



Where ideas work

BC Public Service Agency

2021/22 Estimates (June 2021)

Honourable Selina Robinson
Minister of Finance

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Resource Summary Overview

Core Business Area	2020/21 Estimates	2021/22 Estimates	2022/23 Plan	2023/24 Plan
Operating Expenses (\$000)				
BC Public Service Agency	54,381	59,507	59,507	59,507
Benefits and Other Employment Costs	1	1	1	1
Long Term Disability Fund Special Account	26,548	24,763	24,763	24,763
Total	80,930	84,271	84,271	84,271
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
BC Public Service Agency	10	10	10	10
Total	10	10	10	10

*Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates.](#)

Resource Summary per Estimates

BC Public Service Agency				
Operations Vote				
Operating Expense (\$000's)				
Core Businesses	Budget 2020/21	2021/22	2022/23	2023/24
Human Resources Service & Solutions	13,990	15,841	15,841	15,841
People and Organizational Development	8,801	9,768	9,768	9,768
Policy, Innovation and Engagement	1,424	1,565	1,565	1,565
Employee Relations	4,084	4,675	4,675	4,675
Corporate Services	26,082	27,658	27,658	27,658
Total	54,381	59,507	59,507	59,507

**MINISTER ADVISORY NOTE
AS OF MAY 12, 2021**

**ISSUE: Implications of FY21-22 Funding
Increase in Base funding of \$5.126M**

Compared to the 2020/21 budget of \$54.381M, the 2021/22 budget for the BC Public Service Agency (Vote 27) increased by \$5.126M or 9.43% to \$59.507M (see Resource Summary per Estimates).

ADVICE AND RECOMMENDED RESPONSE:

- **The PSA required an increase in funding to support four key priorities:**
 - **To respond to COVID-19, specifically in the areas of education and training as the provincial workforce returns to offices this fall.**
 - **To deliver on the Minister of Finance's mandate letter direction to lead efforts to support increased Indigenous, Black, and People of Colour (IBPOC) representation within government in the context of the BCPS. This direction aligns with the new Diversity and Inclusion Strategy for the BCPS developed to capitalize on the Diversity and Inclusion Action Plan approved by Cabinet in 2017.**
 - **To support the ongoing operations (maintenance and support) of the Payroll and HR system supported by the current contract service provider TELUS. This contract has been in place since 2003 and a small team will be put in place to start the procurement planning this year as the July/23.**
 - **To support and enhance the bargaining team as the province enters negotiations under a new mandate for our 5 collective agreements; BC Government and Service Employees' Union (BCGEU), Professional Employees' Association (PEA), BC Nurses Union (BCNU), Queens printer (UNIFOR) and the Crown Counsel Association (CCA)**

SECONDARY MESSAGES:

Detailed Operational Vote funding changes include:

- Increase of \$2.360M in salaries & benefits and \$1.715M in other operational budgets to bolster increased core service demands and support new corporate priorities noted above.
- Increase of \$0.804M for increases in the Telus Employer Solutions Payroll Contract due to a larger employee base requiring payroll services. This funding also supports contract

procurement activities and the creation of a negotiation team as we move forward in the competitive process.

- Increase of \$0.247M for Schedule A increases under final year of the Sustainable Services Negotiating Mandate (SSNM).
- Employee Benefits Chargeback Rate remains unchanged at 25.4%.

CRF Capital Budget

Compared to the 2020/21 budget, the capital budget in 2021/22 remains the same at \$0.010M. The capital budget is for minor capital equipment needs under the Workplace Health & Safety program and audio-video equipment used by the Agency to support the Premier's Awards ceremonies.

The capital budget in 2020/21 was \$0.010M.

Reductions/Increases for 2022/23 and 2023/24

Compared to the 2021/22 budget of \$59.507M, the 2022/23 and 2023/24 budget remains the same.

KEY FACTS REGARDING THE ISSUE:

- It is critical that the PSA be adequately resourced to continue to perform its mandated core services, support the provincial workforce through the pandemic and return to workplaces, to embrace the Diversity and Inclusion mandate, assemble a team to ensure the procurement of the Human Resource Management Services (HRMS) is executed effectively and ensure the proper resources are in place to support the bargaining of the next collective agreements for our government unions and associations.
- Failure to adequately respond in any of these areas could have significant impacts to the province, including human rights complaints, increased payroll processing costs and other serious workforce consequences including potential labour relations issues.

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MINISTER ADVISORY NOTE

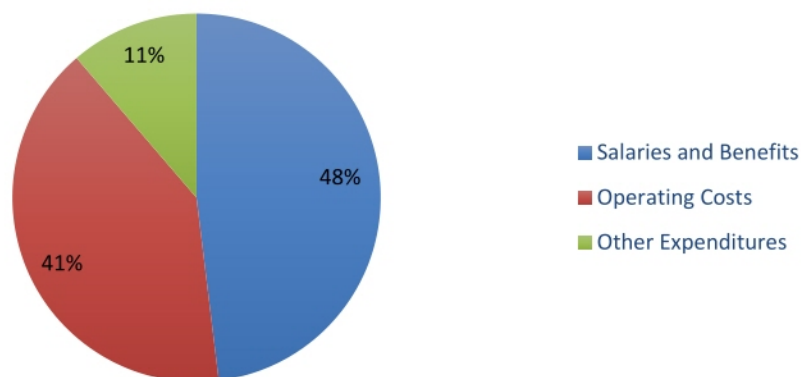
BC PUBLIC SERVICE AGENCY

Operations Vote (Vote 27)

Supplement to the Estimates by STOB

	2020/21 Estimates \$000	2021/22 Estimates \$000	Increase (Decrease) \$000	Increase (Decrease) \$000
Salaries and Benefits	35,405	38,562	3,157	8.92%
Operating Costs	30,403	32,592	2,189	7.20%
Government Transfers	0	0	0	0.00%
Other Expenditures	9,030	9,060	30	0.33%
Expenses Sub-Total	74,838	80,214	5,376	7.18%
Transfer to LTD Special Account	0	0	0	0.00%
Recoveries from LTD Special Account	-200	-450	-250	125.00%
Special Account Transfer Sub-Total	-200	-450	-250	125.00%
Recoveries Internal to CRF	-16,237	-16,237	0	0.00%
Recoveries External to CRF	-4,020	-4,020	0	0.00%
Recoveries Sub-Total	-20,257	-20,257	0	0.00%
Total	54,381	59,507	5,126	9.43%
Capital	10	10	0	0.00%

Gross Expenditures 21/22



Resource Summary per Estimates

BC Public Service Agency				
Benefits and Other Employment Costs Vote				
Operating Expense (\$000's)				
Core Businesses	Budget 2020/21	2021/22	2022/23	2023/24
Pension Contributions & Retirement Benefits	336,884	376,268	379,166	379,262
Employer Health Tax	48,800	48,800	48,800	48,800
Employee Health Benefits	122,845	123,159	123,159	123,159
Long Term Disability	40,405	43,387	43,387	43,387
Other Benefits	8,522	8,522	8,522	8,522
Benefits Administration	9,643	9,993	9,993	9,993
Recoveries	(567,098)	(610,128)	(613,026)	(613,122)
Total	1	1	1	1

**BC PUBLIC SERVICE AGENCY
Benefits and Other Employment Costs (Vote 28)
IMPLICATIONS OF 2021/22 FUNDING**

The 2021/22 net budget for the Benefits Vote (Vote 28) increased by \$43.030M or 7.59% to \$610.176M compared to the 2020/21 budget of \$567.146M (see Resource Summary per Estimates).

The 2021/22 gross budget for the Benefits Vote (Vote 28) increased by \$43.500M or 6.77% to \$685.727M compared to the 2020/21 budget of \$642.227M (see Supplement to the Estimates by STOB below).

Highlights of changes include:

- \$39.384 increase in pension contributions and retirement benefits due to higher projected salary base offset by TBS adjustment to balance benefits chargeback across ministries.
- \$0.314M increase in Employee Health Benefits mainly due to higher projected employee extended health claims.
- \$2.982M increase in Long Term Disability costs due to higher salary base and increase in premium rate by 0.04%.
- \$0.350M increase in Benefits Administration costs due to increase costs in Workplace Health and Safety.
- \$43.030M increase in internal recoveries (benefits chargeback) to cover projected costs.

CRF Capital Budget

Compared to the 2020/21 budget, there is no change to the capital budget in 2021/22. There is no capital budget for the Benefits Vote.

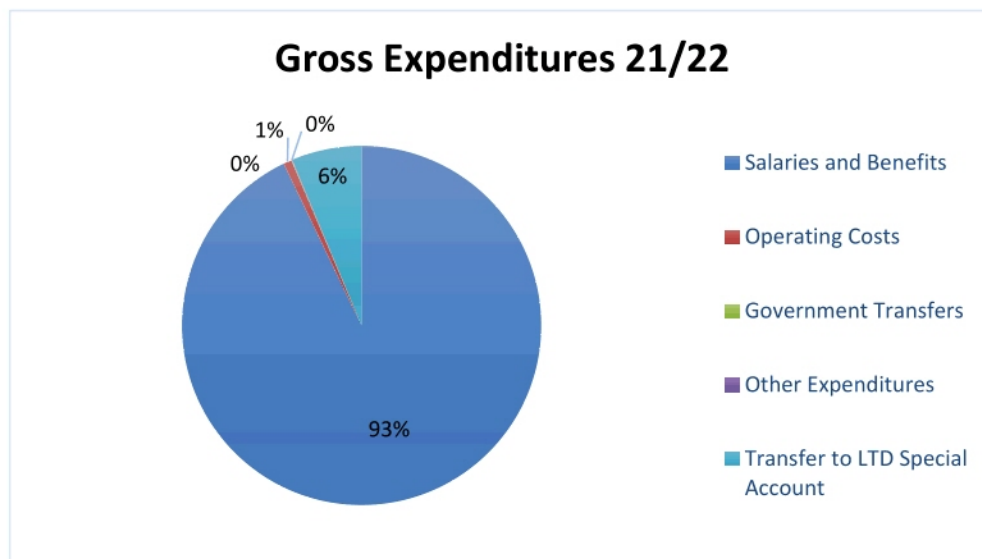
Reductions/Increases for 2022/23 and 2023/24

In terms of net expenditures, the 2022/23 budget for the Benefits Vote (Vote 28) will increase by \$2.898M or 0.47%, to \$613.027M, compared to the 2021/22 budget of \$610.129M and the 2023/24 budget will increase by \$2.994M or 0.49%, to \$613.123M, compared to the 2021/22 budget of \$610.129M.

In terms of gross expenditures, the 2022/23 budget for the Benefits Vote (Vote 28) will increase by \$2.898M or 0.42%, to \$652.046M, compared to the 2021/22 budget of \$685.727M and the 2023/24 budget will increase by \$2.994M or 0.44%, to \$653.937M, compared to the 2021/22 budget of \$685.727M.

BC PUBLIC SERVICE AGENCY
Benefits and Other Employment Costs (Vote 28)
Supplement to the Estimates by STOB

	2020/21 Estimates \$000	2021/22 Estimates \$000	Increase (Decrease) \$000	Increase (Decrease) %
Salaries and Benefits	608,387	648,071	39,684	6.52%
Operating Costs	4,885	5,719	834	17.07%
Government Transfers	350	350	0	0.00%
Other Expenditures	201	201	0	0.00%
Expenses Sub-Total	613,823	654,341	40,518	6.60%
Transfer to LTD Special Account	41,405	44,387	2,982	7.20%
Recoveries from LTD Special Account	-13,000	-13,000	0	0.00%
Special Account Transfer Sub-Total	28,405	31,387	2,982	10.50%
Recoveries Internal to CRF	-567,146	-610,176	-40,030	7.59%
Recoveries External to CRF	-75,081	-75,551	-470	0.63%
Recoveries Sub-Total	-642,227	-685,727	-43,500	6.77%
Total	1	1	0	0.00%
Capital	0	0	0	0.00%



Appendix 1 – Employee Benefits Chargeback Rate

The Benefits Vote provides for the costs of employee benefits for the public service. In addition to the direct benefit plan costs there is an administrative component consisting of the costs of managing and administering the benefit plans on behalf of government.

