

Restoring the Capacity of the Canadian Foreign Service:

Submission of the Canadian Foreign Service Alumni Forum to the House of Commons Standing
Committee on Foreign Affairs and International Development

February 16, 2024

Summary:

To ensure that Global Affairs Canada has the diplomatic capacity it needs for the next few decades, we urge a major reform effort, carried out over the next five years.

As first steps, we recommend larger intakes of new recruits, aiming at “over-recruitment,” to allow for known factors leading to attrition. To ensure that these new recruits can be integrated successfully, we also urge the re-initiation of a career management capacity in GAC, involving an emphasis on linguistic capabilities and expertise.

To manage GAC’s personnel more successfully, we recommend the return to “pool management” for rotational foreign service officers, and the creation of a new “non-rotational FS officer” pool that would amalgamate some positions now classified in the AS, PM, EC, CO and other occupational groups. For both of these pools, we also recommend a sharp increase in training, focussing on training in difficult languages, as well as professional training for greater geographic and functional expertise.

We urge GAC to look at numbers: the number of rotational officers abroad and the need to re-balance its headquarters and international staff, now skewed disproportionately towards headquarters assignments; the number of officers required on training (possibly between 10 and 20 %); and the numbers to be assigned to a new non-rotational FS pool. Numbers matter if the leaders of tomorrow are to be recruited today.

GAC also needs to boost the tools required to carry out successful diplomatic activities, in the form of programs in the areas of communications, culture, and development assistance. Without these programs at the sharp end, GAC lacks the instruments to carry out effective diplomatic activity.

GAC requires major restructuring to reduce its enormous and unwieldy senior management complement at headquarters and to focus its energies on priority issues, speed of decision-making and advice, and high-priority relationships abroad. Reducing the number of senior managers, increasing delegation of authority, and enhancing internal communications would also streamline the Department in ways that would free up resources for other requirements.

The current situation in GAC requires a strong, concerted response, with a plan put into place quickly and sustained over time, possibly with new resources.

Report:

The Challenge Ahead:

This report to the House of Commons Standing Committee on Foreign Affairs and International Development has been prepared by members of the Canadian Foreign Service Alumni Forum, or CFSAF, an organization formed in 2021 to represent the interests and views of retired members of Canada's foreign service, from all occupational groups and streams.

The Standing Committee has made a timely and important decision to examine Canada's "diplomatic capacity." It has also done so for the right reasons, noting in particular the need for Global Affairs Canada to "maintain a talented, well-equipped, and properly supported diplomatic corps." It is timely, because, along with many others, we do not believe that the Canadian foreign service can meet the demands of the next two to three decades without major change. In the past two decades, it has experienced a serious decline in its capacities and capabilities. If it is to meet the challenges ahead, at a time when the international arena will be critical to the prosperity and security of Canadians, a rigorous reform exercise is essential.

This report, like a similar report we submitted to the Senate of Canada in 2023, looks at the issue of diplomatic capacity within GAC and offers potential solutions. It is primarily about the "foreign service officer" or "FS group" within Global Affairs Canada (GAC), a cadre of "rotational" officers whose careers involve assignments in Canada and regular postings abroad. However, this report will refer to other occupational groups as well. It builds on a report prepared more than forty years ago, *The Report of the Royal Commission on Conditions of Foreign Service (1981)*. Much has changed in that time, but too much has remained the same. There are many more recent critiques of the foreign service that address newer issues of concern to a different generation of Canadians.

The current situation is serious. It requires a frank, clear and comprehensive plan of recovery and rejuvenation. It also requires a plan backed up by numbers and data. Such a plan would need to be put into place quickly under deputy-ministerial authorities and sustained with full government support, with strict discipline, for at least five years to assess its success in effecting real change and adapting to evolving realities. There will inevitably be a case for additional resources; however, nothing should be done before GAC produces a comprehensive report to Treasury Board, the Department of Finance, and other interested parties. Substantial change can and should be financed internally, at least in its initial stages.

The process of adaptation will be challenging for both the government and for many people in the current foreign service. In this report, we suggest some lines of inquiry for the Committee and the main elements of what we consider to be a comprehensive plan of recovery and rejuvenation, based on the limited data available to those outside GAC.

The Nature of the Problems:

The issue of rebuilding Canada's diplomatic capacity is an important one. Canada is inherently internationalist, and our security and prosperity are dependent upon the successful functioning of a global society, anchored in international trade agreements and international law, with a strong commitment to the search for rules-based solutions to complex global problems.

