

# CRISIS IN THE ONTARIO AND FEDERAL PUBLIC SERVICES

Thomas S. Axworthy and Julie Burch

In several recent high-profile incidents, the government has failed to conduct its business efficiently and sometimes even failed to conduct it legally. As a result today's public service is facing unprecedented criticism, which is taking a toll on morale, expectations and career prospects. These scandals have put culpability at the feet of senior public officials; public service reform is on the agenda. But where to start? Tom Axworthy and Julie Burch maintain that the current focus on accountability and control is unbalanced, and that comprehensive and effective reform needs to focus on closing the implementation gap.

Tel que révélé par plusieurs incidents fâcheux très médiatisés, le gouvernement fédéral a récemment échoué à gérer ses affaires de manière efficace — et parfois même de manière légale. Résultat : la fonction publique a été l'objet de critiques sans précédent qui ont ébranlé le moral, les attentes et les perspectives de carrière de son personnel. Ces scandales ont mis en cause certains hauts fonctionnaires et remis à l'ordre du jour la réforme du secteur public. Mais par où commencer ? Jugeant qu'on privilégie aujourd'hui de façon disproportionnée le contrôle et l'imputabilité, Tom Axworthy et Julie Burch sont d'avis que pour réformer le secteur public en profondeur il faut plutôt s'attaquer à combler le « déficit de mise en œuvre ».

Almost half of public servants have given serious thought to leaving the federal or Ontario public service, according to the recent findings of a survey carried out by the Centre for the Study of Democracy (CSD) at Queen's University. Who can really blame them? This angst might be due to the fact that 50 percent of respondents report that they have been subject to undue political interference. In addition, since the federal sponsorship scandal, public servants have been increasingly dragged in front of the media and publicly reprimanded by their political counterparts — some more justly than others. This has resulted in the devaluation of the work of the public service, and many public servants surveyed resent the fact that their hard work is perceived as “good enough for government work” or that they themselves are seen as “lazy bureaucrats.” Add to this the very public failures of implementation, such as the eHealth debacle in Ontario, and there is good reason that public servants are considering a career change.

But while the civil service may have some dents, it is far from broken. Heavy majorities of the respondents to the CSD survey reported high levels of job satisfaction — 80 percent of the Queen's sample describe their job as satisfying and over 50 percent of respondents in the federal public service think that their organization is performing better than it did when they started over a decade ago.

There are three main “cracks” in the system, however, that need repair. The CSD identified key questions in these three areas: capacity and performance (how can optimum performance be encouraged considering the political versus administrative trade-offs that permeate all corners of the public sector?); attracting and retaining employees (what reforms and modifications would make the public sector a valued and desirable place to work and could attract and retain creative and innovative, publicly spirited Canadians?); and improving accountability design (how might an environment be cultivated that facilitates better accountability to Parliament, the media and the Canadian public, while encouraging creativity and managerial flexibility?). These cracks are not so wide that they cannot be mended. Several proposals to kick start this process will be suggested below.

The Canadian Public Service Career Satisfaction Survey (2009) polled alumni of the Queen's Masters of Public Administration (MPA) program and Public Executive Program. It aimed to gauge the impressions of these recent Queen's graduates regarding their careers in both the federal and Ontario civil services. Despite the relatively small sample (about 300 respondents), the results are broadly in line with many of the findings of the employee surveys conducted on a regular basis by both the federal and provincial governments. The survey results were supplemented by a

series of interviews and round tables with Ontario and federal public servants who reinforced the survey findings by augmenting statistical data with personal colour and anecdotes. These data informed our recommendations for how to repair the cracks in the civil service.