The Vote is fully recoverable through a chargeback to all ministries, plus recoveries from a number of external entities participating in the benefits plans (e.g. Royal BC Museum, Pension Corporation of BC). The 2021/22 employee benefits chargeback rate will stay at 25.4% as in fiscal year 2020/21.

The chargeback rate is a function of the estimated benefits costs for a year in relationship to the salary base for government. The basic process is:

1. Agency gathers data on the estimated costs for provided benefits, including statutory rate/salary driven benefits (e.g. provincial pension, CPP, EI) usage driven benefits (e.g. extended health, dental, WorkSafe BC, Employer Health Tax) and other benefits (e.g. group aviation insurance, legal services).
2. Treasury Board Staff compiles information regarding estimated salary budgets for ministries and agencies receiving benefits.
3. Finally, Treasury Board Staff calculates the chargeback rate for the coming fiscal year by dividing the estimated total costs into the estimated salaries.

Example:

Estimated benefits cost	\$ 400,000,000 (divided by)
Estimated salary base	\$1,680,000,000 (equals)
Employee benefits chargeback rate	24%

4. The chargeback rate is applied automatically to public service salaries via the PeopleSoft payroll system, with charges and recoveries flowing through an interface to the general ledgers of the ministries and Agency respectively.

Appendix 2 – Sustainable Services Negotiating Mandate

Sustainable Services Negotiating Mandate

The Sustainable Services Negotiating Mandate balances the need for fair and reasonable wage increases with outcomes that are affordable and managed within the fiscal plan. It includes the ability to negotiate conditional and modest funding that can be used to drive tangible service improvements for British Columbians.

A three-year agreement with the BCGEU was ratified on August 26, 2018. BCGEU employees will receive a salary increase of 2.0% effective April 01, 2019 and expiring March 31, 2022.

Schedule A Employees

The BCGEU Sustainable Services Negotiating Mandate also applies to Schedule A employees. The Agency has 198 Schedule A employees, 24 of whom are paid through the Benefits Vote.

BENEFITS VOTE BY BENEFITS TYPE		
<u>in 000's</u>	FY21/22 Net Budget	Benefits Chargeback Allocation %
Pension Contributions & Retirement Benefits		
Provincial Pension	229,257	9.54%
Miscellaneous Statutory Items	1,075	0.04%
CPP	97,918	4.08%
Death & Retiring Allowances	15,939	0.66%
EI	32,079	1.34%
Pension Contributions & Retirement Benefits Total	376,268	15.66%
Employer Health Tax		
Employer Health Tax	48,800	2.03%
Employer Health Tax Total	48,800	2.03%
Employee Health Benefits		
Ext Health & Dental	93,712	3.90%
Group Life Insurance	7,606	0.32%
Gen Flex Credit	0	0.00%
WCB	17,191	0.72%
EFAP	3,600	0.15%
Cold and Flu	366	0.02%
Workplace Health and Productivity Strategy	684	0.03%
Employee Health Benefits Total	123,159	5.13%
Long Term Disability		
EE Long Term Disability Benefit	43,387	1.81%
Long Term Disability Total	43,387	1.81%
Miscellaneous Benefits		
Group Aviation	61	0.00%
Severance	2,320	0.10%
Leave Liability	3,350	0.14%
Legal Services	2,791	0.12%
Miscellaneous Benefits Total	8,522	0.35%
Benefits Administration		
Benefits Administration	9,993	0.42%
Benefits Administration Total	9,993	0.42%
Internal Chargebacks Recoveries		
Internal Chargebacks Recoveries	(610,128)	-25.40%
Internal Chargebacks Recoveries Total	(610,128)	25.40%
Net	1	

* This is only an estimate of the costs and is not representative of actual spending.

Resource Summary per Estimates

BC Public Service Agency				
Long Term Disability Fund Special Account				
Operating Expense (\$000's)				
Core Businesses	Budget 2020/21	2021/22	2022/23	2023/24
LTD Fund Special Account	26,548	24,763	24,763	24,763
Total	26,548	24,763	24,763	24,763

**BC PUBLIC SERVICE AGENCY
LTD Fund Special Account
IMPLICATIONS OF 2021/22 FUNDING**

Compared to the 2020/21 budget of \$26.548M, the 2021/22 budget for the LTD Fund Special Account decreased by \$1.785M or 6.72% to \$24.763M (see Resource Summary per Estimates).

Highlights of changes include:

- Decrease of \$0.947M in recoveries due to adjustment in salary bases for external entities.
- Increase of \$0.250M in Transfer from Ministry Operations Vote for increasing labour relations support.
- Increase of \$2.982M in Transfer from Benefit Vote due to adjustment in salary bases for provincial government.

CRF Capital Budget

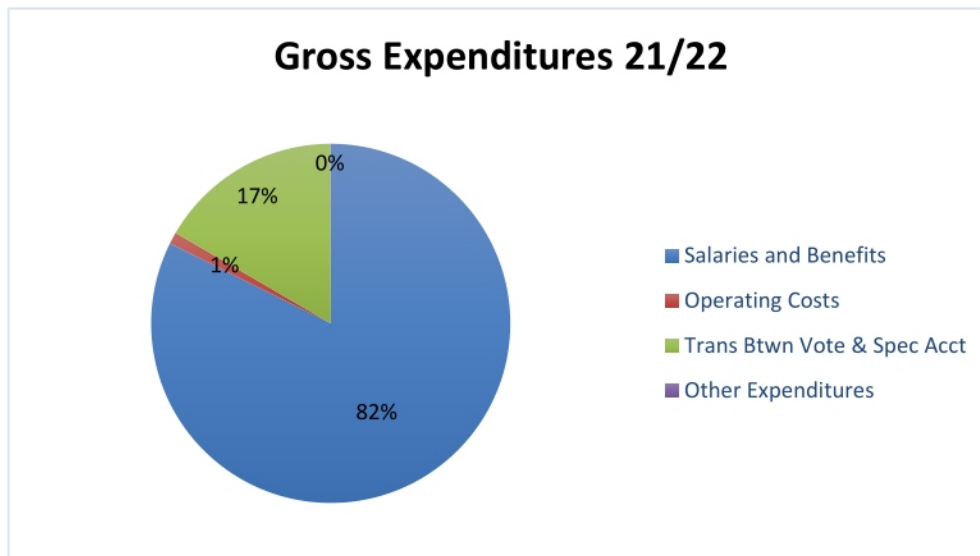
Compared to the 2020/21 restated budget, there is no change to the capital budget in 2021/22. There is no capital budget for the LTD Fund Special Account.

Reductions/Increases for 2022/23 and 2023/24

Compared to the 2021/22 budget of \$24.763M, the 2022/23 and 2023/24 budgets remain the same at \$24.763M.

BC PUBLIC SERVICE AGENCY
LTD Fund Special Account
Supplement to the Estimates by STOB

	2020/21 Estimates \$000	2021/22 Estimates \$000	Increase (Decrease) \$000	Increase (Decrease) \$000
Salaries and Benefits	65,700	65,700	0	0.00%
Operating Costs	840	840	0	0.00%
Trans Btwn Vote & Special Account	13,200	13,450	250	1.89%
Other Expenditures	35	70	35	100.00%
Expenses Sub-Total	79,775	80,060	285	3.91%
Recoveries Internal to CRF	-433	-371	62	-14.32%
Recoveries External to CRF	-11,389	-10,539	850	-7.46%
Transfer from Ministry Operations Vote	-41,405	-44,387	-2,982	7.20%
Recoveries Sub-Total	-53,227	-55,297	-2,070	3.89%
Total	26,548	24,763	-1,785	-6.72%
Capital	0	0	0	0.00%



MINISTER ADVISORY NOTE

AS OF MAY 3, 2021

ISSUE: LONG TERM DISABILITY SPECIAL ACCOUNT HISTORY

ADVICE AND RECOMMENDED RESPONSE:

- ◆ The LTD Plan provides members with income continuation in the event that an eligible employee becomes totally disabled due to illness or injury for a period of time greater than six months. The Plan also pays for services and costs associated in supporting individuals returning to work from LTD claims.
- ◆ The LTD Special Account was established in Budget 2016 to enable the transition from a Trust to a special account. This change was made to provide stability to the Plan, increase transparency, reduce taxpayer-supported debt, and administration costs. The change in structure was effective April 1, 2017. Consolidation of cash balances across government, including the LTD Plan investments, supported government's debt management strategy. Reduced taxpayer-supported debt-to-GDP ratio helps protect government's triple-A credit rating.
- ◆ The change did not impact beneficiaries or participating employers.
- ◆ The LTD Plan consists of government reporting entities such as ministries, offices of the legislature, Liquor Distribution Branch and various crown corporations, agencies, boards and commissions. There are currently 20 outside organizations who have all signed participation agreements with the Province. As of March 31, 2021, there were approximately 39,824 employees covered by the LTD Plan.

CURRENT STATUS:

- ◆ At March 31, 2021 there were 1,818 employees on LTD.

KEY FACTS REGARDING THE ISSUE:

- ◆ The plan is governed by the Deputy Minister, BC Public Service Agency and supported by the Disability Benefits Administration Branch and the Financial Management Office of the PSA.
- ◆ The BC Public Service Agency is responsible for administering the LTD Plan. Canada Life is under contract to adjudicate LTD claims and manage claimants who are eligible for benefits.
- ◆ The BC Public Service Agency produces a Long Term Disability Annual Report for participating employers.

CONTACT: BRUCE RICHMOND, ADM CORPORATE SERVICES

PHONE: [Government Financial Information](#)

MINISTRY OF FINANCE

VOTE DESCRIPTIONS

(\$000)

Estimates
2020/21Estimates
2021/22

VOTE 28 — BC PUBLIC SERVICE AGENCY

This vote provides for the programs, operations, and other activities described in the voted appropriations under the following core business: BC Public Service Agency.

BC PUBLIC SERVICE AGENCY

Voted Appropriations

Human Resources Services and Solutions.....	13,990	15,841
People and Organizational Development.....	8,801	9,768
Policy, Innovation and Engagement.....	1,424	1,565
Employee Relations.....	4,084	4,675
Corporate Services.....	26,082	27,658
	<u>54,381</u>	<u>59,507</u>

Voted Appropriations Description: This sub-vote provides for the BC Public Service Agency programs and operations, including a full range of human resource services to assist clients in meeting their business goals, including consulting, compensation and classification, payroll, learning services, performance management, development, diversity, inclusiveness, recognition and engagement programs, succession management, hiring, and other human resource related programs. This sub-vote also provides for a full range of labour relations and employment services, including negotiation and administration of collective agreements, severance, and labour relations advice and dispute resolution. This sub-vote also provides for the executive direction of the BC Public Service Agency, including management services for the Benefits and Other Employment Costs Vote, along with administrative support services, policy and program development, financial services, communications, corporate human resource application management, strategic planning, and information systems. Costs may be recovered from special accounts, ministries, Crown agencies, boards and commissions, and other parties both internal and external to government for activities described within this sub-vote.

VOTE 28 — BC PUBLIC SERVICE AGENCY

54,381

59,507

MINISTRY OF FINANCE

VOTE DESCRIPTIONS

(\$000)

Estimates
2020/21Estimates
2021/22

VOTE 29 — BENEFITS AND OTHER EMPLOYMENT COSTS

This vote provides for the programs, operations, and other activities described in the voted appropriations under the following core business: Benefits and Other Employment Costs.

BENEFITS AND OTHER EMPLOYMENT COSTS

Voted Appropriations

Pension Contribution and Retirement Benefits.....	336,884	376,268
Employer Health Tax.....	48,800	48,800
Employee Health Benefits.....	122,845	123,159
Long Term Disability.....	40,405	43,387
Other Benefits.....	8,522	8,522
Benefits Administration.....	9,643	9,993
Recoveries.....	(567,098)	(610,128)
	<u>1</u>	<u>1</u>

Voted Appropriations Description: This sub-vote provides for services and payment of costs related to employment-related benefits, including pension, retirement, employer contributions to Canada Pension Plan and Employment Insurance, employee health benefits, workforce adjustment services and severance costs, and related policy, program development, and administration for these business lines. This sub-vote also provides for the payment of the employer health tax. This sub-vote also provides for the delivery of Disability Management and Workplace Health and Safety Programs and the management of the Provincial Employees Community Services Fund. Costs may be recovered from special accounts, ministries, Crown agencies, boards and commissions, and other parties both internal and external to government for activities described within this sub-vote.

