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**Proceedings of the Standing Committee on  
Government Services**

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Public Service Commission

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Honourable Ross Wiseman, MHA

## **GOVERNMENT SERVICES COMMITTEE**

### Public Service Commission

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Chair: Clayton Forsey, MHA

Vice-Chair: Dwight Ball, MHA

Members:

John Dinn, MHA  
Randy Edmunds, MHA  
George Murphy, MHA  
Paul Lane, MHA  
Calvin Peach, MHA

Clerk of the Committee: Lorna Proudfoot

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Appearing:

**Public Service Commission**

Bruce Hollett, Chair & CEO  
Ann Chafe, Commissioner  
Tansy Mundon, Director of Communications  
Tracy Shute, Executive Assistant to Minister  
Raelene Thomas, Director, Appeals & Investigation  
Wanda Trickett, Departmental Controller

**Also Present**

Lorraine Michael, MHA  
Kevin Pollard, MHA  
Joy Buckle, Researcher, Official Opposition Office  
Ivan Morgan, Researcher, NDP Office

Pursuant to Standing Order 68, Kevin Pollard, MHA for Baie Verte – Springdale, replaces Paul Lane, MHA for Mount Pearl South.

The Committee met at 9:00 a.m. in the Assembly Chamber.

**CHAIR (Forsey):** Good morning, everyone. We were waiting for the media to get set up, so they are set up. It probably should not take too long this morning.

First of all, I will ask for the introduction of our Committee, and start down there on the end.

**MR. MORGAN:** Ivan Morgan, NDP office.

**MS MICHAEL:** Lorraine Michael, Signal Hill-Quidi Vidi.

**MS BUCKLE:** Joy Buckle, Researcher.

**MR. BALL:** Dwight Ball, MHA Humber Valley.

**MR. DINN:** John Dinn, Kilbride District.

**MR. PEACH:** Calvin Peach, District of Bellevue.

**MR. POLLARD:** Kevin Pollard, MHA, Baie Verte – Springdale.

**CHAIR:** I am Clayton Forsey, Chair, and MHA for Exploits.

First, before we get into the questions and the subheads, we have to adopt the minutes of the last Government Services Committee minutes for April 24, and that was Service Newfoundland and Labrador and Office of the Chief Information Officer.

If I could have a motion for adoption of these minutes.

**MR. PEACH:** So moved.

**CHAIR:** Moved by Calvin Peach.

**MR. DINN:** Seconded?

**CHAIR:** Seconded by John Dinn.

On motion, minutes adopted as circulated.

**CHAIR:** This morning we are doing the Public Service Commission. We will ask the minister if he will introduce the staff, or they can introduce themselves, and then you can have an introduction if you like. Then we will call for the subheads after that.

**MR. KENNEDY:** I will just have everyone introduce themselves.

I am Jerome Kennedy, Minister of Finance and Minister Responsible for the Public Service Commission.

**MR. HOLLETT:** Bruce Hollett, Chair and CEO of Public Service Commission.

**MS CHAFE:** Ann Chafe, Commissioner, Public Service Commission.

**MS TRICKETT:** Wanda Trickett, Departmental Controller.

**MS THOMAS:** Raelene Thomas, Public Service Commission.

**MS MUNDON:** Tansy Mundon, Director of Communications.

**MS SHUTE:** Tracy Shute, Executive Assistant to Minister Kennedy.

**CHAIR:** Okay, thank you.

Now, normally we have three hours allotted for each one, but I am expecting we probably will not go that far this morning. We will start off with a call for the subheads.

**CLERK (Ms Proudfoot):** Subhead 1.1.01.

**CHAIR:** 1.1.01.

Dwight, we will get you to start off with your fifteen minutes, and then we will go to Lorraine.

**MR. BALL:** Thank you, Mr. Chair.

I agree, if we are here three hours you are not doing your job.

Just a few quick questions, two questions on the line items. We have just a few other questions on some general questions about the Commission.

First of all, if we go to 1.1.01, a question about Professional Services, which is line item 05. Last year's budget was \$346,000, we spent \$380,000, and this year we have \$646,000 budgeted. Maybe, if you wanted to, we could just include line items 05 and 06, the Professional Services and Purchased Services, together. These would be the two questions from the line items.

**MR. KENNEDY:** In terms of 1.1.01, Professional Services, the variance there of \$300,000 was two-time allocations for EAP professional counselling as a result of workforce reduction. There was \$250,000 for former employees affected by the workforce adjustment, and then \$50,000 for active employees affected by the workforce adjustment. That is the variance there in terms of what actually took place. Bruce can answer any questions on that.

Then in the Purchased Services there had been a transfer of Strategic Staffing Division, thirty employees to the Human Resource Secretariat. That resulted then in less space being needed by the Public Service Commission. The Human Resource Secretariat staff are still over there, so the cost sharing of the lease now takes place between the Public Service Commission and the Human Resource Secretariat. It is broken down on 55 per cent for HRS and 45 per cent for PSC. There would be some other Professional Services.

Bruce, I do not know if there is anything in particular that could be added to that.

**MR. HOLLETT:** The other amounts in Professional Services would be very small. It might relate to some external legal advice in the case of certain investigations, but it is small. The bulk of it by far is for the Employee

Assistance Program, the use of external counsels.

**MR. BALL:** Okay, thank you.

Last year the Commission indicated that the vice-chair's position would be held vacant. Is that still the case?

**MR. HOLLETT:** The vice-chair position did remain vacant throughout last year. In fact, we eliminated the vice-chair position in the Budget this year.

**MR. BALL:** One other question, I guess, about the Channing Chair at Memorial University. Is that still vacant? What is the status of that now?

