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# **Standing Committee on Government Operations and Estimates**

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Thursday, June 18, 2009

Chair

Mr. Derek Lee



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**●** (1105)

[English]

The Chair (Mr. Derek Lee (Scarborough—Rouge River, Lib.)): I call the meeting to order.

Colleagues, we're going to have witnesses at about 11:30 from the Public Service Commission.

Right now, we're going to be doing committee business, specifically a motion by Martha Hall Findlay, which she has given us notice of. I think she's going to move it right now.

Ms. Martha Hall Findlay (Willowdale, Lib.): Thank you, Mr. Chair.

Yes, I am going to move it right now. We are gamely going to give this another try. There were a couple of clerical mistakes made, so I'll just read the motion again for everyone in English.

[Translation]

I am sorry. I can read it in French too, if you wish. [English]

It reads:

That Public Works and Government Services Canada, or such other department of the Government of Canada as is appropriate, provide the committee by 11 a.m. eastern daylight time on June 19, 2009, the most recent Central Financial Management Reporting System data for the 2008-2009 fiscal year expenditures and lapses by department.

[Translation]

Would you like me to read it in French as well?

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): No, no, that is fine.

[English]

**The Chair:** Would you like to outline the reasons members might like to adopt that motion?

Ms. Martha Hall Findlay: I would happy to. Thank you, Mr. Chair.

As the members of the committee are aware, we passed a motion at a prior meeting asking for this information from a different department. The response was insufficient. It basically was that we should try asking Public Works and Government Services. That is what we are doing now.

It is our very strongly held view that in our role as parliamentarians providing financial oversight of the government and our duty to keep the government to account, this information is extremely important. It is also extremely important from a timeframe perspective, because of the impending end of the parliamentary session.

**The Chair:** All of this is part of our continuing monitoring of the rollout of the stimulus package. I presume that's the envelope it falls into.

**Ms. Martha Hall Findlay:** It is also tied to our review of the main and supplementary estimates, the larger obligation that we have as a committee.

The Chair: All right. Thank you.

Is there further debate? Monsieur Gourde.

[Translation]

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Mr. Chair, given the relatively short time frame—tomorrow is June 19—I am not sure whether the department is able to act on this motion so quickly. I would like to propose a friendly amendment.

Can I read it to you?

[English]

The Chair: Please go ahead.

[Translation]

Mr. Jacques Gourde: The motion as amended would read as follows:

That Public Works and Government Services Canada (PWGSC), or such other department of the Government of Canada as is appropriate, provide the committee, by June 25, 2009, the most recent Central Financial Management Reporting System (CFMRS) data for the 2008-2009 fiscal year expenditures and lapses by department.

[English]

**The Chair:** There's an amendment. I actually don't know if it's a friendly amendment, but it sounded friendly enough.

However, beauty is in the eye of the beholder, and even if it weren't an friendly amendment, it's still an amendment that's been moved. So it might be moot as to whether or not it is friendly. So there's been an amendment to the main motion.

Monsieur Gourde, did you want to explain the origin or basis for the amendment? Okay, you don't have to add more.

Then we'll debate the amendment. I'll go back across to the other side if that's okay. Someone from the opposition side on the amendment?

[Translation]

**Ms. Martha Hall Findlay:** Thank you very much. We asked for this information a week ago and we are told that it is ready to be provided. But this is a friendly amendment, and we can wait until June 25. We agree.

[English]

The Chair: Mr. Martin.

**●** (1110)

Mr. Pat Martin (Winnipeg Centre, NDP): I'd simply point out that it was my understanding that this data is regularly produced and filed as part of the new accountability that was created under the Federal Accountability Act, and the change of the type of accounting to accrual accounting for the Government of Canada, etc.—that main shift that took place—meant that this data was produced in each department and filed monthly and that this information should be current and up to date and available. It was never the plan that it should be hoarded by the government for its own purposes. It was in the interests of accountability and transparency that this evolution took place in the monitoring of the spending and accounting of the government.

Notwithstanding the argument about whether it would be available tomorrow or June 25, there shouldn't be any great hardship in making this information available to a parliamentary committee. We're not asking the Government of Canada to release it in a press release to the people of Canada, but surely the government operations and estimates committee is the appropriate place for this information to flow. My concern with June 25 is that Parliament will be adjourned and this committee won't convene again until October, perhaps. What are we supposed to do with that information? How would it even be circulated from June 25 on?

**The Chair:** Those are good questions. We may come back to try and answer those questions.

Mr. Warkentin or Mr. Anders, either one.

Mr. Rob Anders (Calgary West, CPC): As you wish.

Mr. Chris Warkentin (Peace River, CPC): On the comment of how we would find this information, I imagine it would be circulated to our offices when we receive it. I don't suspect that we as a committee will undertake that much of a study in the collective during the summer. I don't think there's an anticipation that we'll be meeting during the summer.

I think June 25 is an appropriate timeframe. From what I understand, it will take some time for the information to be collected and distributed. I'd remind committee members that this is non-audited information, so we may not have all the information that we are expecting when it does arrive, in terms of the different things we've outlined. But I'm certain that we can cross-reference it with other things, to get that information in its entirety.

The Chair: Ms. Hall Findlay.

**Ms. Martha Hall Findlay:** I very much appreciate Mr. Martin's comments, and our preference, absolutely, would be to have this information by June 19. However, in recognizing the challenges we've had in getting this motion put forward, in the interest of moving it forward on a collective basis, we were willing to allow the extra time.

I want to say that I understand Mr. Warkentin's comments. I am supportive of the fact that we can receive this information through our offices. I can assure my colleagues that some of us will in fact be working through the summer, continuing to keep the government to account. Our jobs don't stop simply because the session stops; quite the contrary, so we will be looking at this information very carefully.

The motion is quite straightforward, so I don't want Mr. Warkentin's comments about, 'Well, it's not going to be audited and we may not actually get all of the information that we're expecting'.... I stress the language of the motion is very straightforward, that this is the information we are looking for and that is the information we expect to receive by June 25.

The Chair: Back to Mr. Warkentin.

**Mr. Chris Warkentin:** On those points, and maybe I didn't express it well enough, I was questioning if there was an expectation that we would sit in the collective during the summer. I don't think there is, so certainly I said, as offices receive this information, we'll utilize it for our own purposes. But as a committee, even if we got it tomorrow, we wouldn't be utilizing it, I didn't think, in terms of a collective of the committee, with the anticipation that we might meet at some point before we resume.

I think that what we are expecting and what might be delivered, in terms of what's being asked for, given the wording specifically—"the most recent Central Financial Management Reporting System data"—might be two different things. Our expectations—we've seen it in this committee before when we've put forward a motion—compared to what is delivered may be two different things. I know what I'm expecting, but I can't speak for what other people might be expecting.

**●** (1115)

The Chair: Okay.

Well, we do have the wording of the motion.

Now that we've found so much common agreement here, I wouldn't want to spend time hypothetically trying to figure out how we might divide on this at a future point in time.

I think the prudent thing to do would be, if members are so advised, to adopt the motion. In terms of what we do with this information, as a committee, the chair would stand, advised by members from time to time. The clerk is here. He's very capable of getting the information distributed. It's not clear what format it will come in, but the clerk will, I'm sure, find something reasonable.

