

The Public Service Commission and Accountability in a Post-Sponsorship  
World

Speaking Notes

For

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For

Institute of Public Administration of Canada (IPAC) Nova Scotia

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## **Introduction**

At the outset, let me say that it is a pleasure for me to have this opportunity to speak with you, here in Halifax, this afternoon. As usual, it is a very challenging and exciting time to be working in the Public Service of Canada. In my estimation, the public services in Canada are embarked on a new and continuously interesting trajectory as a result of many changes taking place around us. As a result, I want to thank IPAC for the opportunity to speak about some of these changes in the federal Public Service, generally, and more particularly about those that are taking place within the Public Service Commission of Canada.

Most of you will know the *Public Service Modernization Act* (PSMA) has been in effect for almost one year although it was given Royal Assent in November 2003. As part of the previous government's reform package, the *Public Service Employment Act* (PSEA) was also amended to make it consistent with the intention of modernizing the human resource management framework in the federal Public Service. The main purpose of the PSMA, and the new PSEA was, and still is, to streamline Public Service recruitment, to shift responsibility for human resource management from the central agencies to the Deputy community, and to focus on

planning and talent management. In this context, I will be talking about the changing role of the Public Service Commission that is working to create the 'right' environment for the management cadre to take on their management responsibilities and to oversee the progress that is being made throughout the federal Public Service.

There are two messages I would like you to take away from this short visit together this afternoon. First, public services around the world continue to work in increasingly complex environments and, as a result, the public sector must continually rethink and act differently in order to meet the changing conditions created by new notions of governance and the advent of new communications and information technology. Second, there are also growing expectations of and pressures from citizens for more personalized and seamless services. However, despite the changes, the challenges, the problems, frustrations and the rules - the role of an effective and efficient Public Service remains a critical success factor for every modern nation state and this is certainly the case in Canada.

With that in mind I have divided my presentation in three sections. First, I will spend some time discussing the changing environment in the Public

Service, particularly in Ottawa. Then I will spend some time describing the recent changes in human resources or talent management and, then, conclude with some discussion about the role of the PSC in this new world.

## **Environment**

The current environment in which the Public Service now operates is an extremely challenging one for a number of reasons, so let me take a few minutes to remind you of the complexities of this environment.

### *Post-Gomery Era*

As a starting point, it will not surprise to you to learn that in the post-Gomery era, we have observed significant decline in the level of trust that we Canadians, as citizens, have in our public institutions. The data are very clear. We have seen a period of declining trust in both our political institutions and in our political leadership.

Since trust in government institutions has been in decline for more than 20 years, I felt that it was important to remind you that the work just completed by The Commission of Inquiry into the Sponsorship Program and Advertising Activities was done at a time when the trust numbers have

been going down in most jurisdictions. No doubt the sponsorship program accounts for some of the declining confidence that Canadians' have about their politicians and government but the issue of trust is far more far reaching than the administration of the sponsorship program.

Having mentioned the Gomery Commission let me say a few words about its work. The Gomery Commission was established on February 2004 and it concluded its work in 2005 after listening to more than 180 witnesses. It published two reports, and one of them called Restoring Accountability, made a number of recommendations of consequence to the Public Service. Some of the relevant recommendations of interest to us included:

- Fixing a minimum three-year term for Deputy Ministers and Assistant Deputy Ministers;
- Entrenching a Public Service Charter in law;
- Establishing a Code of Conduct for Exempt Staff;
- Requiring public servants to document decisions and recommendations to the government;
- Making Deputy Ministers accountable for the spending and administrative practices of their departments;

- Recording in written form instances where a Minister overrules a Deputy Minister;
- Removing the Prime Minister's prerogative to choose Deputy Ministers by implementing a competitive process for these jobs.

While the Commission was hearing witnesses, the federal government made a whole host of changes to the management framework of the Public Service:

- Under Reg Alcock, the President of the Treasury Board, more than 200 changes (so-called improvements) in administration rules and policies were implemented – mostly for oversight, contracting and reporting to Parliament.
- Appointment of a Comptroller General of Canada.
- Massive investment in information and communications technology.
- Setting up Service Canada and the massive reorientation of the public service towards a more service-oriented organization.
- Introducing new management frameworks such as the Management Accountability Framework (MAF) and the Reports on Plans and Priorities (RPP) and a new emphasis on metrics and measurement.

## *Public Service Employee Survey 2005*

At the same time that all of this change was taking place, the federal government continued its practice of monitoring the evolution of the management practices in the Public Service by surveying all employees every three years.

