

# Department of External Affairs

File No. 5-1-1

Subject:

Vol. **VOL 3**  
From **1-6-6**  
To **900131**

FINANCE ADMINISTRATION  
POLICY PLANNING AND ESTIMATES  
FINANCIAL MANAGEMENT (INCLUDING  
GLASSCO COMMISSION)



\*229876\*

5-1-1 Vol 3

References to

File No.

NCR RECORDS CENTRE  
CENTRE DE DOCUMENTS  
NATIONAL ARCHIVES OF CANADA

NCR RECORDS CENTRE  
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NATIONAL ARCHIVES OF CANADA

MIRD

SEMI ACTIVE

File No.

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ACR

DIVISIONAL AFF

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FRC:	
FRCLOC:	BOX: 52



Government  
of Canada

Gouvernement  
du Canada

# CLOSED VOLUME VOLUME COMPLET

Dated From  
À compter du

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Jusqu'au

1990-01-31

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FOR SUBSEQUENT CORRESPONDENCE SEE – POUR CORRESPONDANCE ULTÉRIEURE VOIR

File No. – Dossier n°

5-1-1

Volume

4



External Affairs  
Canada

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MESSAGE

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File/Dossier
5-5-1 General

Align first character of Security Classification under this arrow  
Alignez le premier caractère de la Sécurité sous cette flèche

SECURITY  
SÉCURITÉ

UNCLASSIFIED

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INFO

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SUBJ/SUJ

INFO GENEV

---GENERAL ACCOUNTING - GENEVA

IN ADDITION TO CODING MANUAL PARTICIPANTS SHOULD BRING ALONG COPY  
OF MOST RECENT MONTH OF EXT 412-1/3.

DRAFTER/RÉDACTEUR

DIVISION/DIRECTION

TELEPHONE

APPROVED/APPROUVÉ

S. RUCKSTUHL

MFC

992-9471

D. GORDON

SIG

SIG

000004





External Affairs  
Canada

Affaires extérieures  
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5-5-1-~~9~~

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TO/À

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INFO

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TRANSMISSION TO HQ. IE FROM TIME TID IS PRODUCED ON MFERS THRU TO  
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HARD COPY?

DRAFTER/RÉDACTEUR

M. BEAUDOIN

SIG

DIVISION/DIRECTION

MFC

TELEPHONE

996-4966

APPROVED/APPROUVÉ

D.W. GORDON

SIG

000005



External Affairs  
Canada

Affaires extérieures  
Canada

Accession/Référence

File/Dossier

5-5-1-Grand

MESSAGE

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SÉCURITÉ

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TO/À

TO LSBON BPEST BGRAD HAGUE MDRID

INFO

DISTR RAM

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REF MFC TEL 0055 18JAN90

SUBJ/SUJ

---GENERAL ACCOUNTING -AIR TICKETS

GRATEFUL YOU CONFIRM YOU ARE IN RECEIPT OF CORRECTED PTA'S.

DRAFTER/RÉDACTEUR

DIVISION/DIRECTION

TELEPHONE

APPROVED/APPROUVÉ

S. RUCKSTUHL

MFC

992-9471

D. GORDON

SIG

000006



5-5-1 - Remond

TO/À The Under-Secretary of State for  
External Affairs, Ottawa (MFFP)

FROM/DE Canadian Embassy, Beijing

REFERENCE •  
RÉFÉRENCE

SUBJECT • NOVEMBER 1989 POST ACCOUNTS  
SUJET

Security/Sécurité
UNCLASSIFIED
Accession/Référence
File/Dossier 5-5-1
Date 16 January 1989
Number/Numéro WJAG 8572

ENCLOSURES  
ANNEXES

DISTRIBUTION

Please find attached our November 1989 Post Accounts consisting of the following:

- Original forms of EXT 412-1 and 412-3 of our bank account with supporting vouchers and receipts,
- Duplicate copies of the Remittance Statements (EXT 20) with copies of the official receipts,
- Our bank statement dated 01 December 1989,
- Duplicate copies of deposit slips with lists of breakdown for each total amount deposited,
- Duplicate copies of updated EXT 208 forms for some of our locally-engaged staff, and
- Copy of a consular/passport form EXT 119.

Please note the following:

- VR-020. We have accidentally skipped this voucher number.
- VR-179. Transaction for this voucher has not been finalized yet. We will forward voucher as soon as possible.

Orig. to file

**5-5-BEIJING**

The Embassy

Canada Canada

TO/À • Distribution

FROM/DE • CMD

REFERENCE •  
RÉFÉRENCE

SUBJECT • Procedures for Part III of  
SUJET the Main Estimates

*CFS for action pls  
cc CFP*

Security / Sécurité UNCLASSIFIED
Accession / Référence
File / Dossier <b>5-1-1</b>
<b>MIRP</b>
Date March 21, 1989
Number / Numéro CMD-080

ENCLOSURES  
ANNEXES


DISTRIBUTION

MFD  
CPD  
CMA  
  
DSS  
Composition  
M. Routhier

TRANS  
M. Litalien

With the experience gained this year from the production of Part III, CME has drafted a set of Departmental procedures to be utilized as a reference guide for it's production. As you may be aware the Office of the Comptroller General (OCG) has laid out stringent guidelines for the format, submission requirements and response times for Part III of the Main Estimates. The Departmental procedures have been developed to meet all aspects of the preparation and production schedules established by the OCG while providing instruction to all those involved in the production of Part III. They will also serve to identify those responsible for the various input materials and set out their specific responsibilities with respect to the deadlines.

2. While Part III is still fresh in everyone's mind we would appreciate if you would examine the attached copy of CME's draft and provide any comments you may have to CME in writing by April 7. It is hoped that the document once finalized can be translated and then distributed to all those involved in the production of Part III for their use.

  
L. Edwards  
Director General  
Corporate Management Bureau

## EXTERNAL AFFAIRS DEPARTMENTAL PROCEDURES

### PART III EXPENDITURE PLAN

#### A) INTRODUCTION

The Office of the Comptroller General (OCG) has laid out stringent guidelines for the format, submission requirements and response times for Part III of the Main Estimates in the "Guide to the Preparation of Part III of the Estimates". The Departmental procedures have been developed to meet all aspects of the preparation and production schedules established by the OCG while providing instruction to all those involved in the production of Part III.

The overall responsibility for Part III of the Estimates lies with Corporate Management which nominates a Departmental Coordinator, from the Evaluation and Resource Review Division (CME). The Coordinator is given the necessary mandate to ensure that:

- o Part III is produced in accordance with the OCG's Guide;
- o liaison is made with all the various service sectors involved such as translation and printing; and
- o areas of responsibility are informed of their input requirements and deadlines.

The Coordinator is in charge of the Departmental production schedules and ensures that they are met throughout the process.

The following Departmental Procedures have been produced to identify the areas of responsibility within the Department for non-financial information (narratives), financial figures, charts and graphs, and resource information. They also explain the stringent Submission Requirements/Timing set out by the OCG, which apply to all the areas of responsibility and explain the procedures to be followed for the translation and type-setting of the document.

#### B) AREAS OF RESPONSIBILITY

##### 1) Non-financial information

- o The Departmental Overview and the Program Overview material will be the joint responsibility of the Corporate Management Bureau and the Policy Development Bureau. The Policy Development Bureau will also produce a list of Departmental Priorities in conjunction with the Strategic Objectives for distribution to all Branches.
- o The Departmental Coordinator will send a memorandum to all Branches requesting their input to Part III and asking that they appoint a coordinator for their Branch. Branches will be requested to submit

justification information for the previous, completed fiscal-year, the current fiscal year and the up-coming fiscal year. This material must be consistent with the Strategic Objectives and with the list of Departmental Priorities produced by the Policy Development Bureau. The material submitted for each of the fiscal years must be concise, presented in point form and limited to the four or five major activities for the Branch, i.e., those items which have taken the most amount of resources in terms of time, person-years and/or dollars. The material should include a brief description of the activity, show the amount of time and/or resources expended or expected to be expended and describe the results or expected results. This material after editing (if necessary) will help form part of the Analysis by Activity Sections. In addition Branches will be requested to identify two activities from their material that they wish to see Highlighted in the "Plans for 199X-9X Highlights" and "Recent Performance Highlights" sections of the Program Overview.

- o Where Branches have tables and/or graphs of their activities they will be requested to submit an updated version of them as part of this exercise.

## 2) Financial figures, tables and graphs

- o The majority of the financial figures, tables and charts are the responsibility of the Finance and Headquarters Administration Services Bureau (MFD) which will submit these to the Departmental Coordinator within the appropriate time frames. Those tables, charts and graphs that do not fall under their responsibility will be obtained directly from the respective branches as part of the narrative non-financial information.

## 3) Resource Information

- o The resource information material is the responsibility of the Corporate Management Bureau, Resource Management Division which will submit the required information within the appropriate time frame to the Finance and Headquarters Administration Services Bureau so that they can meet the Departmental deadlines.

## 2) SUBMISSION REQUIREMENTS AND REVIEW PROCESS

Part III of the Estimates is produced in two stages. The first stage is the production of the "Deputy Minister (DM) Draft" which is the final document in a draft form. This is the most important part of the production and constitutes the greatest part of the work. This draft must be regarded by all areas of responsibility as a final version and must be complete in all respects. The non-financial material supplied by the Corporate Management Bureau, the Policy Development Bureau and by the Branches will be requested early to mid-September and, in order to meet the OCG requirements, must be completed and returned to the Departmental Coordinator by early to mid-October. The second stage is the production of the "Print-Ready Plan" approved by the Minister (SSEA) which will contain any minor adjustments made to the DM draft. The following sets out the submission requirements and deadlines required by the OCG:

### 1) Deputy Minister (DM) Draft

- o the Department must provide a complete draft of its Expenditure Plan for the Estimates year to the OCG within 10 working days after receiving verbal notification from Program Branch of the reference levels being recommended to Treasury Board (TBS) as a result of the MYOP review, even if the Department plans to appeal the levels. In order to meet this deadline and avoid unnecessary pressure during this period, the Finance Services Bureau will complete, in the weeks preceding the notification of the reference levels, as much of the tables as possible in the Actual and Forecast areas.
- o the DM draft must have all relevant sections and sub-sections completed, including figures, charts and graphs containing financial and non-financial information. The Forecast information for the year in progress should be based on the most current data available.
- o the DM draft is submitted to the Deputy Minister for approval and signature and then sent to the OCG for review. The OCG and TBS have 10 working days to review the document for consistency with the disclosure/content requirements and presentation standards. This period of time will be used by the Department to proof-read and review the document and ensure that all non-financial and financial information is correct. It will be circulated to all Branches in addition to the areas of responsibility for their final review.
- o a copy of the complete DM Draft and of the translated document are sent for Type-Setting at this time as this is the only way the Print-Ready deadlines can possibly be met.

## 2) Print-Ready Plan

- o the Department must forward the original of the Expenditure Plan in both Official Languages in print-ready form, adjusted on the basis of the central agency and Departmental review, to the OCG within 15 working days of having received OCG/TBS comments on the DM draft. The original of the print-ready Plan is submitted with two copies one of which is signed by the Minister (SSEA) and supported by an accompanying letter of representation. This deadline leaves very little time to do any minor modifications, completion and verification of translation, completion and verification of type-setting and submission to the Minister (Secretary of State) for approval and signature. It is therefore important that changes and/or modifications be kept to the minimum and reinforces the need for the Department to have a good and complete DM draft.

## D) TRANSLATION

Past experience has shown that it is simpler to produce a complete DM draft in one language and then have the total document translated in one exercise. As the second official language copy does not need to include figures, the non-financial version of the DM draft will be sent for translation before verbal notification of the reference levels. This is done three to two weeks prior to the expected date of notification to give translation sufficient time. In this way the translation should be available at approximately the same time as the complete DM draft in the original official language. This will permit review of the translated copy by the Department at the same time as the DM draft.

## E) TYPE-SETTING (desk-top publishing)

Diskettes of the DM draft in both official languages are given to DSS printing for conversion to desk-top publishing. This part of the production has been done by private enterprise in the past with very good success. The greatest amount of time possible has to be given to the type-setting stage in order to meet the Print-Ready 15 working days deadline. Therefore once again reinforcement is made of the need to have a good and complete DM draft and to keep all changes and/or modifications to a minimum. Note that modifications or changes identified during the DM draft review will be made on the type-set copies of Part III by the private company and this adds considerably to the amount of time these changes will take.



F) SUMMARY

As there can be many unknown quantities in the production of Part III of the Estimates, keeping to the requested time schedules and deadlines may be very demanding, especially as it must be accomplished at the same time as other priorities. Nevertheless, this is a document tabled in Parliament with timeframes the Department cannot alter and must meet in order to obtain its operating funds. Every effort must be made by all areas of responsibility to produce the required information so that deadlines are met. If the DM draft is done as a complete and final version, the Department will be able to avoid stressful situations from happening during the production of Part III, especially at the final Print-Ready stage.

March 21, 1989



*all.*  
*cc CPP CPE*  
*J*  
*Bino*

TO/À                    **CPD**  
  
FROM/DE              •    **Under-Secretarial Group**

REFERENCE •  
RÉFÉRENCE

SUBJECT •  
SUJET                •    **Resource Allocation 1989-90**

Security/Sécurité
<b>CONFIDENTIAL</b>
Accession/Référence
<b>5-1-1</b>
File/Dossier
<b>Resource Allocation</b>
<b>MIRP</b>
Date
<b>March 16, 1989</b>
Number/Numéro
<b>DMC-061</b> <b>60</b>

ENCLOSURES  
ANNEXES

DISTRIBUTION

MFR

### **I. General Comments**

Attached are tables setting out the 1989-90 personnel and financial resource allocations for your office.

The resource situation of the department has remained very tight. Under the terms of the Long Range Management Plan the department will continue to reduce its PY base while implementing the COSICS project. As well, inadequate compensation for overseas inflation by Treasury Board continues to be a problem. In many cases, therefore, it has not been possible to allot the incremental resources requested by headquarters units and missions abroad.

You should also be aware that we expect the Government to implement an expenditure reduction program in order to reduce the deficit in 1989-90 and future years. As details of this program are not yet clear, your allocations have been made on the basis of the current resource base of the department. Adjustments to your allocations may become necessary if reduction measures affect the department.

I wish to express my appreciation for the obvious effort and care that your branch put into preparing workplans and budgets. I fully acknowledge how difficult it is to live within our severely reduced means.

.../2

- 2 -

CONFIDENTIAL

The department's financial situation leaves little, if any, flexibility in the system for funding new initiatives from departmental reserves. Branches must therefore either find ways to pay for them using their existing resources or seek incremental resources from outside the department in consultation with CMA. No proposal should be put to ministers without an identification of the source of any funds required.

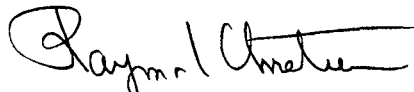
## **II. Budgetary Allocations**

The total allocation for your Bureau is \$199,500. The notional allocation for your divisions may be revised according to your priorities for 1989-90. You will no doubt wish to consult with your Directors in setting budgets at the divisional level.

## **III. Conclusion**

We would be grateful if you would ensure that your approved allocation by responsibility centre and reporting object is received by MFR for entry into the department's financial management system by Tuesday, March 21. (Preliminary figures have already been requested by MFR for March 15.)

Your resource analyst in CMA (Jean Guertin) is available if you or your staff would like further clarification of allocation details or assistance in finalizing allocation at the responsibility centre level.



Raymond Chrétien

14-Mar-89

CENTRAL STAFF UNITS

09:35 AM		RESOURCE OVERVIEW	
FINANCIAL		1988-89 BUDGET	1989-90 ALLOCATION
HEADQUARTERS -----			
	Overtime	119.5	119.5
	Les Salaries	30.0	50.0
	Operating	4,330.6	4,820.0
	Capital	0.0	0.0
	TOTAL	4,480.1	4,989.5
	-----	=====	=====

POSITIONS	DEC 1988 BASE	NET ALLOCATION	APRIL 1989 BASE
HEADQUARTERS -----	92	0	92
	-----	-----	-----

# CENTRAL STAFF UNITS

## RESOURCE ALLOCATION 1989-90

(\$000)

	1988/89 Budget	1989/90 Budget Request	1989/90 Allocation
Corporate Management Bureau (CMD)			
=====			
OVERTIME	73.0	70.9	73.0
OPERATING	737.8	1,521.2	790.5
CAPITAL	0.0	19.1	0.0
TOTAL:	810.8	1,611.2	863.5
INTERNATIONAL CONFERENCE ALLOTMENT			
=====			
OVERTIME	20.0	100.0	20.0
LES	30.0	100.0	50.0
OPERATING	3,050.0	3,500.0	3,430.0
CAPITAL	0.0	0.0	0.0
TOTAL:	3,100.0	3,700.0	3,500.0
PARLIAMENTARY LIAISON			
=====			
OVERTIME	0.0	0.0	0.0
OPERATING	130.0	151.4	130.0
CAPITAL	0.0	0.0	0.0
TOTAL:	130.0	151.4	130.0

# CENTRAL STAFF UNITS

## RESOURCE ALLOCATION 1989-90

(\$000)

	1988/89 Budget	1989/90 Budget Request	1989/90 Allocation
Policy Development Bureau (CPD)			
=====			
OVERTIME	14.5	17.5	17.5
OPERATING	181.5	307.5	182.0
CAPITAL	0.0	0.0	0.0
TOTAL:	196.0	325.0	199.5
Off. of the Coord. Access to Info. & Priv. (CCBI)			
=====			
OVERTIME	6.0	4.0	4.0
OPERATING	201.3	382.6	221.5
CAPITAL	0.0	50.0	0.0
TOTAL:	207.3	436.6	225.5
Office of the Inspector General (CIX)			
=====			
OVERTIME	1.0	1.0	1.0
OPERATING	1.0	20.0	36.0
CAPITAL	0.0	0.0	0.0
TOTAL:	2.0	21.0	37.0

# CENTRAL STAFF UNITS

## RESOURCE ALLOCATION 1989-90

(\$000)

	1988/89 Budget	1989/90 Budget Request	1989/90 Allocation
Office of the Sr. Adviser for Fed.-Prov. Rel. (CFX)			
=====			
OVERTIME	5.0	4.0	4.0
OPERATING	29.0	33.6	30.0
CAPITAL	0.0	0.0	0.0
TOTAL:	34.0	37.6	34.0
CENTRAL STAFF UNITS TOTAL			
=====			
OVERTIME	119.5	197.4	119.5
LES	30.0	100.0	50.0
OPERATING	4,330.6	5,916.3	4,820.0
CAPITAL	0.0	69.1	0.0
TOTAL:	4,480.1	6,282.8	4,989.5



TO/A JIMS

FROM/DE • RWP

**P.A. TO FILE**

REFERENCE • Your memo 1235, May 26, 1987  
RÉFÉRENCE

SUBJECT • Review of Immigration Cost Recovery  
SUJET

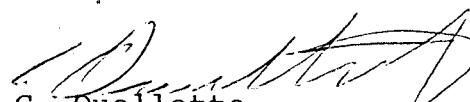
Security/Sécurité
UNCLASSIFIED
Accession/Référence
File/Dossier
5-1-7-1000 mRP
Date
July 16, 1987 37
Number/Numéro
RWP-1898

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ANNEXES

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... Please find enclosed the information requested  
from London. Your copy might arrive a bit later as  
it was not by post from the UK.

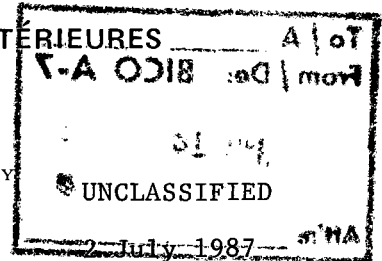
  
C. Ouellette  
Western Europe Programs  
Division



EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES



The Under-Secretary of State for External Affairs  
(RWP) OTTAWA *HM*

SECURITY  
Sécurité

Reçu le — Received DATE

NUMBER  
Numéro

IMM-677

Canadian High Commission  
LONDON

Your telex RWP 1448 *HM* of 27 May 1987

JUL 15 1987

REVIEW OF IMMIGRATION COST RECOVERY

RWP

FILE	DOSSIER
OTTAWA	
MISSION	5-1-1

ENCLOSURES  
Annexes

DISTRIBUTION

By Post

EXTOTT/JIM

EXTOTT/JIMS

Attached for your reference is a copy of the reply received from the Foreign and Commonwealth Office in response to some of the questions raised by the Director of the Immigration Cost Recovery Program of EANDIHULL in his letter of 27 April 1987 (plus attachment).

2. The FCO advises that no statistics are available on the number of applications received although it is estimated that British missions abroad will deal with approximately 900,000 applications for all sorts of visas/entry certificates during FY 1987/88.

3. Tuition fees for overseas students studying in the United Kingdom vary from £3690.00 per year for an undergraduate arts student to £8960.00 per year for a student studying specialized medicine. These compare with domestic tuition fees (i.e. for British residents) of £556.00 per year for undergraduates and £1730.00 per year for graduate students. Living costs for overseas students are estimated at £4800.00 for a full calendar year or £3600.00 for an academic year. A married couple can expect to spend £7400.00 over a calendar year with an additional £1000.00 per child. Graduate students will also face the additional expense of purchasing specialized books and preparing a thesis, estimated at £1000.00 per year.

*Wayne Hammond*

The High Commission

To / A	<i>RWP</i>
From / De:	BICO A-7
JUN 14	
Att'n	

Received - 13 JUN 88

13 JUN 88

13 JUN 88



## Foreign and Commonwealth Office

London SW1A 2AH

Telephone 01-

Mr D Murphy  
First Secretary (Immigration)  
Canadian High Commission  
Macdonald House  
38 Grosvenor Square  
LONDON W1X 0AA

Your reference

Our reference

Date 22 June 1987

*Dear Sam,*

### IMMIGRATION COST RECOVERY

We spoke about the recent enquiry from your headquarters:  
I hope the following is helpful.

#### Division of responsibility and costs

The Home Office is responsible for HM Government immigration policy and its implementation within or on entry to the United Kingdom; the Foreign and Commonwealth Office (FCO) is responsible for the implementation of HM Government immigration policy overseas. The cost of the operation is divided in the same way and the FCO therefore meets all overseas visa issuing expenses from its own budget. Thus, the FCO is responsible for the cost of processing a visa application overseas and pays for the staff employed at posts (and within the FCO) to carry out this work, while the Home Office pays for the Immigration Service and other staff within the Home Office Immigration and Nationality Department.

#### Calculation of costs

The FCO set up a Management Information System (MIS) some three years ago, which can estimate the costs of maintaining each overseas post and of the FCO, and break down these costs by function, thereby showing how much of the FCO's annual budget is apportioned to eg immigration or consular or commercial work. This break down is also available on a post by post basis. In the past, it has been possible to estimate the cost of FCO visa work; the MIS has enhanced the accuracy of this exercise.

#### Income

Visa fees are levied as part of the schedule of consular fees, charged by UK posts for all consular functions. The legal basis for charging consular fees is the UK Consular Fees Act and fees are amended by Statutory instrument (Consular Fees Orders) laid before the Privy Council whenever the fees are to be changed.

/UK

000023



UK consular fees are usually increased every three years and visa fees have been reviewed at similar intervals as part of the overall package. I am afraid I do not have details of all visa fees charged in the past, but the following table may help. This shows the 'standard' fees charged for UK visas during the past 25 years:

1962	£1.12½p (£1.2s.6d)
1975	£2.00
15.3.1976	£3.00
7.2.1977	£4.00
14.11.1983	£6.00
1.1.1985	£10.00
1.1.1986	£12.00
18.11.1986	£20.00

The table refers to the fee charged for a single entry visit visa. Nationals of certain countries which levied higher fees for visas for British citizens were charged a higher fee on a reciprocal basis until 18 November 1986, when the UK's fees overtook all other countries'. Lower fees were charged for UK transit visas and a higher fee (twice the standard fee) was introduced in 1983 for UK multiple visit visas. On 1 January 1986 a differential non-refundable fee (of £25) was introduced for settlement visas.

Certain categories of applicant (eg diplomats) have always been exempt from fees and until 1 January 1985 Commonwealth citizens were also exempt. Since that date, however, Commonwealth citizens have paid standard fees. These are currently as follows:

Settlement (non-refundable)	£50
Visit etc.	£20
Multiple visits etc.	£40

#### Cost recovery

HM Government policy is that in general the users of services provided by the Government should pay fees which cover the costs of these services. The MIS indicates that during the following 'financial' years (from beginning April to end March each year) recovery was/is as shown:

1985/86	45%
1986/87	62%
1987/88	68%



Expenditure in 1987/88 is estimated to be £35.3 million and income £24.4 million: in 1986/87 the figures were £23.9 million and £14.9 million respectively. The increase in expenditure was due mainly to the introduction of visa regimes for several Commonwealth countries and Pakistan. Capital expenditure (eg on new buildings) is excluded from these calculations; provision for this was made separately where needed in connection with the new visa regimes and the FCO is not expected to seek to recover such capital costs through fees.

#### Future developments

Visa fees have been reviewed annually since 1984 and a review will take place later this year. With a deficit of almost £11 million forecast for the current financial year, fees are likely to be increased again but it is not possible to give an indication at this stage as to which fees might be increased or by how much. It is recognised that the UK's visa fees are higher than those of any other country and a number of factors have to be considered - the level of the visit visa fee as a proportion of total travel expenses (low from outside Europe but now not so low from within Europe), international commitments (eg CSCE), effects on tourism, to name but some - when fees are reviewed. The main reason for the comparatively high UK visa fees is the unique right of appeal enjoyed by those refused visas for the UK. This makes the UK operation more labour-intensive (and therefore more expensive) than that of analogous countries. Applicants for settlement are also admitted on the basis of proven relationship, rather than educational qualifications etc.

As fee levels have increased so have complaints, although not proportionally: the number of complaints about the increase in fees from £12 to £20 was surprisingly low. One administration problem which has arisen is that in countries with non-convertible currencies and a high level of applications, we are amassing funds in local currency which our posts cannot spend.

#### General

The above is a broad analysis of the UK's visa fee and cost recovery system. Please let me know if you have any queries or require further information.

*Steadily,  
Paul*

Paul Nicolopulo  
Migration & Visa Department



TO/À • MINA, MINT, MINE, SOUS-MINISTRES,  
SOUS-MINISTRES ADJOINTS,  
DIRECTEURS GÉNÉRAUX, ET DIRECTEURS.

FROM/DE • MFD

REFERENCE • Circulaire Administrative No. 31/86 en  
RÉFÉRENCE date du 30 juin 1986.