We're fully able to meet, if members so wish, over the summer. That's not a common thing, but committees do it. Just as the government would be closely managing the rollout of the stimulus package in the economic plan, so would the opposition parties and other parliamentarians on the government side want to monitor it just as closely, from their perspective as representatives of the taxpayer.

Having said that, if there's further debate, I'll recognize members. If there isn't, we'll go to a vote.

I don't see any further debate.

We have to adopt the amendment first.

(Amendment agreed to)

The Chair: Thank you.

Now I'll put the main amendment as amended. All those in favour? It's unanimous.

Thank you, colleagues, and I offer a special thank you from the chair.

I think I saw agreement on the government side.

**Mr. Chris Warkentin:** I think it passed. I don't think it was unanimous.

The Chair: Was it on division?

Mr. Rob Anders: It was a lacklustre showing.

The Chair: It was on division. It is adopted on division, then.

Thank you.

(Motion as amended agreed to on division)

**Mr. Rob Anders:** The hands weren't raised as high as they could have been

The Chair: Thank you. I love to try to be a cheerleader where I can.

I did want to thank members, especially from the chair here, because we had the prospect of having a long and arduous debate with tie votes and all kinds of interesting things. So thank you for letting me off the hook.

We have to suspend for about five minutes while we bring in our anticipated witness.

\_\_\_\_\_(Pause) \_\_\_\_\_

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**●** (1125)

The Chair: I call the committee back to order.

Colleagues, we were suspended briefly, and we have our witnesses with us now.

From the Public Service Commission of Canada, we have with us Maria Barrados, president, and Monsieur Lemaire, Monsieur Ste-Marie, and Monsieur Bilodeau, all of whom are active in the various components of the Public Service Commission.

I'm going to turn the microphone over to Ms. Barrados. She has identified three or four issues that were recently reported on. Members would like the opportunity to mine down a little bit and determine some of the public policy and public interest issues from our perspective in Parliament.

Ms. Barrados.

## Ms. Maria Barrados (President, Public Service Commission of Canada): Thank you.

Mr. Chair and honourable members, I am pleased to have this opportunity to meet with you to discuss issues and concerns that have been raised by your committee. I am here today with Donald Lemaire, senior vice-president of policy; Jean Ste-Marie, acting vice-president of the audit, evaluation and studies branch; and Denis Bilodeau, director general, investigations.

This committee was recently provided with information on key issues with respect to your motion of April 2, which I hope will be a useful reference for you. I will be focusing my remarks on the actions taken by the Public Service Commission that address your key concerns. I will also speak briefly about two special reports that were tabled in Parliament on May 14.

Let me begin with the issue of temporary, casual, and term hiring under the Public Service Employment Act. We've done a great deal of work in this area because we continue to be concerned about permanent recruitment through a temporary workforce. When managers recruit from a temporary workforce, the long-term needs of the organization are not necessarily being taken into account, and the values enshrined in the preamble of the PSEA, including access, transparency, fairness, and representativeness, may not always be respected.

We have updated our data on indeterminate, term, and casual hiring, and this information was shared with this committee. We found that there has been some improvement in the area of indeterminate hires, with more public servants having entered directly into the permanent workforce. For 2008-09, 35% of all indeterminate hires had no prior experience in the federal public service, as compared to 16% in 2000-01. However, we also observed a new trend of concern: the increasing proportion of casual workers who move directly into the public service. This rate has increased from 4% to 15% during the same time period.

We will continue to monitor these trends. We will be providing additional information in our 2008-09 annual report.

#### [Translation]

This brings me to the concerns expressed by members of the committee with respect to the use of private firms for the hiring of temporary help. We share the committee's concerns and feel that there is a potential risk to the integrity of the staffing system. Our challenge is to develop a robust methodology to assess this situation.

I now turn to the issue of employment equity hiring, EE. Our 2007-2008 annual report did not include statistics on the appointment of visible minorities because we were concerned about the validity of the available data.

We have been working with the office of the Chief Human Resources Officer to have a better understanding of the differences between EE recruitment rates derived from using self-declaration information collected through the Public Service Resourcing System, and those derived from employee self-identification processes.

First, we looked at how EE is gathered through self-identification, and compared approaches and practices across several departments. The findings have been shared with you. There is a clear need to improve the way in which the self-identification process is managed. We have identified areas where improvements can be made, ranging from more systematic tracking and follow-up to more timely and focused communications in promoting EE and self-identification.

We will continue to work with the Chief Human Resources Officer. We will also be addressing the results of the drop-off study and providing assessment of the recruitment rates of all EE groups for the past three fiscal years in our 2008-2009 annual report.

Another issue of concern to the committee is classification. The PSC has updated some of the data used in the report Expenditure Review of Federal Public Service Compensation Policy and Comparability to determine if shifts in classification are continuing to take place, particularly in those organizations governed by the PSEA. We found that the trends identified in Jim Lahey's report continue to apply to these organizations.

We found that the earlier trend towards more knowledge-intensive workers is continuing, with various aspects on the occupational structure. As well, some select occupations groups continue to have shifts to higher occupational levels. We also found that the AS, PM and ES groups are continuing to grow while the CR group continues to shrink. We have also provided this information to the office of the Chief Human Resources Officer, as classification falls within their mandate.

**●** (1130)

[English]

Committee members also wanted to know more about the process that had been put in place to delegate appointment authority to deputy heads and to hold them accountable for the staffing decisions made through their delegations. We have provided detailed information on this process to your committee. We've also outlined areas where the PSC has not delegated specific authority, for instance, with respect to priority administration.

I now turn to the two special reports tabled in Parliament on May 14. The first report concerned the unauthorized possession and use of the PSC second language evaluation tests. PSC is responsible for developing the tests that are used to determine the level of proficiency of public service employees. We have delegated language testing to more than 1,200 language assessors. During 2007-08, more than 69,000 tests were administered to evaluate reading and writing expression.

We initiated the audit after a public service employee who attended the Nec Plus Ultra Language School noticed that practice tests applied by the school were similar to the government tests. Our audit concluded that the NPU Language School was in possession of and used the PSC's SLE reading and writing tests without the authorization of the PSC. The evidence showed that the language school students had much higher success rates on these two tests than the general population. The evidence also showed that NPU gave its students practice tests that were practically identical to the PSC tests.

We take this matter very seriously and are committed to taking the necessary steps to maintain the integrity of our tests. As a result of the audit, the PSC is replacing the two tests that have been affected. We estimate that it costs about a million dollars to develop a totally new test with four different versions. The 114 NPU students who took the tests while on their training over the period audited will be retested by the PSC within the next two years. We are implementing the recommendations of this audit and have undertaken measures to tighten test security.

The second audit looked at how departments have been using the federal student work experience program. It is the primary vehicle through which federal departments and agencies recruit students for temporary jobs. In 2008-09, 80,000 applications were received from students. We received 13,000 requests for student referrals—this includes re-employment—from federal departments across Canada. From those requests, 10,031 students received temporary jobs through the program. The audit concluded that overall, the program is operating reasonably well as a staffing tool. It identified a small proportion of unsatisfactory appointments, including a 6% rate of pre-matching, a significant improvement over a 2003 PSC study which found a 19% rate of pre-matching.

