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Chair

Mr. Dean Allison

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● (1535)

[*English*]

The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)): Pursuant to Standing Order 108(2), our study on the effectiveness and viability of public service partnerships between nations, we'll commence.

Initially, I want to welcome all our guests.

I want to welcome the ambassador from Mongolia.

Thank you very much for being here today, sir.

We'll get started in a second, but I also want to introduce Gale Lee, who is vice-president of international services with an organization called Canadian Executive Service Organization.

Welcome, Gale.

I'd also like to introduce Phil Rourke, who is the executive director with the Centre for Trade Policy and Law.

Thank you very much, and welcome.

What I want to do is combine both sessions here, because there are a lot of things we need to cover off. We appreciate your flexibility for us being able to do that.

I'm going to ask the ambassador for his opening remarks, and we do have a video to show people from the Minister of Natural Resources and Energy from the Mongolian Parliament, as well as the head of the civil service of Mongolia.

We're going to ask you to say a few words, Ambassador. We'll do the video and then we'll come back and have your comments. Then we'll do the questions around the whole table, and we'll take as long as we need to do that, whether that's going to be two hours, an hour and a half, or an hour and 45 minutes.

Ambassador, I'll ask you for a couple of opening remarks, we'll go to the video, and then we'll come back to Ms. Lee and then to Mr. Rourke.

Ambassador, the floor is yours.

His Excellency Tundevdorj Zalaa-Uul (Ambassador of Mongolia to Canada, Embassy of Mongolia): Mr. Chairman, thank you very much.

Honourable Mr. Dean Allison and honourable members of Parliament, first of all, I would like to express our sincere gratitude to the Parliament of Canada for organizing this important hearing on Canada's support for Mongolia's civil service reform and extend to you my warmest greetings.

First, I would like to introduce my team. Mrs. Amirlin is the attaché at our embassy. She is responsible for public service cooperation between our two countries. Also here with me is my personal assistant, Mrs. Solongo.

I'm not perfect in English, so in order to avoid any misunderstanding between us, Mrs. Solongo will translate my answers to your questions from Mongolian to English and your questions from English to Mongolian.

Thank you very much.

The Chair: Thank you.

We're going to go to the video, then, and we'll come back to Ms. Lee and Mr. Rourke.

[*Video Presentation begins*]

Mr. Dashdorj Zorigt (Minister of Minerals and Energy, Parliament of Mongolia): Honourable Dean Allison, esteemed representatives, honourable members of Parliament, we are very honoured to be present and to give this presentation to the hearing of the Standing Committee on Foreign Affairs about the relations between Mongolia and Canada, particularly focused on the relationship between the two countries on the issue of public service.

Very recently, Prime Minister Sükhbaatar Batbold Batbold visited Canada and had a very fruitful discussion with Canadian officials, including the Canadian Prime Minister, the Right Honourable Stephen Harper.

The purpose of the visit was very simple. We believe that Canada can serve as a role model for Mongolia in many respects, not only because Canada is very similar to Mongolia in terms of its climatic conditions, but is a big country. We also have a sparsely populated country, and we have a lot of focus on mining and a lot of focus on agriculture, but also, we share common values. Both of us are democratic countries. We are situated in the heart of Asia, but we share the same values as Canada.

Why we believe that Canada can really serve as a role model is not only because we share the similarities in climate as well as political values, it's mostly because we believe that because of the natural resources we possess, the way that we can use these natural resources wisely depends solely on the structure and the system of governance we have.

There are many countries around the world that possess mineral resources. There are countries that have used them wisely, and there are countries that have used them not so wisely. Looking at the example of Canada, we believe there is a potential that in a few years down the road we can become similar to Canada, not only in respect of the usage of mineral resources, but in terms of the quality of services that we provide to our people and in terms of the quality of government services that we provide to the people.

There are many things that we can do. There are many things that we are doing together with Canada now in trying to make sure that we're working together in many areas. Very recently, one of those areas is the civil service. During the visit by our Prime Minister, a memorandum of understanding was signed by the Civil Service Council of Mongolia and Canada's Public Service Commission.

Why we believe it's very important right now is that we are 20 years into a transition to a democracy right now. In 1990, we had a peaceful transition. Since then, we are confident that we have been able to establish the main principles of a democratic society in Mongolia. Values such as human rights values, freedoms, political freedoms, and freedom of speech, not only have all those values been enshrined in our constitution and relevant laws, I think they have become the values of the Mongolian people.

