

**Presentation to the
Task Force on Modernizing Human Resources Management**

Presented by
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Introduction

We thank the Task Force for considering our input and we appreciate the opportunity to address the Task Force. We hope that the comments provided will have merit with the Task Force and will assist you in formulating solutions as you endeavour to carry out the very important task that is set out for you.

There has been a great amount of work and study relating to the reform of the Public Service over the last few years and we believe that the optimum solution is available from the results of several recent joint initiatives. It is obvious that no one is satisfied with the current situation and we will try to point out what we see as good solutions for now and into the future. In doing so, we will answer the questions posed by the Task Force relating to the four main themes of values, staffing, recourse, and labour relations. It would not be productive for us to provide fully developed and completely detailed proposals given the work already done by others; however, we will highlight where we see that a recommendation by another initiative is a solution, and provide our perspective relating to the issues.

From the outset, we would like to applaud the work of the tripartite Advisory Committee on Labour Management Relations in the Federal Public Service (Fryer Committee) and we feel that the bulk of the solution for this Task Force is contained in their report. While we won't comment on all of the Fryer Committee recommendations, we would advise the Task Force that we do not take issue with any of the committee's recommendations and we would support the entire package being implemented by the government. We would also caution that the innovative work done by this committee should not be "cherry-picked" based on traditional biases. We see the work of the Fryer Committee as bringing a focus to many issues, some of which may have been previously examined, and creating a comprehensive proposal. Because of the interrelated nature of the issues in question, we feel that incorporation of the committee's proposals in a total comprehensive approach is most likely to have success.

We realize that the Task Force has been assigned a daunting task on a very ambitious schedule. We feel that it would be irresponsible of us to be less than

totally honest with the Task Force and where it is necessary to be candid in order to provide a true picture to you we will do so. However; we will try as much as possible, to remain positive and solution-oriented in our approach to providing our perspective at this juncture, and in implementing solutions as we move ahead.

Association Background

Our union, officially called the Canadian Federal Pilots Association (CFPA) (formerly known as the Aircraft Operations Group Association (AOGA)), represents the approximately 450 pilots who regulate, monitor, and oversee the safety of Canadian aviation industry. The CFPA represents the Civil Aviation Inspectors (CAI) and Engineering Test Pilots (ETP) at Transport Canada, as well as the CAIs who work for the Transportation Safety Board, and the helicopter pilots (HPS) employed by the Coast Guard.

CFPA members are Airline Transport Licenced pilots. They test and license pilots, conduct in-flight safety tests, set and enforce the aviation safety standards of the Canadian industry and investigate aviation accidents. Engineering test pilots are responsible for ensuring the safety standards and certification of new aircraft and systems prior to use in Canada. Coast Guard helicopter pilots provide search and rescue, environmental monitoring and other services.

While we also represent Service Design and Flight Inspection Pilots employed by Nav Canada we will restrict our comments in this discussion to the issues at hand and their relation to our Public Service members.

To provide perspective, it is our members who are responsible for the investigations and resulting initiatives by the Transportation Safety Board and the Minister of Transport in recently highlighted events such as the SwissAir investigation and the Transat forced landing in the Azores.

Values

What should be the four or five key values of the 50 or so contained in John Tait's report for the New Human Resources Management regime?

From our perspective, the following values are critical to the success of the Public Service:

Democratic Values - Loyalty to the public interest

Professional Values - Professional competence, continuous improvement, and merit

Ethical Values - Honesty, integrity, and impartiality
People Values - Respect, and responsibility

Democratic Values - Loyalty to the public interest

Working level employees tend to be very in tune with their responsibility to the average Canadian citizen and are very dedicated to this concept. Typically, workplace friction arises when employees are asked to do things that they do not see as consistent with their loyalty to the public interest. While the working level identify and relate to the average citizen, increasingly as you move up through the management structure, one observes that there is a tendency to identify more closely with political agendas and interest group pressure. Working level employees tend to have a clear and consistent concept of what is the correct thing to do on behalf of the public; they are confused and frustrated when they are faced with flexible interpretation and direction which they see as being driven by political expediency. Sometimes political agendas are not always consistent with loyalty to the public interest. Canadians need to be confident that their public service can be relied upon to do the right thing in the public's interest, despite the difficulties that may arise.