Under this program, students can be bridged into the public service. The bridging mechanisms allow managers to hire recent post-secondary graduates who participated in the federal student work experience program or other student employment programs. The audit also found that one in three student bridging appointment processes were unsatisfactory. Improvements need to be made in how these appointments are made.

Mr. Chair, I trust that the information provided to the committee responds to the concerns that have been raised. The Public Service Commission has been entrusted with a very special mandate by the Parliament of Canada. I would like to thank you and committee members for taking a strong interest in the work of the PSC.

**•** (1135)

[Translation]

We are now happy to answer your questions.

[English]

The Chair: Thank you very much.

You have again raised for us, and with some progress, a number of issues in relation to which I know that members have concerns. Most of the issues are what I would call bite-sized, addressable, not huge macro issues. But before I turn to questions, could I ask you, for our record, for the benefit of all the members, if you would outline for us what is meant by the terms "indeterminate, term, and casual hires", so we're all speaking the same language here.

**Ms. Maria Barrados:** Indeterminate hires are permanent hires. So it's a permanent position in the public service.

A term hire is an engagement, a hiring in the public service for a specified period of time.

A casual hire is a hire that is for 90 days only. An individual can only be working in a department for 90 days per year. There is no merit test for casual hires. So casual hires can be done in a very casual way, if you like. There is no process required around casual hires.

The Chair: Okay, thanks very much.

Now we'll go to eight-minute rounds. First is Ms. Hall Findlay. **Ms. Martha Hall Findlay:** Thank you very much, Mr. Chair.

And thank you very much, everybody, for being here with us again. Thank you for providing your reports and for providing this information today.

I have a couple of questions. I have a question about the casual workers and this trend that you note in the material provided today. I also want to ask some questions about the language testing issue.

First, in the material you provided today you've observed a new trend of concern, that being the increasing proportion of casual workers who move directly into the public service. The rate has increased from 4% to 15%. Can you speak a little bit to that?

A casual worker is someone who can work a maximum of 90 days in a year. I'm assuming that can be a day at a time or it could be 90 days all together. Could you speak a little bit to what types of work the casual workers do, why you think this trend has changed, and what your concerns are? I know it's awfully difficult to answer all that in a very short period of time, but can you try do it relatively quickly so that I can get to the language testing question as well?

Ms. Maria Barrados: I'll try to be as efficient as possible.

The concern I have regarding casual workers is that you get somebody for a short period of time to meet an immediate need, but there is no merit test and no language requirement. There are no requirements that are statutory or regulatory, as you have for other kinds of hires. There is no national area of selection requirement. It is really very much up to the manager as to what kinds of requirements may be imposed. There are none of the standard tests we have about entry into the public service.

When somebody has one of these jobs, it gives them an opportunity to learn about the public service and to have connections, and it then gives them an advantage over other Canadians in entering into permanent jobs. Casuals can be at any level; they tend to be administrative support, but not always.

• (1140)

**Ms. Martha Hall Findlay:** If they apply for a permanent job, are they somehow grandfathered, or do they have to go through the same merit testing and meet the same objective requirements as a new hire would have to?

**Ms. Maria Barrados:** When they apply, they have to go through the same tests as any new hire goes through. The issue I have is that they have an enormous advantage because they know government, they know government systems, and they understand the requirements better than somebody who's coming completely from outside.

Ms. Martha Hall Findlay: Okay. Thank you very much for that.

I'll go on to the language testing issue. You expressed real concern about what has happened, and we, of course, share that concern. We also have a concern about what has happened with the group of students who may have not done anything wrong and who may now be jeopardized—wrong word—who may be put into a situation that may be regarded as unfair to them simply because of a smaller number of people who, in effect, cheated.

Have you conducted any kind of legal assessment to ensure that procedural fairness has been accorded to all of those affected?

**Ms. Maria Barrados:** In the audit work we did, we were very careful as to where we placed our concern and what our preoccupation was. Our preoccupation was that the school had copies of our tests and used them inappropriately. They used them when they should not have used them. We are not placing blame on the individual students who attended that school; from all the evidence we have, they went there for language training, and the school had a good reputation for training people.

The preoccupation I have here is that when I look at the results, these people who have gone to this training school have a phenomenal rate of exemptions. An exemption is the certification we give people to say that their level of the second language is so good that they never have to be tested again. If your level is really so good that you're exempted, you should have no problem redoing the test, because that's what exemption is supposed to mean.

You asked a question about procedural fairness. We are implementing our statute, which requires us to be satisfied that people meet the requirements of the job; if the requirement of the job is that you have a certain level of bilingualism, we have to be satisfied that you meet that level, and in this case we are not satisfied that it has been met. What we have done with the individual students, however, is give them two years within which to be retested. If there is some special circumstance that we may not have appreciated during our work, we will examine each case individually to see if there should be some other treatment.

Nobody at this point is jeopardized in their current job by those test results. They have a two-year period within which to redo the test, and then they would revert to the results they had before they went to this language training school and had those test results.

**Ms. Martha Hall Findlay:** I find it astounding that a new test would cost upwards of \$1 million. For those of us who try hard to improve our French, the lessons, books, and sample tests seem pretty comprehensive; at least that's my impression. It is astounding that it would cost more than \$1 million. Can you elaborate on why this is so costly?

**Ms. Maria Barrados:** To establish these tests, we use committees of experts, groups of specialists. I want to make sure there is absolute confidence in our assessment methods. I am providing a total all-in cost. My costing includes the time of the people who develop the test, the time of the experts who assess the test, and the cost of the pilot test. There's one test with four versions. When I replace the one version, it is not \$1 million; it would be only one quarter of that cost. If I run out of the four versions, then I'm back to doing a totally new test. It is a function of totally costing something. If I gave you a marginal cost, it would be a much lower number.

**●** (1145)

**Ms. Martha Hall Findlay:** I understand the need to have experts and specialists, but as a business person I must say that flags go up when I hear about the use of committees of experts and groups of specialists all involved with a language test in an officially bilingual country, in which we have so many people who function in one or the other or both languages. It seems strange that this would require what sounds like a whole bureaucratic level. I'm just raising that concern. Feel free to speak to it if I'm not knowledgeable enough.

**Ms. Maria Barrados:** If I have ten people developing an entirely new test for a year, I'm spending \$1 million. A lot of the costs you see are marginal costs or a different kind of costing. If you think about ten people developing a totally new test, that's the kind of cost you're incurring.

Ms. Martha Hall Findlay: Is there a need for ten people to spend a year developing a new language test? I may be ignorant of the process, but it strikes me as a large figure. I say this in light of your concern about the integrity of the test. This is a challenge, because it costs so much to develop a new test. My thrust was this: does it really need to cost \$1 million? Do we really need ten people to spend a whole year developing a language test?

**Ms. Maria Barrados:** Actually, if we want to do this right, I suspect that we're going to be spending even more on it. If we want to develop it to a standard that is a standard where we want to go, and we want to be sure that we have the whole thing done in the best and most secure manner, we need something far more automated. We need a larger bank of questions and a testing process that offers a unique test to every person who comes forward to be tested. The actual operation of this would be a lot cheaper than the paper and pencil system I have. The investment of putting it in place would be higher.

I'll tell you why this is so important. The way our statutes are struck, we're committed to a bilingual public service. We have a requirement that language proficiency is an element of merit, which the Treasury Board as the employer defines as a standard that has to be met. We have to be assured that this standard is met. We also have to be assured that we're giving everybody fair and equal treatment.

