



HIGHLIGHTS

PUBLIC SERVICE COMMISSION ANNUAL REPORT 2011-2012 AND AUDIT REPORTS 2012

OCTOBER 2012

The Public Service Commission (PSC) promotes and safeguards merit-based appointments and protects the non-partisan nature of the public service. The PSC reports to Parliament on its mandate.

Chapter 1: Enabling departments and agencies

- ▶ The Public Service Commission (PSC) works with departments and agencies to develop organizational capacity by providing policy guidance and expertise as they build a workforce to meet the current and future needs of the public service.

Supporting organizations in managing workforce reductions

- ▶ The PSC as an agency has two specific roles with respect to workforce adjustment. First, it provides policy guidance and support to organizations in selecting employees for retention or lay-off. Second, it manages priority entitlements.
- ▶ To enable organizations to effectively manage workforce adjustment situations resulting from Budget 2012, the PSC anticipated the impact on programs, collaborated with central agency partners and proactively implemented improvements related to policy, services and systems.

- ▶ The Priority Administration Program was strengthened to assist departments and agencies in placing surplus employees. This involved outreach to organizations, information sessions and improvements to the Priority Information Management System (PIMS).
- ▶ PIMS will be the main mechanism for filling vacant positions over the short and medium term.

Trends in Priority Administration

- ▶ The total overall population of priority persons increased by 211 as of March 31, 2012, bringing the total number of active priority persons at year-end to 1 808, an increase of 13.2% over last year.
- ▶ The new registrations represent a 22% increase when compared with the previous year (from 1 497 to 1 822). Of these new registrations, almost a third were persons with a surplus priority entitlement, representing an increase of 155% over the previous year (from 226 to 577).

Targeted recruitment to support renewal

- ▶ The public service will need to continue to conduct targeted recruitment to ensure that the public service of the future constitutes a skilled workforce that can deliver results for Canadians.
- ▶ PSC recruitment programs continue to target skills shortage areas and address long-term renewal.

Innovation to support staffing modernization

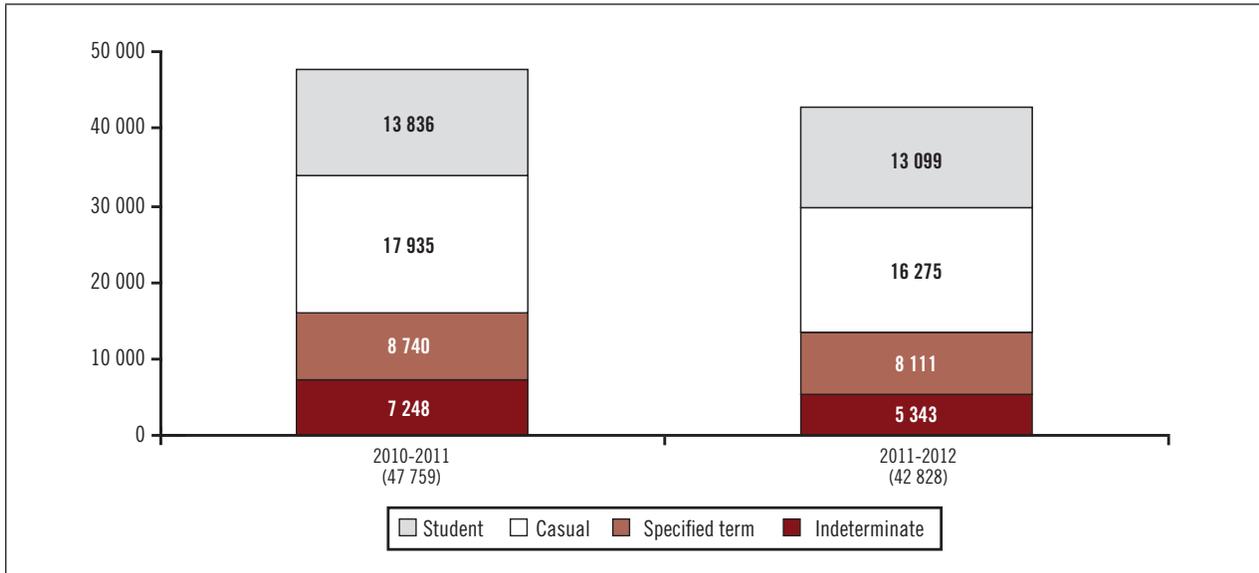
- ▶ PSC service delivery is being transformed by leveraging technology, including the expansion of on-line assessment and improvements to the recruiting system.
- ▶ The PSC introduced on-line tools that offer greater access to public service jobs, easier assessment for candidates, improved testing and enhanced security. There were also noteworthy advances in Internet-based testing, the use of the PSC's on-line second language exams and wider use of the PSC's on-line testing platform by organizations to deliver their own standardized exams.