VOTE 29 — BENEFITS AND OTHER EMPLOYMENT COSTS

1

1

MINISTRY OF FINANCE

SPECIAL ACCOUNTS¹

(\$000)

	Estimates 2020/21	Estimates 2021/22
LONG TERM DISABILITY FUND SPECIAL ACCOUNT		
This account was established under the <i>Public Service Benefit Plan Act</i> in 2017 for the purpose of continuing the operations of the Long Term Disability Plan. Revenues and recoveries include premiums paid into the special account by participating employers and interest amounts credited to the special account balance as prescribed by regulation. Expenses of the special account include benefit payments, expenses relating to changes in the actuarial estimate of plan liabilities, and plan administrative costs.		
SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR ²	723,160	738,225
OPERATING TRANSACTIONS		
Revenue.....	41,613	43,390
Expense.....	(79,775)	(80,060)
Internal and External Recoveries.....	11,822	10,910
Transfer from Ministry Operations Vote.....	41,405	44,387
Net Revenue (Expense).....	15,065	18,627
FINANCING TRANSACTIONS		
Receipts.....	—	—
Disbursements.....	—	—
Capital Expenditures.....	—	—
Net Cash Source (Requirement).....	—	—
PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR ²	738,225	756,852

NOTES

¹ A Special Account is an account in the General Fund where the authorization to spend money from the account is located in an Act other than the *Supply Act*.

² The Spending Authority Available at the Beginning of the Fiscal Year 2020/21 is based on the 2019/20 *Public Accounts*. The Projected Spending Authority Available at the End of the Fiscal Year represents the cash and temporary investments projected to be available at the end of each fiscal year.

MINISTRY OF FINANCE

(\$000)

VOTE 28 BC Public Service Agency

Description	Total 2020/21 Operating Expenses	50	51	52	54	Total Salaries and Benefits	55	57	59	60	63	65	67	68	69
BC Public Service Agency	54,381	30,584	212	7,766	—	38,562	—	1,027	186	1,853	24,717	3,441	780	—	—
Human Resources Services and Solutions	13,990	11,628	120	2,953	—	14,701	—	164	—	29	108	389	780	—	—
People and Organizational Development	8,801	6,650	63	1,689	—	8,402	—	410	—	1,306	134	1,220	—	—	—
Policy, Innovation and Engagement	1,424	3,837	10	974	—	4,821	—	89	—	378	82	1,431	—	—	—
Employee Relations	4,084	3,640	1	924	—	4,565	—	265	125	—	45	125	—	—	—
Corporate Services	26,082	4,829	18	1,226	—	6,073	—	99	61	140	24,348	276	—	—	—
Total	54,381	30,584	212	7,766	—	38,562	—	1,027	186	1,853	24,717	3,441	780	—	—

VOTE 29 Benefits and Other Employment Costs

Description	Total 2020/21 Operating Expenses	50	51	52	54	Total Salaries and Benefits	55	57	59	60	63	65	67	68	69
Benefits and Other Employment Costs	1	9,017	—	639,054	—	648,071	—	187	2,954	1,241	1,097	240	—	—	—
Pension Contribution and Retirement Benefits	336,884	—	—	383,349	—	383,349	—	—	—	—	—	—	—	—	—
Employer Health Tax	48,800	—	—	50,000	—	50,000	—	—	—	—	—	—	—	—	—
Employee Health Benefits	122,845	—	—	197,606	—	197,606	—	—	—	—	—	—	—	—	—
Long Term Disability	40,405	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Benefits	8,522	—	—	5,809	—	5,809	—	—	2,954	250	—	—	—	—	—
Benefits Administration	9,643	9,017	—	2,290	—	11,307	—	187	—	991	1,097	240	—	—	—
Recoveries	(567,098)	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	1	9,017	—	639,054	—	648,071	—	187	2,954	1,241	1,097	240	—	—	—

Statutory Appropriations

Description	Total 2020/21 Operating Expenses	50	51	52	54	Total Salaries and Benefits	55	57	59	60	63	65	67	68	69
Long Term Disability Fund special account	67,953	—	—	65,700	—	65,700	—	—	—	840	—	—	—	—	—
Total															

70	72	73	75	Total Operating Costs	77	79	80	Total Govt Transfers	81	83	85	Total Other Expenses	86	88	Total Internal Recoveries	89	90	Total External Recoveries	Total 2021/22 Operating Expenses
—	—	495	93	32,592	—	—	—	—	—	—	9,060	9,060	(450)	(16,237)	(16,687)	(2,215)	(1,805)	(4,020)	59,507
—	—	—	—	1,470	—	—	—	—	—	—	45	45	—	(325)	(325)	(25)	(25)	(50)	15,841
—	—	—	83	3,153	—	—	—	—	—	—	5,697	5,697	—	(7,480)	(7,480)	—	(4)	(4)	9,768
—	—	—	—	1,980	—	—	—	—	—	—	2,352	2,352	—	(7,588)	(7,588)	—	—	—	1,565
—	—	—	—	560	—	—	—	—	—	—	9	9	(450)	(3)	(453)	—	(6)	(6)	4,675
—	—	495	10	25,429	—	—	—	—	—	—	957	957	—	(841)	(841)	(2,190)	(1,770)	(3,960)	27,658
—	—	495	93	32,592	—	—	—	—	—	—	9,060	9,060	(450)	(16,237)	(16,687)	(2,215)	(1,805)	(4,020)	59,507

70	72	73	75	Total Operating Costs	77	79	80	Total Govt Transfers	81	83	85	Total Other Expenses	86	88	Total Internal Recoveries	89	90	Total External Recoveries	Total 2021/22 Operating Expenses
—	—	—	—	5,719	—	—	350	350	44,387	—	201	44,588	(13,000)	(610,176)	(623,176)	(11,689)	(63,862)	(75,551)	1
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(2,062)	(5,019)	(7,081)	376,268
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(1,200)	(1,200)	48,800
—	—	—	—	—	—	—	—	—	—	—	—	—	(9,871)	—	(9,871)	(9,181)	(55,395)	(64,576)	123,159
—	—	—	—	—	—	—	—	—	44,387	—	—	44,387	—	—	—	(264)	(736)	(1,000)	43,387
—	—	—	—	3,204	—	—	—	—	—	—	—	—	(100)	—	(100)	(41)	(350)	(391)	8,522
—	—	—	—	2,515	—	—	350	350	—	—	201	201	(3,029)	(48)	(3,077)	(141)	(1,162)	(1,303)	9,993
—	—	—	—	—	—	—	—	—	—	—	—	—	—	(610,128)	(610,128)	—	—	—	(610,128)
—	—	—	—	5,719	—	—	350	350	44,387	—	201	44,588	(13,000)	(610,176)	(623,176)	(11,689)	(63,862)	(75,551)	1

70	72	73	75	Total Operating Costs	77	79	80	Total Govt Transfers	81	83	85	Total Other Expenses	86	88	Total Internal Recoveries	89	90	Total External Recoveries	Total 2021/22 Operating Expenses
—	—	—	—	840	—	—	—	—	13,450	—	70	13,520	—	(371)	(371)	(1,231)	(9,308)	(10,539)	69,150
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

**MINISTER ADVISORY NOTE
AS OF MAY 11, 2021**

**ISSUE: BC PUBLIC SERVICE AND COVID-19 WORKFORCE
Management**

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **The BC Public Service operates in compliance with orders and guidance of the Provincial Health Officer (PHO), the BC Centre for Disease Control and WorkSafeBC in managing employee safety and health during the Provincial Health Emergency declared for COVID-19.**
- ◆ **The BC Public Service Agency (PSA) is committed to proactively protecting employees and minimizing the risk of spreading the novel coronavirus that causes COVID-19.**
- ◆ **The human resources response for the public service workforce, including health and safety for COVID-19, has been led by the PSA.**
- ◆ **Since January 2020, the PSA has been managing the response through safety plans and tools, communications, education, and support including mental health support for public service workers and workplaces.**
- ◆ **BC government services are deemed essential services; the PSA response to COVID-19 has allowed public service workers to sustain operations in support of BC citizens.**

CURRENT STATUS:

- As the province implements *BC's Restart Plan*, the Public Service Agency and Ministry for Citizens' Services are actively supporting the public service with guidance on workplace operations and supporting ministries in developing safe work procedures.
- Public services have been maintained through a mix of modified workplace practices and remote work arrangements that are designed to protect public service employees and clients from the spread of COVID-19.
- PSA is actively monitoring orders and guidance from the PHO and evidence and information from the BC Centre for Disease Control (BC CDC), Government of Canada and scientific journals, among others.
- PSA actively responds, advises and adjusts as necessary to new information and guidance and communicates this to public service workers via a unique page at MyHR.
- Public service leaders continue to support employee physical and mental health through services and resources as the workforce manages through the pandemic.
- COVID-19 vaccination is not mandatory for public service staff but participation in the provincial vaccination program is being promoted. Those not able to be vaccinated are

protected by safe workplace procedures.

- The public service ministries do not collect information on employee vaccination status or diagnosed employee COVID-19 cases.

Key Facts Regarding the Issue:

- The BC Provincial Health Officer (PHO) declared a provincial health emergency in March 2020 in response to the presence in BC of the novel coronavirus (SARS-CoV-2) and the incidence of Coronavirus disease (COVID-19).
- The BC CDC says that the novel coronavirus is transmitted via liquid droplets generated when a person talks, coughs or sneezes.
- The coronavirus can enter a person through the eyes, nose or throat, particularly if the person is in close contact with an infected person.
- Standard precautions outlined by the PHO – physical distancing, hand hygiene, no face touching – have reduced the spread of the novel coronavirus within BC and will protect public service workers from transmission of the novel coronavirus.
- Other than self-isolation and avoidance of other people altogether, the best protection against viral transmission is physical distancing.
- Public Health precautions when fully executed offer effective protection from COVID-19 and all currently identified variant strains.
- In late March 2021 until at least April 19th, 2021 as part of the response to the public health emergency, and in line with guidance from the PHO, the BC Public Service severely reduced the number of staff in regular workplaces.
- PSA regularly updates public service workforce guidance in line with Public Health updates.
- PSA works closely in supporting ministries with COVID-19 related operational questions.

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MINISTER ADVISORY NOTE
AS OF MAY 12, 2021

ISSUE: BC PUBLIC SERVICE REMOTE WORK DURING PANDEMIC

ADVICE AND RECOMMENDED RESPONSE:

- ◆ The BC Public Service has supported remote work options for many years. As a result, we had the necessary policies and resources in place to support a shift to remote work at the onset of the pandemic consistent with the recommendation of the Provincial Health Officer.
- ◆ Where operationally possible, employees were encouraged to work from home on a voluntary basis starting in March 2020.
- ◆ This allowed for physical distancing and other measures to be put in place in public service workplaces ensuring the safety of clients and employees who chose or needed to be in those locations.
- ◆ It is a testament to the commitment of the public service that throughout the pandemic the services and programs British Columbians rely on continued to be delivered.

SECONDARY MESSAGES:

- ◆ The BC Public Service is currently assessing the lessons learned during the pandemic to establish an updated framework for remote working options.
- ◆ In the interim, the public service will continue to follow the recommendations of the Provincial Health Officer to ensure its workplaces remain safe.

CURRENT STATUS:

Consistent with the Provincial Health Officer's recommendation, the BC Public Service continues to encourage employees to voluntarily work from home where operationally feasible.

Individual ministries are responsible for managing remote working arrangements with their employees and the BC Public Service Agency (PSA) does not track the number of employees working remotely at a corporate level. However, the Ministry of Citizens' Services found use of VPN to securely access the government network rose from a pre-pandemic average of 4,000 connections per week to a peak of 24,000 in May 2020.

Under the direction of the Deputy Ministers' Committee on Public Service Renewal, the PSA and the Ministry of Citizens' Services are preparing an updated flexible working model drawing on lessons learned during the pandemic. The new model is expected to be released in early fall 2021

KEY FACTS REGARDING THE ISSUE:

While not widely adopted prior to the pandemic, the BC Public Service has had policies and supporting resources in place to enable remote working since at least 2012. These include

telework agreements and training and other resources to support effective supervision, performance management, and employee health and safety for virtual workers.