I can assure you that I get more complaints about language assessments than anything else. It is difficult for adults to learn a second language. I have to be certain that I'm meeting the standard, so that we actually have the level of proficiency that is being sought. I also have to be certain that we're being fair, which means that I have to have expert opinion telling us that the standard we set is accurate and equitable. That's also why, when we have a breach like this, we treat it so very seriously. I am concerned that I now have people in their jobs who don't meet the required standard of language proficiency. It's required for the public service to function, and it's required by the statute.

[Translation]

The Chair: Thank you.

Ms. Bourgeois, you have eight minutes.

Ms. Diane Bourgeois: Thank you, Mr. Chair.

Good morning, Ms. Barrados. I am pleased that you are with us today. Good morning, gentlemen.

First of all, let me thank you for these reports. To a very great extent, they answer the questions we sent you.

On page 2 of the section entitled "Response to Government Operations and Estimates Committee Request", you say the following: The PSC is concerned about private firms being used to hire temporary help in order to circumvent the Public Service Employment Act.

When the committee raised a red flag and asked the question, your reply was that you were not sure but that it concerned you. It is now official that the object is to circumvent the act. You described it as such in no uncertain terms.

Has this happened? Do you have examples? I imagine so because of the words you used.

**(1150)** 

**Ms. Maria Barrados:** We did three things. First, we looked at the statutes and the act. Lawyers concluded that the way in which the program was operating was a risk. To get more information, we also looked at the process used, the public accounts and the operation of Public Works and Government Services. We have some examples, but not enough. Mr. Jean Ste-Marie, who was in charge of that task, may want to add something.

Mr. Jean Ste-Marie (Acting Vice-President, Audit, Evaluations and Studies Branch, Public Service Commission of Canada): Yes, certainly.

The difficulty with hiring people from private firms, is, as was said earlier, that it could be perceived as giving a distinct advantage to one category of persons. As you know, those people can enter the public service. In a situation like that, the values of the public service are called into question. Access to the public service is an example.

Ms. Diane Bourgeois: So, what are you going to do?

**Ms. Maria Barrados:** Our intention is to establish a rigorous methodology, to try to establish the number of people and the type of work involved, and to determine whether it really contravenes the act. Basically, it is going to be a question of determining whether the type of work and the type of worker are being used appropriately.

**Ms. Diane Bourgeois:** Ms. Barrados, as president of the Public Service Commission of Canada, you have created a website through which officials can find staff. The matter has been raised because a reporter wrote in the paper that the government's requests for staff from private firms were excessive.

The situation you are describing is extremely serious. What can be done? You have created a website that allows people to find staff and you are sure that it has very precise parameters. Can we, as a committee, tell the government that it has to stop calling on private agencies as a way to finding staff? Can we instead say that it must choose this website, that I believe costs \$7 million per year, and that can make sure that the Public Service Employment Act is observed?

#### **●** (1155)

**Ms. Maria Barrados:** There are two different things. There are companies that do research in order to find people for positions, "headhunters", if you will. This task does not affect that. Rather than going to firms who look for people to fill positions, we list all the positions on the website.

Our task here affects the agencies that provide the government with temporary workers, based on a contract. It is reasonable to go to certain people for short-term employment, for a truly temporary position. But the problem that we raised—it also came up in the questions from the committee—is to find out whether the people from these agencies are considered as public servants in indeterminate positions. Do they have the same responsibilities in the government as full-time public servants. As Mr. Ste-Marie said, is this a way to get into the public service?

We have been told that some people from agencies of this kind work in a temporary position for a certain amount of time and then enter the public service.

**Ms. Diane Bourgeois:** Does the website you established allow the hiring of temporary or casual staff?

**Ms. Maria Barrados:** Under the act, casual positions are completely excluded. The idea is to simplify the process and give managers more flexibility, thereby letting them meet their requirements more quickly. Our website is not used for casual positions. It could be, but currently, it is not.

Ms. Diane Bourgeois: Thank you.

[English]

The Chair: Merci.

Mr. Warkentin, you have eight minutes.

Mr. Chris Warkentin: Thank you, Mr. Chair.

Thank you, Madam Barrados, for being here this morning. It's our intention that this be our last committee meeting and we're glad we get to finish on a good note.

I appreciate your report, but there are some questions I have in a number of different areas. I want to start with the temporary workforce issues you talked about.

We've talked about the indeterminate hires before. In terms of the indeterminate or short-term hires, are you finding differences from one department to another? Are there certain departments that are finding it necessary these days to bring on a temporary workforce?

**Ms. Maria Barrados:** I don't have all the numbers here, but perhaps Mr. Ste-Marie has more detail at hand.

My recollection is that, yes, there is difference. The differences are very much a function of the nature of the workforce that is in the department and their immediate needs.

Do you have more information on that?

**Mr. Jean Ste-Marie:** I don't have the figures, but we definitely know there are departments that use more of these temporary workers than others.

Mr. Chris Warkentin: I don't have any information or data that will back up my scenario, but I'm going to provide a scenario and

ask how you feel departments should change their practice for the better.

A couple of years ago, we had a major issue as it pertained to the number of passport applications that were coming in. I know the department hired many people. I don't know how many of those were temporary people, but I suspect that included in that hiring effort were some people who came in on a temporary basis. I know right now HRSDC is bringing in many people. They're trying to find people both within their organization, within government, but also outside of government to address increases in EI applications.

In these two examples, government and the departments have had to bring people in from the outside, and I'm just hypothesizing here, but possibly some of them are indeterminate. If that's the case, and if in both cases they believe this will be a shorter term and not a super long-term scenario, what would be the better alternative if they are trying to address short-term concerns within their departments?

#### • (1200

**Ms. Maria Barrados:** I don't have any objection to using temporary workers, so I don't want to give the impression that temporary workers are necessarily bad. When you look over time, governments have tended to function with a permanent workforce of 86% to 88%, depending on the time and circumstances. That's pretty standard for organizations. There's always a group that is not part of the permanent workforce, and that's probably how you have to operate. I don't object to temporary workers.

In the case of the two examples you cite, we have advocated consistently that departments do some human resource planning. Human resource planning is more than saying they think they might need some people. They need to really do an estimate, given what their business needs are, to set in motion the hiring of people.

In the case of Passport, they estimated how many people they needed and had an understanding of what the flow of people through their organization was, and many permanent hires were made. That was the decision on how to go ahead. They worked with the commission, and we worked with them to do it.

In the case of EI, which is going on now, the department is making that assessment. If it is really a short-term requirement, there is no problem with hiring temporary workers. I have a problem with it if this is the way you recruit. Members of this committee and others tell me you really want to give all Canadians a chance to enter the public service. Well, you're not going to do it by hiring through your temporary workforce.

**Mr. Chris Warkentin:** I don't want to speak to the motive of different departmental officials, but is it your assessment that bringing in temporary workers was used as a recruiting tool?

**Ms. Maria Barrados:** My sense is that we are in the process of going through a very large change with the expectation of how departments are managed. We are still very much in a transition. Many managers are looking for some way to solve their problems of today, right now, and they go as fast as they can. They may meet short-term needs, but they are not meeting organizational long-term needs, which is not healthy for the public service.

