

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

**2004–2005 Estimates**

**Report on  
Plans and Priorities**

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## Section I: Messages

### 1.1 Minister's message



As the Minister responsible for the Public Service Human Resources Management Agency of Canada, I am very pleased to present the Agency's first *Report on Plans and Priorities* for the period 2004–05 to 2006–07.

The creation of the Agency, announced last December, underscores the Government of Canada's commitment to ensuring that it has a modern, world-class public service that delivers effective quality services to Canadians with integrity, transparency and accountability. The Government has made a clear commitment to doing things differently. Not only did it emphasize that commitment by creating an agency to enhance the way government performs for Canadians, but it has given this agency the tools it needs to do the job.

At the heart of the Agency's plans is implementation of the *Public Service Modernization Act* (PSMA), which received Royal Assent last November. The various components of the new act, which represents the first major revamp of public service HR management practices in more than 35 years, will be implemented in stages. This transformation will include non-legislated changes such as reform of the classification system and the establishment of a strengthened accountability regime for human resources management across the public service.

Another critical piece of the Agency's plans is related to its efforts in support of public service values and ethics. As part of this effort, the Agency drafted the *Public Servants Disclosure Protection Bill*, which was tabled in Parliament on March 22, 2004. The bill was still under committee review when the recent federal election was announced in May 2004. In the coming months, we are committed to reintroducing legislation in this area.

Part of the Agency's priorities will also be to foster the development of highly competent leaders guided and measured by the highest accountability and ethical standards, and to continue to strive for targeted improvements in employment equity and the promotion of linguistic duality.

As Canadians, we must also value our federal public service more. Public service is an admirable and honourable calling. The calibre, commitment and integrity of our federal public servants are recognized worldwide. The men and women at work for the Government of Canada have dedicated their lives to serving our shared interests – by delivering services to Canadians, and by protecting and promoting the fairness, justice, and the health and vitality of our democracy, economy, environment, social well-being, and collective security. Every day, they make a difference to the quality of our lives, at home and abroad. If we seek, support, and do a better job recognizing their excellence, our public servants will redouble their ongoing efforts to achieve excellence.

On behalf of all Canadians, I want to thank all members of the federal Public Service for your hard work, professionalism, and dedication to the public interest. I also encourage all Parliamentarians and Canadians to read this Report and recognize our shared stake in supporting public service excellence.

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Reg Alcock  
President of the Treasury Board

## **1.2 Management representation statement**

I submit, for tabling in Parliament, the 2004–05 *Report on Plans and Priorities* for the Public Service Human Resources Management Agency of Canada.

This document has been prepared based on the reporting principles and disclosure requirements contained in the *Guide to the Preparation of the 2004–05 Report on Plans and Priorities*:

- It accurately portrays the organization's plans and priorities.
- The planned spending information in this document is consistent with the directions provided by the Minister of Finance in the Budget and by the Treasury Board Secretariat.
- It is comprehensive and accurate.
- It is based on sound underlying departmental information and management systems.

The reporting structure on which this document is based will serve as the basis for accountability for the results achieved with the resources and authorities provided.

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Michelle Chartrand, President  
Public Service Human Resources  
Management Agency of Canada

## Section II: Our *Raison d'être*

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

The Public Service Human Resources Management Agency of Canada (the Agency) was created on December 12, 2003.

Its creation is anchored in the necessity to rejuvenate, strengthen and modernize human resources (HR) management in the public service, in particular through implementation of the *Public Service Modernization Act* (PSMA), which received Royal Assent on November 7, 2003.

As detailed in the following sections of this report, HR management in the public service has reached a turning point: many practices and systems have not changed in nearly four decades and have become overly complex and inflexible.

At the same time, public servants face many challenges in a rapidly changing environment, including resource constraints, increased demand for services, the changing nature of work and the necessity to restore Canadians' confidence in their public service.

In this context, the need for effective and accountable HR management across the public service is more important than ever.

### ***Our results for Canadians...***

Leveraging the PSMA and other tools, the Agency will provide the leadership and focus needed to foster and sustain modern, effective, results-driven people management and leadership across the public service. In this way, it will enable public servants to deliver effective quality services to Canadians while upholding the values of integrity, transparency and accountability.

Thus, the Agency will serve Canadians by striving for *the finest public service in the world...a workforce and a workplace second to none:*

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

## Section III: Planning Overview

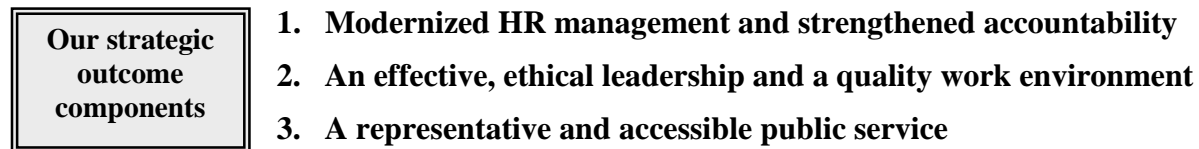
### 3.1 Our portfolio

Fully funded through operating expenditures, the Agency regroups programs from the Treasury Board Secretariat (TBS) and the Public Service Commission (PSC), bringing together most of the HR management functions, including HR planning and accountability; implementation of the *Public Service Modernization Act* (PSMA); organization, classification and employment policy; leadership development (including the Performance Management Program for executives); values and ethics; employment equity; and official languages.