SUBJECT • PREVISIONS FINANCIERES DES MISSIONS  
SUJET POUR 1986/1987

Security/Sécurité	
NON CLASSIFIE	
Accession/Référence	
File/Dossier	
5-1-1986/1987	
Date	4
le 18 septembre, 1986.	
Number/Numéro	
MFD-099	


ENCLOSURES  
ANNEXES

DISTRIBUTION

Ce qui suit est une version corrigée de ma note de service MFD-095 en date du 9 septembre, 1986.

2. Les exigences du Ministère en matière de prévisions financières pour l'exercice en cours étaient décrites dans la circulaire administrative citée plus haut. Cette note rappelle à tous les gestionnaires que l'échéance pour le premier rapport est le 30 septembre, 1986. Comme ces rapports serviront à préparer une revue complète de la première moitié de l'exercice financier pour présentation au Comité de gestion, il est essentiel que ces documents parviennent à MFR au plus tard le 6 octobre, 1986.

Directeur général,  
Direction générale des finances  
et des services administratifs centraux

  
Robert Legros.

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO Under Secretary of State for External Affairs  
A Ottawa / MFFP

SECURITY Unclassified  
Sécurité

FROM Canadian Embassy, Addis Ababa  
De

DATE July 9, 1984

REFERENCE  
Référence

NUMBER 5829  
Numéro

SUBJECT Post Financial Return - June, 1984  
Sujet

FILE	DOSSIER
OTTAWA	
MISSION	5--1-1 <i>MM</i>

ENCLOSURES  
Annexes

DISTRIBUTION

We enclosed our Post Financial Return for June, 1984.  
We have the following points to bring to your attention.

1. Voucher 15 - We were unable to code the expenditure as explained in our telegrams 5707 June 8 and 5758 June 20, 1984.
2. Vouchers 48 and 49 - These vouchers are both recoverable from the following organizations:

SANDY HUNTLEY  
ODYSSEY 84  
P.O.BOX 3210  
Halifax, N.S.  
B3J 2N7

*[Signature]*  
The Embassy

FINANCE DIVISION FOR FILE	
ACTION TAKEN	
TELEGRAM	<input type="checkbox"/>
LETTER	<input type="checkbox"/>
MEMO	<input type="checkbox"/>
By <i>[Signature]</i>	SIGNATURE
Date <i>16-7-84</i>	



TO/A ( ) PEP  
FROM/DE • MFRS

MAR 29 1984

REFERENCE •  
RÉFÉRENCE

SUBJECT • Commitment Control System  
SUJET

pk

Security/Sécurité
UNCLASSIFIED
Accession/Référence
File/Dossier 5-1-1 ✓
- 43
Date
March 27, 1984
Number/Numéro
MFR-0175

ENCLOSURES  
ANNEXES

DISTRIBUTION

Enhancements to the department's commitment control and reporting system are being introduced for fiscal year 1984/85. The major changes from the procedures and policy introduced in FML 1983- 4 are:

- (a) the policy is now that use of the system is mandatory for all headquarters responsibility centres, and
- (b) the system now has the ability to track from post financial returns expenditure data against the commitment.

2. A Financial Management Letter is presently in production; however, we also will offer, for those interested, information sessions to review procedures and introduce the changes. Accordingly sessions will be held the week of April 2, 1984. Would you please bring this memorandum to the attention of those in your area involved in financial administration and have them contact R. Beardsley at 2-2241 to arrange times for the sessions.

*Rick Beardsley*  
R. Beardsley  
Financial Planning and  
Analysis Division (MFRS)





MESSAGE

Accession/Référence

File/Dossier

5-1-1-~~508~~

N/F

Align first character of Security Classification under this arrow  
Alignez le premier caractère de la Sécurité sous cette flèche

SECURITY SÉCURITÉ	UNCLASSIFIED	5 MAR 84 23 56 42	10
FM/DE	FM EXTOTT SCS0687 05MAR84		
TO/À	TO CNBRA		
INFO	REF YOURTEL YAF03112 15FEB84		
DISTR	---		
REF	---CDA TODAY		
SUBJ/SUJ	OUR RECORDS SHOW THE FOLLOWING BREAKDOWN TO DATE IN CDN DLRS:		
POST EXPENDITURES			
APR 83 VO 144 861.20			
JUNE 38 206.63			
AUG 167 17.96			
SEPT 095 3,900.08			
117 1,197.27			
118 158.37			
OCT 145 109.53			
146 1,387.83			
JAN 84 58 105.75			
59 1,368.26			
71 5,150.85			
HEADQUARTERS EXPENDITURES			
MAY K.D. CAMPBELL 1,336.03			
AUG " " 1,494.74			
SEPT DSS 2,113.86			
DSS 1,144.81			
TOTAL ABOVE EXPENDITURES IS 20,553.17 WHICH IS ABOVE BUDGET BY 553.17.			
GRATEFUL YOU ADVISE IF THERE ARE ANY DISCREPANCIES WITH YOUR RECORDS.			

DRAFTER/RÉDACTEUR	DIVISION/DIRECTION	TELEPHONE	APPROVED/APPROUVÉ
LES CUNDELL R.M. BEGINSIG	SCS	6-3980	SIG R.M. BEGIN



PA-MGIE

TO/À

MAS

FROM/DE

MASL

REFERENCE •  
RÉFÉRENCE

SUBJECT •  
SUJET

Notes re Task Force on  
Financial Management Questionnaire

Security/Sécurité	
UNCLASSIFIED	
Accession/Référence	
File/Dossier	5-1-1
Date	May 13, 1983
Number/Numéro	MASL 0398

ENCLOSURES  
ANNEXES

DISTRIBUTION

CC 1-11-MAS-1-3

The following are notes in reply to some of the questions in  
the subject questionnaire.

Question 01.00 Activities

01.01 a): - Decisions

e.g., Approve travel authorities for temporary  
duty in offices abroad, liaison, attendance at  
workshops and conferences.

b): - Info needed

Amount allocated to Branch/Division for travel  
Amount previously committed  
Amount already spent  
Balance in travel budget

Note: in order to commit funds for a specific  
trip, we need to know the cost of the airline  
ticket and the amount of the advance approved.  
In order to have records of expenditures as  
current as possible, we need to know as soon as  
an expense claim has been approved the amount  
to be charged against our budget.

01.05: Monitoring of activities in financial terms

FS Officer assigned to:

- assist in preparation of budget for HQ based activities
- keep records of commitments and expenditures
- report monthly and quarterly on expenditures, commitments,  
balance

MAP also receives reports from DSS.

.../2

## Question 02.00 Financial Decisions and Supporting Info

### 02.01 Method of determining resource needs in terms of dollar-amounts

In respect of HQ activities:

Division Directors indicate needs e.g. for travel, overtime, etc.

"Branch Financial Officer"

- assists in obtaining information and reporting on previous FY expenditures at HQ
- estimates costs e.g., for airfares, per diem expenses, overtime according to collective agreements of various employee groups.

### 02.02 Financial Information Needed

In respect of HQ activities:

#### Budget Preparation

- past FY expenditures by Reporting Object and Responsibility Centre
- Airfare costs
- Per diem rates
- Overtime costs

Because the Branch has only been in existence as such since September 1981, FY 81-82 expenditure figures were not available for FY 83-84 budget exercise. FY 82-83 figures should be available for FY 84-85 budget exercise in DSS reports and Branch records. The latter, however, contain errors because of lack of familiarity of officers concerned with the financial system.

There is also some concern about the consistency of figures MAP used for airfares, per diem rates, and overtime costs with those used by other branches and the amount of time and effort expended to obtain them. It has been suggested that such figures or a standard method of obtaining them be provided in the memo requesting branch budget submissions.

#### Expenditure and Commitment Control

As noted in 01.01 b).

Also, a commitment control system is needed which covers money spent by posts abroad and charged to our HQ budgets (e.g., London purchasing airline ticket and issuing advance for officer from London to travel to Ottawa or

another post on a trip authorized and paid for by MAE).

In general, the Branch has problems not so much because of the lack of information or a poor method of presenting it as because of the lack of familiarity of all concerned - especially, the FS officer assigned to deal with financial matters - with the system in place. This could be remedied by orientation and in-house training sessions.

02.03 Identifying financial implications of new direction

"Branch Financial Officer" consults with MFR and any other divisions concerned, e.g., MFS.

02.04 Determining Possibility of Absorbing new costs

"Branch Financial Officer" reviews allocations, expenditures and commitments to date to determine possibility of budget transfer between Responsibility Centres and Line Objects.

DSS reports and Branch financial records are used but the latter suffer from lack of expertise and training of "Branch Financial Officer".

02.05 Financial Information Needed

Besides extracting information from DSS reports and Branch records, we need guidelines on budget transfers, e.g., which reporting object budget monies can be transferred into other reporting object allocations and the paperwork required.

02.06 The lapsing history of MAP's HQ operations budget for 3 years would be most helpful if it were accompanied by analysis and guidelines explaining deficiencies in its preparation and control and proposing corrective action, strictly in terms of financial management, of course.

02.07 Again, the expenditure history for 3 years is much more helpful if errors can be identified and means of correcting them are explained and can be put into effect.

This Branch was extremely hampered in keeping expenditure records for FY 82-83 by continual coding mistakes by posts which resulted in large amounts of post expenditures being charged to MAP Responsibility Centre budgets.

- 02.08 The requirement for ease and speed of access to financial information would depend on the extent and purpose of the information required, and does not appear to be as much a problem as being able to interpret and correct the information available.

The reports we receive are only as good as the system and the input. Much of our difficulty is in developing a Branch system of financial record-keeping that accurately reflects the financial transactions entering the report system.

*Barbara Coy*



TO/À

MAS

FROM/DE

MASP

REFERENCE •  
RÉFÉRENCE

SUBJECT •  
SUJET

Notes re Task Force on Financial  
Management Questionnaire

Security/Sécurité

UNCLASSIFIED

Accession/Référence

File/Dossier

5-1-1

Date

May 11, 1983

Number/Numéro

ENCLOSURES  
ANNEXES

DISTRIBUTION

cc 1-11-MAS-1-3

As requested, I have prepared the following notes regarding  
MFPX questionnaire:

Question 01.00 - Activities

01.01: - MAP decisions principally related to program delivery.  
Financial decisions are supportive, or secondary to  
delivery, i.e. travel, hospitality, contract service.

01.02: - Immigration levels and policy are set by the CEIC.  
MAP is responsible for delivery of the program abroad.  
This involves determination of resource needs and global  
distribution of available resources required to deliver  
immigration program abroad. This information is the  
major input to RCC and Post Planning exercise in  
departmental resource allocation process as it relates  
to the immigration program.

- For new policy initiatives (e.g. Indian visitor visa),  
resource requirements are estimated in MAP, T.B.  
submission prepared, using MFP costings obtained via  
MFR, and consultation/liaison with CEIC, MSSD and T.B.  
carried out regarding inter-envelope transfers.
- Immigration program input into Strategic Overview (global),  
M.Y.O.P. (HQ only) are prepared in MAP.
- HQ budget, which includes global temporary duty and  
management travel, prepared in MAP. Input to post  
budgets occasionally via MAP regional HQ divisions.
- MAP coordinates and vets post requests to MFR for  
emergency LES and T.D. in support of immigration program.

01.03: - Relates to 01.02.

01.04 - quantitative measures of program delivery performance:

- number of visas (immigrant and visitor) in relation  
to announced levels and components.
- qualitative feedback via CEIC re quality of selection,  
control, counselling, etc.

MFP - Finance &  
Management Services  
MFR - Resource  
Planning & Analysis  
RCC - Post Planning  
Systems Division

- 2 -

- reporting and liaison effectiveness in supporting both immigration operations and providing information for other federal agencies regarding international labour market, social and human resource issues.

01.05: - Program outputs not financial in nature. MAP role, in financial terms, is to ensure HQ budget not exceeded, and to input as requested to department coordination of inter-post budget transfers supporting immigration program.

01.06: - More formal mechanisms for MAP input to the determination of post travel ~~and hospitality~~ budgets supporting immigration program is desirable.

Question 02.00 - Financial Decisions & Supporting Information

02.01: - Immigration program person year resource needs are estimated for post planning purposes on a post by post basis using visitor output forecasts and CEIC levels plans. New policy initiative person year resource requirement estimates are similarly forecast in MAP. Dollar amounts arising from these person year estimates are obtained through MFR if required, for example, for inclusion in a T.B. submission.

02.02: - Program information is normally available from our operational data base or that of CEIC.

- Financial information relating \$ by expenditure type to p.y.'s on a post by post basis usually, and sometimes on a global average basis are required in support of these decisions.

02.03 - as described in 02.01 and 02.02.

02.04: - By reviewing output forecasts, available resource levels, and priorities - all of which are operational, not financial considerations. Financial aspects are considered subsequently at present. It would be useful to have a post by post financial data base available to relate \$  
\* to p.y.'s in order to better integrate evaluation of operational and financial considerations (i.e. \$ estimates by type of expenditure and type of p.y.).

02.05: - as described in 02.04.

02.06: - Of interest but not crucial. Two to three years. Would help in review of HQ and post budget plans.

02.07: - Three to five years would be useful.

*rotational  
payroll  
need to  
access  
history*

*\* rather than use  
global averages . . .*

.... /3

- 3 -

02.08: - Information often required within two or three days, occasionally the same day, but usually within one to two weeks. Establishment of a departmental post by post financial data base for reference in constructing cost estimates would assist in meeting urgent needs.

Let me know if any of the above notes require clarification.



G. E. Madden



TO/A GEP, CMP, CIP, DOP, DPP, TSP, MAP, MGP, MRP, MIP, APP, UCP.  
FROM/DE MFPX

PA-MGIE

REFERENCE •  
RÉFÉRENCE

SUBJECT • Task Force on Financial Management  
SUJET

Security/Sécurité UNCLASSIFIED	
Accession/Référence	
File/Dossier 5-1-1	
Date May 6, 1983	
Number/Numéro	

ENCLOSURES  
ANNEXES

DISTRIBUTION

PUM  
MFP  
PUMA  
PUR  
PURM  
RRA  
RCC

The purpose of this memorandum is to request an interview with you to obtain information about your financial management activities.

2. As a central element of its mandate, the subject Task Force is required to make recommendations on the most appropriate financial management and control systems for the Department (the full text of the mandate is attached as Annex A to this memo). To that end, we must assess management information needs for financial planning, control and evaluation, as well as the reporting mechanisms which provide this information.

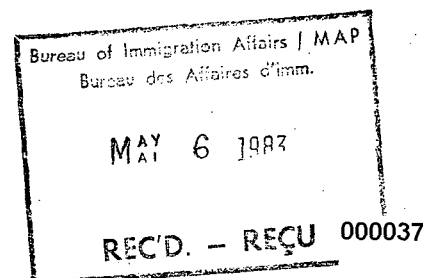
3. Through interviews and a questionnaire sent to most of the Posts and some HQ senior managers (including a few of the addressees), we now have detailed knowledge of the accounting information available to managers and of the means by which this information is produced and transmitted.

4. It is a fundamental requirement of the Policy and Expenditure Management System (PEMS) that a link must be established between programme delivery (including support activities) and financial management. At this early stage of PEMS implementation, it will not be easy to define the needs of senior managers for financial management information, but the Task Force must do so to the extent possible. Thus, we have drawn up a list of senior managers to interview: the addressees and, later, the ADMs. During these interviews, we will record your views on the questions contained in Annex B; you need not provide written comments. This approach will give you an opportunity to contribute an essential input in the definition of departmental needs for financial management information.

5. Your cooperation will be very much appreciated; we will soon contact your office to request a time for the interview. In the meantime, my assistant, Kevin Larkin, and myself can be contacted at 5-2394.

*C. LaFrance*

Claude LaFrance  
Director  
Task Force on Financial Management



ANNEX A

TERMS OF REFERENCE

TASK FORCE ON FINANCIAL MANAGEMENT

DEPARTMENT OF EXTERNAL AFFAIRS

The Director of the Task Force reports to the ADM Management and Programmes. The Task Force is to review the needs for financial management of the restructured Department in the context of the corporate planning system being developed.

2. The review is to be carried out by means of the following tasks, but will not necessarily be limited to them:

- (1) Given the balance of centralization vs decentralization of authorities and accountabilities in the Department and taking into account existing and possible future systems, including data processing systems, the Task Force is to make recommendations on the most appropriate financial management and control systems.
- (2) On the basis of the financial management and control systems envisaged, the Task Force is to make recommendations on the most appropriate organization and classification levels for the Department's financial officers in Ottawa and at the posts.
- (3) In the context of the recommended organization and classification levels for financial officers, the Task Force is to recommend the most appropriate training and development programme for both financial and non-financial staff performing financial functions and to make recommendations concerning the involvement of senior financial staff in the selection, appointment and evaluation of all staff outside the Finance and Management Services Branch who perform financial functions.
- (4) The Task Force is to make recommendations in terms of quality and quantity of the resources required for financial management in the Department.

3. In the foregoing activities, the Task Force is to take into account the comments and recommendations of the office of the Auditor General during its 1982 comprehensive audit of the Department. The Task Force is to produce a detailed work plan and produce progress reports as appropriate.

ANNEX B

ASSESSMENT OF MANAGEMENT INFORMATION

NEEDS OF AUSSEAS

(FOCUS ON FINANCIAL MANAGEMENT INFORMATION)

Note: The members of the Task Force will give a short introduction explaining the mandate of the Task Force in the context of the Policy and Expenditure Management System (PEMS).

The purpose of this section is to identify your management information requirements in relation to the principal activities of your Branch.

01.00 Activities

- 01.01 - In relation to the activities you manage, what kinds of decisions do you now make? What information do you need to discharge these responsibilities? (information related to programme delivery and/or financial support).
- 01.02 - What is your involvement in the departmental resource allocation process?
- 01.03 - What is your contribution to the resource reallocation process when it affects the resources you control.
- 01.04 - How do you measure your programme delivery performance? (quantitative and/or qualitative criteria).
- 01.05 - In financial terms, how do you monitor these activities?
- 01.06 - What additional authorities (if any) would you like to have to assist you in better discharging your management responsibilities?

.../2

- 2 -

The purpose of this section is to obtain information concerning the process of allocating financial resources.

02.00 Financial Decisions and Supporting Information

- 02.01 - How do you determine your resource needs in terms of person-years and dollar amounts?
- 02.02 - What programme and financial information do you need in support of these decisions (02.01, above)?  
In general terms, how should that information be presented to you?
- 02.03 - How do you identify the financial implications of any new direction you might receive?
- 02.04 - If a new direction will generate new costs, how do you determine whether or not you can absorb them within your budget(s)?  
In general terms, how should that information be presented to you?
- 02.05 - What programme and financial information do you need in support of these decisions (02.03 and 02.04 above)?
- 02.06 - Do you need to know the lapsing history of your budget(s)?  
If so, for how many years? If not, why not?
- 02.07 - Do you need the expenditure history of your budget(s)?  
If so, for how many years?
- 02.08 - Do you need to have access to information relating to your operations at short notice? If so, how quickly?

TO/À MFPX  
FROM/DE MAS

REFERENCE •  
REFERENCE

SUBJECT • Task Force on Financial Management  
SUJET

UNCLASSIFIED	
Accession/Référence	
File/Dossier	5-1-1
Date	January 24, 1983
Number/Numéro	
MAS 0050	

ENCLOSURES  
ANNEXES

X  
DISTRIBUTION

without  
attachment

MFP  
PUM

CL 1-11-MAS-1-3

... On behalf of MAP I am returning herewith the completed questionnaire requested by PUM in his memo to MAP of Dec. 24, 1982.

2. The response to questions (to the extent possible) has been compiled by Barbara Cox, (MASL) who was assigned to the rôle of Branch Financial Officer in September, 1982.

3. Throughout the piece you will note the repetitive plea for access to an appropriate training course since as Miss Cox points out, neither she nor anyone else in the Immigration Affairs Branch possesses any knowledge of, or experience in dealing with the financial management system of this Department. I can do no more than very strongly endorse her plea, at the earliest possible opportunity, because we really would like to do a good job of managing our Branch budgets.

*R.L. Wales*  
R.L. Wales,  
Director.

TASK FORCE

FINANCIAL MANAGEMENT

NO.

QUESTIONNAIRE COMPLETED BY:

TITLE: *FS Officer acting as Branch Financial Officer*  
ADDRESS: *Pearson Bldg C-2-145*  
*Immigration Affairs Branch (HAP)*  
TELEPHONE NO.: *995-1249* DATE: *January 13, 1980*

PLEASE RETURN TO:

MR. CLAUDE LAFRANCE  
Director  
Task Force on Financial Management  
Department of External Affairs - (MFPX)  
Lester B. Pearson Building  
Tower C, 6th Floor  
Ottawa, K1A 0G2

GENERAL INSTRUCTIONS

- 1 The purpose of this questionnaire is to enable the senior managers of the Department to participate in the Task Force review of financial management. Information supplied by groups/posts will be incorporated into the final action plan. A summary of the responses received will be forwarded to respondents.
- 2 In general, brief replies consisting of a few words or sentences are all that is required.
- 3 Sections which are not applicable or for which no data is available should be disregarded or noted NA.
- 4 Please feel free to contact my assistant, Kevin Larkin, or myself at any time.

Thank you  
Claude LaFrance

*C. LaFrance*

TELEX: EXTOTT/MFPX  
Telephone: (613) 995-2394

01	FINANCIAL MANAGEMENT REPORTS
----	------------------------------

	This section is intended to obtain your comments with regard to the usefulness of the financial reports you receive. A second objective is to enable you to provide an input to the study by suggesting specific improvements.
--	---

NO.

01.01.01

Headquarters only

Indicate which of the following management reports you are using at the present time and whether you consider them adequate and timely.

FINANCIAL STATEMENTS USED IN HEADQUARTERS

Number	Description	Operations	Capital	Information adequate?	Document timely?
0003	All Transactions	✓		<i>Reports may be adequate and timely but I am not knowledgeable enough or trained to interpret or use them.</i>	
0026	Headquarters	✓			
	(line objects)				
9003	Operations	✓			
9004	Capital				
	(management)				
92004	Budget & Expenditures - Operations	✓			
93004	Budget & Expenditures - Capital	✓			
	(Special Statements)				
00100	Project statements	✓			
00832	Overtime	✓			
<i>Also</i> 92003	<i>Budget &amp; Expenditures - Operating</i>				
and 93003	<i>Budget &amp; Expenditures - Capital</i>				

01.01.02

Posts only

Indicate which of the following management reports you are using at the present time and whether you consider them adequate and timely.

FINANCIAL STATEMENTS USED AT POSTS

Number	Description	Operations	Capital	Information adequate?	Document timely?
0003	All transactions	✓		<i>as above</i>	
00025	Posts abroad	✓			
	(line object)				
9003	Operations	✓			
9004	Capital				
	(Management Budget & Expenditures)				
92004	Post (including cost centers) - Operations	✓			
92005	Cost centres - Operations	✓			
93004	Post (including cost centers) - Capital	✓			
93005	Cost centers - Capital				
	(other government departments)				
3448	Health & Welfare - Public Service Health by line object				

Page  
2 of 9

NO.

Number	Description	Operations	Capital	Information adequate?	Document timely?
8449	Health & Welfare - Overseas Region Immigration Service - by line object				
8454	Revenue Canada - by line object				
	(special statements)				
00832	Overtime				
9066	Trade expenditures - for post allotment - transaction detail				
9067	Tourism Expenditures of Post allotment - Transaction detail				

- 01.02 Briefly describe the limitations in terms of difficulties, weaknesses or inadequacy of the documents referred to in 01.01.01 (for headquarters) or 01.01.02 (for posts), above.  
*Either this Branch should be provided with a trained Financial Officer or I should be given appropriate training*
- 01.03 What specific improvements would ease the work load of your staff to record financial data?  
*I would say I need to be shown how to keep the necessary records to provide the correct input.*
- 01.04 What other improvements would you like to see incorporated into the statements listed in 01.01.01 or 01.01.02, above.  
*N/A in view of inability to interpret*
- 01.05 Please attach a representative page for each statement incorporating the improvements you suggest.
- 01.06 Which financial and planning reports do you prepare and maintain on a personal basis?

Report Title	Purpose	Frequency
01.06.01 <i>Travel</i>	<i>To keep Directors</i>	<i>Quarterly</i>
01.06.02 <i>Expenditures</i>	<i>up to date on</i>	
01.06.03	<i>their travel budget</i>	
01.06.04	<i>balance</i>	<i>Monthly</i>
01.06.05 <i>Operating</i>	<i>To keep track of</i>	
<i>Financial</i>	<i>balances in all</i>	
<i>budget</i>	<i>divisions by line</i>	
	<i>object</i>	

Page  
3 of 9



NO.

01.07	<p>Do you keep internal office/post financial registers for your own use? If so, what purpose do these registers serve and what information do they contain?</p> <p>1) Travel Authorizations - Temporary duty. 2) Travel Authorizations - Other Travel. 3) Cheque Requisitions. 4) Commitments by Division and Line Object. 5) Budget by Division and Line Object.</p>
01.08	<p>Do you have all the information and authority you need for full financial accountability? If not, what additional information do you need for that purpose?</p> <p>I don't believe as a "financial officer" I have any authority other than advisory. I believe I need to be shown how to keep track of expenditures and commitments at the same time.</p>
02	<p>FINANCE FUNCTION - (Organizational Structure/Functions/Levels of Classification/Training)</p>
	<p>The purpose of this section is to obtain detailed information from your vantage point concerning the strengths and weaknesses of organizational structure/functions/levels of classification/training of your group or post.</p>
02.01	<p>What is the size and what are the classifications and levels of all your staff involved in your financial administration (both Canada-based and locally engaged)?</p> <p>I am the only one involved in financial administration for the Branch on a full-time basis. I am an FSI.</p> <p>How suitable are their classification levels and experience in relation to their financial responsibilities?</p> <p>As a Foreign Service Officer with immigration experience, I feel I bring a fair understanding of the program and operations being financed. I have college level courses in Economics and Bookkeeping, but no other training or experience in Financial Administration.</p>
02.02	<p>Describe the organization for your financial management function and the duties of your officer(s) in that regard.</p> <p>I believe I am supposed to prepare a budget and keep records of commitments and expenditures, advising Director, their deputies and desk officers on departmental financial matters other than policy.</p>
02.03	<p>List the positions of your locally-engaged personnel involved in financial management.</p> <p>Do you consider they have received adequate training and are qualified to carry out their financial responsibilities?</p> <p>N/A</p>
02.04	<p>What kind of training do you recommend for them?</p> <p>N/A</p>

NO.