**Mr. Chris Warkentin:** You've identified some concerns that our committee feels are important to pursue as well, so we appreciate your efforts on that.

On the language training issue, I heard about the \$1 million from my colleague and it just jumped out at me.

As far as the organization that retained a copy of that test goes, has any penalty been levied? Have you tried to get some restitution from that organization for having used a test that was not theirs?

Ms. Maria Barrados: I'm getting a little embarrassed about the million dollars.

**Mr. Chris Warkentin:** If it had been \$900,000 it would have been different.

**Ms. Maria Barrados:** The last time we changed the test completely was in the eighties. We have gone through this whole new change of the test, so once we've made the investment it should last quite a long time. If I run it over a longer period of time I think it's a reasonable expense—certainly as we did the last time. But if I keep losing tests and have to replace them all the time, it will be a very big expense for me. I certainly don't want to lose those tests.

As far as the school is concerned, it's a private institution. There are many private schools. It's not for me to say what school people go to or not, but we have told all departments that any student who goes there for reading and writing must come to the commission for testing. They will be subjected to a test that is only at the commission.

**(1205)** 

**Mr. Chris Warkentin:** So there have been no sanctions against that organization for having used something that wasn't theirs, with the exception of what the students will have to undertake in testing.

**Ms. Maria Barrados:** I think if you asked the school, they would say that their business has been very badly hurt.

**Mr. Chris Warkentin:** Just so we understand exactly what these tests looks like, I imagine they're multiple-choice tests several pages long. You say there are four permanent tests. Is each question weighted the same? Are they similar in difficulty? Is there a certain combination of questions that make up a test, with different ratings or weightings?

**Ms. Maria Barrados:** There is one test, and we are assessing the different standards that the employer has. It's level A, B, or C in terms of proficiency. Level A is the weakest, despite what you may think, while C is the strongest. There is one test, and the scoring will put you at level A, B, or C, which makes this whole thing very complex. You will have questions of different levels of difficulty, and you would be expected to get a certain number of them at one level of difficulty, at level A. It gets increasingly difficult as you go up.

There has been some weighting put on the test. It's not one for one. We are sure that when you get a particular score, it fairly reflects the level we're looking for. Then the additional thing we have put on is that if you do very well, if you get close to 100%, we do exempt people.

**Mr. Chris Warkentin:** Is there any way the test could be constructed—and I think you spoke to the automated possibility of it—in a less expensive way than simply a million dollars? Having a

bank of questions, and then just feeding those into a different combination of eight or nine different ones?

**Ms. Maria Barrados:** The expense is in the technicality of getting the right questions that assess each one of those levels. We use them at such high volumes. Close to 70,000 of these we do in one year, the reading and the writing—and in both languages. It has to be done in English and in French, and there's a comparable level of complexity. I make sure that when you pass, when you do a test with 80 questions, we get it right as to whether you're level A, B, or C.

Mr. Chris Warkentin: There is no.... I'm probably done.

The Chair: Thank you. I'm sorry to interrupt.

Ms. Barrados is now having to deal with this million-dollar concept. I just wanted to say that amortization is a great friend of big spenders and big borrowers. We have to amortize this over 70,000 persons per year, times a multiple of years. It probably comes out to a buck a head if you do it. So I don't think we should be too distracted by that.

I did want to say to members that we're going to go into five-minute rounds. We have a number of issues that have come before us here, and I get the sense that we're kind of nibbling around at the edges. Ms. Barrados and her team bring us these issues in reality, but they tend to discuss them in concept. They avoid mentioning names and persons and individual ministries, because that's how they should do that responsibly. That doesn't mean that members here can't ask the hard questions and get the accountability.

We're the one place in the world that has the authority to get the information and drill down. We'll do it responsibly and get this information on the record. I'm not saying anybody's pussyfooting around here, and I'm not saying the Public Service Commission is, but if we're going to drill down and get some response to this stuff, then I think we want to hit a few nails on the head. I'll get some questions of my own, perhaps.

Mr. Chris Warkentin: Maybe Mr. Chair will make a round.

The Chair: Yes, I should take a round later.

Let's boogie here. We have Ms. Foote, for five minutes.

• (1210)

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Thank you, Mr. Chair.

At the risk of pussyfooting around, I'm going to say that it's nice to have you here this morning.

Back to the use of private firms, my question is, how extensive is the use of private firms for hiring temporary positions? Can you tell me which departments are doing that predominantly? Is there any consultation at all with the PSC in terms of having a discussion about the need to hire on a temporary basis?

Ms. Maria Barrados: If you look at the public accounts, there's about \$300 million used for these temporary firms. The largest use is in the national capital area. About 90% of it is in the national capital area. It's not used very much in the regions. About 60% of that is for clerical support staff, which is what you would expect. Forty per cent of it is used for other levels. There are policies around it, so Public Works and Government Services has standing offers that deal with the use of these firms. Some of the material I've been seeing is that they're actually putting a transfer price on some of these things, so if you employ somebody from a private firm into the public service, there's a fee that has to be paid.

Ms. Judy Foote: Is this done across the board? Are all departments doing this?

Ms. Maria Barrados: It is available to all departments.

**Ms. Judy Foote:** Who seems to be utilizing it more? Are there some departments doing it more than others?

**Ms. Maria Barrados:** There are. I did actually have a list in my briefing package. I looked at it last night, and I can't remember it, but I'll send it to the committee.

**Ms. Judy Foote:** Yes. We'd like to have that, please. That would be great.

I understand that this is the way it works, but I could be wrong. Once you're a casual employee and you're in the system, do casual employees have the first opportunity for the permanent positions advertised by the government, by departments, or through PSC before they are advertised externally?

**Ms. Maria Barrados:** No. If you are in a term position, you have access to the internal competitions. As casual employees, you do not. In the Government of Canada, under the new legislation, you are allowed to hire in one of two ways. You're allowed to advertise or to go unadvertised. If you go unadvertised, there is absolutely no competition. You know the person, they meet your needs, and you can bring them in unadvertised. We at the PSC—

**Ms. Judy Foote:** Can you give me an example in terms of a position that could go unadvertised?

**Ms. Maria Barrados:** Any position can go unadvertised. The commission is objecting to broad use of that unadvertised way and is insisting that there be a policy and a rigorous set of requirements.

Let's say there is an area of shortage, for example, and you have tried to look very hard. You're looking for a particular analyst in a specialty area—it could be biology or it could be medicine—you've tried to find someone, and you can't. Let's say you have somebody who worked for you as a casual and you think they're a good person who can do the job. That would probably be justified. If you have—

Ms. Judy Foote: Would they have to justify that with the PSC?

**Ms. Maria Barrados:** They have to justify it in their own files, and it's the kind of thing we make a point of checking when we do our audits. It's an area where consistently we are having a lot of trouble. One of my folks here has the actual numbers that I can leave with the committee in terms of the large users of temporary workers.

In the departments that are over \$10 million, Defence is the highest, with Environment, Foreign Affairs, Health, the Public Health Agency, HRSD, Natural Resources, Public Works and

Government Services, and Transport all over \$10 million. I'll leave the list with the committee.

**Ms. Judy Foote:** How often would you audit these departments in terms of what they're doing with respect to temporary and casual employment?

