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IMPLEMENTATION OF THE ROYAL COMMISSION REPORT ON CONDITIONS OF FOREIGN SERVICE

Following the presentation of the Royal Commission Report on Conditions of Foreign Service to the government in mid-December, 1981, the Prime Minister invited the Secretary of State for External Affairs to act as lead Minister for the review of the Report's recommendations. This process is well underway. A senior official has been appointed departmental co-ordinator and working groups under his chairmanship are proceeding with a careful examination of the recommendations and options in related groupings, including health, education, spouses, recreation, accommodation, security and personal safety.

The decision of the government to reorganize the department as part of an overall economic strategy, incorporating the trade functions of the former Department of Industry, Trade and Commerce into the Department responds to a principal recommendation in the Report. This decision also completed the consolidation process, setting the foundation for the more effective delivery of government programmes abroad. The new organizational structure of the Department moreover reflects senior management's commitment to the importance of personnel management, which the Commission identified as a high priority.

The broader mandate of the Department will permit employees to be offered a greater variety of assignments, and a study is underway on how to do this while ensuring that employees retain a high degree of specialized professional skills as suggested by the Commission. Moreover, the establishment of the administrative service officer category in the foreign service, to be staffed significantly through promotions of rotational support staff, will ensure that they have open to them expanded career opportunities. The Commission attaches high priority to this objective.

Insofar as terms and conditions of service abroad are concerned, in addition to a major recommendation to restore the incentive systems, the Commission made 15 recommendations for improvements to benefits and compensation for foreign service employees. Many of these recommendations are reflected in improvements to the Foreign Service Directives recently agreed to by foreign service management along with the Treasury Board Secretariat and unions representing all foreign service employees. Some of the highlights of the agreed changes which bear on the Commission's recommendations and which are to be implemented on April 1, 1982, include:

- increased financial compensation for foreign service employees and their families on overseas assignments;
- improved financial incentives for service at posts in difficult foreign environments, with bonus provisions for extensions of assignments at these posts;
- bonus provisions for employees serving under extraordinary conditions arising from active hostilities;
- improved vacation travel assistance to permit employees and their families to return to Ottawa more frequently;
- more flexible use of travel entitlements;
- modified extra vacation leave provisions to permit the employee to take cash in lieu of extra vacation leave or convert this leave for a transportation expense benefit;
- improved posting loan provisions to assist employees moving abroad;
- provision of replacement value insurance coverage with adequate upper limits to employees to cover their personal effects in transit;
- greater flexibility and efficiency in the administration of terms and conditions of service abroad.

It is anticipated that these and other improvements will be welcomed by all members of the foreign service and will lead to improvements in both employee morale and productivity.

While important progress has been made in implementing many of the Report's major recommendations and related options, the Department will continue to give highest priority to the study and consideration of the Report's remaining recommendations