

“A New Chapter”

Notes for Remarks by James R. Mitchell

to the

CIDA Management Retreat

Congress Centre

Ottawa

November 14, 2003

Copyright © 2003 Sussex Circle

Check against delivery

I am delighted to be here. As a former Foreign Service Officer, I am flattered to be here. I have known this Agency – at least from a distance – ever since I arrived in government.

One of my earliest memories of CIDA is actually of Pierre Racicot facing off with George Haynal and John Coleman over the annual country programming exercise, in what must have been 1981 or 1982.

I was a very junior officer at the time. I was impressed, and a little bit awed. I didn't know a senior bureaucrat could be so *fierce*. And I sensed even then that CIDA did not like to be told by anyone where its priorities should lie, or how it should spend money – its money – on development assistance.

Later, I came to count Pierre Racicot as a friend. Likewise John Robinson and many other CIDA people who have devoted their lives to Canada's vocation in international development.

That was my first encounter with CIDA. One of my most recent was as the chair of a series of round tables this spring involving senior people from CIDA, Foreign Affairs and Defence. We were there to talk about Canada's international policy – and about how the three major international departments understood a changing world, and a changing Canadian role in that world.

The round table was a real success, not least because of the contribution from your side – from Charles Basset and Brian Emmett and Tom Wallace and Ron Garson, among others.

It was a success because we were able to talk together about *Canadian* interests as well as departmental programs and activities; because the participants were determined to focus on the world and not on Ottawa; and because the three departments each brought a unique perspective and experience to bear on collective thinking about Canada in the world.

The round table exercise was seen by everyone as a useful step forward. It showed that the international departments could *think* together as well as work together.

Two people deserve credit for starting that process – one is your former Senior VP, Charles Basset; the other is your President, who was then “over there” as the Associate in the Pearson Building.

Well now he's “over here”, and he's asked me talk to you today about how I see you in the context of a government environment in transition, and an international environment that is more difficult and more challenging for Canada than at any time in the past 50 years.

So that's what I'll do:

- I'm going to talk about how I think the government scene is about to change. (You may not agree, so that will make for an interesting discussion.)
- I'm going to talk about what I see as the policy challenges facing the international departments – obviously you, DFAIT and DND, but also CIC.

- I am going to talk about some of the challenges facing executives in all parts of government as we go through the transition to the new administration.
- And I will say a few things about the particular challenges facing you in CIDA.

Before I begin, I have a confession to make – I work for all the players.

- for CIDA
- for DFAIT
- for DND
- and for Treasury Board

But I don't hold a particular candle for any of them. So, feel free to disagree, but don't think I'm telling you what your President wants you to hear, or simply repeating how others see you.

A Changing Government

It's *really* going to change, and we all better get ready.

Expectations – especially on the policy side – will be higher than we have been used to. This will be a government which wants to show Canadians that we have opened a new chapter, that the Martin government really is a fresh deal of the cards, a government that is:

- more creative and activist in its policies and in its engagement with the world;
- more rigorous in the management of programs and the spending of public money;
- more responsive to Canadians.

Smarter, faster, more effective, more agile, and simply *different*. That's what the new Prime Minister, and no doubt your Minister, will expect you to be.

There is a sense among the new crowd that government has gotten stale, and a bit flabby; that there are old things we should drop, and lots of things we can do better; that if we really look for efficiencies, we can come up with significant amounts of money for new programming.

Is that true? You decide. Personally, I think some of the assumptions of the new team are correct, and some not. But take my word for it, that's what they are thinking.

Another factor, and it's impossible to predict exactly how it will play out in practice, is the greater role that will be played by Parliament in the coming months and years.

The new Prime Minister is committed to expanding the powers and resources of parliamentary committees. And he understands that this will make life more difficult for Ministers, for officials, and ultimately for him.

- It will mean more careful scrutiny by Standing Committees of departmental policies, programs and spending.
- For you as a major spending department, this is a big deal.
- It will mean a more searching dialogue with the President and the ADMs by MPs when they go before committee, and therefore a greater obligation on the part of every executive to monitor what's happening in committee, and to prepare senior people for appearances.

In some ways, the impending changes to Parliament will mean less to you than to a typical department, because you don't bring forward legislation. So your dialogue with committees will be different in that respect. But *how* you do your business – how you manage Canada's aid program – will be under much closer and more sustained examination than ever before.

Of course, the press will be watching too.

International Policy

The international domain is another area where there are high expectations for change – not, perhaps, in the fundamentals of Canadian foreign policy, but in some pretty important particulars. The list is surely no surprise to you:

- stronger focus on effective management of the Canada-U.S. relationship
- greater attention to the security agenda in all its dimensions
- a desire to make new use of the G20 as a forum where leaders from the developed and developing world can meet
- a desire to pay more attention to the articulation and pursuit of Canadian interests in the international environment
- and, a determination to pursue a more *integrated* approach to Canada's international policy.