With the onset of the pandemic in March 2020, the BC Public Service encouraged employees to work from home where operationally possible in accordance with the recommendation of the Provincial Health Officer. Corporate data is not available, however input from ministries indicates the majority of employees who were not operationally required to be in a particular workplace chose to work from home on at least a part-time basis with no substantive impact on service delivery.

A February 2021 survey of a sample of employees found 83 per cent of those working from home would like to do so post-pandemic, but the majority of those only on a part-time basis. This is consistent with external research among other employers, which consistently finds a preference for long-term part-time remote work. It is anticipated that most private and public-sector employers will support increased part-time remote work – a so-called “hybrid model” – after the pandemic.

In May 2021, the PSA initiated an employee and stakeholder engagement process to gather further perspectives on the benefits and challenges experienced working remotely. This and extensive research and stakeholder engagement will inform a new long-term corporate approach to remote work focused on:

1. Maintaining and enhancing effective service delivery to British Columbians.
2. Upholding the BC Public Service’s accountabilities and priorities as an employer.
3. Supporting employee engagement and maintaining the competitiveness of the BC Public Service as an employer.

**CONTACT: RUEBEN BRONEE, EXECUTIVE LEAD POLICY, INNOVATION AND
ENGAGEMENT
PHONE: 250.213.6614**

**MINISTER ADVISORY NOTE
AS OF MAY 12, 2021**

ISSUE: MENTAL HEALTH IN THE BC PUBLIC SERVICE

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **The BC Public Service is committed to supporting the mental health of employees.**
- ◆ **A healthy workforce is essential to the reliable delivery of public services to citizens particularly during times of need.**
- ◆ **In response to COVID-19, the Public Service has been deliberate in prioritizing mental well-being and reinforcing this message to the workforce. Recent examples include:**
 - **Increased leadership training to help support supervisors and their employees during this stressful time.**
 - **Enhanced promotion of existing and pandemic-specific mental health related resources.**
 - **The creation of a cross-ministry Mental Health Working Group which has led to additional resources focused on: targeted mental health issues, resilience skill-building, and connection to support.**
- ◆ **BC Public Service employees and their families have 24/7 access to an Employee and Family Assistance Services benefit program. This service provides a range of individual counselling options, including critical incident support, as well as lifestyle management services to assist employees addressing life challenges as they arise. This program expanded its offerings to include specific services to address depression and trauma.**
 - **The Depression Care service was initiated September 1, 2017.**
 - **The Trauma Assist service was initiated January 4, 2018.**

CURRENT STATUS:

- In alignment with the Canadian Mental Health Association Mental Health Week, corporate executive communicated their commitment to public service mental health across ministry teams. Members of the human resources community also hosted a range of interactive and educational events through Mental Health Week.
- The Employee and Family Assistance Service provider, Morneau Shepell, provides a range of individual counselling support services, including specialized counselling services for depression and trauma. During the COVID-19 pandemic these services have continued, delivered virtually. As well, the service provider has offered workshops, toolkits, and other resources responsive to the issues and challenges (e.g. anxiety, loss, isolation) of COVID-19.
- There is continuing information outreach to employees through multiple platforms, including increasing use of corporate-wide and sanctioned social media avenues such as @Work.
- Workshops continue to focus on building workplace mental health literacy, as well as stress management and resiliency skills. These are offered to all employees throughout the year.
- A range of measures, including components of the Work Environment Survey are being looked to better measure factors related to psychological health and safety.

KEY FACTS REGARDING THE ISSUE:

- In the period from April 1, 2020 to March 31, 2021 approximately 7,706 employees used the Employee and Family Assistance Services.
- Over 844 new Depression Care cases have been initiated since September 2017.
- Over 363 Trauma Assist cases have been initiated since January 2018.

**CONTACT: DR. WILLIAM LAKEY, MEDICAL DIRECTOR WORKPLACE HEALTH
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**MINISTER ADVISORY NOTE
AS OF MAY 5, 2021**

ISSUE: SICK LEAVE USAGE IN THE PUBLIC SERVICE

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **Over the last five years, sick leave rates in the BC Public Service have remained relatively stable.**
- ◆ **The average number of sick days for a BC public service employee (FTE) is 7.4 days per fiscal year – compared to 10.3 for the federal public administration, according to Statistics Canada.**
- ◆ **Supervisors in the BC Public Service are responsible for approving and monitoring the use of sick leave.**
- ◆ **A doctor's certificate form may be requested by the supervisor to support decision making related to complicated sick leave issues. To help minimize the impact on the public healthcare system during the COVID-19 pandemic, the form is being requested only when deemed necessary for the employer to meet their legal obligations.**
- ◆ **Comprehensive training, online information, and human resources guidance is available for BC Public Service supervisors and employees to assist in managing sick leave.**
- ◆ **Regular time and leave system controls are in place to ensure all sick leave days taken are correctly captured, authorized, and processed.**

SECONDARY:

- ◆ **Excluded employees are entitled to six sick days per year at full pay. Any additional sick days are paid at 75 per cent.**
- ◆ **Bargaining unit employees are entitled to 75 per cent pay for sick days.**
- ◆ **All employees may top up their 75 per cent sick pay from their leave balances – e.g. vacation time.**

CURRENT STATUS:

A 2019 review of sick leave controls by the Office of the Auditor General concluded the BC Public Service is effectively applying controls to support employees' appropriate use of STIIP, has systems in place to prevent errors and provides training and health and wellness supports.

The BC Public Service has initiated several actions to further demonstrate our commitment to strengthening how we effectively manage STIIP as an employer, and they align well with the advice we have received during the review.

Following several years of stable sick leave results there was a decrease in sick leave usage in the BC Public Service in fiscal year 2020/21. The change in sick leave usage may be due to declining trends in influenza cases, increased employee workplace flexibility, and access to medical professionals, during the COVID-19 pandemic.

KEY FACTS REGARDING THE ISSUE:

Over the last five years, sick leave rates in the BC Public Service have been relatively stable while the national benchmark rate has been rising. These numbers only reflect short term disability and do not include long term disability.

Average sick days per employee – BC Public Service:

○ 2016/17	9.3
○ 2017/18	9.4
○ 2018/19	9.0
○ 2019/20	9.3
○ 2020/21	7.4

In comparison, Statistics Canada reports the following average days lost per worker in the federal public administration across Canada:

○ 2016	12.9
○ 2017	11.8
○ 2018	12.5
○ 2019	13.0
○ 2020	10.3

BC public service employees are eligible for up to six months of short-term disability (sick days) at 75% of their wage. Sick days cannot be banked or carried from year to year. Employees who are off work due to illness or injury are supported through occupational health and disability management services to ensure timely, safe, and sustained return to work.

The BC Public Service Agency is responsible for administering the *Public Service Benefit Plan Act* (Act) and its regulations. The Act was designed to allow contracts to be made with insurers to provide health and life insurance benefit programs to employees in the BC Public Service.

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MINISTER ADVISORY NOTE
AS OF MAY 4, 2021

ISSUE: FULL-TIME EQUIVALENTS IN THE BC PUBLIC SERVICE

ADVICE AND RECOMMENDED RESPONSE:

Advice/Recommendations

CURRENT STATUS:

The table below summarizes what was reported in the Budget and Fiscal Plan on Budget Day (April 20, 2021).

Table A13 Full-Time Equivalents (FTEs) – 2014/15 to 2023/2024 ¹

	Actual 2014/15	Actual 2015/16	Actual 2016/17	Actual 2017/18	Actual 2018/19	Actual 2019/20	Updated Forecast 2020/21	Budget Estimate 2021/22	Plan 2022/23	Plan 2023/24	Average annual change (per cent)
Taxpayer-supported programs and agencies:											(per cent)
Ministries and special offices (CRF)	26,679	27,192	27,940	29,291	30,891	31,774	32,400	32,750	32,750	32,750	2.3
Service delivery agencies ²	4,798	4,803	4,850	5,076	5,258	5,985	6,056	6,910	7,810	7,952	5.8
Total FTEs	31,477	31,995	32,790	34,367	36,149	37,759	38,456	39,660	40,560	40,702	2.9
Growth rates (per cent):											
Ministries and special offices (CRF)	0.6	1.9	2.8	4.8	5.5	2.9	2.0	1.1	0.0	0.0	2.1
Service delivery agencies	3.4	0.1	1.0	4.7	3.6	13.8	1.2	14.1	13.0	1.8	5.7
Population per FTE: ³											
Total FTEs	149.5	149.3	148.2	143.4	138.6	134.8	133.9	130.6	129.3	130.6	-1.5

¹ Full-time equivalents (FTEs) are a measure of staff employment. FTEs are calculated by dividing the total hours of employment paid for in a given period by the number of hours an individual, full-time person would normally work in that period. This does not equate to the physical number of employees. For example, two half-time employees would equal one FTE, or alternatively, three FTEs may represent two full-time employees who have worked sufficient overtime hours to equal an additional FTE.

² Service delivery agency FTE amounts do not include SUCH sector staff employment.

³ Population per FTE is calculated using July 1 population (e.g. population on July 1, 2021 divided by 2021/22 FTEs).

KEY FACTS REGARDING THE ISSUE:

- ◆ Full-time equivalent (FTE) staff utilization in core government ministries increased from 31,774 FTEs in 2019/20 to 32,444 FTEs in 2020/21.
- ◆ FTE utilization in core government ministries is projected to be 32,750 FTEs across the fiscal plan. This is an increase of 306 FTEs compared to the 2020/21 FTE actuals.
- ◆ The growth is distributed across the expansion of programs including CleanBC, mental health services, housing, and natural resource permitting.

CONTACT: BRUCE RICHMOND, ADM CORPORATE SERVICES

PHONE: Government Financial

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Advice/Recommendations

**MINISTER ADVISORY NOTE
AS OF MAY 4, 2021**

ISSUE: EXECUTIVE COMPENSATION

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **Salaries for all Executive positions reflect a combination of the scope and impact for their position and their performance in the position. The scope and impact of the role determines the level assignment for the position and the performance of an individual and any unique skills they may bring to the job determines their salary level within the salary band.**
- ◆ **All executive compensation decisions (including acting assignments) must be managed through the Public Service Agency, Executive Talent Management Branch and require the recommendation of the Deputy Minister, BC Public Service Agency and approval by the Deputy Minister to the Premier.**
- ◆ **Compensation planning for excluded and executive employees within the BC public sector, including the public service, must comply with the direction provided by the Public Sector Employers' Council (PSEC) Secretariat. Compensation planning includes the types of compensation offered, the way the compensation is paid, and when employees would be eligible to receive salary increases and performance pay.**
- ◆ **The Executive Compensation Plan is comprised of 8 bands. This includes one Executive Lead band, two Assistant Deputy Minister bands, one Associate Deputy Minister band, three Deputy Minister bands and one band for the position Cabinet Secretary and Deputy to the Premier. The current maximum achievable salaries (effective October 2018) for executives in the BC public service are:**

Deputy Minister to the Premier and Cabinet Secretary	\$348,600
Deputy Minister 3	\$299,215
Deputy Minister 2	\$280,000
Deputy Minister 1	\$260,000
Associate Deputy Minister	\$230,000
Assistant Deputy Minister 2	\$205,000
Assistant Deputy Minister 1	\$185,000
Executive Lead	\$145,000

- ◆ **In other Canadian jurisdictions, the maximum of the salary range is fully utilized with most executives compensated at or near the top of the salary**

range. BC is unique in that there tends to be a wider range of compensation levels differentiating both Assistant Deputy Ministers and Deputy Minister positions. Only 9.5% (17 of 179) of executive positions in the British Columbia public service are compensated at the maximum of the salary range, and these positions are primarily within the Assistant Deputy Minister range.

SECONDARY MESSAGES:

- ◆ In the absence of government expenditure restrictions, individual executives are eligible for performance-based in-range salary increases on an annual basis, prorated for the period they have been in the role, within the fiscal period.
- ◆ The executive compensation guidelines have a mechanism established to permit performance based in-range movement and in recent years modest increases of up to 2% annually have occurred. Since July 2019, executive positions have been permitted an annual performance-based increase for the first time as per the table below, unless they are at the top of the salary range for their position.

