

**AUDIT
OF THE
PERMANENT DELEGATION OF CANADA
TO THE ORGANISATION FOR ECONOMIC
CO-OPERATION AND DEVELOPMENT**

IN PARIS

APRIL 2004

Audit Division (SIV)

TABLE OF CONTENTS

1. Executive summary	1
2. Overview	1
3. Management of the Mission	1
4. Administrative services	2
5. Staff	2
6. Official hospitality	6
7. Information management	7
8. Official residence	8
Delegation Resources	9

1. Executive summary

1.1 An audit of the Permanent Delegation of Canada to the Organisation for Economic Co-operation and Development (OECD) in Paris was conducted between January 20 and February 3, 2003. The last audit of the Delegation dates back to 1994. An audit of the other Canadian Missions in Paris, namely the Embassy and the Delegation of Canada to UNESCO, was conducted at the same time.

2. Overview

2.1 The OECD is an organization that provides member countries and an increasing number of non-member countries with a framework for studying, developing and refining economic and social policies. The OECD has many fields of activity (economy, environment, development, governance, agriculture, etc.). Within the OECD, there are over 200 committees and working groups. Every year, some 40,000 experts participate in OECD committee meetings, an indication of the highly technical and specialized nature of the activity fields. As a result, this requires a wide diversity of expertise from Canadian representation.

2.2 The Delegation's mission is to manage and coordinate Canada's participation in the OECD. In this respect, it ensures that Canada's priorities and interest are taken into consideration in the OECD's direction and programming. Delegation staff participates in a certain number of committees and liaises with the representatives of other federal departments. Indeed, since the work done by OECD committees deals essentially with fields relating to domestic issues, other departments represent Canada on various committees and carry out the policy analysis and monitoring work. Over 300 Canadian representatives attend committee and working group meetings on an annual basis. The Delegation has the infrastructure required to facilitate the work of visitors from Canada and provides good logistical support to delegations.

3. Management of the Mission

3.1 The Delegation, made up of nine Canada-based staff (CBS) members and five locally engaged staff (LES) members, is led by an experienced Head of Mission (HOM). All employees are qualified and carry out their duties to the HOM's satisfaction. The HOM also has a driver and two employees at the residence.

3.2 The Delegation's work, both that of the HOM and that of the staff, is highly valued by Headquarters. The HOM plays a key role within the OECD, particularly with regard to budget and reform issues. The HOM is supported in her work by a Deputy Permanent Representative, who is responsible for managing the Delegation, and by an Administrative Officer.

3.3 The HOM meets regularly with staff. The working climate is good and communication is excellent. The HOM's open-door policy encourages staff to value its work and brings upper management and staff closer together.

4. Administrative services

4.1 Management of staff and finances is shared between the Delegation and the Embassy in Paris. A memorandum of understanding on administrative services between the Delegation and the Embassy was signed in 2001 and outlines the roles and responsibilities as well as the expectations of both parties to ensure optimal coordination. The relationship between the two bodies is good and communication is well established. The two Missions meet on a monthly basis to provide updates on various issues.

4.2 The Delegation has full responsibility for administering its budget, and consultations in that regard are conducted with Headquarters (EED). As part of its contracting activities, before awarding any contract over \$2,500, the Delegation makes sure it obtains prior approval from the contract review board set up within the Embassy.

4.3 The Administrative Officer satisfactorily discharges his responsibilities under the supervision of the Deputy Permanent Representative. The files reviewed by the Audit Team were well kept and well documented. However, it would be desirable to enhance his knowledge of departmental procedures because he has received only one formal training course since assuming his duties as Administrative Officer in 1996.

Recommendation for the Mission

4.4 To enable the Administrative Officer to acquire more administrative knowledge and familiarize himself with the procedures in effect within the department, the Delegation should consider training opportunities provided by Headquarters.

Mission action plan

4.4 To maintain and improve the knowledge and skills acquired by the Administrative Officer during the two weeks of training he received in Ottawa in February 2002, the Mission will continue to encourage the Officer's participation in appropriate training courses, both official and unofficial, such as with colleagues from the Embassy.

5. Staff

5.1 The Audit Team finds that the Mission staff is professional and dedicated to its work. The workload is mostly dependent on external factors, including the OECD's

general schedule (committee and working group meetings), ministerial visits (five to seven per year) and the flow of visitors that exceeds the 300 representatives. Generally, the Delegation does a very good job handling the numerous visits by Canadian representatives, which are mainly concentrated in two periods (March-April and October-November). The Mission ensures that visitors are provided with all the necessary support.

5.2 The workload divided among the Mission's officers is well defined. Each officer manages several files, sometimes as Canadian representative and sometimes as liaison officer to representatives from other departments. Officers spend most of their time at the OECD taking care of a number of committees or working groups. Officers feel that the workload is divided fairly and that the highly independent type of work does not encourage consultation between the various officers.