The first issue is improving capacity and performance in a context of conflict between politicians and public servants. Certainly many use the word “crisis” in describing today’s public service. Over the last few years these disputes have been played out in the national media for all to see. Linda Keen, the former head of the Nuclear Safety Commission, was dismissed in a dispute with the Minister of Energy, but not before she was wrongly labelled a “Liberal appointee.” Richard Colvin, a diplomat doing his job reporting the facts from Afghanistan on detainee transfers, has been similarly personally attacked by Defence Minister Peter MacKay. Colvin has been supported publicly by many former ambassadors, but not by the Secretary of the Cabinet, who is supposed to be the official defender of the public service. And when Colvin gave his testimony to a House committee, he did so alone, instead of being accompanied by the Deputy Minister of Foreign Affairs and International Trade. The behaviour of the Conservative government in attacking the performance of public servants, in a fashion similar to the usual cut-and-thrust of party slanging, is a radical departure from the norms of a well-functioning political-public-service relationship and makes urgent the necessity of defending publicly the tradition of a merit-based non-partisan professional public service.

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their intentions as set down in the relevant bills, statutes and directives into concrete action. This task — implementation — is the job of the public service. While policy advice is by far the highest-rated function of the public service, implementation is the crux of policy delivery and the mark of an effective public service.

In Ontario the eHealth dispute over implementation cost a CEO, a chair of the board, a minister and his deputy their jobs, but the sponsorship accountability scandal defeated a government. There is a large literature on the sponsorship issue, the subsequent Gomery reports and the *Federal Accountability Act* (2006). The Gomery Commission found clear evidence of political involvement in the administration of the Sponsorship Program;

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insufficient oversight at the senior levels of the public service; an absence of transparency; and “the refusal of ministers, senior officials, the Prime Minister’s Office, and public servants to acknowledge their responsibility for the problems of mismanagement that occurred.” The Sponsorship Program had its origins in 1994-95 when the advertising section of Public Works and Government Services Canada began to disburse funds for “special projects.” This activity intensified after the Quebec referendum in 1995, leading to newspaper articles that began to question aspects of this spending. An internal audit of the program was ordered in 2000 and the Auditor General of Canada made a dramatic report in May 2002 with certain files being

referred to the RCMP. In December 2003, the Martin government cancelled the Sponsorship Program; in February 2004 it created the Gomery Commission, which attracted considerable attention and reported in late 2005. The Martin government was defeated largely because of this accountability issue in 2006.

In Canada, we need to develop implementation as a focus of public policy-making. This requires that programs be designed and funded with future policy evaluation and review in mind, and that evaluations are properly resourced. A Results Unit composed of representatives of the Treasury Board, comptrollers general, and the Privy Council Office should be set up to develop an implementation evaluation review regiment as robust as the regular policy and communication aspects of the cabinet agenda. Once a month, cabinet should review the progress or looming obstacles of implementation for its critical programs.

A major obstacle to smooth implementation is what Linda Duxbury, a human resources expert, calls “the big dance.” Participating in the big dance are those 40 percent of public servants who started and ended the year in different jobs and the 58 percent of the government’s 5,000 executives who moved to different jobs (based on 2007 data from the Public Service Commission). Senior officials (deputy ministers and assistant deputy ministers) generally spend less than two years in a position. Describing the “big dance,” Duxbury observes: “Someone moves which causes someone else to move to acting position and someone else to position themselves for the next promotion”. This dance has a negative impact on the departments they run, and makes achieving progress on resolving key issues more difficult.

The big dance is hardly a new phenomenon. As far back as 1979 the *Royal Commission on Financial*

Management and Accountability had warned that “the high rate of mobility among deputy heads of departments and agencies has become a major management problem.” The Lambert Commission recommended that deputies be expected to serve for a period of three to five years.

Constant personnel changes are not simply an Ottawa phenomenon. The Auditor General of Ontario found that a contributing factor to the implementa-

tion woes of the electronic health records project was that, “the recent replacements of eHealth Ontario’s board Chair and CEO mark the fourth such overhaul of leadership at eHealth Ontario and its predecessor, SSHA. Each of these overhauls brought with it its own period of transition where progress on the initiative’s objectives was slowed or, at times, halted.” The Auditor rightly notes on eHealth (and his observation applies to the public service as a whole) that with every senior change in personnel there is a price to be paid in terms of lost time, lost expertise and lost working relationships. As one respondent put it, “You should be there long enough to fix your first wave of mistakes — that’s the best way to learn!” But under the current system of frequent rotations of senior staff, mistakes have to be relearned over and over again, because it is always someone else doing the learning. This greatly inhibits the implementation of key government objectives — what is supposed to be one of the main functions of the civil service.