Position within the Range	Ineffective	Developing	Solid Performance	High Achievement	Exceptional Circumstances
Below range mid-point	0%	Up to 1.5%	Up to 3%	Up to 5%	Up to 10%
Above range mid-point	0%	Up to 1%	Up to 2%	Up to 4%	Up to 10%

Note: In-range adjustments are subject to government expenditure restrictions. All increases will be reported to PSEC and advance approval will be obtained where necessary.

- ◆ Providing larger increases to those below the range mid-point recognizes the steep learning curve at the beginning of the placement into a given level. Limiting increases to those above the range mid-point ensures the maximum is not reached too quickly, while still encouraging performance.
- ◆ Exceptional rating may apply when either a significant mandate expansion occurs, or an extraordinary event takes place during the fiscal year and the performance demonstrated by the executive. Application of this rating category must be supported and approved by the Deputy Minister to the Premier.
- ◆ The performance assessment for Executive Leads, Assistant Deputy Ministers, and where appropriate, Associate Deputy Ministers is presented by the supervising Deputy Minister to a review panel

MINISTER ADVISORY NOTE

comprising of other Deputy Ministers, chaired and facilitated by the Deputy Minister to the Premier and the Deputy Minister, Public Service Agency. The Deputy Minister to the Premier conducts the performance assessments of Deputy Ministers and where appropriate, Associate Deputy Ministers.

- ◆ On August 31, 2020, the Minister of Finance announced public sector employers subject to compensation plans under the *Public Sector Employers Act* will be required to amend their plans to indicate there will be no increases or adjustments paid to executive-level employees for the 2020/21 performance year.

CURRENT STATUS:

For the 2020/21 performance year, there will be no increases paid to executive-level employees. The BCPSA continues to monitor any potential issues related to executive compensation.

KEY FACTS REGARDING THE ISSUE:

No Deputy Ministers in BC are compensated at or near the maximum of the salary range. The average executive salaries (excluding acting) as of March 9, 2021 are:

Deputy Minister to the Premier and Cabinet Secretary	\$325,000
Deputy Minister 3	\$271,025
Deputy Minister 2	\$250,922
Deputy Minister 1	\$227,505
Associate Deputy Minister	\$206,189
Assistant Deputy Minister 2	\$192,277
Assistant Deputy Minister 1	\$165,172
Executive Lead	\$134,390

CONTACT: ALYSON BLACKSTOCK, ADM EMPLOYEE RELATIONS
PHONE: 778.698.7912

**MINISTER ADVISORY NOTE
AS OF MAY 4, 2021**

ISSUE: MCCF AND IN-RANGE MOVEMENT

ADVICE AND RECOMMENDED RESPONSE:

- ◆ After a period of fiscal restraint, an updated Management Classification and Compensation Framework (MCCF) was implemented effective January 1, 2017. This new compensation framework moved all excluded managers from three levels into one of six new bands. The salary ranges were also adjusted, primarily at the more senior levels.
- ◆ This new framework was necessary to address the lagging compensation levels for excluded managers in the BC public service and to ensure the public service was fully implementing the management compensation philosophy to be better aligned with the BC public sector.
- ◆ From 2015 through to 2018, the public service provided, in accordance with direction from the Public Sector Employers' Council Secretariat (PSEC), annual performance based in-range increases of up to 2% to individuals who demonstrated good performance. Those increases were effective on July 1 of each year, and were only provided to employees who demonstrated good performance and were within their salary ranges. All increases were managed within existing salary budgets.
- ◆ PSEC released new direction in September 2018 called the B.C. Public Sector Employers' Guide to Accountable Compensation regarding excluded and executive compensation. This new direction provided public sector employers with the authority to utilize a more flexible approach to making performance-based excluded compensation decisions within the bounds of their approved plans. Following PSEC's new direction, the performance based in-range adjustments provided in 2019 were up to 3% for solid performers and up to 5% for exceptional performers.
- ◆ As a result of the COVID-19 pandemic and the current fiscal context, the Deputy Ministers' Council limited increases to 2% for 2020 for both good and exceptional performers. The 2020 increases were approved by PSEC for the broader public sector employers including the Public Service.
- ◆ PSEC's guidelines allow for the adjustment of excluded salary ranges on an annual basis and this practice is consistent across the BC public sector. Since 2017, the MCCF excluded management salary ranges were

aged annually by the same magnitude of the general wage increase provided to the BCGEU in each calendar year.

SECONDARY MESSAGES:

- ◆ With the current maximum of the management salary Band 6 at \$148,800, BC ranks 10th in comparison to the other 14 public service jurisdictions (ahead of NL, PEI, NB, MB).
- ◆ There are approximately 5,000 excluded managers representing 17% of employees in the public service.

CURRENT STATUS:

- A 2% increase to salary ranges has been approved effective April 1, 2021. However, the new ranges are not yet implemented. This adjustment process is permitted under PSEC's guidelines pertaining to excluded and executive compensation and does not represent wage increases for most employees.

Band	MCCF Salary 2020 Ranges		MCCF Salary Ranges eff. April 1, 2021 (Approved but not yet implemented)	
	Minimum	Maximum	Minimum	Maximum
Band 1	\$56,000	\$79,800	\$57,100	\$81,400
Band 2	\$65,600	\$92,700	\$66,900	\$94,600
Band 3	\$76,200	\$107,800	\$77,700	\$110,000
Band 4	\$90,900	\$120,800	\$92,700	\$123,200
Band 5	\$105,700	\$134,800	\$107,800	\$137,500
Band 6	\$121,600	\$148,800	\$124,000	\$151,800

- Performance based in-range compensation increases are currently under review for July 1, 2021. PSA staff are working with PSEC and Treasury Board staff to identify Ministry budget pressures that might make providing in-range challenging, and evaluate potential mitigation strategies.

KEY FACTS REGARDING THE ISSUE:

- The updated MCCF along with annual performance based in-range increases have alleviated some of the compensation pressures for the public service managers. However, compensation levels for excluded managers in the public service still lag most other provincial and territorial jurisdictions. Continual monitoring of the salary ranges against the BC Public Sector will be necessary to ensure continued adherence to the management compensation philosophy.

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MINISTER ADVISORY NOTE
AS OF APRIL 8, 2021

ISSUE: COLLECTIVE BARGAINING

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **The public sector bargaining mandate for agreements expiring after March 31, 2022 has not yet been established by the Public Sector Employers' Council Secretariat (PSEC).**
- ◆ **The BC Public Service Agency (PSA) will commence bargaining with all five unions/associations under the new bargaining mandate.**
- ◆ **Government Financial Information**

Union/Association	Contract Expiry	Negotiation Status	Employee Count
BCGEU	March 31, 2022	Government Financial Information	28,977
PEA	March 31, 2022		1,287
Unifor	June 30, 2022		15
BCCCA	March 31, 2019		490
BCNU	March 31, 2019		111

SECONDARY MESSAGES:

- ◆ **The public sector bargaining mandate is established by PSEC which is responsible for overseeing overall public sector bargaining on behalf of the Minister of Finance. PSEC receives its authority under the *Public Sector Employers' Act*.**
- ◆ **The PSA is the bargaining agent for the government, as set out under s. 3 of the *Public Service Labour Relations Act* (PSLRA), in negotiations with public service unions.**

CURRENT STATUS:

Government Financial Information



KEY FACTS REGARDING THE ISSUE:

- ◆ There are three bargaining units defined by s. 4 of the PSLRA: the British Columbia Government and Service Employees' Union, the Professional Employees Association and the BC Nurses Union. Two other bargaining units exist outside of the PSLRA: the BC Crown Counsel Association and Unifor (Queen's Printer).

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**MINISTER ADVISORY NOTE
AS OF MAY 4, 2021**

ISSUE: OMBUDSPERSON'S REPORT AND RESPONSE

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **The events described in the Ombudsperson's Misfire report had a significant impact on the individuals who were involved, and on the BC Public Service generally.**
- ◆ **Government has now implemented all 41 of the Ombudsperson's recommendations. These efforts represent a significant commitment to learning from the events of Misfire and improving operations to prevent a similar event from occurring in future.**
- ◆ **In October 2018 the Ombudsperson released an update on the Public Service's progress toward addressing the recommendations from the Misfire report, indicating that government had achieved a number of accomplishments and has demonstrated major commitment responding to the Ombudsperson's recommendations.**
- ◆ **Government has provided additional information to the Office of the Ombudsperson since that update regarding the steps taken to effectively address the Ombudsperson's recommendations.**

SECONDARY MESSAGES:

- ◆ **Highlights of completed recommendations include:**
 - **The immediate acknowledgement and apology from the Public Service for the harm caused by the investigation and the significant toll that the resulting events had on the lives of affected individuals;**
 - **Enhancements to government's processes for conducting human resources investigations and disciplinary decision-making;**
 - **Full disbursement of ex gratia payments to harmed individuals for whom the Public Service has received final recommendations from the Ombudsperson and the Hon. Justice Cromwell;**
 - **Enacting policy and practice changes to ensure labour relations and legal advice is considered prior to just cause termination decisions;**
 - **Funding a \$500,000 endowment at the University of Victoria to establish the Roderick MacIsaac Graduate Scholarship;**
 - **Guidelines governing the suspension of access to health data; and**

- **A plan to address the research gaps resulting from the termination of evidence-based programs in the Ministry of Health.**

CURRENT STATUS:

- Government has implemented all 41 recommendations (See Appendix A) issued by the Ombudsperson in his Misfire report.

KEY FACTS REGARDING THE ISSUE:

- On April 6, 2017 the Office of the Ombudsperson released the Misfire report into the 2012 Ministry of Health terminations and subsequent actions by government.
- The Ombudsperson made 41 recommendations (see appendix A), which fall into two distinct groups:
 - those that address harms to individuals through such mechanisms as apology letters, *ex gratia* payments or a scholarship endowment; and,
 - those that address systemic issues within the public service through such mechanisms as policy change, procedural clarification, or legislative change.
- In response, government publicly thanked the Ombudsperson for the report, acknowledged the harm caused by the events described in Misfire and offered an unqualified and comprehensive apology to all who were adversely affected by public service conduct. Government committed to actioning the Ombudsperson's recommendations and implementing measures to ensure that such events never happen again.
- Government engaged the Hon. Thomas Cromwell, former Supreme Court of Canada Justice, to administer a reparation process and monitor the implementation of the Ombudsperson's recommendations.
- In October 2018, the Ombudsperson published an update which acknowledged that the public service had implemented 37 of the 41 Misfire report recommendations.
- All 41 recommendations (See Appendix A) issued by the Ombudsperson in his Misfire report have now been implemented by government.
- On June 9, 2020, The Office of the Ombudsperson requested a further implementation update. As part of the request, the Ombudsperson indicated it had reviewed the information provided by government in May 2019 and specifically sought the following:
 - (R3(b), R4, and R6) information and supporting documentation to verify the implementation of these recommendations;
 - (R31) information and supporting documentation regarding the steps government has taken, or plans to take, to inform public servants outside the Legal Services Branch regarding the protocol;
 - (R33) Information regarding any Culture Change progress/final reports completed since 2019 or (if no reports had been completed) a description of plans for completing a final report in relation to the Culture Change report;

- (R35) an update on whether the specific deliverables listed in Appendix 2 of the Putting Our Minds Together report have been implemented, and if not, the status of implementation.
- On July 31, 2020 government responded to the Office of the Ombudsperson's request and provided the requested documentation regarding R31, R33 and R35.
- Due to the nature and sensitivity of the records requested by the Ombudsperson in relation to R3(b), R4 and R6, the Ombudsperson was informed that it was necessary for government to discuss the request with Justice Cromwell to confirm his comfort with the records that government would disclose.
- On October 16, 2020, after consulting Justice Cromwell, government provided the Ombudsperson with the information and records requested for R3(b), R4, and R6 which confirm that these recommendations have been fully implemented.