Professional Values - Professional competence, continuous improvement, and merit

Professional competence, continuous improvement and fostering the best people are crucial to the success of any organization. To have a functional and effective public service they must be professionally competent and must be recognized by the public and industry as such. To put an unqualified or technically incompetent person into a job and anoint them with Ministerial authority is a recipe for disaster and chaos. However, while competence is essential, it is only one part of the puzzle. In today's evolving environment to put someone into a position and then not continue to develop them is irresponsible and shortsighted. Given enough time and neglect even the most committed and competent employees will either become disenchanted and leave the organization, or they will become so out of touch that they will regress towards incompetence. If we can maintain and develop our people, we must then recognize their efforts and achievements by promoting and rewarding the best, in a way that encourages others to achieve as well. It is of primordial importance to all of this that, from the perspective of the working level employee, the principle of merit is seen to be upheld.

Ethical Values - Honesty, integrity, and impartiality People Values - Respect, and responsibility.

These values while applicable corporately, are most fundamentally effective when evident in the individual because, if everyone is guided by these values, then it follows that they will be demonstrated throughout the organization.

The need for these values in the public service was effectively delineated by Scott Serson, President of the Public Service Commission, while speaking to the Canadian Centre for Management Development, in September 1999, when he made the following points:

- *Employees treated with respect, concern, fairness, civility and integrity are more likely to display these values with colleagues, clients and stakeholders;*
- *Quality of leadership and role modeling has tremendous impact on influencing organizational culture and individual behaviour;*
- *Shared consensus on people values helps the Public Service attract and develop people who can work together toward common goals in service to Canadians;*

What safe guards are needed to ensure adherence to these key values?

The Advisory Committee on Labour Management Relations in the Federal Public Service (Fryer Committee) made recommendations that would enable this to be achieved.

2. We recommend that the revised Public Service Staff Relations Act contain a preamble outlining the principles underlying the legislation.

3. We recommend that the Public Service Staff Relations Act be amended to provide for consultation and co-development of policies at the service-wide, departmental and workplace levels. The details of how these processes will be implemented should be left to the parties to develop.

4. We recommend that the staffing system be made subject to co-development by the parties at the National Joint Council. To ensure that the co-development process respects core public service values, the Public Service Employment Act should be amended to include a list of values such as merit, employment equity, fairness and transparency with which the process must be consistent.

If the concepts and the principles of the key values were incorporated in the implementation of these recommendations, the key values would be enshrined not only in the governing legislation, but also in the procedures and policies that would be co-developed. This would guarantee that the key values would be intrinsic to the standard by which compliance is measured, as well as the routine practices of the daily work environment.

Staffing

How can we simplify the staffing system so that it is faster, more affordable, and more flexible?

In this new system, what should be the roles and responsibilities of central agencies, deputy heads, managers, employees, and unions?

How can we make managers accountable for the exercise of their new responsibilities regarding staffing and ensure that staffing practices are based on the above-mentioned core values?

The results of the PSC Selection Fairness Survey, in March 2000, indicated that less than one per cent of all staffing actions are appealed and that about 15% of those appeals are determined to be founded. It was concluded that most appellants sought recourse based on discontent that ran deeper than simple dissatisfaction with the particular staffing action. It was found that employees typically appealed because they were unhappy with the management style, the organizational culture, the workplace environment, or a lack of communication, and less often with the process itself (transparency, fairness, preferential treatment, perceived discrimination).

