Defending a Contested Ideal

Juillet, Luc, Rasmussen, Ken

Published by University of Ottawa Press


For additional information about this book
https://muse.jhu.edu/book/4461
In the interests of good administration, it may frequently be desirable, and sometimes necessary, for the Commission to be empowered either to decentralize certain functions to a greater extent than hitherto, or to delegate its authority (emphasis added) in certain matters and under certain conditions to deputy heads.

Arnold D. P. Heeney, 1958, 11

As a result of developments beginning directly after the Second World War, the Civil Service Commission eventually handed over a number of its key responsibilities to a more powerful Treasury Board while at the same time delegating more authority to operating departments. What brought about this simultaneous centralization and decentralization was a growing managerial orthodoxy based on the belief that the division of authority over personnel management hindered effective management. Departments had long been interested in acquiring more personnel authority, yet since the creation of the CSC they had been net losers of administrative authority to both the CSC and later the Treasury Board. From a departmental perspective, the result was an overly centralized system of negative control. After the Second World War, even those with a rudimentary understanding of the logic of management would conclude that it was essential that authority be commensurate with responsibility for a management system to be effective. This would mean at a minimum getting authority over personnel management into the hands of managers.
The CSC had seen a number of changes already, given that it had begun its life as a simple testing agency in 1882, progressed to a recruitment agency in 1908, and expanded to a full service staffing agency for the entire public service in 1918. During the post-war era the CSC would become, for all intents and purposes, a full-service personnel management agency. Throughout each of these phases, the CSC faced serious challenges to its authority, its responsibilities, and its legitimacy. Yet the CSC would continue to be given new authority and expand its program offerings and overall responsibilities during this period despite concerns that it was not the appropriate body to take on such functions because of its independent status. By the end of the 1950s, the CSC would recruit, classify and train; it would advise government on personnel policy; it would regulate and conduct research; it would investigate outside conditions and the efficiency of the public service, and it would exercise appeal functions regarding examination and promotion.

Simultaneous with this growth in responsibilities was the emergence of counter-pressure for the delegation of its newly acquired authority. In particular, three powerful post-war reports would make it clear that in the minds of many knowledgeable observers, the CSC had accumulated too many executive functions for a body with formal independence from government. This was to be the central critique aimed at the CSC until some resolution was reached in 1967. While the CSC had been designed to increase the efficiency of the public service by protecting public servants from political interference and by providing stable career structures, according to critics this system was becoming the main impediment to improved service delivery. The CSC’s independence was becoming less central to the cause of reform and, if anything, its independence was now an obstacle in the path of further reform. The protections offered by the CSC were viewed as a hindrance to effective management, and the growing consensus was that these powers needed to be removed, decentralized and disaggregated if the goals of efficiency were to be met. The defence of merit was becoming a lonely pursuit in Canada in the face of some powerful forces of decentralization.
The Gordon Commission (1946): A New Debate Begins

The debate on the future direction of the CSC began with the establishment of the Gordon Commission immediately after the Second World War. The inquiry, which would shed light on what influential Ottawa insiders were thinking about the direction of reform, was headed by Walter Gordon, a business consultant with very strong ties to the Liberal party. Given this connection one might expect that the inquiry would merely endorse the administrative preferences expressed by Mackenzie King and other leading Liberals. With hindsight we can see that Gordon had greater ambitions in that he was attempting, unsuccessfully as it would turn out, to create a new and sounder footing for the newly expanded post-war civil service. Gordon shared his task with two like-minded individuals: Major-General Edouard de B. Panet, a former senior officer with the Canadian Pacific Railway, and Sir Horace Hamilton, a former senior official in the British civil service.

The Gordon Commission report began by noting some of the defects of the public service caused by the Second World War. These included a lack of men of sufficiently high calibre in the senior and intermediary grades, a lack of clear-cut responsibility for the overall management and direction of the public service, a deficiency in the machinery to facilitate the changes that were essential in a large organization like the public service, and considerable delays in making appointments and promotions at all levels of the service. These were not new complaints; they were part of a well-rehearsed litany about the failures of personnel management in Canada.

