commission staffs do not have a knowledge of departmental activities as detailed as its management. Yet they must query the basis for requested programmes. Departmental managers tend to resent being questioned by relatively junior Treasury Board representatives and, as a result, seek to inflate their recommendations in an effort to divert Treasury Board staff.

46 However, departmental priorities are often not too clearly thought out before being presented to the establishment review

committee. Thus, the committee may lean towards one of the invented programmes rather than towards one which the department feels is really justified. The department will usually go along with this where resources may be juggled sufficiently to accomplish its original objectives. Even when the alternatives lie between completely justified programmes, the process of convincing the establishment review committee as to which would be desirable is a lengthy and time-consuming one.

47 Many programmes are subject to variation, depending upon the ability and availability of people to run them. As an example, one department put up three programmes for a certain scientific field. It was forced to select one, which was done with the proviso that if experience indicated a change was necessary, it could be made. An unsuccessful attempt was made to recruit a scientist to handle this programme but meanwhile another scientist within the government service indicated an interest. He was well qualified for one of the programmes which had been dropped. The department was about to recommend a shift in emphasis in its research activities when the Commission re-advertised the original position. The whole programme was delayed while the three questions of civil service re-advertising, change in duties of the position, and transfer of the scientist were sorted out.

48 This process of ferreting out proper priorities and questioning the development of departmental programmes is a costly and time-consuming one which is hindered by the periodic reassignment of Treasury Board officers among departments and their lack of background knowledge of departmental activities.

49 There is wide divergence between theory and practice in the handling of reclassifications in the establishment review. Theoretically, they are part of the review procedure

but, in practice, few reclassifications are discussed, and all are made subject to review at a later date. This allows the reclassification of the position at any time during the year but protects the effective date by providing authority to pay in the Estimates. Delays result from reassignments of Civil Service Commission officers, necessitating the fresh briefing of new men on the requirements of the position.

50 An estimate is that the salary bill of officers attending a typical establishment review committee may be from \$300 to \$500 per day. These committees may meet almost continuously over a period of two months. In some departments, doubt is entertained whether results justify the effort and cost. In addition, there are many preparatory meetings, including the departmental reviews held at various organization levels. In some departments, almost the entire administrative effort in conducting the establishment review committee is carried on by the personnel branch, which is forced to neglect virtually all its other personnel functions during the establishment review. In other departments, the personnel officers act as assistants in the preparation of establishment review material, with a number of line officers being required at the actual committee proceedings. In either situation, it is clear that a very substantial amount of non-productive time is spent coping with the establishment system.

Dilemma of Controls

51 These findings from the investigation of the present structure of authority and responsibility for personnel management underscore the dilemma of controls in the public service and, for that matter, in any large-scale organization.

52 The basic question raised by the present structure of authority and responsibility is: What services can be performed best by central agencies without unduly restricting the

authority of operating officials in departments and agencies? The present system does not provide the speed, flexibility and real sense of responsibility required for effective personnel management in departments and agencies. Moreover, the situation is complicated by the existence of three different agencies, each with some controlling authority.

53 The Civil Service Commission controls some matters, the Treasury Board others; both are involved in such issues as classification and related pay-scales in the sense that the Commission formulates and recommends and the Board accepts or rejects. The two agencies, together with a given department, constitute a complex triangle of authority and responsibility in which countless detailed problems and requests sometimes travel lengthy circuitous routes before decisions are made and action taken.

54 There is no doubt that central guidance and some measure of central control are necessary to achieve proper balance and a measure of consistency in personnel management in the public service. But under the present system controls have been overdone: they have deprived the operating departments of initiative, responsibility and accountability and the controlling bodies have been divided and unco-ordinated. The costs in terms of reduced effectiveness of the public service have been very high.

PRESENT STATUS OF THE PERSONNEL FUNCTION IN DEPARTMENTS AND AGENCIES

55 The absence of authority and responsibility for personnel management in the departments and agencies is reflected in the present status of the personnel function. In general, the personnel function is regarded as a necessary part of departmental administration, existing to carry out policies and regulations of the central control agencies, but there are wide differences from department to department in the status, the role,

and the effectiveness of personnel officers and their staffs.

56 In many departments the role of the personnel division is to translate policies and regulations issued by the central control agencies into departmental actions. It thus becomes an extension of the control agencies: a policeman. When the department's desires run counter to central control regulations, such a personnel division is in conflict with its management. At the other extreme, a personnel division may aim at meeting the needs of the department completely, with accompanying efforts to "beat the system" and to circumvent or overlook control agencies' regulations where possible.

57 Between these two extremes lies a middle way. The personnel function is discharged as inoffensively as possible by providing efficient personnel administrative services for the department and at the same time ensuring that there is an absolute minimum of transgression of the control agencies' regulations. The personnel division strives to keep the department out of trouble with the control agencies and provides only services of a routine nature, such as documentation, transmission of requests and reports, maintenance of records, files and statistics, and the implementation of personnel regulations and procedures.

58 Examples of each of the three methods described exist. A majority adopt the middle way. However, some personnel officers have become "department oriented" and show considerable initiative. Several examples were found of personnel units which have developed efficient and aggressive systems to expedite all requests to and from the central control agencies. Another personnel division has developed its own job evaluation plan for guidance within the department and also as a cross-check against the classification system of the Civil Service Commission. Several examples were found of personnel divisions

which had developed new staff appraisal methods to make efficiency ratings more adequate.

59 These differences stem from the existing division of authority and responsibility for personnel management. While some initiative has been demonstrated in an attempt to improve personnel management in spite of the system of central control, the performance of the personnel function in many departments and agencies is negative because it does not derive from a sense of real responsibility for personnel management.

60 Early in the field investigation it was found that the Civil Service Commission was conducting an experiment by installing one of its own personnel officers in a department to serve as the departmental personnel officer. The object was to improve personnel services to the department through the personnel officer's specialized knowledge of Commission regulations and procedures. It was expected there would be a reduction in the duplication of personnel work between the Commission and the department.

61 The experiment has met with indifferent success because the departmental personnel officer remains a member of the staff of the Civil Service Commission, although for practical purposes he is seconded to the staff of the department. As a representative of the Commission working in a department, his loyalties are divided. The experiment was undertaken as a sincere attempt to operate more efficiently within the present system of divided authority, but it does not solve the basic problem. A similar plan was proposed in the United States some years ago, but was rejected.

62 The field investigation disclosed that the quality and status of the personnel function are strongly influenced by attitudes in the department towards personnel questions. Wide variations exist in the importance

attached to personnel management and the attention given to it by senior departmental officers. Activities such as scientific research require active consideration of human resources, and in these instances senior departmental management are more aware of personnel problems and give greater weight to personnel management.

63 In general, more freedom to manage personnel has been granted to departments or agencies employing new or specialized occupations in technical fields. The need for special policies and procedures for these occupations has been recognized, and it has been seen that these could be handled effectively only at the departmental level. In such departments, as in the exempt agencies, management has a better understanding of the importance of personnel management to the department and a somewhat greater degree of knowledge, skill and awareness in handling personnel problems.

64 Other departments which are subject to the Civil Service Act and engaged in the less technical operations tend to under-rate the importance of personnel management and to pay greater attention to the management of facilities and equipment. They are less aware of the proper objectives of personnel manage-

ment and more apt to feel that this responsibility *should* rest with the control agencies. They often make the regulations and the procedures of the control agencies a convenient scapegoat for unsolved personnel problems.

65 Even in the present circumstances, the attitude of the deputy minister towards personnel management is the most critical factor in determining the effectiveness of the personnel function in a department. His attitudes and his example establish the standards for dealing with personnel problems within the department. Unfortunately, there is little or nothing in the present system to encourage him to accept responsibility or to hold him accountable for performance.

66 On the evidence gathered, personnel officers in the public service tend to be insular in outlook and lacking depth of knowledge of modern personnel management. They tend to confine their external contacts to public personnel associations and other government-oriented groups, thus narrowing their perspectives. They need, especially today, to be much more aware of social trends, advances in the social sciences, and significant personnel research activities, all of which can be important to the increasingly complex and valuable job of personnel management.

5

STAFFING THE PUBLIC SERVICE

INTRODUCTION

1 Under powers originally granted by the 1918 Civil Service Act the Civil Service Commission now recruits, selects and appoints personnel for departments. Positions within its jurisdiction are "classified" positions. Exempt from its jurisdiction are the numerous groups identified in Chapter 1.

2 A basic aim of the 1918 legislation was the elimination of patronage and substitution of the merit *principle*. Efficiency of the public service and the career security of the public servant were to be protected against the spoils system. In practice, achievement of the merit principle has been sought by an elaborate series of procedures and rights called the merit *system*, involving a highly centralized approach and putting great stress on uniformity.

3 The public service is now so large and complex that the multiplicity of policies, procedures, rules and regulations peculiar to Canada's system detracts greatly from the effectiveness of the public service. The less involved and rigid recruiting, selection and ap-

pointment procedures adopted by some of the exempt agencies show that substantially quicker results can be obtained without jeopardizing the reality of the merit principle.

4 That highly centralized administration and rigid uniformity are not essential to protection of the merit principle has been adequately demonstrated by two governments who faced the problem of size somewhat earlier than has Canada. Both the United Kingdom and the United States have made substantial progress on each of these scores. In recent years, the United States particularly has delegated to departments substantial authority to recruit, select and appoint.

5 Decentralization was forced on the United States Civil Service Commission by the enormous post-war growth of public service employment within its jurisdiction. The system it adopted is based on the assumption that departments and agencies have as great a stake and interest in the merit principle as has the Commission itself. It permits departments to recruit, select and appoint on their own initiative but in accordance with standards and procedures agreed upon with

the Civil Service Commission and subject to its audit. It embodies wide-spread use of competitive examinations and review by boards of examiners composed of departmental officials.

6 Some steps towards decentralization have been taken by the Civil Service Commission in Canada. The most conspicuous example is the delegation to departments of the authority to conduct internal promotion competitions. While a limited step, it has worked well, and neither the departments nor the Civil Service Commission seem inclined to retreat from it. Under the new Act, a deputy minister may in certain circumstances recommend an appointment to the Civil Service Commission, but the power of actual appointment remains vested in the Civil Service Commission. The extensive provision for appeals under the new Act undoubtedly sets real limits to the extent of effective delegation possible.

7 The evidence is clear that within its present narrow limits of delegation the Civil Service Commission grants relatively more power to those departments it regards as competent than to those it regards as weak. In certain cases, for instance, it has delegated some pay and classification authority, although in the process it has found some departments unwilling to accept such responsibility. On the whole, delegation appears to be regarded by the Commission as a step occasionally necessary but one to be taken with reluctance and held to a minimum. It seems to be dictated usually by administrative convenience rather than undertaken as a matter of principle. The approach to decentralization has been limited, spotty, and without much conviction. In this, of course, it reflects what appears to be the spirit of the Civil Service Act.

RECRUITMENT

8 By recruitment is meant the advertising process, together with its attendant admin-

istrative tasks, whereby people are informed of vacancies in the civil service and invited to apply for them. Implicit in the Civil Service Commission approach to recruiting is the belief that every qualified citizen has a right to be considered for appointment to a civil service position, and that all must therefore, be made aware of the opportunities available.

9 The chief means of recruiting are single sheet posters and newspaper advertisements which follow a standard form. The posters are distributed to Post Office, Unemployment Insurance Commission offices, and other government buildings frequented by the public and, in certain instances, to universities. Posters are also distributed to government offices for the information of public servants. Where scientific and professional personnel are required, advertisements are inserted in appropriate learned and professional journals. Many professional openings are also advertised by means of information circulars containing more detailed descriptions of the work. Distribution of these circulars is like that for posters, except that they are sent to the executive and professional offices of the National Employment Service and not to the Post Offices.

10 University recruiting is carried on by the Civil Service Commission through the liaison officers of the universities who arrange for visits to the various campuses. In addition, leaflets are distributed describing various job opportunities attractive to university graduates.

11 Poster advertising is criticized on several grounds. It is adequate for mass recruiting, e.g., clerks, stenographers, etc., but inadequate to attract specialist personnel. The production of posters may impose delays of up to thirty days. Moreover, the process of advertising, including newspaper advertising, has become mechanical and inflexible. Although the old Act made provision for restricting advertising to the area where the

vacancy arose, no clear, rational basis for decision was specified. The requirement (dropped from the provisions of the new Act) that all headquarters positions must receive Canada-wide advertisement, imposed long and frustrating delays on recruitment. In addition, the Civil Service Commission may not take steps to fill a vacancy until the vacancy has actually occurred, although it must be recognized that in many instances it is not informed of the vacancy in advance.

12 The general departmental and agency criticism of present recruiting procedures is that there are frequent, long and frustrating delays (see Table 16). Many departments feel that, given the opportunity, they could be more imaginative than the Civil Service Commission in the use of the recruiting techniques available. In the view of many, the Civil Service Commission allows itself to be too concerned with the niceties of merit system routines and too little with the urgency of the departments' need for personnel. The Commission is, of course, aware of the delays and criticisms but feels bound by the principles implicitly incorporated in the Civil Service Act.

SELECTION AND APPOINTMENT

13 Once the deadline for the receipt of applications has passed, the recruiting phase terminates and the processes of selection and appointment begin. Techniques of selection may include written examinations, practical tests of skill, advisory examining boards and oral examining boards. When the examination board has completed its work, an eligible list is established based on the marks assigned to each candidate. This is then modified by the imposition of the veterans' preference and any locality preference. All candidates are notified of the results of the competition and offers of employment are sent to those who are successful. In the final step, a candidate notifies the Commission of his acceptance and indicates the date on which he will report

for duty. A brief description of the various steps and terms in the selection and appointment process follows:

- *Advisory Examining Board*

The Advisory Examining Board includes one or more representatives of the department concerned. Its Chairman is an officer of the Civil Service Commission. The function of the Board is to screen the applications and eliminate those which do not meet the advertised qualifications for the job. The Board then decides what written or practical tests, if any, are required and authorizes them to be given to the candidates.

- *General and Special Examinations*

General and special examinations consist of a general aptitudes test consisting of four parts (verbal ability, numerical ability, general knowledge and reading comprehension); and special achievement tests of various kinds, designed to measure narrowly defined combinations of ability, training and experience. An example is the work-sample examination designed for use in the selection of bilingual translators.

The general tests are used where some index of general intelligence is needed to select from a large group of applicants those most likely to perform well a variety of administrative duties. The special tests are used for highly specialized jobs where competence is felt to be largely a function of training and past experience, and is consequently less directly dependent on general ability.

- *Oral Examining Board*

The Oral Examining Board is composed of the same persons who constituted the Advisory Examining Board. From the results of the examinations, it decides what applicants are to be interviewed and arranges for such interviews at appropriate times and places. The Board may itself travel across the country or it may delegate its functions to appropriate regional offices.

Table 16 — CIVIL SERVICE COMMISSION — ANALYSIS OF RECRUITMENT DATA — TECHNICAL AND SCIENTIFIC CLASSES — JUNE 1960—JUNE 1961
 (Based on 43 departmental requisitions for single vacancies — normal actions)

Classes	Consideration of Requisitions (Commission)			Advertising Action to Closing Date	Consider Candidates		Requisition to Offer Total Time Required		Offer to Reporting		Requisition to Reporting Over-all Time		
	Preliminary		Final		Competitions	Average Time	Competitions	Average Time	Competitions	Average Time	Competitions	Average Time	
	Number of Competitions	Average Time*	Number of Competitions										Average Time*
Engineering and Related.....	14	20	17	10	17	41	17	15	128	14	34	14	159
Scientific (Physical).....	8	29	9	14	9	72	9	8	141	6	9	6	147
Forestry and Bio-Sciences.....	4	9	4	35	4	52	4	4	145	3	20	3	175
Professorial.....	5	5	5	14	5	43	5	5	115	5	57	5	171
Architect.....	3	36	3	26	3	36	3	3	143	2	66	2	244
Non-Scientific.....	5	45	5	21	5	45	5	4	158	4	37	4	196
Summary (all classes).....	39	23	43	16	43	49	43	39	135	34	34	34	169

* Time is in calendar days (elapsed time).

- *Eligible List*

This is an ordered list consisting of those candidates who have progressed satisfactorily through the various phases of selection. The order may be modified by veterans and locality preferences.

- *Veterans Preference*

Under the Civil Service Act, all Canadians who have served overseas in Her Majesty's forces are given preference for positions over all other candidates regardless of marks obtained, provided only that the veteran meets the minimum qualifications established for the position.

- *Locality Preference*

Under the old Act, in certain instances, preference was given to candidates residing in the locality where the vacancy occurs. Under the new Act, preference is given to candidates residing in the locality served by the office.

14 The universal vehement complaint about the selection and appointment process is the long delay in filling the position. The evidence is abundant. Table 16 summarizes the record on forty-three open competitions for single positions, all technical and scientific. It reveals that from 147 to 244 days elapsed from the time the Civil Service Commission received the requisition from the department until the vacancy was filled. The average time lapse for all these competitions was 169 days. The delays are not due, in general, to carelessness or inefficiency on the part of the staff of the Civil Service Commission but rather to the complex and cumbersome system. The procedures as a whole illustrate clearly how, in the name of the "merit principle" which all can support, a merit system has been devised which conflicts with the real objective: to get a well qualified person within reasonable time. Parliament removed some of the road blocks in 1961; it is to be hoped that the Commission will act in like spirit.

15 The United States Civil Service Com-

mission has devised approaches to minimize this conflict. In addition to delegating to departments under carefully agreed rules recruiting, selection, and appointment, it has established continuous competitions to fill many jobs which are common to a number of departments. Thus the recruiting office in Washington holds daily examinations for clerks and stenographers. This practice is duplicated in many of the regional offices of the Commission. This system of continuous competitions is more flexible and effective than the present Canadian Civil Service Commission practice of holding semi-annual competitions in Ottawa for positions common to most departments. The system in the United States encourages applications at any time in various parts of the country. Successful candidates are immediately placed on a "register" (the American equivalent of the Canadian "eligible list"), and are available when vacancies occur. Under the "rule of three", departments may interview the top three available candidates, appoint the one of their choice, and notify the Commission accordingly.

Test Procedures

16 The special examinations designed to measure narrowly defined combinations of ability, training and experience have a "face validity" that may, in general, be accepted. Since they usually consist of an ingeniously composed sample of the requirements of the job itself, there is some reassurance that they probably do measure what they purport to measure. For example, the candidate who can quickly compose in idiomatic English an acceptable advertisement for a technical post, the detailed description of which comes from a French text book, and can then duplicate the process from English to French, is in all likelihood fully bilingual for the purposes of the job.

17 It is disturbing to report, however, that the general ability test which is widely used

has never been validated at an acceptable degree of statistical rigour. The only evidence that it measures what it purports to measure is indirect and inconclusive. It cannot be proved that the clerk with the highest general ability score is necessarily the best clerk or even (since few are dismissed) that he is an acceptable clerk. It is probable that he is, in some sense, "better" than those who scored low, but it does not necessarily follow that he is "better" at the particular job in question.

18 The Civil Service Commission is aware of these difficulties. It has conducted some comparative studies of score distributions obtained by applicants from different regions of the country and, where these are statistically similar, accepts the fact as evidence that abilities measured are broadly characteristic of the population at large. While this strongly suggests that cultural differences among the applicants do not act as discriminatory factors in selection, it does not constitute validation of the test. To validate the test it would probably be necessary to hire a number of persons with low scores and follow up with an appraisal of performance on the job in relation to those with high scores.

19 There is little evidence that the validity of the results of either oral interviews or the traditional essay-type of examination has been tested. Departments also use examinations as part of the promotion process. They are often devised and administered by untrained persons and no one knows really whether or not they are valid.

20 It is evident that there is an inverse relationship between the demands of a job and the number of persons qualified to perform it. Consequently, the elaborate procedures used to select persons for jobs requiring little ability seem scarcely necessary. They can, in fact, be misleading because they purport to justify a ranking in eligible lists which cannot be valid because the abilities required cannot be measured to neat percentage points.

21 Selection and appointment procedures should be adapted to the varying demands of the job hierarchy. At the lowest levels their aim should be to eliminate the obviously unfit. Those who survive should constitute the eligible list to be drawn from as their services are required. At intermediate job levels the same screening process is necessary but positive selection criteria, such as written and oral examinations, the assessment of experience, and educational qualifications, begin to have value. Such tests yield rating ranges upon which judgments can be based. Experience is that psychological tests have a negative element in them. They are most reliable in eliminating those who lack the basic abilities required, but will not indicate whether the person with the *ability* to do the job will be interested and conscientious in performance.

22 At the highest job levels, appraisal of experience by competent senior civil servants may be the best discriminating technique because almost all candidates can pass whatever examinations may be set. Moreover, questions of temperament and ability to work with other specific persons may be of importance. These qualities are not easily measured by objective examination and, in practice, are best assessed by competent departmental management.

23 One of the errors of the merit system is the Civil Service Commission's practice of filling a senior vacancy with the top man on the eligible list, thus denying to the department the opportunity to choose from among the eligibles. The argument is advanced that to do otherwise is to contravene the merit system. This argument is fallacious for at least two reasons. First, it assumes that the top man in the examination will always be the best man on the job, a correlation which cannot be demonstrated. Second, it ignores personality factors and their important influence in contributing to or detracting from a harmonious work environment.

Patronage

24 Before 1918, Canada's public servants (especially those located outside Ottawa) were selected predominantly on the basis of political patronage. The Civil Service Commission was established primarily to overcome this practice, but the merit system, as applied by the Commission, has not been altogether immune to manipulation of job specifications and selection procedures. For all practical purposes, however, the Civil Service Commission has managed to eliminate political patronage in appointments to those positions falling within its jurisdiction. What of the record in exempt agencies and positions?

25 Field investigations of Crown corporations and agencies exempt from the Civil Service Act provided examples of patronage. However, agencies which have surrendered to political pressure in the final selection and appointment process appear, in general, to insist that the preferred candidate be "qualified". They conduct trade tests amongst the recommended candidates and select the person best qualified in their opinion.

26 Certain agencies were found to recruit freely without any pressure or political interference. Some are subjected to pressures sporadically and others constantly. In the latter group are some which receive such a flood of recommendations that they do not have to advertise or use regular media to fill the vacant positions. The supply of recommended candidates is such that they pick the candidates they judge to be most suitable. Political patronage is a fact in some exempt agencies, but is neither exceptional nor the general rule.

PROMOTIONS AND TRANSFERS

27 All promotions in the civil service are subject to the Civil Service Commission's exclusive power of appointment. A policy of promotion from within is followed by the

Commission and by all departments: first, within the department, then within the service, and finally, if these are not adequate, an open competition is held.

28 The Civil Service Act defines promotion as a change from one class to another with a significantly higher maximum salary. The avenues of promotion are departmental, interdepartmental, open competition, reclassification, and "promotion board". Wherever it is possible to do so, the Civil Service Commission delegates internal departmental promotion to the department, subject to a somewhat mechanical post-audit, with the official certificate issued by the Civil Service Commission. Interdepartmental competitions, on the other hand, are conducted by the Civil Service Commission and may be regional or Canada-wide at the Commission's discretion. Both departmental and interdepartmental promotions are subject to appeal.

29 Open competitions provide an avenue of promotion for candidates who are already civil servants as well as an opportunity for appointment to the public service from outside. Departments sometimes recommend open competitions in order to attract new talent from outside the service, but they do so with reluctance because such competitions may take from three months to a year.

30 Promotion by reclassification occurs when a position is reclassified because of a material change in the duties of the incumbent. Some positions are reclassified without change of duties in order to reward an employee, for example, a scientist whose increasing experience makes him more valuable or a long service officer nearing retirement. Promotion by board is a special case limited to foreign service departments and some scientific and professional personnel. A board of experts reviews the records of the employees concerned and recommends promotion as it sees fit. These recommendations are subject to confirmation by the Civil Service Com-

mission. This departure from promotion by competition is largely dictated by necessity, as the world-wide dispersion of the foreign service makes competitions difficult if not impossible and professional stature of scientific personnel is not usually best measured by competitive tests.

Appeal Procedures

31 No consideration of promotions and transfers can afford to ignore appeal procedures because they can delay substantially the confirmation of an appointment. Any employee dissatisfied with the result of a promotion competition has the right to appeal the decision of the board. Under the regulations, all unsuccessful candidates must be notified of the results of the competition and of their right of appeal. Thus there are delays, because an appointment cannot be confirmed until any appeal forthcoming has been adjudicated.

32 Delays from appeals under the provisions of the new Act may be even more numerous than in the past, for the Act makes the appeals procedure more formal in that counsel may be retained by appellants. It also widens the basis of appeal to include transfers, demotions, suspension, and withholding increases. By contrast, the United States Civil Service has a policy which permits an appeal only against decisions which damage the present status of a civil servant, not against one alleged to deprive him of some future benefit, such as promotion.

33 The difficulties of the present promotion-appeal situation are highlighted whenever a sequence of promotions develops from the initial promotion, because the whole sequence is paralyzed until the last appeal is heard. While it is true that temporary appointments can be made during the appeal period, successful candidates are usually unwilling to assume their new responsibilities on this uncertain basis, particularly if it involves moving from one city to another.

Employee Evaluation

34 A valuable adjunct to your Commissioners' proposal that managers be given the authority to promote without appeal and, at their discretion, without competition would be extension of the use of promotion boards like those now used for promotion of foreign service officers in the Departments of External Affairs and Trade and Commerce. An effective procedure for employee evaluation would provide managers and boards with necessary information when promotion opportunities were being considered. Field investigations of those departments where promotion boards are used clearly indicated that the strength of such procedure lies in the fact that the employees concerned have confidence in the personnel comprising such boards and their reputation for sound judgment. For example, in the Department of External Affairs, each embassy is responsible for making a meticulous appraisal of its staff members. These appraisals are considered by an appropriate board in Ottawa, which then recommends promotions and transfers, no appeal being permitted. There has been a minimum of dissatisfaction with this procedure. In using similar procedures the evidence is that, when competent managers have the opportunity to exercise the right to manage, they win the confidence of those they manage.

35 Formal employee evaluation has had a long and checkered history in the federal public service, similar to that in the private sector. With the new Civil Service Act, the Civil Service Commission has ceased to have a statutory responsibility for employee evaluation procedures. As the departments are now to assume full responsibility, it is to be hoped that supervisors will be helped, as well as compelled, to play their proper role in this area. The supervisor's skill in employee evaluation and in making evaluation a constructive tool of employee development should be a valuable index of his supervisory ability. Departmental supervisors should be given substantial training in employee evaluation

so that they may perform capably what is essentially a confidential, on-the-job counselling of their employees.

36 Evaluation of employees should have a dual purpose: (a) to help the employee become a better employee, and (b) to aid management in its personnel management. Both the need to stimulate employee growth and development and the need for an accurate personnel inventory of manpower skills and experience must be met. Careful and competent evaluation of employees provides the basis for employee training and management development decisions.