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Imagine the impact of having three different supervisors in three years while doing the same job! How are employees supposed to benefit from the mentoring and expertise of their supervisors if their supervisors constantly have to learn how to do

their own jobs? This is what 31 percent of federal employees reported in the federal Public Service Employee Survey (2008), and in real terms that means 58,000 federal civil servants. Coincidentally, only 31 percent of the federal respondents to the CSD survey feel that change is managed well within their department. Experience and specialist knowledge is lost when senior managers are rotated from department to department. Employees are in

a constant state of flux as they adjust to different work styles. **W**hat’s more, it is often the best-performing players in the civil service who are subject to frequent rotation. What do they do to a good deputy?” one respondent to the survey shared. “They move you — if you’re hugely successful and do a great job of running your department you run the risk of being moved to an even more messed up department until you burn out.” This then creates a retention problem, which also needs to be addressed.

Perhaps what is most alarming about the eHealth scandal is that not only was a key government priority not implemented along the projected timeline, due to a constant rotation of senior staff, but millions were spent on consultants to speed along this implementation, rather than building up the capacity of the regular public service. Going forward, both the Ontario and federal governments will likely be looking for areas to cut back on in order to reduce budget deficits. One good place to start would be to radically cut back on the use of outside consultants. A generation ago, departments had expertise in-house, and if consultants were employed, it

would be to test out ideas already generated by the bureaucracy or to fix a short-term problem. Today, there is an underground policy triangle of regular officials, consultants (often long-term and retired public servants) and lobbyists. Money spent on consultants would be better spent investing in civil service employees, not only to save on often outrageous consultant fees, but also to improve retention levels, as civil servants will see their employers investing in their skill development.

After all, as McGill’s Henry Mintzberg (one of Canada’s leading experts on management) says, “A consultant is somebody who borrows your watch and tells you what time it is.”

The need to build in-house capacity in the public services is all the more important because both Canada and Ontario face a tsunami of retirements in their public services over the next few years as the baby boom generation moves on. This will affect our capacity to maintain or even improve upon the delivery of public services. As its second focus, the CSD survey looked at attracting and retaining quality employees.