The Canadian foreign service has been a powerful instrument enabling Canada to emerge as a sovereign state with full control over our foreign policy. It performs a large number of important tasks for the Government of Canada in meeting its international obligations and advancing Canadian interests and values. At a time of convulsive change, with conflict, natural disasters, and pandemics adding complexity to our search for stability and prosperity, the Canadian foreign service must be able to look ahead, advance our interests and values, and provide a voice for Canada and Canadians in troubled times. Many years ago, GAC had the capacity to engage with Canadians and explain its actions abroad. It should aspire to regain that public affairs capacity. (For a short but not exhaustive list of what Canada's foreign ministry does, see Annex A.)

In our view, the difficulties now experienced by GAC rest in two different situations. Both have combined to create a perfect storm of adversity for the foreign service of today.

The first set of problems relates to the resource squeeze experienced by GAC over the past two to three decades. Reductions were made to both departmental programs and to personnel resources. At the same time, GAC was forced to expand its scope and geographic reach with the creation of new programs and the opening of many new missions. In effect, GAC was asked to take on additional burdens with commensurately fewer resources.

GAC has no flexibility over much of its budget. Therefore, mandated reductions had a disproportionate impact on those areas where it has flexibility, particularly in program funding and the human resources sector. It would be useful for GAC to present to the Committee relevant budgetary information about its evolution over the past 20 to 30 years.

Reductions in program funds and an expansion in obligations have now led to an untenable resource situation. Although Canada seems to have substantial capabilities, with almost 180 missions abroad, many of these missions have little or no "diplomatic capacity." Canada now has a large number of "small" or "micro-missions", some with no Canadians, or with one or two Canadian staff members. They exist to show the Canadian flag. But they are so thinly staffed and poorly supported that they are incapable of meeting anything but minimal obligations. Much of Canada's diplomatic presence is a Potemkin village. We rank last among our G7 colleague nations in the size and scope of our diplomatic representation.

The second problem exacerbating this situation has been an ill-considered attempt by GAC's professional HR specialists to shoe-horn the public service's normal recruitment and placement process into a totally different system, namely, the traditional FS "pool system." The results have been chaotic. The principal impact has been that career management for the foreign service has disintegrated. GAC can only recover from this legacy by changing its approach to human resources.

A core problem has been inadequate and inconsistent recruitment policies over the past twenty years. The government's most historically-successful recruitment effort (the annual foreign service entrance system) was put on hold almost continually over the past twenty years in favour of ad hoc arrangements. These have fallen well short, both numerically in replacing foreign service vacancies and qualitatively in hiring persons with specific skill sets needed for foreign service work. One of the consequences has been a notable decline in GAC's bilingualism capabilities, formerly one of the strengths of the Canadian foreign service. The Committee may wish to ask for data on departmental hiring practices over the past two decades and how those practices have met GAC's needs.

GAC needs a significant annual FS recruitment, particularly at a time of major attrition and personnel vacancies through various forms of leave, and when retirements have reduced the cadre of experienced officers. Only an annual recruitment exercise can bring in the number of new recruits

needed to fill vacancies and replace the older generation. Over time, these new recruits are the building blocks of experienced senior managers. GAC also lost sight of the need to “over-recruit” in terms of new entries each year, allowing for known variables: attrition, secondments, training, and maternity and paternity leave. Without an annual recruitment of sufficient size and scope, including over-recruiting, no rejuvenation exercise can be successful.

Patchy recruitment efforts over the past two decades led to another serious problem for GAC. To compensate for vacancies in the foreign service group over the past two decades, GAC began the practice of reclassifying FS positions at headquarters, in order to find quick replacements (the much denigrated but also highly-valued “gap-fillers”). These reclassifications were from rotational FS positions into other occupational groups, and they were so numerous across the entire Department that GAC lost track of their numbers.

Most geographic divisions in GAC, for example, formerly consisted almost entirely of rotational foreign service officers, with experience in the regions they managed. Now, they have large numbers of non-rotational officers, many with little first-hand knowledge of the geographic region on which they are working. A mix of rotational and non-rotational officers may be appropriate in program or operational terms in certain divisions. But the current situation is neither logical nor defensible; it was the result of human resource errors rather than careful thought.

GAC’s geographic divisions should be one of its foundational strengths, the source of its geographic expertise. GAC needs to review these units to assess the best mix of rotational and non-rotational personnel, as well as obtain a firm fix as to the numbers needed in each group. Without this type of foundational work, which we understand has not been done in GAC, no review of the foreign service is possible. The Committee can assist GAC by asking basic questions about numbers and balances.