TRAINING AND DEVELOPMENT

37 Authority and responsibility for training and development within the civil service is divided between the departments and agencies and the Civil Service Commission. This dual responsibility is broadly defined in a section of the new Civil Service Act which states that the Commission shall "operate and assist departments in operating staff development training programmes".

38 The need for staff training and development programmes has confronted the civil service for a long time. Various reports in the past have referred to this gap in government personnel management: the Arthur Young Report in 1919; the Report of the Royal Commission on Administrative Classifications in the Public Service in 1946 (which could find few examples of the systematic training of administrative personnel), and the Report on Personnel Administration in the Public Service in 1958. The last stated that "both the Commission and the Departments should, in our view, do more than has been possible in the past in the development and training of staff and in employment counselling".

39 In proportion to the needs of such a large and complex organization, very little

training and development have, in fact, been done. It is recognized that organization and operation of programmes adequate to the needs are not easy. It is a big job, one which has challenged even the most highly qualified and experienced training and development specialists from large industries in which substantial programmes have been in operation for many years.

40 Experience outside the federal public service makes it clear that there are three prerequisites for effective training and development programmes. First, both staff training specialists and senior management must have a clear understanding of fundamental principles and purposes. Second, top management must be prepared to support a programme based upon these basic principles and objectives. Finally, adequate financial budgets and competent staff must be provided.

41 Industry also demonstrated that successful training and development programmes must be based on certain facts and principles. These have been used in assessing programmes currently undertaken by the public service:

- *Distinction Between Training and Development*

Training is the process of teaching skills to an individual so that he may improve his performance on a particular job. Development is the process whereby an individual acquires new knowledge, habits, attitudes, self-awareness, and values or maturity. Training courses and development programmes, therefore, entail different methods.

- *The Learning Process*

Success in formulating and operating training courses and development programmes depends on relating them to proper knowledge of how people learn; otherwise, the approach becomes one of costly trial and error.

- *Determination of Needs*

Training courses and development programmes are sheer waste if not founded on identified needs. A successful approach, therefore, requires analysis of present and future manpower requirements, appraisal of the suitability of present resources to these needs, and development of programmes to fill the gaps. Viewed in this perspective, training and development are integral parts of the process by which management objectives are achieved. They are, therefore, an inescapable management responsibility.

- *Simulated Work Conditions*

The effectiveness of training and development is measured in terms of the change in the work performance of an individual on the job. Therefore, it is vital that training and development methods simulate, as far as possible, the actual job conditions. The Link Trainer, used for training pilots, was one of the first and best known examples of the application of this principle.

- *Work Environment*

Finally, it is essential that training courses and development programmes take account of the realities of the work environment in which the results will be applied. If the work environment inhibits the application of new knowledge and skills, if initiative is stifled, interest discouraged, job performance limited, self-development arrested, then training and development programmes are wasted. The public service provides a good but discouraging example because the most effective programmes of management development can yield few dividends in organizations which do not permit managers to manage.

42 Judged by the above standards, by the degree of top management support, and by the adequacy of financing and staffing, training and development have not, in general, received anything like appropriate attention

in the public service. In many departments training needs and possibilities have not been recognized. Where they have been recognized, training specialists of the proper quality have often not been used. There has been, in general, no development of a common policy on training or a common approach to it for the public service as a whole. Such training activity as there is, therefore, tends to be fragmented, unco-ordinated, and tied into no very clear conception of objectives and how to achieve them. The picture is not entirely black: a few well-conceived and competently handled programmes are operated both by departments and agencies and by the Civil Service Commission.

43 Generally, the courses and their method of presentation show little awareness of the implications of accepted theories of learning. Lack of knowledge of outside developments in training techniques and in development programmes is wide spread. Training specialists tend to talk in terms of methods and techniques which, while common in industry and universities years ago, are no longer representative of the best thinking and practice. There is little evidence that training courses or development programmes are measured against the real results they produce.

44 To the extent that training needs are studied in departments and agencies, it was found that most of the emphasis is put on present gaps in skills rather than on planning to eliminate future gaps. This is even more true in the whole area of personnel development. While there is general acceptance of the need to develop more and better managers, programmes established to meet the need reflect relatively little attempt to identify the special skills, knowledge and attitudes required. Measured against the needs, training specialists in the departments are too few in numbers, and lacking as well in qualifications and competence by comparison with their counterparts in industry. Their relatively low salary and status level in the public

service is, undoubtedly, a cause. At the same time, it reflects the general lack of awareness of training and development needs and possibilities probably more than it does any handicaps which establishment, classification, and appointment procedures may put in the way of recruiting competent training specialists from outside the service.

45 Although the attention and effort devoted to training and development in departments is relatively small, even by comparison with other personnel activities, a variety of courses and programmes does exist. A few departments conduct courses to provide new employees with orientation to their department or to the public service. Skill training is often provided to meet immediate and simple needs. Examples include courses for tradesmen, courses in office economy and methods, apprenticeship training courses in the naval dockyards, driver training and first aid courses for field parties, and courses in skills such as letter writing, stenography, the conduct of meetings, and memory, reading and speaking improvement. The Civil Service Commission has offered a variety of trades courses ranging from typing and stenography to map charting, stationary engineering, and teletype operating. Activity is declining in these areas as the provincial government educational programmes expand to meet the same needs. The Commission also conducts extensive secretarial courses.

46 Special training for supervisors and administrators at junior and intermediate levels is provided here and there by departments and by the Civil Service Commission. One department operates such courses a half-day per week for thirteen consecutive weeks, approximately three times a year in Ottawa and twice a year in its regional districts. Teaching techniques include lectures, case studies, films and discussions. Over the past two years the Civil Service Commission has conducted experimental courses for first line supervisors, covering human relations, office manage-

ment, staff control and basic management philosophy. It also conducts a number of courses for specialists such as those in personnel administration and records management, and those for its own officers. Its district staff training representatives have held special courses on supervision and human relations, as well as management institutes. But, taken as a whole, the public service lacks mechanisms for giving specialists familiarity with the work and jobs of their counterparts in other departments and agencies.

47 There is growing use in the public service of outside facilities such as those provided by short courses at universities and American Management Association seminars. In addition, educational leave is made available to public service employees so that they may improve their technical qualifications. Both the Civil Service Commission and the Treasury Board are frequently involved in decisions to grant such leave but, because there is no established policy and because the first initiative must be taken in departments, there is wide variation in the use made of the privilege. Generally, the public service is disposed to offer less financial support for such undertakings than are many industrial and commercial employers, although there are exceptional cases in which public servants are kept on full salary while on educational leave.

Management Development

48 Management development in the public service has suffered from the division of responsibility among departments, agencies and control bodies, and from those quirks in the merit system, as applied, which make it difficult if not impossible to plan promotions and transfers. Lacking authority for personnel management, departments have been less inclined to plan carefully for the development of replacements. Lacking a single, central managerial group with co-ordinating and policy-making responsibilities in personnel management, the public service has

been too fragmented for a programme of management development to be effective for the service as a whole. In general, the need for management development has not been adequately recognized. There has been little or no use of the ordinary tools of management development such as a continuous management inventory, regular appraisal of the management capacity and potential of individuals, replacement tables, or planned programmes of development for present and future managers.

49 Despite these obstacles, some informal management development activity exists. One device is "classification creeping"—a process for avoiding promotion competitions. Another, is the placing of employees in positions with the justification "that no one else in the department is as well qualified". Of over 200 civil servants attending the Senior Officers' Course from 1954 to 1960, most had received their promotions by such routes rather than through the established system of promotion competitions. A few departments, in which management development receives more attention, have attempted to carry out systematic planned rotation of individuals, carefully selected for management development. Such programmes have the support of the central control agencies in principle but, despite this, the establishment review and the estimates procedures tend to frustrate staff rotation for management development purposes. Interested departments have also used educational leave as a means of promoting improved technical and managerial qualifications. They have, where possible, taken advantage of facilities outside the department for giving administrative training, including the National Defence College and the Senior Officers' Course operated by the Civil Service Commission.

50 Management development has been an objective of the Civil Service Commission's training and development programme since before World War II. An early preoccupa-

tion with job instruction training has given way to a few development programmes, such as regional courses in government administration, the Junior Administrative Officers' course, the Intermediate Administrative Officers' course, and the Senior Officers' course, which emphasize public administration. Today, the management development activities of the Civil Service Commission are concentrated on these three instruction programmes.

51 Between 1948 and 1960, a total of 172 persons participated in the Junior Administrative Officers' course. Most of the participants came from the Junior Administrative Officer class, who are recruited to the service as university graduates, but a sprinkling were Junior Officers who had come up through the clerical grades. As of 1960, 145 were still in the service, occupying positions in almost every department and agency. About forty-five officers now participate in the course each year. During early years, the course took the form of half-day lecture and discussion sessions occurring at weekly intervals throughout the first year of service of the Junior Administrative Officers. More recently, the course has been concentrated into sessions totalling about four weeks, in two instalments, and given on a full-time basis away from the place of work.

52 This course is designed primarily as an induction course for Junior Administrative Officers (recently renamed Junior Executive Officers). During their initial year in the service, it is intended that they be rotated from one assignment to another within their department, through this medium and through the course gaining familiarity with the public service and its administrative procedures. On the basis of their performance on these assignments and on the course, they are rated at the end of the year by the Commission, which recommends whether they shall be retained in the service and whether or not promotion is warranted.

53 The Intermediate Administrative Officers' programme is designed for intermediate grades of administrators, roughly Administrative Officers in Grades 4 to 6 inclusive. This is a two-week course consisting usually of a series of lectures and discussions. Principles of administration and organization, techniques of communication, audit and manpower control are discussed in some depth. The course is offered to headquarters officers in Ottawa and in four regions across Canada: one for the Prairies and British Columbia, one for Ontario, one for Quebec, and one for the Maritimes. The courses are usually conducted in residence, normally using university facilities with members of university faculties invited to assist. About forty Intermediate Administrative Officers take part in each course which is offered twice a year.

54 The Senior Officers' course is operated annually for a period of four weeks. Participants are in residence, formerly at Kemptonville, Ontario, more recently at Arnprior. It was originally designed to bring together top senior officers up to the rank of Assistant Deputy Minister. This so limited the number of candidates that Administrative Officers Grades 7 and 8 and branch heads were subsequently qualified to attend. The general rule, though not rigidly enforced, is that candidates be between the ages of 35 and 50 and have good prospects for at least two further promotions. Approximately twenty-five per cent of the participants attending the course come from outside the Ottawa area. The Training Branch of the Civil Service Commission selects those recommended, taking account of what the individual could be expected to contribute to the course and what he might gain from it.

55 The course is designed for senior officers more concerned with administrative problems of management than with the technical details of departmental operations. It combines political science and principles of administration and organization, using lec-

tures, workshop discussions and case studies. The teaching staff is drawn from the deputy minister level of government, from business and industry, and from universities. Since the inception of the Senior Officers' course approximately three hundred persons have participated in it.

56 On the whole, the Civil Service Commission has shown more imagination and more capacity in establishing and conducting training courses and development programmes than have the departments. Throughout the public service, however, there has been an inadequate conception of the role of training and development and an inadequate allocation of resources to it. Not enough research has gone into the identification of training and development needs, nor have individual training courses and development programmes been tested against results achieved. The emphasis has tended to be too much on courses rather than the even more effective development tools of training on the job, skilled supervision, and job rotation. A well-planned, co-ordinated programme of employee training and management development for the public service as a whole is urgently needed. It will more than repay extensive effort and expenditure.

SCIENTIFIC PERSONNEL

57 The two realms into which the public service is divided are nowhere more evident than in the handling of scientific personnel. National Research Council is entirely independent in its personnel policies, while large research establishments like those in the Departments of Agriculture and in Mines and Technical Surveys are subject to normal Civil Service Commission powers. In recruiting terms, the differences are not as great as might be expected. The Civil Service Commission tends to delegate to departments more of its authority when it comes to selection of scientific personnel. Thus, while formal procedures for recruitment, selection and

appointment of scientists for departments fit the standard pattern of advertising, competitions, selection boards and Commission appointment, departmental managers are, in fact, permitted to exercise judgment on selection to almost the same extent as do their counterparts in exempt agencies.

58 In the departments, selection is by special boards working with the Civil Service Commission. In most of the exempt agencies, selection is by standing boards or committees of senior levels of management, which often include first-ranking scientists from industry and universities. For competitive reasons and because of the pressure to fill established positions while they are available, selection standards in departments tend to be lower than in the exempt agencies where the standing selection committees are more independent. Despite the special approach of the Commission to recruiting scientific personnel, procedures in the exempt agencies seem to be more flexible and to give them an edge over departments seeking the same classes of personnel.

59 Close links with university scientists are regarded as a valuable recruiting aid by both departmental and exempt research groups. They provide readier access to knowledge about prospective recruits and a useful medium for attracting under-graduate and post-graduate students to the government research laboratory. The use of university faculty on selection and promotion boards by the exempt agencies makes it somewhat easier for them to establish and maintain desired links.

60 Contact with other scientists has an importance going beyond its recruiting by-products. It is an important stimulus to scientific research. Contacts with scientists in other research units of the government can be as valuable as contacts with those in industry and universities. There is, however, very little transfer of personnel between the scientific research units of the federal government. A

major barrier is, of course, the division of scientific research organizations into two realms: one governed by the terms of the Civil Service Act, the other reasonably autonomous and independent. There is little transfer, however, even among those units under the jurisdiction of the Civil Service Commission, a state of affairs equally true of non-scientific personnel. Proper allocation of responsibility for personnel management to departments and agencies, coupled with the unifying influence of a central personnel policy and coordinating body, both proposed elsewhere in this report, should permit government research to benefit from more planned transfers of scientific personnel.

61 The ratio of support technicians to professional staff is an important aspect of the staffing of scientific research activities. In many areas of federal government research, professional scientists are not adequately supported by technicians and are wastefully spending time and effort on technicians' work. Study of the situation is required to establish the optimum ratio in various research units and programmes.

62 The existing diversity of conditions and of controls under which scientific personnel presently labour in the public service is obviously undesirable. There need not be uniformity in all matters but in its essentials the public service should be a unified public service for scientists, as for personnel generally. The proposals made in this report for personnel management should make a unified public service for scientists feasible while retaining for some, and introducing for others, the desirable degree of independence, flexibility, and responsibility now available only in the exempt agencies.

WOMEN

63 Your Commissioners' staff interviewed women employed in the public service from the most junior to the most senior levels, both

those employed in departments under the Civil Service Act and in exempt agencies and Crown corporations. The education of those interviewed ranged from Grade 8 to university doctorates. The employment of women in the public service was also discussed with male supervisors at the middle and senior management levels.

64 Officially, there is no discrimination between male and female applicants for public service employment. The same application routes, examinations, interviews, and pay scales apply to both. Subtle differences do, however, appear in practice. There is less effort to attract women at the university recruiting level. For a position in an outpost station where accommodation might be limited, or for one involving supervision of male labour, a woman with equal qualifications, experience and examination results will lose out to a male applicant on grounds of "suitability", even though no indication is given in the advertisement that only male applicants will be considered. Similarly, it has happened that women have been rejected for particular positions because of a travel requirement, although this seems rather difficult to justify today.

65 Officially, there is no discrimination against women in the classification and pay systems of the public service. In practice, the pay discrimination against women existing in the private sector tends to be reflected in the public service. The federal government is, for instance, the largest single employer of nurses in Canada. A nurse in the federal service reaches a maximum at Grade 3 of \$4,200 per year. In contrast, a male hospital orderly (who is trained on the job) may reach a maximum of \$4,500, a hospital cook a maximum of \$4,500, a hospital storeman a maximum of \$5,200.

66 Women tend to benefit from fewer training opportunities in the public service than do men of comparable abilities. Relatively few women participate in the Civil Service Commission training courses in office management and supervisory skills. In only a few cases have women participated in the Senior Officers' Training course. In each case, the departments have the onus of nomination and have tended to shy away from nominating women for a number of reasons, including the limited accommodation available.

67 There are few cases of women being appointed to senior levels of management. The evidence is that women with the necessary qualifications, experience and ability do not receive equal consideration with men for such appointments. This is particularly true for positions involving the supervision of men. All of this is reflected in the fact that relatively few women in the public service receive more than \$5,000 per year and only a handful earn more than \$10,000 per year. In a few departments, women have risen to senior levels in professional classes: a leading astronomer, an architect, and a civil engineer being typical examples.

68 The government as an employer has, on the whole, discriminated against women less than have most employers in commerce and industry. On the other hand, it would be to its advantage were it to make more effective use of the talents and qualifications of women because of the wide range of employment opportunities which are suited for women. It should prudently experiment with job assignments, and training and development principles, to end the waste of abilities and qualifications well suited to those intermediate and senior positions for which talent will be increasingly scarce in future.

6

EFFECTIVE PERFORMANCE IN THE PUBLIC SERVICE

HEALTH SUPERVISION AND ABSENCE CONTROL

Accident Prevention

1 Work accidents to government employees have been on a rising scale in recent years, with the accompanying personal suffering, dislocation of work schedules and staff arrangements, and, of course, heavy financial cost to the Treasury.

2 This summary of the state of accidents in departments and agencies taken from the Safety Manual published by the Department of Labour points up the need for a more aggressive programme of accident prevention in the federal public service. Accident prevention is a normal function of operational management, and a good accident prevention programme is an essential part of efficient administration in any organization, industrial or governmental. Yet the federal government has a poor safety record, and apparently no effective management action is being taken to meet this problem.

3 The Employees' Compensation Branch of the Department of Labour publishes a comprehensive annual report of occupational disablements suffered by government employees. The 1960-61 report, like those of earlier years, is a sad catalogue of accidents in the public service. (The report does not include the Armed Forces, Trans-Canada Air Lines, Canadian National Railways, or the Bank of Canada.) Nearly 18,000 compensation cases were settled during the year, although a substantial number of these related to accidents which occurred in earlier years. Some 298,000 days were lost due to accidents, including 102,000 lost-time days due to fatalities and 88,000 lost-time days due to permanent disability.*

4 The types of injury suffered by government employees, as shown below, are like those sustained by any industrial group of employees. Public servants cannot, therefore, be considered for safety purposes as a special population different from employees in the private sector. Statistics presented in the

*Calculated in accordance with the American Standards Association basis of 6,000 lost-time days for each fatality or each permanent total disability, and a proportionate number of lost-time days for each permanent partial disablement.

1960-61 report of the Employees' Compensation Branch reveal the following situation:

<i>Types of Injury</i>	<i>Number of Cases</i>
Bruises, contusions and abrasions.....	6,990
Cuts, lacerations and punctures	3,477
Strains, sprains, twistings and wrenchings.....	2,743
Ear and eye injuries.....	1,520
Scalds and burns.....	511
Fractures.....	510
Crushes.....	211
<i>Causes of Injury</i>	<i>Number of Cases</i>
Struck by objects.....	4,790
Falls and slips on level.....	4,158
Over-extension through lifting or moving.....	1,891
Striking and stepping on objects	1,696
Inhalation, absorption, asphyxiation.....	1,467
Caught in or between objects....	1,091
Falls and slips to other levels....	922
Bites and stings.....	544
Burns.....	309

5 The cost to the government of compensation for accidents during 1960-61 was \$1,199,377. An additional \$817,915 was paid out for claims established in earlier years. The total, \$2,017,292, does not include the federal government's share of provincial compensation costs nor the administration costs of the Employees' Compensation Branch of the Department of Labour. With the addition of costs in these categories, some \$400,000, the direct costs of accidents in the public service of Canada for the fiscal year 1960-61 amounted to approximately \$2,500,000.

6 Approximately one in every thirteen public servants filed a disabling accident claim during the year, as compared with one in every thirty-seven employees in private industry in Ontario. Comparison of the accident frequency rates of government departments and agencies with averages reported by the National Safety Council of the United States for industrial companies in the United States and Canada reflect very clearly the

high incidence of accident time losses in some government departments. Even so, reporting methods favour government departments: government figures include compensation cases only, injured employees returning to work before completing the statutory waiting periods for compensation—two to four days—not being included in the calculation. National Safety Council figures, on the other hand, include all injuries where the employee is not able to report for duty on the following day or next regular shift.

7 Your Commissioners observed that there is no comprehensive safety programme for the public service. Small areas of exception exist where stringent safety regulations are in force, for example, in armament depots. In general, there are few safety officers. Safety assignments are usually part-time functions only and consist of responsibility for completion of compensation claim forms. There is virtually no evidence of continuing active support by senior levels of management or supervision for accident prevention programmes. No common procedure for investigation and review of serious accidents has been established.

8 The Employees' Compensation Branch of the Department of Labour is the only agency in government concerned with the creation of an effective accident prevention programme in the civil service. This Branch employs twenty-one people, including one safety adviser. In addition to maintaining and publishing detailed and comprehensive accident statistics, the Branch also produces a safety manual and numerous booklets on specific aspects of safety. This material appears to have had little impact.

9 Under the Government Employees' Compensation Act, the Minister of Labour: "... may promote and encourage accident prevention activities and safety programmes among persons employed in the Public Service of Canada." The Employees' Com-

pensation Branch endeavours to promote accident prevention but, while some progress appears to have been made, there is considerable room for improvement. The Compensation Branch has determined from records and surveys that eight departments should engage full-time safety officers to implement accident prevention programmes. A comprehensive safety policy has been drafted but the Compensation Act does not authorize the Minister of Labour to require departments and agencies to implement safety activities. The accident statistics of government and the apparent apathy about accident prevention clearly demand a stronger approach and more vigorous action at the earliest possible moment.

Sick Leave

10 For the classified civil service, sick leave policy is described as follows in the Civil Service Regulations issued by the Governor in Council March 27, 1962:

Each government employee, under Civil Service regulations, may be allowed up to 15 days' sick leave yearly, of which seven days uncertified, or so-called "casual leave", may be taken during the year without a medical certificate. A medical certificate must be provided for absences of more than three days' duration, and for absences of any duration if the seven days of uncertified leave have been exhausted . . . Unused sick leave credits are accumulated from year to year during the employee's period of employment.

11 It is a popular policy. Those who have accumulated much sick leave are happy in the security they have built up. Irresponsible employees are happy with the holiday benefit that abuse of the plan makes possible. Many civil servants feel that the present policy protects them from supervisors who might deny justified sick leave.

12 Central control is exercised through the Civil Service Health Service (Certificate Division), located in the Department of National Health and Welfare, which checks all medical certificates for errors of omission, the amount

of leave relative to disability, the application of policy and other pertinent matters of medical follow-up. Before the new Civil Service Act became effective, the Civil Service Commission checked all sick leave granted in excess of one month with pay, and of two months without pay. Further checks on prolonged absences were made by a committee composed of a representative of a department, the Treasury Board, the Commission, and Health Services Division. The regulations allow an employee to borrow on sick leave credits in advance up to a maximum of fifteen days. Regulations under the new Act require the Commission to authorize sick leave in excess of three years only and the policy of relating pre-retirement leave rights to unused sick leave is discontinued.

13 Under separate regulations of the Treasury Board, sick leave entitlement to exempt employees (mainly in the prevailing rate categories) generally accumulates at the rate of one-eighth of the hours worked in a standard working week, and the first day of absence is not paid. Salaried exempt positions, under Treasury Board regulations, usually enjoy sick leave privileges similar to those for the civil service.

14 A medical certificate is required under the sick leave plan for absences of over three days or after seven days of uncertified leave during a calendar year. The frequency of absences of less than three days throughout the civil service is not known because there is no central statistical record of sick leave for these shorter periods. With no supervisory control over short-term sick leave absences and no central statistical records of such absences, the true cost of sick leave for the public service cannot be calculated. Industrial experience makes it evident, however, that short-term absences can be much more costly than longer term absences, in direct payroll costs and through the indirect effects on employee morale and the relationships between employees and supervisors.

15 Sick leave policy and administration in the public service focuses on equity and appears to equate equity with uniformity of treatment. This uniformity is achieved by central regulation and by wholly removing the supervisor from any discretionary influence or any concern with sickness absence. It has the accompanying effect of creating in some sectors of the public service an excessive concern with sick leave entitlement as a right almost independent of need. It runs counter both to practice outside the public service and to the lessons of a substantial body of experience in industry. The latter indicates that, guided by appropriate policy and by the needs of each individual case, responsible supervisors can combine equity with a proper concern for performance. Major payroll savings and marked improvements in morale and efficiency could be achieved in the public service with a wiser approach to sick leave policy.

Health Services

16 Medical and health services for employees are provided by the Civil Service Health Service Division of the Department of National Health and Welfare under authority of the governing Act, which describes as one of the functions of the Minister "the promotion and conservation of the health of civil servants and other government employees." More explicit authority is given by Order in Council P.C. 3686 of May 24, 1945, which directs the Department to provide certain health services, including the following:

- a health counselling and clinical service for attention to emergency illnesses;
- medical guidance and information to all departments of government; and
- assistance generally designed to help the health development of civil servants.

17 Since the first health units were opened in Ottawa in 1947, the basic concept and

policy has not changed materially, although facilities have been enlarged and improved. It is primarily an Ottawa area service, although outside the Ottawa-Hull area some advisory health services, including medical examinations and immunization, are available to departments by referral to the medical divisions of departments such as Veterans Affairs, Health and Welfare, and Citizenship and Immigration. The health unit service available in the Ottawa district serves approximately 37,000 government employees, about one-quarter of the total of salaried employees of departments throughout Canada.

18 The service now covers three broad areas:

- a nursing counsellor service, through twenty-four permanent health units and four part-time units located in various government buildings in the Ottawa area;
- special advisory services to departments of government in all matters relating to health, including advice on health and environmental conditions in government buildings;
- review of medical examination reports in support of applications for employment, sick leave and superannuation.

19 These services are directed from the Health Centre in Ottawa by a chief medical officer and five medical officers. The staff includes one psychiatrist, one psychologist, one supervisor and one assistant supervisor of nursing counsellors, twenty-four nursing-counsellors, one laboratory technician, two x-ray operators and twenty-four non-professional personnel in various administrative and clerical capacities. Special diagnostic facilities are available at the Health Centre, including x-ray and clinical laboratories. The service is primarily diagnostic and consultative, and policy is not to interfere in any way with services normally rendered by medical practitioners in the community. Treatment is restricted to emergency medical and surgical

care of minor conditions to keep employees on the job and reduce absenteeism. Further treatment or investigation of health problems is referred to the appropriate resources in the community.

20 As part of its basic advisory service, the Health Centre arranges for special examinations, including examinations to determine suitability for continued employment and pre-employment medical examinations. It handles the review, processing and interpretation of medical examination reports submitted on personnel proposed for permanent appointment, promotion, re-assignment, or posting to isolated stations or abroad. It reviews and analyzes all medical certificates of disability for sick leave and retirement purposes. It produces and distributes health education pamphlets and posters and, on request of the departments, it investigates working conditions and other matters which might have a bearing on the health of employees.