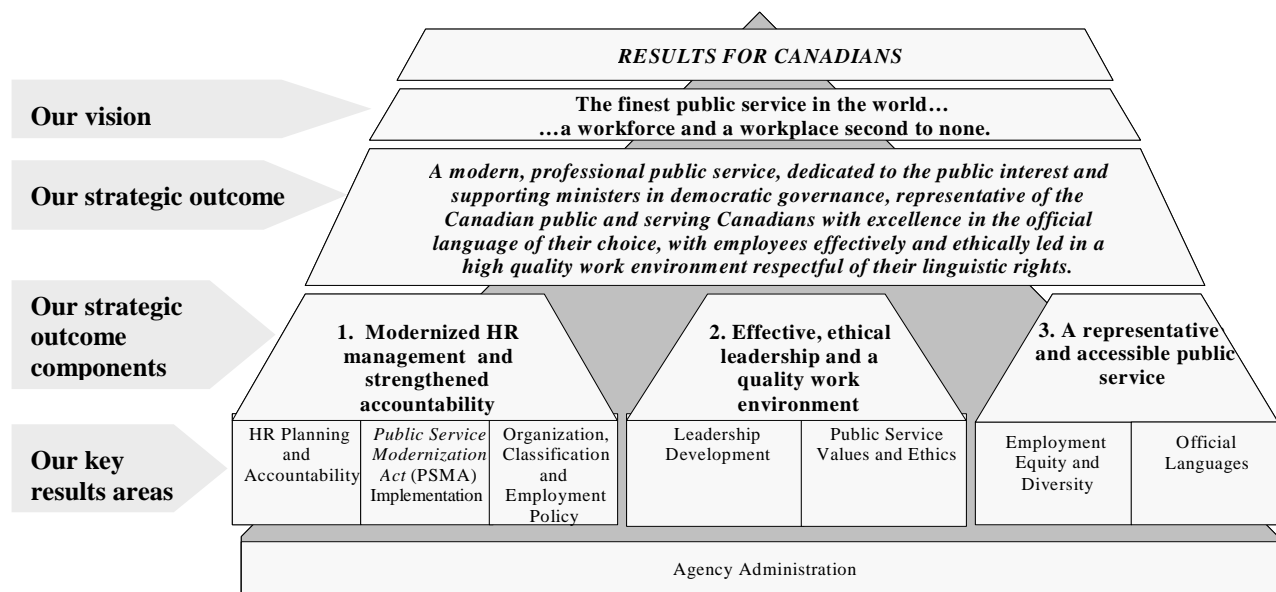
While TBS continues to focus on compensation, labour relations, and pensions and benefits, the PSC focuses on staffing and the Canada School of Public Service (CSPS) focuses on learning and training services. As a result, the Agency works very closely with each of these partners (see also Section 5.2 for more information about Agency partnerships).

### 3.2 Our strategic planning framework

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



Each of these three strategic outcome components is broken down into key results areas that are closely interrelated and fully aligned with the organizational, reporting and accountability structure of the Agency presented in Section V.





Unlike the HR management section of last year's Treasury Board Secretariat *Report on Plans and Priorities*, this first Agency RPP articulates its strategic outcome, not in terms of generic *workforce* and *workplace* achievements, but in more specific and results-driven strategic outcome components that better reflect the focus, challenges and priorities of the Agency.

### 3.3 Our key challenges and priorities

This section provides an overview of the challenges for each of the three strategic outcome components along with the Agency's priorities and the associated benefits for Canadians.

#### 3.3.1 Modernized human resources management and strengthened accountability

##### *Key Challenges...*

***Essential building blocks for a modern public service have lost a good deal of their management efficiency and effectiveness.***

This strategic outcome component is the cornerstone of the Agency's priorities. As mentioned in Section II, HR legislation has not changed over the last four decades and HR practices and systems have become too complex and inflexible to adapt to the current and future needs of the public service.

A high-performing public service rests on essential building blocks, including a well-functioning job structure or classification system that reflects the relative value of the work that Canadians need done on their behalf, and a simplified staffing system that gets the right people into the right jobs at the right time. It also rests on effective HR planning and accountability.

However, some of the existing classification standards are outdated. Those that are particularly outdated, or that impede sound management of our human resources, will be modernized. Services and tools will also be developed to make these standards more accessible and easier to use. For its part, the staffing system has become too unwieldy to adapt to current and future needs; the way the public service hires employees has become cumbersome and costly and often discourages people from entering or remaining in the public service. With regard to HR planning and accountability, there is widespread recognition across departments and agencies that considerable capacity building is required in integrating business and HR planning and in developing a capacity for performance measurement and accountability.

Altogether, managers have insufficient input into HR decisions. They have been burdened by systems that are overly complex, outdated and excessively control-oriented, making HR management generally slow and cumbersome with few ties to the business needs of the organization. In addition, HR planning is often limited and not linked to business planning.

Finally, the information systems used to process HR data and transactions are too fragmented and labour intensive. This increases the administrative burden on departments to the detriment of their core priorities and limits the government's capacity to access timely and effective information in support of better monitoring, reporting and decision-making.

## ***Key Priorities and Results for Canadians...***

***The Agency will ensure effective implementation of the PSMA and the reform of the classification system and will establish integrated HR planning, monitoring and accountability systems across the public service.***

The centrepiece for the modernization of HR management in the public service is the *Public Service Modernization Act* (PSMA), which received Royal Assent on November 7, 2003. The implementation of this Act will simplify the staffing system, thus improving the ability of the public service to attract and hire people when and where they are needed; establish more constructive labour relations to create a more effective working

environment; allow better focus on learning through a single organization, the Canada School of Public Service; and provide clearer roles for managers while strengthening their accountabilities.

With implementation of the PSMA, managers will be given more responsibility and, in turn, will be held accountable for their HR management decisions. They will have more flexibility but will also be judged on the quality of their actions rather than on the process they have followed. Thus, there will be a shift in primary responsibility away from central agencies into the hands of deputy heads and managers. With regard to labour relations, implementing the PSMA will promote conflict resolution and joint problem solving as common practices in our workplace.

In addition, PSMA implementation will be enabled by non-legislated modernization initiatives. The most important of these are reform of the classification system and reinforcement of departmental HR planning capacity and accountability across the public service.

For its part, reform of the classification system will complement the simplified, and enabling staffing system that will result from PSMA implementation. Through this reform, the Agency will re-establish a system that captures the essence of the work of the public service, reflects labour market realities, ensures equitable treatment, and facilitates recruitment and retention. The Agency will ensure that mechanisms are in place to evaluate the performance of the new system.