CONTACT: ALYSON BLACKSTOCK, ADM EMPLOYEE RELATIONS
PHONE: 778.698.7912

**MINISTER ADVISORY NOTE
AS OF JUNE 8, 2021**

ISSUE: MERIT COMMISSIONER - JUST CAUSE DISMISSAL REVIEWS

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **The government supported the Ombudsperson's Misfire recommendation to have an independent office review just cause dismissals in the public service. The Merit Commissioner was granted the authority to review any Public Service just cause dismissals that occur on or after April 1, 2018.**
- ◆ **Government has made considerable effort to enhance its practices respecting human resource investigations and just cause dismissals so that everyone can have confidence in those processes.**
- ◆ **Between April 1, 2018 and March 31, 2021 there were 35 just cause dismissals within the BC Public Service. Of these, nineteen have reached the point where they have become eligible for review by the Merit Commissioner as of March 31, 2021**
- ◆ **In her office's recent annual report, the Merit Commissioner commented that her office's view is that a thorough analysis is undertaken on BC Public Service Dismissal files prior to the decision to dismiss and that the majority of files her office has reviewed to-date were in keeping with applicable government policies, practices and standards.**
- ◆ **The Public Service Agency will be engaging with the Merit Commissioner and her staff to discuss her office's feedback and recommendations and what steps need to be taken to address them.**

Secondary message:

- ◆ **As part of its engagement with the Merit Commissioner, the Public Service Agency will be considering enhancements to practice to address the two (out of 19) files noted as exceptions where the Merit Commissioner's review was unable to conclude that the processes properly applied, practices, policies and standards.**

CURRENT STATUS:

- The Merit Commissioner was granted the authority to review any just cause dismissal under s.22(2) of the *Public Service Act* (the Act) that occurred on or after April 1, 2018.
- Between April 1, 2018 and March 31, 2021 there were a total of 35 just cause dismissals in the BC Public Service. Of these, nineteen files were eligible for review. Eighteen of these

have been submitted by the BC Public Service Agency (PSA) to the Merit Commissioner as of March 31, 2021, one is in the process of being sent to Merit Commissioner.

- On May 20, 2021, the Merit Commissioner released her office's annual report which found that BC Public Service dismissal files were well conducted, with a thorough analysis being conducted prior to the decision to dismiss an employee for just cause. The review noted two cases which were exceptions to this, and made a small number of minor recommendations, which the PSA will consider.
- Maureen Baird (Q.C.) was appointed as the Merit Commissioner on January 13, 2020 for a three-year term.

KEY FACTS REGARDING THE ISSUE:

- In response to Recommendation 27 of the Ombudsperson's *Misfire* report, government amended the Act to make the Merit Commissioner responsible for conducting independent reviews of just cause dismissals in the public service to monitor the application of related government practices, policies and standards.
- The amendments give the Merit Commissioner the authority to review any just cause dismissal that occurs on or after April 1, 2018. This does not include rejections on probation or without cause dismissals of excluded employees.
- The Act applies to government ministries, Independent Officers of the Legislature and approximately 40 Agencies, Boards and Commissions (ABCs).
- The purpose of the Merit Commissioner review is to examine the processes that were followed leading up to the dismissal decision, including the investigation and the advisory steps in support of the decision, to confirm whether applicable PSA policies and procedures were followed. It is not to determine whether the decision to terminate the employee was correct. An impacted employee has access to the grievance process or the legal system to challenge the actual decision itself.
- Under the provisions of the Act, the Merit Commissioner can only review a just cause dismissal after either:
 - (a) 12 months after the initial dismissal in the event the employee does not file a grievance or lawsuit; or,
 - (b) 6 months after a dismissal grievance/lawsuit has been conclusively resolved.
- The Deputy Attorney General and the Merit Commissioner have been engaged in discussion over time to establish a protocol that will deal with whether any legally privileged materials can be disclosed to the Merit Commissioner, and to what extent, if any, she may be able to comment on legally privileged materials in her annual report.

Legal Information

MINISTER ADVISORY NOTE

Legal Information

- The PSA has engaged with ABCs to advise them that they are covered by the Merit Commissioner review process and to discuss with them the types of policies and procedures they should be following. ABCs were invited to consult the PSA on major human resource investigations and when processing a just cause dismissal.
- The Merit Commissioner's May 20, 2021 annual report noted two exceptions to its findings that BC Public Service Dismissal files were well conducted and in accordance with applicable policies, procedures, and standards.
- Those two files identified as exceptions are understood to be from the BC Pension Corporation, whose practices to-date have not followed the PSA's. the PSA will confirm this during an upcoming engagement with the Merit Commissioner in which the PSA will solicit more detailed feedback from the Merit Commissioner regarding their comments and recommendations.
- Subsequently, the PSA will identify actions to be taken to address the Merit Commissioner's feedback and recommendations which are expected to include working with the BC Pension Corporation to adjust their practices for alignment and consistency with those of the PSA and the BC Public Service generally.

CONTACT: ALYSON BLACKSTOCK, ADM EMPLOYEE RELATIONS
PHONE: 778.698.7912

MINISTER ADVISORY NOTE
AS OF APRIL 6, 2021

ISSUE: POLITICAL STAFF STANDARDS OF CONDUCT

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **In April 2014, Cabinet approved the Standards of Conduct for Political Staff. Political staff are appointees who serve as advisors and assistants and who share the governing party's political commitment.**
- ◆ **These Standards closely resemble the Standards of Conduct applicable to regular employees in the BC Public Service, but recognize the unique partisan role played by political staff.**
- ◆ **The Standards of Conduct for Political Staff provide guidance on how political staff may exercise their partisan duties while also respecting the non-partisan role of employees in the BC Public Service.**
- ◆ **Political staff must comply with these Standards as a condition of employment. Those who fail to comply may be subject to disciplinary action up to and including dismissal.**

CURRENT STATUS:

- Currently, the job titles deemed political staff include but are not limited to Executive Assistants to a Minister and Ministerial Assistants.
- The Standards of Conduct for Political Staff (in tandem with the Political Staff Oath) resolve the previously existing conflict between the obligation of political staff to provide partisan advice as part of their job duties, and the obligation under the Standards of Conduct for public service employees to act objectively and impartially.

KEY FACTS REGARDING THE ISSUE:

- Conduct expectations for regular public service employees are established by the Standards of Conduct, a policy first enacted in March 1987. The Standards of Conduct apply to all persons and organizations covered by the *Public Service Act*. Compliance with the Standards of Conduct is a condition of employment.
- In March 2013, the Deputy Minister to the Premier submitted a report to the Premier and Cabinet entitled "Review of the draft Multicultural Strategic Outreach Plan." The review required the BC Public Service Agency to assess whether the Standards of Conduct were sufficient to regulate both the conduct of regular public service employees and of political staff.
- In January 2014, Cabinet approved the recommendation of the BC Public Service Agency to establish by regulation the Political Staff Oath and Standards of Conduct for Political Staff. The regulations were deposited in April 2014.

- The Standards for Political Staff remove the obligation for political staff to act impartially and to base recommendations and decisions on objective evidence. A section is also included regarding appropriate interactions between political staff and members of the permanent public service. The Chief of Staff to the Premier is assigned responsibility for communicating and addressing breaches of the Standards of Conflict for Political Staff.
- Similarly, the Political Staff Oath replicates the requirements of the Public Service Oath, save for provisions related to serving the government impartially and basing recommendations and decisions on objective evidence. These new authorities resolved the conflict between the obligation of political staff to provide partisan advice as part of their job duties, and the obligation under the Standards of Conduct for public service employees to act objectively and impartially.
- Political staff are defined as: persons appointed under section 15(1)(a) of the *Public Service Act* who report through to the Chief of Staff to the Premier or provide support to a Minister, and who are not assigned job duties primarily of an administrative, technical or communications nature. Most appointees working in the Office of the Premier and supporting Minister's offices are political staff (e.g., Ministerial Assistants and Executive Assistants). Appointees to Government Communications and Public Engagement are not political staff.

**CONTACT: RUEBEN BRONEE, EXECUTIVE LEAD POLICY, INNOVATION AND
ENGAGEMENT**
PHONE: 250.213.6614

MINISTER ADVISORY NOTE
AS OF APRIL 6, 2021

ISSUE: BC PUBLIC SERVICE AGENCY LEGISLATION

ADVICE AND RECOMMENDED RESPONSE:

- ◆ The BC Public Service Agency's legislative framework is comprised of three statutes: The *Public Service Act*, *Public Service Benefit Plan Act*, and *Public Service Labour Relations Act*.
- ◆ The *Public Service Act* establishes the key rules for the management of human resources in all government ministries, boards, and commissions, as well as some Crown agencies. The Act also provides for the appointment of all public service employees, the Head of the BC Public Service Agency, and a Merit Commissioner—an independent officer of the Legislature.
- ◆ The Head of the BC Public Service Agency is responsible for leading the administration of personnel management in the BC Public Service, including key responsibilities related to corporate human resource strategy, policy advice, program development, recruitment and appointment, human resources service delivery, and representing the employer in collective bargaining.

SECONDARY MESSAGES:

- ◆ As an employer, the BC Public Service also adheres to legislation that applies to all employers in the Province.

CURRENT STATUS:

The legislation governing employment in the BC Public Service has remained relatively stable for many years. Except for changes to establish a Dismissal Review Commissioner in 2018, the *Public Service Act* has not been substantively amended since 2003 when the Merit Commissioner and BC Public Service Agency were established. No amendments are currently being planned.

KEY FACTS REGARDING THE ISSUE:

The following employment legislation is specific to the BC Public Service as employer.

Public Service Act

The *Public Service Act* defines HR management in the public service. The Act sets the legislative framework for the management of HR in ministries, government agencies, boards, and commissions. The Act also establishes the Merit Commissioner and the Dismissal Review Commissioner.

The Regulations under the *Public Service Act* include:

- Review of Staffing Decisions Regulation
- Definition Regulation (defines auxiliary employee)
- Excluded Employees Indemnity Protection Regulation
- Hours of Service Regulation
- Public Service Oath Regulation
- Resignation Regulation
- Vacation Entitlement for Re-employed Appointees Regulation
- Political Staff Oath Regulation
- Political Staff Standards of Conduct Regulation

Public Service Labour Relations Act

The *Public Service Labour Relations Act* defines the structure for collective bargaining and establishes the three bargaining units within the public service:

- BC Government and Service Employees' Union
- Professional Employees' Association
- BC Nurses Union and Union of Psychiatric Nurses

The Act has one Regulation, the Public Service Labour Relations Regulation.

Public Service Benefit Plan Act

The *Public Service Benefit Plan Act* and the Regulations under the Act establish benefit coverage for public service employees and some broader public-sector organizations. There are four Regulations under the Act:

- Extended Health Care and Dental Plans Regulation
- Group Life Insurance Regulation (No.1)
- Group Life Insurance Regulation (No.3)
- Long Term Disability Plan Regulation

As the employer, the BC Public Service adheres to legislation that applies to other public-sector employers including the Public Interest Disclosure Act, Human Rights Code, Workers Compensation Act, Freedom of Information and Protection of Privacy Act, Labour Code, Employment Standards Act, Information Management Act, and Public Sector Employers Act.

**CONTACT: RUEBEN BRONEE, EXECUTIVE LEAD POLICY, INNOVATION AND
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PHONE: 250.213.6614**

**MINISTER ADVISORY NOTE
AS OF MAY 4, 2021**

ISSUE: PUBLIC INTEREST DISCLOSURE ACT

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **The *Public Interest Disclosure Act* (PIDA) encourages transparency and accountability in government organizations. It provides employees with a clear framework to disclose concerns about serious wrongdoing, while protecting them from reprisal.**
- ◆ **It also ensures that wrongdoings are investigated in a fair and effective manner.**
- ◆ **Government implemented comprehensive human resources policies and procedures, corporate communications, and engagement plans to make employees and managers aware of the new processes and their responsibilities under PIDA.**

CURRENT STATUS:

- PIDA came into force on December 1, 2019 for ministries and Officers of the Legislature.
- The BC Public Service Agency (PSA) Employee Relations team and the Office of the Ombudsperson continue to assess and act on PIDA disclosures that are brought forward.
- To date, 17 PIDA Disclosures have been received by the PSA, including five (5) received during the 2019/20 fiscal year, and eleven (12) received during the 2020/21 fiscal year.
- The Ministry of Attorney General (MAG) continues to lead efforts to bring PIDA into force for broader public sector employees including Agencies, Boards and Commissions of government. The PSA and the Public Sector Employers' Council Secretariat (PSEC) are providing consultation advice and support.