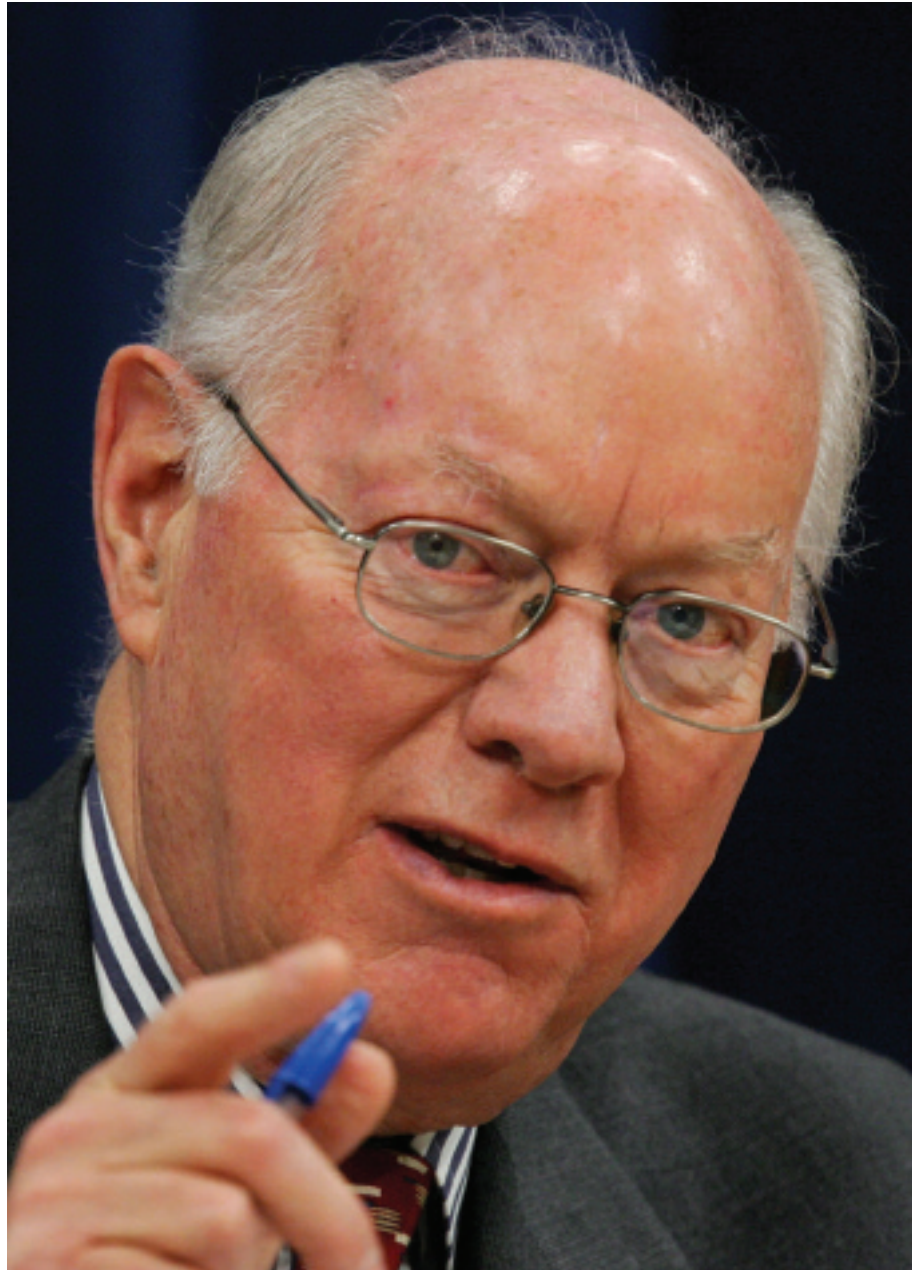
The survey asked a series of human resource questions concerning performance improvements, job satisfaction, learning and development, work-life balance, etc. A major issue identified by respondents was the ineffectualness of the recruiting process in attracting the necessary new and dynamic workers to fill the more than half of the core public administration positions currently staffed by employees aged 45 and over.

The recruiting processes are rated as mediocre by the survey, with not one response group giving the process a rating above 59 percent. Furthermore, 43 percent of MPA respondents agreed with the statement that the recruitment “process is flawed and requires a major overhaul.” In addition, only 11 percent of respondents strongly agree that the job posting that they responded to

accurately reflects the position they were hired for. Many complained about the lengthy hiring process. Kathryn May, an *Ottawa Citizen* reporter who specializes in public service issues, has reported that attempts to address this problem have been unsuccessful. She found that Canada Revenue Agency, for example, replaced Revenue Canada so that it could be liberated to handle staffing, job classifications, compensation and other human resource issues more efficiently. But staffing and recruitment continue to be a problem: the target of the agency is to fill a job in 66 days, but a recent audit showed that it took an average of 173 days, even more time than in its previous incarnation as a government department.

In order to attract quality recruits, it is necessary to make career options in the civil service more visible to Canadians, especially new Canadians, by varying the sources through which employees are attracted to the organization. To do this, the recruitment process must establish a balance between internally closed recruitment and competitions opened externally with appropriate criteria for creating that balance. External recruits need to be given a realistic picture of working for the public service — who the public service is and what it does — as well as what specifically they are being hired to do. Most importantly, the length of the recruitment process needs to be dramatically shortened, so that the best recruits are not lost to other employers who act more quickly to make them an offer.

