



CS GROUP

The Professional Institute of the Public Service of Canada
Contracting Out Report – Departmental Focus
2020

Contracting Out of IT Work At Global Affairs Canada

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The CS Group, Article 30 and the Contracting Out Action Team

The CS Group represents approximately 17,319 federal public sector Information Technology (IT) workers employed by the Treasury Board of Canada. There are CS members working in 62 federal departments, in every Canadian Embassy and supporting operational missions worldwide for the Department of National Defence and the Canadian Space Agency.

Information Technology has evolved in the workplace and is required to support all ranges of professions in today's society. The workings of the federal government and all Canadians rely on the systems and software that is researched, managed and maintained by CS members. CS members not only protect the systems but data that they hold as well. The scope and importance of CS work has grown at an exceptional rate; the same rate at which technology changes in our world today. CS members provide support services, architecture and application development, infrastructure operations, database and project management and creation of specialized systems. CS Group members can be found in a variety of places; from IT help desks to artificial intelligence business solutions initiatives.

Table - Distribution of CS Members by Department – Departments with 300 or more CS employees as of March 31, 2018

Department/ Ministère	
Shared Services Canada/ Services partagés Canada	3,595
National Defence/ Défense nationale	1,904
Employment and Social Development Canada/ Emploi et Développement social Canada	1,454
Statistics Canada/ Statistique Canada	789
Public Services and Procurement Canada/ Services publics et Approvisionnement Canada	650
Canada Border Services Agency/ Agence des services frontaliers du Canada	624
Global Affairs Canada/ Affaires mondiales Canada	455
Environment and Climate Change Canada/ Environnement et Changement climatique Canada	378
Health Canada/ Santé Canada	371
Correctional Service Canada/ Service correctionnel Canada	352
Innovation, Science and Economic Development Canada/ Innovation, Sciences et Développement économique Canada	342

Immigration, Refugees and Citizenship Canada/ Immigration, Réfugiés et Citoyenneté Canada	327
Fisheries and Oceans Canada/Pêches et Océans Canada	300

During the 2014 round of collective bargaining negotiations, PIPSC focused on improving some issues specific to the CS Group; outsourcing of public service work, the role of CS members to preserve institutional knowledge and skills in technological change and addressing the problem Departments were experiencing in recruiting and retaining qualified IT professionals. [Article 30](#) of the CS Group collective agreement, titled “Contracting Out”, was modified.

The Contracting Out Action Team

In order to ensure that the new Article 30 language was being respected, the CS Group formed the Contracting Out Action Team (COAT). The COAT reviews every IT-related contract published by departments employing CS Group members. After reviewing and seeking information on whether or not the department followed the requirements of the collective agreement, the COAT decides whether or not a policy grievance should be placed against the Government with regards to each contract. Since launching in January 2018 through to September 2020, the team has looked at over 1850 service offers and contracts.

The PIPSC Computer Systems (CS) Group is working hard to enforce Article 30 of their collective agreement. This article stipulates that the employer must make a reasonable effort to use existing employees or hire new full-time or term employees as needed before contracting out work to private companies or consultants. Hiring consultants to complete government IT work has a high cost and contributes to the erosion of institutional memory. Unfortunately, despite the new collective agreement language, contracting out of important government work is still ongoing at almost all departments in flagrant disregard to Article 30. One of the most problematic departments is Global Affairs Canada. This report analyzes the policy grievances submitted against GAC between January 2018 and March 2020 for outsourcing of government work that could have been done internally. The data within demonstrates how this department is not following the collective agreement.

The CS Group analyzed a total of 149 tenders or contracts of which 139 were questioned. 139 emails were sent asking the department to describe the reasonable effort that was carried out to respect the outsourcing provisions of the collective agreement.

A refusal to disclose

The CS Group received only 14 responses out of the 139 inquiries placed, leading to a total of 135 grievances filed for this timeframe. Of those responses received, GAC included the following reasons to justify contracting out IT work:

- no positions were identified to fill as a staffed position
- no skill set found in-house to carry out the work
- the augmentation of staff with contractors was necessary
- there is a recruitment and retention issue within the field of CS work

Outsourcing means higher cost, lower quality services for Canadians – less transparency, less accountability, and the loss of institutional knowledge and skills. The GAC case study is a stark example of why Article 30 must be upheld.

High cost of outsourced work:

Of the tenders and contracts examined, 59 would have yielded an unknown benefit to the department, considering the human resources already available within the department. These were all categorized as tier 1 contracts, meaning their value could go up to \$3.75 million each. The combined value of the remaining 76 contracts that we were able to find totaled over \$40 million.

Recurring needs should be staffed with permanent positions, not contracted out:

Although the majority of the contracts were for a one year period, a significant number had renewal clauses which could normally extend anywhere from 1 additional year to up to a total of 6 years. A fair number of contracts were to replace another contractor that had been doing the same work. When a human resource need is recurring, the resource hired should be a permanent staff person.

Job types being outsourced:

The number of identified resources solicited in these contracts for this timeframe was 490. It's evident that this high number of resources shines a light on GAC's shortage of necessary IT staff to carry out requirements. The types of work most sought after by GAC during this period were for testers, analysts, application developers and project managers. Other types of CS work that were outsourced included architecture, security, programming, help desk, infrastructure, administration, database, web and technical writing.

