

PUBLIC SERVICE PARTNERSHIPS: STRENGTHENING THE CANADIAN MODEL

Report of the Standing Committee on Foreign Affairs and International Development

Dean Allison, MP Chair

DECEMBER 2010
40th PARLIAMENT, 3rd SESSION

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THE STANDING COMMITTEE ON FOREIGN AFFAIRS AND INTERNATIONAL DEVELOPMENT

has the honour to present its

FOURTH REPORT

Pursuant to its mandate under Standing Order 108(2), the Committee has studied the effectiveness and viability of public service partnerships between nations and has agreed to report the following:

TABLE OF CONTENTS

PUBLIC SERVICE PARTNERSHIPS: STRENGTHENING THE CANADIAN MODEL	1
INTRODUCTION	1
LESSONS AND EXAMPLES	2
A. The Case of Mongolia	4
THE WAY FORWARD	5
THE COMMITTEE'S RECOMMENDATIONS	7
APPENDIX A: LIST OF WITNESSES	9
REQUEST FOR GOVERNMENT RESPONSE	11

PUBLIC SERVICE PARTNERSHIPS: STRENGTHENING THE CANADIAN MODEL

INTRODUCTION

Good governance, including the building of effective institutions and sound public sector management, is critical to a country's overall political and economic development. Kristina Wittfooth, a retired vice-president from the Canadian Bureau for International Education (CBIE), told the Standing Committee on Foreign Affairs and International Development (hereafter the Committee) that "[g]ood governance is a foundational piece; you cannot be without that. Any sector—health or education, or energy, whatever—stands on good governance." She added a qualifying stipulation, which is that "[g]ood governance only happens if you have a good, competent, and professional civil service." Canada has supported the development of good governance internationally for years, mainly through the work of the Canadian International Development Agency (CIDA), but also through the work of other public and non-governmental organizations.

Within this broader grouping of activities, one specific avenue of support related to the promotion of good governance has been longer-term Canadian cooperation working with countries to reform and strengthen their public service. Such work has been undertaken, for example, by the Public Service Commission (PSC) of Canada, whose president, Maria Barrados, told the Committee that the "Canadian model" of a public service is highly regarded internationally, and that she is often asked by other countries to share PSC expertise in this area. However, Ms. Barrados emphasized that the PSC has insufficient resources to meet the existing demand for this type of assistance. She therefore suggested to the Committee that Canada develop an approach to international public service partnerships which is less "ad hoc" than is currently the case. A more strategic approach would more effectively harness Canadian expertise in this area, and in particular the knowledge and experience of the significant number of retiring and retired Canadian public servants.²

The Committee held hearings on the topic of Public Service Partnerships in October and November 2010. While it has not studied this issue exhaustively, the Committee believes that international partnerships toward public service reforms are very valuable for both the partner countries and for Canada. Emerging cooperation between Canada and Mongolia, which was raised during the Committee's hearings, is a case in point. The Committee further believes that better coordination between stakeholders and the

¹ Evidence, Meeting No. 33, November 4, 2010.

² Evidence, Meeting No. 31, October 28, 2010.

exploration of new approaches and vehicles for carrying out this work could lead to sustainable and cost-effective results.

LESSONS AND EXAMPLES

As part of its overall support for public sector capacity building in developing countries, CIDA has funded projects designed and implemented by partner agencies for years. This has allowed a number of Canadian non-governmental organizations (NGOs) to develop relevant expertise working with public—and some private—sector partners in countries around the world. Several of these organizations testified before the Committee, explaining in detail the ways in which their organizations have helped others to carry out public service and related governance reforms in countries such as: the Ukraine (Canadian Bureau for International Education—CBIE); Peru, Bolivia and the Philippines (Canadian Executive Service Organization—CESO); and, Russia, China and countries in the Americas, including Cuba (the Centre for Trade Policy and Law—CTPL). While each of these NGOs emphasized their specific approach and experiences, several common best practices emerged during the Committee's meetings. These included the need for: clarity of purpose and principles; long-term commitment by both parties; an approach that is demand-driven and collaborative; and, alignment with Canadian government foreign policy priorities.³