At the same time, enhanced flexibility for managers must be balanced by new safeguards, clarified roles and strengthened accountability. As well, a streamlined staffing process must be enabled by robust departmental HR planning linked to business planning. Thus, the Agency's priority will be to support departments and agencies in enhancing their HR planning capacity and the integration of HR planning with business planning. The Agency will also establish a system that will monitor HR performance against consistent standards across the public service and provide timely, pertinent, accurate, consistent reporting to Parliament. In fact, as part of its responsibility to implement the PSMA, the Agency will be required to report to Parliament on an annual basis on the state of human resources across the public service.

Of course, all changes will not happen overnight. Implementation of the PSMA is a multi-year undertaking for the Agency and its partners that will require adjustments to various policies, programs, tools and systems, including the development of learning and culture change strategies. Together with the Treasury Board Secretariat, the Public Service Commission, the Canada School of Public Service, and departments and agencies, and in partnership with unions, the Agency will lead this modernization work in a culture of collaboration.

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

#### **Key Challenges...**

***Increase and sustain Canadians' confidence in the effectiveness and integrity of their public service leaders at all levels.***

Competent, ethical, accountable and vibrant leadership is a key success factor in modernizing HR management and re-establishing trust in the public service. Particularly in the context of implementing the *Public Service Modernization Act* (PSMA), leaders need to understand their responsibilities and how to discharge them.

Concurrent with this need has been the occurrence of recent high-profile public events that have demonstrated the necessity of enhancing how we recruit, develop, support and reward leaders right from the first level up to deputy heads. To meet current and future requirements, leaders must have a variety of knowledge and skills; be able to adapt to changing roles; sustain a climate of trust; and foster transparency, accountability and adherence to public service values and ethics. As a result, a key challenge is to ensure that the *Values and Ethics Code for the Public Service* is clearly understood and brought into daily practice at all levels, thereby helping to restore Canadians' trust in the public service.

#### **Key Priorities and Results for Canadians...**

***The Agency will foster the development of highly competent leaders guided and measured by the highest accountability and ethical standards.***

To address these challenges, leadership in the public service needs to be viewed as a continuum from the first-level supervisory position through to the deputy head. To foster this view, the Agency will simplify the definition of core leadership competencies to focus more clearly on management accountabilities; integrate leadership development programs to reflect

current and future public service needs; identify core learning priorities for the public service based on the management competencies consistent with the Management Accountability Framework (MAF); and work with the Canada School of Public Service, departments and agencies to develop mandatory training related to core learning. This training will focus particularly on finance and human resources for managers, and will help them understand their responsibilities under the PSMA. In addition, the Agency will review the Performance Management Program for executives, provide recommendations to Treasury Board, and establish tighter controls on the classification of executive positions.

A critical part of the strategy is to ensure that the public service as a whole, as well as individual public service organizations, have in place the management infrastructure, practices, performance and results to sustain a strong culture of public service values and ethics. Key priorities include providing support to the Government on disclosure options, including legislation; continuing the work to enhance employees' understanding and internalization of the *Values and Ethics Code for the Public Service* and other related policies; and establishing a results-based accountability approach to values and ethics.

### 3.3.3 A representative and accessible public service

#### **Key Challenges...**

***Progress towards employment equity and a more bilingual public service must continue in order for the government to meet its commitments to deliver effective quality services to Canadians and to develop a workplace respectful of diversity and linguistic duality.***

The *Employment Equity Act* commits the Public Service of Canada, the country's largest employer, to achieve equality in the representation and participation of four designated groups: women, Aboriginal peoples, members of visible minorities, and persons with disabilities. The *Official Languages Act* commits the Government of Canada to serve Canadians in their first official language, enabling employees in bilingual regions to work in their language of choice, and ensuring equitable

participation of English- and French-speaking Canadians. On both fronts, considerable progress has been reported over the years. Achievements remain fragile or stagnant, however, and further improvements have to be made in several areas.

In relation to the *Employment Equity Act*, the public service faces the need to be representative of an increasingly diverse population. The challenge is particularly acute with respect to making full use of the talents in the visible minority community and addressing the persistent under-representation overall and in executive ranks. With regard to the *Official Languages Act*, rights and obligations are still misunderstood and there are misperceptions about legal and policy requirements within and outside the public service. French continues to be underused as a language of work in bilingual regions; it is essential to ensure that supervisors in these regions are bilingual so employees can exercise their linguistic rights. Respect for Canada's official languages must be reinforced as being intrinsically linked to our values in order to achieve bilingualism in the workplace and give Canadians quality services. This emphasis is especially important as the Government moves forward with electronic services, single-window service points, and integration with other partners and levels of government.

#### **Key Priorities and Results for Canadians...**

***The Agency will continue to strive for targeted improvements in employment equity and the promotion of linguistic duality while implementing better monitoring and reporting systems to make results more accessible and transparent to Canadians.***

The PSMA will help managers better meet employment equity and official language goals by integrating these goals into business and HR planning. Concurrently, the Agency will continue to provide assistance to departments by implementing innovative initiatives that foster the desired change in culture; targeting improvements within segmented groups; renewing policy instruments to be simpler, clearer, more accessible and results-based; and adopting better monitoring and reporting systems to make government operations more transparent and results more accessible to Canadians.

## Section IV: Detailed Plans and Priorities

As presented in previous sections, to achieve its strategic outcome and deliver results for Canadians, the Agency has organized its work around three strategic outcome components:

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

This section provides more detail on key initiatives that the Agency will carry out to achieve these strategic outcome components for the period of April 1, 2004 to March 31, 2007. It also covers the Agency administration and shows how this function will support achievement of the strategic outcome.

### 4.1 Modernized human resources management and strengthened accountability

The priorities set by the Agency to achieve this strategic outcome component are articulated around three key results areas: 1) implementation of the [Public Service Modernization Act](#) (PSMA); 2) reform of the classification system; and 3) establishment of effective and integrated HR planning and accountability systems.

### *Implement the Public Service Modernization Act (PSMA)...*

This major undertaking will bring about the most significant changes in more than 35 years in the way the federal public service hires and manages its employees. Legislation governing HR management for public servants has not kept pace with shifts occurring in the workplace as a whole. In fact, the need to modernize HR management in the federal government has been a recurrent theme in several of the Auditor General's reports.

