

Consultations with all levels of staff through the past months of the Review to reach a consensus on a "Statement of Mission" have helped greatly to determine and shape the corporate themes and values which form the basis of the decisions that follow. Using this consensus we will build the future of our Department.

## **THE RESOURCE PICTURE**

Strategic change and improvements cannot be accomplished without a major impact on resources. Significant adjustments both at headquarters and missions are also required.

Additionally, the catch-up effects of PY cut-backs over the past several years and the \$70 million cut required by Cabinet from EAITC over the next four years will require major resource adjustments. So will some of the new initiatives recommended as part of the Corporate Review (see Annex F). To meet these demands, management has had to place an emphasis on the resource issue in the final stages of the Review.

The results of the Review enabled senior management to make these difficult decisions based on a strategic, long term approach. Our goal was to ensure that in spite of the demand for cutbacks, ultimately the decisions would result in improvements to the environment and conditions for staff, prepare the Department to operate effectively with more focused and effective activities, eliminate what is no longer necessary and achieve more resource flexibility. Attention was paid to assuring that the reductions were spread throughout the Department and that the overall impact would be in keeping with the key themes of the Review and our future needs.

### **Person-years**

After careful consideration of these factors and given the person year pressures (see Annex F), we are facing no choice but to make some significant cutbacks in Departmental positions at headquarters and abroad. These are outlined in Annexes B and C. There is no question that it will mean doing less in some areas, curtailing or dropping lower priority activities and services. There will be a total reduction of approximately 150 positions in Ottawa and abroad. This will result over the short term in the selective elimination of some term and secondment positions.

These cuts will still fall short of our longer-term requirements and resource demands, but future adjustment can be more gradual particularly as we pursue continued and aggressive implementation of administrative reform, the further delegation of authorities and the establishment of a resource management system that permits us to identify priorities and move resources around accordingly.

Every effort is being made and all options explored to avoid layoffs and minimize impact on employees of any work force adjustment brought about by these and any future decisions. All immediately affected staff have already been notified and the Personnel Branch is working with them. It is also determining the potential for options for staff not immediately affected who may be interested in exploring the possibility of benefitting from