Furthermore, to attract fresh bodies, some recruiters have had to entice young applicants with job responsibilities and benefits — such as international assignments and job rotation — that have traditionally been accessible only to those at the highest levels of the organizational hierarchy. New hires are increasingly negotiating special work arrangements, expecting unrealistic perks and exhibiting low levels of job satisfaction and commitment. If the public service is not to lose the best and



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**Judge John Gomery at the sensational hearings in 2005 on the sponsorship scandal, which essentially brought down a Liberal government on the issue of accountability.**

the brightest in the recruitment process to private companies that are willing to provide these perks, then it needs to be able to make similar concessions. Data from the survey are clear: learning and personal development are goals greatly cherished by public servants in the Ontario and federal public services. Younger recruits especially value international opportunities even though

comparably few are in departments with an explicit foreign mandate, like the Canadian International Development Agency (CIDA) or the Department of Foreign Affairs and International Trade.

Interchange Canada is a skills exchange program between the Canadian public service, businesses and other governments that has exist-

ed since 1971. The sponsoring organization continues to pay a regular salary to its employees. This program has proven its value and is good conceptually, but it is limited in its application. In 2007, for example, out of a public service of more than 250,000 (those reporting to Treasury Board) only 150 employees (0.06 percent) were on

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assignment outside of the public service and a mere 328 participants were on temporary assignment to the public service from a range of outside organizations. This program needs to be expanded.

Furthermore, Canada should develop a major program of exchange and capacity building with the public services of the developing world. With funding from CIDA and contributions by the provinces, both provincial and federal departments would invite public servants from abroad to visit and work within our ministries, while Canadian civil servants would gain greater access to the Interchange Canada program.

Open-ended comments from the respondents and interviews with public servants for the study reveal great interest in the potential of mentoring programs for new recruits who are enticed into careers in the public service because of the dynamic new international opportunities available. In the Singapore Administrative Service, for example, "each new officer is assigned a mentor who can offer friendly advice and show you the ropes." A 2001 OECD report highlights that mentoring is especially critical for women and underrepresented minorities because of the perception that the public service is an "old-boy's network." To help encourage recruitment reflecting the diversity of the Canadian and Ontario publics that the

civil service is supposed to serve, governments need to establish a formal mentoring program modelled on the Singapore experience.

As important as accountability and performance improvements are, when it comes to boosting the public service's capacity, staffing is the final frontier. A healthy, vibrant, stimulated public work-

force will strengthen efforts to improve accountability structures and bureaucratic performance. Therefore, going forward, developing a strong labour pool will be most crucial to the success of the public service. However, improving accountability structures is still an important piece of the puzzle and the CSD's third question needs to be answered: how might an environment be cultivated that facilitates better accountability to Parliament, the media and the Canadian public, while encouraging creativity and managerial flexibility?

Who is responsible, as Judge Gomery asked, is the basic question in accountability. The survey, however, points out that the answer to this question is not entirely evident, because of the lack of clarity about the proper roles of the public service and the minister's office. While 75 percent of all survey respondents indicated that they know what is expected of them because accountabilities are well defined, only 52 percent overall think that the right factors are being measured.

What we heard from our roundtable participants is that interference is not as great a problem as understanding the relationship between civil servants and exempt staff. This relationship issue is more about misunderstandings than malign intent, however.

Liane Benoit's article "Ministerial Staff: The Life and Times of

Parliament's Statutory Orphans" for the Gomery Inquiry is one of the best studies for clarifying this relationship. For example, exempt staff are "exempt" because, unlike career public servants, political staff are not subject to the merit-based rules of the Public Service Commission. They are still subject, however, to various statutes, such as the *Public Service Employment Act*, the *Conflict of Interest Act* and the *Lobbying Act* and are paid from allocations authorized by Parliament. In short, ministerial staff in Ottawa operate under a strict ethical

code with significant prohibitions on post-political employment. The problem is that few realize this fact and certainly not the public servants who were interviewed for the CSD study. The predominant impression is that while public servants are guided by well-articulated codes of conduct, political staff are motivated only by partisan needs, which is not the case.