A cornerstone of this modernization is the implementation of the [Public Service Modernization Act](#). This new *Act* will be implemented over the next two years and will cover four key areas of HR management:

- it will modernize the [staffing and staffing recourse system](#) to attract and hire the right people when and where they are needed to deliver programs and services to Canadians;
- it will foster a more constructive and harmonious [labour relations and dispute resolution system](#) to improve the quality of the workplace;
- it will permit a more focused and integrated approach to learning and development by creating the new [Canada School of Public Service](#); and
- it will clarify roles and strengthen accountability for managers.

It also involves implementing a new *Public Service Employment Act* ([PSMA – Part 3](#)) and *Public Service Labour Relations Act* ([PSMA – Part 1](#)), as well as amending the *Canadian Centre for Management Development Act* ([PSMA – Part 4](#)) and the *Financial Administration Act* ([PSMA – Part 2](#)).

To support PSMA implementation, the Human Resources Modernization Implementation Secretariat was created, as an integral part of the new Agency, to

- ensure effective government-wide project management of PSMA implementation;
- provide a secretariat function to the related [Deputy Minister Committees and subcommittees](#);
- act as a centre of expertise on specialized subject matters;
- play a corporate funding/stewardship and monitoring role respecting PSMA implementation; and
- provide coordination in managing changes through engagement, partnership, learning and internal communication activities.

The Agency's key priorities designed to support PSMA implementation are presented below. They include both legislated and non-legislated initiatives. The fundamentals underlying these priorities will be to put HR management into the hands of managers; institute more collaborative labour-management relations, including co-development of workplace improvements; ensure that HR specialists and managers understand and fulfill their roles; and ensure that departments and agencies have the capacity to deal with this new approach to HR management.

Priorities and Plans	Time Frame
<b>❑ The staffing and staffing recourse system is modernized</b>	
○ The Public Service Staffing Tribunal is established	2004–05
○ A streamlined staffing process is implemented	2005-06
○ Departments and agencies are given the tools and support to incorporate effective HR planning and management into managers' responsibilities	2004–06
○ Departments and agencies are ready to implement the <i>Public Service Employment Act</i>	2005–06
○ Proper policies and instruments are developed to enable managers to do their work	2004–06
<b>❑ The labour relations and dispute resolution system is modernized</b>	
○ Union-Management Advisory Committee is established	2004–05
○ Labour-management committees are in place in each department and agency	2004-05
○ Informal conflict management systems are created within departments and agencies	2004-05
○ Departments and agencies are ready to implement the <i>Public Service Labour Relations Act</i>	2004-05
<b>❑ Communication, learning and culture changes are effectively managed</b>	
○ Deputy heads are engaged as leaders in the implementation of the PSMA	2004–05
○ Managers and HR professionals have the tools and training they need	2004–06
○ Ongoing learning support is available	2006 and ongoing
<b>❑ System changes are implemented</b>	
○ New data-capture capabilities and reporting requirements are available as a result of the PSMA implementation	2005–06
○ There is support for departments and agencies in their efforts to move to more modern, cost-effective and integrated HR service delivery models	2005-06

## ***Modernize the public service classification system...***

To be fully effective, the modernization of HR management also requires [reform of the classification system](#). Clear, consistent and updated work descriptions are pre-requisites to an equitable, simplified and responsive staffing system.

This reform process was started in 2002–03 and will continue incrementally over the next four to five years.

Because this large undertaking must be aligned with compensation policies and must operate as a coordinated element of the employer's collective bargaining objectives and schedule, it requires the involvement of Treasury Board Secretariat (TBS) and Public Works and Government Services Canada (PWGSC). In addition, ongoing consultations must be held with departments, agencies, bargaining agents, professional associations and, where applicable, the Office of the Auditor General.

As outlined below, the Agency will focus first on reviewing and modernizing the classification standards of existing occupational groups. It will renew related policies and guidelines; design and provide solid training programs and support services to HR specialists; and establish a rigorous performance monitoring system to track and report on the effectiveness, integrity, efficiency and financial impacts of this new classification system.

The result will be a modernized system with direct linkages to performance management, competency practices and compensation. This system will reflect new labour market realities, ensure equitable treatment and improve recruitment and retention efforts while supporting effective operationalization of the PSMA.

<b>Priorities and Plans</b>	<b>Time Frame</b>
❑ <b>Classification standards are modernized</b>	2004–09
❑ <b>Classification policies and guidelines are renewed</b>	
○ Core policies and guidelines are updated	2004–05
○ There are continued updates as the reform is carried out	2005 and ongoing
❑ <b>Training programs and support services are provided</b>	
○ An interim training program for classification specialists is implemented	2004–05
○ Core training programs for HR specialists are developed	2005–07
○ On-line core support services and tools are available	2003–05
○ Expanded training, support services and tools are provided	2005 and ongoing
❑ <b>Performance control systems are in place</b>	
○ A government-wide cost-tracking system is established	2004–05
○ Each department and agency has a monitoring system in place	2004–06
○ The Agency has the capacity to carry out horizontal reviews of a specific occupational group and/or a department/agency	2003 and ongoing

## ***Establish effective and integrated HR planning & accountability systems...***

This is the third key result area supporting the modernization of human resources management. The enhanced flexibility for managers that results from PSMA implementation must be balanced by new safeguards, clarified roles and strengthened accountability. Similarly, modern staffing processes must be supported within departments and agencies by HR planning that links to operational planning. In addition, effective accountability systems must provide timely, pertinent, accurate and consistent information on HR management activities when and where it is needed.

Therefore, the Agency must ensure that departments and agencies have the capacity to support a modern HR planning function that is fully integrated with operational planning and supported by proper access to HR research and information. This work will also involve developing integrated performance measurement systems, enabled by clearer, simpler, results-based policies and tools and fully integrated with the [Management Accountability Framework \(MAF\)](#) as set out by TBS.

Finally, considering the particular importance of integrated planning and accountability, the Agency plans to accelerate its efforts in this area as much as possible and to assess progress frequently.