02.05 How would you rate these human resources, in your responsibility centre?

☐ Fully Satisfactory ☐ Adequate ☐ Unsatisfactory

COMMENT As the human resource in question, I would say I have a fully satisfactory background but unsatisfactory preparation in that I have not been properly trained to

02.06 By what means and how well are your personnel who have financial responsibilities kept abreast of changes in financial policies and regulations?

I receive some amendment notices. External's e.g., Manual of Financial Management, Manual of Regulations, Foreign Service Directives but have been unable to obtain copy of TB Chap 37C

02.07 Comment on the work load and work plan of your financial staff. Work load is, or at least seems, heavy because I am constantly having to find out what everything is about. Work plan includes division

02.08 What is your personal involvement in (as HOP, ADM, AUSSEA, etc) the preparation of your programme/activity budgets?

I prepare travel budget for AUSSEA and one division budget for travel, computer services, and personal contract services, and advise other divisions in preparing budgets for travel, computer, professional & other services

03 PROGRAMME PLANNING & ACTIVITY

The purpose of this section is to document your involvement in the financial aspects of programme planning and activity. In addition, this section solicits specific suggestions for improvements.

For programme managers in Ottawa:

03.01 For what activities, programme(s) or parts of programmes are you responsible?

I co-ordinate production of Branch Budget which includes budget for AUSSEA and divisions and try to provide some budgetary control and reporting function for Immigration Affairs

03.02 Which of your programme reports include accounting and/or financial information?

Report Title

Purpose/Function

Frequency

Timely

03.02.01 I assist in providing information used  
03.02.02 in reports on staffing, resources, and  
03.02.03 task force deployment.  
03.02.04  
03.02.05

NO.

03.03 What improvements would you like to see incorporated into the statements listed in 03.02?

03.04 For all:  
By what mechanism/system do you assess the financial implications (increases or decreases) of programme changes?

*Those assessing financial implications may request time to provide comparative costs e.g. costs of temporary duty to be compared with costs of posting.*

04 FOR PROGRAMME MANAGERS IN OTTAWA:  
PEMS - (POLICY & EXPENDITURE MANAGEMENT SYSTEM)

The purpose of this section is to identify your participation, if any, in the department's development of a formal policy and expenditure management system.

04.01 In 1981, all Senior Departmental Officials received AFP-0676, May 3 and AFR-0168, May 25 with attachments providing information related to PEMS. Please provide comments about the implementation of PEMS as it may affect your area of responsibility, with particular attention to the linkage between programme management and financial management.

*Immigration Foreign Service Officers were integrated into External April 1, 1981, moved to Pearson Bldg only in Sept. 81. Directors were unfamiliar with docs in question and I obtained copy for the Branch.*

05 FOR POSTS - ACCOUNTING/FINANCE

The purpose of this section is to identify the relationship of posts with the geographical AUSS and area comptrollers with regard to financial management.

05.01 What is your relationship with your geographical AUSS concerning financial management?

*N/A ?*

05.02 What is your relationship with area comptrollers concerning financial management?

*N/A ?*

NO.

06 FOR POSTS - BANKING AND SIGNING AUTHORITIES

The purpose of this section is to obtain information relating to the efficiency and effectiveness of the banking function and the adequacy of signing authorities at the posts.

06.01 Describe your present local banking arrangements, highlighting any deficiencies.

N/A

06.02 Is the number of officials who have delegated signing authority (sections 25 and 27 - FAA) and banking authorities sufficient for your needs? Are the amounts for which they may sign adequate?

When MAP was reorganized Nov. 1980, I prepared submission of request for new and increased signing authorities for HUSSEY, a line officer and 4 newly created directors, with the help of

06.03 Briefly explain your cash management system with respect to drawings on letters of credit.

N/A

06.02 cont'd: We are still awaiting approval.

06.04 If you Post maintains a cash account, briefly describe the reasons why it is necessary and the manner in which it is being administered.

07 BUDGETING

The purpose of this section is to obtain information relating to the scope and depth of your involvement in the budgeting process.

07.01 Briefly describe the process by which you make your budget forecast.

See 02.02, 02.08, and 03.01. I provide copies of previous year's budget, and budget submissions guidelines and advice and suggest where cuts can be made. How are expenses controlled?

07.02 How do you keep track of financial commitments before disbursements?

Registers are kept (see 01.07) and commitments are entered as expenditures are authorized.

07.03 What consultations do you have with H.Q. during the process of increasing or decreasing your budget for the main estimate or when changes are required during the current fiscal year?

☐ visits to or from H.Q. ☐ correspondence ☐ telex ☐ other (please specify)

I received Budget Submission Guidelines, and produced budget forecast in per 02.08, 03.01 and 07.01. HUSSEY revised budget before final approving it. Budget was sent to H.Q. for approval and returned for further discussion after discussion with HUSSEY.

NO.

07.04	<p>How is financial management delegated in your organization/post?</p> <p><i>ALISSEA has financial authority for branch which is delegated to MAs who in turn are of HUSSEI. Other Divs (s) have financial authority for their divisions. I act in an administrative and advisory capacity only.</i></p>
07.05	<p>How do you determine in good time that your budget will be adequate, inadequate or greater than requirements?</p> <p><i>By keeping track of commitments and expenditures in Monthly Financial Forecasts.</i></p>
07.06	<p>How do you identify and analyse in your budget report any variances between your estimates and your actual expenses?</p> <p><i>That is what I would like to find out</i></p>
07.07	<p>For posts: What do you consider as the major factors of unpredictability in your financial planning?</p>
08	<p>FOR POSTS - CANADIAN INTERNATIONAL DEVELOPMENT AGENCY (CIDA)</p>
	<p>This section is intended to collect information related to the financial management of CIDA programmes, if applicable.</p>
08.01	<p>Is your post involved in the financial management of CIDA programmes? If so, in what way?</p> <p><i>N/A</i></p>
08.02	<p>If applicable, please comment on the financial management constraints which have an effect on your responsibility/accountability for CIDA expenditures made at your post.</p> <p><i>N/A</i></p>

NO.

09

GENERAL

The objective of this section is to receive any additional views or comments you may wish to convey.

09.01

Do you have a backlog of actions to be taken concerning financial management matters?

Yes. Accounting for actual expenditure also, corrections of errors in coding by Journal Vouchers

09.02

Are you using any automated or computerized process(es) to perform financial functions for internal office/post purposes?

Adding machine?

If all HQ were "on-line" we'd do it every financial officer simply be able to enter and correct transactions with

09.03

For the Posts: much less fuss, bother & paper. Do you experience inordinate delays in obtaining financial authorities from Headquarters? If so, explain and provide significant examples.

This Branch is very quick to provide posts with financial authorities. Unfortunately, officers are not as correct as they are quick, resulting in con-

09.04

For all: considerable confusion in our accounts. Please add any other comment or statement you consider relevant.

First and foremost, I find this a very satisfying job except for the frustration I feel at every turn because of my unfamiliarity with what seems to me to be a very unwieldy system. I think Directors and officers of this Branch and in the offices abroad for whose operations we are responsible make many more errors than we should because we do not understand the system.

We do not control the system, we are controlled by it, and we resent it, growing ~~more~~ to regard it as so much foolish nonsense. I feel this attitude leads to an ever lessening sense of responsibility for a resource we soon forget represents the hard-earned income of taxpayers who will not thank us for a cavalier outlook and behaviour towards what is after all, their money. Please make financial

which will give us an appreciation of  
our roles within the government's  
and External's financial systems;  
not just how to fill out forms but  
what their significance is within  
the system, not just how and when  
to report expenditures but guidelines  
for making responsible decisions  
in spending. Please don't just hand  
us financial manuals and directives  
- give us an orientation that develops  
judgment as well as expertise. And  
thank you for the opportunity to say how I see

ACIP

THIS COPY OF "CDAD" TO BE PLACED  
ON SUBJECT FILE

710715

Department of External Affairs



Canada

Ministère des Affaires extérieures

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SANS COTE

OTTAWA, October 26 1982  
FILE: 5-1-1

OTTAWA, 1e 26 octobre 1982  
DOSSIER: 5-1-1

CIRCULAR DOCUMENT  
ADMIN No. 45/82 (MFPX)

CIRCULAIRE ADMINISTRATIVE  
No. 45/82 (MFPX)

TASK FORCE ON FINANCIAL MANAGEMENT (MFPX)

GROUPE DE TRAVAIL SUR LA GESTION DES FINANCES  
(MFPX)

In view of the reorganization of the Department, new management plans and structures will be required and it will be necessary to review a number of management systems, including our system for financial management and practices.

La réorganisation du ministère exige de nouveaux procédés et de nouvelles structures de gestion; il devient donc nécessaire d'examiner plusieurs de nos systèmes de gestion, notamment notre système et nos procédés de gestion financière.

2. To carry out this review, it has been decided to create a small Task Force headed by Mr. Claude LaFrance who reports to the ADM Management and Programmes. Mr. LaFrance served 34 years in the Armed Forces and held several senior military appointments, including command of an air group; in his last military assignment, he was a Major General and Chief of policy, plans and programmes for NORAD, Colorado Springs. He retired from the Armed Forces in 1981 to join the Temporary Assignment Pool (TAP) of Treasury Board and, in this capacity, he has headed two large-scale studies: one in the Department of the Secretary of State and one related to the financial management of VIA Rail.

2. Pour faire cet examen, nous avons créé un petit groupe d'étude dirigé par M. Claude LaFrance qui relève du SMA, gestion et programmes. M. LaFrance a fait 34 années de service militaire durant lesquelles il a occupé plusieurs postes supérieurs, dont le commandement d'un groupe aérien; à sa dernière affectation militaire, il était Major-général et Chef des politiques, plans et programmes pour NORAD, Colorado Springs. Il a pris sa retraite des Forces armées en 1981 pour faire partie du Groupe d'affectations temporaires (GAT) du Conseil du Trésor et, dans cette qualité, il a mené deux études de grande envergure: une pour le Secrétariat d'État et l'autre au sujet de la gestion financière de VIA Rail.

3. The Task Force will review the needs for financial management in a broad departmental context and in the light of the corporate planning system being developed. This review will consist of the following main tasks, but will not necessarily be limited to them:

3. Le Groupe de travail examinera les besoins du ministère en matière de gestion financière tenant compte du système de planification ministérielle en voie d'élaboration. Les tâches suivantes feront partie de cet examen qui, cependant, ne se limitera pas nécessairement à ce qui suit:

TO: FOR INFORMATION  
Heads of Post  
Deputy Ministers  
Assistant Deputy Ministers  
Assistant Under-Secretaries  
Directors

AUX: POUR INFORMATION  
Chefs de mission  
Sous-ministres  
Sous-ministres adjoints  
Sous-secrétaire d'État adjoints  
Directeurs

.../2

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- 2 -

(1) Taking into account current and planned management systems, the Task Force will make recommendations on the most appropriate financial management and control systems.

(2) The Task Force will make recommendations concerning:

- organization and classification levels for the Department's financial staff in Ottawa and abroad;
- training and development programmes for both financial and non-financial staff performing financial functions;
- the involvement of senior financial officers in the selection, appointment and evaluation of all staff outside the Finance and Management Services Branch who perform financial functions; and
- the quality and quantity of resources required for financial management in the Department.

4. The members of the Task Force will work closely with the staff of the Finance and Management Services Branch to ensure that its work takes fully into account both on-going and planned activities. I expect this review to be of much assistance in articulating and substantiating departmental needs and I am sure that all will cooperate fully. This Circular Document is cancelled effective October 31, 1983.

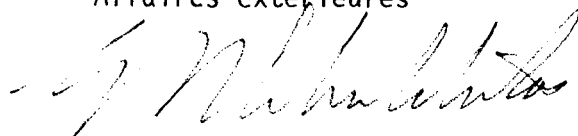
(1) Tenant compte des systèmes de gestion en place et prévus, le Groupe de travail avancera des recommandations relativement aux systèmes de gestion et de contrôle financiers les plus utiles.

(2) Le Groupe de travail avancera des recommandations relativement:

- à l'organisation et à la classification des préposés aux finances, à Ottawa et à l'étranger;
- aux programmes de formation et de perfectionnement des spécialistes et non spécialistes préposés aux finances;
- au rôle des cadres supérieurs des finances relativement à la sélection, la dotation et l'appréciation des employés autres que ceux de la Direction centrale des services de finance et de gestion qui ont des responsabilités financières; et
- à la qualité et la quantité des ressources requises pour la gestion financière dans le Ministère.

4. Les membres du Groupe de travail entretiendront une liaison étroite avec le personnel de la Direction centrale des services de finance et de gestion afin de bien tenir compte des activités courantes et prévues. J'estime que cet examen sera utile pour définir et justifier les besoins du ministère et suis sûr de pouvoir compter sur l'entière coopération de tous. La présente circulaire expire le 31 octobre 1983.

Le sous-secrétaire d'État aux  
Affaires extérieures



Under-Secretary of State  
for External Affairs

000053

**ACTION FICHE DE  
REQUEST SERVICE**

To — À		File No. — Dossier N°
<i>[Signature]</i>		Date <i>30 Jan 81</i>
From — De <i>Long FRENCH.</i>		
<input type="checkbox"/> Please call Prière d'appeler	Tel. No. — N° de tél.	Ext. — Poste
<input type="checkbox"/> Returned your call Vous a rappelé	<input type="checkbox"/> Will call again Vous rappellera	<input type="checkbox"/> Wants to see you Désire vous voir
Date	Time — Heure	Message received by Message reçu par
<input type="checkbox"/> Action Donner suite	<input type="checkbox"/> Approval Approbation	<input type="checkbox"/> Note & return Noter et retourner
<input type="checkbox"/> Comments Commentaires	<input type="checkbox"/> Draft reply Projet de réponse	<input type="checkbox"/> Note & forward Noter et faire suivre
<input type="checkbox"/> As requested Comme demandé	<input type="checkbox"/> Signature	<input type="checkbox"/> Note & file Noter et classer

*Should we include this in  
our M.C.I. No! This is USA. *[Signature]*  
applying to *[Signature]**

(87)

File 5-1-1

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FM WSHDC UNTD3478 24JUN81

TO EXTOTT GNG CNGNY LNGSL

INFO ATNTA BOSTN BFALO CHCGO CLVND DALAS DTROT MNPLS NRLNS PHILA

SFRAN SEATL ITCOTT/USR/UST/TCS CANTRAVELOTT/SCHHRAN REVCDAOTT/

CUSTOMS FOREIGN EANDIHULL/IFWH

DISTR SPM ISC EGL AFPC APO CSR FCO

REF YOURTEL GNG0672 16JUN81

---REVCDA OPERATIONS ABROAD

SUGGEST ENQUIRIES REFERRED TO PARA 3 AND WHICH INVOLVE EXPORT OF  
USA GOODS/SERVICES TO CDA SHOULD BE REFERRED TO INNATL TRADE ADMIN,  
USA DEPT OF COMMERCE WSHDC 20230 PHONE 202 377-3317. THIS OFFICE  
IS APPROX EQUIVALENT OF ITCOTT/USR AND ONE OF ITS MAIN PURPOSES IS  
TO ASSIST USA FIRMS INTERESTED IN EXPORTING TO CDA. YOU WILL BE  
AWARE THAT USA EMB IN OTT AND THEIR SEVEN CONGENS THROUGHOUT CDA  
ROUTINELY REFER ALL ENQUIRIES INVOLVING CDN EXPORTS TO USA TO  
ITCOTT/USR. ADDITIONALLY, THOSE CDN EXPORT ENQUIRIES WHICH REACH  
US CUSTOMS HERE ARE AUTOMATICALLY REFERRED TO OUR COMMERCIAL OFFICE.  
UUU/073 252001Z UNTD3478

C-2

# BOOKS IN CANADA

February 20, 1979

5-1-1	

Christina Chelminska  
Information Officer  
Cultural Affairs Division  
Dept. of External Affairs  
125 Sussex Drive  
OTTAWA, Ontario  
K1A 0G2

Dear Ms. Chelminska:

Further to our telephone conversation today, I am sending you the information you requested in writing.

Our rates for 2 year subscriptions (20 issues) are as follows:

Canada and U.S. (2nd class)	.....	\$17.70	
Other foreign & Overseas (surface)	.....	\$28.70	
{ U.S. first class	.....	\$30.00	25
{ Other foreign & Overseas (Air mail)	.....	\$38.00	30

Because of the large quantity of subscriptions under consideration by the Department of External Affairs, and because we feel our magazine will be of particular use and interest to the various embassies and consulates involved, we are offering the Department a special rate of \$25.00 for each U.S. first class subscription and \$30.00 for each Overseas air mail subscription.

With regard to your query about postage, \$14.60 of each U.S. first class 2 year subscription and \$16.00 for each Overseas air mail 2 year subscription are attributable to postage and handling costs. This is calculated at the postal rates coming into effect on April 1, 1979, and does not include any increase after that time.

For a quantity of 150 subscriptions, approximately half of which are U.S. first class, and half Overseas air mail, you will be considering a total cost of \$4,125.00. (This is calculated at the rate of \$25 times 75 subscriptions plus \$30 times 75 subscriptions.)

.... /2

- 2 -

A more detailed list of our regular subscription rates will be found on the attached list for your further information.

If we receive your purchase order by March 19, we can begin your order with the April, 1979 issue (Vol.8, no.4) and end with the March, 1981 issue (Vol.10, no.3).

Please call me if you have any additional questions.

Sincerely,



Susan Aihoshi  
Circulation Manager

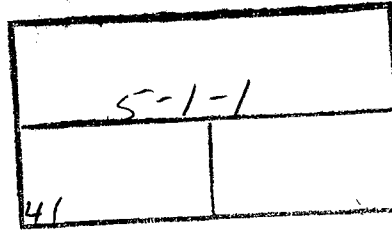
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enclosure

# BOOKS IN CANADA

## SUBSCRIPTION RATES

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Canada and U.S. (2nd class)	\$9.95	\$17.70
Other foreign & Overseas (surface)	\$15.00	\$28.70
U.S. first class	\$16.00	\$30.00
Other foreign and Overseas (Air mail)	\$20.00	\$38.00

Issued January, 1979



Mr. R.H. Mattheys

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Mr. G.J.R. Chartrand

February 7, 1979

Your request

Situation report on Completion of the  
 Financial Management Manual.

	<u>What has been done</u>	<u>Required for Completion</u>
<u>Chapter 0: Introduction:</u>	A first draft was prepared by Mr. McGovern and approved by Mr. Ryan in October.	Could be finalized on short notice.
<u>Chapter 1: The Government's Financial System:</u>	Completed & published.	Review for possible amendments if required.
<u>Chapter 2: The Departmental's Financial System:</u>	Nothing, has been done yet.	Should be done after the completion of the other Chapters and after the details of the new FMS are known.
<u>Chapter 3: Budget Preparation:</u>	To be developed by AFR.	
<u>Chapter 4: Budgetary Control:</u>	To be developed by AFR in consultation with AFF.	To discuss with AFR to know what progress has been made.
<u>Chapter 5: Headquarters Financial Procedures:</u>	Mr. Bourgeau & Mr. Richer consulted today. Some of the procedure already exist, especially in AFFA and AFFG in the form of procedures for the sections and FMLs.	There is work for approximately 2 months to consolidate all existing procedures and presenting it in the format for Chapters 5 and 6. However, this can only be finalized when the details of the

- 2 -

The section on  
Commitment Control  
has been submitted to  
you by Mr. Richer for  
approval.

new FMS are known.

**Chapter 6: Headquarters  
Accounting and  
reporting:**

Same as for Chapter 5

**Chapter 7: Post Financial  
Procedures:**

A first attempt was made  
by Mr. McGovern to  
consolidate all procedures  
& directives already in  
Chapter 3, 4 and 6 of the  
MFM, as well as in the  
FMLs.

This could be completed  
in about a month.  
However, it can only  
be finalized after the  
details of the  
implementation of the  
new FMS are known.

**Chapter 8: Post Accounting  
and reporting:**

Same as for Chapter 7

**Chapter 9: Signing Authorities:**

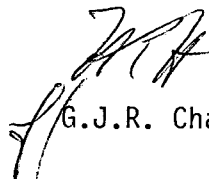
Consultations with TB  
have taken place on  
further delegation of  
authorities.

Decision from TB  
pending.  
Most of the present  
Chapter 4 can be used  
and a new presentation  
prepared in consultation  
between AFF and AFFP  
(for Post Operation).  
The content can be f  
finalized only after  
the TB decision and its  
implications are known.

**Chapter 10: Coding:**

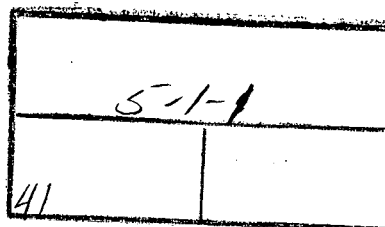
A first draft as been  
prepared by AFFM and  
is in the process of  
being finalized.

After minor amendments  
and final approval it  
can go for printing and  
distribution.

  
G.J.R. Chartrand



file



AFPS - H. Burrill

G. Chartrand - AFTP

UNCLASSIFIED

January 31, 1979

Your memo of January 30, 1979

Financial Management System - Outstanding Projects

Thank you for the list attached to your memo.

2. I am somewhat surprised by your comment that the list is to be presented to the steering committee at this time. It is premature to present this incomplete, uncorrected list as is, and out of context.

3. As agreed by the working group when the list was compiled, we were to meet again to correct and finalize it as well as to review together the assignment of the tasks. It was also agreed by the working group that we would indicate the time envisaged by each one to complete these individual projects.

4. More important still, it was agreed by the working group that it would be presented in the context of the discussions held in the group and other elements not covered by this list, as well as with the recommendations that would be a consensus reached by the working group.

5. The list presented as it is now and out of context would be misleading. Therefore, in the interest of presenting a valid document to the steering committee I strongly suggest that the meeting agreed on by the working group as mentioned above be scheduled and held before presenting the list.

G. Chartrand.

→ File

Mr. R.H. Matthews,  
Director, AFF

G.J.R. Chartrand,  
Special Project Officer, AFF  
Our Conversations

5-1-1	
41	

RESTRICTED

January 23, 1979

Reflections on the timing for the Implementation of  
the new Financial Management Information System

Since my return to this Division, I have been involved in the development of some elements of this new system as well as in identifying and preparing the new procedure for AFFP and the posts in the method of recording and reporting expenditures. I am also responsible for coordinating the preparation of the revised Manual of Financial Management, within AFF.

2. As I have become progressively more involved in the FMIS project, it became more and more obvious to me that insisting on its implementation in its present rather "raw" state of development, will result in creating:

- (a) A great deal of confusion for everyone (at posts and at Headquarters);
- (b) increase considerably (and on a continuing basis) the workload at the posts and in several areas of AFF;
- (c) make the financial operation for the next fiscal year not only cumbersome, but very difficult and confusing for posts, for AFF, as well as for responsibility centers at headquarters and other government departments;
- (d) and, as a result, make it more difficult to adjust the system later.

.... /2

- 2 -

3. I am, of course, not thinking here of the difficulties and workloads which can be expected when implementing a new system, but I am attempting to point out that we should expect greater disruption and confusion than is necessary, as a result of trying to press ahead with a system which has not been refined enough to meet the basic criteria. This is due mainly, it seems to me, to a lack of sufficient familiarity (for the persons developing the FMIS) with the exigencies and particularities of operating a financial system in our department, with 122 posts abroad.

4. The refinements which I understand are recognized as necessary by everyone involved in developing the FMIS, and some of which would be relatively easy to bring about, can no longer be done, I am told, because of the immovable deadline of April 1st, 1979 for the implementation. In order to meet this deadline, no more "substantial" changes can be made to the computer program.

5. I do not know why this deadline has been designated and is immovable and I am not aware of the commitments made at this time to and by Senior Management to meet this deadline; but I am convinced that if we could still postpone it, we could reduce considerably the adverse effects the implementation of FMIS in its present state would have on the posts and at headquarters.

6. It would give the time necessary to make further refinements to the computer program. It would also permit the staff responsible for the FMIS to become more familiar with External Affairs' financial operation (specially the posts operation), and with this additional knowledge and the expertise and experience we could provide, the FMIS could be refined sufficiently to lessen considerably the adverse effects it could have when implemented.

7. I am suggesting that we keep the present system or most of it in operation for the next fiscal year. It would give us the time to develop sufficiently the FMIS, give ACI the time necessary to get the computer and its staff ready, permit us to properly test the FMIS on the DEC-20, allow sufficient time to prepare the posts and AFF as well as to train the personnel going on posting during the next year and, finally give sufficient time to negotiate the necessary changes with DSS before April 1st, 1980.

.... /3

- 3 -

8. In the meantime, nothing would prevent us from circulating and using internally during the next year, the information processed by the DEC-20 if and when we are satisfied that it is ready for use. At sometime during the year we could also began to issue statements to other government departments and posts to test their usefulness and validity before implementing the full system.

9. As I mentioned to you in our conversations, the system as envisaged when fully developed appears to me as a great improvement and will provide a very effective tool for all level of management. Also, it will be of considerable assistance to the posts simplifying their work and in keeping them better informed. It will also have some very positive effects on our different operations in AFF.

10. However, the implementation as foreseen at this time will have, as it appears to me, the following adverse effects (I mention here only a few):

(a) Application of the rate of Exchange:

- computed at the post;
- AFF having to send rate to posts by telex weekly;
- confusion created by different rates and errors in computation;
- greater number of items kept in suspense from period to period;
- confusion created resulting from posts and HQ-RC not using the same amounts;
- exchange of telex to clarify;
- workload increased at posts and considerably in AFF.

(b) Processing of Telegraphic Datas:

- numerous rejects because of garbling - poor communication facilities with many posts;
- increase communication workload;
- several steps and manual handling and verifications for HQ., increasing considerably the workload;
- corrections made in Ottawa not fed back to post until much later;
- as a result, hardcopy of 412-1 and 2 will not balance when received at HQ with corrected telegraphic statements;
- therefore, manual matching and balancing operations required at posts and HQ;
- confusion will result for posts who will not be informed of changes until much later.

.... /4

- 4 -

- (c) As a result of the great number of items in suspense from period to period and continuous incomplete statements as well as statements for the same periods not matching (hard copies versus corrected telegraphic statements) it will be very difficult to have a complete significant picture of our real financial standing at any given times.
- (d) Etc... As I have mentioned to you and those involved in developing the FMIS, we could go on pointing out deficiencies like this with most of the components of the system in its present state of development, which will create:

- additional workload
- confusion

11. Although we have not been made aware of this formally, it has become clear to me during the work sessions that several manual operations and steps of manual verification will be necessary because of the elementary stage of development of the FMIS. Furthermore, it appears that all of these additional manual functions are intended to fall onto AFFA for the headquarters operations and AFFP for the posts operations.