5.3 The OECD is currently experiencing some competition from other organizations. For some time now, other think-tanks and centres of research on issues traditionally handled by the OECD have been cropping up. This role has now, to a certain extent, been assumed by the European Commission in Brussels at the European level and by the World Trade Organization in Geneva.

5.4 Another key aspect to point out is the ever-growing interest of other Canadian departments in the work being done by the OECD. Although the OECD has lost its monopoly on trade issues with regard to other bodies, in reality it covers more activity sectors today than in the past and examines a variety of issues relating to health and education, resulting in certain Canadian departments' distinct interest in the research and reflection taking place within the OECD.

5.5 As a number of CBS pointed out, the nature of the work at the OECD has changed in recent years, which has had a significant impact on their own work and on the responsibilities inherent to their positions. The reality and requirements of the work are, in some cases, below incumbents' expectations, and there seems to be a certain lack of connection between the level of some positions and the actual duties. In such a context, it would be appropriate to consider some positions at the Delegation as career development positions for young officers with multilateral institutions.

Recommendation for EED

5.6 **The Audit Team feels that special attention should be paid during future staffing actions to balance the level of the position with the duties being assumed by the incumbent.**

EED action plan

5.6 EED has already taken steps to better match the skills required in certain positions at the OECD Mission with the classification level of the employees assigned to those positions. For example, the position of First Secretary (Political), which had been classified as FS-02 and staffed by an FS-02 officer until July 2003, was recently reclassified as FS-01, based on changes made to the position's requirements. The position was staffed by an officer from the Foreign Service Development Program (FSDP) in late August 2003.

As regards the other positions, such as those of Embassy Counsellor at the FS-02 or EX-01 level, EED will consult closely with the OECD Head of Mission about the skills and expertise the incumbent should have to be able to give effective, in-depth advice and represent the Canadian Mission.

5.7 The LES expressed their satisfaction with working for the Delegation. They appreciate the management style and working climate that currently exist at the Delegation. Staffing of LES positions is the responsibility of the Embassy and all recruitment procedures are done in consultation with the Delegation.

5.8 It is noteworthy that the LES feel they are regularly informed of LES Committee meetings and that in general there is very good communication between them and the Embassy. Although no complaint was brought to the attention of the Audit Team, it would be desirable for the Delegation's LES to have a permanent member on the LES Committee to ensure that their interests are taken into consideration during discussions with management. The Mission's current LES representative is the Systems Administrator.

5.9 Some LES wanted the job reclassification cases that had been submitted for consideration to be resolved and the staff involved to be advised of the decisions made.

Recommendations for the Mission

5.10 The Mission should ensure that the Delegation's LES have a permanent member on the Paris Embassy's LES Committee.

5.11 The Delegation should study the two job reclassification cases submitted for consideration and communicate an official decision to those concerned within a reasonable period of time.

Mission action plans

- 5.10** The Mission's LES have been invited a number of times to apply for a seat on the LES Committee. Indeed, the members of the Committee would have liked to have representatives from all employee categories, as well as members from all of the Embassy's sections and all Canadian Missions in Paris. While management recognizes the merits of broader representation, it cannot force anyone to sit on the Committee. The explanation for the apparent lack of interest on the part of the LES may simply be geographical in nature, namely the distance that must be travelled to attend meetings and the time required to get there and come back (a minimum of 20 minutes in each direction). Were it not for the issue of physical distance, there would undoubtedly be more interest among the Delegation's LES who, as the report notes, are satisfied with their representative, even though the representative works only two half-days per week at the Delegation.
- 5.11** Only one case of job reclassification remains to be submitted to the appropriate committee. An update of the supporting documents (already submitted in 2000) will be completed before the next meeting of the Reclassification Committee, which normally should take place in the fall of 2003. As soon as an official decision is known, it will be communicated to the employee concerned.

The 35-hour work week

5.12 Overall, implementation of the 35-hour work week to comply with French legislation went smoothly. The Embassy kept employees up-to-date throughout the process and information sessions bringing together all LES were held. In conclusion, employees confirmed their satisfaction with the consultative measures taken by the Embassy, paired with the HOM's efforts to keep her staff informed of the anticipated conditions and procedures.

Appraisal reports

5.13 Although the files, including work descriptions, of the Delegation's LES are kept at the Embassy, it would be desirable for the Delegation to keep a copy of each work description signed by the incumbent. The last appraisal reports for the LES date back to 2001, and that of the Administrative Officer dates back to 2000. Since the HOM is expected to be replaced by the summer of 2003, the Audit Team feels particular attention should be paid to this issue and that all employee appraisal reports should be done as soon as possible.