<b>Priorities and Plans</b>	<b>Time Frame</b>
<b>□ HR planning capacity in departments is renewed and integrated with operational planning</b>	
○ Systematic approaches and tools are implemented within departments and agencies	2004–05
○ The Agency research capacity is enhanced to facilitate departmental HR planning and identification of the current and future needs of the public service in support of government priorities	2005–06
○ A centre of excellence in HR planning is developed that departments and agencies can contact for advice, up-to-date information on HR planning tools, and best practices and/or on-site support	2005–06
○ A government-wide central information warehouse is set up to provide HR information in support of more effective research, policy, planning, monitoring and reporting activities across the public service	2006–07
○ Key HR performance information is made accessible across the public service through a web-based reporting system	2006–07
<b>□ Effective and integrated accountability systems are in place</b>	
○ HR management performance indicators are developed to support performance monitoring against consistent standards across the public service, and to underpin reports to Parliament	2004–05
○ Clearer, simpler results-based HR management policies and instruments are implemented within departments and agencies	2004–05
○ Consistent with the Management Accountability Framework, a results-based approach to the accountability of deputy ministers for HR management is developed	2004–05
○ Key HR performance information is made accessible across the public service through a reporting system using available technology	2006–07



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

The achievement of this strategic outcome component is articulated around two key results areas: 1) leadership development and 2) promotion and reinforcement of the *Values and Ethics Code for the Public Service*.

### *Foster strong, effective and ongoing leadership renewal...*

While departments and agencies are in charge of developing leadership in their respective organizations, the Agency is responsible for developing and supporting effective leadership from a government-wide perspective. In doing so, the Agency manages and supports a series of key [programs and networks](#) such as the [Accelerated Executive Development Program](#) (AEXDP); the [Career Assignment Program](#) (CAP); the [Management Trainee Program](#) (MTP); [the Accelerated Economist Training Program](#) (AETP); and [Interchange Canada](#).

The effectiveness of the public service is directly related to the calibre of its leadership, particularly in the context of modernizing HR management and the need to restore the confidence of Canadians in their public service. Recent high-profile public events have demonstrated the need for enhancing how we recruit, develop, support and reward leaders at all levels. At the same time, to meet the evolving needs of the public service, our leaders must increasingly be able to deploy a broad range of knowledge and skills in order to adapt to change and foster a climate of trust and accountability based on public service values and ethics. In addition, leadership needs to be managed as a continuum from first-level supervisors to deputy heads.

To meet these challenges, the Agency priorities listed in the table below will focus on streamlining competencies and identifying core learning; renewing performance management for a more transparent and results-based system; tightening the controls on the classification of executive positions; and, integrating leadership development programs into a continuum so that they can be managed more effectively to better serve the current and future needs of the public service.

Priorities and Plans	Time Frame
<input type="checkbox"/> Core learning, including public service orientation, and mandatory elements for finance and HR management are identified	2004–05
○ The core learning framework is implemented and further developed	2005–07
<input type="checkbox"/> Competencies expected of managers are more clearly defined and are linked to management accountabilities	2004–05
<input type="checkbox"/> The Performance Management Program (PMP) for executives is reviewed and recommendations are provided to Treasury Board	2004–05
<input type="checkbox"/> A framework is developed to integrate leadership development programs into a continuum reflecting the current and future needs of the public service, with a focus on the finance and HR management communities	2004–05
○ Leadership programs are integrated and implemented	2005–07
<input type="checkbox"/> Tighter controls on the classification of executive positions are put in place	2004–05

## ***Promote and reinforce the values & ethics code...***

The [Results for Canadians](#) framework explicitly recognizes the Government of Canada's commitment to managing its business according to the highest public service values. As expectations and pressures for a more effective, efficient, transparent and accountable public service increase, continuous improvements can be achieved only if they are grounded in a solid and sustaining base of public service values and ethics. With the growing need to restore confidence in the public service, this grounding exercise has become one of the most important priorities in support of a well-led public service.

In this context, the Agency's mission is 1) to support ministers by working with public servants, public service organizations and other stakeholders to enhance Canadians' trust in the public service; and 2) to play a leadership role in the development of a professional public service dedicated to the public interest, with a strong culture of public service values and ethics. Given that the [Office of Public Service Values and Ethics](#) was not established until November 2003, the 2004–05 fiscal year will be the first period of growth and development for the Agency in this area.

Thus, while taking concrete steps to promote and reinforce the [Values and Ethics Code for the Public Service](#), the Agency will also have to create and build a solid infrastructure to achieve and sustain its mandate. Finally, the Agency's plans and priorities for 2004–05 include the provision of support to government in the development of new options for a disclosure regime, including legislation.

### **Priorities and Plans**

### **Time Frame**

- |  |         |
|--|---------|
| <b>□ Through a comprehensive and sustained roll-out strategy for the <i>Values and Ethics Code</i>, widespread employee awareness of obligations under the Code is achieved and public service values and ethics are integrated into the day-to-day operations of departments and agencies</b> |         |
| ○ Awareness and learning programs are implemented in the public service  | 2004–05 |
| ○ Learning and communications materials for employees and managers are provided to departments and agencies  | 2004–05 |
| ○ Departmental experts in values and ethics are trained and have the materials, support and access to advice that they need to carry out their responsibilities  | 2005–06 |
| <b>□ Additional support is provided to departments and agencies for meeting their accountabilities</b>   |         |
| ○ Performance indicators for values and ethics are adopted and a measurement and evaluation cycle is implemented   | 2005–06 |
| ○ Values and ethics policies and policy advice services are improved   | 2004–05 |
| ○ Standards case management protocols are established  | 2004–05 |
| <b>□ A government-wide governance infrastructure for public service values and ethics is established</b>   | 2004–05 |
| <b>□ Support is provided to government to develop new options for a disclosure regime, including legislation</b>   |         |
| ○ Creation of the new regime is supported and policies and instruments are updated   | 2004–05 |
| ○ The new disclosure regime and other related new instruments are promoted and integrated into management practices  | 2005–06 |

### 4.3 A representative and accessible public service

The priorities related to this strategic outcome component are articulated around two key results areas: 1) employment equity and diversity and 2) official languages.