In the recently released 2005 Survey, over 106 000 employees responded to the invitation to participate, yielding a response rate of almost 59 percent. This has created a rich database and an extraordinary view of the perceptions of the workforce at all levels. Since this survey is the third of its kind in six years, we also are in a position to evaluate the impact of the changes or trends taking place in the federal Public Service and to look deeply into subgroups of the population for additional insights into the management environment in the federal government. Today, I will look at some general findings and I am indebted to my colleague at the University of Ottawa, Glen Bailey, for his collaboration and insights.

As a starting point, in all three of the employee surveys, employees show a remarkable commitment to public service as evidenced by the importance they attach to the work in their organization. Over 90% said they are proud

of their public service and the unit within which they work. Based on these data, it is clear that they believe in their organization and its mandate.

As competition for talent becomes more intense and more employees from the X and Y generations join the workforce, opportunities for learning and development will become critical. However, federal employees do not feel well served in this regard. Thirty-four percent say that lack of access to learning opportunities adversely affected their career and over 41 percent claim that lack of access to developmental opportunities had a negative impact. Approximately one-third say that their supervisor does not help them determine learning needs and does not provide on-the-job coaching or an opportunity to develop and apply their skills.

Obviously, employees have a responsibility for the development of their careers and identifying their own learning needs. However, it is worrying to see that substantial numbers of employees do not believe they receive support and guidance from their supervisors and that many also believe their career opportunities are adversely affected by lack of fairness in the selection processes.

It is ironic that as senior managers prepare to address challenges of how to find and engage top talent, our employees believe there are insufficient opportunities for them, that their organization is not fully committed to learning, or that their career development is not being encouraged. The future ability of the federal Public Service to recruit and retain the best talent available will be diminished if these results are not improved.

When one examines the relationship between supervisors and employees, the responses are also mixed. Almost 3 out of every 5 employees say that only sometimes or rarely do they have a say in decisions and actions at work. More than 40 percent say that they rarely or only sometimes receive encouragement to be innovative and undertake new initiatives, and 29 percent said that their supervisor does not discuss with the employee the results he or she is expected to achieve. Only 31 percent said that their work unit takes time periodically to review how it conducts its business.

In the survey, employees were also asked how the quality of their work is affected by a number of factors. Their responses show a strong belief among a large number of employees (in the range of 30 to 40 percent) that their work suffers as a result of changing priorities, a lack of organizational stability, too many approval stages, unreasonable deadlines and

inadequate resources. In almost every one of these questions, there was an increase of 3 to 5 percent between 2002 and 2005 surveys.

The survey also found that Public Service employees have diverse views on fairness in the workplace – four out of five employees (83 percent) agreed that their organization treated them in a respectful manner, and most employees (68 percent) knew where they could go for help if faced with an ethical dilemma or a conflict between values in the workplace. But views on the fairness of classification and staffing practices, however, varied and were considerably lower.

### **The Government's Management Agenda**

Having taken a fair amount of time to set the stage, let me report on some of the changes that have taken place in the federal government during 2006. As all of you will already know, we had a newly elected government this year, a new Prime Minister and a new Clerk of the Privy Council Office. Despite many pressures that would draw his attention away from management issues, Kevin Lynch, the new Clerk, has moved quickly to focus on a talent management agenda. In his first speech to the leadership of the Public Service he identified five challenges that are facing Canada's

federal, provincial and municipal public services. They are: accountability, an aging workforce, a more diverse population, changes in nature of work, and competition for talent.<sup>1</sup>

In considering how best to move forward on Public Service renewal and retaining talent, the Clerk of the Privy Council has said that it will be important for the Public Service to rethink its retention model. The Clerk indicates the importance of understanding that the workforce of today is not looking for job security for life – it is looking to be challenged and motivated.

He understands that challenge. In fact at a recent speech which he delivered at Dalhousie University he stated that, “we need to accommodate a more flexible workforce in the Public Service, with more mid-career hiring, more interchanges, more diversity, more mobility and better succession planning at all levels of the Public Service.”<sup>2</sup>

The Clerk has also been intimately involved in development of two other changes in the management regime of the federal government.

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<sup>1</sup> David Zussman. Canadian Government Executive. November 2006.

<sup>2</sup> Remarks from the Clerk of the Privy Council and Secretary to the Cabinet. Delivered to the Dalhousie School of Public Administration. September 15, 2006. Why Public Service Renewal Matters. [http://www.pco-bcp.gc.ca/default.asp?Language=E&Page=clerk&Sub=clerksspeeches&Doc=20060915\\_dalhousie\\_e.htm](http://www.pco-bcp.gc.ca/default.asp?Language=E&Page=clerk&Sub=clerksspeeches&Doc=20060915_dalhousie_e.htm)

### *Public Service Advisory Committee*

First, Prime Minister Harper recently established an Advisory Committee on the Public Service. The membership of this Committee comprises key players from the Mulroney-era and is co-chaired by Paul Tellier, the former Clerk of the Privy Council, and the Right Honourable Don Mazankowski.