The one alleged defect that would have clear implications for the future of the CSC pertained to the blurring of responsibility for the overall management and direction of the service, a concern linked to the problems associated with the division of responsibilities between the CSC and the Treasury Board. Gordon, like most Canadian commentators who have reflected on the CSC, was not an advocate of divided authority and was uncomfortable with the ambiguous position of the CSC. The way to bring about a reduction in this division of responsibility was to move away from the growing division of responsibility
over personnel administration that the Civil Service Act of 1918 had created. According to the Gordon Commission, “The Treasury Board has the authority in relation to all matters of establishment and organization but not the immediate responsibility; the Civil Service Commission has the responsibility but not the authority.” In order to have responsibility commensurate with authority this situation would have to change. In fact, this “division of duties is the outstanding weakness in the central direction and control of the service and [had to] be eliminated.” According to the growing managerial orthodoxy, administrative responsibility could not possibly be obtained in a situation in which authority and responsibility were divided.

The most suitable mechanism for overcoming the division of authority and responsibility would be to centralize both personnel and financial functions within the Treasury Board. In this argument the CSC could not be strengthened because it lacked ultimate financial control. Even more, the Treasury Board was the natural place for this control to reside as it was a responsible body with a minister who reported to Parliament. Additionally, the requirements of an effective system of management as articulated by the emerging managerial theories demanded a centre of executive control. But exercising this new executive authority would “call for a positive approach rather than the negative one hitherto followed in the exercise of financial control.” The desire to develop a more positive or proactive approach to management would become a new theme and would require that public servants be given an environment in which they were encouraged to do good, rather than one that merely discouraged them from doing bad.

The Gordon Commission was really an attempt to rein in the CSC and have it function more or less exclusively as a recruiting/staffing agency. The Gordon Commission wanted to remove the CSC's duties with regard to the numbers and grades of personnel required and place this power in the hands of a new division of the Treasury Board under the leadership of a director general who would have the rank of a senior deputy minister. This person would become the director general of the civil service with responsibility to the government, and thus to Parliament, through the Treasury Board. The new agency would
help facilitate transfers, examine candidates from outside the service for senior positions, act as chairman of the official side in the recently established National Joint Council and recommend policies concerning working conditions. The Gordon Commission also recommended that a personnel officer in each department be responsible for personnel matters and assist and advise the deputy minister. It was also felt that deputy ministers should have control of promotions in the departments and that ministers and deputy ministers should have responsibility over all matters of discipline. Finally, it was recommended that the absolute veterans' preference be reviewed and amended in favour of a point system that was used effectively in both the United States and Britain.

While all these reforms appear sensible and indeed many would come to pass in the future, the Gordon Commission also identified something that would trouble a number of reformers over the years: the increasing accumulation of executive functions, central to the operations of government, within an independent agency like the CSC. The Gordon Commission's understanding of this duality was as follows:

In order to remove the possibility of political interference the Commission has independent status and is responsible solely to Parliament. But, while the powers of the Commission as to who shall be appointed and who shall be promoted are decisive, its responsibilities regarding scales of remuneration, the organization of departments and branches and the number of positions to be established are restricted to the formulation of recommendations which are not effective until approved by the Governor in Council. In practice this has meant the approval by the Treasury Board.

The CSC's activities fell into two categories: those relating to its primary responsibility for recruitment and staffing, over which it had complete control, and those for which its role was only to make recommendations to the Treasury Board. The Gordon Commission wanted to transfer to the Treasury Board all the CSC functions that the CSC had no authority over, such as departmental organization,
scales for remuneration and so on. The Gordon Commission noted that “with the transfer to the Treasury Board of the functions referred to, the Civil Service Commission would be in a position to concentrate on the primary and all-important task of recruitment, in which regard there is need for considerable improvement.”

Therefore, right after the Second World War we were again hearing what was to become a refrain: the CSC should be restricted to a recruitment agency. The Gordon Commission also noted that recruitment needed to take place at various levels in the public service. Like previous critics, the Gordon Commission was dismissive of the notion that “the messenger boy who enters the Canadian civil service has a Deputy Minister’s baton in his knapsack.” While the CSC could do more training and development, in the end it also needed to bring in the best products of universities as well as “outsiders” and train them for senior public service leadership. In a similar vein, the Gordon Commission criticized the CSC for not recruiting an appropriate number of French-speaking Canadians, “due in large measure to the existing system of classification and recruitment.”