Recommendation for the Mission

- 5.14 All LES appraisal reports should be completed by the summer of 2003.**

Mission action plan

- 5.14 In July, we finished the performance report for the only LES who had not had a report done within the statutory time limits.**

6. Official hospitality

6.1 Examination of the hospitality expenditures of some employees of the Delegation revealed that the Delegation and the Embassy should exercise tighter control. Details of events are not always written in the expense diary kept for that purpose, and expenses submitted for reimbursement are not systematically supported by original journal vouchers. In some cases, only bank statements are submitted as supporting documentation. However, the spending limits per CBS for hospitality expenses should be revised considering the current limits date back to 1999 and pre-date the coming into force of the euro.

Recommendation for the Embassy and the Delegation

- 6.2 The Embassy and the Delegation should update the limits for hospitality expenses.**

Embassy and Delegation action plan

- 6.2 The Delegation and the Embassy will work together to update the limits for hospitality expenses.**

Recommendation for the Embassy

- 6.3 The Embassy's financial unit should ensure that past and future hospitality claims comply completely with the Official Hospitality Outside Canada directive.**

Embassy action plan

- 6.3 Embassy management feels it is important to ensure strict and total compliance with the Official Hospitality policy. Therefore, we have set about updating our guidelines based on MKM directives and your own recommendations. Our new guidelines were the focus of a preliminary discussion at the Management Committee and a final**

draft is about to be submitted for approval and immediate implementation. New scales have already been approved and communicated to the various programs.

Recommendation for the Delegation

- 6.4 All financial documents (EXT. 904 and 52) pertaining to hospitality expenses should be properly filled out and forwarded with original journal vouchers to the Embassy for settlement and retention.**

Delegation action plan

- 6.4 Rather than keeping the originals of forms and receipts at the Mission and sending a copy to the Embassy, the Mission will now do the opposite, meaning it will send the originals to the Embassy and keep the copies.**

7. Information management

7.1 Information management is the responsibility of the Systems Administrator (SA), who works part-time at the Delegation. However, although the memorandum of understanding specifies that the SA's time is to be divided between the Delegation and the Canadian Cultural Centre, where he performs the same duties, in reality he is onsite at the Delegation only two half-days per week. Therefore, employees must often manage on their own to resolve problems that arise. The Audit Team feels that, in order to ensure good technical support for the Delegation's information technologies, the Delegation should appoint a Deputy Systems Administrator from among its LES and train that person to help users when minor problems arise in the absence of the Administrator. However, given the significant number of visitors that use the Delegation's technological infrastructure, it would be wise for the Delegation to have a Systems Administrator who is more regularly onsite, or at least to have more effective management of the resource dedicated to that purpose. To do this, the Delegation and the Embassy should study various possibilities that would enable the Delegation to ensure an appropriate level of support.

Recommendation for the Delegation and the Embassy

- 7.2 The Delegation should define its technical assistance requirements and, by mutual consent with the Embassy, find an optimal solution that would enable the Delegation to benefit from technical support that is better adapted to its needs.**

Delegation and Embassy action plan

- 7.2 The Delegation and the Embassy will continue to jointly study other possible arrangements with a view to ensuring more continuous coverage at the Delegation, for example integrating the part-time Systems Administrator into the Embassy's AS team.**

Recommendation for the Delegation

- 7.3 The Delegation should appoint a Deputy Systems Administrator from among its LES and train that person to be able to assist with minor technical problems.**

Delegation action plan

- 7.3 The Delegation would need an additional part-time LES position to support the AS team. We think the solution mentioned in paragraph 7.2 would be more efficient and more cost-effective.**

7.4 Some staff members complained of the frequency of power outages which, according to them, are caused by over-use of the Mission's systems. Various courses of action have been suggested but no solution has been adopted. Efforts should be made, in consultation with the Embassy, to assess the actual cause of the outages and find a definite solution.

Recommendation for the Delegation and the Embassy

- 7.5 The Delegation and the Embassy should look into the cause of the power outages and find an acceptable solution to fix it.**

Delegation and Embassy action plan

- 7.5 The Mission's electrical panels will be replaced in August 2003.**

8. Official residence

8.1 The official residence is an accommodation leased by the Crown. Under the auspices of the current HOM, major repair work has been carried out at the official residence, which is a functional apartment with appropriately sized reception and service areas. In the opinion of the Audit Team, it is a quality residence that complies with the department's representation criteria while being a suitable place to organize official receptions given by the HOM to promote Canada's interests.

Delegation Resources

Human resources (FTEs)

DELEGATION	CBS	LES	TOTAL
HOM (plus driver and employees at the residence)	1	3	4
Administrative and program staff	8	5*	13
Total	9	8	17*

* The Delegation has 16 positions, including the documentalist position, which is held by two part-time LES.

Physical resources

CATEGORY	OWNED	LEASED
Chancery	1	
OR		1
Vehicles	1	

Financial information (2002-2003)

CBS salaries	\$1,018,235
LES salaries	\$361,342
Operation	\$489,009
Capital assets	\$35,000
Total	\$1,903,586