12. These manual steps would be in addition to existing ones ~~or~~ those necessary during the introductory phase. They are presently foreseen as necessary on a continuing basis for quite sometime. They could easily be eliminated, already now, if properly identified by staff familiar with the operations.

13. As it appears now, the most significant adverse effects of implementing the system as is on April 1st, 1979, will be felt by AFFP, where it is intended that most of the manual operations will fall. The effects will be very significant because of the considerable additional workload and the continuous pressure it will create for a section where employees need to concentrate to perform valid auditing functions, which is their main task, and which presently occupies most of their time. The number of statements coming to AFFP on a continuing basis (as appose to once monthly before) for quick processing and checking will be more than trippled.

.../5

- 5 -

14. As I have pointed out to all those consulted before submitting my views, there are numerous other areas in the system which have not been sufficiently developed and which, I feel, will result in creating more confusion and workload than necessary.

15. Furthermore, it seems to me that more attention should be given to preparing the posts for a change which will have such an impact; and the training of the personnel that will be responsible at the posts for the new financial operation could be started before the next posting exercise. This has been traditionally the weakest link in our financial system and little appears to have been envisaged to improve it, or at least to reduce the chances of confusion during the introductory phase of the FMIS.

16. Another area which has not yet been clarified and, as you know, will require a great deal of preparation to get the proper concept across to those responsible at the posts, is the question of responsibility for certification under the different sections of the FAA.

17. Finally, another area which raises serious doubts in my mind is the readiness of the computer - DEC-20 (DEXTER).

18. As you know, as Deputy Director of ACI and heading the Information Systems branch (Computer Operation & Computerized systems) of that Division until January 5/79, I am particularly well placed to know of the shortcomings of the present machine which is still in somewhat of a development stage. Not all of the modules, connections and equipment we will require to operate our system are installed or operating on the machine. I doubt that any significant testing on the DEC-20 could be started before April 1st as the installation the connections will not be ready before then. I have also mentioned to you the limitation we are faced with in scheduling our use of the machine as a result of insufficient operating personnel and because the recruitment of the management staff for ACI is not yet completed. I believe we would be placing undue pressure on that division by going ahead with the FMIS when the staff and the machine are not ready for it.

.... /6

- 6 -

19. As you know from my past experience I have always been one of the first to support changes that bring improvements and help to reduce workload and cost. ~~I have always been one of the first to support changes that bring improvements and help to reduce workload and cost.~~ I have always been one of the first to give my full cooperation and assistance (even forcibly at times) to implement new systems.

20. I would like to feel at ease with going ahead with the FMIS, but I have some very strong apprehensions about the effects that forcing the implementation of the new system in its present state would have on the post and APT. I believe these are shared by many persons consulted to date.

21. I am convinced that most of this is unnecessary and, if given the time to further refine the system sufficiently the adverse effects could be reduced considerably.

22. I felt I had to mention this to you at this time.

G.J.R. Chartrand.



External Affairs Affaires extérieures  
Canada Canada

Document disclosed under the Access to Information Act -  
Document divulgué en vertu de la Loi sur l'accès à l'information

140719

Classification (with attach)/(avec p.l.)

## ACTION REQUEST/FICHE DE SERVICE

From the Office of the Under-Secretary/Du Cabinet du Sous-secrétaire

Date:

July 14, 1978

TO/A

AFP

Reply required by/Réponse demandée  
pour le:

URGENT

☐

### ACTION REQUIRED/SUITE À DONNER

- ☐ Memorandum to the Minister/Mémoire au ministre
- ☐ Reply for signature of Under-Secretary/Réponse réservée à la signature du Sous-secrétaire
- ☐ Reply on behalf of the Under-Secretary/Réponse au nom du Sous-secrétaire
- ☐ Reply for signature of/Réponse réservée à la signature de
- ☐ Report or comments to Under-Secretary/Rapport ou commentaires au Sous-secrétaire
- ☐ For information and file/Pour information et classement
- ☒ See remarks below/Voir observations ci-dessous

RECEIVED

JUL 17 1978

A.F.P.

### INFORMATION COPIES REFERRED TO/COPIES ENVOYÉES À TITRE D'INFORMATION À:

- ☐ Under-Secretary/Sous-secrétaire
- ☐ Deputy Under-Secretary/Sous-secrétaire suppléant
- ☐ Assistant Under-Secretary/Sous-secrétaire adjoint
- ☐ As indicated/Autre (précisez)

ISM

6-6170

### REMARKS/OBSERVATIONS

note last para in the attached letter.  
Please get in touch with T. Plummer

Reporter

14/7

SIGNATURE

Return white copy of this Action Request, with attachments, to the Under-Secretary's Office as a record of action taken.

Retournez la copie blanche, avec les pièces jointes, au Cabinet du Sous-secrétaire pour confirmer que suite a été donnée à la demande.

- ☐ Interim acknowledgement sent  
Accusé de réception envoyé

For Use of Action Addressee/A l'usage du destinataire

Date received/Date de réception

Action Officer/Agent responsable

Disposition & Date/Disposition et date

EXT 84

000068

18.7.40(U.S.)



OFFICE OF THE UNDER-SECRETARY  
CABINET DU SOUS-SECRÉTAIRE

JUL 14 1978

RECEIVED - REÇU

July 11, 1978.

Mr. Allan E. Gotlieb,  
Under-secretary of State for  
External Affairs,  
Ottawa, Ontario.  
K1A 0G2

5-1-1	
14	

Dear Mr. Gotlieb:

As you know, the Government must soon begin the preparation of its response to the Annual Report of the Auditor General. As in past years, we will be writing to you formally later this summer to obtain official departmental replies to observations in the Report. However, in the meantime, we would like to establish contact with your department on a particular matter, namely, the Auditor General's SPICE (Studies of Procedures in Cost Effectiveness) reports.

SPICE studies have been conducted in several departments of which yours is one. Reports dealing with individual departments are known as "Tier One" studies.

The Office of the Auditor General is also preparing a document called the "Tier Two" SPICE report, dealing with issues that are common to a number of government departments. The issues raised in the Tier Two report will be based on findings in the Tier One studies, and it will contain selected extracts from some Tier One studies for illustrative purposes. The Tier Two report will be incorporated in the Annual Report of the Auditor General and my Office will be preparing a response to the Tier Two issues on behalf of the Government.

We have not yet received the text of the Tier Two report so we do not know which of the many Tier One studies will be used to provide information for the specific examples in it. Illustrative comments could be drawn from any of them. Therefore, it is possible such comments may be drawn from the Tier One study on your department. By way of preparation for the Tier Two report, we would be interested to learn what written comments you may have directed to the Office of the Auditor General on the Tier One study.

Mr. Tim Plumptre from my Office will contact your office in a few days to learn if we can receive your department's assistance with respect to these matters and if so, who would be the appropriate person with whom to discuss the issues.

Yours sincerely,

*H.G. Rogers*

H.G. Rogers.

*Mr. Bresnahan spoke to*  
Ottawa, Ontario  
K1A 0R5

*Tim Plumptre - everything is in hand.*

000069

14.7.19(05)

ACP/W.K. Wardroper/2-2854/1w

cc: AFP

5-1-1	
31	31

ROYAL Commission  
on FINANCIAL MANAGEMENT  
& ACCOUNTABILITY

(2)

OTTAWA, February 14, 1978.

Dear Gerry,

First of all I want to thank you for having included me in your "seminar" on January 26 about the various aspects of accountability in government.

Perhaps it was the adverse effects of the very bad weather that day but I came away somewhat disappointed and with a feeling that our group had not really made a strong contribution to the work of the Commission. I later spoke to Dan Bresnahan of our Department, who attended one of your other sessions. He had felt that it had been a very worthwhile and constructive half day which must have yielded something of value to the Commissioners. I suppose it is inevitable in exercises of this kind that one group will generate a greater degree of creativity than another. It may be that some of us did not fully appreciate that we shared a joint responsibility to make a real effort to produce a coherent useful result.

I recently received a copy of Treasury Board Circular 1978-4, issued on the day of our meeting, which deals with the creation of a Programme Evaluation Policy Division. During one of my comments at your session I advanced the idea that the central agencies, and more specifically the Treasury Board, should exercise a stronger role in monitoring performance (as opposed to mere bureaucratic regulation). Perhaps the new Division will succeed in carrying out this mandate.

This caused me to reflect more about the problem of the role of Parliament in relation to accountability which we did not get into very far. There seems to be a consensus in most of what has been written on the subject in the public domain that the present multiple committee approach to the handling of Estimates by Parliament has brought about little if any improvement over the practice of earlier years. Douglas Hartle, in his "Open Letter" in the Financial Post of February 11, seems principally concerned about the role of the Auditor General. There have also been suggestions that the special Public Accounts Committee approach adopted in the British Parliament would improve matters here.

Mr. O.G. Stoner,  
Commissioner,  
Royal Commission on Financial  
Management and Accountability,  
O T T A W A.

... 2

- 2 -

Taking some of these ideas together I wonder whether a single Parliamentary Committee, devoted solely to the Estimates, could call the Treasury Board to account at both the Ministerial and official levels. Such a Committee would naturally concern itself with the control of expenditure in the sense sought by the Auditor General, and would presumably tackle this aspect of financial management through the new Comptroller General provided for in the current amendment to the Financial Administration Act. But since the Treasury Board also has a responsibility to maintain an overview of government expenditure, the Committee would also reach into the broader questions involved in the evaluation of both the quality of performance and the purpose of the use of resources. Such Parliamentary Committee would obviously become a very powerful body and some opponents of the idea would no doubt see it as likely to encourage collusion on the part of the powerful Treasury Board apparatus. But perhaps some powerful new force is just what is needed to restore a measure of accountability to public life.

I realize also that such a structure would to some extent cut across the responsibilities of individual Ministers for their departments, but it should not prove beyond our inventiveness to devise a significant role for Ministers within a framework of the kind suggested.

Yours sincerely,

W.K. Wardroper,  
Director General,  
Bureau of Communications  
and General Services.

Royal Commission on  
Financial Management  
and Accountability



Commission royale sur  
la gestion financière  
et l'imputabilité

*File  
124*

P.O. Box 1268,  
Postal Station B,  
Ottawa - K1P 5R3.  
December 22nd, 1977.

*Dear [unclear]*  
*5-1-1*  
*21*  
*31*

I hope by now you have had a chance to read our Progress Report, but in the event that it has not reached you, a copy is attached.

While we were able to interview a wide spectrum of people both in Government and in the private sector prior to the issuance of this Report, we are anxious to have the views of other experienced managers in the Public Service.

With this in mind, we would hope to hold a series of half-day meetings with small groups of about twelve to fifteen experienced managers from the Public Service so that we may profit from both their experience and their ideas. We would hope to hold these meetings on January 19th, 1978, January 26th and February 2nd.

I would be grateful if your office could contact Miss Rollande Gravel of the Commission Secretariat at 593-6333 to inform her on which of these days you would hopefully be able to participate.

It is not certain whether the Chairman will be available on these dates, but Professor Hodgetts and some of the Commission staff will be available to join me for the particular dates in question.

Yours sincerely,

*Stoner*

O.G. Stoner,  
Commissioner.

*But works for it.*

Mr. W.K. Wardroper,  
Director General,  
Bureau of Communications and General Services,  
Department of External Affairs,  
Lester B. Pearson Building,  
Sussex Drive,  
Ottawa, Ontario.

*9:00-  
noon  
Jan. 26.  
12th floor  
Vancouver Bldg.  
17th Slater*

Royal Commission on  
Financial Management  
and Accountability



Commission royale sur  
la gestion financière  
et l'imputabilité

January 19, 1978

MEMORANDUM TO PARTICIPANTS IN MEETINGS OF THE ROYAL COMMISSION  
ON FINANCIAL MANAGEMENT AND ACCOUNTABILITY WITH SENIOR PUBLIC  
SERVICE MANAGERS.

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As you are aware from the Progress Report, the Commission has now met with most deputy ministers and heads of Crown agencies. Where they were considered valid or meriting further study the concerns of these individuals are reflected in the Report.

The purpose of meetings with you is not to test conclusions or tentative recommendations, but rather to obtain your views and comments on the issues on which the Commission is focussing and to see whether these issues are being approached in a manner considered effective by those who will have the immediate responsibility for putting into practice the results of this Commission's work. It would also be useful to the Commission to determine whether you feel that there are additional issues or questions which should be addressed.

For ease of reference the texts of all the questions in the Report, as they are set out in Chapter IV, are attached at Annex A.

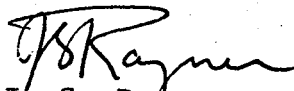
The Commissioners hope that these sessions will assist them in articulating and recommending improvements in the management system of the federal government, a system which was defined in the Conclusion to the Progress Report as capable of meeting the following functional criteria.

"It should be capable of planning and defining the government's priorities; converting priorities into programs with clearly defined and agreed objectives, allocating the requisite resources and setting centrally imposed standards and procedures; delegating to managers the authority to implement programs by

- 2 -

developing the assigned human, physical and financial resources; and, providing monitoring and appraising procedures to ensure that all the actors are held fully and clearly accountable in a progressive and unbroken chain of linkages carrying through to the sovereign Parliament."

The structure of the meetings which will all take place in the Conference Room of the Royal Commission, 12th Floor, Vanguard Building, 171 Slater Street, will be simple. After a brief opening statement by the Commissioners it is hoped that discussion would move immediately to your concerns. There will be no formal agenda and no formal statements, but a rough agenda will be worked out at the beginning of each meeting to ensure that all major topics are covered. All statements and comments made before the Commission will be kept in strict confidence. The summary records of the meetings will be for the internal use of the Commission. However, the Commissioners are hopeful that some of you may be prepared to submit written comments after the meetings.



J. S. Rayner,  
Executive Secretary.

Attachment.

## PARLIAMENT

1. In the present-day context, can the minister alone continue to be held accountable to Parliament for every aspect of the administrative performance of the department or Crown agency? Should the deputy minister and Crown agency head also be accountable before Parliament for the probity, efficiency and economy with which they administer their operations? Would this change in parliamentary procedures be in unacceptable conflict with the doctrine of ministerial responsibility?
2. What information is necessary to enable Parliament to carry out its role as protector of the public purse? How should the content and presentation of the Estimates and Public Accounts be revised to permit a better understanding of annual spending intentions in the first instance and a better comparison between these intentions and the results?
3. Would the development of new procedures, such as a parliamentary examination of a forecast of government expenditures over a three to five-year period, improve Parliament's ability to review and comment on the government's long-term spending plans and priorities?
4. Could the performance of parliamentary committees involved in the surveillance of government spending be made more effective? Would their performance be improved, for example, by rearranging the workload, providing information in new formats, or strengthening the role of committee chairmen?
5. Should there be other means for conducting parliamentary review of the performance of departments and Crown agencies outside the consideration of the Estimates and the Public Accounts? For example, would parliamentary surveillance be improved by the incorporation into legislation of "sunset" provisions limiting the duration of publicly funded programs, or by the establishment of a standing committee on government administration to examine the performance of government programs?

## CENTRAL MANAGEMENT

### CENTRAL MANAGEMENT ROLES

1. Has the right balance been struck between the requirements for strong central management and the necessary freedom for departmental management? Do the central agencies have sufficient authority to carry out their responsibilities for the central management of the government? How should they be held accountable for these responsibilities?
2. Are responsibilities appropriately assigned among the central agencies? For example, is the Treasury Board Secretariat overburdened in its broad management role by its responsibilities for collective bargaining and the implementation of the official languages policy?
3. Should the Public Service Commission continue both as an agent of Parliament with respect to upholding the merit principle and as the central agency with operational responsibilities for staffing and manpower planning and training?
4. Are the roles of the central agencies being carried out effectively? For example, are the Treasury Board and the Public Service Commission providing appropriate central direction and control through the use of directives, guidelines and audits? Specifically, should there be more effective monitoring of delegated authority?

### CENTRAL MANAGEMENT RESPONSIBILITIES IN KEY MANAGEMENT PROCESSES

#### Resource Allocation and Management

1. Can a more effective process be established for setting program objectives, allocating resources, and measuring results?



2. How could communication be improved between departments and agencies and the Treasury Board on government priorities and expenditure guidelines and on the results of Treasury Board reviews of departmental budgets? Should the analyses of departmental budgets by the Treasury Board Secretariat be made available to departments?
3. How could more emphasis be given in the allocation process to reviewing existing programs?

### Financial Management and Control

1. What changes in systems and procedures are required to assure effective control and management in the financial area, and what are the costs and benefits?
2. Do the identification, classification, appointment and training of financial managers receive sufficient attention?
3. Does the proposed role of the Comptroller General ensure the strengthening of financial management and its integration into the management system of the government? What should be his working relationships with the central agencies, the Auditor General and departments?
4. Are the present accounting services provided by the Department of Supply and Services adequate to meet the requirements of departments, central agencies and Parliament?
5. To what degree are financial management and control systems integrated with the monitoring of program delivery by departments and the central agencies? Are the present central agency reporting systems compatible with departmental management information systems?
6. How should central agencies ensure compliance of departments and agencies with financial management policies, directives and guidelines?

## Senior Personnel Appointments

1. How could the procedures be improved for identifying and matching candidates to the qualifications required for particular positions?
2. How should goals be determined for deputy heads of departments and heads of Crown agencies? Should they be confirmed and approved by the government, and communicated in writing?
3. Is the rate of movement of deputy ministers and senior executives conducive to the development of senior personnel with management skills and departmental expertise?
4. How can the present system for evaluating individual performance of deputy ministers and agency heads be improved? To what extent can the individual performance evaluation system be coordinated with other reviews of departmental and agency programs and procedures?

## C - DEPARTMENTS

### ROLE OF THE DEPUTY MINISTER

1. Do the policy advisory responsibilities of the deputy minister significantly reduce his or her capacity to give adequate attention to the administration of the department?
2. Should the relationship between deputy minister and minister be further clarified in law or by some other formal instrument?

3. Does the lack of a clearly defined statement of responsibilities limit the motivation and effectiveness of deputies?
4. Do central controls over management practices and procedures significantly reduce deputies' responsibilities for the attainment of departmental results?

#### SENIOR MANAGEMENT RESPONSIBILITIES

1. How adequate are the methods used by deputies to delegate and to hold subordinates to account for the management of resources? How should the internal audit function in departments be organized?
2. How can the methods of delegation used by the central agencies focus deputies' attention more closely on objectives and results rather than compliance with administrative procedures?
3. Is the importance of the financial and personnel functions adequately recognized within departments? With whom other than their deputy minister should senior financial and personnel officers have a functional relationship?

#### RELATIONSHIPS WITH COMMON SERVICE DEPARTMENTS

1. Has the experience with the provision of common services been satisfactory?
2. Do the present arrangements for charging for common services encourage economy on the part of user departments? Do these arrangements have an adverse impact on accountability?

3. Does the organization of common services in a departmental form weaken or strengthen the management of and accountability for the provision of common services?

#### D - ACCOUNTABILITY OF CROWN AGENCIES

1. Can appropriate criteria be established for classifying and thereby standardizing the status of Crown agencies?
2. What degrees of special status do these agencies require, and what means should exist for holding them to account? Does the rationale for special status that applied when they were created still hold, or should a departmental form be considered?
3. What are the appropriate organizational and managerial forms for different kinds of government activities?
4. How should the board of directors of a Crown agency exercise its responsibility for holding management to account? What should be the role, responsibility and authority of the chairman of the board and of the members of the board? To what extent should the chairman or the board be involved in the appointments of members of the board and senior management? Should deputy ministers continue to serve on these boards?
5. How can clear mandates be established, objectives set and a meaningful accountability process put in place for Crown agencies?
6. What should be the relationship between the chief executive officer and the board of directors of a Crown agency and the government? How best can the chief executive officer and the board be held accountable for their management responsibilities to the government and before Parliament without unduly limiting the flexibility required to operate these concerns?

GAA/D.N. Coyle/6-8300/j2

Diary  
Division  
File  
Circ

MEMORANDUM

AFS/Richards

GAPD

AFP Memo dated March 24

Financial Management Study

UNCLASSIFIED

April 14, 1976

5-1-1	
25	

Mr. Yvon Beaulne (GAP) has asked me to inform you that, providing a mutually convenient time can be arranged, he would be willing to be interviewed.

H. H. CARTER

H.H. Carter  
Deputy Director-General  
Bureau of African and  
Middle Eastern Affairs

710715

ACRP

Department of External Affairs



Canada

Ministère des Affaires extérieures

UNCLASSIFIED

OTTAWA, April 8, 1976

1-6-4-5-1

CIRCULAR DOCUMENT

Admin. No. 20/76 (AFP)

5-1-1		
38		

STUDY OF FINANCIAL MANAGEMENT IN EXTERNAL AFFAIRS

It is the objective of the Bureau of Finance and Administration and the Financial Officers in the Department to provide financial services as economically and effectively as possible. These services must be effective both in terms of the needs of the Department and the requirements of the Central Agencies. Accordingly financial organizations, systems and procedures have been modified from time to time to meet ever changing needs. In spite of this, there has been concern for some time that the financial services were not fully meeting the needs of either the Department or the Central Agencies. Recent examination of financial organizations, systems and procedures conducted by both Treasury Board and the Auditor General have confirmed this view.

2. The last comprehensive review of our financial management systems was carried out in 1968 and resulted in the implementation of responsibility accounting. Since that time new regulations and guidelines have been issued by the Central Agencies and the needs of the Department have changed due to such things as the integration of support services at posts and the continuing application of budgetary restraints. To assist in determining the changes that are required and the best way to make these changes, it has been decided to conduct a broad organization, system and procedures study of Financial Management in the Department. This study will include an examination of: financial services required by bureaux and posts, the financial operations in Headquarters and at the Posts, as well as the level of functional guidance that may be required. It is not intended to tear down existing financial management organizations, systems and procedures, but rather to improve and build on what already exists. The study will require several months to complete.

../2

TO: HEADS OF POSTS  
DIRECTORS GENERAL  
DIRECTORS

000082


- 2 -

3. The study will fall into two phases. In the first phase studies will be carried out and recommendations made in respect of the functional needs of both the Department and the Central Agencies in the area of financial management. This phase will then go on to define the organizational structure required to fulfill those needs. In the second phase detailed studies will be carried out and recommendations made in respect of financial systems and procedures.

4. The Bureau of Management Consulting (DSS), with the support of and under the general co-ordination of Management Services Division (AFS), has been requested to lead the first phase of the study and Mr. Harold Richards, a B.M.C. consultant, had already started work. Although, of necessity, the functional needs and organization at posts abroad will have to be evaluated it is expected that the study will concentrate on the financial management organization at headquarters and no change is envisaged in the basic systems of responsibility accounting now in place. Both headquarters responsibility centres and posts may be called upon to provide information and input but no visits to posts are envisaged at the present time.

5. In view of the current budget restraints, which are expected to extend over the next few years, it is particularly important that we improve our financial management as much as possible in order to enable the best use to be made of the funds available to the Department. Because of the importance of this study to the future financial management and well-being of the Department your strong support is requested in defining your needs and providing data as required by the consultants, and in testing proposals that may be made. Although posts are not expected to provide any specific input at this time, any comments that a post may wish to make would be most welcome.

6. This circular document is cancelled effective December 31, 1976.

  
fu Under-Secretary of State for  
External Affairs


- 2 -

3. L'étude comportera deux phases. Dans la première, on se penchera sur les besoins fonctionnels du Ministère et des organismes centraux dans le domaine de la gestion financière et on formulera des recommandations à leur sujet; de plus, on tentera de définir la structure organisationnelle nécessaire pour remplir ces besoins. Dans la seconde, on fera des études détaillées et des recommandations sur les méthodes et systèmes financiers.

4. Avec l'aide et sous la surveillance générale de la Direction des services de gestion (AFS), le Bureau des conseillers en gestion (BCG) du MAS a été prié de mener la première étape de l'étude, et M. Harold Richards, conseiller du BCG, a déjà commencé le travail. Il faudra nécessairement évaluer l'organisation et les besoins fonctionnels des missions, mais on s'attend que l'étude porte avant tout sur l'organisation de la gestion financière à l'administration centrale, et aucun changement n'est prévu dans les systèmes fondamentaux de comptabilité de responsabilité actuellement en vigueur. Il se peut que les centres de responsabilité de l'administration centrale et les missions soient appelés à fournir des renseignements et à apporter leur concours, mais aucune visite dans les missions n'est encore prévue.

5. Etant donné les présentes restrictions budgétaires, qui devraient se poursuivre au cours des prochaines années, il est particulièrement important d'améliorer autant que nous le pouvons notre gestion financière afin de permettre la meilleure utilisation possible des fonds alloués au Ministère. L'étude revêt une importance spéciale pour la gestion financière à venir et la bonne marche du Ministère; nous faisons donc appel à votre entière collaboration pour définir vos besoins et fournir les données dont les conseillers ont besoin, de même que pour mettre à l'essai les propositions éventuelles. Même si, pour le moment, nous ne nous attendons pas à un apport bien défini des missions, leurs commentaires seraient fort appréciés.

6. La présente circulaire expire le 31 décembre 1976.

  
Le Sous-secrétaire d'Etat  
aux affaires extérieures



Department of External Affairs



Canada

Ministère des Affaires extérieures

NON CLASSIFIE

OTTAWA, le 8 avril 1976.

CIRCULAIRE

No. Admin 20/76 (AFP)

Etude de la gestion financière aux Affaires extérieures

Le Bureau des finances et de l'administration et les agents des finances du Ministère cherchent à offrir les services financiers de la façon la plus économique et efficace qui soit. Ceux-ci doivent satisfaire à la fois aux besoins du Ministère et aux exigences des organismes centraux. C'est pourquoi les organisations, méthodes et systèmes financiers ont, à l'occasion, été modifiés face à des besoins en perpétuelle évolution. Malgré cela, on se préoccupe depuis quelque temps de ce que les services financiers ne répondent pas pleinement aux besoins du Ministère ou des organismes centraux, lacune qui a été confirmée par les études récentes effectuées par le Conseil du Trésor et l'Auditeur général.

2. La dernière étude d'ensemble de nos systèmes de gestion financière, qui remonte à 1968, a conduit à la mise en oeuvre de la comptabilité de responsabilité. Depuis lors, les organismes centraux ont émis de nouveaux règlements et directives, et les besoins du Ministère ont changé en raison de facteurs tels que l'intégration des services de soutien dans les missions et l'application permanente des restrictions budgétaires. Pour déterminer plus facilement les changements nécessaires et la meilleure manière de les effectuer, on a décidé de procéder à une vaste étude des organisations, systèmes et méthodes de gestion financière du Ministère. Cette étude comprendra un examen des services financiers nécessités par les bureaux et les missions, des opérations financières à l'administration centrale et dans les missions, ainsi que du degré d'orientation fonctionnelle pouvant être requis. Nous n'avons pas l'intention de supprimer les organisations, méthodes et systèmes actuels de gestion financière, mais plutôt de les améliorer et de les étendre. Il faudra plusieurs mois pour mener l'étude à bien.