Gale Lee of CESO underlined the value of using retired and semi-retired volunteers to carry out this work, arguing that "the partners and the clients really appreciate the fact that volunteers are not doing this for any personal gain." She added that: "The working relationships that are developed are really important and are helped by the fact that they are volunteers and not consultants." In fact, she explained that the model employed by CESO allows a great degree of flexibility for its volunteers in terms of project structure and length, which undoubtedly assists with recruitment. For his part, Phil Rourke of the CTPL highlighted the positive aspects of using current and former public sector practitioners in this area, as they are well-equipped to focus on applied work rather than solely theoretical issues.⁵

Beyond the work of the NGOs, a "quiet but important" role has also been played over the years by the Public Service Commission of Canada (PSC) in cooperation with a number of countries, specifically in the area of human resource management reform. Witnesses argued that such initiatives generate benefits for both the recipient partner

David J. Holdsworth, "Sharing the Merit Principle: The Public Service Commission of Canada Abroad," October 2006, http://www.psc-cfp.gc.ca/abt-aps/rprt/holdsworth/index-eng.htm.

³ Evidence, Meeting No. 33, November 4, 2010; and Evidence, Meeting No. 34, November 16, 2010.

⁴ Evidence, Meeting No. 34, November 16, 2010.

⁵ Ibid.

country and for Canada. Larissa Bezo of the CBIE told the Committee that "building public service capacity is crucial to a country's development and prosperity." She also pointed out more specifically that "effective public service partnerships contribute to national self-sufficiency, not continued dependence. In terms of benefits to Canada, former public service executive David Holdsworth argued in a 2006 paper commissioned by the PSC that "[n]etworks have been created across borders, the public service has learned global skills, and Canada has gained access to decision-makers at the highest levels." At the same time, he underlined the need for realism when undertaking, designing and evaluating such assistance so as to ensure that it has a sustainable impact.

The likelihood of sustainable impact is very much affected by Canada's overall strategy, organizational mechanisms and available resources in this area. In her testimony before the Committee, PSC President Maria Barrados outlined successful work that her organization has carried out over the past two decades, both on its own and in cooperation with other governmental and non-governmental actors in countries such as South Africa, Ukraine and China. This has included, for example, the signing of Memoranda of Understanding (MOUs) with China over the last two decades, as well as input into the South Africa-Canada Program on Governance, which carried out various activities to assist the post-Apartheid government using the general model of "practitioners helping practitioners." While noting the value and positive results that can come from this work, Ms. Barrados also commented that Canada's organizational mechanisms and strategy for delivering such assistance could be strengthened. She stated:

Our work at the PSC has always been supported in some way by government, but our work has been largely ad hoc. As well, the amount of time and effort that can be directed to these projects, both at the PSC and across the public service, is limited since very few special resources are dedicated to these projects. The demand for our expertise and assistance is greater than the resources available. ¹²

Both the potential for and constraints on Canadian action in this area are illustrated by the case of Mongolia.

David J. Holdsworth, "Sharing the Merit Principle: The Public Service Commission of Canada Abroad," October 2006, http://www.psc-cfp.gc.ca/abt-aps/rprt/holdsworth/index-eng.htm.

11 Ibid.

⁷ Evidence, Meeting No. 33, November 4, 2010.

⁸ Ibid.

¹⁰ Ibid.

¹² Evidence, Meeting No. 31, October 28, 2010. PSC work in South Africa and Ukraine was funded by the International Development Research Centre (IDRC) and CIDA respectively, while it carried out its work in China following consultation with the Department of Foreign Affairs.

A. The Case of Mongolia

The PSC signed an MOU with the Civil Service Council of Mongolia in September 2010, which was supported by both governments. However, the PSC has limited resources that it can dedicate to this work. As a result, it "will be drawing on the expertise of our colleagues across the Government of Canada to implement the MOU." Given these realities, Ms. Barrados assessed that the work with "Mongolia would be a modest effort, unless it were turned into something more collaborative, involving volunteers and finding some method of garnering more funding, either from CIDA or some other organization." ¹³

These limitations exist alongside the Government of Mongolia's stated commitment to civil service reforms, as well as its strong desire for Canadian cooperation in this field as illustrated in testimony heard by the Committee. For his part, Steve Saunders of the North America-Mongolia Business Council told the Committee that Mongolia has made significant strides over the last two decades from its previous standing as the poorest of Soviet satellites. He emphasized that the Government of Mongolia is self-aware, interested in best practices, and willing to quickly correct its mistakes. Phil Rourke of the Centre for Trade Policy and Law added that as a mineral-rich country that is landlocked between two regional powers—China and Russia—Mongolia is attempting to navigate its standing in the region and to manage its resources wisely, while capitalizing on the benefits of foreign investment from Canadian and other sources.