Our experience finds examples of the appointment of an employee, perceived as management's chosen one, to an acting position for an extended period of time, and then eventually the conduct of a competition the result of which was virtually inevitable. In one recent situation, an executive was questioned by us regarding the appointment of an unqualified individual from another section to a supervisory position for an extended period of time. Our inquiries were seen as an intrusion into an area where management felt they had exclusive authority, and it was purported that everything was done with the advice and concurrence of Human Resources specialists. Eventually, it was determined that a verbal poll of the immediate group of employees had been conducted and, with no one volunteering, the executive had a verbal conversation with the eventual appointee who worked in another section under his purview. An email was then sent to the appointee

stating that he was now the supervisor. While the immediate employees were loathe to object to this situation other qualified individuals took great exception to what they saw as a breach of the most basic of staffing principles.

These and other examples make us wary and skeptical of managerial complaints and demands for more flexibility. Our experience indicates that management flexibility really means exclusive authority without any possibility of challenge. However cumbersome the process, management has been very adroit at surviving challenges to the outcomes. This has led to widespread apathy and mistrust of the process amongst our members.

It is easy to become entangled in detailed structure and procedures. Often a particular procedure or process is singled out as the obstacle to a successful system. The basic truth, as confirmed by the PSC research, is not so much related to a particular process, but more to how the system relates to people, addresses basic communication, and fosters positive human relationships. For the employee it is not about management of human resources but relationships between people; real live human beings that while all being unique, desire a place where they can feel good about themselves, and what they are doing. The question for us is how do you provide this while achieving the aims and goals of the operation. Essentially this is the basis for leadership and motivation, and it all swings on the hinges of mutual respect and trust.

We feel that the answers to the Task Force's questions regarding staffing are best addressed by solutions derived from a cooperative co-development process. This would be achieved by implementing the following Fryer Committee recommendations:

4. We recommend that the staffing system be made subject to co-development by the parties at the National Joint Council. To ensure that the co-development process respects core public service values, the Public Service Employment Act should be amended to include a list of values such as merit, employment equity, fairness and transparency with which the process must be consistent.

5. We recommend that the classification system be made subject to co-development by the parties at the National Joint Council.

16. We recommend that the Public Service Staff Relations Board be reconstituted as the Public Service Rights Redress Board, with the power to resolve rights disputes on any matter affecting unionized and other employees, including complaints about staffing actions, which are now dealt with through appeals to the Public Service

Commission, using mediation and alternative forms of dispute resolution as appropriate.

17. We recommend that unions have the right to present group and policy grievances on behalf of employees and that they should have the right to decide whether or not to bring forward a grievance by a represented employee.

18. We recommend that the Public Service Rights Redress Board be a representative board, with an appointment process similar to that of the Canada Industrial Relations Board.

19. We recommend that the Canadian Human Rights Commission and the Human Rights Tribunals, when dealing with a case that has been brought to adjudication before the Public Service Rights Redress Board, take cognizance of the outcome of that prior process.

Recourse

What employment/workplace matter should be subject to formal recourse involving third party review? What matters are best resolved through informal means?

What changes are required to make the recourse system fair, fast and affordable?

In the new recourse system, what should be the roles and responsibilities of central agencies, deputy heads, managers, employees and unions?

We see the Fryer recommendation that unions have the right to present group and policy grievances on behalf of employees (see Recommendation 17 above) as a particularly effective and useful initiative.

There have been a number of issues that we have become aware of that have application to the group in general. Management has a negative attitude toward grievances and those who initiate them; however, it is the only tool available within our current context to bring an issue forward. Employee reluctance to grieve usually stems from either a desire not to spoil a local working relationship, or they feel they are already in an oppressive environment and filing a grievance will only further deteriorate their situation. Either we have to wait until an employee is sufficiently disadvantaged that they became angry and file a

grievance, or we have to accept the eventual acquiescence of employees if they did not bring forward a grievance. This reinforces and rewards management for a negative and non-conciliatory approach to labour relations.

We are currently in the situation that the reluctance of management to satisfactorily deal with an issue, and their disregard for our representations on behalf of the employees, resulted in over 100 grievances; 76 of which are now being scheduled for PSSRB adjudication. We see the ability to present group and policy grievances as an opportunity for discussion in a more conciliatory environment without requiring employees to become so upset that their dissatisfaction outweighs their reluctance.