**MR. KENNEDY:** No, that has been eliminated also.

**MR. BALL:** That has been eliminated. Okay, thank you.

The last question for me, for the minister, would be: there was a discussion last year about 25 per cent of the public service forecasted to be eligible for retirement in, I think, 2014-2015. I am just wondering from an overview in the general sense, now that we have had some retirements, does anybody know what the percentage would be now.

**MR. KENNEDY:** I can deal in a general way. With the early retirement package we looked at the number of employees who are eligible for retirement this year. That worked out to be, I think, in the core public service, about 400 or 500 people. Then there were approximately 190 of them who availed of the early retirement package.

I do not know what was said last year. Bruce, do you remember that comment last year or the context in which it was made?

**MR. HOLLETT:** Yes, I do recall the discussion we had last year. There is a slight difference this year in terms of the structure of the PSC and the PSC's responsibilities. When we were in this Committee last year, the PSC

was still responsible for the operational aspects of staffing. Over the course of the last year, staffing, the planning for staffing, and planning for workforce, has been transferred to the Human Resource Secretariat. So the Public Service Commission is now an oversight and audit agency for staffing. As such, the PSC would not be responsible for looking at the projected retirements (inaudible).

**MR. KENNEDY:** So, Dwight, that would be more appropriate for the Human Resource Secretariat.

**MR. BALL:** Yes, I understand. It makes sense.

Well, that is it for me.

**CHAIR:** Thank you, Dwight.

Lorraine?

**MS MICHAEL:** Yes, they were basically my questions, but I just want to come back to one to get further clarification.

Jerome, you talked about I think it was thirty employees moved over to the new HRS when it was formed?

**MR. KENNEDY:** Yes.

**MS MICHAEL:** Yet I notice that in the salary line, the salary is only down \$98,800, I think, if my math is correct, but around \$98,000 or \$99,000. So there has not been a significant drop in salary reflecting how many employees were moved over. I know there is an explanation for it.

**MR. KENNEDY:** Yes, the elimination of the salaries is the Channing Chair, Commissioner, and the Manager of Communications. Now, in terms of the transferred employees, Bruce, could you perhaps explain what has happened there?

**MR. HOLLETT:** What happened last year when those employees were transferred to the Human Resource Secretariat, the budgets for Public Service Commission and Human Resource Secretariat were restated on an

accounting basis. So what you see here for budget and revised for last year for the Public Service Commission is based on the number of employees who remained with the Public Service Commission. So, the budget and revised salaries for those thirty employees who transferred, those dollars would have been restated to HRS and they would appear in HRS Estimates. So that is an accounting procedure, but that is why even though thirty employees went over you are not seeing the difference in the salary line for PSC.

**MS MICHAEL:** So you would have to match the two budgets to see that move.

**MR. HOLLETT:** Yes, correct.

**MS MICHAEL:** Then the other questions were answered.

I think I have the answer to what I was going to ask, but I will just ask it just to show that I am clear. The relationship between the PSC and the HRS; I think you have explained that HRS has to do with the planning aspect for staffing, the setting of regulations and guidelines, and et cetera, I would assume, in terms of standards for HR.

**MR. HOLLETT:** Yes, really, if you look at the Public Service Commission legislation, the mandate today more closely matches that in terms of the Public Service Commission is responsible for oversight and governance of the recruitment process. Really, from a governance perspective, it was not totally appropriate for us to be overseeing ourselves in the Public Service Commission.

The operational aspects of staffing and the day-to-day operational policies with respect to staffing, all of that has gone to the Human Resource Secretariat. What remains with the Public Service Commission is to ensure and approve that the processes followed are meritorious processes, and we have the ability to review and audit any and all staffing transactions to make sure those processes were put in place.

The policies that HRS uses have to be approved by the Public Service Commission with respect to staffing. At the same time, the Public Service Commission has to train and certify all people who are to be Selection Board chairs. They continue to really work for the Public Service Commission when they are chairing a competition. That is what has happened. PSC retains governance; HRS is operations.

**MS MICHAEL:** I have to say, I believe that is the way it should be. That sounds really good. What I am wondering then, Bruce, is with regard to your role in reviewing and auditing; is that an annual thing? Is it an ongoing thing that happens regularly throughout the year? Are there moments when that happens?

**MR. HOLLETT:** We monitor on a regular basis. We get regular reports. We review the payroll transaction reports to make sure we know who is in the public service. We do that on a monthly basis. We also do annual audits of staffing. We have not done one yet for HRS, of course, because they just transferred over.

**MS MICHAEL:** No, that is right.

**MR. HOLLETT:** For the other agencies, like the College of the North Atlantic, the Auditor General, the Libraries Board, et cetera, we go in once a year and do an audit of a sample of their staffing transactions to ensure the appropriate procedures were followed, et cetera. That is how we do it.

**MS MICHAEL:** Great. Thank you.

I think those are all my questions.

**CHAIR:** Thank you, Lorraine.

Shall 1.1.01 carry?

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

On motion, subhead 1.1.01 carried.

**CHAIR:** Shall the total carry?

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

On motion, Public Service Commission, total heads carried.

**CHAIR:** Shall I report the Estimates of the Public Service Commission carried without amendment?

**SOME HON. MEMBERS:** Aye.

**CHAIR:** Okay.

On motion, Estimates of the Public Service Commission carried without amendment.

**CHAIR:** Thank you very much. I thank everyone.

A motion for adjournment, please.

**MR. DINN:** So moved.

**CHAIR:** John Dinn. Thank you.

That is it. Thank you.

On motion, the Committee adjourned *sine die*.