21 The staff psychiatrist assists departments in handling mental health problems, including those of alcoholics. Health Unit nurses in the departments are counselled by the psychiatrist in methods of handling simple cases on their own. In addition, training programmes for the nurse-counsellors provide for case studies and discussion of immediate problems along with techniques of counselling and interviewing.

22 The staff psychologist offers a companion service to departments. It includes the administration of aptitude and skill tests, employee counselling on work environment and personal problems, and evaluation of employees assigned or proposed for assignment to special positions, isolated regions and overseas posts. Requests for the psychological service may be made by the departmental supervisor or personnel officer, the nurse-counsellor, the employee or the psychiatrist. The case load has been heavy for the limited staff available.

23 The health units in the Ottawa area are small, self-contained clinics with one to four nurses, depending upon the size of the work force served. They are located throughout the area, with one unit for every building housing 600 or more employees. They render first-aid for sickness and accidents and offer health education programmes and counselling services. The quality of the services rendered is reflected in the extensive use made of the units by employees. The staff is experienced, dedicated and enthusiastic. Field supervision through an inspection system appears to be adequate and frequent meetings are held to keep the nurses well informed. Good communication is maintained between the units, enabling the nurses to keep track of problem cases transferred from building to building, or department to department. In some departments there is good liaison with individual supervisors and personnel officers. Two booklets, outlining the nature of the service to employees and the assistance it can provide for supervisors, have been published. The growth of the counselling function of the nurse-counsellors reflects the absence of any similar service from departmental supervisors or personnel divisions in many departments.

24 As part of the investigation of health services for government employees, a special inquiry was made into the problem of alcoholism. An intelligent approach and well-founded programme for dealing with this problem has been developed by the Civil Service Health Service Division, in close cooperation with the Alcoholism Research Foundation, which is sponsored by the Ontario Government and maintains an office in Ottawa. The programme adopted involves active participation by supervisors, the Health Centre, its psychiatrist, and the Foundation. As long as the patient co-operates in the treatment programme no disciplinary action is involved, but when special action is felt to be required, the Foundation or the psychiatrist so recommend.

25 The problem of alcoholism in the public service is difficult, but no more so and no more prevalent than in industry. The policies and programmes adopted by the civil service are excellent, as is the involvement of the Foundation, but some departments are not co-operating fully.

MORALE AND PRODUCTIVITY

26 "Morale", the attitude of employees towards the objectives of an organization and the degree of their willingness to help achieve those objectives, can be maintained at satisfactory levels throughout an organization as large, as dispersed, and as complex as the federal public service only if it receives continuous effort and attention. The inherent difficulties of creating and maintaining good morale in such an organization are compounded in this case by the control systems under which the public service labours—by the control regulations and procedures themselves and by the way in which they remove real responsibility from the places where it should be held.

27 Essential to satisfactory morale is an appreciation and acceptance of objectives by the members of each work group. This understanding must be achieved either by some form of participation in the setting of objectives, a very difficult thing to achieve at most levels in the public service, or by effective communication, a process to which very little thought and effort is given in most parts of the public service. Morale also depends on how the individual views his own efforts or the accomplishments of his work group in relation to the achievement of the objectives of his department. The total size of the federal public service and the size of many of its individual units often make it difficult for the individual to relate his work to the total effort.

28 Understanding of objectives is far more common at the top levels in any organization

than at the bottom, either because of greater participation in setting the objectives or of the easier communication possible among the smaller groups at the top. Morale and productivity tend, therefore, to be related to job status and, at the same time, to be higher in field units, which are smaller and often deal with the public, than in headquarters groups. Departments and agencies whose work brings them into direct contact with the public or industry find it easier to achieve understanding and acceptance of their objectives than others whose purposes are less clearly related to public service.

29 A hindrance in the public service to understanding and acceptance of the organization's objectives is the central control agencies, whose existence is often viewed as an obstacle to achieving departmental objectives. Frequent apparent conflict between departmental objectives and the demands of the control agencies, backed up as they often are by statute, creates confusion as to the real objectives of government. Such confusion inevitably has a negative effect on morale and productivity.

30 No comprehensive attempt has been made by the public service to evaluate either morale or productivity. Individual departments or agencies have shown sporadic interest and have made occasional limited efforts to assess them. The assistance of the Management Analysis Division of the Civil Service Commission has been sought to improve productivity. This Division has, however, been able to reach only about twenty-five per cent of the public service in its fifteen years of existence, and the major part of its work has been on systems and organization. Work measurement and the development of standards have, in general, been only incidental. There is, therefore, no reliable gauge of morale and productivity on a broad scale in the public service.

31 Wide variation in morale and productiv-

ity was observed. The rank and file government employee seems reasonably satisfied with his lot. On a normal day he does not work very hard because, as far as he can see, he is not expected to work hard. On the abnormal day, when there is an emergency, or when for some other reason he can see that more is required of him, he does not hesitate to work harder. Compared to private business and industry, with its greater emphasis on high individual output, the output of many government employees is somewhat low. However, there is little or no evidence to justify the stereotype of the government employee as a "drone" devoted to the preservation of "red tape" and the avoidance of work. When productivity is low it can usually be attributed as much to the system as to the individual.

32 The usual image of the public servant is nowhere more inaccurate than in the case of the more senior departmental officials. They are usually men of considerable ability, often beset by frustrations and hemmed in by regulations. In comparison with their counterparts in the private sector, they are not well paid. They labour as hard as any overworked business executive and display as much initiative in solving problems. However much they may vary in their knowledge of management techniques, or whatever the quantity of paper and time they must devote to satisfying the control agencies, they are, collectively, productive managers.

33 Research scientists in the public service constitute an equally striking exception to the popular stereotype. Research scientists usually enter the public service with strong personal motivation, almost a dedication to the field of scientific research. The nature of their work is such that there is considerable scope for self-direction, and they have less difficulty in identifying objectives either for their own work or for the programmes of the research unit of which they are a part. It is not surprising, therefore, that morale and

productivity among the government's research scientists were found to be, in general, good.

34 Research scientists in the public service do, however, find some frustrations in their work environment and some reasons for dissatisfaction. In some cases, morale is adversely affected by excessive control, either in administration or in the conduct of the research work itself. This tends to be somewhat more common in the research organizations subject to detailed regulation by the central control bodies but is not confined to them. Morale of the research scientist depends on professional recognition, both for the research organization of which he is a member and for himself as an individual. Federal government research institutions do, in general, have a reputation among scientists which meets this need but their professional standing is not uniformly high. Many scientists feel that scientific research does not have the status it deserves within the public service, but this is a complaint which scientists outside the public service often have within their own organizations. More effective publicity for their achievements might prove an adequate answer.

35 At the other limit of the scale there is a veritable army of clerks, maintenance staff and others in the lower echelons of the administrative organization. Here, the clock-watching, pay-and-benefit-oriented viewpoint is more common, just as it is in business and industry. There is no clear understanding and acceptance of organizational goals, nor is there as much incentive to produce as usually exists outside the public service. In some small field units where there is day-to-day contact with the public there does, however, appear to be strong "customer orientation" and a real desire to give service.

36 There is a growing need in the public service for supervisors and managers to be aware of and sensitive to the levels of morale

and of productivity of their employees, both as individuals and as working groups. Standards of performance are important, but not in themselves the full answer. Outside employers have begun to experiment here and there with techniques for measuring employee morale and employee attitudes as guides to effective management action. There is room for similar experimentation in the public service. Quantitative analysis techniques have not yet, however, been developed to the point where they can be substituted for the sensitivity and perception of the skilled supervisor. Competent, well-trained supervisors, working with adequate authority, understanding and policy guidance can make the most important single contribution to the morale and productivity needs of the public service.

37 Social science research into the factors affecting productivity is now under way on a significant scale in the United States and some other countries. Little, however, has been undertaken in Canada, certainly little by comparison with the government's programmes of physical and biological science research. Improved managerial knowledge of the factors which influence employee morale and productivity is of such importance to the public service that it could well afford to undertake its own studies. Long-range research in this area should be a responsibility of the proposed Personnel Division of the Treasury Board.

EMPLOYEE COMMUNICATIONS

38 The problem of employee communications is complicated by the numerical size and geographical spread of employee groups. The Civil Service Commission and the departments are concerned with the need for a formal employee communications system. Administrative communications are carefully channelled through the recognized and respected chains of command; indeed, the Commission and many of the larger departments have branches set up solely to handle the

communication of administrative policies. Uniformity in the application of policy and the implementation of procedures have become almost a fetish, so much so that regulations are prepared to meet almost every situation, not least administrative questions affecting personnel. Efforts to ensure uniformity are, however, a poor substitute for effective employee communication. In fact, they tend to isolate employee groups and to discourage effective service-wide communications. They may formalize and rigidify communications by means of procedures and regulations which discourage departures from the norm. One result is to make communications an impersonal process.

39 An important reflection of inadequate communications is the near absence, except to a limited extent at the most senior levels, of a sense of common objectives for the public service as a whole. There is a widespread tendency among public servants to focus on their own departmental responsibilities without regard for the needs of other departments. This is illustrated both by competitive efforts to acquire scarce personnel and by equally assiduous efforts to unload undesired employees. Lack of appreciation of common objectives is nowhere more evident than in the relations between control agencies and the departments. All too often they smack of a series of bargaining positions between two parties having different objectives and premises.

40 Often the Civil Service Commission, in its role as a central control agency, communicates directly with employees on subjects such as examinations, appointments and appeals. When it does, it completely by-passes the supervisor—an undesirable practice. In one area, classification, it does attempt to communicate through departmental management, but this eminently correct approach fails to be effective because there has been no adequate education of departmental officials in the intricacies of the classification system.

Consequently, employees with questions about reclassification of their positions often cannot get full and proper answers and supervisors, rather than attempt explanations, often shrug them off as the responsibility of the Commission.

41 Employee communication programmes within departments tend to be fragmentary and in no way linked to a co-ordinated common plan for the service as a whole. Such induction programmes as exist tend to be focused on the departmental job, with no attempt to provide perspectives on the work and shape of the whole public service. Proper orientation programmes can be invaluable for both the narrower and the broader purposes. New employees in all departments should receive them, through induction interviews with supervisors or personnel officers, in group meetings, or by some other effective channel.

42 In normal supervisor-employee relations, periodic evaluation of the employee for performance rating purposes, for salary adjustment action, and for appraisal of training and development needs, provides a valuable opportunity for employee communications. This opportunity is not followed up in the public service. Performance by the individual has little relation to the automatic salary adjustments he receives. His supervisor's opinion of such performance is of little importance, and promotion is likely to depend at least as much on his own initiative as on that of his superior. Management development in a planned sense is very rare.

43 While there are serious shortcomings in the employee communications programmes and techniques of the departments, the same criticisms can be directed at many outside managements. Indifference to employee communications' needs and ignorance of methods available for meeting them can be found outside as well as inside the public service. There is, however, one difference which is basic. In most large business organizations, often be-

cause of labour organization pressures, a well-developed programme of employee communications exists and the necessary central co-ordination and leadership are given to such programmes. There is a need to fill this gap in the public service.

GRIEVANCES AND APPEALS

44 The National Joint Council, which brings together departmental management and staff association representatives, is a part of the existing personnel machinery that should provide a medium for effective communication with employees. Today there seems to be little or no formal communication of the subject matter of Council discussions to employees, even in those departments having representatives on the official side of the Council.

45 Effectiveness of supervision, high morale and productivity, and good employee communications are all furthered by a proper method of handling employee grievances. Throughout the public service, insufficient attention has been given to this area and, even where considerable wisdom has been shown, appeal rights' procedures have unhappily complicated the picture.

46 In the new Civil Service Act the word "grievance" is mentioned for the first time. It gives the Civil Service Commission the power to make regulations prescribing the procedure for dealing with grievances. It is not surprising, therefore, that few departments have had a formal grievance procedure. Having no criteria for distinguishing between group and individual grievances, between substantive issues, interpretative issues and plain "beefs", departments and even units of departments have tended to deal with grievances according to their own particular philosophies and circumstances. Often employees, influenced by the role of the Civil Service Commission in appeals, go directly to one of its officers when they feel they have a grievance.

47 Informal grievance machinery has emerged in some departments. Such informal machinery may be set in motion by a complaint lodged orally and be followed by reviews with supervisors, perhaps by review with a standing or *ad hoc* "grievance" committee. Staff association representatives may be involved in these review processes. Finally, if the matter is not settled, a staff association may deal directly with the deputy minister. Some departments introduce six steps or more. Few have less than four. The specific length of time between each step is usually defined. In a few departments, unsettled oral grievances are processed by departmental or local joint councils, and if the employee or staff association is not satisfied, a formal request is made in writing to headquarters to intervene. Where no formal grievance machinery exists, which is the situation in most departments, a degree of uniformity of treatment prevails at headquarters, but not in field units.

48 In departments where formal grievance procedures exist in local units, procedures often become informal when the matter reaches the senior management of the department. Where formal grievance machinery exists, deliberate efforts have been made by management and staff associations alike to streamline the procedure and to develop "grievance" jurisprudence. Employee manuals treat the subject in great detail, indicating the importance of training staff in handling grievances. In such departments, a grievance is considered an opportunity for management to take a positive approach to individual problems and to find adequate solutions.

49 Employee manuals usually state or imply that it is important to prevent the "bottling up" of grievances. To minimize hesitation through fear of supervisory resentment and reprisal, the Northern Affairs and National Resources manual says that: ". . . a complaint made in good faith by an employee should not affect his standing with his

supervisor or reflect on his loyalty to the Department . . . all employees will be assured freedom from interference, coercion, discrimination, and reprisal in filing grievances, providing the proper procedure is secured". In similar vein, the Department of National Defence manual "considers it important that the grievances of its civilian employees be considered expeditiously by responsible officers and that, whenever it is possible to do so, justifiable grievances be resolved at the local level."

50 A major problem, even in departments with formal grievance procedures, is the right of "appeal" to the Civil Service Commission. There is little or no consistency either of machinery or of "jurisprudence" between the "appeal" grievance, which is settled at the level of the Commission, and any other grievance which does not go beyond the level of the deputy head.

51 The Civil Service Act provides for appeals in a wide range of situations, most of which in practice outside the public service would be covered by ordinary grievance procedures. Civil servants may appeal to the Civil Service Commission in cases where they have not been selected for promotion or transfer, whether the selection was made by competition or otherwise. They may appeal against the recommendation of their deputy head that they be demoted or suspended for misconduct or incompetence and, where a complaint has led to an investigation which convinces the deputy head that they should be dismissed, they may also appeal. They may appeal, too, against any decision of the deputy head to withhold a regularly scheduled salary increase.

52 In most such cases, "appeal" is a misleading designation. The deputy head is usually acting only as the agent of the Commission, and what is involved is essentially an administrative review. Only in the case of appeal against the results of a Commission

examination for appointment is decision of the Commission itself actually being appealed. It is not surprising, therefore, that the appeals procedure has every appearance of putting the deputy head and the department in the dock for trial. The procedure usually calls for the department to submit a written defence of its action or proposed action to counter the arguments made by the appellant. Under the provisions of the new Act, the formality is enhanced by permitting the appellant to employ staff associations or other counsel.

53 When an appeal is filed with the Commission, the first requirement is that the Commission satisfy itself that there are reasonable grounds for appeal and that the appellant has followed the procedural rules. Subject to this, and there is usually a liberal interpretation of what constitutes reasonable grounds, the Appeal Division must act, and the Commission almost invariably follows the recommendations of the Appeal Board. Of the large number of appeals filed, only a relatively small number are upheld, thereby suggesting that existing rules fail to restrict the number of frivolous appeals.

54 The existing appeals system has many drawbacks. The delays are notorious and often throw serious obstacles in the way of departmental performance. The threat of appeals and their attendant delays undoubtedly often dilutes managerial decisiveness and results in action which good administrative judgment would reject. Given an adequate grievance procedure, it seems almost certain that the need for any such formal and judicial review process could be limited to a very narrow field.

SERVING THE PUBLIC

55 Many public servants serve the public directly, either in the course of daily performance of their duties or occasionally when some special problem arises. The public is

often critical of the service received. Complaints include allegations of incivility, inefficient and lackadaisical performance, and frustrating and time-consuming procedures.

56 The majority of government employees who meet the public face-to-face in the course of their work are in the lower grades, mailmen, wicket clerks, stenographers, customs and immigration officers, elevator operators, guards, toll collectors, and the like. This is the case in the private sector as well, but most private companies compete for customers while the government does not. Citizens can choose between one private company and another when they buy toothpaste, permanents, or gasoline, but they have no such choice when it comes to making customs returns, collecting unemployment insurance, or mailing a parcel. If the government wishes to serve the public well, it must select employees with care and see to their proper training and indoctrination.

57 There is little evidence that present selection procedures take much account of the special qualifications required by employees who will meet the public. In fact, little or no assessment of personal factors like patience, tact, diplomacy and skill in dealing with people is normally attempted until after an employee has been on the job for some time. There is no established method for interviewing or checking references for such personal qualities or mental alertness. Sending out "No. 65" on an eligible list and hoping for the best scarcely meets this need. Where there is patronage in initial appointments or where seniority is given weight, the difficulty is intensified.

58 The public servant who meets the public in the course of his work is a powerful influence in government public relations. Yet he is seldom trained to fill this role. On average, he is unlikely to pick up either adequate skills or the most appropriate attitudes from experience on the job alone. There are some

exceptions. The Post Office does provide a minor training programme for those seeking to qualify for wicket jobs. It consists mainly of familiarization with forms, stamp auditing procedures and similar matters, and includes something on public relations, chiefly by use of a film. In smaller Post Offices, where no public relations services are available, the Postmaster himself assumes responsibility for giving the matter whatever degree of importance he feels it merits. An applicant for a wicket job may have to remain on an eligible list for a considerable length of time before he is assigned to the job, and yet he receives no further training or refresher course.

59 In the Customs Department there is no equivalent to this modest training course. Customs officers are appointed by the Civil Service Commission and trained on the job by supervisors. If the supervisor does not stress the importance of human relations, lack of courtesy and poor handling of problems by customs officers may well result. The situation is little better in the Immigration Branch of the Department of Citizenship and Immigration. In income tax offices, special problems arise which can be intensified by apparent inattention to the front counters. Lackadaisical or careless attitudes, where encountered, usually stem from boredom, frustration and weak supervision. In the R.C.M.P., good public relations are emphasized by giving special coverage in the recruit

training course, the advanced training course, and the Canadian Police College course. Large and small detachments of the Force reflect this concern for public relations and continuing efforts are made to ensure that those who call for assistance or advice receive courteous and prompt attention.

60 Training should equip the employee to answer routine questions from the public promptly and on the spot. It should make a courteous response automatic, including that most important form of courtesy, speed in providing service. Dealing directly with the public includes also contacts by correspondence, in which speed, courtesy and adequate answers are equally important. The Post Office, for instance, handles written complaints effectively, but many other departments are extremely remiss.

61 The public image of a department reflects in large part the success of its employees in their dealings with the public. Poor public relations affect recruitment, upset internal morale and consequently tend to lower efficiency. The R.C.M.P. appreciates that without co-operation from the public, crime detection and prevention would be almost impossible. Public indifference or hostility would create grave difficulties for the Force. It is scarcely less important for the work of many other departments.

7

COMPENSATION IN THE PUBLIC SERVICE— COMPARISONS WITH OUTSIDE EMPLOYMENT

WAGE AND SALARY LEVEL COMPARISONS POLICY, PRACTICE AND STANDARDS

1 Wage comparisons were made between civil service and outside employment by a detailed analysis of: pay levels and the structure of pay in the public service; outside employment data contained in surveys of the Pay Research Bureau, Department of Labour and published reports of the Dominion Bureau of Statistics; private wage surveys; unpublished records and files; the Royal Commission's surveys and interview material. Most comparisons were founded on data reflecting the pay situation at September, 1960 and the comparisons now reported are almost entirely with respect to rates for jobs classified under the Civil Service Act. Some summary observations about the levels of wages and salaries for prevailing rate jobs, Crown corporation positions, and other exempt categories are made later in this chapter.

2 The task of making appropriate comparisons was difficult because of the complex classification system for the civil service, with its 887 classes and 1,827 grades. In some areas,

precise statistical data available for comparisons were scanty, an example being rates of pay for administrative and executive personnel.

Office Occupations (Clerical, Secretarial, and Related)

3 Rates for almost all office occupations at the recruiting level are at least comparable to outside market rates.

4 Comparisons for senior level office jobs are less reliable, mainly due to the greater difficulties encountered in assessing the duties performed. However, available information indicates that civil service rates lag behind the industrial sector for more senior office positions.

5 A large proportion of the civil servants in office classifications is employed in Ottawa and in fifteen other metropolitan areas. Because civil service rates compare favourably, in the main, with industry rates in these cities, civil servants in smaller centres are paid rates in excess of those prevail-

ing in such generally lower wage areas. This premium is partly offset by the higher quality of person the civil service is able to recruit in many smaller areas.

Service and Maintenance Occupations

6 Civil service wage rates for craftsmen, trades, and for service and related jobs are less favourable than those in private industry. The nation-wide rate scale for these employees in the civil service is below average community rates in large centres, but is equal to or better than those prevailing in small communities. (Note—more than sixty per cent of employees classified in these categories work in centres with populations of less than 100,000 as against only about one-quarter of the office employees.)

7 Although the civil service rates for some service occupations (e.g., cleaning services) are well below private industry rates, they are in line with rates paid by service organizations and public institutions, normally the important employers for these and similar occupations.

Postal, Customs, and Immigration Occupations

8 Many of the postal, customs, and immigration occupations (a single group, constituting better than 20% of all employees under the Civil Service Act) have no direct counterparts in industry.

9 Indirect comparisons by the Pay Research Bureau (e.g., letter carrier vs. delivery truck driver and meter reader; customs excise officer vs. police constable) suggest that civil service rates for junior occupations approximate outside employment pay levels.

10 Although indirect comparisons such as these suggest that for senior positions in this group (e.g. higher grades of customs officers) rates of pay in the civil service are lower than

outside rates, several factors favour the civil service jobs. For example, policemen in some communities work in excess of the forty hours per week which is standard for the civil servant; and customs officers and immigration officers are often recruited and employed in small population centres where average incomes are relatively low.

11 Over forty per cent of all employees in occupations peculiar to the postal, customs and immigration services are located in centres with populations of less than 100,000. As a consequence, although rates for these occupations cause some difficulty in recruiting and retaining staff in the larger, higher wage areas, most of the wage rates for these occupations are in line with or better than rates for similar occupations in smaller communities.

Technical (Sub-Professional) Occupations

12 Because of the “catch-all” character of the classes and grades in which many of the technical employees in the civil service are classified, information for making wage comparisons is very sketchy. As an example, the Technical Officer class, originally set up to deal with sub-professional occupations of a technical nature, now encompasses a wide variety of occupations, including some of a professional and some of a clerical nature. Many of these appear to be improperly classified. These groups should be appropriately reclassified and the technical classes properly reorganized because a strong future demand for employees in the technical classes is assured.

Professional Occupations

13 There is far less regional variation in professional salaries than in wage and salary levels for office and for non-office service and maintenance jobs. The market and the salary level tend to be country-wide.

14 For professionals such as engineers and, to a lesser extent, geologists, scientists, economists and statisticians, active competition from industry for personnel tends to set salary levels. The federal government has extensive needs in these areas and has had to ensure that civil service rates are competitive in order to recruit and retain suitable employees.

15 Demand in the outside market for a large group of professionals comes mainly from institutions which traditionally offer somewhat depressed salaries. Included are occupations such as librarians, social workers and dieticians. Here the tendency is for the government to be a wage leader, partly to assure itself of an adequate supply of such personnel and also to maintain proper relativity between their pay rates and those for other professions employed in the civil service.

16 For a third group of professionals, the outside market is either non-existent or so small as to be dominated by federal government employment. Certain agricultural science occupations fall into this group. There is some tendency for civil service rates for these professional occupations to lag relative to other occupations. This is reflected less in starting rates than in the relative speed of salary advancement on the job.

17 **PROFESSIONS IN STRONG MARKET DEMAND.** For these, civil service rates at recruiting levels are as good as or slightly better than private industry rates. This ensures an adequate number of recruits but fails to provide, as industry does, the pay flexibility required to obtain recruits of exceptional talent. The majority of professionals in the civil service advance to the "working level" jobs (usually grade 3) but many may remain there for the balance of their careers. It is at this level that government wage rates compare least favourably with the industrial average, being usually below those in the private sector by three to

six per cent for most occupations. Advancement to the supervisory and senior levels in the professional classes is limited to a few, with rates approximating industry averages. The system lacks elasticity to assure retention of the better-than-average professional. At the most senior levels, government rates fall below the competitive average, (e.g., engineers and economists), thus making it more difficult for the civil service to retain outstanding professionals.

18 Competition from universities and from private industry tends to limit the number of better employees available to the federal government. Increasingly, the competition from other levels of government will also be felt. In a few cases, municipal governments already offer higher pay for some professional posts than does the federal government. Moreover, senior professionals in the public service may seek administrative posts to get better salaries, thus further draining top talent from the professional groups in the civil service. An additional point of interest is that a smaller proportion of civil service engineers reach the most senior level (Engineer 7) than is the case in outside industry. Only twenty-one or 1.8% of the total civil service engineers in grades 1 to 7 inclusive are in the grade 7 level, compared to 2.4% in industry as indicated by the Pay Research Bureau survey, or 3.7% as reported by the Professional Engineers Association.

19 In summary, while civil servants in these professions are paid at rates equal to or slightly better than the average in industry at the beginning or recruiting levels, they tend to fall behind their counterparts in industry as they advance up the professional work ladder.

20 **PROFESSIONS IN WEAK MARKET DEMAND.** In these, civil service rates at recruiting level are sometimes well above the outside market rate for many professional occupations (e.g., social workers). However, pay rates for pro-

professionals at the supervisory or the "working" level are considerably below those paid outside, although required formal academic training and qualifications may be similar. The government has taken some lead in establishing higher rates for these classes, but there is a limit beyond which it cannot go without upsetting market rates important to some public institutions which must compete with the federal government for staff. On the other hand, the long-run supply of competent personnel in these occupations will become limited if pay rates are not attractive and career earnings, prospects do not reasonably compare with those for professions in more active demand.

21 **PROFESSIONS WITH LITTLE MARKET DEMAND.** Civil service pay ranges for these professions, from the recruiting level through to working levels, are the same as those for civil service jobs in professions which are in strong market demand.

22 Although pay ranges compare favourably, the average civil servant in these occupations does not reach his career earnings, potential as rapidly as those in the professions which are in strong market demand. For example, maturity curves (showing mean rates by year of bachelor graduation) indicate that forestry officers and research officers (Agriculture) in the civil service earn less money than their counterparts in engineering classes.

