raise awkward barriers against the logical processes of personnel administration in the Public Service and against the resolution of problems facing individuals and groups of employees. Despite the limitations on the scope of your Committee's inquiry which were imposed by its terms of reference, many witnesses, especially those representing employee interests, urged us to come to grips with any aspect of the total system which required improvement and change.

The problem is perhaps best understood from an historical perspective. From 1918 until 1967, personnel management in the Public Service was based on the Civil Service Act and administered by an independent agency, the Civil Service Commission. In 1967, following a comprehensive study and report by the Preparatory Committee on Collective Bargaining, and detailed consideration by a Special Joint Committee of the Senate and House of Commons, Parliament approved a new statute, the Public Service Staff Relations Act, to accommodate the added dimension of collective bargaining. The Civil Service Act (now the Public Service Employment Act) underwent major amendments. Significant changes were also made in the Financial Administration Act. Responsibilities which had been vested in the Civil Service Commission for fifty years now passed to the Treasury Board, re-cast as the "general manager" of the Public Service and "the employer" in the collective bargaining relationship. The major responsibility under the Public Service Employment Act became that of "staffing", (recruitment, selection, appointments and appeals) and was entrusted to the Public Service Commission. This rearrangement of responsibilities was seen at the time as providing an acceptable accommodation between those concepts and systems which had proved their worth over many decades and the new attitudes towards the regulation of employer-employee relationship which had gradually spread throughout Canada in the post-war period.

In the words of the *Report of the Preparatory Committee on Collective Bargaining* which was published in July, 1965:

> "When the Industrial Relations and Disputes Investigation Act was passed in 1948, there was no apparent desire on the part of the Public Service employee organizations to have their relationship with the Government regulated by the legislation. Within a few years, it was being argued by some associations that the Public Service should be brought within the ambit of the Act and by others that a system of collective bargaining and arbitration designed specifically for the Public Service would be preferable. By about 1960, the latter view had become clearly dominant."

The formula of accommodation between the old and the new, which was devised in 1965 by the Preparatory Committee, and which led to the present legislative format, is of fundamental importance to the character and quality of employer-employee relationships in the Public Service. Your Committee has had to consider whether it should resist or respond to the request for a re-evaluation of the relationship between the present Public Service Staff Relations Act and the Public Service Employment Act. In reaching our conclusions in this regard, we considered both the terms of reference given to Mr. Finkelman when he undertook his study and the terms of the orders of reference given to us by the Senate and the House of Commons. Both are included in Appendix B of this report.

Guided by these terms of reference, your Committee has heard the views of interested groups and persons on the Finkelman recommendations. This report constitutes our assessments, conclusions and recommendations on the major submissions made to us.

PUBLIC SERVICE EMPLOYMENT ACT

In his first appearance before your Committee, the Chairman of the Public Service Staff Relations Board, Mr. Finkelman, said:

> "Although a number of the bargaining agents urged that I recommend a substantial expansion of their role in regulating appointments to and within the Public Service, I decided that, whatever the merits of such changes, I had no mandate to undertake policy initiatives that would alter, in any substantial manner, the traditional responsibility of the Public Service Commission for regulation of the merit principle. If in the course of time such an alteration is to be made, the preparation for such a major shift in public policy will need to be much broader based than my investigation."

Your Committee heard representations from bargaining agents for expansion of the scope of collective bargaining into areas now administered by the Public Service Commission. On December 4, 1974, Mr. Carson, Chairman of the Public Service Commission, urged the Special Joint Committee to review the entire Public Service Employment Act rather than only those sections relating to Mr. Finkelman's recommendations. Over the course of the Committee hearings the mood of the bargaining agents, realizing the scope and implications of their demands, changed. The Public Service Alliance of Canada at its appearance before the Special Joint Committee requested the establishment by the Government of a committee to study the Public Service Employment Act and make recommendations within two years.

In May of 1975, the Public Service Commission appeared again before the Committee and supported the altered Alliance view. The Public Service Commission had modified its approach and, in its second submission to the Special Joint Committee, recommended that:

> (*a*) a review of the Public Service Employment Act and the role of the Commission be undertaken by a special task force; and
>
> (*b*) immediate amendments to the Public Service Employment Act should be limited in the meantime to necessary technical adjustments.

Your Committee concluded that the comprehensive re-evaluation of personnel management in the Public Service of Canada implicit in a review of the Public Service Employment Act was beyond our scope and resources.

Because of these representations and of the consensus reached as to the need for a comprehensive study of the