The Public Service Commission Advisory Council's Working Group on Recourse did a very good job on identifying problem areas within the current Public Service recourse system. Their conclusions and recommendations were sound, but were formulated within the boundaries of the current legislative context. There is merit in much of their work. We feel that their suggestions could be applied within the context of the Public Service Rights Redress Board as recommended by the Fryer Committee (see Recommendation 16 above). The work done by both these joint initiatives is compatible in our view and would provide a single well-defined recourse solution model for consideration by the Task Force.

Labour Relations

What are the essential attributes of a labour relation model that will foster a more cooperative labour/management relationship?

Within this labour relations model, what should be the roles and responsibilities of central agencies, deputy heads, unions, and the National Joint Council?

Our experience has led us to believe that the government does not really train employees in how to be good managers. Managers seem to act as if managing is exclusively driven by the requirement to satisfy their superiors. Anyone who resists the party line is sternly instructed to implement and comply with what has already been decided. Senior managers select and promote junior managers who are compliant and unquestioning. In recent years, management accountability appears to be predominantly based on the mandatory adherence to budgetary cutback targets regardless of the effect on operations, training, or employee relationships. In a recent example an operational directive was issued that was perceived by the working level members to contradict departmental policy and legislative commitments to the public. One manager, after receiving several emails

questioning the policy, sent an email to his supervisors and employees stating the he would "shoot the first person" he finds not fully supporting the directive both internally and before the public.

For the past several years one department has not met the required level of inspections within the aviation industry, in fact, they have completed on average about 45% of what they are mandated to do. Yet, our members indicate that, in response to industry expansion, they are working harder than ever and complain about work-life balance. Middle managers must wrestle with the requirement to get the job done for a constantly expanding industry, despite an inability to recruit new employees, ever-decreasing budgets, and dissatisfied and overworked employees. Managers and employees have been very creative in finding ways to get the job done in spite of budget cuts, but in the past few years the workforce has reached its capacity and now, it is just less for less. Rather than publicly identify shortfalls, senior management's solution is to delegate responsibility for regulatory compliance to the industry and modify the inspection policy down to a level that will no longer create potential for embarrassment. Their answer to the difficulty in attracting qualified professionals: exercise their management flexibility and fill pilot positions with lower-paid non-pilots, call everyone a "Safety Inspector," and avoid dealing with the underlying problem (A matter that is now the subject of a Section 21 complaint to the PSSRB).

Our members fervently believe in their duty to protect the Canadian public and, as highly qualified professionals, gauge their opinion of their management to a large extent on their perception of management's operational decisions. There has been continual erosion of operational and professional expertise in management over the last decade. Our members tend to operate from the context of a relatively high level of technical expertise, and an operational and technical focus. They are managed by managers whose commitment and focus is almost exclusively governed by administrative and financial imperatives. Managers, who have significant technical expertise and an appreciation for the opinions of their subordinates, express frustration in their inability to effect what they feel would be an appropriate balance in the decision making. The result is an adversarial relationship that is virtually entrenched in the day-to-day operation of the organization before the union even enters the mix. When the union is asked by an employee to intervene, they are viewed by management as intruders. Our experience has been that union involvement in the workplace is perceived as interference in management's exclusive right to manage and an impediment to management flexibility. Union representatives are not seen as facilitators of a resolution, nor are they seen as performing a necessary check and balance role to insure fairness and due process.

This environment has created a legacy of open disdain for unions by management. Management feels no requirement to consult and accommodate, merely to decide in isolation and advise before implementation. There is no indication that management has any respect for unions, nor do they see any credibility in union points of view. This has created a completely adversarial environment that is unhealthy for employees and management.

There is currently no incentive for improvement in labour relations. Neither is there any immediate penalty to management for allowing further deterioration of the current situation. Managers have become adept at distancing themselves from exposure to disgruntled employees and tense work environments. Increased grievances are handled by deferring to higher authority who pump out a perfunctory regurgitation of policy that gets repeated virtually verbatim at each successive level. With the risk of binding arbitration legislated out of existence, occasional strike action is waited out with little penalty, and relief bought at half-price. The problem is that continued acceptance of this approach has disastrous long-term implications for the Public Service. We have a long-term problem created by external market and global forces overlying an internal demographic that threatens the capability of maintaining services to the public.