23 It is of importance that career earnings in these professions should compare favourably with others in strong market demand in order that the government may have an adequate long-run supply of such personnel, many of whom are vital to the nation's productivity.

Administrative Occupations

24 Wage comparisons for these occupations must be established with some reservation

because the present classification system makes difficult the selection of key jobs for comparative purposes and because outside survey data are limited. Up to the level of \$12,500 annually, civil service rates of pay for administrative jobs appear to be roughly in line with industry rates. The marked compression between salary ranges above \$12,500 in the public service leaves no doubt that most senior administrative occupations are paid at rates well below those in industry.

25 Income tax statistics for the 1958 tax year point up the disparities between senior civil servants' salaries as compared to their counterparts in private industry:

<i>Income Group</i>	<i>Per cent of Total Employees in Income Group</i>	
	<i>Taxable Federal Employees</i>	<i>Taxable Employees of Business</i>
	<i>(\$000)</i>	<i>%</i>
10-14.9.....	0.7	1.2
15-19.9.....	0.1	0.4
20-24.9.....	0.03	0.1
25+.....	0.02	0.2
Total—Over \$10,000	0.85%	1.9%

General Observations

26 Wage and salary rates for the lower grade positions in the civil service are in general equal to, or better than, those for comparable jobs in private industry. Some disparities appear in salary rates for jobs above these levels, most markedly in senior administrative and professional posts, where the government is at a marked monetary disadvantage in competition with private industry.

- Rates for each civil service occupational class are in general competitive with the private sector at the recruiting level and

usually continue to be up to the "working" level. In a number of areas, however, civil service rates above the "working" level tend to lag behind the industrial sector.

- Over the past decade wage increases for civil servants have paralleled those in the private sector, although adjustments have lagged about two years behind those in industry.
 - Between 1939 and 1951, on the other hand, wage increases in the civil service were smaller than those in the private sector. Two factors had an important bearing on this picture: (a) with the increase during this period in the social and economic status of the non-office wage earner, it was inevitable that the civil service, as a predominantly white-collar group, should undergo a decline in relative economic position; (b) civil servants entered the war period in a relatively well-paid position because their wage and salary levels were not reduced during the depression to the same extent as those in the private sector. It is only in the last decade that increases comparable to those in the private sector have been necessary to retain parity with the outside market.
 - Flexibility in their compensation policies and better methods of salary administration place outside employers in a better position than the civil service to attract and retain the better-than-average employee.
 - The civil service follows a policy of uniform, country-wide rates for each job but sizeable geographic rate differentials are found in private industry, particularly in clerical and non-office wage jobs. Because of the use of a standard or national pay policy, a substantial number of civil servants (the proportion varies from one classification to another) are paid in excess of their counterparts in the same community. The reverse applies for employees in a few classifications in high wage localities. Lack-
- ing flexibility to adjust to local pay levels, the civil service has in many cases pay rates which are above community rates in some centres, below community rates in others.
- As a result, on one hand, of a fairly rigid ceiling at the top (perhaps, influenced by the level of ministers' salaries) and, on the other, upward adjustments in pay levels at the bottom forced by recruiting competition, there has been a serious narrowing of the salary differential between senior civil servants and those in the middle and lower ranks. Differentials in the private sector have been increasing, thereby accentuating this compression problem.
 - Government salaries tend to be more stable than those in private industry, although stability has been growing in the private sector in recent years, thus gradually eliminating an attraction the public service once had.
 - Although in Crown corporations senior executive salaries tend to be somewhat higher, there are few serious pay disparities between civil servants and their counterparts in the corporations. Greater flexibility in rate setting and salary administration does provide the exempt agencies with certain advantages in securing and retaining above-average personnel.
 - Because "prevailing rate" employees are paid on the basis of going rates in the communities in which they work, while civil servants are paid at uniform, countrywide rates, there are often pay discrepancies between public servants doing comparable work in the same areas.

EMPLOYEE BENEFITS: COMPARISONS WITH OUTSIDE EMPLOYMENT

27 Benefit plans for the public service are, in general, more favourable to government employees than those found in most private industries. Two facts, however, have to be kept in mind. First, the private sector of the

economy has generally been narrowing the gap during the last two decades. Second, some large employers now offer a benefit package almost as good as that offered in the public service, and a few provide some benefits that are more attractive.

28 The biggest attraction of the public service plans is the provision for pensions. In fact, the superannuation plan of the civil service is so generous as to be an obstacle in the way of desirable changes in the total benefits package. The emphasis upon pensions is so disproportionate as to raise questions about the suitability of the total benefits package to the needs of some employee groups— younger employees with dependents for instance.

29 Public service employee benefits are more attractive than those of private industry in two other important respects. Security of tenure is generally better in government service than elsewhere. However, particularly for technical, professional and other types of manpower in strong market demand, this advantage has been greatly reduced as industry has come to offer comparable security to such personnel. Leave entitlement of various kinds in the public service is also generally more generous than that usually found in private employment. In other benefits and in working conditions, the public service and private industry tend to balance out.

30 Apart from some differences between the civil service and various exempt groups, employee benefits in the public service are generally identical for all levels of personnel. In the private sector of the economy, it is fairly common to find considerable differentiation between the benefits offered to senior level personnel and all other employees. The result is that the over-all benefits for non-

office wage earners and clerical personnel in the public service tend to be more generous than those for similar groups in industry. On the other hand, benefits provided for senior level professional and administrative public servants do not match those available to senior personnel in industry.

31 The extent to which important employee benefits programmes for the public service go beyond those in outside employment seems to be due to the lack of any over-all concept of total remuneration (wages plus employee benefits) as a guide to the development of an employee benefit policy for the public service. It owes something too, no doubt, to the absence of proper costing of public service benefits plans and to the neglect of such costing as an element in benefits policy decisions.

32 Employee benefits plans in the public service are so complicated that many public servants, as well as potential recruits, fail to recognize their value. No adequately effective means exist for informing public service employees of the nature and value of these benefits.

*Civil Service and Industry**

33 LEAVE PROVISIONS:

(a) *Statutory Holidays*. The ten statutory holidays granted to civil servants represent an advantage over industry where the great majority of employees are granted eight or nine statutory holidays.

(b) *Annual Leave (Vacations)*. The civil service entitlement of three weeks (fifteen working days) from the start of employment differs from the general industrial practice of granting leave graduated with length of service (one or two weeks after one year of service, rising to three weeks' vacation after from five

*Material for this section is based on an employee benefit survey of the Pay Research Bureau and other published and unpublished data. The description of the provisions for the public service incorporates the changes made by the new regulations issued in conjunction with the revised Civil Service Act of 1961.

to fifteen years of service and, in a few cases, to four weeks' vacation after twenty or twenty-five years of service). The civil servant receives more vacation during the first years of employment but the total leave granted over the entire career is now in line with industrial practice.

The recent provision of an additional week of annual vacation after twenty or twenty-five years of service replaces *furlough* leave which allowed twenty-five (working) days off in one continuous period after twenty years' service.

(c) *Sick Leave*. Sick leave in the civil service accumulates at the same rate as annual leave, that is, one and one-quarter days for each month (fifteen working days per year) but leave commences with the first month of employment rather than the seventh month. Sick leave credits may be carried over from year to year with no limit to the amount which may be accumulated.

In industry, protection against the loss of earnings due to illness is in the form of paid sick leave, sickness indemnity plans or, in the case of some office workers, a combination of sickness indemnity and paid sick leave. Civil servants are more favourably treated than most office employees in industry. Civil servants are much more favourably treated than most non-office employees outside the public service who are covered by sickness indemnity plans.

While a majority of outside office employees are covered by sick leave plans, the civil servant plan has several features which make it distinctly more generous than the normal pattern. The formal spelling out of rights, the absence of a waiting period, and the unlimited accumulation of unused sick leave make the plan decidedly more liberal. This advantage is less apparent over brief periods of service, since informal provisions for granting short periods of sick leave are fairly common in industry. The provision that sick leave is with full pay goes beyond what is available to large numbers of office employees in in-

dustry, who are granted part of their sick leave at less than full pay.

Industry plans for non-office employees commonly provide fifty to seventy-five per cent of earnings after a waiting period, with maximum periods for coverage considerably less than the maximum sick leave credits available to civil servants when accumulations are added. Here again civil servants are much more favourably treated.

(d) *Retiring Leave*. When civil servants leave the service for any reason other than dismissal, resignation or abandonment of position they may be granted retiring leave provided they have been employed for not less than four years. The period of retiring leave is equal to one week for each year of service, to a maximum of 26 weeks. Employees who retire on pension may request a gratuity in lieu of retiring leave. The gratuity is equal to the difference between the weekly rate of pay on retirement and the amount of the pension for the number of weeks of retiring leave to which they are entitled. Employees who resign after four years of service may receive a gratuity equal to one-half week's pay for each year of service, to a maximum of thirteen weeks' pay. This gratuity could be regarded as a form of severance pay to the extent that it is granted on separation for reasons other than retirement.

These retirement leave provisions give civil servants a benefit which goes well beyond normal practice in the private sector. Formal severance pay or retirement leave plans providing up to six months' pay are rare in industry, although they are increasing. Non-office employees in industry, where they receive severance pay, usually receive cash in amounts smaller than the value of civil service retiring leave. Retiring leave in the civil service, for employees who retire because of age or ill health, has almost no counterpart in industrial severance pay plans.

(e) *Furlough or Long Service Leave*. For some, who had earned the privilege prior to the coming into force of the new regulations,

twenty-five days of furlough leave can still be granted, but this privilege will disappear as older employees take up their options or retire.

Furlough leave, as such, is rarely encountered in industry. Graduated vacations provided for a fourth week of vacation after a specified period of service, usually twenty or twenty-five years, are now becoming more common in industry. If furlough leave is regarded as a component of the vacation plan, the effect in total is to give some advantage to civil servants over long periods of service. If furlough leave is regarded as a form of recognition for long service, rather than as a component of the vacation plan, it represents a decided advantage for civil servants. The small number of employees in industry who are granted comparable long service leave, according to a formal plan, usually become eligible only after twenty-five years' service.

(f) *Special (i.e. Personal) Leave.* As the term implies, this form of leave is for special purposes, such as death or illness in the immediate family, quarantine, marriage, and the like. Civil servants accumulate a half day special leave credit for each month of continuous employment. Unused special leave credits may be carried over from year to year, up to a maximum accumulation of twenty-five days. Although an employee may have acquired the maximum credits, special leave as a rule is granted only for short periods. Court leave (jury duty and witness) is granted with pay but is not a charge to special leave.

It is difficult to assess the relative position of civil servants and office employees in industry in terms of paid leave granted for personal reasons. The provision of special leave in accordance with a formal plan and the accumulation of special leave credits are not common in industry. Office employees in industry are often granted leave for personal reasons on either a formal or an informal

basis, but this practice is much less common for non-office employees in industry.

Leave is commonly granted in the event of death in the family and for jury duty for both office and non-office employees in the private sector. Such leave is granted with pay, on a formal or informal basis, to a majority of office employees but not commonly for non-office employees. Paid leave in the event of marriage is granted to a majority of office employees in industry, often on an informal basis, but rarely to non-office employees.

(g) *Educational Leave.* The provisions for educational leave which were a part of the old regulations have not been carried forward into the newly revised regulations. Under the old arrangements educational leave was granted, provided that satisfactory arrangements could be made for the continuance of an employee's work during his absence. Frequently, leave for educational purposes was granted on the basis of leave without pay, but, in certain cases, leave with pay was granted to take a short course which would definitely increase the employee's usefulness to his department. Leave with half pay was granted to assist an employee to do post-graduate work of special interest to his department. All requests for educational leave had to be recommended by the deputy minister of the department concerned and reviewed by the Civil Service Commission.*

Outside practice on educational leave is usually not formally spelled out but it would appear that the public service is on balance more liberal.

(h) *Accident or "Duty" Leave.* Civil servants injured in the performance of their duties through no fault or negligence of their own may be granted leave of absence with pay without deduction from sick leave credits, provided that satisfactory medical evidence is furnished. Injury or duty leave has the effect of insuring that classified civil servants receive full salary rather than the percentage

*The new regulations provide only for educational leave without pay, granted at the discretion of the deputy minister.

of earnings up to specified limits provided by Provincial Workmen's Compensation Acts. These provisions are more generous than normal industrial practice.

The compensation for medical treatment received by an employee and the pension or other payment provided to his dependant in the event of his death is determined by the provision of the Workmen's Compensation Act of the province in which he is usually employed.

(i) *Maternity Leave.* Maternity leave rules in industry and the employee's eligibility for re-employment are comparable to existing civil service practice. Maternity leave without pay is granted by about one-half of industrial employers, often on an informal basis.

34 INSURANCE PROVISIONS:

(a) *Supplementary Death Benefit (Group Life Insurance).* The Public Service Superannuation Act provides a supplementary death benefit which can best be compared with the group life insurance plans which are common in industry. The Act provides for death benefits based on salary up to a maximum of \$5,000. Employees pay 10 cents a month for every \$250 of coverage. After employees reach the age of sixty, benefits decline by ten per cent each year and at age seventy (unless still employed in the public service) employees are no longer insured under the plan (except for a basic benefit of \$500 under certain circumstances).

This equivalent of group life insurance for civil servants is in keeping with industrial practice, but the amount of the employer contribution in industry is normally at least fifty per cent whereas the government's share of the cost is considerably smaller. Formulae for establishing maximum individual coverage vary widely in industry but many office employees participate in plans providing coverage at least equal to their annual earnings. Post-retirement coverage and total and per-

manent disability are provided for in many industrial group life insurance plans. On balance, the supplementary death benefit for civil servants is less favourable than equivalent group life insurance plans commonly available in industry.

The supplementary death benefits in the public service should, however, be viewed together with the survivorship provision in the Public Service Superannuation Act. If an employee covered by this Act dies, either before or after retirement, his widow receives fifty per cent of the employee's pension entitlement at the time of death. The survivorship benefit is further increased for each dependent child to a maximum of ninety per cent of the employee's pension entitlement at the time of death. Survivorship benefits are also paid to orphaned children. These provisions go far beyond anything normally available to employees outside the public service.

(b) *Hospital Insurance.* Civil servants are in the same position as a great majority of employees in industry who are required to pay premiums for provincial basic hospital insurance plans. The position of civil servants is less favourable than about one-half of employees in industry who are covered by supplementary hospital insurance plans under which the employer contributes at least one-half of the cost of premiums.

(c) *Group Surgical-Medical Insurance.* The position of civil servants is comparable to a great majority of employees in industry who are eligible to participate in group surgical-medical insurance plans covering themselves and their dependants. Under these plans the employer contributes at least one-half of the cost of premiums. The major medical expense provision in the public service plan is comparable to those commonly found in industry.

35 PENSION PLAN. The pension plan for the public service represents a substantial advantage in relation to the plans available to employees in industry. While most employees

in medium and large firms are covered by pension plans, the Public Service Superannuation Act provides a number of advantages:

- Participation is automatic, whereas eligibility provisions in many industrial plans specify age or length of service.
- After an employee has made contributions for thirty-five years he ceases to make payments into the plan, whereas almost all industrial plans require contributions up to the date of retirement.
- The pension formula provides two per cent of earnings for each year of service whereas a majority of industrial unit benefit plans have a less generous benefit formula. The earnings' base under the public service plan is the employee's earnings averaged over the best six years of service, thus yielding much higher pensions than would the same percentage of average career earnings. Few employees in industry have pensions calculated against the best years of average earnings. The earnings' base period under the Superannuation Act was changed recently from the "best 10 years" to the "best 6 years", a distinct sweetening of the pension plan, with an accompanying increase in its cost to the government.
- Survivors' benefits under the public service plan are significantly more generous than the great majority of industrial plans. On the death of the husband, the wife receives 50% of the husband's pension plus 10% for each child up to a maximum of 90% of the pension. The pension ceases if she remarries, but is restored should she again become a widow.
- The provision under the public service plan for immediate annuities, without discount for age, in the event of disability, is significantly more generous than those found in most industrial plans.
- There is full vesting of pension rights after five years' service, accrued rights being granted in the form of deferred annuities

36 The rate of employee contribution (6½% of earnings for men and 5% for women) under the public service plan is significantly higher than the most common rate, 5% of earnings, found in industrial plans. This is offset, however, by the provision for cessation of contributions after thirty-five years of contributory service. From the standpoint of the employer, the government, this is an extremely costly pension plan. Its costs and actuarial aspects are reviewed in another report of your Commissioners.

37 WORKING CONDITIONS AND OTHER BENEFITS:

(a) *Hours of Work.* The standard work week in the civil service for administrative, professional, technical and clerical employees is a five-day, 37½ hour week. Clerical staff in departments employing service and maintenance personnel also work a five-day, 37½ hour week. Service and maintenance employees, hospital staff and operating employees in the postal, customs and immigration services, work a five-day, 40-hour week. A limited number of employees—fire fighters and lightkeepers—work more than 40 hours per week. Some employees in customs, immigration and other services may be required to work hours which do not conform to the five-day, 40-hour week.

Civil service hours of work are in line with majority practice in commerce and industry. For example, in Canadian manufacturing, 70% of office employees are on a 37½ hour week while 70% of plant workers are on a 40-hour week.

(b) *Overtime Compensation.* The civil service practice of compensating office employees for overtime work by time off (on a straight-time basis) does not parallel industry practice for the majority of office employees, for whom overtime compensation is in cash at rates equal to one or one and one-half times the normal rate. On the other hand, overtime compensation for operating employees in the civil service is in line with industrial practice.

Meal allowances are not paid in the public service. No time or other travel allowances are paid to public servants required to work overtime. Such allowances are frequently provided for in the private sector.

(c) *Paid Rest Periods ("Coffee Breaks")*. The civil service position on this matter is difficult to assess since there is no formal policy and practices consequently vary between departments and units within departments. Nevertheless, the informal method of granting paid rest periods (coffee breaks) to civil servants appears to be roughly comparable to the practices affecting about one-half of office employees in industry. Non-office employees in industry are granted paid rest periods on a more formal basis.

The practice in some parts of the civil service is for employees to go to cafeterias for coffee breaks. Such arrangements are as open to abuse and as difficult to control in industry as in the public service. With many large outside employers an increasingly common practice is to bring coffee to the desks of employees by means of carts. If introduced in government offices, the practice should bring substantial reduction in time lost.

(d) *Unemployment Insurance*. Classified civil servants who earn more than \$5,460 per annum do not contribute to the Unemployment Insurance Fund. After two years of service, contributions cease for any employee if the department certifies that he is expected to be employed for an indefinite period.

(e) *Workmen's Compensation*. Provincial laws governing payment of compensation to persons who are killed or injured or who contract an industrial disease in the course of their duties do not apply to employees of the Government of Canada. However, the Government Employees' Compensation Act provides similar compensation, and on the scale provided for by the Workmen's Compensation Act of the province in which the employee is usually employed.

(f) *Pay Supplements: Shift Differentials*. As a general rule, shift differentials are not paid in the civil service. There are, however, two exceptions to this rule. Employees of the Post Office Department who are required to work on either the evening or night shifts are paid a shift differential at the rate of 15 cents per hour for each night hour worked. A number of employees of the Department of Public Printing and Stationery, who work in conjunction with prevailing rate staff in the printing trades, also receive a shift differential if they work on the regular night shift. The shift differential is 32 cents per hour, equal to the shift differential established for the prevailing rate printers.

Incentive Pay. The class of Senior Transcriber in the civil service represents a form of incentive pay in the stenographic-typing field. Stenographers, typists and machine transcribers (mainly in pools) are paid a single premium rate on reaching and maintaining, for a designated period, productivity standards established for the three grades of senior transcriber. These standards are based on a line-count system.

(g) *Allowances*. In a number of circumstances, allowances related to the duties of their positions are paid to classified civil servants as compensation for work done beyond their normal duties. As such, they are part of the pay structure and not properly considered as employee benefits.

Isolated post allowances of different kinds are paid to employees to compensate for the undesirable social and economic aspects of living in isolated centres. Foreign service officers on overseas assignment are eligible for a variety of special allowances, of which the most important are the basic foreign service allowances and the representation allowance. These vary with rank, marital status, and the post. Administration officers posted abroad have not received representation allowances and there has been some dissatisfaction about the disparity between the two groups.

(h) *Miscellaneous Benefits and Working Conditions.* There are a number of miscellaneous benefits and working conditions in the civil service which have less general application than most of those outlined above:

- Flying accidents compensation.
- Leave for external training (seminars, workshops, etc.), reserve forces training, civil defence training, and attendance at scientific or professional conventions.
- Allowances in special circumstances to cover excessive transportation costs involved in getting to work.
- Comprehensive Civil Service Health Service provided to civil servants in Ottawa. A number of private companies provide more comprehensive periodic medical examinations than are available through this Health Service.
- Provision of uniforms to employees if identification by this means is necessary or desirable from the point of view of work to be performed, (e.g. Post Office, Customs and Immigration Departments).
- Memberships in associations where necessary to carry out the employee's duties or if to the department's advantage to be represented in an association.
- Some subsidization of food services in cafeterias in government buildings and in other eating facilities—although not to the same extent as in some large financial and commercial institutions.
- Travel expenses. These are more restricted and much more detailed and costly in terms of "red tape" than in the private sector.

(i) *Comparative Disadvantage for Certain Senior Officials Regarding Special Benefits.* No differentiation is made between the benefits offered senior-level professional and administrative officials and those for all other civil servants. By contrast, many private companies do provide additional and more gener-

ous benefits for their senior officials. Consequently, benefit programmes for senior-level civil servants compare unfavourably in several important respects with those available to top management in many companies.

In the private sector, senior personnel are frequently entitled to life insurance coverage equivalent to two or three times their salaries; expense allowances and expense reimbursements are less restricted. There are also certain benefits widely available to industrial executives which are completely unavailable to government officials. These include:

- Periodic health examinations.
- Bonuses, stock ownership and savings plans.
- After-tax compensation—e.g., deferred profit-sharing or retirement plans.
- Wide variety of special insurance benefits which have been developed as supplements to executive compensation.
- Perquisites not considered income in the tax sense.
- Opportunities for deriving income from other activities.

Civil Service and Exempt Agencies – Benefits Comparisons

38 A number of civil service benefit plans, but not all, apply also to most Crown corporations and other exempt agencies. The Public Service Superannuation Act (including the death benefit plan), the surgical-medical insurance plan, and the Government Employees' Compensation Act are formal benefit plans applying to a number of public agencies, boards and corporations as well as to the civil service. The usual practice is to exclude from coverage under these plans employees of the publicly-owned industrial corporations such as Polymer Corporation Limited, Canadian National Railways, and Trans-Canada Air Lines. Some of the more

important exclusions from coverage in the plans mentioned above are the following:

Major Exclusions from Public Superannuation Act

Central Mortgage and Housing Corporation
Eldorado Mining and Refining Limited
Bank of Canada
Canadian Broadcasting Corporation
Polymer Corporation Limited
Canadian National Railways
Trans-Canada Air Lines

Major Exclusions from Death Benefit Plan

Canadian Arsenals Limited
Canadian Broadcasting Corporation
Canadian Overseas Telecommunication Corporation
Cornwall International Bridge Co., Ltd.
Crown Assets Disposal Corporation
Defence Construction (1951) Limited
Eldorado Mining and Refining Limited
Eldorado Aviation Limited
Northern Transportation Company Limited
Polymer Corporation Limited
St. Lawrence Seaway Authority

Major Exclusions from Group Surgical-Medical Insurance Plan

Central Mortgage and Housing Corporation
Eldorado Mining and Refining Limited
St. Lawrence Seaway Authority
Atomic Energy of Canada Limited
Bank of Canada
Canadian Arsenals Limited
Canadian Broadcasting Corporation
Polymer Corporation Limited
Canadian National Railways
Trans-Canada Air Lines

Major Exclusions from Government Employees' Compensation Act

Bank of Canada
Trans-Canada Air Lines
Canadian National Railways

(NOTE: Polymer is covered by this Act)

39 A number of the groups mentioned above as excluded from the plans in question do, however, follow voluntarily the main provisions of these benefit plans. In other benefit areas, many of the public agencies, boards and corporations closely follow civil service

practice. As in the wage area, the main advantage which the exempt agencies have is a freedom to adjust benefits and conditions to meet market pressures or other special conditions and needs.

Benefits for Prevailing Rate Employees

40 Employee benefits for prevailing rate employees are somewhat less generous than those for civil servants. However, they are as good as or better than those provided for non-office employees in private industry.

41 The main differences between benefits for civil servants and those for prevailing rate employees are listed below:

Leave Provisions. Prevailing rate employees are granted annual leave on a graduated scale that provides five days per year up to two years' service, ten days per year for two to fourteen years' service, and fifteen days per year for fifteen years' service and over. Civil servants receive three weeks (15 working days) leave from the first full year of employment.

Nine public holidays with pay are authorized for prevailing rate employees as compared to ten for civil servants.

The rate of accumulation of sick leave credits is $7\frac{1}{2}$ days per year for prevailing rate employees as against 15 days per year for civil servants. Prevailing Rate Employees General Regulations also prohibit pay for the first day of absence due to illness, whereas there is no waiting period under the civil service plan.

While special leave with pay may be granted at the discretion of the deputy minister for a number of designated personal reasons, prevailing rate employees do not accumulate special leave credits as do civil servants.

Furlough leave, retiring leave, and gratuities in lieu of retiring leave are not provided for prevailing rate employees. Nor is there general provision for granting leave with pay to prevailing rate employees injured on duty.

Compensation for loss of earnings is limited to the provisions of the applicable Workmen's Compensation Act. The government does not make up any part of the difference between the Workmen's Compensation Act and the employee's normal wages. Sick leave may not be granted to a prevailing rate employee eligible for indemnity under Workmen's Compensation.

Insurance Provisions. Prevailing rate employees are required to participate in the supplementary death benefit plan if, after two years of service, they have been designated as contributors to the Superannuation Plan.

When a prevailing rate employee who is not a contributor to the supplementary death benefit plan dies, after two or more years' service, his widow may be paid a gratuity equal to two months' wages.

The group surgical-medical insurance plan for the public service is available to prevailing rate employees and their dependants on terms identical to those for civil servants.

Pension Plan. Prevailing rate employees become eligible for pension coverage and other benefits under the Public Service Superannuation Act once they have been designated as contributors. Whereas civil servants become contributors and are covered automatically on appointment or after not more than a year of service, prevailing rate employees have no guarantee of being designated, regardless of service. They may be designated as contributors after two years of service (or a total period of 24 months in successive calendar years) if the employing department recommends it to the Governor in Council following review of attendance records, performance, and other factors. An estimated fifty-five percent of prevailing rate employees have been designated as contributors.

Working Conditions and Other Benefits. The hours of work for the majority of full-time prevailing rate employees are 40 hours for a 5-day week, with Saturdays and Sundays as the usual days of rest (without pay).