Many of these recommendations and criticisms had to do with the structure created in 1908, which was deliberately designed to reduce the control of Parliament and Cabinet over recruitment and staffing decisions. Indeed it appears that what Gordon and other critics wanted to do was to end the paradoxical position of the CSC as a legislative and executive agency by having it become a recruitment agency with limited authority. Yet there was some recognition at the time that whatever success the CSC had achieved was due in no small measure to its overlapping responsibilities. As was noted by Professor J. E. Hodgetts, rather than being a hindrance, the division of responsibilities created a system that appeared to work well for all parties concerned:

The Treasury Board, believing that the CSC’s reputation for independence was in open question, maintained the CSC for routine labour and as legitimizing agent for its own power. The staff associations, believing that the CSC’s reputation for independence was valid and that it was a bulwark against patronage, supported
the CSC's as their spokesman. The deputy ministers, believing that the CSC had some independence from the Board, but also believing it to be ineffectual, wished to maintain it as a means of fending off the Board, which they feared as being all too powerful. And finally, the government itself was thoughtfully guarding the guardians, by making certain that two control agencies should be in competition, rather than having one in command.11

A complex web of group conflicts and interests had emerged since the CSC had come into existence and was putting it at the centre of a growing system of administrative pluralism to create a balance of power within the executive branch. The CSC, by using its ambiguous position within the system of responsible government, found a way to survive by juggling its multiple responsibilities. During the late 1940s and most of the 1950s, the CSC was able to work with the Treasury Board to modernize personnel policy. Yet the CSC was aware of the criticism being levelled against it and

sought to improve its image with its departmental clients by taking a more positive approach to recruitment and other services, while quietly experimenting with the devolution to selected departments of certain of its functions, such as control over promotions.13

The CSC continued to develop new methods of recruitment, but it struggled with the classification system, which had grown synonymous with the merit system. While adjustments were made to eliminate classification in the professional, scientific and technical grades, the CSC had a hard time attracting new recruits in many classes due to low levels of unemployment and its own cumbersome methods of appointment. There had always been a debate between those who held that public service recruitment should be based on the selection of people who would develop into career public servants and those who thought that they should be hired for a particular position. This desire to recruit for general ability had been expressed in the earlier Beatty Royal Commission in 1930 and was taken up in the Gordon Commission as well. Similarly, there was a fear that in the post-war period the various
preferences for veterans, locality and so on were making merit less effective and meaningful and therefore making the public service less attractive to the most talented Canadians.

The push to build a public service that was efficient and responsive to executive leadership, while at the same time representative of Canadians and able to function independently, would remain at the core of the CSC's activities during the period of growth after the Second World War. However, this balancing act would finally begin to shift during the brief reign of Arnold D. P. Heeney as chairman of the CSC. His chairmanship resulted in an influential report out of which came a new Civil Service Act in 1961 and the beginning of a move toward a new balance of power in personnel management in Canada.

**The Heeney Commission (1959): Prelude to a New Balance**

Arnold D. P. Heeney was one of the best known and influential of the "Mandarins" and had the reputation of being a reformer. With these two qualifications in mind Prime Minister Louis St. Laurent lured him into the chairmanship of the CSC by offering him the opportunity to completely review the Civil Service Act. He was encouraged to continue with this task by the incoming Conservative government, even though the new government was planning its own inquiry into the public service. With a "bi-partisan" mandate, Heeney examined the Civil Service Act and the role of the Civil Service Commission, and his endeavours culminated in the passage of Canada's second Civil Service Act in 1961.

Heeney believed that the increasing demands on government were going to change the character of the public service. When the CSC was created in 1908 it was possible to classify almost all civil servants as clerks, but by the late 1950s this was no longer true. The CSC was struggling to keep up with many of the challenges of recruitment.

"Today the public servant may be scientist, medical doctor, meteorologist, film maker, airport attendant, forestry expert, canal operator; he may engage in any one of a host of occupations which include every known skill and calling."
This growth in both the size and variety of specializations, as well as the expanding areas of government activity, meant that public servants were taking a more central role in the framing and administration of public policy.

With this understanding of the new civil service in mind, Heeney, though personally wed to the idea that the CSC should recruit the “superior” person, was willing to concede that there was “a good deal to learn from the specialist.”\textsuperscript{15} In essence Heeney was a progressive, not content with the traditions of the past. He wanted to continue to innovate and improve the quality of the public service. Not only did he want the bureaucracy free from patronage and maladministration, he also wanted it to become more independent, more efficient and capable of self-management. He wanted to encourage developments toward a better civil service in the future.\textsuperscript{16} The trends he wanted to encourage were related to the “increased importance and influence of senior civil servants.”\textsuperscript{17} The one tradition that Heeney did hope to maintain was the British tradition of continual bureaucratic reform and self-improvement.