We see a desperate need for an improvement in the labour relations climate but are unable to effect this change unilaterally. We feel that a complete turnaround in the labour relations and the empowerment and inclusion of unions as avenues for positive resolution and change as the most effective means to addressing the challenges for the Public Service. This solution has already been found and the models investigated by the Conference Board of Canada. In their August 2000 report *Change is Inevitable, but Growth is Optional!*, they outline their study of innovative and positive union-management partnerships and how these relationships have created great success in the face of potentially dismal prospects. The Conference Board findings are very encouraging and instructive on how to achieve success in this area. What is also evident is that positive and cooperative labour relations was the cornerstone to all the other successful initiatives that these private sector companies used to create positive durable results in various areas of their operation. The challenges and reservations that parties had when initiating the process of change and cooperation, and how the parties mitigated their influence were also outlined.

The Conference Board report reinforces the recommendations of the Fryer Committee that "Consultation, co-development and collective bargaining are all appropriate mechanisms for the creation of "win - win" solutions to workplace concerns." We believe that the Labour Relations model outlined by the Fryer Committee best embodies the proven concepts for positive change and their

recommendations are the most viable solution for long term success within the Public Service.

Conclusions and First Steps

We feel that the Task Force would be well served to adopt the recommendations of the Advisory Committee on Labour Management Relations in the Federal Public Service. We also recommend the work done by the Public Service Commission Advisory Council and The Conference Board of Canada.

Let's be frank. We have studied the problem for years and we know that we cannot delay decisive action any longer. While there may be reluctance from both management and union perspectives, joint studies have recommended a cooperative and collaborative approach. Case studies are currently available that demonstrate this is the correct approach. Fryer has developed a workable model and structure. The Task Force has the opportunity to provide the leadership for positive change and the responsibility to construct an environment receptive to change.

Most of us are naturally predisposed to resist change. However, we must change our attitudes before the successful implementation of any cooperative solution becomes possible. An agricultural analogy may be instructive. You would not expect much of a crop if you just scattered seeds on hard ground and did little else. If you loosened and prepared the soil, before planting, and then watered, fertilized, and attended to the plants, you are most certainly assured of a more successful outcome. Our attitudes are the context in which the seeds of change must survive and education is the key to positive attitudes. We all know that information and education are necessary elements before awareness and acceptance can be achieved. As a first step, we would recommend that the Task Force establish a training program to educate parties on the mutual advantages of a cooperative joint venture. We would highly recommend the training and exposure to innovative success models and case studies facilitated by the Conference Board of Canada for consideration as a tool towards developing a receptive environment for change.

The next step to successful change is a public declaration of intent and a demonstrated leadership initiative by senior management. If a cooperative environment is to be fostered we have to stop throwing rocks and get out of our trenches. The Task Force may wish to consider management incentive programs that are dependent on improved working environments and fostering positive employee relations. The government and management must start to speak and behave in a manner that demonstrates a recognition of unions as a key component is establishing a stable and effective workforce. The importance of acting out the

spoken example is expressed by Mr. William W. George, Chairman and CEO of Medtronic corporation in a speech on values-centered organizations:

"It only takes one reversal of values or purpose at the top when conditions are rough to reverse many years of hard work in setting the standard and climate. For better or worse, as the leaders of our organizations, we are better known for our deeds than our words."

A simple but powerful message could be sent throughout the workforce if the Fryer recommendation regarding union meetings was adopted and policies were instituted to provide for meetings on-site during regular working hours as an accepted norm.

There is opportunity for action in advance of a final solution. If the Task Force is going to decide on a collaborative model, the challenges of attitudinal change will be so significant that we feel the educational and exemplary initiatives such as outlined above should be initiated as soon as possible in advance of the Task Force's final determinations.

According to the Conference Board report: "Effective leaders recognize that they must abandon the past and take a leap of faith toward a new type of relationship."

We agree.