

New Data: Public Service Politicization Costs Still Rising

By Rick August

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I have written previously on the scope and cost of politicization of the Saskatchewan public service. Public source data for 2006-07 and 2015-16 indicated an increase of 53% of individuals paid at executive levels, at an incremental cost of \$58 million per year in 2016 dollars.

The Premier's Office attempted to dismiss these numbers as an unexplained overtime bulge. Unlike some of the service Crowns, however, only narrow segments of the public service generate much overtime. The province has flexible hours designations and other tools that drastically limit overtime liability, and neither senior managers nor middle managers are eligible for overtime.

No, in fact, senior management bloat is real, and newly published data for fiscal year 2016-17 show that the situation is getting worse. The new data show that, compared to 2006-07, **executive-salaried positions have increased by 55%, at a cost of over \$62 million per year.**

This quantitative analysis reinforces my observations on the current government's management of the public service:

- 1. Executive hiring has increased significantly.** Absolute numbers of executive-paid positions have risen from 708 in 2006-07 to 1,097 in 2016-17. The numbers support the many reports I have personally received of unqualified partisan appointments to senior roles, both as core managers and as add-ons to ministry management structures.
- 2. Government frequently pays more than once for the same senior job.** The senior staff payment list includes the costs of on-going terminations without cause of senior professional staff. Such terminations can cost the public two years' salary or more, in addition to the new incumbent's salary.
- 3. The competence of government administration is being eroded.** With more and more senior positions filled by unqualified or under-qualified partisans, the public service is struggling to deal with the challenges of policy development and fiscal management.
- 4. The government is not fulfilling its pledge to reduce the workforce.** The workforce has declined by only 7.6% since 2006-07, about half of the announced target of 15%. Management bloat is one reason for this—with senior position inflation the workforce would have been about 11% smaller.
- 5. Front-line services are being sacrificed.** While junior ranks of staff have shrunk, senior positions have increased significantly. Senior salary costs are off-setting much, if not all, of the fiscal impact of an intended 3.5% pay cut across the public sector.
- 6. The cost of government is rising, not falling.** Expressed in 2016 dollars, Saskatchewan spent \$11.3 billion in 2006-07, and \$14.8 billion in 2016-17, an increase of just over 30%. A shrinking work force is not reducing the cost of government.

7. Executive salaries have contributed to the budget deficit. Senior management bloat has consumed hundreds of millions of dollars over the term of this government. Because we are in deficit, all of these extra costs are effectively met from borrowed funds.

Senior management bloat did not occur by accident—it is a deliberate and willful means of converting the provincial public service to partisan ends. While the motives for such misuse may seem obvious to many observers, I see three factors at work.

The first is **fear**. This government, which seems to see public policy entirely through a partisan lens, clearly fears that professional public servants might thwart government intentions. Despite long-standing provincial laws to the contrary, the Saskatchewan Party's operatives believe it is within their right to treat the public service as a partisan instrument.

The second factor is **contempt**. This government's core backers hold a general disdain for the role of the public sector and its managers. This leads to the attitude that anyone considered politically reliable can fill senior manager roles, regardless of qualifications and experience.

The third factor might kindly be referred to as a **sense of entitlement**. Not just in abuse of public service salaries, but in the overall management of public resources, this government operates on an expectation that winning political power confers a right to personal and corporate self-enrichment, at the public's expense.

Can government corruption be contained? Certainly, the limits of our existing protections are being tested, and with considerable vigour. But some institutions can help keep government clean over the longer term, and one of these is a professional public service.

Consider, if you will, recent land deals at the Global Transportation Hub (GTH). Professional public servants managing a task like land acquisition would have put the public's interest first, and would have had legitimate recourse if they were frustrated by politicians' venality. With professionals rather than partisans in the relevant public service roles, the GTH scandal would never have occurred.

Unfortunately, corrupt governance practices seem unlikely to change in the remainder of the current government's term. There is also a significant risk that the next party in power will simply turn a corrupted system to its own advantage.

If this proves the case, we will have allowed Saskatchewan to descend to a banana republic standard of governance, where abuses like the GTH, and worse, become the norm. I therefore repeat my appeal to all Saskatchewan citizens of good will, to make clean government and a professional public service an issue for any political party seeking their support.

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