**Ms. Maria Barrados:** Our objective is to try to audit every department once every five to seven years. In addition to that, we're watching them more closely than that, so we require a report from departments every year in which we expect reporting on this. We follow up in any of those departments where we think things are looking high or beyond an average range.

**Ms. Judy Foote:** Under the employment equity hiring, you've identified an issue with respect to self-identification. You said, "First, we looked at how EE data is gathered through self-identification, and compared approaches and practices across several departments". Can you elaborate on that for me in terms of the issue with self-identification?

**Ms. Maria Barrados:** The issue we had—and we had a discussion on this at the committee—was that we had two numbers about the rate of visible minority hires coming into the public service. One number was 8.9%, which I thought was really a problem, and the other number was 17%, which is much, much better and gives a much better indication of what we were trying to do.

The reason we had these two numbers for the same time period is that they were collected differently. Our preoccupation was whether that was a function of the collection. To try to understand this, we asked what was going on there. Seventeen per cent is collected as part of our automated application system, which is a computerized system. People are forced to answer every screen. The other number, the self-identification number, is a number that is collected when somebody is hired, given a form, and asked to fill it in and send it back.

That whole process—that self-identification process in the departments we looked at and how that was managed—is really not managed very consistently or very well, so we know for sure that we have a problem with the collection of the data. That is not a very reliable number until we do a better job of collecting the information.

• (1215)

Ms. Judy Foote: Is there—

**The Chair:** That's five minutes, regrettably. You're doing a great job. You're doing a fabulous job.

We have to go to Mr. Roy for five minutes.

[Translation]

Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ): Thank you, Mr. Chair.

I would like to go back to what my colleague was discussing with you. You gave some examples of departments. I have a hard time understanding how the Department of Defence can hire temporary employees. How does it justify that to you? Where in its operations can DND hire temporary employees?

**Ms. Maria Barrados:** I have figures, but I do not have the answer to your question. In the Department of Defence, there are civilian employees as well as military ones. There can be a lot of administrative work to do, and they need clerks and administrators to handle things.

Mr. Jean-Yves Roy: Are the departments you listed not operating in this way because of the budgetary constraints imposed by various governments through the years? Hiring temporary employees provides a lot of flexibility. If you have to deal with a 5% cut in your budget every year, for example, you just have to lay off your temporary employees. But if your staff is made up 90%, 92% or 95% of permanent employees, it will be much harder to deal with budgetary constraints.

Are departments working this way because of the budgetary constraints imposed by successive governments?

**Ms. Maria Barrados:** Possibly. For me, it is very important that departments plan better. Changes in budget are normal; the private sector has them too. Then, there are employees who are ready to retire. People leave all the time and have to be replaced. We have all the demographic data we need to be able to plan.

Mr. Jean-Yves Roy: Hiring a temporary worker has another financial advantage for a department: the benefits cost a lot less.

**Ms. Maria Barrados:** Temporary workers are hired to replace workers who are ill, or when a short-term employee is needed. If you have a long-term position to fill, you are better off hiring a permanent employee.

In government, there are a number of opportunities to change jobs.

**Mr. Jean-Yves Roy:** In your report, you also mention "classification creep". I have difficulty with that term. [Editor's note: Technical Difficulties]. Does classification creep mean playing with the classification in order to provide employees with additional benefits? You say that this can cause significant problems in the public service. Too many chiefs and not enough Indians.

• (1220)

Ms. Maria Barrados: I am going to ask Mr. Lemaire to finish my answer.

There are two things. First, there are changes in the occupational structure. We can see that knowledge workers are in greater and greater demand. Second, there are some classification levels that are higher than they were in the past, but the work is the same, so that the people in those positions get higher salaries.

Mr. Donald Lemaire (Senior Vice-President, Policy Branch, Public Service Commission of Canada): There is an element of internal competition. At times, departments even try to outbid each other. For example, doing a certain kind of work in one organization may put an employee at level Y while, in another organization, it is level X. As a result, knowing that, employees can ask to go to a different level.

In a way, it perhaps reflects the classification structure. The positions, and the nature of the work, have changed. So we have to ask ourselves whether the classification reflects those changes. If not, perhaps that is what partly explains the adjustment. The office of the PSC's Chief Human Resources Officer would be better able to answer that question, but there are all kinds of valid reasons.

Sometimes, it is in order to provide a salary increase; sometimes, it is to attract people or to compete with other departments when there is a shortage. By definition, an internal market is closed, so internal shortages can be artificial. If things are opened to people from the outside, the shortage is no longer the same, and may even become a surplus. All these factors come into play. I do not think that we are able to talk in percentages and say that 20% is because an artificial shortage has been created internally and another 20% is because of a disconnect between the nature of the task and the way in which it is accomplished.

I remember very well that, when I came back, there was a computer on my desk. Previously, I would give my documents to an assistant who would type them, and so on. Now I do not have an assistant of that kind because it is no longer necessary. What I expect from an assistant is different now, but the classification has remained the same. So we say that the "secretary" category, for example, has practically disappeared because we do the work ourselves. Now, we need people who are much more skilled in document formatting and presentation. That requires a knowledge of software, or knowledge of other kinds. But we may not have changed the classification, and we need a different classification to recognize the different expertise. All those factors are involved; it is quite complicated.

[English]

The Chair: Madam Barrados, you indicated you had a list of departments that—

**Ms. Maria Barrados:** I just read them off, but we'll give them to you.

**The Chair:** If you've read them on the record, that's fine. You did read them? That's fine. It's already on the record.

**Ms. Judy Foote:** Mr. Chair, I didn't know if the entire list was actually read into the record.

Ms. Maria Barrados: I can make sure that you have copies of this.

The Chair: That would be great. That would satisfy Ms. Foote and the chair.

Now we'll go to Monsieur Gourde for five minutes.

[Translation]

Mr. Jacques Gourde: Thank you very much, Mr. Chair.

I have a question about the audit of the Federal Student Work Experience Program. The PSC had questions about the requirement for all students to have a learning plan, given that only 12% of them fulfilled the requirement. Would the program be adversely affected if this requirement were abolished?

**●** (1225)

[English]

**The Chair:** Could you repeat the last part of your question?

[Translation]

Mr. Jacques Gourde: I can say it again.

When it audited the Federal Student Work Experience Program, the PSC had questions about the requirement for all students to have a learning plan, given that only 12% of them fulfilled the requirement. Would the program be adversely affected if this requirement were abolished?

**Ms. Maria Barrados:** We conducted the audit according to Treasury Board guidelines. An important element of an audit for us is to determine whether managers complied with all Treasury Board requirements. Treasury Board policy requires a learning plan for all students and we discovered that the actual rate was 7%. That is not enough. Our conclusion is that it is up to Treasury Board to determine if the learning plan for students is really necessary.

Do you want to add anything?

**Mr. Jean Ste-Marie:** The Treasury Board people accepted the recommendation we made to them. They are presently reviewing student employment policies. So the matter is going to be addressed.

**Mr. Jacques Gourde:** What did the learning plan involve? Was the goal to train the students?

**Mr. Jean Ste-Marie:** Yes. At the outset, it was a development program for students. But, over the years, it became more and more a recruiting program. As the president said, we only found a learning plan in 7% of the cases.

**Mr. Jacques Gourde:** Did the departments provide the learning plans for the students to follow?

Mr. Jean Ste-Marie: To start with, yes.