The Committee's mandate is to advise Mr. Harper and the Clerk on the future and renewal of the Public Service. Although the Committee is scheduled to meet twice a year, it will deliver an annual report, which will be tabled along with the Clerk's Annual Report, to the Prime Minister on the Public Service of Canada.<sup>3</sup> In particular, the committee will concentrate its work on external recruitment, leadership, human resource management and the management of change.

### *Fellows Program*

As a second initiative, on October 27, 2006, the Prime Minister announced the launch of the Government of Canada Fellows Program. This program is designed to support renewal by providing top executives, from within the Public Service, with exchange opportunities to other sectors such as

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<sup>3</sup> Ibid.

business, non-governmental organizations and academia. The program aims to support renewal through the sharing and exchange of knowledge, skills, and best practices (as appropriate) between the Public Service and other sectors of Canadian society. The Public Service Human Resources Management Agency of Canada (PSHRMAC) will manage the program and Jodi White, President of the Public Policy Forum, will be working with PSHRMAC to promote the Fellows Program and develop the necessary partnerships.<sup>4</sup>

*Organizational Changes: Public Service Human Resources Management Agency of Canada (PSHRMAC) and the Canada School for the Public Service (CSPS)*

Before I turn my attention to the role of the Public Service Commission in this change environment, let me spend a few minutes describing the work of PSHRMAC and the Canada School of the Public Service.

One month after the coming into force of the PSMA, the Martin government created PSHRMAC to play the role of a management board. This machinery change recognized the importance of management and its separation from the Treasury Board Secretariat signaled that the

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<sup>4</sup> News Release. Prime Minister announces Government of Canada Fellows Program. October 27, 2006. [www.pm.gc.ca](http://www.pm.gc.ca)

government wanted to have an organization that specialized in Human Resources or Talent Management. As a consequence, PSHRMAC was fashioned from branches of the Treasury Board into a separate agency with the same minister that was assigned the following responsibilities:

- HR Modernization
- Official Languages
- Values and Ethics
- The Leadership Network that tracks the progress and careers of ADMs
- Employment Equity
- HR Policy and Planning, Organization and Classification and Integration
- As well, certain responsibilities from the PSC were also transferred to PSHRMAC: these are:
  - Policies and Programs on Management Development, and
  - Labour Market and Demographic Research.<sup>5</sup>

Finally, recognizing the extent of the changes that the new Modernization Act ushered into the federal system, the PSMA establishes a central capability for learning in the Public Service. In essence, the new Canada

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<sup>5</sup> Human Resources Management in the Public Service of Canada. [http://www.hrma-agrh.gc.ca/hrmm-mgrh/psma-lmf/centre/topics-sujets/hrm\\_e.asp](http://www.hrma-agrh.gc.ca/hrmm-mgrh/psma-lmf/centre/topics-sujets/hrm_e.asp)

School of Public Service was formed by combining the Canadian Centre for Management Development, the Training and Development Canada, and Language Training Canada.<sup>6</sup> By bringing these three organizations together, the plan is to provide executive development, training and language learning, the plan is to make the organization more current, more nimble and more efficient.

### **The 'New' Public Service Commission**

How does the Public Service Commission fit into the new Public Service environment? The PSC is mandated to safeguard merit and non-partisanship in the federal Public Service. The PSC can trace its roots back to the early 1900s when in 1908 *Civil Service Amendment Act* created the Civil Service Commission and in 1918 *Civil Service Act* extended the Commission's mandate to a broad range of human resources matters across the entire Public Service. At that time, the intention was to ensure that appointments and promotions of civil service personnel would be safeguarded against personal favouritism and political influence.

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<sup>6</sup> Clark, Ian. Linquist, Evert. Mitchell, James. *Reshaping Ottawa's Centre of Government: Martin's Reforms in Historical Perspective*. McGill-Queen's University Press 2004. p.334.

As many of you will know, from that time the PSC has undergone many changes since these early days, including a change in title in 1967. Its mandate, however, remains the same – “*to oversee the federal staffing process and to ensure that the principles of non-partisanship and merit are followed during the appointments process*”.<sup>7</sup> For almost one hundred years, the Public Service Commission has been at the heart of maintaining a federal Public Service that is merit-based and non-partisan. To help us in our work, on a day-to-day basis, we are committed to maintaining the values of integrity, fairness, respect, transparency and representativeness.