A task force of widely respected political figures, including those with experience as ministers and opposition members, former senior political staffers and former senior civil servants, such as former secretaries of cabinet, should come together to create an accountability code to clarify these somewhat unclear accountability rules, so that they are made more explicit. This code should be tabled in Parliament and in provincial legislatures and voted upon so that the values and ethics enunciated would have the legitimacy of being approved by our elected leaders. While not law, a non-binding resolution on an accountability framework would become a benchmark to guide future accountability disputes.

Perhaps what can account for the misunderstanding is the fact that despite 92 percent of survey respondents indicating that they work with political staff on a regular basis, 66 percent do not feel that they have been adequately trained for the added

demands that working with partisan offices brings. Moreover, 53 percent of the MPA sample believe that political staff are seldom capable and trained adequately for their responsibilities.

The Privy Council Office document *Accountable Government: A Guide for Ministers and Ministers of State 2008* defines well the role of political assistants and contains explicit standards of ethical conduct, such as that exempt staff do not have the authority to give direction to public servants. The *Conflict of Interest Act* provisions apply to ministerial staff, as do the provisions of the *Lobbying Act*. There is already a de facto ethical code for political assistants. This code should be explicitly formulated in an analogous fashion to the Values and Ethics Code for the Public Service, which has been in operation since September 2003.

Paul Thomas, of the University of Manitoba, has a worthy but ambitious idea of creating a school of government for politicians, the Canadian equivalent of the UK's National School of Government or the Graduate School of Political Management in Washington, DC. Thomas suggests that such a school should offer core introductory courses

point of this large initiative, however, should be the introduction of courses for political staff where the need is judged to be greatest.

Subsequently, it should be a condition of employment in any minister's office that exempt staff be

ment there also need to be good staff in the exempt positions. The provision in the *Lobbying Act* that prohibits employment in lobbying activities for five years after leaving a ministerial office is too draconian. By limiting career opportunities for such a length

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required to attend a two-week course on the essentials of government and the political-civil-service relationship. Such executive development programs/courses could be offered by the Canada School of Public Service or by schools of public policy and should be certified by governments. The Institute of Public Administration of Canada in 2006 suggested a comprehensive program of orientation and master classes for political staff working at Queen's Park.

In addition to creating codes of conduct and instituting training to clarify the relationship between political and public service staff, a relatively small change that should be implemented is to eliminate the title "Chief

of time, it dissuades many from becoming exempt political staff. A one-year prohibition is sufficient.

In the age of the 24-hour news cycle, it is likely that Richard Colvin will not be the last public official to be drawn into the public spotlight. Nor is the eHealth scandal likely to be the last time that a government program is not properly implemented. The issues of implementation and accountability that were highlighted in the CSD survey are, in fact, linked. Confusion about the proper boundaries of the political-public-service relationship leads to stress and poor morale. Yet an engaged workforce is the key to successful job performance. And a meritocratic public service is not only the precondition for successful implementation of policies; it is equally integral as a foundation of any well-functioning democracy.

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to all newly elected legislators, as well as a course for the "growing and influential group" of political staffers. He also suggests that the Canada School of Public Service provide the physical home for the Canada School of Government, which would have its own small permanent staff with courses offered to federal, provincial and municipal politicians. This is a very worthwhile idea that needs to be supported. The starting

of Staff." This title falsely denotes executive authority. A more appropriate title would be "executive assistant," or another title that accurately reflects the nature of the position. Political advisors are assistants not decision-makers, and their title should reflect this fact.

Just as important as recruiting good people into the public service, for there to be a well-functioning govern-