Prevailing rate employees may be compensated for overtime by compensatory leave or cash payment. The usual practice is to pay for overtime work. For each completed 15-minute period of time worked in excess of normal daily working hours, payment is made at one and one-half times the normal rate. If compensatory leave is granted, it is also at the rate of one and one-half times the amount of overtime worked. There are also special provisions for work done on statutory holidays and on an employee's normal day of rest.

There is no formal policy governing the granting of paid rest periods or "coffee breaks". The practice varies from one department to another and with the nature of the work. Prevailing rate employees tend to be granted rest periods to a lesser extent than are civil servants, partly because many prevailing rate employees work outside shops or offices.

Prevailing rate employees are required to contribute to the Unemployment Insurance Fund, unless they have two years' service and the employing department certifies that they are expected to be employed for an indefinite period. Prevailing rate employees earning more than \$5,460 per annum are required to contribute if they do not meet the above requirements. In general, proportionately more prevailing rate employees are required to contribute than are civil servants.

The Government Employees' Compensation Act applies to prevailing rate employees as well as to civil servants. However, the regulations contain no general provision for the granting of leave for injury on duty to prevailing rate employees. The wages paid are, therefore, limited to the percentages of normal wages and the ceilings provided by the applicable Workmen's Compensation Act. Sick leave with pay may be granted to employees only for periods for which no indemnity for loss of wages is paid under the Government Employees' Compensation Act. No wages may be paid to supplement Workmen's Compensation payments where the

rate of compensation is less than the employee's normal wages or where a waiting period is required by the relevant provincial Workmen's Compensation Act. Where there is no entitlement to indemnity benefits, sick leave with pay may be granted to prevailing rate employees.

Shift differentials, stand-by duty pay, and supervisory differentials are available to prevailing rate employees but not to civil servants. Prevailing rate employees are not generally engaged on shift work, however. A few employees in dry docks and in the printing trades receive extra pay for shift work. Shift workers in the printing trades receive a fifteen per cent differential over their normal rate, to a maximum of 32 cents per hour.

Employees in certain classifications, who are required to be on stand-by duty, may be compensated at the rate of 21 cents per hour of duty on any day that is a holiday with pay, at the rate of 15 cents per hour on any other day. For an emergency call-out during a period of stand-by duty, an employee is granted a minimum of three hours' pay at normal hourly rates, regardless of the number of hours worked.

Prevailing rate employees who perform supervisory duties may be paid a supervisory differential in multiples of 5 cents, up to 30 cents per hour, in addition to the authorized hourly rate for their trade. All proposals to pay supervisory differentials in excess of 15 cents per hour must be reviewed by the Civil Service Commission and approved by the Treasury Board.

General Observations

42 Benefits plans for the public service, taken as a whole, are so complex, there is such widespread lack of understanding of them, and they depart so far in many important ways from practice outside the public service that the whole situation would clearly benefit from:

- a temporary moratorium on the introduction of new benefits or significant modifi-

cations in existing plans to permit a proper over-all assessment of the existing public service benefits package;

- a detailed study of employee benefits both in and out of the public service, with particular attention to types and scales of benefits provided, their coverage, their costs, and the ways in which costs are shared between employees and employers. The purpose would be to develop an over-all benefit package for the public service appropriate both to employee needs and the patterns in the outside market;
- decision that, as a long-run goal of public service compensation policy, salaries and employee benefits should conform more closely to those prevailing in the appropriate labour markets of the country.

43 Employee benefit policy for the public service might be advantageously based upon the following principles:

(a) Acceptance of the concept of benefits as an integral part of total remuneration from the standpoint of the government's employment costs and of their attractiveness to both employees and those to be attracted to the service.

(b) Central policy control and co-ordination for all employee benefits. Different authorities are now responsible for different benefit plans: the Department of Finance for superannuation and death benefits, the Civil Service Commission for leave entitlements, the Treasury Board and the Commission for overtime regulations, and so on. For some conditions of employment (e.g., rest periods) there is no central authority and practice often varies from department to department.

Central policy control and co-ordination would make it clear that employee benefits and working conditions are instruments of personnel policy having the same broad objective as selection, training, classification, and direct compensation practices. It would permit central thinking by the government

as employer about total remuneration and would permit some balanced thinking about the various parts of the programme, perhaps even providing some scope for informal trading and bargaining.

(c) Reasonable balance between benefits provided and the government's contribution to their costs. Excessive expenditure on any one benefit creates difficulties in adjusting other benefits which may be more advantageous to both the employer and the employees. The public service superannuation plan is an excellent example of a benefit programme which costs the employer so much as to create difficulties in taking on added benefit costs in other areas, even though they may be desirable. For example, death benefits provided by the Superannuation Act might be achieved at less cost and more usefully (particularly for shorter service employees with important responsibilities to dependants) through greater group life insurance coverage.

(d) Maintenance of a pre-determined relationship with the level of employee benefits in private industry. Where public service benefits now greatly exceed normal levels outside there are formidable obstacles to reducing them, to correct the disparities. As a practical matter, it may be wiser to wait for benefits in industry to reach present public service levels, taking good care in the interval not to perpetuate the present relationships.

(e) Development of a benefit programme having the greatest appeal to the largest number of employees. This requires conscious avoidance by policy-making officials—generally long-service employees—of any tendency to assess the desirability of benefits

programmes in terms of the interests of their own age and earnings group.

(f) Recognition that different benefit programmes may be appropriate to different occupational groups. Just as industrial practice suggests different wage patterns for different occupational groups, so it also suggests differences in the pattern of benefits. If it should be decided to provide uniform benefits for all classes in the public service, presumably some offsetting modification in rates relative to outside rates becomes desirable for particular occupational groups.

(g) Recognition of the value of simplicity in employee benefit plans. Unless the benefit programme in total and the characteristics of each benefit it provides can be understood by the employee, it may be of less employee-relations value than a simpler programme costing less. It is therefore noted that it is traditional in the public service to use complicated regulations and directives. Attempts to meet every possible contingency have led to such complexity that many employees do not understand what benefits they have. Some measure of administrative discretion would meet needs more simply and just as equitably.

(h) Recognition of the value of an effective programme to inform employees about benefits and their value. Employee benefit programmes are designed to meet competition in the market and to contribute to morale and productivity. Many private employers have found that informing employees of the nature and value of the benefit programmes they have is an insignificant cost item and that it contributes to satisfactory employee relations.

8

COMPENSATION: POLICY AND

ADMINISTRATION

1 It is by no means easy to develop an adequate wage and salary policy for any institution, private or public. Pay determination is not amenable to any scientific or mechanistic approach. The factors involved are complex and their significance is continually changing with circumstances and market pressures. While market prices set the limits of wage policy, changing political, administrative and social influences affect the determination of a particular wage rate.

HISTORY OF PUBLIC SERVICE PAY POLICY

2 The history of modern compensation policy in the Canadian civil service dates from the report of Arthur Young and Company in 1919. Although the emphasis in this report was on classification and salary structure, the Report of Transmission declared the following principles on general pay policy:

- Rates of compensation should be uniform for the same rank.
- Rates of compensation should be relatively right for different classes. Within the same vocation, trade or profession, this relativity was to be measured by differences in duties, respon-

sibilities, experience, knowledge and skill. In the case of classes of positions in "different fields", this means that they should bear the same relation to classes of positions in other fields that have been established in the "business world" as between the respective vocations, trades, professions and lines of work.

- The pay for each class should be equitable, that is, fair to the employee and fair to the taxpaying public.
 - a. Fairness to the employee was defined to require that the compensation should permit him to maintain a standard of living that will make for the good of society and posterity. In the case of the lowest ranks, the compensation should be adequate to attract into the service young men and women without family responsibilities, but of a training and capacity that will enable them to become of future value to the service and to themselves.
 - b. Fairness to the taxpaying public was defined to require:
 - i. Compensation should not materially exceed that paid for similar services by enlightened employers in the general industrial and commercial world. Any excess over such a prevailing average is in the nature of a special subsidy with which no group should be favoured.

ii. Furthermore, in comparing the compensation paid in government and in business for similar services, the relative advantages and disadvantages of employment in the two sectors should be taken into account:

- permanence and continuity of tenure
- hours of work
- holiday and sick leave

3 The next statement of salary policy dealt with the technical and professional classes. The Royal Commission on Technical and Scientific Personnel (1930) found that, although junior salaries compared favourably with the outside market, salaries for most scientific classes in the public service were substantially depressed.

4 During the depression, a number of restrictive pay policies were introduced in the civil service as well as in the private sector of the economy. In the civil service, salaries were reduced by ten per cent (Salary Deduction Act, 1932), promotions were limited, statutory increases discontinued, and permanent positions which became vacant were abolished (P.C. 44/1367—June 14, 1932). With wage cuts of substantially greater magnitude in the private economy and with a restoration in the mid nineteen-thirties of one-half of the ten per cent civil service pay reduction (and the restoration of all before the decade ended), salaries in the service at the outbreak of war were in a highly favourable position relative to those in the private sector.

5 Broadly speaking, compensation policy during World War II was one of over-all restriction on increases, tempered by a variety of expedients designed to prevent gross injustice and to place the government in a reasonably competitive position for hiring the enlarged staff it required during the emergency. A cost-of-living bonus, promotions in war units, war duties supplements, and the watering-down of the classification structure, all provided some flexibility for civil service wages and salaries during the war.

6 In the immediate post-war years, the first question of pay policy involved the scale of remuneration for the higher levels of the civil service. Acting on the recommendation of the Royal Commission on Administrative Classifications in the Public Service (1946), selective increases were made in the salaries of various deputy ministers and other senior officials. During this period, too, the cost-of-living bonus, introduced during the war, was incorporated into the salary structure of the service.

7 The then Prime Minister, the Right Honourable Louis St. Laurent, in introducing certain salary revisions in 1948, re-stated the principles upon which the compensation policy of the government was based. This was the first comprehensive statement of pay principles since 1919 but did not differ greatly from those of 1919. In summary, the three most important were:

- Equal pay for equal work—defined to include regional and locality pay differentials.
- Fair relationship between classes.
- Fair relationship with private employment—defined to require consideration of the average paid by “enlightened employers” or the so-called “good employers”.

8 At the founding convention of the Civil Service Association of Canada in 1958, the Prime Minister, The Right Honourable John Diefenbaker, made the following statement on wage policy in the public service:

For many years it has been generally accepted that two main principles should guide the determination of salaries in the service. First, the salaries must be enough to do the job, that is, to attract enough of the right kind of men and women into the service and keep them in it; second, they must be fair as between civil servants and people outside the service, the taxpayers if you will, which means that the salaries we pay for any class of work should be comparable with those paid by *private* employers for similar classes of work, taking into account the other terms of employ-

ment that are necessary to make a fair comparison. I think these principles should continue to guide us.

9 The most recent expression of pay principles is to be found in Section 10 of the new Civil Service Act, which is worded as follows:

The Commission in making recommendations on remuneration shall consider the requirements of the civil service, and shall also take into account the rates of pay and other terms and conditions of employment prevailing in Canada for similar work outside the civil service, the relationship of the duties of the various classes within the civil service and any other considerations that the Commission considers to be in the public interest.

10 These most recently enunciated principles of compensation, although somewhat similar to those of 1919 and 1948, are much less specific and are consequently open to varied interpretations.

11 There is still no comprehensive statement of compensation principles for the public service. Past statements have been so generalized as to be of little practical value as policy guideposts. Government enunciation of concrete remuneration principles for the public service would meet a number of urgent needs. It would:

- provide a meaningful framework within which more specific pay policies may be developed.
- serve as guideposts to the Pay Research Bureau for making appropriate market comparisons.
- assist departmental managements in administering pay.
- facilitate a better understanding by employees and staff associations of government pay policy and practices.
- provide Parliament and the broader public with the necessary background and rationale for appraisal of government compensation policy.

12 A second major observation is that only in recent years has there been much attention to market forces in government pay determination. Although market factors were mentioned as one of the criteria for wage determination in the Young Report of 1919, the main emphasis during the nineteen-twenties and nineteen-thirties was on maintaining internal relativities and on vague standards of equity. Pay practice reflected an assumption that rates were adequate as long as they enabled the service to secure and retain the staff required. During World War II and the immediate post-war years, the basic criterion for most salary and wage adjustments was changes in the cost of living. It was not until the late nineteen-forties that any real attention was given to outside market pressures and rates. Mr. St. Laurent's restatement of compensation principles in 1948 placed greater emphasis upon the market than had been the case in the past. Increasingly since then there has been more concern about market rates, although it was not until the formation of the Pay Research Bureau in 1957 that this was translated into reasonably specific policy and practice related to outside occupational market comparisons.

13 This greater emphasis on market rates as a guide to pay determination in recent years reflects two factors: (1) relatively full employment since World War II inevitably has made the market a more dominant factor in pay determination; and (2) the growing need of the government for scarce technical, professional and higher-level manpower has forced it into more active competition with outside employers.

EXTERNAL CRITERIA FOR PUBLIC SERVICE WAGE POLICY

14 Clearly, the general aim of wage policy in the public service should be to create and maintain an efficient and properly remunerated service. Specifically, pay policy should, first, facilitate the staffing of the service with

competent personnel by attracting suitable recruits and retaining effective employees; second, compensate employees in the public service fairly; and, third, achieve these two aims at a cost which is as reasonable as possible to the taxpayer.

15 The government competes with employers in the labour market. If the general level of wages in public employment is substantially lower than that for similar work and conditions in private industry, the government will find it increasingly difficult to recruit qualified persons. On the other hand, if the public scale is substantially higher, the public service will drain a disproportionate share of the more efficient workers from industry, thus affecting productivity in the national economy.

16 It is evident also that without consideration of “going” rates the government has little guide to the major economic aspects of wage determination. In the public service there is, as a rule, no direct relationship between wages and demands for the product because most governmental services are not supplied in a free, let alone a competitive, market. The government’s only economic guide is, therefore, supplied by prevailing conditions in the labour market.

17 To establish outside market rates as the primary guide to public service wage and salary levels is, however, only to pick a starting point. Many practical difficulties are involved. The first is that there are usually a whole range of market rates with which the rate for any one public service position might be compared. Then there is the fact that many public servants lack counterparts in private industry. For their positions it is difficult, perhaps impossible, to find a useful market rate for comparison.

18 The first difficulty mentioned stems from the fact that the term “market” or “going” rate refers to an abstraction. There is no such

thing as a *single* market rate. There are many going rates, and the problem of wage determination is not solved by identifying the rates paid for various types of work in private circles. It is still necessary to choose an appropriate sample of firms and rates to use as a guide in wage determination.

19 As a general rule, for most clerical and non-office wage earner jobs—after due account is taken of the geographical distribution of civil servants in the classification concerned—averages of rates paid in all establishments (except the very small) may properly be used for purposes of comparison. For technical, professional and higher-level jobs, however, the government must compete with a select group of employers. Here, the government, as a large employer, competes directly with the large private employers, and must keep in step with their practices if it is to recruit and maintain an efficient work force.

20 The Pay Research Bureau bases its wage comparisons on a “select group of employers”. The phrase is not intended to mean the best employers, but rather a representative sample of those employers with whom the public service is in competition for recruits. The sample of firms used by the Pay Research Bureau in its surveys, although still evolving, seems to be a reasonably appropriate one for professional and technical manpower, but it might consider a somewhat less select sample for a number of the lower level occupations.

21 As a result of dramatic shifts in the labour market, many types of highly specialized manpower which previously found their outlet almost exclusively in the federal public service are now in strong demand by private industry, provincial and local governments, and educational institutions. Candidates who formerly would have considered the civil service their first choice now have a wide range of interesting and remunerative alternatives from which to choose. Increasingly, for this and other reasons, the public service has to be

competitive in its wage and salary rates. As a corollary, it must maintain high standards of selection and work performance. It must give more attention to maintaining efficiency, standards of performance, and levels of productivity appropriate to such compensation levels. Compensation costs only begin with wage and salary levels. The final measure is the output the salaries buy.

22 Reference has already been made to the number of occupations in the public service for which it is difficult to find comparisons in the private sector of the economy. How, for example, can competitive market rates be used to fix the remuneration of astronomers, meteorologists, air traffic controllers, and others for whom the government is the chief employer? Here, bench-mark jobs with counterparts in the private sector may be used in association with job evaluation and other similar techniques to slot the jobs in question into the public service wage structure.

23 The government has some responsibility to ensure that the incumbents of such non-market jobs receive equitable treatment compared to those whose rates are market-determined. It has already been observed that career earnings of those in jobs without counterpart in the private sector of the economy have tended to lag somewhat behind those for comparable jobs where the government is in competition for personnel. The government also has another objective. It must ensure an adequate long-term supply of personnel required to man jobs which are peculiar to the public service. This need reinforces the case for comparable and equitable pay treatment.

24 Should the government's general wage policy for the public service be modified to allow for the relative attractions of employee benefits and "other conditions of employment" in the public service? The government's present substantial advantage over private industry on fringe benefits for clerical

and non-office wage occupations provides some leeway for shading recruiting rates slightly below the market for these classes. However, because of the competitive labour market such modification is inappropriate when recruiting managerial, professional and technical personnel. New graduates in these groups are more likely to be influenced by direct remuneration and opportunity than by the long-run value of fringe benefits. In the tight labour market for high-level manpower they can easily find both the wages they desire and employee benefits relatively similar to those offered by the public service. In the long run, government compensation policy should be designed to meet market conditions both in pay rates and individual fringe benefits.

INTERNAL CRITERIA FOR PUBLIC SERVICE WAGE POLICY

The Classification System

25 External comparisons provide proper bench-marks for establishing general levels of remuneration for particular types of work within the public service. They suggest the range within which wages and salaries for particular categories of personnel should fall but they do not provide all of the ingredients for administration of a well-conceived remuneration system. Such a system must make it possible for the wage or salary of the individual to be fitted into the salary structure suggested by external comparisons and to be fitted into it in such a way as to provide rewards and incentives for proper performance. Classification of positions, especially for an organization as large and complex as the public service, is essential for achieving these objectives.

26 Classification is not only important in administering a compensation system; it also serves other purposes. Classification depends on defining the function which the incumbent of a position is to perform. Such definition is

clearly essential to proper placement, promotion and transfer, to training decisions, and to evaluation of performance. Classification and the job descriptions upon which it is based facilitate recruiting to meet present and future manpower requirements and to provide the foundation for decisions about qualifications required by the incumbent of any position.

27 The civil service classification system had its origin in the study by Arthur Young and Company, reported to Parliament in 1919. It was a time when there was a strong public sentiment in favour of bridling patronage. The “merit system”, which was intended to relate appointments and promotions to qualifications for the work to be performed rather than to political favour, required a system of classification which would accurately define each position.

28 The present classification system was legally founded on the Civil Service Act of 1918, as amended in 1919. In the newly revised Civil Service Act, 1961, the legal basis for classification has been continued. Section 9 reads as follows:

9. (1) The Commission shall divide the civil service into classes of employment and shall classify each position therein.
- (2) The Commission may subdivide each class into two or more grades, but where a class is not so subdivided it shall for the purposes of this section constitute a grade.
- (3) The Commission shall define each grade by reference to standards of duties, responsibilities and qualifications, and shall give it an appropriate title.
- (4) Each grade shall embrace all positions in a class having similar duties and responsibilities and requiring similar qualifications of persons appointed to a position in the grade.
- (5) The Commission may divide, combine, alter or abolish any classes or grades, but no alteration in the establishment of a department shall be affected by anything done under this subsection without the approval of the Governor in Council.

- (6) The title of each grade shall be observed in all records of the Commission, the Auditor General and the Treasury Board, and in all departmental estimates and parliamentary returns and appropriations, but need not be used for other purposes.

29 In its Report of Transmission, Arthur Young and Company in 1919 dealt with the needs and purpose of classification. It pointed out that the classification of the service was a prerequisite to the examination of applicants. The Act of 1918 required the testing of candidates, and appointments were to be made after competitive examination “which shall be of such a nature as will determine the qualifications of candidates for the particular positions to which they are to be appointed.” “Obviously”, wrote Arthur Young and Company, “the Commission cannot pass on the qualifications of candidates to fulfill the duties of particular positions unless they know what the duties of those positions are... Only by a system of classification by which positions having substantially the same duties and calling for the same qualifications are grouped together can examinations be held in advance and lists of qualified persons be secured and maintained”.

30 In addition, the Act required the Civil Service Commission “after consultation with department heads, to prepare plans for the organization of each department of the civil service.” To fulfill its obligation to “indicate what classes of positions and what numbers of each class are required for the work of any department”, a scheme of classification was essential. Finally, Arthur Young and Company emphasized that such a programme was necessary “if uniformity in compensation for the same work was to be brought about.”

31 Since its inception in 1919, the system of classifications has been administered by the Civil Service Commission. For the guidance of those who were engaged in the classification programme, the Civil Service Com-

mission approved the following statement of principles:

1. That the duties and responsibilities appertaining to a position should be the criteria for determining the classification of the position because these attributes constitute the fundamental characteristics that distinguish the position from other positions and because all of the purposes of classification will be served by a grouping that will bring together positions involving substantially the same duties and responsibilities.
2. That positions involving substantially the same duties and responsibilities call for practically the same qualifications as to education, experience, knowledge, and skill in their incumbents and that for this reason such qualification requirements, dependent as they are on the work to be performed, constitute an auxiliary basis for determining the proper classification of a given position.
3. That neither the degree of efficiency with which the duties of a position are being carried out by the person who may be filling it, nor the qualifications such person may possess or lack, nor the pay he may receive, nor any other fact dependent solely on his individuality, shall be considered as having any bearing on the classification of the position in question.
4. That the simplest practical grouping of positions should be adopted that will serve the purposes for which the classification is needed: that in conformity with this principle the unit of classification should be a group (called a "class") embracing all those positions in the service, regardless of departmental lines, that involve duties and responsibilities which are substantially the same.

32 The problem of administering a classification scheme may be readily appreciated merely by noting that when the system was inaugurated there were only 25,000 employees in the classified civil service, whereas today there are 130,000. A system which was intended to incorporate "the simplest practical grouping of positions" may have permitted a reasonable degree of flexibility when it covered 25,000 or even 50,000 employees. It has become more complex, more difficult to administer, and more inadequate as the size of the service has increased.

33 The Royal Commission on Administrative Classifications reported that in 1946 there were some 3,700 different classifications (1,500 of which were for temporary war-time positions), which it considered an excessive refinement and by no means "the simplest practical grouping". The Royal Commission recommended a simpler and more workable system of classification. In the intervening years an effort has obviously been made to meet this criterion: at the time the present study was undertaken the number of classes had been reduced to 887, of which 106 had been defined in such terms that they were considered adequate for present working conditions. There were no official standards for the remaining 781 classes, however, and it is estimated that a complete set of standards will not be achieved for some years.

34 Until the early fifties the administration of the classification system had the merit of relative flexibility. Classification officers were employees of the Civil Service Commission but spent considerable time in the departments in the performance of their duties and were under instructions to become familiar with every first name. They came to have a considerable knowledge of the departments for which they were responsible and of the individuals in them. Classification decisions were made close to the work place. This was very much the picture after World War II, when the men doing this work were comparatively senior and experienced, not only in classification but also in dealing with widely varying types of personnel under many different circumstances. It was a period when the Civil Service Commission had one clearly recognized head, communication lines from the classifier to the Chairman of the Commission were short, and those responsible for classification could get relatively quick decisions and be certain of firm support.

35 Within the last decade, this flexibility has been lost. To the individual and his supervisor alike classification problems appear

more difficult. There is less room for intelligent persuasion and the whole process is much slower. Among the several apparent reasons is the change in the organization of the Commission itself. The three Commissioners now allocate their responsibilities among themselves. As a result, staff work on classification and pay falls to one Commissioner while the operations group responsible for implementation reports to a different Commissioner.

36 In a move of debatable wisdom, too, classification, recruitment and placement have been combined under officers attached to the Operations Branch of the Commission. Experience in industry suggests that these are distinct functions best kept separate and that, if they are not, one or other of them is likely to suffer, depending upon the pressures of the moment. Few personnel administrators are equally effective in handling such divergent functions.

37 The exigencies of financial control have, however, been the source of most of the relative deterioration in the administration of the classification system. Although the Treasury Board has no authority to classify a position, it has become the real power behind the classification system by ruling on the number of positions of any given classification to be permitted in a department and on the salary appropriate to each classification. Inevitably, its enlarged role has involved duplication of personnel staff. The Treasury Board soon found, for instance, that to rule on the salary range appropriate to a classification it required personnel specialists to assess the recommendations of the Civil Service Commission. In addition, the establishment review procedure, the defects of which have been enlarged on earlier, has tended to make the classification plan sluggish and unmanoeuvrable.

38 Classification administration does not usually pose the problem for industry it does

for the civil service. An important reason is that industry is less prone to apply common classifications to all divisions of its operations. Whereas in the federal civil service the common denominator is the classification, in industry it is usually the salary range. This is an important distinction. Industry has found that a system which ranks classifications largely by linking them to a simplified set of salary ranges is much more flexible than a system of classifications applying across the organization.

39 Many European countries, notably Britain, France, Germany, Italy, Austria, and Belgium, have adopted general classes which are common to their whole civil service; this is also the pattern favoured by the Canadian classification system. In the United States, the enormous size of the federal public service has made the concept of service-wide classes impractical. The salary range has, accordingly, been made the common denominator and, under the United States Federal Position Classification Plan, all positions are encompassed within 18 salary grades. Each salary grade takes in many classifications, and position names are of relatively little significance. The important fact is the decision that the position is comparable in terms of difficulty and responsibility with all other positions classified within the same salary grade.

40 In essence, this is the system now used widely throughout North American industry. The description of the duties of the class determines its ranking within a comparatively small number of salary grades. Since these rankings are subjective, they cannot be really precise and there is, therefore, a tendency to use broad overlapping ranges. In effect, through the present classification system, Canada's Treasury Board and the Civil Service Commission are struggling to make distinctions finer than either the United States Civil Service Commission or major company industrial relations executives con-

sider themselves competent to achieve. In the result, the classification files of Ottawa's Civil Service Commission are replete with tedious evidence of long-drawn-out wrangles over alleged inequities and inconsistencies which the present classification maze makes largely unavoidable.

41 The groping for unattainable perfection is also evident in the attempt to write standards. Up to May 1961, only some 106 of 887 classes had been brought within the control of generally accepted standards. Some months earlier, one officer of the Civil Service Commission had predicted that it would take fourteen years to complete the programme. This prediction was probably appropriate to the approach being used, with standards being written in the most meticulous detail. Their very length and complexity would overwhelm the memory of the average executive, so that he could never expect to get any substantial number of standards clearly in his head. Preoccupation with meticulously detailed classification is unrealistic. Minutely descriptive detail, of little significance for determining the market value of the position or its relative organizational position, serves chiefly to confuse the issue and limit flexibility in personnel management. Such descriptions can be accurate only at a point in time, because jobs, like living organisms, change constantly.