Mr. Jacques Gourde: But only 7% of the students had them?

**Mr. Jean Ste-Marie:** Exactly. There are hardly any learning plans now.

Mr. Jacques Gourde: Is it because people had no time?

**Mr. Jean Ste-Marie:** As I said earlier, there has been a steady move from a student development program to a recruitment program. People are much more interested in finding candidates than in training them.

**Mr. Jacques Gourde:** These are jobs that last less than 90 days; is it possible to structure the students' work so that their time in the public service is constructive and fits in with their studies?

**Mr. Jean Ste-Marie:** It is not a 90-day program. It is not the one for casual employees, it is actually a different program, one designed solely for high school or university students. There are two aspects to it. There is an employment program open to a good number of summer students. Then, those whom we hire could eventually become public servants, hence the importance of the program.

**Mr. Jacques Gourde:** You use this program for recruiting purposes and it allows you to find people who are interested in making a career in the public service. The experience they gain over one or more summers may induce them to stay.

Do you know what percentage of those students stays in the public service? Do you know if it is 25%, 50% or 75%?

**Mr. Jean Ste-Marie:** I do not have the figures at hand, but I know that there are quite a lot of them. I think it is one third, or about 36%.

Mr. Jacques Gourde: Are these jobs all across Canada, or are most of them in the national capital region?

Mr. Jean Ste-Marie: All across the country.

**Ms. Maria Barrados:** This is a truly national program. In the audit, there were also observations about the way in which these people come into the public service. That gave rise to a number of negative comments from us. The hiring process for these people has to be improved.

**(1230)** 

**Mr. Jacques Gourde:** Do the students get access to this program through the Internet? Do schools promote it, or do students have to find out about it for themselves?

**Ms. Maria Barrados:** Students can apply for jobs through the website. The program has expanded each year. This year, the government has invested more money in the program and other study programs. We are expecting a total increase of 1,000 students this year.

Mr. Jacques Gourde: Thank you very much.

Thank you, Mr. Chair. **The Chair:** Thank you.

[English]

Madam Barrados, I wanted to ask a couple of questions, having been invited by colleagues to take a round here.

I should say there's nothing like a public hanging to focus the attention of the people—not that we want to do a public hanging.

Mr. Chris Warkentin: Oh, come on.

The Chair: No, we don't. We are all good guys.

But I did want to toggle through a couple of these problematic issues just to inquire from you if there is some tangible progress toward a resolution or improvement.

One is the use of temporary workers or casuals. I realize that's a more complex subject, both in terms of hiring people and the use of private firms to wholesale that operation.

The language school issue is still troubling. Can I ask you if that language school is still teaching and testing public servants?

**Ms. Maria Barrados:** The language school is still teaching, but it is not testing public servants. All the public servants who go to Nec Plus Ultra as a language school must come to the Public Service Commission to be tested. They cannot even be tested in their own departments.

The Chair: I suppose you can't stop somebody from doing business out there, and I suppose in fairness—and I realize we have immunity in here—it's possible that it was not the policy of the language school to do bad things, that maybe somebody in the language school did something bad, but I don't want to allege something I can't be certain of. The impact was certainly negative and potentially costly, but it would disturb me if it were business as usual out there after this huge hiccup in process. Anyway, as I say, people carry on and do business out there as best they can using the skills they've got, but I wouldn't want to see the federal government doing business with this particular school.

**Ms. Maria Barrados:** Could I make a suggestion? The Canada School of the Public Service does certify some language schools and this process of certification has been fairly limited. This language school is not certified, nor is there a requirement that public servants get sent only to certified language schools. So it's an area you might want to explore.

The Chair: Okay, that's a good suggestion. There may be something there.

The issue of overclassification, if it were organized on a large basis, could result in a massive theft from the taxpayer in terms of overpayment of our normally great working expert public service. I think members have some reservations about that. However, I know you've referred the matter once or more than once to the new office that looks at classification matters. But can you say there's progress? The problem has been identified. Has anybody quantified it, and is there a mechanism in place that will lead to progress?

Ms. Maria Barrados: What we have done for you is confirm that the problem that was identified in the work Jim Lahey did four years ago still exists and the trends are still going in the same direction. So the problem has not gone away. That's what we've done for you in the work we've done. We have not done anything to address the problem, because it's not really the responsibility of the commission, but I think we have taken it as far as we can. It is an issue. The Government of Canada had attempted to do a major reform of its classification system and did not see that through. So we actually do have a classification system that is in bits and pieces.

• (1235)

The Chair: I think members around the table would all agree we don't want to see this overclassification turn into a pandemic, because it could involve a lot of money, which hasn't been quantified yet, although the early report may have made an attempt to quantify it.

Anyway, maybe members would want to take up one or more of these issues in the fall with a view to shining the light very intensely, and maybe there's a deputy minister or two out there who might want to take note about my references to the public event. Should there be an egregious case of sloppiness or non-compliance, someone's got to carry the can on this, and I think it's the deputy ministers or the ministers.

So I'll leave it there. Do you have a comment on that? Am I being too aggressive? Maybe.

**Ms. Maria Barrados:** I wouldn't make that kind of judgment, Mr. Chair.

The way the system is set up, the deputy ministers are directly accountable to the Public Service Commission on staffing matters, so on staffing matters there are no ministers involved, and that's the design of the process. My annual report, which we're scheduling to table at the beginning of October, will be accompanied by a number of audits, and I can tell you now that in some of those cases, in those audits, we are going to be putting conditions on the authorities we have given to deputy ministers because we are not satisfied with performance. So there will be some specific areas the committee may want to look at.

The Chair: That's great. We'll look forward to some progress there.

I don't have any other indications of desire to intervene on these....

I'm sorry, is this your motion?

[Translation]

Ms. Diane Bourgeois: No.

[English]

The Chair: No, it's a question. Sure, go ahead.

[Translation]

**Ms. Diane Bourgeois:** Ms. Barrados, I just want to make sure that I understand. You may tell me that I keep harping on this, but it is a pet topic of mine. My question is about the private firms.

You told me that there were two kinds of private firms. Could you provide this committee with a document explaining the difference—if there is one—between the private firms you mention in your report and the ones that reporters focused on last year? They said that contracts of more than \$100 million had been awarded to private firms just to find casual workers.

I had our chair clarify what the terms casual and indeterminate mean in your language. For me, they do not mean quite the same thing. Have the same terms been used in the reports? You have a website where officials and employers are supposed to find staff. Perhaps it does not work for casuals, but it is still a lot of money, and people ought to be able to make decisions.

Why can they not use a website, if it is possible, instead of going outside government operations and spending more than \$100 million to find casual employees for specific needs? We know that you have criticized everything about positions filled by casuals. We have to get this clear.

**Ms. Maria Barrados:** I am going to ask Donald to help me with the clarification, but I can certainly explain to the committee the distinction I made.

The figure of \$300 million is a reference in the temporary workforce report. It is based on the contracts. It is a way to have people in government positions for, hopefully, a short time. These are contract workers, employed by private companies; they are not public servants.

The other type of firm conducts research to find people for the public service instead of using websites for experts or senior officials.

**●** (1240)

**Mr. Donald Lemaire:** I think that is a very good distinction. Some companies provide staff. The contract is to provide services. Others are really companies that do research on candidates.

