



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce international

Deputy Minister

Sous-ministre

b2650307(E)
b2650320(F)

27 February 1995

Dear colleagues:

We are doing our part in helping the Government get its financial house in order. Our action plan for the Program Review and Budget has involved months of study, negotiations and, at times, agonizing decisions. As with the rest of the Government, the exercise we are going through represents the largest and most significant reassessment of government operations ever done.

Throughout this process, we were very conscious of the challenging circumstances in which we have operated for the past several years: salaries frozen since 1991; limited opportunities for promotion and advancement; consecutive years of cuts in human and financial resources, including a 3 per cent cut for the Department in last year's Budget; the introduction of new technologies and ways of operating, which have required ongoing adjustment by everyone -- all of this in an international environment that has become increasingly complex and unpredictable.

We proceeded on the basis of seven criteria approved by the Minister of Foreign Affairs and the Minister for International Trade:

- 1) no missions in capitals were to be closed;
- 2) we had to reflect relative priorities in our operations and representation;
- 3) we had to be consistent with the conclusions of the foreign policy review and the Wilson Review on trade development programs;
- 4) we were to focus on overhead costs first, then on operations;

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43-280-979(F)