42 Succinct descriptions, containing all the essential detail needed for organizational clarity and the determination of job value, are greatly preferable. Fortunately, this style has recently gained favour with the Civil Service Commission and, not surprisingly, the work of preparing standards has been speeded up accordingly. There is now some reasonable hope that a complete set of standards will be provided in not more than four years. This may prove an optimistic forecast, depending upon the rate of change within the classification system during this period. The pace of change within the civil service will force the administrators of the classification system to

run faster and faster, if they would avoid giving the embarrassing illusion of standing still.

43 This, however, is only tinkering with part of a system which needs wholesale review and revision. The present classification officers are like skilled mechanics repairing the engines of a paddle-wheeler, forging a replacement part from a carriage bolt here and making do with a bicycle chain there. They are too preoccupied to consider the relevant question of whether the engine they tend so knowingly and with such ingenuity has not long since become obsolete.

44 A major element of rigidity has been injected into the civil service classification system by the practice of tying very specific educational and experience qualifications to the descriptions of the positions. These qualifications often appear to be somewhat arbitrary and have the inevitable result that career sequences indicated by the classification system are often bestrewn with road blocks insurmountable by many, regardless of the level to which their energies and abilities might otherwise take them.

45 The practice of specifying educational and experience standards for positions was forecast in the early Civil Service Commission statement of principles on classification which has been quoted above. The administrative convenience of such standards is that they make it easier to screen candidates. Specific objective standards, no matter how arbitrary, have practical advantages over the best conceived job descriptions, in limiting the number of appeals which can be launched against promotion decisions and in relieving some of the continuing pressure for making seniority the chief element in promotions.

46 Experience in the exempt agencies does not support the contention that arbitrary and tightly-drawn educational standards are necessarily required. In the Bank of Canada, for

example, there is no fixed educational requirement for an economist. There are examples of this classification being attained by men who have never been to university, but who have developed the ability to perform the work of an economist in the Bank.

47 Over the years, the administrators of the classification system have endeavoured to slay the dragon of rigidity in the classification system by the development of loose general classes. Those who can meet the educational prerequisites can be classified, for example, as "Chemists"; others who have the knowledge of junior chemists but lack the formal education are classified as "Technical Officers". The academically-qualified man may be an "Economist", his self-educated colleague a "Technical Officer". Thus, to give the system something of the flexibility which the standards themselves deny, a number of exceedingly loose general classifications have been added, of which the most striking examples are the Technical Officer and the Administrative Officer series. An employee classified as a Clerk, an Economist, a Calculating Equipment Operator, or a Cargo Inspector, can be readily identified; but one cannot guess what a Technical Officer does simply from his classification. Although the classification suggests a laboratory occupation, the individual often turns out to be a personnel officer or information officer.

48 A basic principle of the classification system enunciated in 1919 was "that neither the degree of efficiency with which the duties of a position are being carried out by the person who may be filling it, nor the qualifications such person may possess or lack, or the pay he may receive, nor any other fact dependent solely on his individuality, shall be considered as having any bearing on the classification of the position in question." Classification, in other words, is concerned with duties and positions, not persons.

49 However, concern for the individual rather than the position in the civil service classification has become very evident, particularly in the scientific classifications. A chemist, for example, may go all the way from a Chemist 1 at \$4,380 to a Chemist 5 at \$11,200 per year without ever changing his job, and might do so while working at the same problem from start to finish. Here the change in the classification is the change the man makes in the job; literally he changes the whole level of the job "solely on his individuality". It has long been recognized that the job tends to form itself around the man at all levels of management. There is not one best way of performing a management function; the best way for one may be almost impossible for another, and yet each may discharge his responsibility competently.

50 Even at clerical levels, the qualifications of the individual, and other factors dependent solely on his individuality, may change the job and force reclassification. The result is referred to in the civil service as "classification creeping", and some of it is undoubtedly justified.

51 The present administration of the classification system, and indeed the classification system itself, is only part of the excessive paternalism which surrounds the civil servant. He is protected by Parliament, both indirectly by individual members and directly through the Civil Service Commission, and except by various evasions of the system, denied his individuality by the tight-control system of personnel management. Control of classification, for example, is removed from departmental management and placed in the hands of a more remote control agency, presumably to ensure objective review, free of bias. The result is that the system is made more impersonal and at the same time is much less sensitive to the realities of constantly changing duties and responsibilities for the individual.

The Remuneration System

52 Most modern remuneration systems are imperfect attempts to see that each employee is paid fairly in relation to four basic considerations:

- The requirements of the job.
- The employee's performance in relation to such requirements.
- The internal (and usually historical) concept of the difficulty and responsibility of any given job as compared with the relative difficulty and responsibility of all other jobs within the organization.
- The external concepts of relativity with reference to the same job.

53 Since the perfect remuneration system does not exist anywhere, a variety of methods are used to determine the relativities within a remuneration system and to administer the system. There is to be seen, on the North American continent, a considerable area of agreement in the economy at large and in some governments, notably that of the United States of America, on the desirable principles of a good remuneration system. The system currently in use in the civil service and in most, but not all, of the Crown agencies, does not meet these standards.

54 Like the classification system, the remuneration system in the civil service of Canada evolved from principles enunciated in the Arthur Young and Company study of 1919. Briefly, these were:

- Rates of compensation should be uniform for the same work.
- Rates of compensation should be relatively right for different classes. Within the same vocation, trade or profession, this relativity was to be measured by differences in duties, responsibilities, experience, knowledge and skill. In "different fields", rates of compensation were to be related, one field with

another, in the same way that the "business world" related rates for different vocations, trades, professions and lines of work.

- The pay for each class should be equitable. This was to mean "fair to the employee and fair to the taxpaying public". This fairness was spelled out in its social implications and was also taken to mean that compensation should not materially exceed that generally paid for similar service by employers in the industrial and commercial world. In making comparisons with the industrial world, consideration was to be given to permanence and continuity of tenure, hours of work, and holiday and sick leave.
- The schedule should provide an absolute minimum, absolute maximum and intermediate rates between the two.

55 Before describing the administration of the present system, it is useful to consider some of the assumptions inherent in this approach. These may be stated as follows:

- The principles can best be implemented through a central administrative agency.
- The principle of equal pay for equal work can be implemented with a close approach to precision.
- The implementation of the second principle, that rates of compensation should be relatively right for different classes, assumes a system of job evaluation.
- The fourth of the principles originally set out by Arthur Young and Company, "that the schedules should provide an absolute minimum, absolute maximum and intermediate rates within this range", now relies for its interpretation on a number of assumptions which appear to have evolved over the years and which do not derive their inspiration from the report submitted by Arthur Young and Company. These are:

- (a) that the value of an employee in a given classification can be defined within narrow limits;
- (b) that the limits within which this definition may be achieved become increasingly narrow as the value of the employee's service increases;
- (c) that within this narrow range, the increasing effectiveness of the employee can be directly related to time and his increasing merit compensated on a pre-set time schedule;
- (d) that the vast majority of employees in any given classification will merit the pay increases based on time and that denial of such increases should therefore be made difficult.

• Unstated, but important, is the assumption that no salary of a member of the classified civil service may exceed the remuneration of a cabinet minister. This assumption also appears to exert a powerful influence in the Crown agencies and there is reason to believe it may have important influence even where the chief executive is paid more than a cabinet minister.

56 The administration of the remuneration system has been plagued by the absence of a complete set of classification standards as a prime requisite. Moreover, the system has presupposed job evaluation, but no formal system of job evaluation has ever been adopted. It is true that some of the elements of a factor comparison system have been applied to job evaluation, but it is essentially a loosely-administered ranking system. If equitable salaries have from time to time been achieved, this has been in spite of the system. Because the Civil Service Commission advises and Treasury Board decides, there is dual responsibility and duplication of staff. Relativity with salaries in the economy at large has undoubtedly been improved since the establishment of the Pay Research Bureau, but the Bureau, in turn, is handicapped by the inadequacy of standards for making the comparisons.

57 One of the principles of remuneration applied since the inception of the system is

that the schedules should provide an absolute minimum, an absolute maximum, and automatically attained intermediate rates within each range. This principle is sharply at variance with the general practice in the economy, particularly with reference to supervisory and management positions. Some companies have adopted systems of automatic progression at the lower levels of office employment because they have found that automatic progression at the lowest level, and sometimes to the mid-point of the range in clerical levels, tends to reduce arguments, simplify administration, and conserve the time of departmental management and of the personnel or industrial relations organization.

58 This might be taken as evidence of the wisdom of the present civil service system. Most of those who administer such systems will admit, however, that they favour mediocrity and constitute a rationalization in favour of peace. The victims of the system are those superior performers whose merit is not recognized lest such recognition bring grievances from less meritorious but more numerous colleagues.

59 The validity of this conclusion may be tested by noting that companies, which pay typists on an automatic progression of salary, pay supervisors by merit within broad ranges, on the assumption that incentive is more important to supervisors. There is, indeed, some possibility that this is true for it is not unreasonable to suppose that the very employees who have the qualities necessary for progressing to supervisory positions, are likely to be the most alert and responsive to financial incentive. Even so, there is certainly no proof that the elimination of financial incentives for meritorious performance at the lower levels of office employment is an advantage. Treating all such employees in a uniform manner may have the advantage of convenience, but this is scarcely the same as saying that the elimination of financial in-

centive at the lower levels of an office organization will improve efficiency. Even those companies which have done it suffer from no such delusion.

60 The administration of ranges within the civil service bears no resemblance whatsoever to the recommendation of Arthur Young and Company in the Report of Transmission, Part III (g) which reads:

Advancement in pay as used herein is to be taken to mean an increase in the salary of an employee in a given position, from one rate to a higher rate within the range of compensation allowed, without involving any change in position or duties . . . It will be conceded that advancement in pay is one of the most effective forms of reward that can be offered to an employee as an incentive to him to apply himself industriously to the duties of his position. It is manifest that if an increase in pay is given as a reward for and an inducement to efficient service it must be based on demonstrated efficient service and on no other consideration.

Even as far back as 1919, it was possible for the Report of Transmission to note "that only in very rare cases indeed is the annual increase withheld"—a statement as valid today as it was then. The tendency is so strong toward automatic progression through the ranges that the key comparison used by the Pay Research Bureau, the Civil Service Commission and the Treasury Board in establishing salaries is the comparison of the top of the range with that in selected companies.

61 The system of ranges as conceived in the 1919 study recognized the impact of the employee's own efforts upon the value of his job. The ranges were comparatively narrow and therefore the provision for the recognition of such effort and such variation between employees was modest; but it was there, and it is unfortunate that this potentially effective incentive has been largely destroyed by administrative practice within the service.

62 In the intervening years, enlightened companies on the North American continent have tended toward a widening of ranges,

particularly at the more senior levels. The endeavour is to fix the employee's salary within the appropriate range strictly on the relative merit of his performance. This is not to deny that in any organization length of service tends to influence salary in an upward direction, but there has been a conscious and increasing effort to control this tendency and to make its influence secondary to quality of performance.

63 These broader ranges favoured by industry are effective only when administered in accordance with the principle of merit. It would be extremely costly to use wide ranges, designed to recognize the variations in performance which are inevitable in any group of men and women, in such a way that movement through the ranges would, in practice, be related strictly to the passage of time. As the present system of ranges in the service is geared to the passage of time and not to merit, managers in the departments find it necessary to use other expedients for the recognition of merit. The most common is what has been referred to previously as "classification creeping", a practice which is facilitated by the loose general classification and by the lack of standards for the majority of classifications. Thus, it is possible to support a change in classification, ostensibly because the duties have changed, but actually because the worth of an employee in a position has changed. His duties remain the same, but in the opinion of his superior he deserves recognition for his accomplishment.

64 This procedure has largely destroyed the effectiveness of the classification system and made a mockery of the ranges, to the point that only a far-reaching job evaluation study within the civil service would disclose the real ranges for positions of comparable difficulty and responsibility. It is safe to say that the actual ranges would be found to be considerably broader than they appear to be from the official classification listings. Experience elsewhere suggests that they may well be

broader than those currently favoured by industry but, if this is true, they are not administered fairly, because not every able employee giving superior performance in his position is recognized by the device of classification creeping. Moreover, real changes in responsibility may not be, and frequently are not, recognized promptly. An employee may be misclassified and mispaid for long periods while his case is passed through the control agencies, which have no real responsibility for him, no interest in him and no concern for the achievement of his department's objectives.

65 Your Commissioners are bound to conclude that the present remuneration system is essentially negative. It does not provide for positive recognition of superior performance. The administrators tend to regard it as a system of cost control and, for the reasons set out, it lends itself to the self-deception of those who cherish it as an effective instrument of cost control. It is too easily defeated and, worse still, those who exercise the control cannot know the extent to which it is being defeated. So it is a control system which is not what it appears to be—a system pushed and pulled by pressures from many sources and revised in its parts to meet such shifting pressures. It has long since lost any unity of concept which it may once have had.

66 These serious defects in the classification and remuneration systems become more evident as the public service employs more high-level professional and managerial manpower. Whether for the purpose of its competitive position in recruiting such personnel or of obtaining most effective results from their services, the public service, like private employers, should increasingly be guided by the following principles:

(a) More emphasis should be placed on developing appropriate monetary and non-monetary rewards for senior professional people, as an offset to check the present incentive

to abandon professional jobs and seek advancement through the administrative hierarchy. Salary plans should provide for parallel lines of advancement for professional and administrative personnel, with roughly comparable salary scales. The present system in many areas places too much emphasis for purposes of remuneration on the organizational level and numbers of people supervised and not enough emphasis on the technical competence and contribution of the individual.

(b) There must be greater recognition of differences in individual performance, particularly for high-level manpower. It is becoming important to base compensation on the capabilities and performance of individuals rather than solely upon rigid job descriptions. The present system, which is said to be based on equal pay for equal work, too often results in equal pay for unequal effort and unequal interest. This is unfair and has an insidious effect on morale and efficiency. The present classification system emphasizes the job first and the man second. A proper classification and remuneration system recognizes that in the professional and managerial areas the individual determines the level of responsibility carried in the job. Job families can be classified by level of responsibility carried as well as by the nature of the work performed. Thus, to the extent appropriate, the individual can be rewarded either by advancement within the range or by promotion to a higher range in the series, for the same work carried out at more responsible level.

MACHINERY FOR WAGE DETERMINATION AND SALARY ADMINISTRATION

67 By the terms of the Civil Service Act, responsibility for wage determination and salary administration rests with the Civil Service Commission and the Governor in Council. The Commission is required to keep the rates of pay under review and, whenever the need arises, to make recommendations

concerning them to the Governor in Council. To become effective, the recommendations of the Commission must be approved by the Governor in Council, whose powers in this respect are normally exercised by the Treasury Board.

68 Two branches of the Civil Service Commission are involved in the process of wage determination. The Pay Research Bureau is responsible for fact-finding. Its function is to carry out comparative studies of the rates of pay, conditions of employment and related practices prevailing inside and outside the civil service, and to report its findings in an objective manner to the Commission, the Treasury Board, and, in practice, to representatives of the major staff associations. The Pay and Standards Branch is responsible for assisting the Commission to develop pay recommendations. Reports of the Pay Research Bureau are considered in conjunction with other relevant factors, such as the need for appropriate internal relativities or recent experience in recruiting and retaining qualified employees for the public service.

69 The Commission receives advice on pay research from the Advisory Committee on Pay Research. This body meets regularly to review progress reports of the Bureau and to consider a variety of problems associated with survey concepts and techniques, the timing of studies and the distribution of reports. The Committee is chaired by a Civil Service Commissioner and has six other members, three representing the staff side and three representing the official side. Of the three staff side members, one represents the Professional Institute of the Public Service of Canada. Of the three official side members, one is expected to represent the views of management of departments employing professional personnel.

70 The staff associations maintain a very active interest in the whole process of pay determination. Their role in the process, which

has developed gradually over the years, has recently achieved formal recognition in the sections of the new Civil Service Act that provide for consultation with "representatives of appropriate organizations and associations of employees" on pay matters.

71 The role of the departments is more difficult to identify. Legally, they have no responsibility in this field. In practice, however, there is continuous communication between the Commission and departmental management on the adequacy of existing rates of pay and the probable effects of proposed revisions.

72 The final step in the pay determination process is the review of the Commission's recommendations by the Treasury Board. This frequently requires intensive discussion between senior staff of the two agencies. Under the former provisions of the Civil Service Act, the Governor in Council could accept or reject the Commission's recommendations, but could not establish rates of pay different from those recommended. Under the provisions of the new Act, the Governor in Council, while bound to consider the views of the Commission, will be free to set whatever rates it considers appropriate.

73 Civil Service Commission responsibility for pay recommendations extends only to those affecting civil servants. Determination and application of rates of pay for prevailing rate employees, ships' officers and crews, and other similar groups exempt from the Civil Service Act is shared among the Treasury Board, the employing department and the Department of Labour. It is not surprising that the whole area of pay determination is marked by duplication of machinery and effort and a failure to achieve reasonable co-ordination and common guiding principles. These defects can be remedied if the proposed Personnel Division of the Treasury Board is held responsible for appraisal of the wage and salary situation and for making recommendations to the Board for all pay adjust-

ments in the public service. Similarly, the Pay Research Bureau should be held responsible for collecting and organizing all the necessary outside comparative data. It is much better fitted to provide this necessary specialized information than are either the Department of Labour or the Dominion Bureau of Statistics, whose roles are more suited to the collection and compilation of aggregate data for public consumption and use.

74 Responsibility for determining and adjusting employee benefit plans is even more widely dispersed than is that for wage and salary determination. As a result, each benefit plan has tended to be looked at in a vacuum rather than in the perspective of the total benefits package or, more properly still, in the perspective of the total compensation (pay and benefits) package. To fill its contemplated role properly, the Personnel Division of the Treasury Board must be as concerned with the benefits part of the total compensation pattern as it will be with wage and salary determination.

75 Some special comment is desirable on the task of making suitable outside comparisons with public service wage and salary rates, benefit plans, and other working conditions. This, while simple in concept, is remarkably difficult in practice. It is essentially a fact-finding job, but one which requires the exercise of a great deal of skilled and professional judgment as to what are relevant facts. Wage and salary comparisons can be made properly only on the basis of a sound evaluation of job duties and requirements. Comparison of working conditions and benefit plans involves weighing complex questions of relative value and costs to employer and employee.

76 The Pay Research Bureau was established in 1957 for this difficult fact-finding job. It has made substantial progress in assessing the comparability of public service and private sector jobs and in building pay

comparisons on these. It produces valuable information about the labour markets in which the federal public service must compete. Recently, it has begun the very necessary task of matching pay comparisons with data on benefits and other working conditions. The Bureau operates, and must if it is to do its job properly, as an independent, objective body, producing data which the central management of government can use as a basis for making its compensation decisions. Currently the information it gathers is made available to the Civil Service Commission (of which it is a part), the Treasury Board, and certain senior officials of major staff associations.

77 As has already been demonstrated by United Kingdom experience (where pay research is conducted by a body directed and financed jointly by the government and the staff associations) a major hazard is the temptation, or alternatively the pressure, to make too many outside comparisons and to make them too frequently. To keep the job within manageable proportions for an organization as large and as varied as the public service, there must be a determination to limit comparisons to appropriate bench-mark jobs and, generally, to limit frequency of comparison by some cyclical review plan. Recently, the federal government has moved in this direction with its biennial review schedule, which divides wage and salary rates of civil servants and the R.C.M.P. into five groups, with the following initial set of review dates.

- Professional and related classes: reviewed July 1, 1961.
- Administrative classes, clerical and office service classes, professional support classes and commissioned R.C.M.P. officers: reviewed October 1, 1961.
- Hospital classes: reviewed January 1, 1962.
- Penitentiary staffs and non-commissioned R.C.M.P.: reviewed April 1, 1962.

- Customs and Immigration classes, postal classes, crafts, building, custodial and maintenance classes and other classes: to be reviewed October 1, 1962.

78 Complementing the internal administrative need for limiting the number and frequency of comparisons is the desirability of considering the position of the co-operating employers. Without the willing co-operation of outside employers, the usefulness of pay comparisons is likely to be vitiated and the task of getting even poor comparisons made very difficult. On the other hand, most employers with whom the federal government

wishes to make comparisons share the same need and are themselves accustomed to the procedure. They realize that for them the values of pay comparisons must be balanced against costs in manpower and dollars. They make comparisons with other firms, but realize that to obtain co-operation they must keep their requests reasonable and ensure that the information they receive and exchange makes the process worthwhile to both parties. It would be most unfortunate if there were any attempt to compel outside employers to "co-operate" or to impose on them an unreasonably detailed and costly burden without adequate reciprocal advantages.

APPENDIX A-1

Appendix A-1—GEOGRAPHICAL DISTRIBUTION OF FULL-TIME CIVIL SERVICE EMPLOYEES—BY
DEPARTMENT—SEPTEMBER, 1960

Department	Grand Total	Ottawa-Hull	Remainder of Canada	Outside Canada
Agriculture.....	6,181	1,696	4,484	1
Auditor General's Office.....	127	125	2	—
Board of Broadcast Governors.....	24	24	—	—
Chief Electoral Officer.....	21	21	—	—
Citizenship and Immigration.....	2,801	758	1,954	89
Civil Service Commission.....	653	515	138	—
Defence Production.....	1,367	1,154	191	22
External Affairs.....	1,357	902	2	453
International Joint Commission.....	9	9	—	—
Finance.....	458	439	18	1
Comptroller of the Treasury.....	4,297	2,366	1,918	13
Royal Canadian Mint.....	194	194	—	—
Tariff Board.....	17	17	—	—
Fisheries.....	1,183	149	1,034	—
Governor General's Secretary.....	15	15	—	—
House of Commons.....	220	220	—	—
The Senate.....	37	37	—	—
Library of Parliament.....	29	29	—	—
Insurance.....	92	85	7	—
Justice.....	317	281	36	—
Commissioner of Penitentiaries.....	94	94	—	—
Labour.....	560	534	24	2
Unemployment Insurance Commission.....	7,849	490	7,356	3
Mines and Technical Surveys.....	2,315	2,234	81	—
Dominion Coal Board.....	18	18	—	—
National Defence.....	26,555	6,749	19,759	47
National Gallery of Canada.....	65	63	2	—
National Health and Welfare.....	2,906	1,116	1,755	35

Appendix A-1—GEOGRAPHICAL DISTRIBUTION OF FULL-TIME CIVIL SERVICE EMPLOYEES—BY
DEPARTMENT—SEPTEMBER, 1960—Concluded

Department	Grand Total	Ottawa-Hull	Remainder of Canada	Outside Canada
National Library.....	42	42	—	—
Public Archives.....	93	92	—	1
National Revenue—Customs and Excise.....	7,479	1,058	6,419	2
National Revenue—Taxation Division.....	6,056	1,053	5,003	—
Northern Affairs and National Resources.....	2,033	1,048	983	2
Post Office.....	22,911	1,892	21,019	—
Privy Council.....	141	141	—	—
Public Printing and Stationery.....	637	606	31	—
Public Works.....	4,781	1,902	2,879	—
Royal Canadian Mounted Police.....	1,030	510	514	6
Secretary of State.....	715	715	—	—
Trade and Commerce.....	1,114	666	332	116
Dominion Bureau of Statistics.....	1,699	1,620	79	—
National Energy Board.....	35	35	—	—
Board of Grain Commissioners.....	886	2	884	—
Transport.....	9,468	1,671	7,796	1
Air Transport Board.....	67	63	4	—
Board of Transport Commissioners.....	153	125	28	—
Canadian Maritime Commission.....	21	21	—	—
Veterans Affairs.....	11,438	1,199	10,235	4
Total, Civil Service.....	130,560	34,795	94,967	798

APPENDIX A-2

Appendix A-2—GEOGRAPHICAL DISTRIBUTION—FULL-TIME CIVIL SERVICE EMPLOYEES—BY PROVINCE AND DEPARTMENT—SEPTEMBER, 1960

Department	Total Canada	Nfld.	Nova Scotia	Prince Edward Island	N.B.	Quebec	Ontario	Mani- toba	Saskatch- ewan	Alberta	British Colum- bia	Yukon	N.W.T.
Agriculture.....	6,180	34	217	145	255	719	2,596	432	591	633	552	4	2
Auditor General's Office.....	127	—	—	—	—	1	125	1	—	—	—	—	—
Board of Broadcast Governors.....	24	—	—	—	—	—	24	—	—	—	—	—	—
Chief Electoral Officer.....	21	—	—	—	—	—	21	—	—	—	—	—	—
Citizenship and Immigration.....	2,712	13	102	3	91	370	1,402	144	108	136	324	6	13
Civil Service Commission.....	653	5	12	—	7	32	545	11	6	15	20	—	—
Defence Production.....	1,345	3	27	—	9	44	1,203	12	5	19	23	—	—
External Affairs.....	904	—	—	—	1	—	903	—	—	—	—	—	—
International Joint Commission.....	9	—	—	—	—	—	9	—	—	—	—	—	—
Finance.....	457	—	—	—	—	—	453	—	—	4	—	—	—
Comptroller of the Treasury.....	4,284	44	129	12	110	500	2,894	157	83	127	226	—	2
Royal Canadian Mint.....	194	—	—	—	—	—	194	—	—	—	—	—	—
Tariff Board.....	17	—	—	—	—	—	17	—	—	—	—	—	—
Fisheries.....	1,183	333	245	46	144	47	167	20	6	3	166	2	4
Governor General's Secretary.....	15	—	—	—	—	—	15	—	—	—	—	—	—
House of Commons.....	220	—	—	—	—	—	220	—	—	—	—	—	—
The Senate.....	37	—	—	—	—	—	37	—	—	—	—	—	—
Library of Parliament.....	29	—	—	—	—	—	29	—	—	—	—	—	—
Insurance.....	92	—	—	—	—	—	91	—	—	—	—	—	—
Justice.....	317	—	—	—	3	11	289	5	1	1	3	3	1
Commissioner of Penitentiaries.....	94	—	—	—	—	—	94	—	—	—	—	—	—
Labour.....	558	2	1	—	—	6	543	4	—	—	2	—	—
Unemployment Insurance Commission.....	7,846	145	249	26	402	2,210	2,848	477	195	365	923	6	—
Mines and Technical Surveys.....	2,315	—	9	—	—	—	2,238	—	1	8	58	1	—
Dominion Coal Board.....	18	—	—	—	—	—	18	—	—	—	—	—	—
National Defence.....	26,508	291	3,197	99	998	3,648	12,373	1,216	384	1,623	2,373	306	—
National Gallery of Canada.....	65	—	—	—	—	1	63	—	1	—	—	—	—
National Health and Welfare.....	2,871	40	87	10	48	297	1,601	130	128	218	278	24	10
National Library.....	42	—	—	—	—	—	42	—	—	—	—	—	—
Public Archives.....	92	—	—	—	—	—	92	—	—	—	—	—	—

National Revenue—Customs and Excise.....	7,477	142	212	11	343	1,681	3,772	245	118	216	724	12	1
National Revenue—Taxation Division.....	6,056	64	186	33	122	1,189	2,924	279	259	417	577	6	—
Northern Affairs and National Resources.....	2,031	30	39	8	53	44	1,122	81	36	253	154	41	170
Post Office.....	22,911	281	744	71	520	5,170	10,046	1,209	868	1,525	2,457	15	5
Privy Council.....	141	—	—	—	—	—	141	—	—	—	—	—	—
Public Printing and Stationery.....	637	—	4	—	—	560	64	2	—	2	5	—	—
Public Works.....	4,781	116	156	42	137	736	2,572	161	134	278	408	22	19
Royal Canadian Mounted Police	1,024	17	31	3	28	63	573	41	59	78	128	2	1
Secretary of State.....	715	—	—	—	—	—	715	—	—	—	—	—	—
Trade and Commerce.....	998	10	8	4	10	91	782	17	18	26	32	—	—
Dominion Bureau of Statistics.....	1,699	7	13	—	—	14	1,636	10	—	9	10	—	—
National Energy Board.....	35	—	—	—	—	—	35	—	—	—	—	—	—
Board of Grain Commissioners.....	886	—	—	—	—	34	352	283	26	79	112	—	—
Transport.....	9,467	624	399	66	750	1,304	3,390	677	114	901	1,021	83	138
Air Transport Board.....	67	—	—	—	—	4	63	—	—	—	—	—	—
Board of Transport Commissioners.....	153	2	—	—	4	4	129	6	—	6	2	—	—
Canadian Maritime Commission.....	21	—	—	—	—	—	21	—	—	—	—	—	—
Veterans Affairs.....	11,434	44	558	29	533	2,386	4,467	863	253	714	1,587	—	—
Total, Civil Service.....	129,762	2,247	6,625	608	4,568	21,167 ¹	63,950 ¹	6,483	3,394	7,656	12,165	533	366

¹Totals for Quebec and Ontario include 34,795 employees in the Ottawa-Hull Metropolitan Area.