Chapter 2: Hiring and staffing activity under the *Public Service Employment Act*

- ▶ In 2011-2012, hiring to the public service, as well as internal staffing activities, dropped for the third consecutive year. Hiring to the public service decreased across all tenures:
 - Indeterminate hiring was down by 26.3%;
 - Casual hiring was down by 9.3%;
 - Specified term hiring was down by 7.2%; and
 - Student hiring was down by 5.3%.
- ▶ As hiring to the public service dropped, the *Public Service Employment Act* (PSEA) population declined for the first time since the mid 2000s, down from 216 709 employees in 2010-2011 to 211 610 in 2011-2012, a 2.4% decrease.
- ▶ Student hiring accounted for approximately one-third of all hiring to the public service in 2011-2012. In the face of overall hiring declines, student hiring declined the least, by 5.3%.
- ▶ All types of indeterminate staffing activities decreased this year; in particular, promotions dropped by 19.9% compared to 2010-2011.
- ▶ Overall, acting appointments decreased by 11.9% in 2011-2012.
- ▶ The rate of mobility, which represents the level of movement to and within the public service, reached its lowest level since the late 1990s. This decline is primarily driven by the drop in promotions and external recruitment.
- ▶ The overall average time to staff indeterminate advertised positions decreased again this year.

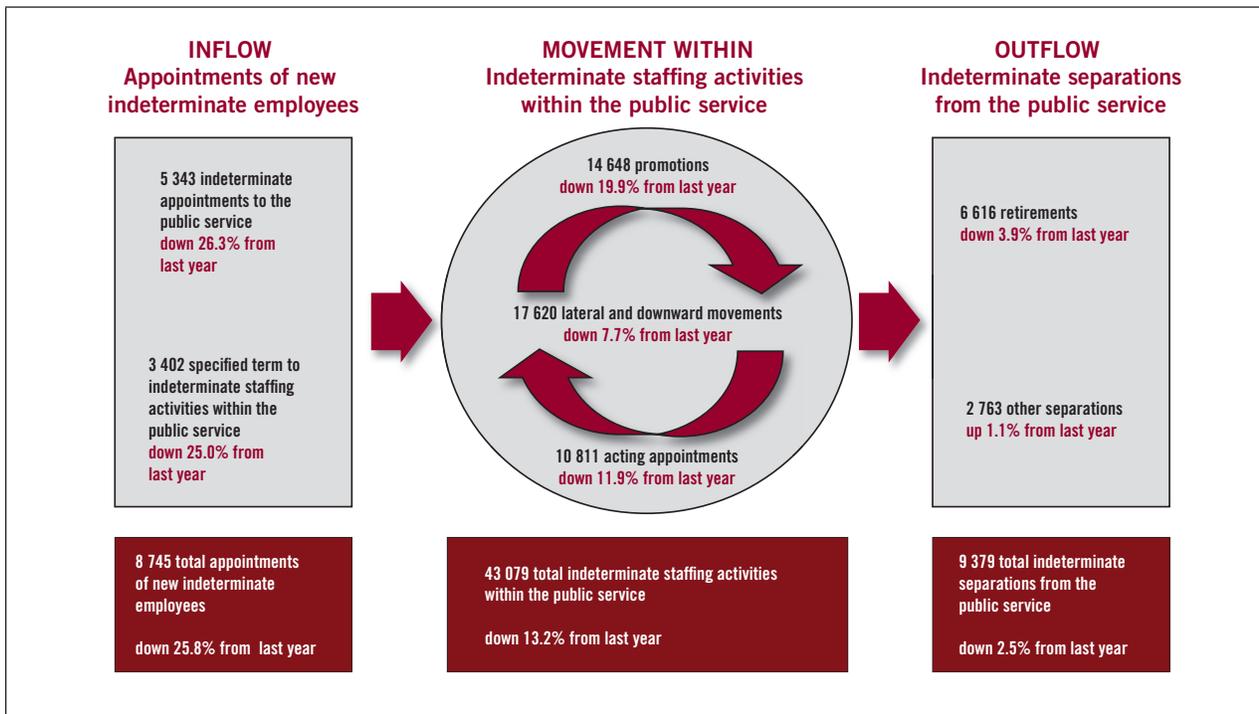


Hiring activities under the *Public Service Employment Act*, by tenure and fiscal year



Source: Public Service Commission hiring and staffing activities files

Indeterminate staffing activities and indeterminate separations under the *Public Service Employment Act* for fiscal year 2011-2012



Source: Public Service Commission hiring and staffing activities, and separations files

Notes: Lateral and downward movements include deployments. Acting appointments of less than four months are excluded. The estimation methodology for acting appointments was enhanced in fiscal year 2011-2012. This added approximately 200 acting appointments to this fiscal year's total.

Inflow includes movements from non-*Public Service Employment Act* organizations such as the Canada Revenue Agency. Outflow does not include interorganizational movements within the PSEA, but does include movements to organizations outside the PSEA universe.