KEY FACTS REGARDING THE ISSUE:

- PIDA came into force on December 1, 2019 and applies to ministries, independent offices of the Legislature, and government bodies designated by regulation.
- PIDA encourages transparency and accountability in government organizations. It provides employees with a clear framework to disclose concerns about serious wrongdoing while protecting them from reprisal.
- The PSA's Assistant Deputy Minister of Employee Relations has been designated as the Agency Designated Officer to carry out the centralized responsibility for conducting all PIDA investigations reported internally within government. This work is operationally carried out by the PSA's Employee Relations team.

- Government implemented comprehensive human resources policies and procedures, corporate communications, and engagement plans to make employees and managers aware of PIDA related processes and employees' responsibilities. This work is ongoing and information and tools for employees to support implementation are publicly available.
- BC Public Service corporate learning curricula has been updated to incorporate information about PIDA. Information and tools for employees to support implementation of PIDA are all publicly available.
- MAG, with support from PSEC and the PSA, and in consultation with the Office of the Ombudsperson, is undertaking work to establish when PIDA will be brought into force for broader public sector employers.
- Efforts have been made to promote alignment regarding procedures and processes between the PSA's Employee Relations team and the Office of the Ombudsperson in terms of assessing and responding to PIDA disclosures, as well as other central agency investigative units within government including the Office of the Comptroller General, the Corporate Information and Records Management Office, and the Office of the Chief Information Officer.
- The PSA has received 17 disclosures of alleged wrongdoing under PIDA to-date, five of which were reported during the 2019/20 fiscal year and 12 in the 2020/21 fiscal year.
- At present, seven of the disclosures are still undergoing an initial assessment to determine if the matters will proceed to investigation under PIDA. Of the 10 files for which the initial assessment has been completed, none of the disclosures proceeded to an investigation under PIDA. In two of these cases, the disclosures were not eligible to proceed as they were about broader public sector organizations not presently covered by PIDA. In the remaining eight cases the reason for the disclosure to not proceed to investigation was that the allegations being reported were relatively minor issues and did not rise to the level of a "wrongdoing" as defined in the legislation.
- The Act requires that government bodies publish an annual report on PIDA. Government's first such annual report was published on May 28, 2020. A separate Transition Briefing Note has been prepared for the Deputy Minister, PSA, which provides additional information regarding annual reporting under PIDA.

CONTACT: ALYSON BLACKSTOCK, ADM EMPLOYEE RELATIONS
PHONE: 778.698.7912

**MINISTER ADVISORY NOTE
AS OF APRIL 30, 2021**

ISSUE: TELUS CONTRACT OVERVIEW (TSMA)

ADVICE AND RECOMMENDED RESPONSE:

- ◆ In 2004, the Province entered into an Alternate Service Delivery (ASD) partnership with TELUS. The ASD led a new payroll vision for the Province of British Columbia. This new vision was to centralize, standardize, and streamline payroll, leave management and time reporting services. The resulting contract also included data centre hosting and maintenance and development of the Province's HR Talent Management applications.
 - ◆ The Telus contract was originally set to expire in 2019. By leveraging a contractual obligation under the larger, central government Strategic Relationship Agreement (SRA) with Telus, this term was extended, and the PSA Services were onboarded as Service Tower 17 of the Telecommunications Services Master Agreement (TSMA). This onboarding to the TSMA was effective April 1, 2018 and provided an Initial Service Term to July 2021 and a two (2) year extension to expire July 2023, with no option to renew.
 - ◆ The PSA is in the process of planning for the next generation contract to ensure a smooth continuation of services as the TSMA comes to end of life.
 - ◆ The PSA has established a project team to lead the due diligence process for sourcing the HR products and services upon expiration of the current contract.
 - The Concept Case will be completed in the summer of 2021 and will establish the vision and strategy of what the procurement will accomplish and recommend a list of potential service delivery options. The list of options will be analyzed, and a recommendation will be made as part of the Business Case.
 - The Business Case is planned for completion in January 2022
- Cabinet Confidences**
- Cabinet Confidences** This will enable procurement activities during fiscal 2022/23 and the successful service provider to be selected by May 2023.

CURRENT STATUS:

- ◆ The current environment is stable and consistently meeting or exceeding the SLA commitments. Telus complete an annual external audit of their systems and process to the CSAE 3000 standard. The latest audit report shows that Telus remains compliant to policies and operational standards.
- ◆ The TSMA is set to expire in July of 2023 with no option to renew. The procurement initiative is at a stage of developing the concept case and business case options.
- ◆ BC Government's mission critical HR and payroll systems run on Oracle PeopleSoft.
- ◆ In 2019, this stable system processed and accurately paid payroll of \$2.38 billion to government employees and received and processed 1.4 million payroll transactions.

The scope of the contract includes a number of other HR and payroll applications which support our employees throughout their employment lifecycle.

Some of the BC Government applications managed by Telus include:

- ◆ Recruitment Management (RMS) system
- ◆ Learning Management (LMS) system
- ◆ Compensation & Classification (eClass) system
- ◆ Time & Leave and Absence Management (TLAM) systems
- ◆ Employee Performance Management (MyPerformance) system
- ◆ Workplace Health & Safety (Cority) system
- ◆ Customer Relationship Management (CRM) system
- ◆ Telephony system (Elements)

In addition to delivering HRMS and Payroll Services for core government, the contract also provides services to the broader public sector including:

- ◆ BC Infrastructure Benefits Incorporated (BCIB)
- ◆ BC Financial Services Authority (BC FSA)
- ◆ BC Pensions Corporation (BCPC)
- ◆ Vancouver School Board (VSB)
- ◆ Liquor Distribution Branch (LDB)

KEY FACTS REGARDING THE ISSUE:

- ◆ The BC Public Service Agency (PSA) manages the alternate service delivery contract with our long-time vendor partner TELUS. It is currently estimated that the total value of this contract for the period of 2004 to 2023 will be \$299M. The deal will expire in July 2023 with no option to renew. The procurement initiative is at a stage of developing the concept case and business case options. From July 2023 there is one year available to transition services to the procured delivery model.
- ◆ Over the term of the combined contractual relationship with Telus the PSA has experienced first-rate service level performance and considerable cost savings. Contract objectives have been consistently achieved, and Telus has performed well over the life of the contract with no major payroll issues. Independent third-party benchmarking reviews by Deloitte have also

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concluded that the contract delivers good value for money for the Province of British Columbia.

- ◆ The successful onboarding to the TSMA supports PSA objectives by continuing to enhance and integrate HR systems for employees, to maintain the existing payroll systems which have proven reliable and stable, while allowing HR payroll technology to mature. This will facilitate any future decision to transition government payroll services to, potentially, both new technology and a new provider.
- ◆ The contract cost is approximately **Government Financial Information** and delivers payroll processing and human resource technology services for the core BC Public Service.

The following tables shows a breakdown of these fees for fiscal 2020.

POIM	Fees associated with the IM/IT portion of the contract.	Government Financial Information
Payroll	Fees associated with delivering of payroll	
Growth	Fees attributed to the increase in size of the Public Service	
CPI	Contractual mechanism to ensure fees are aligned with inflation.	
Total		

- ◆ The total value of payroll processed over the life of the contract is approximately \$32.14B, which is about 27.9M transactions over 420 pay periods without failure. The PSA has been satisfied with this performance, as consistent and accurate payroll execution is one of its core businesses.

CONTACT: BRUCE RICHMOND, ADM CORPORATE SERVICES

PHONE: **Government Financial Information**

**MINISTER ADVISORY NOTE
AS OF APRIL 29, 2021**

ISSUE: DIVERSITY AND INCLUSION IN THE BCPS

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **The BC Government committed to ensure government is reflective of our province and inclusive of Indigenous peoples, minority communities, immigrants, persons with disabilities, and the LGBTQ2S community.**
- ◆ **As a result, the BC Public Service (BCPS) has implemented a series of strategies and taken action to ensure the BCPS is an inclusive organization reflective of the people of British Columbia where employees are supported to reach their full potential.**
- ◆ **BCPS legislation and human resource policies reflect and support diversity and inclusion, including the *BC Human Rights Code*, our *Standards of Conduct* and the *BC Public Service Act*, which states part of its purpose is to “recruit and develop a well-qualified and efficient public service that is representative of the diversity of the people of British Columbia.”**

SECONDARY MESSAGES:

- ◆ **The BC Public Service Agency released the Diversity and Inclusion Strategy, *Where We All Belong* on March 1, 2021. The goals of the diversity and inclusion strategy are to: Support an increasingly diverse workforce; Enhance inclusion in the workplace; Build a strong foundation for lasting and meaningful reconciliation; and Remove barriers to accessibility in the workplace.**
- ◆ **The BC Public Service believes diversity and inclusion are fundamental to our role in society. We believe in the value of every individual. Believing anything less is incompatible with the values and responsibilities of the public service. (Corporate Plan)**

CURRENT STATUS:

- The Diversity and Inclusion strategy is complimentary to other key government mandates including anti-racism; accessibility; gender equity; and reconciliation
- Through the four areas of focus: Leadership and Education; Structures and Alignment; Recruitment and Retention; and Flexibility we will work to achieve objectives over the next three years that will support us to achieve our goals and desired outcomes within the strategy.
- The Indigenous Youth Internship Program, Work-Able for persons with disabilities, the House of Indigenous Learning, and the Indigenous Applicant Advisory Service continue

to be offered to support diversity and inclusion through employment programs, learning, and advisory services to navigate the hiring process.

KEY FACTS REGARDING THE ISSUE:

- The 2020 workforce profile for the BC Public Service provides a self-reported diversity portrait within the BC Public Service. Employees self-identified as the following:
 - Women in the public service increased slightly from 62.1% in 2018 to 62.2% in 2020
 - Indigenous identities in the public service increased from 4.3% in 2018 to 4.6% in 2020
 - Visible Minorities in the public service increased from 17.0% in 2018 to 20.5% in 2020
 - People with Disabilities in the public service increased from 5.0% in 2018 to 6.9% in 2020
 - LGBTQ2S+ identities increased from 4.5% in 2018 (the first time this information was collected) to 6.6% in 2020.
- Results from the 2020 Work Environment Survey (WES) provide some insight on the representation of transgender and/or non-binary employees:
 - Transgender and/or non-binary gender identities in the public service increased from 0.2% of survey respondents in 2018 to 1.5% in 2020.
- The Diversity and Inclusion Three-Year Action Plan established a strong foundation that we continue to work towards – in fact, we note that each of the action plan commitments is “complete and ongoing,” recognizing that this work doesn’t end.

CONTACT: DEBBIE GODFREY, ADM PEOPLE AND ORGANIZATIONAL DEVELOPMENT

PHONE: [Government Financial Information](#)

**MINISTER ADVISORY NOTE
AS OF MAY 12, 2021**

ISSUE: AUDITS & REPORTING

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **The Public Service Agency has participated in a number of Audits and Reviews which led to the release of public facing reports.**
- ◆ **The Reports were generated by three independent offices: The Ombudsperson's Office, the Office of the Auditor General of BC and the Merit Commissioner's Office.**
- ◆ **The Ombudsperson's Office continues to monitor government's implementation of recommendations from its 2017 Misfire report and will soon be releasing its annual report on the Public Interest Disclosure Act.**
- ◆ **The Office of the Auditor General reports included the following:**
 - **IT Asset management**
 - **IDIR Audit (IM/IT Privacy and Security)**
 - **Gender Equity in the Public Service**
 - **Succession Management (postponed)**
- ◆ **The Merit Commissioner is responsible for producing a report, by May 31, 2021 regarding its actions under the legislation to monitor government's hiring practices, as well as our practices, policies, and standards respecting just cause dismissals.**

SECONDARY MESSAGES:

Ombudsperson's Office:

- ◆ **The Public Interest Disclosure Act (PIDA) provides a safe, legally protected way for current and former BC public sector employees to report serious or systemic issues of wrongdoing to their supervisor, a designated officer, or to the Ombudsperson.**
- ◆ **PIDA encourages transparency and accountability in government organizations. It provides current and past employees with a clear framework to disclose concerns about serious wrongdoing, while protecting them from reprisal. It also ensures that wrongdoings are investigated in a fair and effective manner.**

- ◆ PIDA came into force on December 1, 2019 and applies to ministries, independent offices of the Legislature, and government bodies designated by regulation. Government implemented comprehensive human resources policies and procedures, corporate communications, and engagement plans to make employees and managers aware of the new processes and their responsibilities under PIDA.