../2

AUX CHEF DE MISSION  
DIRECTEURS GÉNÉRAUX  
CHEF DE DIRECTION

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO  
A GAP, GPP, CSP, FCP, DFP, ECP, GEP,  
FLP, PSP, COP, SRB, UNP, GWP

SECURITY  
Sécurité UNCLASSIFIED

FROM  
De AFP

DATE 24 March 1976

REFERENCE  
Référence

NUMBER  
Numéro

SUBJECT  
Sujet Financial Management Study

FILE	DOSSIER
OTTAWA 5-1-1	
MISSION 25	

ENCLOSURES  
Annexes

DISTRIBUTION

AFS

Mr. Richards

The last comprehensive review of our financial management systems was carried out in 1968 and resulted in the implementation of responsibility accounting. Since that time new regulations and guidelines have been issued by the Central Agencies and the needs of the Department have changed due to such things as the integration of support services at posts abroad and the continuing application of budgetary restraints. Accordingly financial organizations, systems and procedures have been modified from time to time to meet these changing needs. In spite of this, there has been concern for some time that the financial services were not fully meeting the needs of either the Department or of the Central Agencies. Recent examinations of financial organizations, systems and procedures conducted by both Treasury Board and the Auditor General have confirmed this view.

2. To assist in determining the changes that are required and the best way to make these changes, it has been decided to conduct a broad organization, systems and procedures study of financial Management in the Department. The Bureau of Management Consulting (DSS) with the support of and under the general co-ordination of Management Services Division (AFS), has been requested to lead the first phase of the study and Mr. Harold Richards, a B.M.C. consultant, has already started work. A Circular Document briefly describing the study will be issued shortly.

3. The purpose of this memorandum is to ask whether you would wish to be interviewed from the point of view of a client using financial services.

4. I would appreciate your advising AFS whether or not you wish to be interviewed.

*A. Keehner*

A. Keehner  
Director General  
AFP

FILE  
DIARY  
CIR DIARY  
DIV DIARY  
JO PARRY

FLA/JO PARRY: 6-7194/em

AUDG (Mr. J.H. Wake)

*Not Open*  
UNCLASSIFIED

FLA

January 15, 1975

AFF memorandum to you of January 10, 1975.

Financial Management and Control Study Acts  
administered by the Department of External Affairs

5-1-1	
2-1-FLP	
4	28

... Attached is a list of federal statutes which are administered by the Department of External Affairs. In connection with your Financial Management and Control Study you have asked: "whether any legal opinions relating to the above statutes were given and, if so, what those opinions were".

AFF  
(R.F.J. Bougie)

2. The Legal Bureau of this Department is responsible for advising the Government on questions of international law. Questions of purely domestic law, including the interpretation of federal statutes, fall within the field of responsibility of the Department of Justice. That Department not only drafts the necessary legislation; it is also the authority responsible for interpreting Acts of Parliament and providing advice on their intent and construction to other departments of government on request.

3. There have been a number of instances in which this Department has sought the advice of the Department of Justice in the interpretation of various Acts administered by this Department. In recent years we have consulted with Justice and sought legal opinions from them on the Privileges and Immunities (International Organizations) Act, RSC 1970 C. P-22 (in connection with various Orders made under this Act providing privileges and immunities for international organizations), and the United Nations Act, RSC 1970 c.U-3. For example, following the promulgation of UN Rhodesia Regulations, this Department was faced with a number of problems involving the question of whether the Rhodesia Regulations were consistent with the terms of the United Nations Act. In each such case we referred the question to the Department of Justice for a legal opinion. We have no record of legal opinions sought from the Department of Justice on other statutes on this list but it is reasonable to assume that from time to time, questions arose concerning their interpretation which would have been referred to the Department of Justice for advice.

... 2

2.

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4. Accordingly, the question as to what legal opinions have been given relating to these statutes should be addressed to the Department of Justice.

A. W. Robertson

A. W. Robertson,  
Director,  
Legal Advisory Division.

Acts Administered by the Department of External Affairs:

- 1) Diplomatic Immunities (Commonwealth Countries) Act, R.S.C. 1970, c.D-4
- 2) External Affairs Act, R.S.C. 1970, c.E-20
- 3) Food and Agriculture Organization of the United Nations Act, R.S.C. 1970, c.F-26
- 4) Geneva Conventions Act, R.S.C. 1970, c.G-3
- 5) High Commissioner in the United Kingdom Act, R.S.C. 1970, c.H-5
- 6) International Boundary Waters Treaty Act, R.S.C. 1970, c.I-20
- 7) International Development Research Centre Act, R.S.C. 1970, 1st Supplement, c.21
- 8) Privileges and Immunities (International Organizations) Act, R.S.C. 1970, c.P-22
- 9) Privileges and Immunities (North Atlantic Treaty Organization) Act, R.S.C. 1970, c.P-2
- 10) Roosevelt Campobello International Park Commission Act, S.C. 1964-65, c.19
- 11) Treaties of Peace (Italy, Roumania, Hungary and Finland) Act, S.C. 1948, c.71
- 12) Treaty of Peace (Japan) Act, S.C. 1952, c.50
- 13) United Nations Act, R.S.C. 1970, c.U-3

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO  
À FLA - Mr. J. O. Parry

SECURITY  
Sécurité UNCLASSIFIED

FROM  
De AFF

DATE January 13, 1975

REFERENCE  
Référence AUDG Memorandum of January 10, 1975  
to AFF and Our Reply of January 13, 1975.

NUMBER  
Numéro

SUBJECT  
Sujet Financial Management Control Study

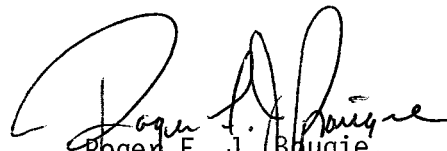
FILE	DOSSIER
OTTAWA	
MISSION	

ENCLOSURES  
Annexes

DISTRIBUTION

... Further to our telephone conversation earlier today,  
I attach, for your information, copies of the above-mentioned self-explanatory memoranda.

2. As indicated in our reply of January 13th, to the AUDG's memorandum of January 10th, we would appreciate it if you could provide the answers to his question No. 4.

  
Roger F. J. Bougie,  
Deputy Director (Operations),  
Finance Division.

RECEIVED

JAN 14 1975

In Local Library Division  
Department of External Affairs

AUDITOR GENERAL'S OFFICE

MEMORANDUM

TO: AFF - Mr. R.F.J. Bougie

From: AUDG - J.H. Wake

Date: January 10, 1975

Subject: Financial Management and Control Study

In connection with this Study, I need to know:

1. The title of any statute under which the Department was established, in addition to the Department of External Affairs Act, if any.
2. The titles of all statutes which provide the basis in law for departmental programs and activities.
3. The titles of all statutes administered by the Department of External Affairs.
4. Whether any legal opinions relating to the above statutes were given and, if so, what those opinions were.

Any help you can provide to help me obtain precise information on the points outlined above will be greatly appreciated.

*Justice, not PLA, since it's domestic law!*

*J.H. Wake*  
J.H. Wake

Auditor General's Representative

AUDG - Mr. J. H. Wake

UNCLASSIFIED

January 13, 1975

AFF

Your Memorandum of January 10, 1975

Financial Management and Control Study

The answers to the questions raised in your memorandum under reference are:

- FKH -  
The Party
- 1 - The Department of External Affairs was established in 1909 by Act of Parliament (S.C. 1909, Chapter 13-now the Department of External Affairs Act, R.S.C. 1970, Chapter E-20). The Act creating the Department placed it under the Secretary of State. In 1912, an amending Act was passed placing the Department directly under the Prime Minister who then held the additional portfolio of Secretary of State for External Affairs. In 1946, a bill was passed repealing the section of the Act which provided that the Prime Minister was to be the Secretary of State for External Affairs. Late that year the first Secretary of State for External Affairs was appointed.
  - 2 - The Department of External Affairs Act provides the basis in law for departmental programs and activities.
  - 3 - In addition to the above, the Department of External Affairs administers the following statutes:
    - An Act Respecting the International Boundary Waters Treaty and the existence of the International Joint Commission (R.S.C. 1970, Chapter I-20);
    - An Act carrying into effect the Treaties of Peace between Canada and Italy, Roumania, Hungary and Finland (S.C. 1950, Chapter 50);
    - An Act carrying into effect the Treaty of Peace between Canada and Japan (S.C. 1952, Chapter 50);
    - Food and Agriculture Organization of the United Nations Act (FAO) (R.S.C. 1970, Chapter F-26);



- 2 -

- High Commissioner in the United Kingdom Act (R.S.C. 1970, Chapter H-5);
- Privileges and Immunities North Atlantic Treaty Organization Act (R.S.C. 1970, Chapter P-23);
- Privileges and Immunities (United Nations) Act R.S.C. 1952, Chapter 219 amended by Privileges and Immunities International Organizations Act (R.S.C. 1970, Chapter P-22);
- United Nations Act (R.S.C. 1970, Chapter U-3);
- Roosevelt-Campobello International Park Commission Act (S.C. 1964-65, Chapter 19);
- Geneva Conventions Act (R.S.C. 1970, Chapter H-6);
- Diplomatic Immunities (Commonwealth Countries) Act (R.S.C. 1970, Chapter D-4);
- International Development Research Centre Act (R.S.C. 1970, 1st Supplement, Chapter 21).

*UN Rhodesia  
Regulations  
enquiries  
of Justice*

4 - This question has been referred to the Legal Advisory Division of the Department for an answer.

**ROGER F. J. BOUGIE**  
Roger F. J. Bougie,  
Deputy Director (Operations),  
Finance Division.

**BUREAU OF MANAGEMENT CONSULTING**  
**BUREAU DES CONSEILLERS EN GESTION**

25 November, 1970

*file*  
*5-1-1*

Mr. W. H. Barton,  
Assistant Under Secretary of State  
for External Affairs,  
East Block, Parliament Buildings,  
Ottawa, Ontario.

Dear Mr. Barton:

We are pleased to submit herewith an outline of the terms of reference for the work to be conducted by the Bureau of Management Consulting for your department in connection with your headquarters re-organization.

PHASE I

- (a) generally to assist in the development of an organizational structure suited to your concept approved by Treasury Board on October 7, 1970 under TB no. 699913;
- (b) to examine and define the relationships and responsibilities of the principal units within the organization and to develop the statements of duties for the key management positions;
- (c) without limiting the generality of the above, to make recommendations to the department concerning relations:
  - (i) between functional and regional bureaux;
  - (ii) between heads of bureaux and the Under-Secretarial group;
  - (iii) among functional bureaux.

27.11.2 (us)

the bureau of management consulting is an agency of the department of supply and services  
place de ville, tower a, ottawa

- 2 -

- (d) to advise the department on ways and means of ensuring understanding and acceptance of the new organizational arrangements by employees in headquarters and abroad; to provide assistance with such directives, briefings or seminars as may be required for this purpose.

## PHASE II

To carry out such other activities as may be agreed upon between the Bureau and the Department of External Affairs in connection with the implementation of the new organization.

We recognize the Department's need for an early definition of certain key roles so that initial appointments can be announced. Our ability to complete this task quickly will be dependent not only on the availability of the people affected, but also upon the rate at which critical differences of opinion within the Department concerning the appropriate responsibilities of senior officers can be resolved.

We believe that as the broad outlines of regional directors' functions are roughly similar, we should be able to define their roles before the end of the year. The differentiation of the roles of functional directors general may well be a longer process because of the individuality of each function and the need to define their responsibilities rather more carefully to minimize any possible confusion. In the case of each position, we will provide the department with a written guide as to the functions, responsibilities and authority, and relationships appropriate to it.

Another aspect of the study is the matter of defining relationships with other departments of the federal government. While we believe that a preliminary investigation of this aspect might be attempted in the context of Phase I, any detailed examination of the problem would involve a fairly extensive commitment of time and energy that would carry us into Phase II. The degree of involvement in this aspect of the study would be subject to further negotiation as the study advances.

Successful implementation of the Department's new concept will require both persuasion and rationalization, as well as a clear manifestation of senior management's determination to proceed. We will provide the former; you must provide the latter. Since the

...

- 3 -

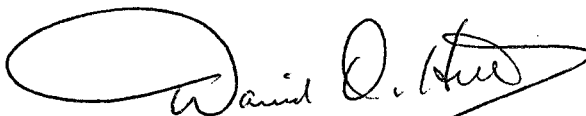
successful completion of our task can only be determined subjectively, we would propose that our progress be controlled by progressive negotiation with you. In this manner, you can determine not only the critical timings for our activities, but also when there is need for increased intervention by management in the persuasive process.

We believe that Phase I of this project can be completed by 1 April 1971 at a cost not to exceed \$16,500 plus any necessary travel. However, since this "re-socializing" may be easier than anticipated, we may finish in substantially less time.

We would therefore propose to render monthly billings on an as-incurred basis up to the target amount quoted. If we run into extraordinary problems which we feel may bring into question our target deadline or costs, we will inform you immediately and seek your direction.

If these admittedly loose arrangements are satisfactory would you give us your authorization on the enclosed copy so that we may commence.

Yours sincerely,



David O. Hill,  
Director, Bureau of Management Consulting.

I approve:



.....  
(W. H. Barton)

# MESSAGE

AFF ACRB.

FM/DE	EXTERNAL OTT	DATE	FILE/DOSSIER	SECURITY
		MARCH 17 1970	55-1-1	SECURITE
TO/A	CANBERRA	MAR 18 1970	NO	PRECEDENCE
			GCO-150	ROUTINE
INFO				

**REF** YOURTEL 261 OF MARCH 13

**SUB/SUJ** CDN. INTEREST IN AUSTRALIAN PUBLIC ACCOUNTS ARRANGEMENTS

AUDITOR GENERAL INFORMS US THAT EXCHANGES WITH AUSTRALIAN COUNTERPART HAVE BEEN ON A CONTINUING BASIS FOR SOME TIME. HE SAID THAT THEY WERE OF A ROUTINE TECHNICAL NATURE ONLY AND CONDUCTED IN THE MAIN BY CORRESPONDENCE BETWEEN THE TWO OFFICES. NO FURTHER INFORMATION WAS FORTHCOMING.

**DISTRIBUTION**  
**LOCAL/LOCALE**

NO STD.

cc: Dept. of Finance (Attn. Clemens)

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG... <i>A.F. Broadbridge</i> A.F. Broadbridge:ms	GCO	2-2756	SIG... <i>D.M. Cornett</i> D.M. CORNETT

cc. of Action Tel

figg

AFF

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FM CNBRA MARI3/70 NO/NO STANDARD

TO EXTER 261 20-1-2-AUSTL

INFO.FINANCTE

CDN INTEREST IN AUSTRALIAN PUBLIC ACCOUNTS ARRANGEMENTS

WE UNDERSTAND FROM MEMBER OF PARLIAMENTARY PRESS GALLERY HERE THAT THERE HAS BEEN SOME EXCHANGE BETWEEN AUSTRALIAN AND CDN AUDITORS-GEN CONCERNING MANNER IN WHICH PUBLIC ACCOUNTS ARE CONSIDERED BY PARLIAMENTARY PUBLIC ACCOUNTS CTTEE. CONTACT SEEMS TO THINK THERE IS SOME POSSIBILITY THAT CDN ATTORNEYGEN MIGHT EMULATE EXISTING AUSTRALIAN PRACTISE IN THIS FIELD. ASSUMING EXCHANGE IS NOT/NOT OF A PRIVILEGED NATURE GRATEFUL FOR ANY GENERAL EXPOSITION YOU CAN GIVE US OF DIFFERENCES IN OUR TWO SYSTEMS, AND IF POSSIBLE REASONS WHY CDN ATTORNEYGEN IS INTERESTED IN AUSTRALIAN APPROACH.

Mar 19/70  
- telephoned  
Mr. Henderson. Audit Gen  
re: contents. He indicated that  
there had been a long period  
of correspondence between  
himself and Aust. And that  
it is routine, technical nature and  
he couldn't see what possible  
interest this could have to our  
Dept.

A

*Handwritten: Secretary*

EXTERNAL AFFAIRS

AFFAIRES EXTÉRIEURES



*Handwritten: Task Force*

TO PDA - Mr. T.H. Bennett

FROM AFP - Finance & Administration Branch

REFERENCE  
Référence

SUBJECT Financial Management in a Unified Foreign Service

SECURITY  
Sécurité

UNCLASSIFIED

DATE

March 5, 1970

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	5-1-1
MISSION	

ENCLOSURES  
Annexes

1

DISTRIBUTION

AFF (Mr. R.H. Matthews)

Area Comptrs.  
(W.M.A.)  
(A.M.L.)

On February 23, Phil Dixon chaired a meeting in the Daly Bldg. conference room of Mr. E.F. Muise (M&I), Mr. M.J. McCarthy (IT&C), Mr. R. Ranger (CIDA) and me. The object was, through consultations and written input from us, to firm up a chapter on financial management which Phil is to provide for the Task Force Report.

2. I made it very clear that I would have limited time to contribute and that, moreover, I had no sympathy whatever for the first of the two unification models to be treated.

3. We talked for two hours, with apparent mutual agreement between all parties on the main issues. We agreed to contribute think papers this week and to attend a follow-up meeting, probably next week.

4. Attached you will find my hasty comments.

*Handwritten signature of L.J. O'Toole*

L.J. O'Toole,  
Assistant Director-General.

*Handwritten signature: Mr. Fitchie*

*Handwritten note:* This has gone forward to Mr Dixon on the Task Force staff. I think you will find it interesting & well done. Pls return at your convenience.

*Handwritten initials: AB*

## UNIFICATION OF FINANCIAL MANAGEMENT IN FOREIGN OPERATIONS

The Secretary of the Task Force has requested my views on the feasibility and possible characteristics of a financial management system under two alternative unification models:

- (a) a unification of administrative support services abroad without any program integration;
- (b) a unified "department of foreign operations" in Ottawa with fully integrated posts abroad operating under the management of the Head of Post.

### Alternative (a): Unification of Administrative Services only

It will be easiest to comment on this alternative by considering it in terms of the existing system which already incorporates a substantial degree of unification in the support services and which could deliver a good deal more if the demand existed.

It is my general view that a recommendation by the Task Force that administrative support services only should be unified would amount to a 'cop-out' by its terms of reference. At best it would elicit the changes that would have occurred anyway through the normal evolution of interdepartmental cooperation. At worst, as will be indicated in my later comments, it could produce new abrasions and discords between the employees of different departments and thus inhibit the further integration of Canada's foreign operations.

Cash management operations present no particular problems at present and should not do so under either form of unification. The departments with major operations abroad operate very similar systems; disbursements at posts are handled through an account with a local bank which is replenished via letter of credit from a Canadian bank financed in Ottawa from a revolving fund maintained for the purpose; the revolving fund is reimbursed by charges to appropriations supported by detailed expenditure records prepared and forwarded to Ottawa by each post monthly. Unification would permit the merging of the revolving funds (with a possible minor reduction in total amount), the maintenance of a single bank account at each post (with possible minor savings in bank charges) and the consolidation of all detailed expenditure data on a single monthly return.



The difficulties arise in the management (i.e., planning, directing, coordinating and controlling) of available resources to best achieve government objectives abroad. Given the conditions that obtain generally in foreign operations, the officer in charge at a post has de facto responsibility for all resources expended in connection with that post with the notable exceptions of network communications costs and the salaries, allowances and removal expenses of Canada-based staff. In External Affairs, starting April 1, 1970, the de facto responsibility will be balanced by the delegation to heads of post of proportionate financial authority within the budgetary system. Although, at first glance, it might appear sweeping, this delegation covers little but administrative support. The only program related items delegated are travel, hospitality, and promotional activities. (The same pattern would hold, I believe, for all departments concerned, if the de facto responsibilities were recognized in delegations of authority.) Thus, the head of post must provide the following support services:

- local staff;
- office and, increasingly, living accommodation;
- transport;
- registry and local communications;
- property maintenance and renovation;
- furniture and equipment maintenance;
- office supplies;
- furniture and equipment procurement.

Under unification he would provide these to the employees of all departments. I will comment briefly on each area.

At nearly all posts where office accommodation is shared by departments there is some degree of integration of local staff. In most cases it does not extend beyond the switchboard/receptionist and charwomen. In some cases, other departments "pay" External for their share of one employee through ad hoc agreements to let External share another employee on another departmental payroll. More frequently, I believe, the "sharing" agreement is found to be too complicated and is quietly abandoned. How does one divide up a switchboard/receptionist after all? Is the criteria to be frequency of calls or their length? Or a weighted average? Does a long distance call count the same as a local call? Does an office visitor equal two or more phone calls? Clerks and stenographers might pose a simpler problem, if we used time-clocks, since sharing might involve

- 3 -

their physical presence in one or another section of the embassy. Was Miss Bumstead with you or with me on the afternoon of the 18th or, on the other hand, was she down in the garage with the second driver?

These, I fear, are the kind of practical difficulties that face the human beings on the spot. Solutions in the form of accounting could, of course, be provided but at a cost that might consume all savings.

Unification based on fully documented recovery from customer departments would produce the problems monthly. Unification based on formula recovery from customer departments would produce these problems annually in arrears, ("my section did not use more than 2 hours per week of stenographer time last year"). Unification requiring one department to carry all support expenses in its own estimates would condemn that department to a war of attrition because of the familiar propensity of men to claim "minimum" requirements that are about 110% of what is available.

Office accommodation is provided, for the most part, as a common service already. No particular problems are evident except in planning, which will be dealt with below.

Staff accommodation, in the experience of this Department, can be provided most effectively by means of Government ownership and leasing. It would be expected that an "administratively unified" service would continue to pursue our objective of placing some 80% of all staff accommodations under Government control. Perhaps the stickiest implication for post management is the equitable allocation of accommodation. I would foresee very serious difficulties arising under limited unification when, for example, representational accommodations were judged unsuitable by an officer of a customer department whose representational (program) instructions were coming down a separate chain of command.

Optimum utilization of a motor vehicle fleet demands that, through tight scheduling, vehicle numbers (and thereby depreciation) be kept to a minimum. Anyone who has tried to maintain an "in and out board" for even a small office will appreciate the difficulties of tight scheduling. Moreover, I have the impression that unexpected meetings, messages for immediate transmission, etc., are more a rule than an exception in foreign operations. Unification in itself would create no problems here. Any unwise attempts at economy almost certainly would.

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000102

Registry and local communications operations would appear to be simply cumulative; no problems and no savings.

Property, equipment and furniture maintenance, renovations, etc. provide, even without unification, almost endless opportunities for frustration and abrasion. "One man's meat ...." and all that. The lady for whom blue is lucky is inevitably followed by one who feels that only black and white expresses our arctic destiny. The representational consideration, mentioned earlier, would arise here as well, and could lead to program objectives being in conflict with administrative imperatives.

Furniture and equipment procurement services to other departments are already provided on request by External. This could be extended without difficulty and some formula for evaluating the service could be devised with little difficulty if required.

Two general considerations remain to be mentioned.

A number of the problems referred to above would be of very slight consequence in a large organizational unit. Their impact could be readily absorbed on the one hand, or sophisticated, and more costly, techniques could be devoted to their solution. However, the average post abroad is a very small organizational unit.

All these comments have assumed that carefully planning and accurate forecasting was possible. In other words, if good planning and forecasting had occurred the year before, post management would be faced with the above problems in the course of operations. Needless to say the problems would be complicated severalfold where plans and estimates were not dependable. In the absence of full program level integration, it is difficult for me to see how the unified administration could be provided with dependable forecasts of personnel, space, materiel and ultimately of funds requirements, post by post.

Alternative (b): Unified "Department of Foreign Operations"

Perhaps the most important single improvement in financial management that would result from the adoption of this alternative would be the development of practical and dependable planning data in the context of the 5-year forecast. The benefits for rational recruitment and development of Canada-based employees are outside the scope of this paper but very important benefits would accrue also in the financial planning and administration area.

In the new financial management system being implemented in External Affairs, the only area that causes concern is the continuing difficulty of 5-year planning, particularly in the many areas where we are affected by the decisions of other departments. Otherwise, we are generally satisfied that this system is sound and practical for a foreign operation at our present stage of evolution. To judge by the initial reports submitted by CIDA, IT&C and M&I, they are encountering essentially the same kind of problems that led External to adopt the new system and they foresee future requirements that are largely available in the External system.

It is my recommendation, therefore, that, with the planning hole plugged, the "Woods-Gordon" system as implemented in External Affairs be adopted with appropriate minor changes as the one most likely to meet the requirements of the Department of Foreign Operations.

The Woods-Gordon report, with a few exceptions, remains the definitive authority on the system. Project - Financial Management is an abridged and popularized treatment of the subject. I will not attempt a recap here. I will comment on only one factor; the ease with which, in my view, the operating budget of a post could be restructured to ensure the integrity of certain packages of resources associated with particular program objectives.

The post budget and the post management reports are structured in packages called "reporting objects of expenditure". Once a budget is approved, authority can be delegated to spend the allotment in each reporting object or to spend individual allotments and to transfer between a few specified reporting objects or to transfer freely between reporting objects throughout the budget.

For 1970-71 the reporting objects are as follows:

- 6 -

21. Salary costs; continuing local employees
22. Other personnel costs
23. Not allocated
24. Travel and local transportation
25. Local communications
26. Promotional activities
27. Professional and special services
28. Rentals
29. Maintenance of properties
30. Repair/upkeep of equipment and furnishings
31. Repair/upkeep of motor vehicles
32. Utilities
33. Materials and supplies
34. Miscellaneous
35. Capital acquisitions.

For 1971-72 we will advance to a higher slope on the learning curve and our reporting object structure for post budgets will be something like the following:

21. Salary costs: local employees
22. Other personnel costs
23. Travel and hospitality
24. Promotional activities
25. Local communications and transport
26. Accommodation operation and maintenance
27. Materiel operation and maintenance
28. Vehicle operation and maintenance
29. Services and supplies
30. Miscellaneous expenditures
31. Acquisition of materiel.

/ ...7

- 7 -

In a unified operation, we would want to ensure that travel, hospitality and promotional or information activities were properly enshrined for each program. To do so, the structure immediately above would be amended to include the following items:

- 23. Program related costs - External  
(including travel, hospitality and promotion)
- 24. Program related costs - Cultural
- 25. PRC - Trade
- 26. PRC - Aid
- 27. PRC - Immigration.