APPENDIX A-3

Appendix A-3—GEOGRAPHICAL DISTRIBUTION OF FULL-TIME CIVIL SERVICE EMPLOYEES—BY METROPOLITAN AREA AND DEPARTMENT—SEPTEMBER, 1960

Department	Total Canada	Total, 14 Metro. Areas	St. John's	Hali-fax	Saint John	Mont-real	Quebec	Toronto	Hamil-ton	Lon-don	Wind-sor	Winni-peg	Cal-gary	Ed-mon-ton	Van-couver	Vic-toria
Agriculture.....	6,180	1,821	26	33	27	245	161	257	32	92	25	332	128	183	183	97
Auditor General's Office.....	127	2	—	—	—	1	—	—	—	—	—	1	—	—	—	—
Board of Broadcast Governors	24	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Chief Electoral Officer.....	21	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Citizenship and Immigration.....	2,712	929	6	70	13	159	69	160	27	19	71	81	33	35	164	22
Civil Service Commission.....	653	127	5	12	2	29	3	28	—	2	—	11	3	12	17	3
Defence Production.....	1,345	186	3	27	9	32	12	41	—	8	—	12	9	10	9	14
External Affairs.....	904	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
International Joint Commission.....	9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Finance.....	457	18	—	—	—	—	—	14	—	—	—	—	—	4	—	—
Comptroller of the Treasury.....	4,284	1,666	44	122	32	280	218	402	6	59	—	155	18	105	156	69
Royal Canadian Mint.....	194	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Tariff Board.....	17	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fisheries.....	1,183	524	233	115	9	7	9	6	1	—	3	20	—	3	118	—
Governor General's Secretary	15	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
House of Commons.....	220	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
The Senate.....	37	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Library of Parliament.....	29	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Insurance.....	92	7	—	—	—	1	—	6	—	—	—	—	—	—	—	—
Justice.....	317	23	—	—	—	9	2	3	—	—	—	5	—	1	3	—
Commissioner of Peniten-tiaries.....	94	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Labour.....	558	22	2	—	—	5	—	7	1	—	1	4	—	—	2	—
Unemployment Insurance Commission.....	7,846	4,399	108	81	60	1,138	214	1,013	164	97	132	428	125	170	606	63
Mines and Technical Surveys..	2,315	63	—	2	—	—	—	1	—	—	—	—	2	1	4	53
Dominion Coal Board.....	18	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
National Defence.....	26,508	10,256	104	2,536	48	2,023	196	947	173	707	16	555	407	679	481	1,384
National Gallery of Canada.....	65	1	—	—	—	—	1	—	—	—	—	—	—	—	—	—

National Health and Welfare.....	2,871	1,149	32	69	8	55	235	311	1	1	3	84	2	200	75	73
National Library.....	42	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Public Archives.....	92	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
National Revenue—Customs & Excise.....	7,477	3,690	80	115	112	904	146	746	129	64	484	156	82	77	522	73
National Revenue—Taxation Division.....	6,056	3,904	64	143	122	836	238	787	219	177	116	279	211	206	413	93
Northern Affairs & National Resources.....	2,031	258	18	20	2	14	14	—	—	—	—	34	42	20	86	8
Post Office.....	22,911	14,773	221	403	217	3,509	683	4,281	520	447	250	1,055	601	650	1,691	245
Privy Council.....	141	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Public Printing and Stationery	637	23	—	4	—	3	1	4	—	2	—	2	—	2	2	3
Public Works.....	4,781	1,933	99	112	79	389	117	352	58	51	30	125	45	127	271	78
Royal Canadian Mounted Police.....	1,024	359	14	24	2	53	9	51	1	4	1	33	15	51	42	59
Secretary of State.....	715	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Trade and Commerce.....	998	266	10	8	10	56	17	50	21	22	—	17	13	13	26	3
Dominion Bureau of Statistics	1,699	75	7	9	—	14	—	16	—	—	—	10	—	9	10	—
National Energy Board.....	35	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Board of Grain Commissioners.....	886	497	—	—	—	33	—	2	—	—	—	283	42	31	102	4
Transport.....	9,467	4,533	106	170	65	869	154	899	10	35	34	630	50	768	653	90
Air Transport Board Board of Transport	67	4	—	—	—	4	—	—	—	—	—	—	—	—	—	—
Commissioners.....	153	24	2	—	—	4	—	4	—	—	—	6	6	—	2	—
Canadian Maritime Commission.....	21	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Veterans Affairs.....	11,434	9,717	44	541	512	2,027	352	1,732	86	1,303	10	850	479	213	1,225	343
Total, Civil Service.....	129,762	61,249	1,228	4,616	1,329	12,699	2,851	12,120	1,449	3,090	1,176	5,168	2,313	3,570	6,863	2,777

APPENDIX A-4

Appendix A-4—GEOGRAPHICAL DISTRIBUTION OF FULL-TIME EMPLOYEES IN CROWN CORPORATIONS—
SEPTEMBER, 1960

	Grand Total	Ottawa- Hull	Remainder of Canada	Outside Canada
<i>Departmental Corporations</i>				
Atomic Energy Control Board.....	8	8	—	—
National Research Council.....	2,434	2,276	149	9
<i>Agency Corporations</i>				
Atomic Energy of Canada Limited.....	2,629	253	2,376	—
Canadian Arsenals Limited.....	2,943	87	2,856	—
Canadian Commercial Corporation.....	56	51	—	5
Crown Assets Disposal Corporation.....	104	80	24	—
Defence Construction (1951) Limited.....	376	158	215	3
National Battlefields Commission.....	23	—	23	—
National Capital Commission.....	620	620	—	—
National Harbours Board.....	2,609	42	2,567	—
Northern Canada Power Commission.....	153	30	123	—
<i>Proprietary Corporations</i>				
Central Mortgage and Housing Corporation.....	1,874	703	1,171	—
Cornwall International Bridge Co. Limited.....	15	—	15	—
Export Credits Insurance Corporation.....	31	26	5	—
Farm Credit Corporation.....	245	47	198	—
St. Lawrence Seaway Authority.....	1,174	15	1,159	—
<i>Other Agencies</i>				
Canadian Wheat Board.....	687	—	681	6
Industrial Development Bank.....	259	7	252	—
Northern Ontario Pipe Line Crown Corporation.....	2	2	—	—
Custodian of Enemy Property.....	22	22	—	—
<i>Statutory Boards</i>				
Defence Research Board.....	2,785	968	1,770	47
Fisheries Research Board.....	541	14	527	—
National Film Board.....	734	31	671	32
Total.....	20,324	5,440	14,782	102

APPENDIX A-5

Appendix A-5 — GEOGRAPHICAL DISTRIBUTION OF FULL-TIME EMPLOYEES IN CROWN CORPORATIONS — BY PROVINCE — SEPTEMBER, 1960

	Total Canada	Nfld.	Nova Scotia	Prince Edward Island	N.B.	Quebec	Ontario	Mani- toba	Saskatch- ewan	Alberta	British Colum- bia	Yukon	N.W.T.
<i>Departmental Corporations</i>													
Atomic Energy Control Board.....	8	—	—	—	—	—	8	—	—	—	—	—	—
National Research Council.....	2,425	—	44	—	—	3	2,280	1	95	—	1	—	1
<i>Agency Corporations</i>													
Atomic Energy of Canada Limited.....	2,629	—	—	—	—	—	2,629	—	—	—	—	—	—
Canadian Arsenals Limited.....	2,943	—	—	—	—	1,943	1,000	—	—	—	—	—	—
Canadian Commercial Corporation.....	51	—	—	—	—	—	51	—	—	—	—	—	—
Crown Assets Disposal Corporation.....	104	—	5	—	—	1	90	—	—	6	2	—	—
Defence Construction (1951) Limited.....	373	8	29	9	3	28	228	19	1	21	19	—	8
National Battlegrounds Commission.....	23	—	—	—	—	23	—	—	—	—	—	—	—
National Capital Commission.....	620	—	—	—	—	—	620	—	—	—	—	—	—
National Harbours Board.....	2,609	—	266	—	—	1,759	131	210	—	—	124	—	—
Northern Canada Power Commission.....	153	—	—	—	—	—	30	—	—	4	3	14	102
<i>Proprietary Corporations</i>													
Central Mortgage and Housing Corporation.....	1,874	14	61	—	18	242	1,186	68	49	112	124	—	—
Cornwall International Bridge Co. Ltd.....	15	—	—	—	—	—	15	—	—	—	—	—	—
Export Credits Insurance Corporation.....	31	—	—	—	—	2	29	—	—	—	—	—	—
Farm Credit Corporation.....	245	—	—	7	9	15	105	15	50	37	7	—	—
St. Lawrence Seaway Authority.....	1,174	—	—	—	—	356	818	—	—	—	—	—	—
<i>Other Agencies</i>													
Canadian Wheat Board.....	681	—	13	—	10	4	—	624	6	30	17	—	—
Industrial Development Bank.....	259	—	—	—	—	104	62	13	5	21	31	—	—
Northern Ontario Pipe Line Crown Corp.....	2	—	—	—	—	—	2	—	—	—	—	—	—
Custodian of Enemy Property.....	22	—	—	—	—	—	22	—	—	—	—	—	—

<i>Statutory Boards</i>																				
Defence Research Board.....	2,738	—	215	—	—	793	1,182	35	19	409	83	—	—	—	—	—	—	—	—	2
Fisheries Research Board.....	541	102	64	5	91	30	71	1	—	—	175	—	—	—	—	—	—	—	—	2
National Film Board.....	702	5	6	2	6	594	56	5	10	7	11	—	—	—	—	—	—	—	—	—
Total.....	20,222	129	703	23	256	5,897	10,615	991	235	647	597	14	14	14	14	14	14	14	14	115

APPENDIX A-6

Appendix A-6 — GEOGRAPHICAL DISTRIBUTION OF FULL-TIME EMPLOYEES IN CROWN CORPORATIONS — BY METROPOLITAN AREA — SEPTEMBER, 1960

	Total Canada	Total, 14 Metro. Areas	St. John's	Hali- fax	Saint John	Mont- real	Quebec	Toronto	Hamil- ton	Lon- don	Wind- sor	Winni- peg	Cal- gary	Ed- mon- ton	Van- couver	Vic- tor- ia
<i>Departmental Corporations</i>																
Atomic Energy Control Board	8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
National Research Council.....	2,425	51	—	44	—	3	—	2	—	—	—	1	—	—	1	—
<i>Agency Corporations</i>																
Atomic Energy of Canada Limited.....	2,629	159	—	—	—	—	—	159	—	—	—	—	—	—	—	—
Canadian Arsenal Limited.....	2,943	1,541	—	—	—	—	794	747	—	—	—	—	—	—	—	—
Canadian Commercial Corporation.....	51	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Crown Assets Disposal Corporation.....	104	24	—	5	—	1	—	10	—	—	—	—	6	—	2	—
Defence Construction (1951) Limited.....	373	66	2	16	—	7	—	11	—	2	—	5	2	13	5	3
National Battlegrounds Commission.....	23	23	—	—	—	—	—	—	—	—	—	—	—	—	—	—
National Capital Commission National Harbours Board.....	620	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Northern Canada Power Commission.....	2,609	2,258	—	266	119	1,513	236	—	—	—	—	—	—	—	124	—
	153	4	—	—	—	—	—	—	—	—	—	—	—	4	—	—
<i>Proprietary Corporations</i>																
Central Mortgage and Housing Corporation.....	1,874	931	12	53	1	187	33	247	55	33	31	68	49	53	96	13
Cornwall International Bridge Co. Ltd.....	15	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Export Credits Insurance Corporation.....	31	5	—	—	—	2	—	3	—	—	—	—	—	—	—	—
Farm Credit Corporation.....	245	119	—	—	8	1	14	51	—	1	1	10	2	31	—	—
St. Lawrence Seaway Authority.....	1,174	73	—	—	—	73	—	—	—	—	—	—	—	—	—	—

<i>Other Agencies</i>																					
Canadian Wheat Board.....	681	675	—	—	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Industrial Development Bank	259	242	—	13	10	—	9	42	—	—	—	8	—	—	—	—	—	—	—	—	—
Northern Ontario Pipe Line																					
Crown Corp.....	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Custodian of Enemy Property	22	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Statutory Boards</i>																					
Defence Research Board.....	2,738	450	—	215	—	—	—	152	—	—	—	—	—	—	—	—	—	—	—	—	—
Fisheries Research Board.....	541	255	102	57	—	14	—	—	—	—	—	53	—	—	—	—	—	—	—	—	—
National Film Board.....	702	630	3	4	1	586	2	12	2	3	—	—	—	—	—	—	—	—	—	—	—
Total.....	20,222	7,506	119	673	139	2,486	1,111	1,436	57	100	32	724	105	112	312	100	83	29	7	1	1

APPENDIX B-1

Appendix B-1—OCCUPATIONAL DISTRIBUTION OF FULL-TIME CIVIL SERVICE EMPLOYEES—BY DEPARTMENT—SEPTEMBER, 1960

Department	Occupational Groups										Total	
	Professional		Administrative		Technical		Clerical		Service, Maintenance and Production		No.	%
	No.	%	No.	%	No.	%	No.	%	No.	%		
Agriculture.....	1,724	27.9	184	3.0	2,496	40.4	1,205	19.5	572	9.2	6,181	100.0
Auditor General's Office.....	—	—	110	86.6	—	—	16	12.6	1	0.8	127	100.0
Board of Broadcast Governors.....	2	8.3	3	12.5	—	—	19	79.2	—	—	24	100.0
Chief Electoral Officer.....	—	—	2	9.5	—	—	10	47.6	9	42.9	21	100.0
Citizenship and Immigration.....	33	1.2	501	17.9	28	1.0	2,177	77.7	62	2.2	2,801	100.0
Civil Service Commission.....	1	0.2	222	34.0	4	0.6	425	65.0	1	0.2	653	100.0
Defence Production.....	22	1.6	519	38.0	26	1.9	791	57.9	9	0.6	1,367	100.0
External Affairs.....	10	0.7	398	29.3	48	3.5	820	60.5	81	6.0	1,357	100.0
International Joint Commission.....	2	22.2	1	11.1	1	11.1	5	55.6	—	—	9	100.0
Finance.....	2	0.4	118	25.8	4	0.8	334	73.0	—	—	458	100.0
Comptroller of the Treasury.....	1	—	729	17.0	2	—	3,554	82.7	11	0.3	4,297	100.0
Royal Canadian Mint.....	9	4.6	7	3.6	18	9.3	12	6.2	148	76.3	194	100.0
Tariff Board.....	5	29.4	2	11.8	—	—	10	58.8	—	—	17	100.0
Fisheries.....	84	7.1	47	4.0	603	51.0	237	20.0	212	17.9	1,183	100.0
Governor General's Secretary.....	—	—	4	26.7	—	—	11	73.3	—	—	15	100.0
House of Commons.....	3	1.4	24	10.9	—	—	98	44.5	95	43.2	220	100.0
The Senate.....	—	—	6	16.2	—	—	16	43.3	15	40.5	37	100.0
Library of Parliament.....	14	48.3	—	—	2	6.9	11	37.9	2	6.9	29	100.0
Insurance.....	14	15.2	30	32.6	—	—	48	52.2	—	—	92	100.0
Justice.....	61	19.2	38	12.0	2	0.6	216	68.2	—	—	317	100.0
Commissioner of Penitentiaries.....	7	7.4	13	13.8	20	21.3	54	57.5	—	—	94	100.0
Labour.....	44	7.9	90	16.1	30	5.4	392	69.9	4	0.7	560	100.0

Unemployment Insurance Commission.....	9	0.1	4,655	59.3	2	—	3,168	40.4	15	0.2	7,849	100.0
Mines and Technical Surveys.....	586	25.3	53	2.3	1,145	49.5	366	15.8	165	7.1	2,315	100.0
Dominion Coal Board.....	1	5.6	2	11.1	1	5.6	14	77.7	—	—	18	100.0
National Defence.....	515	1.9	585	2.2	4,358	16.4	11,986	45.2	9,111	34.3	26,555	100.0
National Gallery of Canada.....	4	6.2	5	7.7	21	32.3	24	36.9	11	16.9	65	100.0
National Health and Welfare.....	688	23.7	134	4.6	269	9.3	1,477	50.8	338	11.6	2,906	100.0
National Library.....	12	28.6	—	—	3	7.1	25	59.5	2	4.8	42	100.0
Public Archives.....	22	23.7	3	3.2	18	19.4	49	52.6	1	1.1	93	100.0
National Revenue — Customs and Excise.....	14	0.2	959	12.8	393	5.3	5,938	79.4	175	2.3	7,479	100.0
National Revenue — Taxation Division.....	30	0.5	2,687	44.4	76	1.3	3,247	53.6	16	0.2	6,056	100.0
Northern Affairs and National Resources.....	367	18.1	251	12.3	374	18.4	722	35.5	319	15.7	2,033	100.0
Post Office.....	10	—	2,453	10.7	70	0.3	10,690	46.7	9,688	42.3	22,911	100.0
Privy Council.....	2	1.4	42	29.9	3	2.1	94	66.6	—	—	141	100.0
Public Printing and Stationery.....	5	0.8	48	7.5	109	17.1	384	60.3	91	14.3	637	100.0
Public Works.....	348	7.3	94	2.0	438	9.2	647	13.5	3,254	68.0	4,781	100.0
Royal Canadian Mounted Police.....	2	0.2	5	0.5	48	4.7	951	92.3	24	2.3	1,030	100.0
Secretary of State.....	107	15.0	220	30.8	8	1.1	377	52.7	3	0.4	715	100.0
Trade and Commerce.....	24	2.2	294	26.4	358	32.1	433	38.9	5	0.4	1,114	100.0
Dominion Bureau of Statistics.....	188	11.1	37	2.2	120	7.1	1,352	79.5	2	0.1	1,699	100.0
National Energy Board.....	7	20.0	3	8.6	6	17.1	19	54.3	—	—	35	100.0
Board of Grain Commissioners.....	13	1.5	5	0.6	708	79.8	160	18.1	—	—	886	100.0
Transport.....	749	7.9	225	2.4	4,458	47.1	1,931	20.4	2,105	22.2	9,468	100.0
Air Transport Board.....	4	6.0	20	29.8	3	4.5	40	59.7	—	—	67	100.0
Board of Transport Commissioners.....	16	10.5	20	13.1	40	26.1	77	50.3	—	—	153	100.0
Canadian Maritime Commission.....	1	4.8	4	19.0	3	14.3	13	61.9	—	—	21	100.0
Veterans Affairs.....	2,057	18.0	853	7.4	808	7.1	3,385	29.6	4,335	37.9	11,438	100.0
Total, Civil Service.....	7,819	6.0	16,705	12.8	17,124	13.1	58,030	44.4	30,882	23.7	130,560	100.0

APPENDIX B-2

Appendix B-2 — OCCUPATIONAL DISTRIBUTION OF FULL-TIME EMPLOYEES IN CROWN CORPORATIONS — SEPTEMBER, 1960

	Occupational Groups												Total	
	Professional		Administrative		Technical		Clerical		Service, Maintenance and Production		Total		No.	%
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
<i>Departmental Corporations</i>														
Atomic Energy Control Board.....	2	25.0	1	12.5	—	—	5	62.5	—	—	8	100.0		
National Research Council.....	683	28.1	36	1.5	941	38.6	395	16.2	379	15.6	2,434	100.0		
<i>Agency Corporations</i>														
Atomic Energy of Canada Limited.....	478	18.2	84	3.2	511	19.4	411	15.6	1,145	43.6	2,629	100.0		
Canadian Arsenals Limited.....	74	2.5	195	6.6	202	6.9	461	15.7	2,011	68.3	2,943	100.0		
Canadian Commercial Corporation.....	1	1.8	13	23.2	—	—	42	75.0	—	—	56	100.0		
Crown Assets Disposal Corporation.....	2	1.9	19	18.3	—	—	83	79.8	—	—	104	100.0		
Defence Construction (1951) Limited.....	90	23.9	38	10.1	129	34.4	119	31.6	—	—	376	100.0		
National Battlefields Commission.....	—	—	3	13.0	—	—	—	—	20	87.0	23	100.0		
National Capital Commission.....	10	1.6	14	2.3	23	3.7	28	4.5	545	87.9	620	100.0		
National Harbours Board.....	52	2.0	101	3.9	70	2.7	313	12.0	2,073	79.4	2,609	100.0		
Northern Canada Power Commission.....	7	4.6	3	2.0	2	1.3	32	20.9	109	71.2	153	100.0		
<i>Proprietary Corporations</i>														
Central Mortgage and Housing Corporation.....	86	4.6	177	9.4	475	25.3	1,009	53.9	127	6.8	1,874	100.0		
Cornwall International Bridge Co. Limited.....	—	—	—	—	—	—	10	66.7	5	33.3	15	100.0		
Export Credits Insurance Corporation.....	2	6.5	4	12.9	6	19.4	18	58.0	1	3.2	31	100.0		
Farm Credit Corporation.....	7	2.9	15	6.1	66	26.9	157	64.1	—	—	245	100.0		
St. Lawrence Seaway Authority.....	50	4.3	36	3.1	61	5.2	138	11.8	889	75.6	1,174	100.0		

<i>Other Agencies</i>												
Canadian Wheat Board.....	—	—	40	5.8	—	—	626	91.1	21	3.1	687	100.0
Industrial Development Bank.....	49	18.9	76	29.3	—	—	134	51.8	—	—	259	100.0
Northern Ontario Pipe Line Crown Corporation.....												
	—	—	1	50.0	—	—	1	50.0	—	—	2	100.0
Custodian of Enemy Property.....	1	4.5	4	18.2	—	—	17	77.3	—	—	22	100.0
<i>Statutory Boards</i>												
Defence Research Board.....	590	21.2	30	1.1	973	34.9	580	20.8	612	22.0	2,785	100.0
Fisheries Research Board.....	156	28.8	32	5.9	191	35.3	62	11.5	100	18.5	541	100.0
National Film Board.....	6	0.8	207	28.2	252	34.3	227	31.0	42	5.7	734	100.0
Total.....	2,346	11.5	1,129	5.6	3,902	19.2	4,868	23.9	8,079	39.8	20,324	100.0

APPENDIX B-3

Appendix B-3—OCCUPATIONAL DISTRIBUTION OF CIVIL SERVICE EMPLOYEES—BY AREA OF SPECIALIZATION AND DEPARTMENT—SEPTEMBER, 1960

DEPARTMENT	PROFESSIONAL											GRAND TOTAL PROFESSIONAL							
	PHYSICAL SCIENCE			BIO-LOGICAL SCIENCE	MEDICAL SCIENCE AND NURSING				LAW	SOCIAL SCIENCES AND OTHERS									
	Eng.	Other	Total		Med. Off.	Nursing	Vets.	Total		Educa-tion	Diet., Nutr., Home Econ.		Social Worker	Li-brar-ians	Econ. and Stat.	Other	Total		
Agriculture.....	105	15	120	1,107	—	—	407	—	—	—	—	6	—	—	17	67	—	90	1,724
Board of Broadcast Governors.....	—	—	—	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	2
Citizenship and Immigration.....	10	2	12	2	—	—	—	9	—	—	—	—	—	—	2	1	—	10	33
Civil Service Commission.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1	—	—	1	1
Defence Production.....	11	—	11	—	—	—	—	4	—	—	—	—	—	—	1	7	—	7	22
External Affairs.....	1	1	2	—	—	—	—	2	—	—	—	—	—	—	6	—	—	6	10
International Joint Commission.....	1	—	1	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	2
Finance.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2	—	—	2	2
Comptroller of the Treasury.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1
Royal Canadian Mint.....	2	7	9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	9
Tariff Board.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	5	—	5	5
Fisheries.....	16	6	22	31	—	—	—	2	—	—	—	7	—	—	2	20	—	29	84
House of Commons.....	—	—	—	—	—	—	1	2	—	—	—	—	—	—	14	—	—	14	3
Library of Parliament.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	14	14
Insurance.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	14	—	14	14
Justice.....	—	—	—	—	—	—	—	58	—	—	—	—	—	—	2	1	—	3	61
Commissioner of Penitentiaries.....	3	4	7	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	7
Labour.....	—	—	—	—	—	—	—	—	4	—	—	—	—	—	4	36	—	40	44
Unemployment Insurance Commission.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	9
Mines and Technical Surveys.....	93	485	578	—	—	—	—	—	9	—	—	—	—	—	7	—	—	7	586
Dominion Coal Board.....	1	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1
National Defence.....	244	38	282	—	8	62	70	3	—	—	—	—	—	—	11	5	2	160	515