What Heeney was trying to do was find ways to move beyond the highly defensive nature of the CSC’s operations, which he felt had become a hindrance to good government. Heeney was aware that recruitment by merit itself was not enough to build a successful public service and that it needed to be supplemented; he would supplement it with a philosophy of management that would envelop the entire public service, particularly the senior ranks. While he regarded the preservation of the merit system as his major task as Chairman of the CSC, he also wanted greater “speed, flexibility, and simplicity” in administration, leadership in developing sound and progressive administrative techniques, clear division of authority and responsibility and greater devolution of managerial authority to departments. A sound philosophy of management was essential if public servants were to develop the “capacity and sense of responsibility needed to maintain a high order of managerial efficiency in the increasingly complex business of government.”\textsuperscript{18}

The creation of a managerial philosophy was to be balanced with a “clarification and preservation of the rights and obligations of civil
servants to a degree consistent with efficiency in management" and a "greater participation by employees in the processes leading to the determination of their conditions of employment." At the time, public servants had only two rights: the right to certain statutory holidays and the right to a pension. Public servants' rights, like the rights of all citizens, were emerging as a subject of considerable interest in the country and would take on increasing importance in the practice of public administration in the near future. Heeney felt that the CSC's future lay in its ability to develop strong managerial capacity in the senior service, and in the recognition of employee rights in the remainder of the service. Yet the managerial revolution that would soon sweep over the public service would always find the CSC somewhat awkward, and executive leadership would pull more of these functions toward the Treasury Board and later the Privy Council Office.

As always, the key to improved public service management and regularized employee relations was clear authority and responsibility. In this regard Heeney was willing to acknowledge something that for the most part eluded early critics of the CSC; the CSC had essentially been designed to be part of a system of checks and balances. As Heeney notes, "This 'grape-shot' distribution of authority and responsibility was deliberately designed as a system of checks and balances, and it is hardly surprising, therefore, that it inherits the weaknesses implicit in such a system." Despite his awareness that this system had been created with the approval of the House of Commons, he was not in favour of it. Indeed, it appears that anyone looking at the Canadian administrative system sees a distribution of authority and responsibility that needs to be 'fixed' by centralizing authority in a single executive agency with a responsible minister. Yet this system of divided authority, the creative compromise reached between Parliament and the executive over the control of personnel policy in Canada, was important in shaping the character of the public service, particularly by allowing the service to function on more than the narrow value of managerial efficiency.

A realist, Heeney recognized that the needs of management were going to change this situation and create a dilemma for the CSC:

The central issue is to resolve, so far as we are able, the conflict between the freedom and flexibility which the administrator must have to do
his job, and the control which Parliament, and the Executive must retain in order to fulfill their responsibilities to the nation.\textsuperscript{22}

Heeney went on to note with disappointment that the authors of the previous Civil Service Act of 1918 "were not concerned to encourage but to restrict executive initiative; administrative integrity and continuity, not efficiency and dispatch, were their chief preoccupations."\textsuperscript{23} For Heeney the central tension at the core of the CSC was balancing the requirements of effective executive action and the demands of democratic responsibility.\textsuperscript{24} Pressures to ensure effective executive management and executive expediency were gaining ground over more traditional values of equality of opportunity and the constitutional position of the public service.

This growing tension could be resolved in only one way for those in favour of a new managerial orientation. More authority would have to be granted "to deputy heads, subject only to some form of post-facto central control."\textsuperscript{25} This would mean a long process of increasing the managerial autonomy of ministerial departments and establishing post-facto controls to be exercised by the CSC. In attempting to shift the CSC in this direction, the Heeney Commission made fifty recommendations. Most of the recommendations focused on traditional topics concerning public service reform and the role of the CSC, including the organization of the service, position classification, compensation, recruitment, selection, appointment and promotion, transfer, discipline, hours of work and the veterans' preference; they also dealt with two relatively modern themes: staff relations and language qualifications. In most of its recommendations, the Heeney Commission displayed simultaneously a tremendous amount of administrative orthodoxy and a willingness to be influenced by the surrounding intellectual environment.

Heeney wanted to maintain the merit principle in recruitment, but he hoped it could be made more flexible. He wanted to see the act administered more efficiently and more promptly while ensuring continued respect for the basic merit principle. By the late 1950s there was a need to protect merit, not because there was a fear that political
parties would attempt to revert back to the old patronage system but rather because it was essential to ensure a solid career structure in which employees could be relatively sure of their advancement if they displayed the correct behaviour. Merit was needed, not because it helped keep political patronage at bay but because it represented a desire to protect the norms of bureaucratic behaviour, thereby ensuring loyalty and efficiency among civil servants.