**Ms. Diane Bourgeois:** You can understand that a lot of money is involved, which is why we want to understand. These outside companies are the ones causing the problems, as I understand it. As a committee, we cannot ignore a situation that costs the government millions

**Ms. Maria Barrados:** Other committee have already asked me about the costs of head-hunting companies and I have not been able to find the figures easily. However, we can look into it again.

**Ms. Diane Bourgeois:** Please. Because it is also possible to insinuate that we might have pals in those companies and we are going to hire their people because we know them. Perhaps this is the next Nec Plus Ultra. I find it quite problematic.

**Ms. Maria Barrados:** In a term position, someone can be hired who works almost full-time, who does the job of a public servant but who does not fulfill the requirements of the position. Perhaps it is a matter of language; it often is. It may be someone who has retired and we have not been able to get...There are a lot of possibilities. We intend to research the matter.

**Ms. Diane Bourgeois:** Thank you very much. Have a good summer. Do you deserve it? I think you do.

[English]

The Chair: Merci.

Ms. Hall Findlay.

**Ms. Martha Hall Findlay:** Just as a clarification, Madam Barrados, am I correct that you said that 90% of the \$300 million is for employment in the Ottawa area?

Ms. Maria Barrados: Yes.

**Ms. Martha Hall Findlay:** What portion of the entire civil service is located in the Ottawa area?

Ms. Maria Barrados: It's 40%.

**Ms. Martha Hall Findlay:** So it does beg the question a little bit, if 40% of the civil service is here but 90% of the use of these firms... and that's 90% of a fairly large number.

Is there something particular about the Ottawa workforce or the Ottawa demand that would make it so disproportionate? I mean, if that's happening in the Ottawa area, how's the rest of the country functioning so well without the use of these private firms?

Ms. Maria Barrados: Ottawa is different.

Voices: Oh, oh!

Ms. Martha Hall Findlay: That we know.

Ms. Maria Barrados: You do have the head offices of the departments here.

Certainly it is a question we have to ask. In most of our examinations of staffing and the workforces in Ottawa versus the regions, the regional workforces tended to be, with the exception of Alberta during the boom, much more stable. There was not the kind of turnover that you saw in Ottawa. We certainly have seen, in this, not the same kind of use of some of these firms.

This has to be part of the further examination that we do.

Ms. Martha Hall Findlay: Thank you.

My colleague has another question.

The Chair: Ms. Foote.

**Ms. Judy Foote:** Pardon my ignorance here, but I'm just wondering what all the initials stand for. You said, "We also found that the AS, PM and ES groups are continuing to grow, while the CR group continues to shrink."

**●** (1245)

**Ms. Maria Barrados:** "AS" is administrative services, "PM" is program management, "ES" is economists, sociologists, and statisticians, and "CR" is clerical.

Ms. Judy Foote: Thank you.

Ms. Maria Barrados: My apologies for having put the acronyms in there

Ms. Judy Foote: Well, I needed to ask; I didn't know.

You also talk in here about student employment: "The audit also found that one in three student-bridging appointment processes were unsatisfactory." That begs one question: why?

**Ms. Maria Barrados:** We are very concerned, when there is employment and entry into the public service, for sure, and other jobs that are promotions, that there is a process followed that is transparent and rigorous. This means that we expect the requirements of the job to be assessed, that if you're telling us you're looking for a person with particular skills, there is an assessment of those skills.

So "unsatisfactory" means that we found nothing to indicate that there was any effort to make that assessment, or that what we saw in the files even questioned whether the assessment was thoroughly done.

Jean, did you want to add to that?

Mr. Jean Ste-Marie: Yes.

The other thing is that when you use a non-advertised process, you're supposed to have a rationale on file. We did not find a rationale on file for 36% of the cases.

**Ms. Judy Foote:** Was that across the board in the departments that we'd talked about earlier, or was that just throughout the public service?

**Mr. Jean Ste-Marie:** This was from our sampling that we used for the audit, which was across the board.

**Ms. Judy Foote:** Did you find that some departments were worse than others?

Mr. Jean Ste-Marie: Yes.

Ms. Judy Foote: Can you be more specific?

Mr. Jean Ste-Marie: I don't have the list here, I'm sorry.

**Ms. Judy Foote:** Is that information you could provide to the committee for us, please?

**Ms. Maria Barrados:** Yes, we can. We can break it down by the department.

What we have tended to do in these audits is to certainly go after departments where we see a concentration of problems. In this particular audit we did not see that, so we would say that there is a department that is particularly poor at this. In other audits where we do that, we do have departments that are particularly poor. Here we found that there was a scattering that didn't show a pattern of problems in running this program, but it was on the bridging part of the program. In the other part of the program we were satisfied that issues we had found as we started the work had been addressed.

Ms. Judy Foote: A list would be appreciated.

Ms. Maria Barrados: Thank you.

**Ms. Judy Foote:** Back to the language training and the issue with the school and having access to your actual test, did I understand you correctly when you said that employees who had taken that test will have to be retested?

Ms. Maria Barrados: Yes.

**Ms. Judy Foote:** So those individuals will be penalized because of an error made by someone else.

**Ms. Maria Barrados:** These employees are currently not penalized, so what we have said is that we have no confidence in the results of this test. Whenever we have any testing process, if we have a problem with the test and the test results, we retest. We're not penalizing employees, because we're giving them two years to be retested.

I'll make an absolute statement here. Some employees might be under greater pressure, because we say it's two years if you stay in the same job you're in today. If you're going to be promoted, you must be retested before you go for a promotion.

**Ms. Judy Foote:** That would make sense, but if they are staying in the same job, they have two years.

**●** (1250)

**Ms. Maria Barrados:** They have two years, and if you truly are exempted, if you got 99% or 100% on these tests because of your level of language skill, it should not really be that hard to write it again.

Ms. Judy Foote: Thank you.

The Chair: That would complete our questioning.

Before we leave, with reference to the fact that Public Service Week is June 13 to June 20, Madam Bourgeois has a motion that, with unanimous consent, could be considered by committee

If you wish, you can read it.

[Translation]

Ms. Diane Bourgeois: It is a motion in the spirit of the week. It reads as follows:

That National Public Service Week is June 13-20. The members of the committee wish to salute federal public servants and let them know how important they are.

Unanimous. Wow!

[English]

**The Chair:** For the record, there appears to be unanimous support for adoption of that motion. Is that agreed?

(Motion agreed to)

The Chair: Thank you very much.

Ms. Hall-Findlay on a point of order.

**Ms. Martha Hall Findlay:** We're getting along so well that I didn't think it was necessary to have a point of order, but in case we were about to say goodbye to our witnesses, I did actually want to say thank you for coming a number of times and for being patient, certainly with me, with some questions that may have come from a greater level of ignorance than should be the case. But I want to thank you all very much again for coming a number of times and again today.

Thank you very much.

**Ms. Maria Barrados:** I also want to thank the committee for its motion on behalf of the public service. Even though I come here often with criticisms, they work very, very hard. It's the minority we tend to talk about, not the majority.

The Chair: We agree with that.

Having completed that business, thank you to our witnesses for appearing today. We hope to see you again in the autumn.

I did want to acknowledge the hard work of members on completing the report that was submitted to the House yesterday on federal government procurement and SMEs. Thank you.

If there is no further business, we will adjourn.

This meeting is adjourned.

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