GAC has suffered one important, additional adverse consequence of inadequate recruitment and reclassification from the FS group into non-rotational positions. GAC now has a large body of non-rotational personnel in various occupational groups (AS, PM, CO, EC, etc.), for whom there is no clearly-articulated and satisfying career structure, nor any career management system, with relevant training and assignments. Thus, the recruitment failure in GAC’s HR policies and practices over the past two decades has given the Department the worst of two worlds: an inadequate foreign service contingent, and a large non-rotational group that lacks satisfactory long-term career prospects.

There is one simple but potentially thorough solution to the current dilemma: the creation of two “pool” systems in GAC for the foreign service. The current FS “pool” of rotational officers is already established. GAC should now look at the possibilities of a strong non-rotational contingent in GAC, consolidated into another “pool” system. It would replace the current ad hoc approach of having non-rotational employees occupying different, seemingly unrelated occupational groups (AS, PM, CO, EC, etc.). It could be managed along the lines of the rotational FS pool, with sub-divisions into appropriate streams relevant to their assignments, and with a career management structure.

The advantage of moving to a two-pool system for much of GAC’s personnel is that it would simplify the HR structure and management of the Department, which is now much too complex and onerous. For the non-rotational pool, this arrangement would also facilitate the management of career development and offer the prospect of training and other steps that could lead to advancement to the executive level. Not all occupational groups in GAC would be appropriate for the non-rotational FS pool, but it would undoubtedly be large.

The creation of two distinct “pools,” managed via a pool system, would recognize what other foreign ministries have recognized years ago, namely, that there are numerous positions in any foreign ministry that are inherently non-rotational (i.e., they do not require staffing by someone with experience on a posting). Many individuals can contribute to the success of the foreign service but have personal or professional reasons for not wanting a rotational career involving postings abroad. Both of these pools, rotational and non-rotational, could be represented by the same union (the Professional Association of Foreign Service Officers), or they could be represented by different organizations, as they may choose.

The two pools could have similarities in career management and training structures, and there would need to be “on-ramps” and “off-ramps” that link them together (allowing for movement due to evolving career aspirations). Although the rules as to assignments would be somewhat different, a “pool” organization makes it easy to arrange assignments, promotions, secondments, etc. without the onerous (and superfluous) rules of the normal public service.

The personnel issues now bedeviling GAC are the strongest argument in favour of designating the entire Department as a special operating agency rather than a normal department of the Public Service. If GAC’s requirements for recruitment, staffing, retention, and terms and conditions of service cannot be met, then the designation of Global Affairs Canada as a “special agency”, with its own governance and management arrangements, may be a necessary and desirable option for the Government to pursue. Clearly, the current HR system in GAC does not work.

Perhaps the two greatest deficiencies in GAC’s HR system in the past twenty years have been the absence of career management and the diminishing resources devoted to specialized training. Career management was once the key to turning “generalist” recruits into more specialized FS officers, with linguistic skills and regional and functional expertise. A report by Ulric Shannon, “Competitive Expertise and Future Diplomacy: Subject-Matter Specialization in Generalist Foreign Ministries”, published in August 2022, by the Centre for International Policy Studies, University of Ottawa, covers this topic capably with numerous insights and comparisons with other countries.

GAC’s former career management system was subtle and unique, probably nowhere described comprehensively in administrative documents. Career management was not a centralized function of the HR branch; each FS officer was expected to have his/her own career plan, discussed occasionally with HR staffing officers and managed in consultation with others. This system meant that each FS officer had to identify a regional specialization, generally with a foreign language to accompany it, and pursue postings abroad and assignments in Canada consistent with that plan. For those aspiring to Middle East specializations, for example, Arabic language training was highly desirable. The Eastern European specialization was generally anchored in knowledge of Russian. Career progression involved an initial and perhaps second posting in that region, honing linguistic skills, and then returning to headquarters to work on regional and functional issues.

Foreign ministries have one intrinsic “value-added” for their governments. It’s in the word “foreign”. Led by the Director-General of each relevant geographic bureau, GAC should track its own needs in terms of requirements for foreign-language competencies. Between 10 and 20 percent of foreign service officers should be on foreign language training at any given time, if GAC is to produce enough officers to staff missions with personnel with linguistic competence and build a pool of competence for headquarters assignments. Without adequate language competencies, it is impossible to have a foreign service that can claim expertise in foreign cultures and knowledge of other countries and regions.

In addition, officers were expected to have at least one or possibly two “functional” specializations, like international security, or trade promotion, thereby taking headquarters assignments in those areas and building expertise over time. Secondments to other departments or even outside the government were useful additions to a professional career profile. Career management was not practiced in the same ways in all FS streams. CIDA was merged into GAC (or Foreign Affairs, as it was then titled) in 2013, and its personnel arrangements were much different than GAC’s; GAC’s administrative and consular officers have only recently been integrated into the FS group, a process years in the making. Career management, however, has traditionally been an especially vital component in the political and trade streams in GAC.