Actually, a more integrated approach means more of what you've already been doing – thinking and talking with DFAIT and Defence and other agencies about how Canada can marshal its assets to greater effect in the international domain:

- in support of a more focused and more effective program of development assistance;
- in pursuit of a better-defined Canadian interest in the world;
- making better, more coordinated use of our national capabilities in national-

building, governance and social development.

Some people suspect that this kind of integrated effort represents an attack on Canada's traditional values-based approach to international development. Some fear that it will involve a subordination of CIDA – either to DFAIT or to a narrow DFAIT agenda.

I don't see it that way.

I believe it represents both an opportunity and a challenge for a CIDA that has already been thinking about development in quite different terms than many outsiders appreciate.

It's an opportunity because it's a new ball game. There is a new international agenda to be defined, and – outside of the Canada-U.S. issue – you have as much access and as good an opportunity to shape the thinking of the new government as anyone, including DFAIT and PCO.

- For one thing, you've been thinking new thoughts longer than anyone else has
- For another, you are plugged into global thinking about the changing international environment, especially in the developing world, more closely than the other players.
- And perhaps most importantly, you still know what your business is – you have here an incredible reservoir of expertise and capacity that the others cannot hope to match – if you use it properly.

I also see this new environment as a challenge for you. It's a challenge because it means influencing the larger playing field of international policy rather than simply controlling your piece of it.

It's a challenge because the window of opportunity won't stay open for very long – the new PM and his team will want to move quickly in defining and articulating an international policy and agenda. You have to be sure you have your thoughts together if you want to make a difference.

I believe that what really matters in shaping public policy is ideas and the skill to advance them.

- You have the experience and the horsepower here.
- You have the ideas (I know that from working with you).
- And you have the skills in your management team to get those ideas onto the agenda.

Management Issues

This is a Management Retreat, so I want to say a few things about the changing environment *inside* government.

For some pretty obvious reasons, and as I am sure you are aware, the pendulum in government is swinging toward more rigorous management inside the Public Service, and toward more active engagement – that’s a nice word for it – by TBS with departments and agencies.

I don’t need to remind you of the cases that have sparked this shift toward greater control, but the fact is, they have shocked Parliament and the public. And, unfairly or not, they have convinced Ministers – including, I’m sure the incoming Ministers – that there is a need for a much tighter rein on the bureaucracy.

This new mood will affect you as much as anyone in government:

- you spend \$2B annually
- you oversee hundreds of projects of various sorts, in Canada and abroad
- you hire hundreds of consultants on contract
- your Directors are used to more program autonomy and a larger program budget than most ADMs.

As I said, *how* you do your work will be under much closer scrutiny.

There will be changes in other areas as well. Notice that C-25 – the *Public Service Reform Act* – has just received Royal assent.

This opens the door to a new era in human resources management, one in which managers will have considerably more discretionary authority to hire and deploy staff. And much greater accountability for how they use that authority.

But notice as well that these new authorities, which are designed to enable modern, flexible and responsive management, are accompanied by a stronger role for the Public Service Commission as auditor of staffing practices. And remember, we are moving into an era when parliamentary committees will be more inclined to flex their muscles, especially in relation to officials.

I want to be clear. I think there are real benefits to be gained from this new legislative regime. It’s probably the only way to go, and some think we have not gone far enough.

But the new regime also carries real risks:

- risks that managers will simply not have the time or the tools or the skills to play the role expected of them;
- risks of bureaucratic patronage and other abuses of the staffing system;
- risks that principles of merit and accessibility will suffer in the interests of managerial flexibility and the satisfaction of immediate organizational needs.

You cannot afford to let this happen. You have grown up in a Public Service where traditional values were, by and large, respected. Now you will have to manage a

transition to a new era of management in which the guardians of Public Service values are not the Deputy or the VP/HR or the PSC, but *you*.

How you do your business, how you treat your staff, how you hire and promote, will be what determines the Public Service of the future. That's a big responsibility.

What about CIDA?

You're already going through change.

- You have a new President, a new Senior VP and three new Vice-Presidents.
- With the governmental focus on Africa, you are front and centre in Canada's international policy.
- You have a new business model, or three business models (down from 34 – can that be correct?)
- 40% of your staff are new in the last three years.
- Under Len Good and Brian Emmett, you strengthened your analytical and policy capacity.

You are changing at a time when everything else is about to change. You are – if you see it that way – ahead of the curve. You can act rather than simply react. You are small enough, and you share a sufficiently common vocation, that you are able to be more nimble and focused in thought and action than some of your larger competitors.

So that's my message to you today: if you look at it accurately, if you see yourselves in the *right* perspective, you have a lot to look forward to. There is a new chapter opening, and it's going to be fascinating.

Thank you.