Chapter 3: Overall progress regarding merit and the guiding values

- ▶ In 2011-2012, PSC oversight activities found that the core values are generally being respected in appointment processes.
- ▶ The requirement to use a national area of selection continued to enhance access for Canadians to externally advertised positions, with increases in outside-region applications and appointment rates.
- ▶ Bilingual non-imperative appointment processes accounted for a smaller proportion of indeterminate appointments to bilingual positions in 2011-2012 (3.4%). This continued the downward trend that reduced the proportion from 23.1% in 2001-2002 to 5.2% in 2010-2011. Of these non-imperative appointments, in 2011-2012, 72.3% of appointees already met the language requirements upon appointment or were exempt from the requirements.
- ▶ Three of the four employment equity designated groups continue to be appointed to the federal public service at rates above their workforce availability. While the rate of appointment improved in 2011-2012, persons with disabilities are still applying and being appointed at rates below workforce availability.

Chapter 4: A non-partisan public service

- ▶ In 2011-2012, employees' awareness of their rights and responsibilities with respect to engaging in political activities continued to increase. Of Survey of Staffing – Candidates respondents, 69% indicated being aware of their rights and responsibilities to a moderate or great extent, up from 63% in the 2010 survey.
- ▶ In its 2010-2011 Annual Report, the PSC committed to reviewing its *Political Activities Self-Assessment Tool: Assessing Your Specific Circumstances*. Following preliminary consultation in 2011-2012, the PSC developed an on-line prototype and in 2012-2013 will conduct extensive testing with stakeholders.
- ▶ The PSC continued to work with organizations to improve the effectiveness of political activities communication and outreach initiatives in 2011-2012. Of particular note is the integration of more comprehensive content related to political activities offered by the Canada School of Public Service and geared toward new employees, including *Paving the Way* and *Orientation to the Public Service*.