GAC’s foreign service officers have been pulled in contradictory directions over the past twenty years. The promotion system was clogged and dysfunctional. Specialization in languages and regional expertise was discouraged. Postings came to be regarded as interruptions in career advancement, while those outside GAC were able to enter the executive ranks of the department with little or no knowledge of international affairs or foreign policy. The career trajectory of GAC became out of sync with the regular public service, making it seem advantageous to leave the Department to secure promotion. Over time, these considerations, combined with a lack of recruitment years earlier, led to a thinning of expertise at the senior levels of GAC.

The decline of GAC’s expertise in the past few decades can be most clearly seen in the diminishing linguistic capabilities of the Canadian foreign service. This has mainly been a function of the squeeze on GAC’s training resources. Rather than confront more difficult choices in budget-reduction exercises, GAC chose to cut training. It has reached the point where it has minimal numbers of FS officers trained in Mandarin, Russian, Arabic, etc., in effect, numbers insufficient for effective rotationality. It has woeful numbers of officers who speak Korean, Turkish, Farsi, German, Urdu, etc. Because of the training requirements of difficult languages, those with these skills are the most difficult to replace when the attrition rate is high. The linguistic capacities of Canadian heads of mission, after two decades of under-training, are woeful. The Committee may wish to secure from GAC relevant data about linguistic capacities, and what requirements need to be met to secure rotational expertise at missions in Russia, China, South Korea, etc.

The intricacies of building expertise through career management might most usefully be explained in a case study of the foreign service lawyers in GAC. GAC’s lawyers have had a substantial global impact in shaping international law and in building a Canadian foreign service capability that has delivered for Canadians. GAC’s international lawyers were major contributors to the achievement of the UN Convention on the Law of the Sea, and had a dynamic role in the creation of the International Criminal Court. The difficulties of maintaining a cadre of FS lawyers illustrate the importance of recruitment, training, career management and assignments abroad in building a capacity that can continue to serve Canadian foreign policy objectives.

The starting point is in recruiting sufficient numbers of lawyers, followed by a flexible assignment policy to ensure that the Legal Branch within GAC can make the most of the lawyers recruited into any of the FS group’s streams. The Legal Branch then needs a number of “legal positions abroad”, at key embassies or missions, where departmental lawyers can build their expertise. The solutions to strengthening GAC’s Legal Bureau are relatively straightforward, and shortcuts cannot be taken. Most of all, GAC has to recognize the importance of the Legal Branch’s role and the disadvantages that would accrue to both GAC and Canada by devolving responsibility for international law to others in the Canadian government.

GAC faces other HR issues that should be tackled vigorously. The question of dealing with Canada's "Locally-Engaged Staff" (LES) at each mission is fundamental, since these locally-hired persons constitute the majority of employees at our missions abroad. Canada has attracted some of the best LES in the world over the past decades, but recent policies have eroded our reputation as a good employer. We need to return to being an employer of choice.

Program Issues:

GAC now suffers from an unsustainable triangle of conflicting aspirations and capabilities: a foreign policy reach aiming to be global, comprehensive and effective; budgetary resources that adequately sustain only a core group of missions, with limited activities because of a shortage of program funding; and a disproportionately high number of headquarters officers chasing a diminishing and insufficient number of assignments abroad, supervised by an extraordinarily large number of largely-inexperienced senior managers. Many things require change after years in which GAC's senior management avoided the tough decisions needed to restore its effectiveness.

Canada's representatives abroad do not work in a vacuum. They require support, generally in terms of "programs" that make Canada a participant and player in international affairs. Much of this "program funding" has disappeared or diminished substantially in the past two decades. Program reductions have removed too much muscle from the Department's capabilities. While we cannot examine each program in depth, the following is a short overview.

In the area of communications and public affairs, GAC has only the most minuscule capacities, and therefore has difficulty in getting its messages out to audiences abroad. It works mainly in English and French, and its capabilities in other languages are highly constrained, at a time when a communication capability in key foreign languages is precisely what is required abroad.

GAC has essentially dropped out of the area of cultural diplomacy, and Canada's role in this area is inadequate when compared to virtually any of our peer countries. The government has yet to implement the core ideas of a valuable 2019 Senate study. The significance of cultural affairs in building and sustaining our diplomatic presence abroad has yet to be reflected in GAC's capabilities, especially at our major missions. In a phrase, we're dropping the ball on "soft power".