Mongolia's Minister of Mineral Resources and Energy, Dashdorj Zorigt, told the Committee that his country views Canada as a role model for Mongolia with respect to the management of its public sector, "not only because we share the similarities in climate as well as political values." The primary connection is the fact that Mongolia can learn from the Canadian experience of effectively managing its abundant and valuable natural resources. In the Minister's words: "[W]e believe that because of the natural resources we possess, the way that we can use these natural resources wisely depends solely on the structure and the system of governance we have." He continued:

[W]ith the establishment of the values and principles of democracy in our society, we have to look very closely at the procedures and processes. Democracy is a process. When the public service is not efficient, there is a tendency towards an increase in corruption. When the public service is not efficient, there is a feeling among the wider public that the government and the state are looking not after the interests of the people, but after the interests of narrow segments of the society. ¹⁷

14 Ibid.

17 Ibid.

¹³ Ibid.

¹⁵ Evidence, Meeting No. 34, November 16, 2010.

¹⁶ Ibid.

John Williams, a former member of Parliament and Chair of the Global Organization of Parliamentarians against Corruption (GOPAC), underlined the global challenge of corruption, and the antidote that a professional, effective, non-partisan and merit-based public service provides against it. Mr. Williams described the public service as "the glue that holds a country together." In the case of Mongolia, he added:

[F]or Mongolia, as we know, there is the potential for a huge amount of resource wealth to come out of there. A lot of that is being developed by Canadians. I think we have a responsibility, Mr. Chair, to take our expertise — not just our mining expertise but our intellectual expertise and our capacity for good governance expertise — to Mongolia too. The resource wealth of Mongolia belongs to the people of Mongolia, not the government and not the people in power.

Through an active, well-educated, well-trained public service that can deliver the programs to the people of Mongolia, they will be much better served than just allowing mining companies to go in, take the wealth, leave some royalties behind for a few, and leave the country.¹⁸

In terms of specific issues, the Chairman of Mongolia's Civil Service Council, Dorjdamba Zumberellkham, told the Committee that Mongolia had recently sent a detailed proposal highlighting proposed areas of cooperation with the Canada's Public Service Commission. These include: general public service reform; technical advice and training on the merit-based principle; a code of conduct; the selection of senior and executive level public servants; and, the application of other relevant standards in the public service. He added: "The Civil Service Council of Mongolia would greatly appreciate the Parliament and the Government of Canada, as well as other relevant public institutions of Canada, in their support and assistance... We will work hard and in a timely manner to implement these objectives for the benefit of the two parties." 19

THE WAY FORWARD

PSC President Maria Barrados emphasized the need for Canada to improve on its current "ad hoc" approach to international partnerships in the area of public service reforms and to clarify a strategic approach. Cooperation in this area could utilize Canada's official network abroad to identify projects that have the potential for meaningful results. In addition, a more strategic approach would ensure that volunteers—retiring and retired Canadian public servants—would be matched more effectively with projects in countries where there is demand for Canadian expertise and where there are mutual interests in cooperation in this area. To facilitate this, inventories of potential volunteers would have to be developed and networks supported. Ms. Barrados told the Committee that:

¹⁸ Evidence, Meeting No. 31, October 28, 2010.

¹⁹ Evidence, Meeting No. 34, November 16, 2010.

There is a strong demand, and when there's strong demand and mutual interest on the part of the country, and you have a pool of volunteers, there must be some way to put them together. I think there's an opportunity here through things like networks and collaboration. Those are concepts, but you develop the inventories, and people can search the inventories.²⁰

Ms. Barrados also noted, however, that such collaboration and synergy does not necessarily require large-scale resources or government bureaucracy in order to be realized. She told the Committee that in her opinion, "there is an opportunity without getting a big bureaucracy... to do something less ad hoc, because there is a lot demand and... a lot can be accomplished." In terms of funding, while suggesting that the Government of Canada could provide a small amount of "seed money," she noted that funding may also be available from the World Bank or other donors, and recipient countries could also contribute as appropriate. ²²

Mongolia's Ambassador to Canada, His Excellency Tundevdorj Zalaa-Uul, told Committee members that while the Government of Mongolia would work to assist with local costs, the presence of a large number of Canadian companies in that country—Canada is the second largest investor overall after China—meant that sponsorship arrangements might also be possible. Given the nature of this work, engagement with the private sector would have to be managed according to a transparent and responsible process.