This structure, used in combination with the flexible delegation described two paragraphs earlier, would go most of the way, I submit, to resolve the concern of program executives in other departments that resource commitments within the Department of Foreign Operations be immune to unauthorized tampering.

March 4, 1970.

5-1-1		
31		

AFF - Finance Division  
(Mr. R.H. Matthews)

UNCLASSIFIED

AFF - Finance & Administration Branch

December 30, 1969

New Financial Procedures at Posts Abroad

It will be necessary within the next 60-90 days to publish at least three Financial Management Letters which, for the most part, should be originated by your Division.

AFM  
(Mr. Vail)

- (a) Signing Authorities - should summarize the subject of signing authority delegation to posts for 1970-71 and set out any procedures, etc. to be followed.

APR  
(Mr. Wilson)

- (b) Contract Regulations - should summarize aspects of these regulations that will be relevant to post activities under the new regime. It may be desirable to expand the Letter into a sort of layman's guide to financial regulations generally.

AFO  
(Mr. Regalbuto)

FIN  
(Mr. Gregson)

- (c) Post Accounting Procedures - should set out the irreducible minimum accounting requirements and establish standard forms and procedures. In addition, for posts that wish to follow them, we might describe more elaborate bookkeeping systems such as the one submitted by Mr. Foychuk in Lagos. We should seek other opinions on the latter possibility; we want to discourage unnecessary record-keeping in the long run; but, for those who find solace in detailed ledgers, we might be wise to provide advice.

2. Mr. Vail's memo to you of December 18 relates to the first two subjects and indirectly to the third. Mr. Vail requested views on the advisability of placing dollar limits on posts' authority. As you know, I feel that this is, in most cases, an unnecessary precaution and I hope that we will be able to avoid it as much for motivational reasons as for any other. Although Mr. Vail does not refer to it, we have felt all along that the Local Purchase Order procedure (combined with the HQ Requisition procedure) should be used by posts to keep track of commitments without the necessity of voluminous ledgers. It will be necessary, therefore, to ensure that instructions issued by Materiel Management Division mesh in every respect with those in the third F.M.L. above.

/ ...2

- 2 -

3. The same notion applies in the case of overtime payments to Canada-based staff. S.R. & C. Division proposes to set up post allotments within each budget and delegate the control responsibility entirely to the heads of post. I enclose a copy of a memo from the O. & M. Unit to Mr. David Wilson commenting on the proposed commitment control procedure. I personally feel that the O. & M. proposal is on the right track because it avoids the institution of a new set of records and utilizes the forms that are being prepared already. The maintenance of the "open file" of forms would correspond exactly to the system we visualize for purchases.

4. In whatever event, it is clear that your Division must be brought fully into the picture regarding these developments. While various divisions will continue to initiate procedures in their own areas of interest, we must ensure that the accounting aspects are coordinated by you. Forms and procedures at posts must be standardized and integrated. For example, overtime records or purchase records, regardless of their specific purposes, must be made also to serve accounting purposes. The alternative is an endless proliferation of "single purpose" forms and procedures, an inefficiency (or luxury) the Department can no longer afford.

5. By copy of this memo I am asking the people concerned to coordinate, through you, all new procedures that require accounting or bookkeeping innovations and to provide you with any information you may request in connection with the development of the Financial Management Letters.

L.J. O'TOOLE

L.J. O'Toole,  
Assistant Director-General.



Finance and Administration Branch/A. M. Leith/ldl

SUBJ. FILE

The Canadian Consulate General,  
SAN FRANCISCO  
Under-Secretary of State for External Affairs,  
OTTAWA

UNCLASSIFIED

September 26, 1969

Your letter No. 256 September 19, 1969

FA-253

5-1-1

Financial Management RO 30 and RO 31

FM-SFSCO

The first impression received from your letter is that you have mistakenly assumed that the budgets assigned to you in Financial Management Letter #1 are in United States funds. For reasons of consistency in all posts, estimates, budgets and budget reports are all stated in Canadian dollars.

2. There also seems to have been some confusion about projects which you are carrying out relating to the official residence furnishings. Although the work has been recommended and the authority for the capital acquisition portions of the work issued, it remains your responsibility to assess your priorities within the available funds for that portion of the work which must be financed from your resources. As your budget for Reporting Object 30 was \$1,450 Canadian, it appears that you will not be able to complete this project during the current fiscal year and still have funds available to maintain the balance of your furnishings and equipment, without further assistance. We are prepared to increase your budget for RO 30 by \$250 (Cdn.) for the reason that you are encountering additional expenses arising from the new official residence and that you were not aware of having to live within a budget at the time the project started.

3. The error in assigning your budget for RO 31 has been noted and we are adjusting this to \$1,300 (Cdn.) as requested in your estimates submission, not \$1,300 U.S. mentioned in your letter under reference. It is hoped that you will be able to manage your requirements within this ceiling for the balance of the fiscal year.

A. M. LEITH

Under-Secretary of State  
for External Affairs

EXTERNAL AFFAIRS



*Lyons*  
*man I have the file*  
AFFAIRES EXTÉRIEURES  
*Reaser*

SECURITY  
Sécurité

UNCLASSIFIED

DATE

September 19, 1969

NUMBER  
Numéro

256

FILE

DOSSIER

OTTAWA

5-1-1

MISSION

TO  
A  
The Under Secretary of State for  
External Affairs, Ottawa, Canada

FROM  
De  
The Canadian Consulate General  
San Francisco, California, USA

REFERENCE  
Référence  
Your letter FA 206 - September 12/69  
Your Telex FA 222 - September 12/69

SUBJECT  
Sujet  
Financial Management - RO 30 & RO 31

ENCLOSURES  
Annexes

DISTRIBUTION

Information  
SA division

We have examined our budget in RO 31, Motor Vehicle repairs, and wish to report that to date we have spent \$804.00 US or \$504.00 US more than you allocated for the fiscal year 69/70. This amount includes the brake jobs you authorized on both vehicles in the above referenced letter. Since further repairs are difficult to anticipate we can only go by past performance and in order to keep both vehicles in top shape we feel an additional \$1,000.00 US should be allocated to this reporting object. This would leave us \$500.00 US to operate for the balance of the 69/70 fiscal year. In the event you feel our request for additional funds is exaggerated we would ask you to refer to our letters 18 of January 17/69 and 66 of February 24/69, outlining the difficulties encountered to operate a motor vehicle in San Francisco.

We should also mention that when preparing our 69/70 estimates we provided for a sum of \$1,300.00 US to cover car repairs for the current fiscal year.

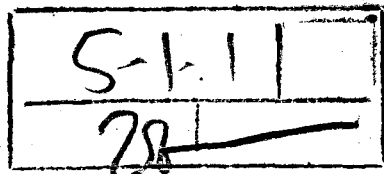
Of the \$1,450.00 US provided in RO 30 we have expended to date, \$229.00 US with a further \$1,152.00 US committed for the official residence. Your EA 24812A and the balance of work described in paragraph 2 of your letter F-6071 of August 22/69 refers. Our balance therefore for the remainder of the 69/70 fiscal year is \$69.00 US. We should be grateful if a further \$250.00 US could be allocated to this object to enable us to effect repairs which may arise between now and the end of March 1970.

You will appreciate that the outfitting of the new residence has created unforeseen strains on our finances. The majority of the expenses originated at headquarters in connection with refurnishing the new official residence.

*Donner*  
Consulate General

EXTRACT from the minutes of a meeting of the Honourable the  
Treasury Board, held at Ottawa, on August 27, 1969.

Mrs. Drummond  
Mr. Boudet



T.B. 691221

EXTERNAL AFFAIRS

FINANCE DIVISION FOR FILE	
ACTION TAKEN	
TELEGRAM	<input type="checkbox"/>
LETTER	<input type="checkbox"/>
MEMO	<input type="checkbox"/>
BY	<input type="checkbox"/>
(Signature)	
Date	

The Board authorizes the deputy head to

- (1) furnish, where necessary, living accommodation for foreign service staff at posts abroad where
  - (a) it is more economical to do so having regard to shipping and storage costs, the frequency of posting and the availability of accommodation;
  - (b) in the interests of health, it is essential to furnish and equip accommodation with special furnishings including air air conditioners;provided that the officer or employee who occupies such furnished accommodation shall not be permitted to move his furniture, other than sundries, pictures, ornaments, etc., at public expense;
- (2) install and supply at certain posts such equipment as refrigerators, stoves and washing machines for the use of foreign service staff for the life of the equipment where the saving on shipping and other costs, where applicable, will result in a substantial net economy in removal expenses over a period of several postings.

*J. E. McKenna*

J.E. McKenna,  
for Deputy Secretary

HJB/af

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

file

TO  
ÀNOTE FOR FILESECURITY  
SécuritéUNCLASSIFIEDFROM  
De

DATE

August 14, 1969

REFERENCE  
RéférenceNUMBER  
NuméroSUBJECT  
Sujet

Distribution of Posts Estimates Books

FILE	DOSSIER
OTTAWA	5-1-1
MISSION	

ENCLOSURES  
Annexes

## DISTRIBUTION

Mr. O'Toole  
Mr. Agnes  
Mr. Leith  
Miss Larocque

The memorandum to divisions covering sections of each post's estimates will be prepared in 9 copies and distributed as follows:

- 1 - Staff Relations and Compensation Division  
covering all of reporting objects 21 and 22
- 2 - Finance Division  
covering reporting object 24 sections A and B and all of  
reporting object 34
- 3 - Communications Division  
covering all of reporting object 25
- 4 - Information Division  
covering all of reporting object 26
- 5 - Historical Division  
covering reporting object 33 section F
- 6 - Property Management Division  
covering reporting object 28 section A and all of  
reporting objects 29 and 32.
- 7 - Materiel Management Division  
covering reporting objects 24 section C, 27 section B,  
28 sections B and C, all of 30 and 31, and 33 sections  
A to E plus G.
- 8 - Mr. O'Toole for tally charts
- 9 - Post Financial Management File

A. M. Leith

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

Mr. L.J. O'Toole,  
Finance and Administration Branch  
Finance Division

UNCLASSIFIED

August 11, 1969.

TO  
À

SECURITY  
Sécurité

FROM  
De

DATE

REFERENCE  
Référence

NUMBER  
Numéro

SUBJECT  
Sujet

Financial Management Seminars Abroad

FILE	DOSSIER
OTTAWA	5-1-1
MISSION	80

ENCLOSURES  
Annexes

DISTRIBUTION

I refer to your memorandum of June 11 addressed to Mr. A.J. Matheson, which contained comments from Mr. Bennett and yourself concerning problems arising from the implementation of the Financial Management Program at posts abroad. I apologize for the delay in our reply, which obviously arises from the transfer of responsibility within this Division.

2. The comment concerning the Canadian Government Services Offices (District Treasury Offices) arose during the seminars conducted in Paris and London, as a result of the fact that the system as outlined in the Financial Management booklet is designed exclusively for posts operating through bank accounts and not for those serviced by CGSOs located in London, Paris, Washington and Brussels. However, after consultation with the Canadian Government Services Administrators in London, Paris and Brussels, I see no particular problems in this regard except that the statements to be provided from Ottawa for other posts will be supplied locally by the appropriate CGSA. I had assumed that it would not be necessary to issue any specific instructions from Ottawa in this regard and that the requirements for the reporting system would be arranged between the Administrative Officers and the CGSAs concerned. In the absence of any further enquiries from London, Paris, Brussels and Washington, I think it is safe to assume that my assumption in this regard is correct.

3. With regard to the legal claim in Paris from Mr. Boussac, I understand from Mr. Matheson that this matter has been in the hands of Legal Division for some ten years and under the circumstances I suggest that it does not require any further action on our part.

4. I am informed by Mr. Warren that the coding problem cited in your memorandum has been the subject of subsequent correspondence and that your letter of June 11 indicated that you would amend the estimates books accordingly.

...2

- 2 -

5. The matter of inventory reports on non-inventory items, and those pertaining to vehicles, have been referred to Materiel Management Division.

6. The procedures for handling personal cheques are being reviewed in this Division as the result of a further letter to me from the Administrative Officer in Berlin.

7. The question of the legal responsibility of a Head of Post for losses incurred in his area of jurisdiction was the subject of a separate memorandum to Mr. Bennett dated August 6, arising from a personal enquiry from Mr. Crean. In my view the whole matter is covered adequately by the Foreign Service Financial Regulations which restrict the responsibility of a Head of Post to certain specific requirements relating to procedures and the designation of an officer responsible for financial administration and an accountant, unless, of course, he has personal custody of public funds. If necessary we could bring the pertinent sections of these regulations to the attention of the various Heads of Post.

Original Signed by  
R. H. MATTHEWS

Finance Division

EXTERNAL AFFAIRS



*Mr Matthews*  
AFFAIRES EXTÉRIEURES  
*For File*

TO  
A  
Mr. A.J. Matheson,  
Head of Finance Division.

FROM  
De  
L.J. O'Toole,  
Finance & Administration Branch.

REFERENCE  
Référence

SUBJECT  
Sujet  
Financial Management Seminars Abroad

SECURITY  
Sécurité

UNCLASSIFIED

DATE

June 11, 1969

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	5-1-1
MISSION	80

ENCLOSURES  
Annexes

DISTRIBUTION

The following are miscellaneous comments quoted from my reports and Mr. Bennett's; the context will indicate whether for action, for comment or for information.

"The District Treasury Offices

The DTOs in Paris and Brussels are uncertain of their future. They are, of course, aware of the changes going on pre-audit in Ottawa. The decision about their future is not ours to make but I made it clear that I would not want our Department to take on the work they now perform for OGDs. The question then arose about how much of our new system they would perform for us at the posts where they are located. I invited discussion and there seemed to be a consensus that they could readily provide the accounting support needed for our budget reports, etc. There seemed to be no difficulty in the notion that they could provide up-to-date budget reports to the posts with the post expenditure columns completed, leaving it to the post administrative officers to complete the 'planned expenditures' column and send on to us in Ottawa. We need to confirm and clarify our intentions in this area and notify the posts concerned."

"We seem to have an outstanding legal claim in Paris from a Mr. Boussac that could amount to \$72 to 80 thousand that goes back to reigns of Ambassadors Vanier and Desy who apparently refused to vacate the property on ave. Foch after it was sold!!"

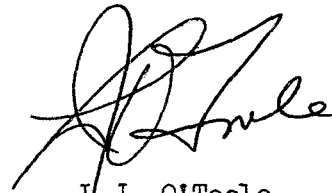
4. "Coding still presents difficulties. Harry Matthews believes that at least some of the line objects that are shown on our slides appear to be the result of a departmental rather than a Treasury Board requirement. I'd like you and I to go over this for 1970/71. I simply don't see the sense of charging costs of equipment maintenance, for example, to three different objects depending on how it is provided."

→ *BAW pointed this out to L.O.T. memo 5/29/69 & acknowledged by phone by L.O.T. that 1...2 wrong info had been given to posts when instructing at seminars. L.O.T. memo #000115 '9 to Fin Div. indicated that F. & A. Br. would charge costs. Baskin*

- 2 -

5. "I trust we are no longer asking posts to prepare inventory reports on non-inventory items. We should review what reports we are asking posts to prepare and be certain we really need them - do we need both the semi-annual vehicle inspection report and the monthly report on utilization and upkeep that apparently is sent in with the accounts. Won't the first suffice? Procedures for handling personal cheques behind the curtain should be looked at at once - we appear to require completion of four forms for cheques over £.10." } referred to M.M. Div.
6. "Legal Responsibility of Heads of Post: This matter has been raised in one form or another at every seminar and there is little doubt that many Heads of Post are concerned about their exposure under the present system as well as under responsibility accounting. It was raised with such force and precision by Mr. Crean that I, for the first time, was able to understand the real nature of their concern. I cannot say on what correspondence or on what precedents his understanding rests but Mr. Crean's explanation of Departmental practice is briefly this: Manual of Regulations 3.1.9 reads "An employee who has public money in his custody shall be responsible to make good any loss that may occur, unless he provides a satisfactory explanation of the loss to the Department"; on its face this refers to travelling advances and the like; however, the Department interprets all advances against Letters of Credit as being in the custody of the Head of Post, which has the effect of making him personally liable for losses of any kind. Mr. Crean says that this practice has developed since bonding was discontinued because of the Department's reluctance to acknowledge losses and make submissions for write-off.

This makes a startling contrast with business where liability is normally limited to negligence in applying standard office procedures and pre-employment checks. I would recommend that our regulations and practices be reviewed with regard particularly to responsibility accounting, and that a circular document be issued in the near future to clear up the uncertainty as well as the concern in this area."



I.J. O'Toole,  
Assistant to Director-General,  
Finance & Administration Branch.



# MESSAGE

DATE JUN 24 1969 EXTERNAL AFFAIRS		FILE/DOSSIER 5-1-1		SECURITY SECURITE
FM/DE	EXT OTT			CONFID
TO/A		NO FA-147		PRECEDENCE PRIORITY
BUENOS AIRES				
INFO				

REF

SUB/SUJ

FOR GOOCH FROM O'TOOLE

INCUMBENT CLERK IS HIGHLY REGARDED FOR REASONS YOU DESCRIBED BUT IS NOT/NOT NECESSARILY AMONG TOP RANKED APPLICANTS FOR OFFICER APPOINTMENT. AT ANY RATE THERE IS NO OUTSTANDING COMMITMENT.

2. IT WOULD BE USEFUL IF WE COULD BE INFORMED OF WHAT CHANGES IN ORGANIZATION OR ADMINISTRATIVE ARRANGEMENTS WILL BE IMPLEMENTED BY POST MANAGEMENT IN LIGHT OF SEMINAR. SUGGEST KEY CONSIDERATIONS ARE EFFICIENT DIVISION OF RESPONSIBILITIES AND CLEAR LINES OF AUTHORITY.

DISTRIBUTION  
LOCAL/LOCALE NO STANDARD.

ORIGINATOR/REDACTEUR SIG..... .....L.O. O'Toole/mc.....	DIVISION F.&A. Br.	TELEPHONE 2-8981	APPROVED/AUTORISE SIG..... .....
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DEPARTMENT OF EXTERNAL AFFAIRS



MINISTÈRE DES AFFAIRES EXTÉRIEURES

UNCLASSIFIED

Ottawa, June 24, 1969.

File 5-1-V  
20

CIRCULAR DOCUMENT

Admin No. 45/69

Inventory of Passports and Consular Fee Stamps

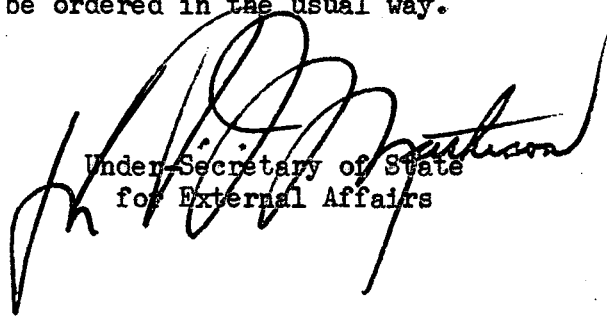
In order for the Consular Officer to satisfy himself that the value of fee stamps at month's end actually is correct, and for the Head of Post to do so at the end of each quarter, Form EXT 430, Inventory of Passports and Consular Fee Stamps, has been revised and will require an actual listing of the denominations of fee stamps to facilitate verification.

2. The revised form also will require an accounting of the serial numbers of the passports on hand at the end of each month. In this connection, we should like to remind Posts that they should issue passports in numerical order and return to Ottawa evidence of spoiled passports with the Certificate of Destruction.

3. To reduce significantly the difficulties encountered and the time spent at Posts and in Ottawa in reconciling the Consular Fee Stamp Inventory, the Department has decided to discontinue the practice of affixing fee stamps to new passports when issued and to account for the revenue by means of the number of passport blanks used. However, it still will be necessary to affix fee stamps in the amount of \$3.00 when extending limited validity passports (see Circular Document Consular 1/69 of January 9, 1969).

4. In the light of the above changes, which will become effective August 1, 1969, Posts should return to the Department all \$5.00 fee stamps and review their fee stamp inventories to determine whether any further reductions can be made.

... 5. We attach a small supply of Form 430 (Revised) for your use. Additional requirements should be ordered in the usual way.

  
Under-Secretary of State  
for External Affairs

TO HEADS OF POST

DEPARTMENT OF EXTERNAL AFFAIRS  
**INVENTORY OF PASSPORTS AND CONSULAR FEE STAMPS**

POST \_\_\_\_\_ ACCOUNTING PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

I PASSPORTS							III CONSULAR FEE STAMPS		CANADIAN DOLLARS	
1	Passports held at beginning of period						1	Value of stamps held at beginning of period		
2	Passports received during period						2	Value of stamps received during period		
3	Total of 1 and 2						3	Total of 1 and 2		
4	Passports issued during period						4	Value of stamps used during period		
5	Passports spoiled and destroyed during period (second pages attached)						5	Value of stamps spoiled (stamps attached)		
6	Total of 4 and 5						6	Total of 4 and 5		
7	Passports held at end of period 3 minus 6						7	Value of stamps held at end of period 3 minus 6		
8	Passports extended during period						IV DENOMINATIONS OF FEE STAMPS HELD AT END OF PERIOD			
<b>II MONTHLY REPORT - PASSPORT NOS. ON HAND</b>  _____ ORDINARY PASSPORT BLANKS NOS. _____ TO _____ _____ 48-PAGE PASSPORT BLANKS NOS. _____ TO _____ _____ EMERGENCY PASSPORT BLANKS NOS. _____ TO _____ _____ SPECIAL PASSPORT BLANKS NOS. _____ TO _____ _____ DIPLOMATIC PASSPORT BLANKS NOS. _____ TO _____										
							(agrees with part III line 7)	<b>TOTAL</b>		

CERTIFIED CORRECT BY CONSULAR OFFICER \_\_\_\_\_

DATE \_\_\_\_\_

To be completed at the end of the accounting periods falling in March, June, September and December.

I CERTIFY THAT I HAVE VERIFIED THAT THE PASSPORTS AND CONSULAR FEE STAMPS ON HAND ARE AS STATED ABOVE.

HEAD OF POST \_\_\_\_\_

DATE \_\_\_\_\_

## INSTRUCTIONS FOR USE OF MONTHLY INVENTORY OF PASSPORTS AND CONSULAR FEE STAMPS

At the end of the accounting period, the return, typed in three copies, is to be distributed as follows:

Original to Finance Division, attached to the Monthly Financial Statements.

One copy to Passport Division with page two of spoiled passports attached.

Third copy to be filed at Post with working copy.

*"NIL" Returns are required.*

Organization and Methods Unit

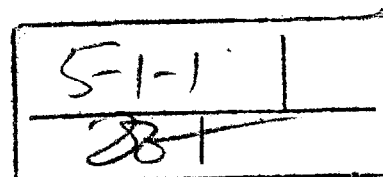
UNCLASSIFIED

May 26, 1969.

Finance Division

Our memorandum of May 5 and your memorandum of May 16, 1969.

Inventory of Passports and Consular Fee Stamps -  
Revised form EXT 430.



We have now received comments both written and oral from Divisions on the above subject.

Consular Div.

Inspection Ser.  
(Mr. Gregson)

Passport Div.

Dept'l Services  
Officer

2. The Passport Office and the Departmental Services Office stated that all the information they require can be obtained from Form EXT 765E and that it would not be feasible to transfer a summary of it to a revised Form EXT 430. Both offices agreed orally that the two proposed new columns listing the numbers of passports issued and their value are not necessary for their purposes. Passport Division also pointed out that the value of passports issued cannot always be reconciled with the statistics appearing in Sections I and II of Form EXT 430. They suggested one change, resulting from the new passport regulations, in Section I, Part 8, to read "Passports extended during period".

3. Since we agree fully with the above comments and suggestions, would you please proceed to draw up a revised Form EXT 430 along the ... lines of the attached sample which will incorporate Sections I, II and III of the present Form EXT 430 (REV 8/68) and a new Section IV entitled "Denominations of Fee Stamps Held at End of Period", as proposed by Mr. Gregson, the Senior Auditor.

... 4. We have revised the Circular Document and attach a copy for information. We will send it to Production Services now and request them to return it to this Division where it will be held until we receive the revised forms.

5. In connection with your memorandum under reference, Official Receipts never have been issued by Posts when fees for passports are paid. Non-official receipts can be obtained, if requested. Our exchange of memoranda with Divisions on this subject confirmed our view that the revenue from the issuance of passports can be controlled by means of the number of passport blanks used since these are pre-numbered accountable documents. Difficulty would be encountered only if Posts failed to comply with standing instructions. We consider the use of consular fee stamps for all other Consular services requiring payment of fees is desirable for revenue control

.../2

- 2 -

purposes and perhaps less cumbersome to administer than the issuance of an Official Receipt for each transaction. At some Posts where consular services (excluding passports) are heavy, extra time would be required to record each transaction on an Official Receipt and the cost of sending hundreds of copies of Official Receipts to the Department each month from many Posts around the world would increase postage costs considerably.

A. J. MATHESON

Finance Division

DEPARTMENT OF EXTERNAL AFFAIRS

INVENTORY OF PASSPORTS AND CONSULAR FEE STAMPS

POST

ACCOUNTING PERIOD FROM

TO

I PASSPORTS	ORDINARY	48-PAGE	EMERGENCY	SPECIAL	DIPLOMATIC	TOTAL
1 Passports held at beginning of period						
2 Passports received during period						
3 Total of 1 and 2						
4 Passports issued during period						
5 Passports spoiled and destroyed during period (second pages attached)						
6 Total of 4 and 5						
7 Passports held at end of period 3 minus 6						
8 Passports <sup>EXTENDED</sup> renewed during period						

II <sup>MONTHLY</sup> QUARTERLY REPORT - PASSPORT NOS. ON HAND

ORDINARY PASSPORT BLANKS NOS.	_____	TO _____
48-PAGE PASSPORT BLANKS NOS.	_____	TO _____
EMERGENCY PASSPORT BLANKS NOS.	_____	TO _____
SPECIAL PASSPORT BLANKS NOS.	_____	TO _____
DIPLOMATIC PASSPORT BLANKS NOS.	_____	TO _____

III CONSULAR FEE STAMPS

CANADIAN DOLLARS

1 Value of stamps held at beginning of period		
2 Value of stamps received during period		
3 Total of 1 and 2		
4 Value of stamps used during period		
5 Value of stamps spoiled (stamps attached)		
6 Total of 4 and 5		
7 Value of stamps held at end of period 3 minus 6		

IV DENOMINATIONS OF <sup>FEE</sup> STAMPS HELD AT END OF PERIOD

<del>\$5.00</del>		
\$2.00 x		
\$1.00 x		
.50 x		
.25 x		
(Agrees with PART III line 7) TOTAL		

CERTIFIED CORRECT BY CONSULAR OFFICER

DATE

To be completed at the end of the accounting periods falling in March, June, September and December.