The recent changes in responsibilities that were the result of the passage of the PSMA has not made work easy for the PSC. As I mentioned earlier, some functions have been transferred to PSHRMAC and new ones have been created such as our responsibility for establishing an oversight function on staffing. Concisely, under the new Act, the PSC retains appointment authorities but it has also delegated staffing authority to departments and agencies.

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<sup>7</sup> Public Service Commission Annual Report 2005-2006. p. 4.

At its core, the most important and radical change in the PSMA is the transferring of responsibility and accountability for staffing away from the Commission to individual deputy ministers who are delegated by the PSC to carry out this function according to PSC policy which is more flexible than ever before.

As a consequence, the services provided by the Commission under the new legislation are as follows:

- Policy – to provide guidance and consistency in the appointments process
- Services – to provide expertise and support for recruitment, staffing and assessment activities
- Oversight – to monitor, assess, audit, investigate where necessary, and report to Parliament on staffing procedures

The new PSEA clarifies and strengthens the PSC's mandate to oversee non-partisanship in the Public Service. Under the new Act, the Public Service appointment system becomes less rules-driven. Deputy heads with delegated staffing authorities have more opportunities to customize their appointment processes. While there are more opportunities for the

deputy heads in terms of staffing, there is also more accountability. Deputy heads are accountable to the Public Service Commission for proper use of their delegated authorities.

As a result, audits are tools that will help us maintain an accountable, representative, and merit-based Public Service. In October, we released three audit reports along with our Annual Report. These audits are objective and systematic examinations that provide independent assessments of the performance and management of staffing activities.

Their purpose is to provide objective information, advice and assurance to Parliament, and ultimately Canadians, on the integrity of the appointment process in the federal Public Service.<sup>8</sup>

The new PSEA strengthens the PSC's oversight by legislating accountability responsibilities. In order to meet its responsibilities under the new legislation, the PSC has developed an Accountability Policy, which outlines the PSC's expectations of deputy heads, and a Staffing Management Accountability Framework that identifies key dimensions for management systems.

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<sup>8</sup>Public Service Commission Web site: [http://www.psc-cfp.gc.ca/audit-verif/index\\_e.htm](http://www.psc-cfp.gc.ca/audit-verif/index_e.htm)

There are two other activities that we are engaged in that I want to mention before closing, In a concrete way, the PSC's work complements the Clerk of the Privy Council's priority to renew the Public Service. As we know, 40 percent of the federal Public Service will be eligible for retirement by 2010 and we want to ensure that the federal Public Service has the people to maintain service to Canadians.

As a result, we are broadening access to Public Service jobs by changing the policies with regard to area of selection. We have basically eliminated geographic restrictions by opening up, to more Canadians, jobs that are available within the different regions. By December 2007, all Canadians will have access to most Public Service jobs that are open to the public. Moreover, we are not only looking to open jobs up to all Canadians, we want to ensure that public servants will also have the opportunities to move across departments as well.

Second, the PSC is also concerned about representativeness in the Public Service. Currently, the PSC is conducting a "drop-off" study to identify why there is a gap between the application and appointment rates of members

of employment equity groups, particularly visible minorities. Closing the gap between the workforce availability of employment equity group members and their representation in the Public Service continues to be of concern.

In a recently completed study that examined external recruitment over a five-year period from 2000 to 2005, the PSC found that 25.7% of the applications were from visible minorities, while 10.5% were appointed – above the workforce availability for the jobs in the study. This demonstrates a strong interest in working with the Public Service, and a potential to close the gap in representativity in the Public Service.<sup>9</sup>

The PSC is encouraging departments to work at addressing this gap in their human resources plans. Departments will be required to report on their progress made with regard to representativeness.

## **Conclusion**

In conclusion, Canada has an established international reputation for having one of the best, most professional and dedicated public services

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<sup>9</sup> Maria Barrados. Opening Statement for appearance before the Government Operations and Estimates Committee. November 28, 2006.

anywhere in the world. Canada's Public Service Commission is at the core of the system that has produced this world-class Public Service. As an independent agency, the mandate of the Public Service Commission is to safeguard the integrity of the Public Service staffing. The PSC's mandate has evolved considerably since the inception of the organization in 1908 and the PSC has developed considerable expertise in operating a merit-based Public Service recruitment and appointments system.

As an organization, we want to continue to build on our success and meet our responsibilities to Parliament, the federal government and Canadians. At the PSC we are doing things differently. We are doing things better. And we are doing the kinds of things that will contribute to the restoration of confidence in public institutions by being part of a new accountability regime and renewing the lifeblood of this important institution called the Public Service of Canada.

Thank you for inviting me to speak with you today. I am prepared to answer any questions you may have at this time.