#### *Achieve and preserve employment equity...*

The Agency's [Employment Equity](#) portfolio aims to integrate employment equity principles and goals into all aspects of HR management. This integration will, in turn, foster the expression of diverse perspectives in a public service that reflects the population it serves and that draws on the full range of talents in the Canadian workforce to remain competitive in an increasingly global economy. As noted in Section III, there has been real progress since the first annual report on employment equity was tabled in Parliament 10 years ago—especially for women, Aboriginal people and persons with disabilities. However, there is still much to be done, particularly in recruiting and retaining members of visible minorities. To stimulate further progress and achieve public service objectives related to the [Employment Equity Act](#) and the [Embracing Change Action Plan](#), the Agency plans to focus on the following concrete steps.

Priorities and Plans	Time Frame
<ul style="list-style-type: none"> <li>❑ <b>The public service is representative and inclusive</b> <ul style="list-style-type: none"> <li>○ Provisions of the <i>Employment Equity Act</i> are set out to ensure that the employer's obligations to accommodate persons with disabilities and other designated groups are continuously being met 2004–07</li> <li>○ Continued assistance is provided to departments and agencies in accelerating progress on the <i>Embracing Change Action Plan</i>, particularly for the EX- and feeder-group levels 2004–07</li> <li>○ Improvements are made in the representation of visible minorities and in their recruitment rates, both for term appointments of over three months and for indeterminate appointments 2004–05</li> <li>○ Simpler, clearer, results-based policy instruments are developed and implemented 2004–05</li> <li>○ PSMA and non-legislative HR modernization initiatives, including related planning and accountability systems and <i>Public Service Employment Act</i> staffing policies, are integrated with the <i>Employment Equity Act</i> to ensure that requirements are met in applying the new definition of “merit” 2004–05</li> </ul> </li> <li>❑ <b>Results are more transparent and accessible to Canadians</b> <ul style="list-style-type: none"> <li>○ Improved monitoring, audit and reporting systems are established to make results more accessible and transparent to Canadians, including progress in achieving <i>Employment Equity Act</i> and <i>Embracing Change</i> objectives 2004–05</li> </ul> </li> </ul>	

In addition to those main priorities, the Agency is also responsible for actively monitoring implementation of the *Employment Equity Act* in the departments and agencies of the Public Service of Canada and for reporting to Parliament on progress through the [Employment Equity Annual Report](#). The Agency also sustains research and development activities and provides expert advice to institutions in relation to employment equity.

## ***Achieve and preserve official language commitments...***

Following the restructuring of the Government on December 12, 2003, the Agency is responsible for directing and coordinating the official languages policies and programs for the 196 institutions subject to the [Official Languages Act](#).

As a result, through its [Official Languages Branch](#), the Agency will continue to oversee and foster the establishment of an environment that effectively supports each institution in the integration of official languages into the workplace and in the delivery of services to Canadians.

As mentioned in Section III, despite important progress made since Royal Assent of the Act more than 35 years ago, continued efforts are required to sustain progress and meet commitments. Therefore, consistent with the [Action Plan For Official Languages](#), the Agency will focus on the following priorities and plans.

Priorities and Plans	Time Frame
<b>❑ Service and accountability to Canadians with regard to official languages are improved</b>	
○ Strengthened monitoring and reporting systems, encompassing performance indicators and assessment tools, are in place to make results more accessible and transparent to Canadians	2004–05
○ Simpler, clearer, more accessible, results-based policy instruments are developed	2004–05
○ Continuing support is provided to institutions to ensure that official languages are an integral part of operations and that bilingual service delivery to Canadians is enhanced, in particular through innovation and support for cultural change	2004–07
<b>❑ A stronger shared vision of a bilingual workplace and its underlying values is achieved</b>	
○ Simpler, clearer, more accessible, results-based policy instruments are developed	2004–05
○ Continuing support is provided to institutions in promoting the use of official languages in the workplace, in particular through innovation and support for cultural change	2004–07
<b>❑ Targets are achieved for increasing bilingual capacities within the executive and executive feeder groups, thereby fostering, in bilingual regions, the use of both official languages in the workplace</b>	2004–07

In addition to these main priorities, the Agency will also manage ongoing programs and oversee activities such as the production of the [Official Languages Annual Report](#), HR management research, and the provision of expert advice to institutions. It will also continue to support the work of [Canadian Heritage](#).

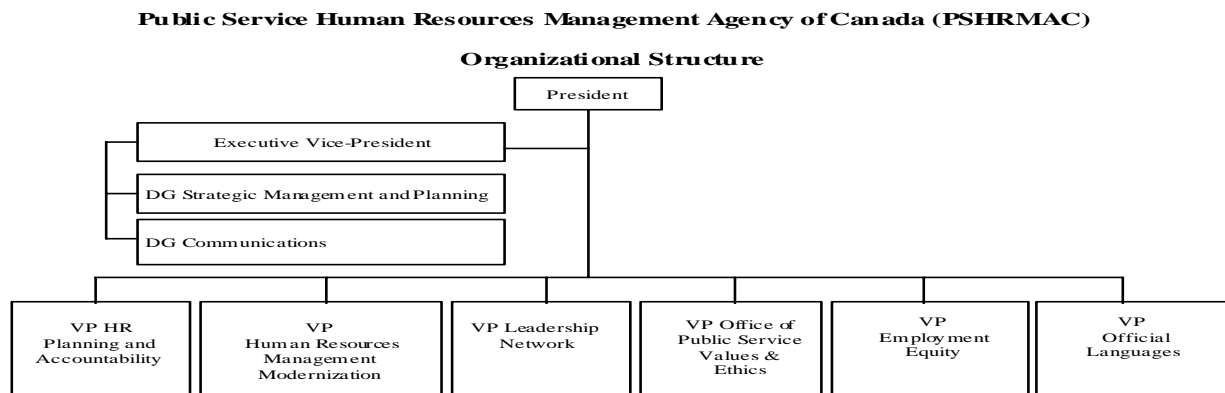
## 4.4 Agency administration

This is the Agency's first year of operation. As a result, one of our challenges is to see that the new organization is effectively established in order to successfully advance the government's HR management modernization agenda. To be successful, the Agency itself will need to be a high-performing, modern organization. Some of the key initiatives that the Agency will pursue over the short (and longer) term include the following:

- Create and develop an affordable organization fully committed to achieving the objectives set out in [Results for Canadians](#), and fostering and applying, within the Agency, the vision, objectives and principles of modern human resources management and comptrollership.
- Create and develop an effective new organizational structure with business lines (program activities) aligned with the Agency's overall strategic objectives;
- Develop a robust, clear strategic planning and results framework linked to an overall vision and objectives, with key high-level results identified clearly;
- Create an affordable communications infrastructure that enables the Agency to position itself across the public service and communicate effectively with all target audiences;
- Establish an operating model that enables the Agency to provide clear, coherent, integrated HR management leadership to the public service, demonstrating value to departments, agencies and public servants; and,
- Develop a core competence in performance measurement and management accountability, thus leading by example.

## Section V: Our Organization

### 5.1 Our organizational structure



## 5.2 Our partners and managerial principles

The Agency needs to operate as a results-oriented, accountable, high-performing, modern organization with strong leadership. More importantly, it must be recognized as a model in this regard.

Therefore, the Agency is guided by the following principles:

- **Work effectively with our partners** – The Agency cannot realize its mandate without taking a collaborative approach.

Our partners include, but are not limited to, the HR professional community, Official Languages stakeholders, Treasury Board Secretariat (TBS), the Public Service Commission (PSC), the newly formed Canada School of Public Service (CSPS), and Public Works and Government Services Canada (PWGSC). To meet selected goals and objectives, the Agency also works closely with the Clerk of the Privy Council, the Privy Council Office and the Committee of Senior Officials (COSO). Union involvement is also critical to the success of the Agency's balanced approach to engagement and co-development. Finally, the *Employment Equity Act* requires that we consult with representatives of designated groups to implement employment equity. Thus, cooperation, partnerships and collaboration define the new working relationship between central agencies, departments, agencies and unions.

- **Enable departments and agencies and ensure effective oversight** – The Agency has the dual role of enabling departments and agencies to meet the new standards for HR management, and acting as an oversight agency to monitor performance and ensure accountability for results in these areas. Achieving proper balance between these two responsibilities will be a key determinant of the Agency's effectiveness.
- **Demonstrate innovative and responsible leadership** – The Agency will provide innovative leadership, characterized by accountability for public resources and by transparent and effective communications.
- **Practise simplicity and clarity** – The Agency will reduce and simplify the policy suite relating to HR management practices, clarify its oversight role, and show clear linkages between individual disciplines and higher-level objectives.
- **Develop integrated and coherent human resources management disciplines** – The Agency will strive to implement integrated and coherent programs, policies and other instruments; in other words, it will provide clearer, more effective HR management directions, approaches and support and will participate in the establishment of consistent expectations and the creation of a central clearinghouse for access to HR management expertise, including employment equity.

## 5.3 Our planned spending

(\$ thousands)	Forecast Spending 2003-2004 <sup>(1)</sup>	<b>Planned Spending 2004-2005</b>	Planned Spending 2005-2006	Planned Spending 2006-2007
<b>Budgetary Main Estimates (gross)</b>	-	<b>58,483</b>	54,403	54,435
Less: Respendable revenue	-	-	-	-
<b>Total Main Estimates</b>	-	<b>58,483</b>	54,403	54,435
<i>Adjustments (Planned Spending not in Main Estimates)</i>				
Transfer of responsibilities from Treasury Board Secretary pursuant to the December 2003 government restructuring	64,354	<b>11,740</b>	9,759	9,759
Transfer of responsibilities from Public Service Commission for career development programs, part of research (Demographics and Labour Market Studies) and related corporate services pursuant to the <i>Public Service Modernization Act</i>	-	<b>22,446</b>	22,446	22,446
Transfer to Canada School of Public Service for a Study of Language Training	-	<b>(450)</b>	-	-
<i>Total adjustments</i>	<i>64,354</i>	<i><b>33,736</b></i>	<i>32,205</i>	<i>32,205</i>
<b>Net Planned Spending</b>	<b>64,354</b>	<b>92,219</b>	<b>86,608</b>	<b>86,640</b>
Less: Non-respendable revenue	-	-	-	-
Plus: Cost of services received without charge	4,807	<b>6,412</b>	6,348	6,353
<b>Net cost of Program</b>	<b>69,161</b>	<b>98,631</b>	92,956	92,993
<b>Full-Time Equivalents</b>	374	<b>439</b>	423	423

- (1) Although the Agency was created as a result of the government restructuring announced on December 12, 2003, the 2003-2004 forecast spending reflects the entire fiscal year.

Our net planned spending decreases between 2004-2005 and 2005-2006 by \$5.6 million mainly because of reductions in the Employment Equity program of approximately \$2.3 million, in the Official Languages program of about \$1.0 million and, due to a \$1.8 million reduction that comes from the operating budget carry forward associated with the transfer of responsibilities from Treasury Board Secretariat.

## Section VI: Annexes

### *Annex 1 – Summary of transfer payments*

(\$ thousands)	Forecast Spending 2003-2004	<b>Planned Spending 2004-2005</b>	Planned Spending 2005-2006	Planned Spending 2006-2007
Grants	-	-	-	-
Contributions				
Youth Internship Program	16,175	<b>16,200</b>	16,200	16,200
Research and Policy Initiatives Assistance Program	50	-	-	-
Other Transfer Payments	-	-	-	-
Total Transfer Payments	16,225	<b>16,200</b>	16,200	16,200



## ***Annex 2 – Details on transfer payments programs***

### **Youth Internship Program**

#### **1. Objective**

Through developmental internships at federal public service work sites, provide unemployed and under-employed Canadian youth an opportunity to develop employability skills and gain essential experience needed to secure future employment.