National Gallery of Canada.....	26	187	213	35	240	137	1	378	2	—	—	—	—	—	—	—	—	—	2	4	4
National Health and Welfare National Library.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	60	688
Public Archives.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	12	12
National Revenue — Customs and Excise.....	—	10	10	—	—	—	—	—	4	—	—	—	—	—	—	—	—	—	—	22	22
National Revenue — Taxation Division.....	—	—	—	—	—	—	—	—	27	—	—	—	—	—	—	—	—	—	—	—	14
Northern Affairs and National Resources.....	110	14	124	208	—	—	—	—	3	—	—	—	—	—	—	—	—	—	—	3	30
Post Office.....	9	—	9	—	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	32	367
Privy Council.....	2	—	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	10
Public Printing and Stationery Public Works.....	2	—	2	—	1	—	—	1	—	—	—	—	—	—	—	—	—	—	—	2	2
Royal Canadian Mounted Police.....	283	63	346	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2	348
Secretary of State.....	1	1	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2
Trade and Commerce.....	105	—	105	—	—	—	—	—	2	—	—	—	—	—	—	—	—	—	—	—	107
Dominion Bureau of Statistics National Energy Board.....	1	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	23	24
Board of Grain Commissioners.....	—	—	4	—	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	188	188
Transport.....	289	11	11	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2	7
Air Transport Board.....	—	436	725	—	2	1	—	3	5	—	—	—	—	—	—	—	—	—	—	2	13
Board of Transport Commissioners.....	—	—	—	—	—	—	—	—	3	—	—	—	—	—	—	—	—	—	—	16	749
Canadian Maritime Commission.....	12	—	12	—	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	1	4
Veterans Affairs.....	—	47	52	5	242	1,552	—	1,794	47	—	—	—	—	—	—	—	—	—	—	3	16
Total.....	1,336	1,327	2,663	1,388	494	1,753	408	2,655	193	142	108	95	117	411	47	920	7,819	2,067	—	—	—

Appendix B-3—OCCUPATIONAL DISTRIBUTION OF CIVIL SERVICE EMPLOYEES—BY AREA OF SPECIALIZATION AND DEPARTMENT—SEPTEMBER, 1960—Concluded

DEPARTMENTAL	ADMINISTRATION			TECH- NICAL AND IN- SPEC- TION	OFFICE				SERVICE AND MAINTENANCE					GRAND TOTAL		
	Man- ageri- al	Ac- count- ing	General		Total	Clerks	Stenos.	P. C. E. Op.	Off. Mach. Op.	Tel. Comm.	Total	Crafts and Trades	Stores and Bldg.		Other S. & M.	Total
Agriculture.....	112	—	72	184	2,496	584	574	23	22	2	1,205	59	108	405	572	6,181
Auditor General's Office.....	4	106	—	110	—	14	2	—	—	—	16	—	1	—	1	127
Board of Broadcast Governors.....	2	—	1	3	—	14	5	—	—	—	19	—	—	—	—	24
Chief Electoral Officer.....	—	—	2	2	—	8	2	—	—	—	10	—	9	—	9	21
Citizenship and Immigration.....	65	—	436	501	28	1,690	470	7	3	7	2,177	13	48	1	62	2,801
Civil Service Commission.....	210	—	12	222	4	277	128	10	8	2	425	—	1	—	1	653
Defence Production.....	487	—	32	519	26	520	237	5	13	16	791	—	9	—	9	1,367
External Affairs.....	327	—	71	398	48	434	280	—	12	94	820	—	81	—	81	1,357
International Joint Commission.....	1	—	—	1	1	2	3	—	—	—	5	—	—	—	—	9
Finance.....	91	—	27	118	4	248	60	2	8	16	334	—	—	—	—	458
Comptroller of the Treasury.....	4	195	530	729	2	2,628	390	220	315	1	3,554	3	8	—	11	4,297
Royal Canadian Mint.....	1	—	6	7	18	7	5	—	—	—	12	143	5	—	148	194
Tariff Board.....	2	—	—	2	—	4	6	—	—	—	10	—	—	—	—	17
Fisheries.....	7	—	40	47	603	147	87	—	2	1	237	5	8	199	212	1,183
Governor General's Secretary.....	1	—	3	4	—	4	7	—	—	—	11	—	—	—	—	15
House of Commons.....	9	—	15	24	—	78	20	—	—	—	98	—	95	—	95	220
The Senate.....	3	—	3	6	—	13	3	—	—	—	16	—	15	—	15	37
Library of Parliament.....	—	—	—	—	2	10	1	—	—	—	11	—	2	—	2	29
Insurance.....	5	19	6	30	—	30	7	—	11	—	48	—	—	—	—	92
Justice.....	28	—	10	38	2	98	112	—	6	—	216	—	—	—	—	317
Commissioner of Penitentiaries.....	—	—	13	13	20	31	23	—	—	—	54	—	—	—	—	94
Labour.....	11	—	79	90	30	245	113	17	17	—	392	—	4	—	4	560
Unemployment Insurance Commission.....	2	—	4,653	4,655	2	2,121	936	24	28	59	3,168	—	15	—	15	7,849

Mines and Technical Surveys.....	9	—	44	53	1,145	220	136	6	4	—	366	128	35	2	165	2,315
Dominion Coal Board.....	—	—	2	2	1	11	3	—	—	937	14	—	—	—	—	18
National Defence.....	23	1	561	585	4,358	6,654	3,971	232	192	—	11,986	1,307	7,683	121	9,111	26,555
National Gallery of Canada.....	1	—	4	5	21	14	10	—	—	—	24	10	1	—	11	65
National Health and Welfare.....	12	—	122	134	269	1,022	435	—	10	10	1,477	119	212	7	338	2,906
National Library.....	—	—	—	—	3	17	7	—	1	—	25	—	2	—	2	42
Public Archives.....	—	—	3	3	18	37	9	—	3	—	49	—	1	—	1	93
National Revenue—	22	350	587	959	393	5,404	420	—	105	9	5,938	2	10	163	175	7,479
Customs and Excise.....	44	2,392	251	2,687	76	2,423	686	110	4	24	3,247	1	15	—	16	6,056
Taxation Division.....	29	—	222	251	374	424	290	4	4	—	722	43	72	204	319	2,033
Northern Affairs and National Resources.....	6	—	2,447	2,453	70	10,289	307	41	44	9	10,690	77	53	9,558	9,688	22,911
Post Office.....	13	—	29	42	3	54	40	—	—	—	94	—	—	—	—	141
Privy Council.....	2	—	46	48	109	216	49	23	96	—	384	—	91	—	91	637
Public Printing and Public Works.....	12	—	82	94	438	393	240	—	9	5	647	581	2,626	47	3,254	4,781
Royal Canadian Mounted Police.....	—	—	5	5	48	389	543	—	7	12	951	2	22	—	24	1,030
Secretary of State.....	5	—	215	220	8	231	137	—	9	—	377	—	3	—	3	715
Trade and Commerce.....	249	—	45	294	358	255	174	—	3	1	433	—	5	—	5	1,114
Dominion Bureau of Statistics.....	4	—	33	37	120	1,006	118	145	83	—	1,352	1	1	—	2	1,699
National Energy Board.....	—	—	3	3	6	9	10	—	—	—	19	—	—	—	—	35
Board of Grain Commissioners.....	—	—	5	5	708	110	35	6	9	—	160	—	—	—	—	886
Transport.....	31	—	194	225	4,458	939	629	56	16	291	1,931	694	745	666	2,105	9,468
Air Transport Board.....	4	4	12	20	3	19	20	—	1	—	40	—	—	—	—	67
Board of Transport Commissioners.....	8	3	9	20	40	49	28	—	—	—	77	—	—	—	—	153
Canadian Maritime Commission.....	1	—	3	4	3	10	3	—	—	—	13	—	—	—	—	21
Veterans Affairs.....	14	—	839	853	808	1,965	1,301	11	18	90	3,385	526	3,764	45	4,335	11,438
Total.....	1,861	3,070	11,774	16,705	17,124	41,367	13,072	942	1,063	1,586	58,030	3,714	15,750	11,418	30,882	130,560

APPENDIX C

Appendix C—EDUCATIONAL CHARACTERISTICS OF FULL-TIME CIVIL SERVICE EMPLOYEES—SHOWING LEVEL OF UNIVERSITY DEGREES BY DEPARTMENT, AREA OF SPECIALIZATION AND OCCUPATIONAL GROUP—SEPTEMBER, 1960

No	Department or Agency	Professional								
		Physical Science						Biological Science		
		Engineering			Other			*B	*M	*D
		*B	*M	*D	*B	*M	*D			
1	Agriculture.....	91	9	—	14	3	2	293	382	445
2	Auditor General's Office.....	—	—	—	—	—	—	—	—	—
3	Board of Broadcast Governors.....	1	—	—	—	—	—	—	—	—
4	Chief Electoral Officer.....	—	—	—	—	—	—	—	—	—
5	Citizenship and Immigration.....	7	—	1	1	—	—	2	—	—
6	Civil Service Commission.....	—	—	—	—	—	—	—	—	—
7	Defence Production.....	14	—	—	—	—	—	—	—	—
8	External Affairs.....	1	—	—	—	—	1	—	—	—
9	International Joint Commission.....	1	—	—	—	—	—	—	—	—
10	Finance.....	—	—	—	—	—	—	—	—	—
11	Comptroller of the Treasury.....	—	—	—	—	—	—	—	—	—
12	Royal Canadian Mint.....	—	—	—	7	—	—	—	—	—
13	Tariff Board.....	—	—	—	—	—	—	—	—	—
14	Fisheries.....	15	—	—	7	—	—	27	6	—
15	Governor General's Secretary.....	—	—	—	—	—	—	—	—	—
16	House of Commons.....	—	—	—	—	—	—	—	—	—
17	The Senate.....	—	—	—	—	—	—	—	—	—
18	Library of Parliament.....	—	—	—	—	—	—	—	—	—
19	Insurance.....	—	—	—	—	—	—	—	—	—
20	Justice.....	—	—	—	—	—	—	—	—	—
21	Commissioner of Penitentiaries.....	2	—	—	4	—	—	—	—	—
22	Labour.....	—	—	—	—	—	—	—	—	—
23	Unemployment Insurance Commission..	—	—	—	—	—	—	—	—	—
24	Mines and Technical Surveys.....	101	7	9	207	90	179	—	—	—
25	Dominion Coal Board.....	1	—	—	—	—	—	—	—	—
26	National Defence.....	158	25	—	21	5	—	—	—	—
27	National Gallery of Canada.....	—	—	—	—	—	—	—	—	—
28	National Health and Welfare.....	19	8	1	123	27	40	14	5	14
29	National Library }.....	—	—	—	—	—	—	—	—	—
30	Public Archives }.....	—	—	—	—	—	—	—	—	—
31	National Revenue-Customs & Excise....	—	—	—	6	2	—	—	—	—
32	National Revenue-Taxation.....	—	—	—	—	—	—	—	—	—
33	Northern Affairs & National Resources	92	5	—	2	5	4	102	65	33
34	Post Office.....	7	1	—	—	—	—	—	—	—
35	Privy Council.....	1	1	—	—	—	—	—	—	—
36	Public Printing & Stationery.....	2	—	—	—	—	—	—	—	—
37	Public Works.....	237	11	—	25	—	—	—	—	—
38	Royal Canadian Mounted Police.....	1	—	—	—	—	1	—	—	—
39	Secretary of State.....	92	8	2	—	—	—	—	—	—
40	Trade and Commerce.....	1	—	—	—	—	—	—	—	—
41	Dominion Bureau of Statistics.....	—	—	—	—	—	—	—	—	—
42	National Energy Board.....	4	—	—	—	—	—	—	—	—
43	Board of Grain Commissioners.....	—	—	—	1	1	8	—	—	—
44	Transport.....	226	19	—	248	164	3	—	—	—
45	Air Transport Board.....	—	—	—	—	—	—	—	—	—
46	Board of Transport Commissioners.....	6	—	—	—	—	—	—	—	—
47	Canadian Maritime Commission.....	—	—	—	—	—	—	—	—	—
48	Veterans Affairs.....	4	—	—	24	3	—	4	1	—
TOTALS.....		1,084	94	13	690	300	238	442	459	492
TOTAL DEGREES.....			1,191			1,228		1,393		

* B: Bachelor's; M: Master's; D: Doctor's

Professional															
Medical Science and Nursing									Law			Education			No.
Medical Officers			Nursing			Veterinarians			*B	*M	*D	*B	*M	*D	
*B	*M	*D	*B	*M	*D	*B	*M	*D							
—	—	—	—	—	—	435	1	1	—	—	—	—	—	—	1
—	—	—	—	—	—	—	—	—	1	—	—	—	—	—	2
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4
—	—	—	—	—	—	—	—	—	7	—	—	—	—	—	5
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	6
—	—	—	—	—	—	—	—	—	3	1	—	—	—	—	7
—	—	—	—	—	—	—	—	—	1	1	—	—	—	—	8
—	—	—	—	—	—	—	—	—	1	—	—	—	—	—	9
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	10
—	—	—	—	—	—	—	—	—	1	—	—	—	—	—	11
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	12
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	13
—	—	—	—	—	—	—	—	—	2	—	—	—	—	—	14
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	15
—	—	—	—	—	—	—	—	—	—	—	2	—	—	—	16
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	18
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	19
—	—	—	—	—	—	—	—	—	43	8	1	—	—	—	20
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	21
—	—	—	—	—	—	—	—	—	4	—	—	—	—	—	22
—	—	—	—	—	—	—	—	—	8	—	—	—	—	—	23
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	24
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	25
7	—	—	1	1	—	—	—	—	3	—	—	26	57	56	26
242	—	—	12	—	—	—	—	1	2	—	—	—	—	—	27
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	28
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	29
—	—	—	—	—	—	—	—	—	3	1	—	—	—	—	30
—	—	—	—	—	—	—	—	—	21	5	—	—	—	—	31
—	—	—	—	—	—	—	—	—	2	—	1	—	—	—	32
—	—	—	—	—	—	—	—	—	1	—	—	—	—	—	33
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	34
—	—	—	2	—	—	—	—	—	—	—	—	—	—	—	35
—	—	—	—	—	—	—	—	—	—	1	—	—	—	—	36
—	—	—	—	—	—	—	—	—	—	1	—	—	—	—	37
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	38
—	—	—	—	—	—	—	—	—	2	—	—	—	—	—	39
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	40
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	41
—	—	—	—	—	—	—	—	—	1	—	—	—	—	—	42
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	43
—	—	—	—	—	—	—	—	—	2	1	1	—	—	—	44
—	—	—	—	—	—	—	—	—	3	—	—	—	—	—	45
—	—	—	—	—	—	—	—	—	1	—	—	—	—	—	46
—	—	—	—	—	—	—	—	—	1	—	—	—	—	—	47
229	—	—	4	—	—	—	—	—	44	1	—	—	—	—	48
478	—	—	19	1	—	435	1	2	157	19	5	26	57	56	
	478			20			438			181			139		

Appendix C—EDUCATIONAL CHARACTERISTICS OF FULL-TIME CIVIL SERVICE EMPLOYEES—SHOWING LEVEL OF UNIVERSITY DEGREES BY DEPARTMENT, AREA OF SPECIALIZATION AND OCCUPATIONAL GROUP—SEPTEMBER, 1960—Continued

No.	Department or Agency	Professional								
		Social Sciences and Other								
		Diet., Nutr., Home Econ.			Social Workers			Librarians		
		*B	*M	*D	*B	*M	*D	*B	*M	*D
1	Agriculture.....	7	—	—	—	—	—	18	—	—
2	Auditor General's Office.....	—	—	—	—	—	—	—	—	—
3	Board of Broadcast Governors.....	—	—	—	—	—	—	—	—	—
4	Chief Electoral Officer.....	—	—	—	—	—	—	—	—	—
5	Citizenship and Immigration.....	—	—	—	2	3	—	2	—	—
6	Civil Service Commission.....	—	—	—	—	—	—	1	—	—
7	Defence Production.....	—	—	—	—	—	—	—	—	—
8	External Affairs.....	—	—	—	—	—	—	4	1	—
9	International Joint Commission.....	—	—	—	—	—	—	—	—	—
10	Finance.....	—	—	—	—	—	—	2	—	—
11	Comptroller of the Treasury.....	—	—	—	—	—	—	—	—	—
12	Royal Canadian Mint.....	—	—	—	—	—	—	—	—	—
13	Tariff Board.....	—	—	—	—	—	—	—	—	—
14	Fisheries.....	7	—	—	—	—	—	1	1	—
15	Governor General's Secretary.....	—	—	—	—	—	—	—	—	—
16	House of Commons.....	—	—	—	—	—	—	—	—	—
17	The Senate.....	—	—	—	—	—	—	—	—	—
18	Library of Parliament.....	—	—	—	—	—	—	9	3	—
19	Insurance.....	—	—	—	—	—	—	—	—	—
20	Justice.....	—	—	—	—	—	—	2	—	—
21	Commissioner of Penitentiaries.....	—	—	—	—	—	—	—	—	—
22	Labour.....	—	—	—	—	—	—	3	1	—
23	Unemployment Insurance Commission..	—	—	—	—	—	—	—	—	—
24	Mines and Technical Surveys.....	—	—	—	—	—	—	7	1	—
25	Dominion Coal Board.....	—	—	—	—	—	—	—	—	—
26	National Defence.....	—	—	—	—	—	—	6	4	—
27	National Gallery of Canada.....	—	—	—	—	—	—	—	1	—
28	National Health and Welfare.....	10	2	—	12	3	—	4	1	—
29	National Library }.....	—	—	—	—	—	—	13	2	3
30	Public Archives }.....	—	—	—	—	—	—	—	—	—
31	National Revenue—Customs & Excise..	—	—	—	—	—	—	—	—	—
32	National Revenue—Taxation.....	—	—	—	—	—	—	1	—	—
33	Northern Affairs & National Resources	—	—	—	6	6	—	5	2	—
34	Post Office.....	—	—	—	—	—	—	—	—	—
35	Privy Council.....	—	—	—	—	—	—	—	—	—
36	Public Printing and Stationery.....	—	—	—	—	—	—	2	—	—
37	Public Works.....	—	—	—	—	—	—	1	—	—
38	Royal Canadian Mounted Police.....	—	—	—	—	—	—	—	—	—
39	Secretary of State.....	—	—	—	—	—	—	—	—	—
40	Trade and Commerce.....	—	—	—	—	—	—	3	1	—
41	Dominion Bureau of Statistics.....	—	—	—	—	—	—	3	—	1
42	National Energy Board.....	—	—	—	—	—	—	1	—	—
43	Board of Grain Commissioners.....	—	—	—	—	—	—	—	—	—
44	Transport.....	—	—	—	—	—	—	4	1	—
45	Air Transport Board.....	—	—	—	—	—	—	—	—	—
46	Board of Transport Commissioners.....	—	—	—	—	—	—	—	—	—
47	Canadian Maritime Commission.....	—	—	—	—	—	—	—	—	—
48	Veterans Affairs.....	68	1	—	14	23	—	—	—	—
TOTAL.....		92	3	—	34	35	—	92	19	4
TOTAL DEGREES.....			95			69			115	

* B: Bachelor's; M: Master's; D: Doctor's

<i>Professional</i>															
<i>Social Sciences and Other</i>									<i>Administration</i>						
<i>Economists and Statisticians</i>			<i>Other</i>			<i>Administration A</i>			<i>Administration B</i>			<i>Administration C</i>			<i>No.</i>
<i>*B</i>	<i>*M</i>	<i>*D</i>	<i>*B</i>	<i>*M</i>	<i>*D</i>	<i>*B</i>	<i>*M</i>	<i>*D</i>	<i>*B</i>	<i>*M</i>	<i>*D</i>	<i>*B</i>	<i>*M</i>	<i>*D</i>	
37	21	7	—	—	—	74	12	7	—	—	—	25	10	—	1
—	—	—	—	—	—	1	—	—	41	3	—	—	—	—	2
—	1	—	—	—	—	1	1	—	—	—	—	—	—	—	3
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4
—	—	1	—	—	—	43	9	—	—	—	—	73	31	3	5
—	—	—	—	—	—	127	31	1	—	—	—	1	1	—	6
4	2	—	—	—	—	75	12	1	—	—	—	6	1	—	7
—	—	—	—	—	—	148	144	29	—	—	—	15	4	1	8
—	—	—	—	—	—	1	—	—	—	—	—	—	—	—	9
—	—	—	—	—	—	60	27	6	—	—	—	7	—	—	10
—	—	—	—	—	—	1	—	—	31	5	1	28	3	—	11
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	12
3	3	—	—	—	—	—	—	—	—	—	—	—	—	—	13
11	9	—	—	—	—	1	2	1	—	—	—	6	2	—	14
—	—	—	—	—	—	—	—	—	—	—	—	1	—	—	15
—	—	—	—	—	—	2	—	—	—	—	—	3	2	—	16
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	18
13	1	—	—	—	—	5	—	—	16	1	—	3	—	—	19
—	1	—	—	—	—	14	6	—	—	—	—	4	—	—	20
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	21
17	12	7	—	—	—	—	3	2	—	—	—	19	8	—	22
—	—	—	—	—	—	—	—	—	—	—	—	73	14	2	23
—	—	—	—	—	—	1	—	6	—	—	—	13	1	—	24
—	—	—	—	—	—	—	—	—	—	—	—	1	—	—	25
4	1	—	—	2	—	9	2	1	—	—	—	92	14	2	26
—	—	—	—	—	1	—	—	—	—	—	—	1	1	—	27
9	14	2	—	1	—	7	2	3	—	—	—	27	12	4	28
—	—	—	11	10	2	—	—	—	—	—	—	—	—	1	29
—	—	—	—	—	—	5	1	—	65	28	—	56	1	—	30
1	—	—	—	—	—	8	3	—	437	107	—	30	4	—	31
—	—	4	—	5	1	17	8	—	—	—	—	66	20	2	32
—	—	—	—	—	—	8	—	—	—	—	—	9	2	—	33
1	—	—	—	—	—	5	4	1	—	—	—	9	5	—	34
—	—	—	—	—	—	1	—	—	—	—	—	11	1	1	35
—	1	—	—	—	—	6	2	1	—	—	—	17	1	—	36
—	—	—	—	—	—	—	—	—	—	—	—	1	—	—	37
—	—	—	—	—	—	2	1	—	—	—	—	95	32	8	38
11	6	2	—	—	—	177	44	6	—	—	—	13	2	—	39
120	61	10	—	—	—	1	1	1	—	—	—	8	1	1	40
1	1	—	—	—	—	—	—	—	—	—	—	1	—	—	41
1	1	—	—	—	—	—	—	—	—	—	—	—	—	—	42
4	7	2	—	—	—	9	3	1	—	—	—	16	1	—	43
1	—	—	—	—	—	1	1	—	2	—	—	3	3	—	44
3	—	—	—	—	—	3	1	—	1	—	—	—	—	—	45
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	46
—	—	—	5	8	5	5	—	1	—	—	—	1	—	—	47
—	—	—	—	—	—	—	—	—	—	—	—	91	6	—	48
241	142	35	16	26	9	818	320	68	593	144	1	825	183	25	
	418			51			1,206			738			1,033		

Appendix C—EDUCATIONAL CHARACTERISTICS OF FULL-TIME CIVIL SERVICE EMPLOYEES—SHOWING LEVEL OF UNIVERSITY DEGREES BY DEPARTMENT, AREA OF SPECIALIZATION AND OCCUPATIONAL GROUP—SEPTEMBER, 1960—Concluded

Department or Agency	Technical			Total Number of Degrees by Department			Total	Percentage of Employees with Degrees
	*B	*M	*D	*B	*M	*D		
Agriculture.....	266	27	—	1,260	465	462	2,187	35.3
Auditor General's Office.....	—	—	—	42	3	—	45	35.4
Board of Broadcast Governors.....	—	—	—	3	2	—	5	20.8
Chief Electoral Officer.....	—	—	—	—	—	—	—	—
Citizenship and Immigration.....	—	1	—	137	44	5	186	6.6
Civil Service Commission.....	1	—	—	130	32	1	163	25.0
Defence Production.....	2	—	—	104	16	1	121	8.8
External Affairs.....	2	—	—	171	150	31	352	25.9
International Joint Commission.....	—	—	—	3	—	—	3	33.3
Finance.....	—	1	—	69	28	6	103	22.5
Comptroller of the Treasury.....	—	—	—	61	8	1	70	1.6
Royal Canadian Mint.....	—	—	—	7	—	—	7	3.6
Tariff Board.....	—	—	—	3	3	—	6	35.3
Fisheries.....	20	2	—	97	22	1	120	10.1
Governor General's Secretary.....	—	—	—	1	—	—	1	6.7
House of Commons.....	—	—	—	5	2	2	9	4.1
The Senate.....	—	—	—	—	—	—	—	—
Library of Parliament.....	—	—	—	9	3	—	12	41.4
Insurance.....	—	—	—	37	2	—	39	42.4
Justice.....	1	—	—	64	15	1	80	25.2
Commissioner of Penitentiaries.....	2	—	1	8	—	1	9	9.8
Labour.....	10	1	1	53	25	10	88	15.7
Unemployment Insurance Commission..	2	1	—	83	15	2	100	1.3
Mines and Technical Surveys.....	60	4	4	389	103	198	690	29.8
Dominion Coal Board.....	—	—	—	2	—	—	2	11.1
National Defence.....	96	21	5	423	132	64	619	2.3
National Gallery of Canada.....	4	2	1	5	4	2	11	16.9
National Health and Welfare.....	16	10	4	497	85	69	651	22.4
National Library }.....	1	—	—	25	12	6	43	31.9
Public Archives }	—	—	—	—	—	—	—	—
National Revenue—Customs & Excise..	—	—	—	135	33	—	168	2.2
National Revenue—Taxation.....	—	—	—	498	119	—	617	10.2
Northern Affairs & National Resources	21	2	1	313	118	46	477	23.5
Post Office.....	—	—	—	25	3	—	28	0.1
Privy Council.....	—	—	—	16	10	1	27	19.1
Public Printing and Stationery.....	—	—	—	18	1	1	20	31.3
Public Works.....	14	3	—	300	18	1	319	6.7
Royal Canadian Mounted Police.....	—	—	—	2	1	1	4	0.4
Secretary of State.....	5	—	—	196	41	10	247	34.5
Trade and Commerce.....	3	2	—	208	55	8	271	24.3
Dominion Bureau of Statistics.....	23	2	—	155	65	13	233	13.7
National Energy Board.....	—	1	—	8	2	—	10	28.6
Board of Grain Commissioners.....	2	—	1	4	2	9	15	1.7
Transport.....	34	3	—	543	199	7	749	7.9
Air Transport Board.....	—	—	—	10	4	—	14	20.9
Board of Transport Commissioners.....	4	—	—	18	1	—	19	12.4
Canadian Maritime Commission.....	—	—	—	2	—	—	2	9.5
Veterans Affairs.....	2	—	—	494	43	6	543	4.7
TOTALS.....	591	83	18	6,633	1,886	966	9,485	7.3
TOTAL DEGREES.....		692			9,485			

* B: Bachelor's; M: Master's; D: Doctor's