Chapter 5: Oversight: Monitoring, audits and investigations

- ▶ The PSC relies on a continuum of oversight mechanisms. This includes monitoring of the staffing performance of delegated organizations; audits, which provide an independent assessment of the performance and management of staffing activities; and investigations, which undertake detailed reviews of allegations and concerns related to appointment processes or of allegations of employees' improper political activities.
- ▶ Overall, the results from these oversight activities indicate that most key elements of the staffing framework are in place. Organizational performance in the management of staffing continued to improve in 2011-2012. Also, most organizations (91%, or 48 out of 53) succeeded in demonstrating acceptable performance through their assessment results.
- ▶ Three departments, Agriculture and Agri-food Canada, Correctional Services Canada and Health Canada, were identified in our report as top performers and received an overall rating of "strong" for their results across all assessed areas.

Audits

- ▶ As part of the oversight activities of the PSC, twelve organizational audits were completed in 2012.
 - ▶ Results show that the overall integrity of the staffing system is generally sound. Deputy heads and managers are respecting their delegated authorities, meeting their responsibilities and overall performance has improved.
- ▶ While progress is being made, some areas require further attention:
 - First, organizations need more consistent monitoring of appointment processes; this would allow them to determine areas for improvement and to detect and correct errors in a timely manner.
 - Second, there are still too many cases where organizations were unable to provide the necessary information to demonstrate that an appointment respects merit. In some instances, inadequate assessment tools were used. In other cases, organizations were unable to provide the PSC with key pieces of documentation, such as the assessment results for the person appointed.
 - Third, departments and agencies need to ensure priority persons are considered to fill vacant positions and appointed, if qualified. The audits have identified some inconsistencies in the application of priority entitlements, or a lack of evidence that priority persons had been considered.
 - ▶ The PSC will continue to support and work with organizations to identify measures that can be taken to improve staffing performance, with a focus on learning and continuous improvement. The PSC will also draw on key lessons from our audit results and oversight activities from the past several years to contribute to training for human resources advisors and managers.
 - ▶ Detailed information about the PSC's audits is published separately as *Public Service Commission Audit Reports 2012*.



Investigations

- ▶ Of the 803 active cases in 2011-2012, the PSC determined that 181 files warranted a full investigation. Of these, 100 cases were founded.
- ▶ While there has been an increase in the number of requests for investigations this year, the ratio of cases found to warrant an investigation has remained constant – roughly one in four cases received results in an investigation.
- ▶ The increase in the number of investigations conducted is in part due to strengthened efforts to monitor the staffing system, which enabled the PSC and organizations to proactively make corrections, in many cases before appointments were made.

Reducing the reporting burden

- ▶ The PSC also launched a review of its requirements for staffing reports from organizations with the goal of reducing the reporting burden. A redesign of the principal reporting tool used to assess organizational staffing practices will be rolled out in 2013. A more streamlined reporting function will ease reporting requirements for departments and agencies, while providing robust and useful information about the health of the staffing system. The PSC will work closely with organizations to enable their success and maintain the overall health of the public service staffing system.
- ▶ The PSC also began to explore opportunities to modernize its release of data to organizations through an on-line open data source. This would not change the way in which the PSC reports to Parliament, but will allow organizations to respond to issues in real time. The PSC's efforts in this area are in line with the government's open data initiative.

Looking ahead

Like all organizations across the public service, the PSC is in the process of implementing resource reductions stemming from Budget 2012. In the development of proposals for reduction, the priority of the PSC was to protect the organization's ability to carry out its mandate. The PSC will continue to be able to inform and support Parliament and other organizations, conduct effective oversight and deliver innovative staffing and assessment services to organizations.

The PSC will continue to adapt its policy guidance, its services and its oversight to meet departments' and agencies' evolving needs in a changing public service human resources environment. The PSC is committed to fostering strong and collaborative relations with all stakeholders, including Parliamentarians, departments, agencies and bargaining agents, so that Canadians will continue to benefit from a professional and non-partisan public service.