Heeney felt that the rapidly developing economy and the multiplicity of technical skills required in government had made the traditional principle of open competition in determining merit impractical. The skills being demanded by the public service were now so far beyond those of a clerk that in most cases the meritorious were appointed by necessity. Administrative necessity and common sense were also needed to ensure that recruitment, selection and promotion were dealt with efficiently, while respecting the spirit of the merit system. Functions previously seen as central to the CSC could be transferred to departments while the CSC retained post-facto control and an appellate function. “The function of the Commission would become essentially that of advice and audit and there would be new emphasis on the primary responsibility of deputy ministers for the efficient organization of their departments.”

Delegating personnel authority to departments was an idea whose time was clearly at hand, and with it came a strong desire to reduce the role of the CSC to that of an audit and appeals agency.

Despite its desire to delegate, the Heeney Commission accepted the fact that the CSC should be involved in the process of job classification because an “equitable classification plan, centrally controlled is an essential ingredient of a sound merit system.” It was also felt that the CSC, because of its independent position, should be involved in issues of compensation and that it should become an independent arbitrator in wage disputes. The most significant aspect of the recommendation on pay determination is that it acknowledged that there should be employee participation “in the process by which their salaries and conditions of work are determined.” Heeney stopped short of suggesting the “simple and unqualified application to the civil service of the normal industrial
pattern of collective bargaining. However, it is interesting to note that this system was only ten years away from becoming the pattern of wage determination in the public sector and that it would be Heeney himself, as chairman of the Preparatory Committee on Collective Bargaining, who would recommend it, albeit in the face of political pressure from many quarters and the unanimous support of all political parties.

The Heeney report served as the basis for many of the changes that occurred in the civil service in the following decade. It was especially influential in the drafting of the new Civil Service Act of 1961, which incorporated many of its recommendations. As Heeney noted in his memoirs,

> Although governments did not choose to implement all our proposals, notably those regarding pay determination, the report nevertheless formed the basis for many, if not most, of the reforms effected in the administration of the service during the Diefenbaker and Pearson administrations.  

These reforms centred on a delegation of authority to operating departments, which were expected to use this new authority to increase their operational efficiency.

The future direction of reform became clear with the passage of the new Civil Service Act in 1961. Under the new act, the payment of public servants became a matter of right, consultation with public servants’ associations on questions of remuneration and employment conditions became legally mandatory, vague requirements regarding bilingualism were introduced, promotional competitions were extended, interdepartmental transfers were facilitated, the grounds for civil servants’ appeals were broadened and the power of the CSC over the organization of departments was restricted to an advisory one. It is no wonder that this act came to be referred to as the “Magna Carta of the Clerk.” At the same time, the 1960s marked the beginning of a serious discussion of the right to strike, and the right of civil servants to engage in more and wider forms of political activity.

Becoming evident by the late 1950s was the recognition that building an efficient and responsible civil service required more than
the creation of a self-perpetuating and remote elite; the task required the adoption of the principles of modern management. As CSC Commissioner Ruth Addison pointed out, "The time is now past for a defensive approach in the application of the merit system and the time has now come to move forward in the field of public administration in a more constructive fashion." As we will see, this would mean the application of modern management techniques, the recognition of employee rights, organizational autonomy and increased delegated authority, as well as the increased use of all manner and variety of professional civil servants. The CSC was moving well down the road toward delegation of its authority after the 1961 act was passed. In 1963 the commission delegated full responsibility to deputy ministers to conduct promotion and transfer competitions up to the most senior levels. While standards were set by the CSC, departments were now in a position to conduct such competitions, open to their employees only, without referring these decisions to the CSC.