I CERTIFY THAT I HAVE VERIFIED THAT THE PASSPORTS AND CONSULAR FEE STAMPS ON HAND ARE AS STATED ABOVE.

HEAD OF POST

DATE

(SEE INSTRUCTIONS ON BACK)

000123

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO Finance Division

SECURITY Unclassified  
Sécurité

FROM Passport Division

DATE May 20, 1969.

REFERENCE Finance Division Memo May 5, 1969

NUMBER  
Numéro

SUBJECT Fee Stamps for Passport and Consular Revenue

FILE	DOSSIER
OTTAWA	<del>5-1-1</del> 5-1-1
MISSION	20

ENCLOSURES  
Annexes

DISTRIBUTION

Departmental  
Services Officer  
Consular Div.  
Finance and  
Administration  
Branch  
(Mr. O'Toole)  
Inspection  
Service  
(Mr. Gregson)  
Organization  
& Methods Unit

We concur with the proposed circular document in respect to the proposal to discontinue the practice of affixing fee stamps in passports when they are issued.

2. With respect to the revised Inventory report difficulty will be experienced with the completion of the section Passport Nos. Issued since these will not usually be a complete numerical series because a certain number of passports will be spoiled. This section would be more meaningful if it were to be Passport Nos. Used. It would permit a reconciliation between the Passport Nos. On Hand at End of Month item from the previous month and the current month. This would quickly reveal those instances of posts not using passport blanks in consecutive number order, a practice which results in considerable work in this Office reconciling the monthly reports.

3. However, the Passport Nos. Used would not agree with the quantities entered under the item Value of Passports Issued. Also there would not always be agreement as there are often passports issued without a fee being charged. Any summary of passport revenue has to be prepared from the Monthly Return of Consular Services, EXT765E, where the fee charged with respect to each service is shown.

4. As indicated to you previously we will be proposing that spoiled passport blanks be reported on the Monthly Return of Consular Services so that all blanks used during a month will be accounted for in detail. Difficulties are experienced at present in this Office when posts do not correctly report the spoils on the second pages of blanks destroyed do not accompany the monthly reports. This change, in conjunction with the revised Inventory Report, will provide complete reassurance to those responsible for the safekeeping of passport blanks both at posts and at headquarters.

5. Item 8 on the form EXT430 should now read "Passports extended during period" as passports are not longer renewed under the recent changes in regulations.

NOTE -  
Rec'd in Finance Division June 10/69  
with note that it was misfiled after  
signing  
Ext. 407A/811.  
(Admin. Services Div.)

FR.

W. A. Surden  
Passport Division

000124



EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*L.H.R. 15*  
*For reply pl.*  
*5-1-1*

TO  
A Finance Division

FROM  
De Organization and Methods Division

REFERENCE  
Référence Your memorandum of May 5, 1969

SUBJECT  
Sujet Consular Fee Stamps

SECURITY  
Sécurité UNCLASSIFIED

DATE May 16, 1969

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	
15-71 PM 21	5-1-1
MISSION	<i>De</i>

ENCLOSURES  
Annexes

DISTRIBUTION

Consular fee stamps are used exclusively to evidence the payment of fees for consular services rendered. It is our understanding that they do not affect the nature of the service nor the validity of the documents to which they are affixed.

2. Their use is intended to ensure that the fee paid for the service is accounted for; in a given period the total stamps issued should equal total receipts.

3. When stamps are affixed, the officer must also cancel them and at the end of each reporting period account for all cancelled and uncanceled stamps, ensuring that the total arrived at balances with the total stamps received from Ottawa. Each post must also report by denomination to headquarters the stamps received, cancelled and unused. Headquarters must then audit post reports against records of issue. It must also procure, stock, issue, control and account for these stamps.

4. In addition, an official receipt is issued at the time the fee is paid and a copy of this receipt accompanies the Post Cash Record.

5. The official Receipt is evidence of the payment of a fee, hence the use of stamps, for the same purpose, is unnecessary. It is therefore recommended that the use of Consular Fee Stamps be discontinued.

6. In discussions with personnel in Consular, Passport and Inspection Services Divisions we can find no reasons for continuing the present practice.

*This is non-sense. Receipts are not issued. Non-official receipts are given if requested.*

*L.A. Parent*

DISTRIBUTION:

1. ~~Chief Treasury Officer~~
  2. Inspection Services (Mr. Gregson)
  3. Passport Division
  4. Consular Division
  5. Finance and Administration Branch
- Mr. O'Toole - Mr. H. Bennett

*Has reservations (Mr. Gregson) Says he would go along with continuing present system.*

# MEMORANDUM



TO  
A

Mr. A.J. Matheson  
Head, Finance Division  
Department of External Affairs

FROM  
De

R. H. Matthews

CLASSIFICATION

YOUR FILE No.  
Votre dossier

OUR FILE No.  
Notre dossier

P.A. 750

DATE May 14, 1969

FOLD

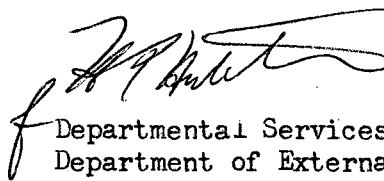
SUBJECT  
Sujet

## Fee Stamps for Passport and Consular Revenue

In response to your letter of May 5, 1969 we have examined the proposed Circular Document and revised Form Ext 430.

The Circular Document is satisfactory, however, you might wish to consider the merit of relocating the wording "Total Fees Collected For New Passports Issued" on the bottom line of Form Ext 430.

We understand that the double vertical lines dividing "Passports Issued" and "Value of Passports Issued" is to be omitted.

  
Departmental Services Officer  
Department of External Affairs,  
Privy Council and the Senate

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

MEMORANDUM

TO  
A Finance Division

FROM  
De Inspection Service

REFERENCE  
Référence Finance Division Memorandum (no File No. quoted)  
dated May 5, 1969

SUBJECT  
Sujet Fee Stamps for Passports and Consular Revenue

SECURITY  
Sécurité

UNCLASSIFIED

DATE May 8, 1969

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	<del>1-8-2</del> 5-1-1
MISSION	28

ENCLOSURES  
Annexes

DISTRIBUTION

The following comments are provided on the proposal set forth in your referenced memorandum:

- (a) Suggest that the subject heading of the proposed circular document be changed to more appropriately describe its purpose, such as, "Inventory of Passports and Consular Fee Stamps (Revised)". *agree*
- (b) Suggest that in first line, first paragraph, the words "In order for" be deleted and the word "For" substituted. *disagree*
- (c) Suggest in para. 3, the words "In order to" be deleted and the word "To" substituted. *agree*
- (d) Since the serial numbers of new passports issued are required to be shown on form EXT.765E - "Monthly Return of Consular Services", a further listing on the revised form EXT.430 would appear to be an unnecessary duplication. Further, it would complicate the use of this form since at large Posts particularly the volume of passports issued is fairly heavy; also, in the event there is spoilage of passports or passports are destroyed, then the listing of the sequence of numbers for passports issued is broken requiring more space to list the numbers of passports actually issued and for which fees were collected.
- (e) If the intention of the new form is to include spoiled and destroyed passports in the serial number sequence to be shown in the column "Passport numbers issued", then the total of the passports issued could not be used to multiply the dollar value of the passports to determine the total fees collected. This could then be somewhat confusing to all concerned. If you agree, then para. 2 of the circular document would have to be amended.

.. 2

-2-

- (f) I think there is good reason, however, to show the serial numbers of the passports spoiled/destroyed since the Passport Office is trying to foster greater care in passport preparation and the forms are costly. The listing of the serial numbers will draw this aspect to the attention of the Consular Officer, particularly, and to the Head of Post when he signs the form EXT.430 quarterly. *The number will show under Sec. 1 (5) if Head of Post cares enough to look at any of the statistics*
- (g) I have redrafted the proposed form as per the attached. I assume all \$5.00 stamps will be required to be returned by Posts, effective the date this new procedure is introduced.
- (h) I would suggest that a specific date be established for introduction of this revised form, say July 1 or August 1, 1969, depending on the lead time required to reproduce the form and distribute to Posts. This would provide for a more orderly introduction than what is stated in the draft circular document - "which will be effective on receipt of this document". *agree*

*R. H. Chapman*  
Inspection Service

DEPARTMENT OF EXTERNAL AFFAIRS

# INVENTORY OF PASSPORTS AND CONSULAR FEE STAMPS

POST	ACCOUNTING PERIOD FROM					TO
<b>I PASSPORTS</b>						
	ORDINARY	48-PAGE	EMERGENCY	SPECIAL	DIPLOMATIC	TOTAL
1 Passports held at beginning of period						
2 Passports received during period						
3 Total of 1 and 2						
4 Passports issued during period (AS PER FORM 765C)						
5 Passports spoiled and destroyed during period (second pages attached) (AS PER FORM 765C)						
6 Total of 4 and 5						
7 Passports held at end of period 3 minus 6						
8 Passports renewed during period						

<b>II CONSULAR FEE STAMPS</b>		CANADIAN DOLLARS	
1 Value of stamps held at beginning of period			
2 Value of stamps received during period			
3 Total of 1 and 2			
4 Value of stamps used during period			
5 Value of stamps spoiled (stamps attached)			
6 Total of 4 and 5			
7 Value of stamps held at end of period 3 minus 6			

MONTHLY REPORT.		PASSPORT NOS ON HAND AT END OF PERIOD		PASSPORT NOS SPOILED / DESTROYED	VALUE OF NEW PASSPORTS ISSUED (AS PER FORM EXT 765E)	DENOMINATIONS AND VALUE OF FEE STAMPS HELD AT END OF PERIOD
ORDINARY BLANKS NOS	16				10 X	2.00 X
48-PAGE BLANKS NOS	16				12 X	1.00 X
EMERGENCY BLANKS NOS	16				4 X	.50 X
SPECIAL DIPLOMATIC BLANKS NOS	16				NO CHARGE	.25 X
DIPLOMATIC BLANKS NOS	16				NO CHARGE	
				TOTAL FEES COLLECTED		TOTAL VALUE

CERTIFIED CORRECT BY CONSULAR OFFICER \_\_\_\_\_ DATE \_\_\_\_\_

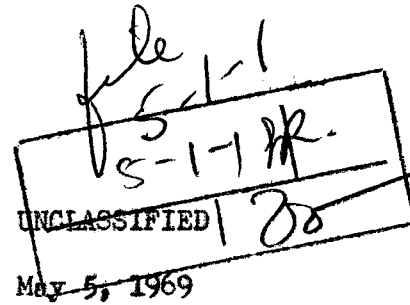
To be completed at the end of the accounting periods falling in March, June, September and December.

I CERTIFY THAT I HAVE VERIFIED THAT THE PASSPORTS AND CONSULAR FEE STAMPS ON HAND ARE AS STATED ABOVE.

Finance/B. Kennedy/bjw

Chief Treasury Officer      Inspection Service (Mr. Gregson)  
Consular Division      Passport Division  
Finance and Administration Branch (Mr. O'Toole)

Finance Division



## Fee Stamps for Passport and Consular Revenue

... Attached is the draft of a Circular Document which it is proposed to send to all Posts together with a revision of Form EXT 430, which we consider takes into account the comments and requirements of all concerned.

2. We understand that Passport Division is considering requesting Posts to report all passport numbers used on the Monthly Return. This would involve showing the serial numbers of blanks spoiled, which is not required at present.

3. May we have your comments not later than May 15 on the proposed Circular Document, particularly paragraph 3, and the attached revised Form EXT 430. If we do not hear from you by that date, we will assume that you have no objection to this proposal.

A. J. MATHESON

Finance Division

Organization  
and  
Methods  
Unit

Finance/B, Kennedy/bjw

DRAFT

file  
51-1

UNCLASSIFIED

Ottawa 2, May 1969.

CIRCULAR DOCUMENT

Admin No.

Consular Fee Stamps

... In order for the Consular Officer to satisfy himself that the value of fee stamps at month's end is actually correct, and for the Head of Post to do so at the end of each quarter, Form EXT 430 - Inventory of Passports and Consular Fee stamps has been revised (as attached) and will now require an actual listing of the denominations of fee stamps to facilitate verification.

2. The revised form will also require an accounting of the serial numbers of the passports on hand at month's end and the serial numbers of passports which have been issued or spoiled and destroyed during the month. In this connection, Posts are reminded of standing instructions to issue passports in numerical order.

3. In order to reduce significantly the difficulties encountered and the time spent at Posts and in Ottawa in reconciling the Consular Fee stamp inventory, the Department has decided to discontinue the practice of affixing fee stamps in passports when they are issued as the revenue can be accounted for by means of the number of passport blanks used. However, it will still be necessary to affix fee stamps in the amount of \$3.00 when extending limited validity passports (see Circular Document Consular 1/69 of January 9, 1969). To assist in the reconciliation of passports issued and resulting revenue, space for appropriate entries has been made available on the revised form.

4. In light of the above changes, which will be effective on receipt of this document, Posts should review their inventories of Consular Fee Stamps to determine what reductions may be made.

Under-Secretary of State  
for External Affairs

To HEADS OF POSTS





EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*file 5-1-1*

TO  
A Mr. Ryan *BR*  
*Miss Kennedy*  
*Please see comment*  
*23/4/68 BR*

FROM  
De Miss B. Kennedy

REFERENCE  
Référence

SUBJECT  
Sujet Fee Stamps for Passport and Consular Revenue

SECURITY  
Sécurité CONFIDENTIAL

DATE April 21, 1969.

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	5-1-1
MISSION	80

ENCLOSURES  
Annexes

DISTRIBUTION

An examination of previous correspondence with Consular and Passport Divisions on this subject would appear to reveal the following consensus:

- Copy Sent*
- (a) there is no need for a stamp to be affixed to a passport when it is issued; and
  - (b) use of a fee stamp for extending limited validity passports is desirable.

In connection with (a) above, although Form EXT 765 records revenue collected to the satisfaction of the C.T.O., it still might be appropriate for a department of the Canadian Government to transact its business with the public in a business-like way and indicate in some manner that a sum of money has been received for goods or services.

3. In its memorandum dated December 4, 1968, Passport Division indicated that it intended to imitate in a similar way the practice which was followed by the emergency passport offices during the last postal strike (of issuing counter receipts for fees paid in cash) when the permanent branch offices are opened.

4. If the intention of doing away with one of the stamps in passports is to cut down on unnecessary work at a Post, filling out receipt forms would seem to be just as time consuming. However, if the Canadian public at home is entitled to a receipt for cash in Canada, surely it is equally entitled to it abroad. When I mentioned this orally to Mr. Carter of Passport Division, he stated his complete agreement. If you agree to this <sup>letter</sup> ~~per~~mise, one suggestion I would like to put forward for consideration is the use of a rubber stamp in the passport. This would be for the benefit of the passport recipient only and involves no additional record-keeping by the Post. The stamp could be small in size and need perhaps only contain one or two lines with a space for an amount to be written in ink.

.../2

- 2 -

5. In a memorandum dated January 28, Passport Division stated that it was "considering requesting that posts be required to report all passport numbers used on the Monthly Return; that means showing the serial numbers of blanks spoiled which is not required at present." I referred to this, too, in my conversation April 18, with Mr. Carter and he stated that his Division had decided to request this of Posts.

... 6. The last sample form (attached) drawn up by Mr. Leith would seem to satisfy the requirements of Passport Division and Mr. Gregson. The Monthly Return will continue to provide the more explicit details required by Passport Division.

7. We do not appear to have replied to paragraph 5 of Passport Division's memorandum of December 4, 1968. If you see any merit in the suggestion of a receipt in the form of a notation to that effect simply rubber-stamped in a passport, and if you agree that the attached revised form should be sent to Passport Division for its acceptance or revision, I shall draft a memorandum to Passport Division for Mr. Matheson's signature.

*B. Kennedy.*

Finance Division

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*file 5-1-1*  
*Where does this matter stand?*

TO  
A Mr. L.J. O'Toole,  
Finance and Administration Branch

FROM  
De Passport Division - W.S. Durdin

REFERENCE  
Référence Your memo of March 17, 1969.

SUBJECT  
Sujet Requirement for Consular Stamps to Control  
Passport Revenue

SECURITY  
Sécurité Unclassified

DATE April 3, 1969.

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	5-1-1
MISSION	28

ENCLOSURES  
Annexes

DISTRIBUTION

Mr. A.J.  
Matheson,  
Finance Div. ✓

This Division has from time to time over the years pointed out that consular stamps were not essential for the control of the revenue from the issue of passports and also has suggested that perhaps other means of controlling cash receipts might be found to replace consular stamps, e.g. the use of counter receipts for cash payments. The most recent occasion was in December 1968 when we advised Finance Division of the new passport fees and the denominations of stamps which would be required.

2. In the same month, December 1968, we received a copy of a memorandum from Finance Division setting out a proposal for eliminating the use of consular stamps for passports when first issued. We agreed with the proposal in principal but drew their attention to some difficulties with the proposed reporting system.

3. We have not heard anything further but assume that Finance Division will be issuing a circular document setting out new procedures for the use of consular stamps.

W. S. DURDIN

Passport Division.

Finance & Admin Br./LJ O'Toole/jb

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*file 5-1-1*

TO  
A Mr. W.S. Durdin  
Passport Office (through Director-General)

FROM  
De Finance & Administration Branch

REFERENCE  
Référence

SUBJECT  
Sujet Requirement for Consular Stamps to Control  
Passport Revenue

SECURITY UNCLASSIFIED  
Sécurité

DATE March 17, 1969

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	5-1-1
MISSION	200

ENCLOSURES  
Annexes

DISTRIBUTION

Mr. AJ Matheson  
Finance Div.

You will not be surprised to hear that during our Financial Management seminars in the Far East, one of the minor aggravations noted by every Head of Post was the quarterly reconciliation of the consular stamp inventory.

2. I was told that the bulk of this inventory in many posts consists of two-dollar and five-dollar stamps used in connection with passport issue and passport renewal. Furthermore, I understand that in many countries our posts are rarely called upon to authenticate documents, take affidavits, etc. and therefore rarely use their small denomination stamps.

3. With the new passport procedures it would appear that the two-dollar stamp is now redundant and I wonder if we couldn't control the revenue from new passports by accounting for the passport blanks only and thus eliminate the need for five-dollar stamps. If these two steps could be taken each post could be asked to review its consumption of the small denominations with a view to possible reduction in their inventories of these as well.

4. Through these means, it might be possible to drastically reduce the number of stamps on hand at many posts and hopefully reduce the time required for the quarterly reconciliation as well.

L.J. O'TOOLE

L.J. O'Toole  
Assistant to the Director-General

*Where does this matter stand?*  
*We raised question of issuing ppts abroad without use of revenue stamps & to control them through passport blanks*  
*Was this approved?*  
*Yes - PP Div's memo of Jan. 28/69.*  
*ljc*

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*Handwritten:* IDP  
M. L. 1-1  
(of return)

TO  
A  
Finance Division

FROM  
De  
Passport - W.S. Durdin

REFERENCE  
Référence  
Your memorandum of December 23, 1968.

SUBJECT  
Sujet  
Fee Stamps for Passport and  
Consular Revenue

SECURITY  
Sécurité  
CONFIDENTIAL

DATE  
January 28, 1969

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA <i>81-50-7</i>	<i>5-1-1</i>
MISSION	<i>58</i>

ENCLOSURES  
Annexes

DISTRIBUTION

Mr. T.H.  
Bennett,  
Director,  
General,  
Consular  
Division  
Inspection  
Services  
Division

This is further to our memorandum of this same date but we feel that the following comments should remain within the Department.

2. The reconciliation of passport blanks used during a month is made difficult because some posts, contrary to instructions, do not issue passports in numerical order and because in some instances this Division does not receive the evidence of spoiled passports which have been destroyed. There has been a recent incident at one post where several passport blanks were unaccounted for and it has been found that one, which was thought to have been spoiled and destroyed, was in fact issued. Also, correspondence with posts concerning discrepancies is often unanswered.

3. This level of performance on the part of some posts makes the monthly reconciliations difficult and time consuming and may in some cases imply security risks. In the light of this situation we are considering requesting that posts be required to report all passport numbers used on the Monthly Return; that means showing the serial numbers of blanks spoiled which is not required at present. Although this would require extra typing at the posts, a brief entry for each blank, it would eliminate hours of search and deduction in this Division. It will also be necessary for all posts to follow prescribed procedures and respond to enquiries and directives if the situation is to improve.

*Handwritten signature: W.S. Durdin*  
Passport Division

*M. L. LVR*

EXTERNAL AFFAIRS  
(on return)



AFFAIRES EXTÉRIEURES

*file 5-1-1 ID*  
*Who did memo of Dec 23 - m. Matheson*

TO  
A  
Finance Division

FROM  
De  
Passport Division - W.S. Durdin

REFERENCE  
Référence  
Your memorandum of December 23, 1968.

SUBJECT  
Sujet  
Fee Stamps for Passport and Consular Revenue

SECURITY  
Sécurité  
CONFIDENTIAL

DATE  
January 28, 1969

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	<i>846 5-1-1</i>
MISSION	<i>28</i>

ENCLOSURES  
Annexes

DISTRIBUTION

Mr. T.H.  
Bennett,  
Director  
General.

Consular  
Division

Inspection  
Services  
Division

Treasury  
Office

Auditor  
General  
Rep.

We agree with the suggestion that revenue from the issue of passports can be accounted for by means of the number of passport blanks used, since these are pre-numbered accountable documents, and therefore it is not essential to affix fee stamps to passports on issue. Also that for the extension of the validity of passports there is no similar method of accounting for the services.

2. The suggestion in paragraph 4 that a notation of the fee might be entered in the passports does not seem to us to add materially to the control of revenue, except where the applicants might not be aware of the schedule of fees and might be deliberately overcharged. This seems unlikely since the amount of the fee appears on the application forms. Each fee reported on the Monthly Return of Consular Services for a service provided can be checked to the current fee schedule. The application forms and attachments forwarded with the Monthly Returns are audited in this Division and must substantiate the entries on the Return, including the fee charged.

3. Accounting for the revenue earned from the issue of passports is not as simple as the summary on the draft form attached to your memorandum suggests. The consecutive passport numbers used by a post during a month includes those spoiled and those issued gratis. The procedure in our Division of vouching each entry on the Monthly Return with the attached applications, summarizing the services rendered and reconciling this with the Inventory Report verifies the earnings reported on the Monthly Return.

*W.S. Durdin*  
Passport Division

*as proposed sheet  
does not completely  
account for funds  
+ Rpts. of 2 suggestions  
Passport form  
work out a form.  
R 27/2.*

EXTERNAL AFFAIRS



*Mr. Leith on return*  
AFFAIRES EXTÉRIEURES

MEMORANDUM

TO  
A PASSPORT DIVISION

FROM  
De CONSULAR DIVISION

REFERENCE  
Référence Finance Division's Memorandum of December 23, 1968

SUBJECT  
Sujet Fee Stamps for Passport and Consular Revenue

SECURITY  
Sécurité

CONFIDENTIAL

DATE January 24, 1969

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	<i>5-1-1</i>
MISSION	<i>28</i>

ENCLOSURES  
Annexes

DISTRIBUTION

Mr. T. H. Bennett

Inspection  
Services Div.

C.T.O.

A.G. Rep.

Finance Div

We have discussed with Mr. Leith of Finance Division that Division's memorandum of December 23, 1968 and we wish to inform you that Consular Division agrees with the changes which Finance Division proposes to implement.

*Alastair Napier*  
Consular Division

file  
S-1-1  
24  
CONFIDENTIAL

Consular Division

December 23, 1968

Finance Division

Passport Division memorandum of December 4, 1968,  
and Inspection Services memorandum of November 27, 1968

Fee Stamps for Passport and Consular Revenue

1

The requirement for issuing receipts for funds received is the basis for issuing revenue stamps (Consular Fee Stamps). Accounting for the value of stamps used provides an accounting for the funds received for services performed.

Mr. T.H. Bennett

Passport Div.

Inspection Services Division

C.T.O.

A.G. Rep.

2. For normal consular services, stamps, in accordance with the fee schedule, are affixed to the documents for which the service has been rendered including affixing of fee stamps in passports which are issued at Posts abroad.

3. Fee stamps serve a valid purpose when verifying documents or extending passports issued with limited validity. However, the use of fee stamps in issuing new passports for which there are fixed charges appears to be a duplication of control over revenue since the revenue must balance with the number of passports issued. Since fee stamps are not used in Ottawa, this could cause confusion when Canadian Passports are inspected by foreign authorities. Some passports would have stamps and others would not, and the reasons may not be clear to the various officials concerned.

4. From the standpoints of accounting, we see no need to affix Consular fee stamps to passports when they are first issued. Proper accounting for fees collected in these cases would be by the number of passport blanks used with the appropriate fee listed opposite each passport number. A notation to this effect might also be entered in the passport.

Already  
space

5. When limited validity passports are extended, the fee of three dollars would have to be accounted for and, in our view, the use of fee stamps for this purpose would be desirable. It is suggested that the attached draft ledger form would provide the necessary accounting for fees collected in respect of all consular services.

last sheet of set  
columns for numbers

.../2



- 2 -

6. This procedure, if accepted, would eliminate the printing, distribution and accounting for over \$300,000 worth of consular fee stamps annually. If you agree with the above proposal, you may wish to inform Passport Division accordingly.

A. J. MATHESON

Finance Division

DEPARTMENT OF EXTERNAL AFFAIRS  
INVENTORY OF PASSPORTS AND CONSULAR FEE STAMPS

POST

ACCOUNTING PERIOD FROM

TO

PASSPORTS

- 1 Passports held at beginning of period
- 2 Passports received during period
- 3 Total of 1 and 2
- 4 Passports issued during period
- 5 Passports spoiled and destroyed during period  
(second pages attached)
- 6 Total of 4 and 5
- 7 Passports held at end of period 3 minus 6
- 8 Passports renewed during period

ORDINARY	45-PAGE	EMERGENCY	SPECIAL	DIPLOMATIC	TOTAL

III CONSULAR FEE STAMPS

CANADIAN DOLLARS

- 1 Value of stamps held at beginning of period
- 2 Value of stamps received during period
- 3 Total of 1 and 2
- 4 Value of stamps used during period
- 5 Value of stamps spoiled (stamps attached)
- 6 Total of 4 and 5
- 7 Value of stamps held at end of period 3 minus 6

MONTHLY REPORT -

PASSPORT NOS. ON HAND

PASSPORT NOS. ISSUED

Value of Passports  
ISSUED

ORDINARY PASSPORT BLANKS NOS.