#### **2. Planned Results**

The program will ensure the fair distribution of internship opportunities across Canada based on provincial and territorial rates of youth unemployment and the presence of federal government operations capable of offering interesting and diverse learning opportunities.

The internships will provide work experience and help develop transferable skills that will increase the employability of youth.

Upon completion of the internship, participants will be better equipped to find employment, become self-employed or make the decision to complete their education.

#### **3. Milestones**

Internship opportunities in each province and territory are created and funded in proportion to provincial or territorial rates of youth unemployment and the presence of federal institutions.

Some 28 percent of internship opportunities are created and funded in rural areas (that is, outside metropolitan census areas), ensuring that youth from rural areas are able to participate in the program.

At least 50 per cent of internship opportunities are set aside for youth at risk.

Over 50 percent of participants who complete the internship either find employment within a year of leaving the program or return to school.

Fifty percent of participants receive additional support from the YMCA, such as counselling and life-skills training.

### ***Annex 3 – Net cost of program for the estimates year***

(\$ thousands)	<b>Total</b>
Net Planned Spending ( <i>Total Main Estimates plus Adjustments as per the Planned Spending table</i> )	<b>92,219</b>
<i>Plus: Services received without charge</i>	
Accommodation provided by Public Works and Government Services Canada	<b>3,186</b>
Contributions covering employer's share of employees' insurance premiums and expenditures paid by Treasury Board Secretary	<b>3,125</b>
Workers' Compensation coverage provided by Human Resources Development Canada	-
Salary and associated expenditures of legal services provided by the Department of Justice Canada	<b>101</b>
	<b>6,412</b>
<i>Less: Non-respendable Revenue</i>	-
2004-05 Net Cost of Program	<b>98,631</b>

## ***Annex 4 – Useful internet addresses***

[Public Service Human Resources Management Agency of Canada](http://www.hrma-agrh.gc.ca/index_e.asp)

[http://www.hrma-agrh.gc.ca/index\\_e.asp](http://www.hrma-agrh.gc.ca/index_e.asp)

[Human Resources Management Modernization](http://www.hrma-agrh.gc.ca/hrmm-mgrh/index_e.asp)

[http://www.hrma-agrh.gc.ca/hrmm-mgrh/index\\_e.asp](http://www.hrma-agrh.gc.ca/hrmm-mgrh/index_e.asp)

[Classification Reform](http://www.hrma-agrh.gc.ca/classification/index_e.asp)

[http://www.hrma-agrh.gc.ca/classification/index\\_e.asp](http://www.hrma-agrh.gc.ca/classification/index_e.asp)

[Leadership Network](http://www.hrma-agrh.gc.ca/leadership/ld_e.asp)

[http://www.hrma-agrh.gc.ca/leadership/ld\\_e.asp](http://www.hrma-agrh.gc.ca/leadership/ld_e.asp)

[Values and Ethics](http://www.hrma-agrh.gc.ca/veo-bve/index_e.asp)

[http://www.hrma-agrh.gc.ca/veo-bve/index\\_e.asp](http://www.hrma-agrh.gc.ca/veo-bve/index_e.asp)

[Employment Equity](http://www.hrma-agrh.gc.ca/ee/index_e.asp)

[http://www.hrma-agrh.gc.ca/ee/index\\_e.asp](http://www.hrma-agrh.gc.ca/ee/index_e.asp)

[Official Languages](http://www.tbs-sct.gc.ca/ollo/index_e.asp)

[http://www.tbs-sct.gc.ca/ollo/index\\_e.asp](http://www.tbs-sct.gc.ca/ollo/index_e.asp)

[Policy for Continuous Learning in the Public Service of Canada](http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tb_856/pclpsc-pacfp_e.asp)

[http://www.tbs-sct.gc.ca/pubs\\_pol/hrpubs/tb\\_856/pclpsc-pacfp\\_e.asp](http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tb_856/pclpsc-pacfp_e.asp)

[Public Service Modernization Act](http://laws.justice.gc.ca/en/p-33.4/)

<http://laws.justice.gc.ca/en/p-33.4/>

[Values and Ethics Code for the Public Service](http://www.hrma-agrh.gc.ca/veo-bve/vec-cve/vec-cve_e.asp)

[http://www.hrma-agrh.gc.ca/veo-bve/vec-cve/vec-cve\\_e.asp](http://www.hrma-agrh.gc.ca/veo-bve/vec-cve/vec-cve_e.asp)

[Policy on the Prevention and Resolution of Harassment in the Workplace](http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/hw-hmt/hara_e.asp)

[http://www.tbs-sct.gc.ca/pubs\\_pol/hrpubs/hw-hmt/hara\\_e.asp](http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/hw-hmt/hara_e.asp)

[Policy on the Internal Disclosure of Information Concerning Wrongdoing in the Workplace](http://www.tbs-sct.gc.ca/veo-bve/common/policies-politiques_e.asp)

[http://www.tbs-sct.gc.ca/veo-bve/common/policies-politiques\\_e.asp](http://www.tbs-sct.gc.ca/veo-bve/common/policies-politiques_e.asp)

[Policy on the Indemnification of and Legal Assistance for Crown Servants](http://www.tbs-sct.gc.ca/veo-bve/common/policies-politiques_e.asp)

[http://www.tbs-sct.gc.ca/veo-bve/common/policies-politiques\\_e.asp](http://www.tbs-sct.gc.ca/veo-bve/common/policies-politiques_e.asp)

[Employment Equity Act](http://laws.justice.gc.ca/en/E-5.401/index.html)

<http://laws.justice.gc.ca/en/E-5.401/index.html>

[Official Languages Act](http://laws.justice.gc.ca/en/O-3.01/index.html)

<http://laws.justice.gc.ca/en/O-3.01/index.html>

[Results for Canadians](http://www.tbs-sct.gc.ca/res_can/rc_bro_e.asp)

[http://www.tbs-sct.gc.ca/res\\_can/rc\\_bro\\_e.asp](http://www.tbs-sct.gc.ca/res_can/rc_bro_e.asp)