THE GLASSCO COMMISSION (1962); THE CIVIL SERVICE COMMISSION AS AN AUDIT AGENCY

The Royal Commission on Government Organization, known as the Glassco Commission, was established in 1960 by Prime Minister John Diefenbaker, who, with other prominent Conservatives, had been calling for a major inquiry into the public service long before the 1957 election. Modeled on the second Hoover inquiry in the United States, the Glassco Commission proved to be one of the most influential inquiries into the role of the public service in Canadian history. It accomplished what many reformers within the public service had been asking for since the establishment of the CSC in 1908: a greater centralization of administrative power over personnel in the Treasury Board, a reduction in the influence of the CSC, an intellectual division of labour between managers and non-managers and a decentralized system of financial and personnel management centered squarely on operating departments and agencies—in short, a stronger executive leadership focused on a strong senior civil service, with oversight from a new, powerful central agency.
The Glassco Commission recognized that to ensure better management it would need to examine the old conflict between the need for efficiency in the civil service and the need for political control. This conflict, as old as the CSC itself, was at the very core of many of the Glassco Commission’s recommendations, which called simultaneously for decentralization and centralization, devolution and central control, and freedom for managers supplemented by central agency guidelines. Yet, as has often been pointed out by its critics, the Glassco Commission clearly favoured managerial elegance over the cluttered world of democratic politics.\(^\text{3.9}\) As an agent established to ensure respect for democratic principles in public service recruitment, the CSC would not endear itself to this commission.

The Glassco Commission was aware that the “good management is good government” adage was unacceptable to many Canadians, particularly members of minority groups, civil libertarians and parliamentarians. Consequently, there was a recognition that the machinery of administration had to be made “responsive to the wants and needs the Canadian people.”\(^\text{4.0}\) The Glassco Commission also acknowledged that “because of the generally recognized influence enjoyed by the central public service, the confidence reposed in it throughout the country will depend, in large measure, on how representative it is of the public it serves.”\(^\text{4.1}\) Even so, the Glassco commissioners were unwilling to consider specific action such as quotas for any disadvantaged groups. They simply wanted to find “positive ways of tapping the best human resources in all parts of Canada.”\(^\text{4.2}\)

Changes in the political dynamic such as growing Quebec nationalism might have been making the Glassco Commission’s task of modernizing the civil service along managerial lines more difficult, yet many in Ottawa, including the Glassco commissionees, believed the public service desperately needed modernization. Modernization had become essential because of the errors of past reforms, most of which could be characterized by an over-reliance on the traditional concept of negative control favoured by the hierarchical approach, which often supported the CSC’s role in position classification. The problems all centred on a proliferation of controls imposed on the public service by the CSC. Even though these controls were imposed with the best
of intentions inspired by the promotion and protection of merit, they had come to represent serious fetters on the administrative capacity of the public service, which weakened rather than strengthened the civil service's sense of responsibility.43 According to Glassco, the only thing that had saved the public service from the disastrous effects of excessive control was its ability to create a very competent administrative elite over the previous twenty years.44 And while building an elite might overcome many administrative obstacles, ultimately, as others had argued, it could not overcome the “burden of control.” That would be achieved only through modern managerial techniques designed to set managers free.

A further consequence of the burden of control imposed by the CSC was the increasing use of non-departmental forms of administration. “The costly, frustrating and unproductive character of the existing system has been most strikingly acknowledged in the frequent resort to the use of semi-autonomous boards, commissions and corporations.”45 However, the lesson to be learned from the Crown corporation experiment was that meticulous control and overhead supervision were not necessary to ensure honesty and efficiency in government operations; nor were they needed for conformity to public policy, democratic responsibility or merit recruitment and promotion. For the Glassco commissioners, the very existence of so many autonomous agencies and Crown corporations demonstrated that managerial concepts developed in the private economy could provide responsible public administration that respected merit.46 Departments should therefore be set free so that they could accomplish their mission, and if the example of the Crown corporations was reliable, there should be no fear that Canadian democracy would be imperilled by such devolution of authority to specialist/managerial senior civil servants.

While the CSC was responsible for some of the negative controls, the commissioners could not avoid the obvious fact that the Treasury Board was becoming an even bigger culprit. The Treasury Board’s appetite for control had come to blur the lines of authority between departments, central agencies and Cabinet, and it had become a tremendous source of frustration, which discouraged departmental managers from accepting responsibility for their plans, and [led] them to regard this responsibility as being shared with the Treasury Board
It permitted senior bureaucrats to escape responsibility by claiming that they shared authority with the central control agencies, particularly the Treasury Board. Controls designed to create a system of democratic oversight were having just the opposite effect. This led the Glassco commissioners to issue an ultimatum: either accept the precepts of managerialism, in particular the increased need for administrative discretion, or accept a continuation of the inefficiencies of overly centralized oversight with the CSC and the Treasury Board as the chief villains.

