



RESPONSE TO PETITION

Prepare in English and French marking 'Original Text' or 'Translation'

PETITION NO.: **421-02380**

BY: **MR. STRAHL (CHILLIWACK-HOPE)**

DATE: **MAY 24, 2018**

PRINT NAME OF SIGNATORY: **THE HONOURABLE CARLA QUALTROUGH**

Response by the Minister of Public Services and Procurement

SIGNATURE

Minister or Parliamentary Secretary

SUBJECT

Federal Public Service

ORIGINAL TEXT

REPLY

The ongoing public service pay problems are completely unacceptable. The Government of Canada is committed to doing whatever it takes to fix this problem.

When the previous government chose to treat pay modernization as a cost-cutting measure instead of a complex, whole-of-government transformation, they chose a high-risk route that has landed us in the present situation. They set this project up to fail. These decisions by the previous government have not only burdened public servants, but taxpayers are paying for their mistakes. This colossal failure is because of the budgetary decisions made by the previous government, their corporate culture which created a fear of mistakes, the firing of 700 pay advisors before launch, and the de-scoping of the project which all resulted in a pay system that did not meet the needs of the public service.

Budget 2018 announced plans to eventually move away from Phoenix and begin development of the next generation of the federal government's pay system, one that is better aligned with the complexity of the federal government HR-to-Pay structure. In this context, the Government is investing \$16 million over two years, beginning in 2018-19, to work with experts, federal public sector unions and technology providers on a way forward for a new pay system.

In the interim, the Government of Canada will continue to address the existing pay challenges. To this end, Budget 2018 provides an investment of \$431.4 million over six years, starting in 2017-18, to continue making progress on Phoenix issues. This funding will help us increase the number of employees at the Pay Centre and at satellite pay offices to more than 1,500. This investment builds on the \$192 million previously announced by the Government to increase capacity and enhance technology.

The Government has put in place a series of measures to stabilize the pay system with the goal of eliminating the backlog of late transactions and implement system and process enhancements so that new transactions can be processed as quickly as possible to minimize employee wait times.

The Government will continue executing these measures until employees no longer have to worry about being accurately paid for their work.