Gale Lee of CESO agreed that recipient partners should share some of the local costs as a demonstration of their commitment. She also agreed that enhanced cooperation among Canadian organizations that are already carrying out such work would be valuable, noting that donor agencies such as CIDA increasingly favour the creation of consortiums of NGOs that can pursue common work. As she explained:

...I think there are synergies that can be built among Canadian organizations, where we can work together with our different strengths and support each other to come up with a greater whole. With that greater whole, we can provide the type of assistance that I think Mongolia needs. I don't think any one organization can do it on their own. We need to work together.

...

Currently we work in Haiti in a consortium with three other NGOs and we all have strengths in various areas. By putting us together, we become a synergistic whole where

²⁰ Evidence, Meeting No. 31, October 28, 2010.

²¹ Ibid.

²² Ibid.

we can provide much more organized and supportive assistance, which can produce better results, as opposed to working ad hoc.²³

For his part, Phil Rourke of the CTPL argued that despite its interest in international work, the PSC is limited in its ability to implement bilateral initiatives because it is not organized to do so; the PSC is designed to oversee the management and integrity of the Canadian public service and related hiring practices. According to Mr. Rourke, "[t]he solution is to have an outside organization run the project and bring those people in, through exchanges or secondments or different kinds of things, and have informal links with those agencies." Noting that the bidding process for projects related to international development in Canada was very competitive, he added:

And who would be the potential organizers for that? There are a lot of public affairs schools at universities that do public sector reform and that could combine the practical experience of the commission with that of some of their academics, who probably go back and forth anyway. You could have a bid for that. I'm sure you would get five or six really interesting proposals on how to organize that and you would get them from across the country.²⁴

The Committee agrees that collaboration between the public sector, civil society and academia would be useful.

THE COMMITTEE'S RECOMMENDATIONS

Having considered the issue of public service partnerships between nations—including the lessons of the past, the challenges of the present and potential future mechanisms—the Committee believes that such cooperation is beneficial. It is also of the opinion that the Government of Canada can take action to strengthen and bring greater coherence to the Canadian model. Therefore, the Committee recommends:

That the Government of Canada:

- Encourage and facilitate the establishment and maintenance of a network and/or roster of retiring and retired public servants interested in such work;
- Encourage and facilitate the exploration of new and innovative approaches to and vehicles for delivering assistance targeting public sector reforms that could involve partnerships between

7

²³ Evidence, Meeting No. 34, November 16, 2010.

²⁴ Ibid.

government, non-governmental organizations, universities, the private sector, funds and foundations;

- Make recommendations for projects in order to bring coordination to such a network; and
- Ensure that broader considerations and needs are taken into account so as not to limit its partnerships solely to countries where private Canadian interests are involved.

APPENDIX A LIST OF WITNESSES

Organizations and Individuals	Date	Meeting
As an individual	2010/10/28	31
John G. Williams		
North America-Mongolia Business Council		
Steve Saunders, President, Headquarters Office		
Public Service Commission of Canada		
Maria Barrados, President		
As an individual	2010/11/04	33
Kristina Wittfooth, Vice-President (Retired), Canadian Bureau for International Education		
Canadian Bureau for International Education		
Larissa Bezo, Director, Ukraine Civil Service Human Resources Management Reform Project		
Canadian Executive Service Organization	2010/11/16	34
Gale Lee, Vice-President, International Services		
Centre for Trade Policy and Law		
Phil Rourke, Executive Director		
Civil Service Council of Mongolia		
Dorjdamba Zumberellkham, Head		
Embassy of Mongolia		
Amirlin Erdenebold, Attaché		
Tundevdorj Zalaa-Uul, Ambassador of Mongolia to Canada		
Solongo Zalaa-Uul, Personal Assistant, Office of the Ambassador		
Parliament of Mongolia		

Dashdorj Zorigt, Minister of Minerals and Energy

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the Committee requests that the government table a comprehensive response to this Report.

A copy of the relevant Minutes of Proceedings (*Meetings Nos. 31, 33, 34 and 40*) is tabled.

Respectfully submitted,

Dean Allison, MP Chair