It is quite astounding how frequently the freedom/control dilemma was seen as the central tension faced by the modern public service and that the solution proposed was always greater freedom from the controls of the CSC. Glassco, like those before him, attempted to resolve this tension by creating more autonomy for departmental managers supplemented by democratic/bureaucratic restraint in the form of a reconstituted Treasury Board, complete with additional statutory powers and its own minister. In essence, the Glassco Commission was relying on ideas that had been percolating since at least the Gordon Commission in 1946, and that had become part of the dominant managerial orthodoxy.

Underlying the Glassco Commission's attempt to deal with the freedom/control dilemma in this manner was a belief that bureaucrats working cooperatively with each other in a managerial, goal-oriented environment would achieve a new form of administrative responsibility. This is clear from the commission's general plan of management, which described a version of administrative checks and balances featuring a structure of countervailing functions between departments, the Treasury Board and the Privy Council Office as well as a much reduced role for the CSC. While the commission wanted to strengthen the auditor general, it also wanted to streamline the CSC into an audit agency. Beginning with the Glassco Commission, there would come to be a series of reform proposals to have the CSC limited to a recruitment and audit capacity and to put more authority in the hands of line managers. Of course the Glassco Commission recognized that these various agencies exerted a restraining influence on departmental ambitions.
and abilities, but it nevertheless hoped that, because central agencies served broader interests and were staffed with officers familiar with the needs of departmental administration, the agencies would be welcomed by the departments as a source of guidance when new and unfamiliar problems arose.\(^{50}\) The commissioners did not anticipate the sometimes intense bureaucratic rivalry that was to emerge over the next decades between these agencies. What they had in mind, rather, was a more harmonious system of management based on rational objective setting, cooperative agendas and decentralized budget-centred management.

The Glassco Commission is of course known for its dictum “let the managers manage.” It also recognized that it is inconsistent to delegate responsibility and then ask for a detailed accounting of how the responsibility was exercised. Its forthright views were motivated by the changes that the advance of the welfare state was having on the public service generally. The rapid growth of government signalled the replacement of the traditional concept of the public service as a neutral transmission belt with a new view that was coming to demand that the public service begin to set objective standards of performance, create long-range plans, make decisions and hold itself accountable to certain standards of financial and social behaviour.

For the Glassco Commission one of the key ways to build a more responsible public service was to unite it through a dynamic managerial philosophy that would make the public service increasingly autonomous from the control of executive agencies. The commission did acknowledge the importance of other values in achieving a more responsible public service, such as representative bureaucracy, suggesting, for example, that more effective recruitment of French Canadians would be required so that they would come to “share a proper feeling towards the federal public service.”\(^{51}\) But it also cautioned against adding more ministerial departments and held favourable views regarding the growth of independent organizational structures. While accepting that there was room for alternative political values, in the final analysis, it wanted to subsume all those values under the overwhelming need for better management and bring a new technocratic/managerial approach to the operation of the public service of Canada.
The Glassco Commission led the campaign to unfetter management, pursuing the trend toward more autonomy for departmental administration. This movement would gain momentum shortly after the release of the Glassco Commission report, when a new legislative regime was established and the Civil Service Act was replaced by the Public Service Employment Act (PSEA). The PSEA signalled a move toward more employee and management rights, reflecting a much broader recognition of rights, particularly minority rights, in Canada's political culture. This recognition led to initiatives aimed at creating a more representative bureaucracy. Such initiatives began in earnest in the late 1960s with the Royal Commission on Bilingualism and Biculturalism, which argued passionately and persuasively for a linguistically balanced public service. Language-related demands eventually led to other long overdue demands by women, aboriginal peoples and people with disabilities. Thus while the CSC was to help create a more managerial public service, it would also be asked to take on a more formal role in helping the public service increase its own democratic legitimacy, based not only on efficiency and constitutional principles of neutrality but also, increasingly, on its ability to represent Canadians.

CONCLUSION: THE PUBLIC SERVANT AS PUBLIC MANAGER

The CSC always had an important role to play in creating a public service that was staffed efficiently and effectively, protected from unwelcome political interference, and reflective of broader social, regional and cultural values. The public service that emerged from the CSC’s efforts was therefore able to play a role in helping to ensure that governments remained within the bounds of constitutional propriety. The public service had the necessary, but circumscribed, independence to help balance the executive’s need for effective action and Parliament’s desire for constitutionally appropriate action. This view of the public service would be challenged by initial thrusts in the post-war era toward a stronger managerial approach that sought to subject the public service to more explicit executive leadership in an increasingly goal-oriented
environment. That is, the self-denying gesture on the part of the House of Commons and the executive guaranteeing the independence of the CSC, and thus the public service itself, was unravelling in favour of the executive branch. The system of checks and balances that had been growing, in which an independent CSC played a critical role in helping to ensure that politicians understood and respected the boundaries between the political and the bureaucratic, was beginning to erode.