Office of the BC Auditor General:

- ◆ The OAG has recently undertaken two IT security audits of which the PSA was selected for review,
 - IT Asset Management Audit:
 - The PSA is working with the OCIO to implement OAG recommendations by December 2021
 - IDIR Audit:
 - This audit was completed in 2019 and recommendations implemented by December 2020. The PSA is continuing sustainment of improved processes related to IDIR management.
- ◆ In addition, the OAG also embarked on two performance management reviews:
 - A gender equity audit:
 - An Interim report was produced which indicates that there is a gender wage gap in the B.C. Public Service. When compared with larger trends in the Canadian labour market, our results are fairly consistent. Completing additional analysis will help further explain and illustrate what the gender wage gap looks like within the B.C. Public Service, however the data required is not currently accessible in the PSA datasets.
 - Explored the possibility of a Corporate Succession Management audit:
 - At this time the succession management audit has been put on hold as the PSA is launching a new workforce/workplace planning process and postponing the audit will help ensure a full cycle of planning is completed before the review takes place.

Merit Commissioner's Office:

- ◆ The Annual Merit Performance Review focused on 267 competitions audited between April 1, 2019 to March 31, 2020.
- ◆ Based on this audit period, the BC Public Service demonstrated 94.4% of competition processes were merit-based. Overall merit remains high, which is consistent with previous fiscal years reviewed. Two appointments, less than 1%, were deemed not qualified.

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- ◆ **A Special Study on Eligibility Lists was conducted based on competition files the Merit Commissioner had audited over the previous four fiscals.**
- ◆ **The Study noted risks to merit-based hiring when eligibility lists are not properly established and identified strategies that could mitigate the risk of making errors, contributing to greater transparency and fairness in staffing decisions.**

KEY FACTS REGARDING THE ISSUE:

- ◆ The Public Service Agency takes these audits and reviews very seriously and embraces any recommendations to improve transparency in business practices.
- ◆ The next reports to be released include the Ombudsperson's annual report on the Public Interest Disclosure Act (June 2021) and the Merit Commissioner's Hiring Review (May 2021).
- ◆ There are currently no OAG Audits or Reviews in progress. The Corporate Succession Management audit is postponed until a newly launched workforce/workplace planning process has been implemented.

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**MINISTER ADVISORY NOTE
AS OF JUNE 7, 2021**

ISSUE: CORPORATE RECOGNITION PROGRAMS

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **Like most large employers, the Province has employee appreciation programs to recognize employees who do exceptional work.**
- ◆ **Individual ministries offer their own recognition initiatives, and the BC Public Service Agency delivers two primary corporate recognition programs:**
 - **The annual Premier's Innovation and Excellence Awards, recognizing significant contributions by individuals and teams in improving services to British Columbians.**
 - **The annual Long Service Awards recognizing employees who have committed 25 or more years to serving British Columbians.**
- ◆ **That annual investment in recognition helps support employee engagement, which is proven to reduce costly employee turnover and lead to improved productivity and better service to citizens.**

CURRENT STATUS:

For fiscal 2021/22, the budget for the Premier's Awards and Long Service Awards including related staff salaries totals \$1,825,844, including:

- Long Service Awards: \$1,034,996
- Premier's Awards: \$790,848

The Long Service Awards budget for this fiscal is increased because the 2020 program was deferred due to the pandemic and renovations that rendered Government House unavailable as a venue. This results in an increase in the number of events required for fiscal 2021/22. While the 2020 ceremony was delivered virtually as a webcast due to the pandemic, the Premier's Awards budget for this fiscal assumes an in-person ceremony in fall 2021.

The corporate costs of these programs administered by the Agency are funded through recoveries from ministries on a per-FTE basis under the Public Service Innovation Fund. This does not include costs incurred at the ministry level, such as travel costs for nominated employees to attend the provincial ceremony.

KEY FACTS REGARDING THE ISSUE:

The Long Service Awards have been in place since 1956. The employees recognized by this program have spent 25 years or more in the BC Public Service. Employees are recognized by the Lieutenant Governor at a ceremony in Victoria every fall. Dinner is provided in addition to a modest gift. Long Service Award recipients are also given the option of donating a value of their gift towards a charity of their choice.

The Premier's Innovation and Excellence Awards recognize innovations that improve service delivery and drive innovation in the Public Service. The 2020/21 virtual Premier's Awards ceremony was the first of its kind, offering a pre-recorded webcast open to all public service employees.

In addition to corporate programs, ministries may also deliver their own recognition programs. There are guidelines and approval processes in place in every ministry for all recognition gift and award purchases administered by ministries to ensure accountability.

Public service policies state that both staff recognition and retirement gifts are set at a maximum of \$100, unless an expense is approved by executive director or assistant deputy minister. All spending authorities are expected to manage within their allocated budgets for recognition expenditures. Staff appreciation and recognition awards must be for an employment-related accomplishment. An award cannot be bonus-related.

Public service staff appreciation and recognition programs are in full compliance with Canada Revenue Agency requirements. All awards in excess of the combined total value of \$500 per year, including near-cash items such as gift certificates and gift cards, are treated as taxable benefits and are included in employee income.

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MINISTER ADVISORY NOTE AS OF JUNE 7, 2021

ISSUE: PUBLIC SERVICE INNOVATION FUND

ADVICE AND RECOMMENDED RESPONSE:

- ◆ **The Public Service Innovation Fund is an established approach for sharing the cost of corporate initiatives that support public service renewal and ensure the BC Public Service remains a competitive employer able to meet the needs of British Columbians.**
- ◆ **The fund is administered by the Public Service Agency and all ministries contribute to the fund annually on a per-FTE basis.**
- ◆ **The fund supports initiatives like corporate recruitment marketing and the Pacific Leaders Loan Forgiveness Program that forgives BC student loans for employees after three years of service, helping us attract new young talent from BC post-secondary programs.**
- ◆ **It also supports corporate recognition programs like the Premier's Innovation and Excellence Awards and the Long Service Awards to recognize the commitment and excellence of the BC Public Service employees across the province.**

CURRENT STATUS:

The Public Service Innovation (PSI) Fund is overseen by the Deputy Ministers' Committee on Public Service Renewal (DMCPSR), a sub-committee of the Deputy Ministers' Council chaired by the Deputy Minister to the Premier.

DMCPSR approved allocations totaling ^{Government} ~~Financial~~ from the fund for fiscal 2021/22. This represents a ^{Gove} ~~Financial~~ increase over the approved budget for 2020/21. This increase is driven by two program areas:

1. A ^{Government} ~~Financial~~ increase in the cost of delivering the Long Service Awards program. The program was deferred in 2020 due to the pandemic and renovations at Government House, resulting in an anticipated increase in the number of ceremonies required this fiscal.
2. A ^{Government} ~~Financial~~ forecast increase to the Pacific Leaders Loan Forgiveness program, reflecting continued growth in enrolment primarily due to the BC Public Service's success in recruiting younger employees.

The balance for all other program areas (\$9.905 million) is the same as the approved amount for the previous two fiscal years.

The actual recoveries for fiscal 2020/21 totaled \$8.853 million, resulting in surplus returned to ministries of \$1.051 million. This surplus was primarily due to the impact of the COVID-19 pandemic on funded program areas, deferral of the Long Service Awards, salary lag and

reduced expenditures on employee research initiatives.

The budget approved by DMCPSR for fiscal 2021/22 equates to approximately ^{Government} per FTE.

KEY FACTS REGARDING THE ISSUE:

The PSI Fund is administered by the BC Public Service Agency and, for more than a decade, has been used as a mechanism to fund corporate initiatives that support the goals of the BC Public Service as an employer.

DMCPSR reviews and approves annual allocations for the PSI Fund. All initiatives currently funded are delivered by the BC Public Service Agency except for the Pacific Leaders Student Loan Forgiveness program and the Pacific Leaders Scholarships for Children of BC Public Service Employees program, which are administered by StudentAid BC.

Currently funded programs and initiatives include:

- Pacific Leaders Loan Forgiveness and Scholarship for Children of BC Public Service Employees programs.
- Welcome to the Public Service oath and orientation events for new employees.
- The Work Environment Survey and related employee engagement research projects.
- Corporate recruitment marketing and advertising.
- Corporate internal communications and engagement initiatives, including:
 - Premier's Innovation and Excellence Awards.
 - Long Service Awards.
- The Innovation Hub and the Behavioural Insights Group, which support capacity-building for public service innovation.

See Appendix 1 for funding by program area.

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MINISTER ADVISORY NOTE

APPENDIX 1: PUBLIC SERVICE INNOVATION FUND BY PROGRAM AREA

Program Area	19/20 Budget	20/21 Budget	20/21 Actual	21/22 Budget
Pacific Leaders (Children's Scholarships and Loan Forgiveness)	\$2,480,000	\$2,900,000	\$2,939,781	Government Financial Information
Oath/Orientation Ceremonies	\$396,500	\$396,500	\$359,189	
Work Environment Survey	\$830,000	\$725,000	\$433,500	
Corporate Recruitment Advertising	\$280,000	\$280,000	\$225,000	
Recruitment Marketing (STOB 65) Salaries	\$305,000	\$479,000	\$305,000	
Corporate Engagement and Communications (incl. Long Service Awards)	\$3,006,000	\$2,844,000	\$2,681,581	
Innovation Hub	\$1,353,500	\$1,211,500	\$997,599	
Behavioural Insights Group	\$1,254,000	1,069,000	\$912,160	
Total	\$9,905,000	\$9,905,000	\$8,853,810	

MINISTER ADVISORY NOTE
As of April 29, 2021

Issue: BC Public Service Agency – Travel

Background/Status:

- BC Public Service Agency total travel as of March 31, 2021 was \$71,196 (Budget \$.656M).
- This was a decrease of \$1,056,981 or 94% on 2019/20 travel of \$1,128,777 (Budget \$1.167M).
- Travel expenditures decreased due to Covid-19 safety concerns and travel restrictions.

BCPSA staff incurring the highest travel expenses in 2020/21 were:

Name	Title	Travel Amount	Reason for travel
Carolyn Stenberg	Conflict Management Specialist	\$5,707	Conflict management issues across the province
Michael Warren Yamanaka	Assistant Medical Director	\$5,623	Pre-employment medical assessments
Yejoon Park	Technical Support Analyst	\$3,571	Covid-19 self isolation screening at YVR
Ashley Simpson	Videographer	\$3,340	Videographer services across the province
Joseph Claudio	Learning Consultant	\$3,327	Facilitate employee training across the province

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**MINISTER ADVISORY NOTE
AS OF APRIL 29, 2021**

**ISSUE: BC PUBLIC SERVICE AGENCY – PROCUREMENT OF GOODS
AND SERVICES**

BACKGROUND/STATUS:

- Procurement Guiding Principles:
 - Acquisitions are managed consistent with government policy and requirements of trade agreements.
 - Government receives best value for money.
 - Government buying power is leveraged through corporate supply arrangements (CSA's) where available.
 - Vendors have fair access to information on procurement opportunities, processes and results.
 - Solicitation and contract award processes managed in a prudent and unbiased manner.
- Summary of contracts awarded to March 31, 2021 (appendix attached)

Procurement Type	Number of Contracts	Amount
Competition among vendors on a pre-qualification list	1	\$ 74,950
Competitive process among selected vendors	10	\$ 226,700
Direct Award - Notice of Intent (No substantiated objections)	2	\$ 133,000
Direct Award - Public sector organization	1	\$ 22,000
Direct Award - Services and Construction Under \$25,000	22	\$ 288,470
Direct Award - Sole source	1	\$ 9,000
Open competitive process	1	\$ 25,037,257
Purchase from a Corporate Supply Arrangement (CSA)	40	\$ 621,411
Standing Offer	10	\$ 216,420
Grand Total	88	\$ 26,629,207

- Service contracts directly awarded by the BC Public Service Agency until March 31, 2021 totalled \$0.452M or 1.7% of the value of contracts awarded.
- The Benefits Vote had a further \$122.8M in claims or fee-based contracts. These contracts were procured through open competitive processes.

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