Insufficient staffing efforts at GAC:

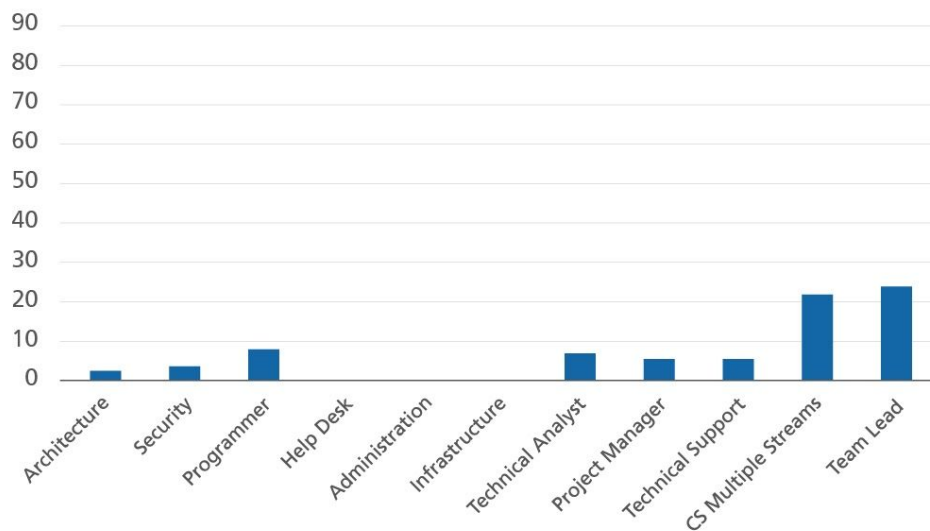
The following charts show that GAC staffing actions did not attempt to fill the IT positions that they proceeded to contract out.

During this timeframe, GAC only advertised 24 times seeking permanent, full-time personnel in architecture, security, programming, helpdesk, administration, infrastructure, analysts, project management, and technical support, as well as team leads.

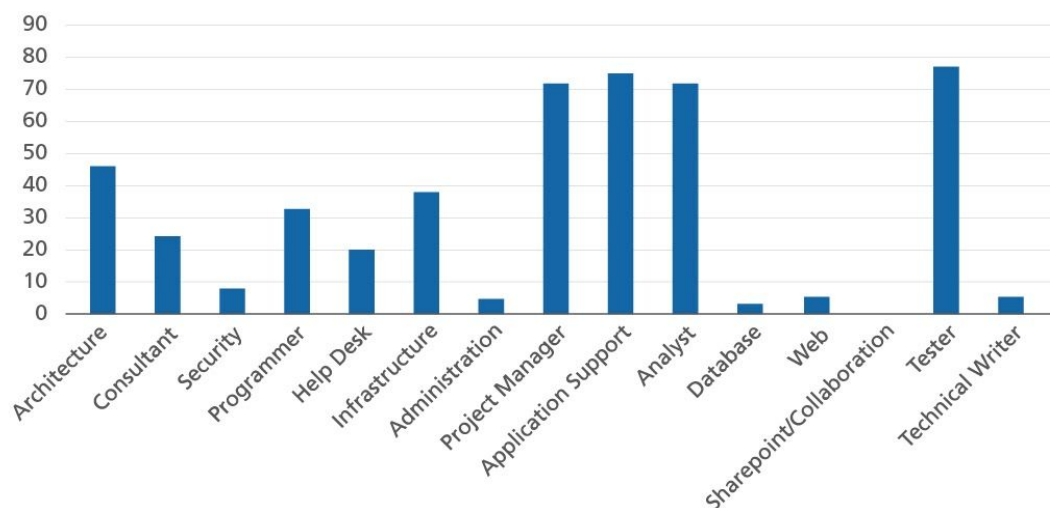
Most jobs were for the CS-02, CS-03 and CS-04 levels. Less than half of the advertisements stated that GAC would create a pool of candidates for future use. Those advertisements were mostly internal and the department did not attempt to fill permanent, full-time positions to meet their human resources needs.

For example, GAC outsourced 20 resources for help desk work. Unfortunately, during the same timeframe they did not have any staffing advertisements to fill permanent, full-time positions to have the same work carried out.

**Staffing Advertisements at Global Affairs
from November 2017 to March 2020**



Contracted Out Work



The collective agreement must be upheld

PIPSC is disappointed in the lack of responses to our inquiries. The sheer amount of grievances filed due to no response is very high for GAC and causes unnecessary work for both PIPSC and the Treasury Board Secretariat of Canada.

PIPSC sees external advertisements for permanent, full-time staff as an essential way of filling positions where the required skill sets are not readily available within the federal public service. (external advertisements would show a reasonable effort as per article 30).

We're disappointed that contracts for the same type of work are repeatedly offered at Global Affairs Canada. The repeated nature of these contracts indicates that there may be a permanent need in that department for a regular full-time staff member to accomplish that work.

The results of this internal report clarify why GAC is one of the departments within the Government of Canada that has the poorest adherence to Article 30 of the CS Group Collective Agreement. PIPSC is dedicated to bringing these matters to light and using the means necessary to ensure that the CS Group collective agreement is respected by all departments.

The real costs of outsourcing are too high – wasted money, poor hiring practices, eroded capacity and safety concerns. It's time to put a stop to outsourcing. [Learn more](https://pipsc.ca/news-issues/outsourcing) how we are putting a stop to outsourcing: <https://pipsc.ca/news-issues/outsourcing>.