Pressures to bring about a more effective form of management had always been great, but the new management style that was coming to dominate discussions about public service reform would result in public servants playing a more functional role. Little concern was expressed about the appropriate balance between the legislature and the executive that the CSC had originally represented. The CSC was coming to be seen as a nuisance standing in the way of the unassailable logic of effective management. Bringing management consciousness to centre stage would mean the slow erosion of the one resource that was the product of a powerful CSC, and which is always in great demand in any well-governed state: public service independence. The pressures for a greater focus on management would almost by definition erode professional independence and try to turn the public service into a more goal-oriented organization, in which performance, not probity, was the overarching value.

As emphasis on management grew, Canada was beginning to see changes in the operations of the personnel policy regime that would stretch the notion of merit to the breaking point. As noted in the first two chapters, merit had always been based on more than open competition and had begun to incorporate notions of fair and orderly processes for purposes of pay, rewards, promotions and employee discipline, in addition to a number of positive and negative exclusions based on region, language, gender and veteran status. Merit, beginning in the 1960s and 1970s, would formally include language ability, gender, and other sociological characteristics. Merit-based practices would bring a variety of new procedures, including equity-based classification and pay structures, more due process and appeal mechanisms, while allowing employees the opportunity to form and join unions unless otherwise
exempt by law. Far from being a simple linear concept, merit was set to become increasingly weighed down by procedural and legal definitions, and the notion that it represented the ideals at the core of career public service would become increasingly distant.

The public service itself was going through a series of changes that would see it all but abandon the image that it was merely a very dedicated but impartial servant of ministers. As governments took on more social and economic responsibilities, first during the Depression, then during the post-war expansion of the welfare state, there was a growing sense that this limited view could no longer be sustained. In its place was a more managerial public service, one whose main concern would become the efficient and effective use of scarce resources. If the public service was to be an effective institution, the reformers now wanted it to embody more than the classic principles of continuity between different governments and the roles that had traditionally been based on complex and ill-defined constitutional conventions. While support for this more gentle view would never disappear entirely, the direction set by the post-war reforms would be unstoppable and a more technical view of the public service would come to dominate by the 1970s and 1980s. The CSC would be seen by many as an antiquated institution supporting an outdated view of the public service, which was rapidly acquiring a more technical role in the delivery of public services.

**Endnotes**

2. Ibid, 11.
3. Ibid, 17.
4. Ibid.
6. Ibid.
8. Ibid, 16-17.
10. Ibid, 18.
Rethinking the CSC: 1945–1967

1. Ibid.
7. Ibid., 178.
9. Ibid.
12. Ibid., 6.
13. Ibid., 5.
17. Ibid., 12.
20. Ibid., 15.
24. Debates (April 14, 1964), Mr. Reid Scott moved for second reading of Bill No. C-10, which argued that by denying civil servants their rights...
as citizens their ability to develop into citizens would be affected and the
quality of service rendered to the state would be lessened.

35 Peter C. Newman (June 4, 1960), "The Twenty Men Who Really Run
Canada," Mackay, vol. 73, 2; see also Christina Newman (May 1968),

36 Ruth E. Addison (1959), "The Thinking Behind the Heeney Report,"

37 Debates (March 16, 1949), 1547; Debates (April 12, 1954), 3987.

38 See Herman Finer (1949), "The Hoover Commission Reports,"
Political Science Quarterly, vol. 64:3, 405–419; James W. Fesler (1957),
"Administrative Literature and the Second Hoover Commission Reports,"

Public Administration, vol. 6:4, 386–404.

40 Canada (1972), Royal Commission of Government Organization, Report,
Ottawa, Queen's Printer, 25.

41 Ibid, 27.

42 Ibid, 28.

43 Fritz Morstein Marx (1949), "Administrative Ethics and the Rule of Law,"

44 Royal Commission on Government Organization, Report, 44.


46 Ibid, 51.

47 Ibid, 98.


49 Canada, Royal Commission on Government Organization, Report, 62.

50 Ibid, 57.

51 Ibid, 265.

52 Nevin Johnson (1985), "Change in the Civil Service: Retrospect and Pros-