To

To

\$10 x

=

\$2.00 x

45-PAGE PASSPORT BLANKS NOS.

To

To

\$12 x

=

\$1.00 x

EMERGENCY PASSPORT BLANKS NOS.

To

To

\$4 x

=

\$0 x

SPECIAL PASSPORT BLANKS NOS.

To

To

No Charge

Total fees  
collected  
for new  
passports is

\$5 x

DIPLOMATIC PASSPORT BLANKS NOS.

To

To

No Charge

TOTAL

CERTIFIED CORRECT BY CONSULAR OFFICER

DATE

To be completed at the end of the accounting periods falling in March, June, September and December.

I CERTIFY THAT I HAVE VERIFIED THAT THE PASSPORTS AND CONSULAR FEE STAMPS ON HAND ARE AS STATED ABOVE.

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*file 5-1-1*

TO  
A  
Mr. Angus Matheson,  
Finance Division

FROM  
De  
Passport Division - W.S. Durdin

REFERENCE  
Référence

SUBJECT  
Sujet  
Fee Stamps for Passport Revenue

SECURITY  
Sécurité

CONFIDENTIAL

DATE

December 4, 1968

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	<del>5-1-1</del> 5-1-1
MISSION	88

ENCLOSURES  
Annexes

DISTRIBUTION

Mr. T.H. Bennett  
Director General

Consular  
Division

Cabinet has approved changes in passport fees which have some implications with regard to the use of fee stamps at posts abroad. The fee for the issue of an ordinary passport is to be raised from five (5) to ten (10) dollars. The fee for the businessman's passport is to be raised from nine (9) to twelve (12) dollars. The present renewal privilege for a fee of two (2) dollars is to be eliminated. However there will be a new fee of three (3) dollars for the extension of passports issued with limited validity. The present fee of fifty (50) cents for observations is to be eliminated. Also the Division will be proposing to increase the fee for the Emergency Passport from two (2) to four (4) dollars. In summary the fees for passports under the new fee schedule will consist of twelve (12), ten (10), three (3) and two (2) <sup>four (4) ?</sup> dollar denominations.

2. The volume of passports issued abroad annually is currently approximately thirty thousand. Of this total the businessman's is a very small fraction. Also, we do not anticipate that a large volume of passports will be extended at posts abroad. Therefore since the number of ten dollar fees will approximate thirty thousand a year, a ten dollar fee stamp will be required. For passport use the stamps could be limited to the ten, two and one dollar denominations.

3. We anticipate that the new fee schedule will be implemented in early January and until the Minister has made an announcement this change should be kept confidential.

4. As our Division has pointed out in previous correspondence, fee stamps do not serve any purpose as far as passports are concerned and if a simpler system for the control of cash is otherwise suitable fee stamps need not be retained. During the recent postal strike our emergency passport offices issued counter receipts for fees paid and when permanent branch offices are opened a similar system will be used to account for cash.

5. Will you please advise us of the changes in denominations for fee stamps that you decide on and the approximate timing. We will be redesigning the passport form and if the denominations suggested above are adopted space for two fee stamps will be provided. If you are planning to replace fee stamps with any other system for the control of cash receipts we should be advised so that appropriate changes can be incorporated in passport design.

  
Passport Division

Inspection Service/R.H.Gregson/md

EXTERNAL AFFAIRS

AFFAIRES EXTÉRIEURES



MEMORANDUM

TO Head, Finance Division

FROM Inspection Service

REFERENCE  
Référence

SUBJECT Inventory of Passports and Consular Fee Stamps  
Sujet Form EXT.430 (Rev.8/68)

SECURITY  
Sécurité

DATE

NUMBER  
Numéro

UNCLASSIFIED

November 27, 1968

FILE	DOSSIER
OTTAWA	15-1-2
	<del>15-7-1-EXT.430</del>
MISSION	20

ENCLOSURES  
Annexes

1

DISTRIBUTION

③ It probably wd make them count the stamps which some of them don't sum & do at present.

As previously discussed, I am forwarding for your consideration a suggested revision to existing form EXT.430 (8½" x 11") to reflect details of the denominations of Consular fee stamps held at the end of each accounting period.

2. I feel the Consular Officer has a requirement monthly to actually count the fee stamps held to satisfy himself that what he is certifying as correct (Part III line 7 - Value of stamps held) is in fact so. The quarterly certificate requires the Head of Post to do so as well. The actual listing of the denominations would also facilitate the verification.

3. In my audits at Posts, I also physically count and reconcile the fee stamps held and use this type of listing (Part IV) to verify the total value of the stamps which should be on hand.

4. I am not sure, however, what value, if any, the listing of denominations would be for your purposes or for the CTO.

Inspection Service

discussed with Mr. McLab, Treasury who is agreeable to revised form. He also asked if before this form is introduced that Posts be instructed to destroy obsolete forms.

6/12/68 J.R.

# MESSAGE

TOR/TOD  
COMCENTRE  
EXTERNAL AT FA

DATE	FILE/DOSSIER	SECURITY SECURITE
JUN 18/69	5-1-1	UNCLAS
	9	

FM/DE	EXT OTT	JUN 18 19 25 '69	NO	PRECEDENCE
TO/A	HONG KONG		FA-143	ROUTINE

INFO

**REF** YOURTEL 754 OF JUNE 17  
**SUB/SUJ** FILM ON FINANCIAL MANAGEMENT

DESTROY.

DISTRIBUTION NO STANDARD  
LOCAL/LOCALE

ORIGINATOR/REDACTEUR

DIVISION

TELEPHONE

APPROVED/AUTORISE

SIG

WM AGNES

F. & A. BR.

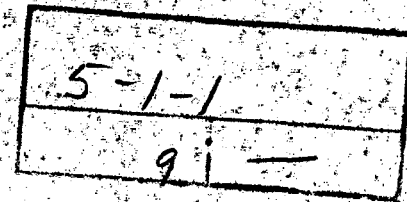
2-8981

SIG

PAR AVION

PERSONNELLE

FILE



Ottawa, le 18 juin 1969

Mon cher Marc,

Ton télégramme No.443 du 17 juin est venu nous rappeler la promesse que nous avons faite à Tunis en ce qui concerne la publication bilingue des formulaires nécessaires à la préparation des prévisions financières 1970-71. Hélas! lorsque nous sommes rentrés à Ottawa au début de mai, nous avons appris que l'Imprimeur de la Reine à qui nous avons confié l'impression du fascicule était en retard de trois semaines. Le travail était déjà entre ses mains depuis quinze jours et il n'était pas possible de tout remettre en question. Nous étions prêts à refondre entièrement le fascicule et le publier en deux langues. Cependant, l'Imprimeur ne pouvait nous accorder la priorité nécessaire pour assurer que le fascicule serait disponible pour distribution à nos missions au plus tard le 4 juillet 1969. Ce n'est que partie remise car les nouvelles éditions qui seront préparées à la fin de l'été pour l'an prochain seront bilingues.

Sincèrement,

W. M. AGNES  
W.M. Agnes

M. Marc Baudoin  
Ambassadeur du Canada  
Ambassade du Canada  
Kinshasa, Congo.

Pers Plan & Dev Div./J.Cyr/pl

Library/Circ/File

Direction Générale des Finances et de  
l'Administration

Sans cote

17 juin 1969

Section de la Formation et du Perfectionnement

Votre note du 10 juin 1969

Adaptation de la Brochure "Projet: Gestion Financière"

S-1-1	
28	✓

Ceux qui oeuvrent à l'adaptation française de la brochure susmentionnée ont toute ma sympathie pour les difficultés qu'ils rencontrent. Sans être un spécialiste en linguistique ou en gestion financière, à mon avis l'expression "gestion responsable décentralisée" ou simplement "gestion décentralisée" me semble des adaptations les plus appropriées pour rendre l'idée de "responsibility accounting".

2. Je me permets d'ajouter à votre liste les adaptations suivantes qui me sembleraient rendre l'idée de l'expression anglaise mais qui sont ou trop longues, ou probablement trop lourdes:

- a) gestion par délégation d'autorité et de responsabilité
- b) gestion par délégation (sous-entendu: d'autorité et de responsabilité)
- c) gestion responsable par délégation
- d) gestion par responsabilité déléguée

3. Enfin, le ministère pourrait peut-être faire preuve d'un véritable esprit d'innovation et tout bonnement créer un nouveau mot en langue française tel "gestion d'auresdel", les trois syllabes du mot auresdel représentant les premières syllabes des trois mots autorité, responsabilité, déléguée.

4. Pour terminer sur une note plus sérieuse, le ministère serait peut-être bien avisé de consulter M. Syvain Cloutier, Assistant Secrétaire au Conseil du Trésor qui est à la fois un comptable par profession, un administrateur et un homme sensibilisé aux problèmes de la langue française dans le contexte nord-américain.

SIGNED BY  
J. CYR

J. Cyr

Section de la Formation et du Perfectionnement



# MESSAGE

FM/DE	EXT OTT	DATE	FILE/DOSSIER	SECURITY SECURITE
		JUN 17/69	5-1-1 9	UNCLAS
TO/A	ROME	JUN 17 20 40 69	NO	PRECEDENCE
			FA142	ROUTINE
INFO	YAOUNDE			

**REF**      OURTEL FA-59 OF MAR 18

**SUB/SUJ**    FILM ON FINANCIAL MANAGEMENT

SEND FILM TO YAOUNDE.

DISTRIBUTION  
LOCAL/LOCALE

NO STANDARD

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG. <i>WM AGNES/JB</i>	F. & A. BR.	2-8981	SIG. <i>Harvey Bennett</i> BENNETT

O/USSEA/H.B.ROBINSON/TL

5-1-1	
17	—

June 11, 1969.

MEMORANDUM FOR MR. A. de W. MATHEWSON

The Under-Secretary asked me to circulate to members of the Senior Committee the attached letter which he received from Paul Tremblay after the recent Financial Management Seminar in Paris. I believe Hanley Bennett already has a copy but perhaps you would keep one and reproduce enough copies for distribution to members of the committee and any other selected individuals in the Department who you think might be particularly interested. There are one or two gaps in the typing. Paul Tremblay's handwriting is a bit hard to decypher at times.

I think most <sup>people would</sup> ~~of you will~~ agree that he makes a lot of good points.

(SGD.) H.B. ROBINSON

H.B.R.

CANADIAN EMBASSY

AMBASSADE DU CANADA

PERSONNELLE ET  
CONFIDENTIELLE

Bruxelles, le 24 mai 1969

Mon cher Marcel,

Je reviens de la réunion de Paris. Il n'y a pas de doute qu'elle a été fort utile. Je crois que tout le monde a été impressionné par l'ampleur des réformes administratives en voie de réalisation. Les deux éléments essentiels de cette réforme vont changer assez profondément le rôle du chef de Mission.

D'une part, la plus grande latitude accordée au chef de Mission, pour ce qui est de l'utilisation de son budget local lui donnera plus d'autorité vis-à-vis de son personnel mais augmentera ses responsabilités. Cet aspect de la réforme ne soulève pas d'objection de principe car depuis que je suis dans le Service tout le monde se plaignait de l'autorité en ce qu'assumaient les Services administratifs de la Centrale et de la perte de temps qu'entraînaient les références constantes à Ottawa au sujet de dépenses mineures.

La seule critique peut-être est que la décentralisation ne va pas assez loin. Exemple: le réajustement des salaires des employés locaux permanents afin de les aligner sur les hausses périodiques décrétées par le gouvernement local selon l'indice du coût de la vie et qui affectent des catégories d'employés équivalents aux nôtres. Il paraît qu'Ottawa se réserve un droit de regard sur ce point et cependant, les longs délais que ces réajustements nécessitent constituent une source de mécontentement et de frictions vis-à-vis des employés locaux.

Donc, je crois, qu'une fois qu'on a admis le principe de la décentralisation, il faudrait s'attacher au cours des années, à l'amplifier encore - et surtout à tenir compte des cas d'espèce. Exemple: le "Housing Unit" de Bruxelles qui s'occupe de 76 maisons ou appartements garnis ne peut pas être traité exactement comme une chancellerie typique ou une résidence. Le chef du bureau de logement devrait dans son domaine précis, jouir d'une plus grande latitude que le chef de poste qui n'a qu'à se préoccuper d'un simple établissement. Cela saute aux yeux. Il y a donc un problème d'adaptation du système général à des cas particuliers.

- 2 -

La première étape de la réforme reste valide mais on ne doit pas commettre l'erreur de penser qu'elle est définitive - et la présenter comme telle à la Trésorerie.

L'autre aspect de la réforme - celle qui vise à établir les buts et objectifs de la Mission dans le cadre du programme review - porte beaucoup plus loin et pose bien des difficultés.

Première difficulté: l'importance relative des objectifs intangibles par rapport aux objectifs concrets. Il est en effet beaucoup plus facile de justifier une dépense, et l'allocation de personnel pour réaliser disons nos tâches consulaires et l'entretien d'une maison, que pour assurer un bon dialogue politique avec le gouvernement auquel nous sommes accrédités. Et pourtant il n'y a pas de doute que cette dernière fonction est plus importante. Elle se prouve cependant plus difficilement sur le plan administratif. Il est donc inévitable que l'appareil administratif qu'on est en train de mettre sur pied avantagera toujours les fonctions susceptibles d'être quantifiées et pour lesquelles on doit nécessairement trouver de l'argent et des employés. Pour les autres, c'est une question de jugement et d'appréciation qui doit pouvoir être exercée à un assez haut niveau au Ministère.

En théorie, ce jugement du Ministère paraît simple; en pratique, comme tu sais, il doit être fait en conformité avec les priorités du gouvernement. Or le gouvernement établit très rarement des priorités précises et l'on ne sait jamais au juste, si en définitive, l'Europe par exemple, a plus d'importance que l'Afrique, l'Asie etc. Le plus souvent, l'on vous demande de faire tout à la fois sans se préoccuper de vous donner les ressources nécessaires en hommes et en argent.

Ce que je veux dire c'est qu'il est bien difficile de donner aux missions des ordres de priorités politiques plus précises que celles que se donne lui-même le gouvernement. Il y a donc là matière à interprétation - difficile et dangereuse pour le Ministère - et le système que vous proposez serait sans doute parfait, si le Gouvernement était capable de définir de façon raisonnablement claire les lignes directrices de notre politique étrangère - d'année en année. Or il n'est guère réaliste de l'espérer sans compter les aléas de l'évolution de la scène internationale et domestique.

En somme, la logique du système est de demander au Ministère un degré de planification bien supérieur sans doute à celui qu'on exige des Ministères domestiques dans le domaine de leurs politiques nationales.

Je ne dis pas que le système soit mauvais en soi, à condition que tout le monde en reconnaisse les limites.

... 3

000152

- 3 -

Seconde difficulté: le système demande aux postes de définir leurs objectifs pour l'année courante. Or cette exigence s'adresse au segment "Affaires Extérieures" du poste. En réalité la plupart des postes européens comportent des représentants de 6 ou 7 ministères différents qui eux aussi ont des objectifs à réaliser - et que par dessus le marché sont jaloux de leurs prérogatives et de leur autonomie.

Et pourtant l'Ambassade du Canada constitue aux yeux de l'étranger une entité intégrée et pour le chef de poste, un seul instrument qui doit pouvoir servir à réaliser les objectifs globaux du Gouvernement.

Sans intervenir indûment dans les opérations des autres représentants du Ministère, il reste que leurs activités finissent par grever le côté "Affaires Extérieures" de l'Ambassade et absorbent une proportion notable du temps de nos agents. Par exemple: si l'attaché d'immigration ou le conseiller commercial sont actifs dans le domaine de l'information ou de la promotion commerciale, ils s'attendent à la coopération de notre section d'information et culturelle. - Ce qui impose chez nous des obligations additionnelles. Ce processus ne joue d'ailleurs pas dans le sens inverse.

D'où le problème d'établir une certaine coordination entre les objectifs des divers segments de la Mission, afin de les traduire en termes administratifs: argent et personnel.

La théorie est facile mais là encore la pratique est difficile. Elle présuppose une coordination au niveau de la Mission - ce qui à la rigueur est faisable - mais aussi au niveau inter-départemental à Ottawa. Comment au juste, et jusqu'à quel point voulez-vous ouvrir les arènes des activités d'une Mission et du Ministère, à tous les ministères représentés à l'étranger? Et si oui, les autres ministères accepteraient-ils le contrôle que ce genre d'exercice implique sur leurs propres activités?

Ceci dit et ces questions étant posées - il y en a bien d'autres - il est indéniable que l'effort de rationalisation en cours, est inévitable et qu'il s'imposait.

Le succès dépendra du contrôle qui s'exercera au niveau supérieur au Ministère afin de résister à l'envahissement des administrateurs et à la mécanisation du système. En pratique, cela veut dire que les détenteurs des hauts postes à Ottawa devront consacrer une part croissante de leur énergie à ce genre de problèmes.

... 4

- 4 -

En toute logique, il faudrait sans doute prévoir - pour fin de compensation - une rationalisation parallèle l'élaboration des politiques du Ministère en recourant au mécanisme du "policy planning" sur le modèle américain. Mais ceci est une autre histoire!

Et puis, à Paris, nous avons eu un colloque politique de deux jours. Ceci était nécessaire et j'étais heureux que Halstead y ait participé afin de nous apporter le point de vue d'Ottawa. Je n'entreprendrai pas de te raconter nos discussions car Halstead t'en fera rapport.

Le thème principal était bien entendu, l'ère post-gaulliste mais là comme tout le monde nous en sommes réduits pour l'instant à des conjectures, sauf peut-être en ce qui concerne l'orientation de la France en matière de politique européenne ou quel qu'il arrive l'on s'attend à un déblocage favorable.

Paul n'a pas contribué grand chose. Il a repris quelques vieilles rengaines comme par exemple que les relations franco-canadiennes ne s'améliorèrent guère tant que.....

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO A M. J. Cyr  
Section de la Formation et du Perfectionnement

SECURITY SANS COTE  
Sécurité

FROM Direction Générale des Finances et de  
De l'Administration

DATE le 10 juin 1969

REFERENCE  
Référence

NUMBER  
Numéro

SUBJECT Adaptation de la Brochure - "Projet: Gestion Financière"  
Sujet

FILE	DOSSIER
OTTAWA	5-1-1
MISSION	28

ENCLOSURES  
Annexes

DISTRIBUTION

Au cours de l'adaptation de la brochure "Projet: Gestion Financière", nous avons rencontré plusieurs difficultés d'ordre technique dont la plus sérieuse consiste à trouver un équivalent français à l'expression "responsibility accounting" (voir pages 4 et 10 de l'édition en langue anglaise "Project: Financial Management").

2. Parmi les adaptations proposées jusqu'ici, on trouve les expressions suivantes:

- (a) comptabilité par centres de responsabilité
- (b) gestion décentralisée
- (c) gestion responsable décentralisée
- (d) responsabilité de l'autorité

3. Il s'agit, au moyen d'une formule courte et aussi frappante que possible, de mettre en lumière les deux aspects fondamentaux du nouveau système de gestion: l'exercice de l'autorité qui sera déléguée aux chefs de centres de responsabilité et la responsabilité de ces derniers, non seulement au point de vue du budget et de la comptabilité mais aussi au point de vue des décisions prises, du jugement et des résultats acquis.

4. Nous vous serions obligés de bien vouloir examiner cette question et de nous indiquer laquelle des adaptations proposées vous semble la plus appropriée, ou si aucune ne vous agréait, de nous en proposer une autre.

L.J. O'Toole

Direction Générale des Finances  
et de l'Administration

gestion d'autorité  
↓  
autorité responsabilité  
→ délégués

# MESSAGE

DATE JUNE 11 1969		FILE/DOSSIER 5-1-1		SECURITY SECURITE
FM/DE EXT OTT		NO FA-136		UNCLAS PRECEDENCE ROUTINE
TO/A BUENOS AIRES				
INFO				

**REF** YOURTEL 586 OF JUNE 9  
**SUB/SUJ** FINANCIAL MANAGEMENT SEMINAR RIO

STERLING NOT RPT NOT DIRECTLY INVOLVED IN POST  
ADMINISTRATION AS GOOCH IS ACCORDING TO HIS MOST RECENT  
STATEMENT OF DUTIES. SHOULD PREFER THEREFORE THAT GOOCH ATTEND  
SEMINAR AND BRIEF NELSON ON RETURN.

DISTRIBUTION  
LOCAL/LOCALE

NO STANDARD

cc: LATIN AMERICAN DIVISION

ORIGINATOR/REDACTEUR SIG. [Signature] JB	DIVISION F. & A. BR.	TELEPHONE 2-8981	APPROVED/AUTORISE SIG. [Signature]
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EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*file*

TO  
À

SECURITY  
Sécurité

SANS COTE

FROM  
De Direction Générale des Finances et de  
l'Administration

DATE

le 10 juin 1969

REFERENCE  
Référence

NUMBER  
Numéro

SUBJECT  
Sujet Adaptation de la Brochure - "Projet: Gestion Financière"

FILE	DOSSIER
OTTAWA	5-1-1
MISSION	17-

ENCLOSURES  
Annexes

DISTRIBUTION

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L.J. O'Toole  
Direction Générale des Finances  
et de l'Administration

Copy to:

M. J. Gignac  
M. A. Couvrette  
Direction des Affaires Culturelles.

M. R. Plourde  
Press Office

M. M. Ouellette,  
Staff Relations & Compensation Division

Miss I. Hall  
Far Eastern Division

M. G. Périard,  
Direction des Affaires d'Europe

Mr. L. Stephens  
Direction de l'Information

M. G. Bull  
M. H.M. Geltman  
Direction des Affaires Consulaires

M. L.A. Delvoie  
Direction des Affaires d'Afrique  
et du Moyen Orient

M. L.P. Tardif  
Direction des Relations entre Pays Francophones

M. M.N. Bow  
Direction du Désarmement

M. A.D. Bryce et Mlle Georgette Boudreault  
Direction de l'Information

M. A. Beesley  
Direction des Affaires Juridiques

M. N. Berlis  
Direction du Protocole

M. L. Parent  
Bureau d'Organisation et de Méthodes

M. J. Cyr  
M. G.J. Bourdeau  
Section de la Formation et du Perfectionnement

- 2 -

M. A. de Mathewson  
Bureau Central de Planification

M. J.M. Robineault  
Direction du Personnel

M. D. Wilson  
Direction des Relations de Travail et de la Rémunération

M. C.E. Lavigne  
Aux soins de M. A. Young  
Direction des Finances

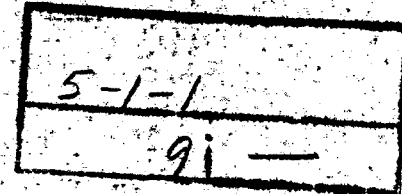
M. R.E. Lapointe  
Division des Services Centraux

N.  
M./Audette  
Section des Voyages  
Direction des Finances

M. M. Baudoin  
Ambassadeur du Canada  
Ambassade du Canada  
Kinshasa, Congo

M. J.D. Fleury et M. J.M. Desrochees  
Bureau de Traduction

FILE



Ottawa, June 7, 1969

Dear Mr. Ford,

I was glad to learn from your letter of June 2, 1969, that Mr. Taylor and Mr. Hughes profited from the seminar on Financial Management. I can only say that I regretted not to be able to meet you again in Geneva but I understand very well the reason for your absence.

The last seminar of the current series will be held on June 18-19-20 and after that there will be only special sessions on estimates which I would not wish to inflict upon you. However, if you would give me a call during your stay in Ottawa next month, I shall be glad to run over the main points of the new financial management regime, particularly as they affect a Head of Mission.

Yours sincerely,

J. H. BENNETT

T.H. Bennett

Mr. R.A.D. Ford,  
 Ambassador,  
 Canadian Embassy,  
 Moscow, Russia.

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

Mr. J.K. Starnes

UNCLASSIFIED

TO  
À

L.J. O'Toole,  
Assistant to Director-General,  
Finance & Administration Branch.

SECURITY  
Sécurité

January 16, 1969

FROM  
De

DATE

REFERENCE  
Référence

NUMBER  
Numéro

SUBJECT  
Sujet

Handbook on the Woods Gordon Report

FILE	DOSSIER
OTTAWA	
5-1-1	
MISSION	12

ENCLOSURES  
Annexes

1

DISTRIBUTION

Attached for your inspection and comment is a draft of the handbook planned by the Implementation Committee. I believe it should be in the hands of personnel abroad some time in advance of the training seminars, the first of which is planned for New Delhi February 10. I therefore hope that you and the Committee members can give priority to its examination.

Messrs:

T.H. Bennett

F.M. Tovell

M. Bow

B.A. Keith

A. de W.  
Mathewson

2. Because this schedule imposes some urgency, I am also taking the liberty of making certain suggestions about the editorial contribution members might make. Any major changes in the substance of the text will require extensive rewriting and therefore delay. Obviously, we would rather tolerate delay than publish a bad book but I hope that changes of this nature will be suggested only when their importance is clearly overriding. The suggestion has already been made that we would find a more appreciative audience if the central section was reduced to half the present length. My own assumption is that most personnel will read nothing on the subject except this handbook, in which case the facts now included are all essential to proper understanding. However, since I am so close to the subject, I would appreciate other views.

3. It is vitally important, I believe, that we strike the right tone, neither pompous nor technical, that will lead the reader to feel involved and interested. Consequently, suggestions will be gratefully received on points of phrasing and presentation, the use of headings, etc. For example, there are a number of places where we would get more impact by using the active rather than the passive voice and these are now being changed.

4. It is proposed to title the booklet "Project - Financial Management" and to bring it out in a two-colour paperboard cover. It will probably run to about 35 pages when printed. The table of contents will be as follows:

/ ...2

- 2 -

- (1) Forward
- (2) Financial Management - Why?
- (3) The Financial Management System

The Basic Approach

- What is Budgetary Control?
- How Does it Work?
- Is This Financial Management?

Budgetary Control Adapted to External Affairs

- The Organization of Responsibilities
- Kinds of Costs Budgeted
- Objectives, Activities and the Program Forecast
- The Annual Estimates
- The Delegation of Authority

Information for Management

- (4) Implementation
- (5) What Difference Does it Make?

5. I look forward to your comments and those of your colleagues on the Committee, after which we will go to press as quickly as possible. Members might find it quicker to dictate their thoughts on a Stenorette tape and give me the tape rather than having it typed. I would be grateful if these comments could reach me by January 20.

L.J. O'TOOLE

L.J. O'Toole,  
Assistant to Director-General,  
Finance & Administration Branch.