GAC should seek to reverse decisions taken years ago to reduce and then eliminate Canada's financial support to its "Understanding Canada" program, which helped to sustain more than 7000 scholars in 50 countries under the aegis of Canadian studies. At modest cost, this program supported the work and networking of researchers who were important partners with Canada and who acted as interlocutors throughout the world. It was a cost-effective program with abundant returns to Canada; GAC can easily move to restore this partnership at little cost.

The Canada Fund for Local Initiatives was once a small but useful source of development funding for a wide range of missions, especially at missions not in countries of concentration for Canadian development assistance. But it has been reduced in latitude, and its administration has been increased in complexity and centralization. GAC needs to increase its size and range, and use simple IT solutions to make its administration as de-centralized and simple as possible. It is a particularly powerful tool in smaller missions without access to other development assistance programs.

Structural Issues:

GAC has major structural problems, some of which have come to light recently in its handling of basic issues. In this report, we focus on only one of its most critical issues: its unwieldy senior management complement. GAC has the largest senior management complement in the Government of Canada. The structure is now sprawling and unmanageable, with dozens of priorities, very few focal points of accountability, and numerous programs in which authorities seem unclear. Communication within and among this group is poor, because the group is too large. The concepts of strategic thinking and tactical implementation have been lost, and delegation of authority is rarely practiced.

GAC needs to reduce the senior management cadre in GAC by at least one half; to provide a philosophical and managerial foundation to job functions at the DM, ADM and DG levels; and to enhance communication and speed of decision-making at the top. This is critical to success at a complex time when clarity of purpose is essential. From the point of view of resource management, this exercise would also help to free up the personnel and other resources necessary to implement other reforms within GAC.

The Assistant Deputy Minister (ADM) level of GAC should be where strategic direction set by deputies meets up with plans for operationalization. The ADM cadre should be significantly smaller, with perhaps 11 or 12 ADMs in place of the current 18 or so now in GAC. GAC should also move towards a dramatic reduction from 90 or so Directors-General (DGs) to a more manageable, coherent number in the range of 30. For the geographics, the DG level will essentially be the "top-level" for every region, leaving the ADM level free to deal with the most important strategic questions in that branch. As GAC now has numerous programs in many different offices, it should seek to consolidate some of its smaller programs into larger, flexible programming units.

Conclusion:

The objective of this report is to enhance Canada's diplomatic capacity. GAC can move on obvious problems immediately. GAC needs to confirm an annual recruiting program of sufficient size, and launch a major commitment to more training opportunities, including at the EX-level. It can also begin work on an incremental shift in personnel resources from headquarters into the field, to end its disproportionate concentration on headquarters. Some of these resources should be committed to small missions, which are now especially weak. Some programs, such as the issue of re-funding Canadian studies, can be re-initiated almost immediately. More long-term work will be needed on other resource questions implicit in re-building program capacities. The difficulty for GAC will be that all of this transformational activity needs to be accomplished while the normal day-to-day process of running Canadian foreign policy takes place.

It took GAC almost two decades to reach the point at which those outside the department finally recognized that it needed to change. It will take time to set it on a new course. A more capable Canadian foreign service will be an essential asset for Canada at critical times. We offer this report to ensure that we can achieve this goal. We would be pleased to engage with the Committee on any points raised in this report.

Annex A:

What do Foreign Ministries do?

The following are the main roles of Canada's foreign ministry:

1. Canada's communicator to the global community and Canada's advocate on key international issues
2. the interpreter of global events to the Canadian government and the internal "think tank" of the government on foreign policy
3. the principal "advisers" of the Canadian government on responding to events abroad consistent with Canadian interests and values and in urgent situations
4. the representative of Canadian interests and values in global forums and the provider of a framework for our diplomatic activities and our relationships with other states
5. Canadian negotiators in global negotiating forums
 - a. chief trade negotiator
 - b. legal adviser
 - c. on everyday events in international organizations like the UN and the OAS
6. the program delivery agencies for a variety of programs
 - a. consular
 - b. trade commissioner service
 - c. development assistance programs
 - d. humanitarian aid programs
 - e. public diplomacy and "soft power" programs
 - f. post-conflict reconstruction programs
7. the paymaster for Canada's membership in global institutions
 - a. assessed contributions to the UN, NATO, OAS, etc.
 - b. voluntary contributions to the UNHCR, WHO, etc.
8. the providers of the international platform that enables most government departments to function abroad
 - a. chanceries, official residences, staff quarters, other real property abroad
 - b. electronic systems
 - c. security systems