What we believe to be of critical importance in the next 20 years of our development is that now, with the establishment of the values and principles of democracy in our society, we have to look very closely at the procedures and processes. Democracy is a process. When the public service is not efficient, there is a tendency towards an increase in corruption. When the public service is not efficient, there is a feeling among the wider public that the government and the state are looking not after the interests of the people, but after the interests of narrow segments of the society.

We believe that the next major item that we have to look at for the next 20 years and now in development is to make sure that democracy as a process is established in Mongolia very firmly. In this, the public service is of critical importance. Canada is very famous for its high quality of public service; Canada is very famous for recruiting the best and brightest into its public service. Also, Canada is very famous for its public services provided to the people of Canada.

We have introduced certain reforms. Fifteen years ago, the civil service commission had been established in Mongolia. I think we believe that now the time is ripe for reform for Mongolia's civil service commission.

The head of our civil service commission will talk more about this in a moment in his speech, but I would like to say that this is only one of the areas where we're looking for cooperation with Canada.

We believe that there is a huge area of cooperation that is waiting for us. Canada is the second largest foreign investor in Mongolia, particularly in the mining sector. There are a lot of Canadian companies working in Mongolia. There is huge potential for trade, of course, and that's why we are currently working on the foreign investment protection agreement, the conclusion of its negotiations, and we are looking forward to starting the process of preparing ourselves for the free trade agreement negotiations.

We are looking forward to working together very closely on many issues of standardization, not only in setting high standards for the civil service, but also in other areas of government work, particularly in the areas of agriculture and of roads and transportation—infrastructure in general.

I would like to express again our gratitude to the Parliament of Canada for organizing this important hearing on behalf of the Mongolian government. I hope that after this very successful visit that the Prime Minister had to Canada, we will have Canadian visitors coming to Mongolia. I hope that this hearing will contribute a lot to enhancing our relationship between our two countries. Thank you.

Mr. Dorjdamba Zumberellkham (Head, Civil Service Council of Mongolia) (Interpretation): Honourable Mr. Dean Allison, esteemed representatives, honourable members of Parliament, ladies and gentlemen, first of all, I would like to express our sincere gratitude to the Parliament of Canada for organizing this important hearing on the partnership between the Canadian Public Service Commission and the Civil Service Council of Mongolia.

Since the beginning of the 1990s, public service reform has taken place in Mongolia, and nowadays it is its fourth stage of reform. Stage one took place from 1990-95 and focused on the legal and policy framework for the state structure, during which Mongolia made the transition from a single-party-centred political system and centralized rule of the state to the delegation of power to the legislative and executive structures and the judiciary.

In 1995, Mongolia ratified a law on civil service for the first time, and since then the public sector in Mongolia as a whole has undergone a series of ongoing reform strategy initiatives.

In 2002, the Parliament of Mongolia passed the Public Sector Management and Finance Law. This law provides a mechanism to ensure budget discipline, as well as to establish a new, contractual, output-based system aimed at improved accountability, governance, and fiscal management. Since then, the Public Sector Management and Finance Law has provided a favourable legal environment for the modernization of public sector management and financing.

In 2008 the Parliament of Mongolia amended the law on civil service to strengthen public personnel systems and the professional civil service, which mandates civil servants to be non-partisan and free from any political activities. This was the beginning of the new period, making the professional civil service politically neutral in accordance with the merit-based principle.

At this important stage, we are very grateful that we have established relations with the Canadian Public Service Commission, which has a strong and experienced professional public service. The president of the Canadian Public Service Commission, Ms. Maria Barrados, visited Mongolia in May 2010. During this visit, we exchanged our experiences and views on the public service and laid down foundations for the future cooperation between our two institutions.

The Civil Service Council of Mongolia, which was established 15 years ago, has a lot to learn from the experiences of the Canadian Public Service Commission. In order to further support civil service reforms in Mongolia and strengthen institutions of democracy to support Mongolia's development, we need much valuable experience and assistance from Canadian partners.

The signing of the memorandum of understanding between the Public Service Commission of Canada and the Civil Service Council of Mongolia, during the first-ever visit of the Prime Minister of Mongolia to Canada in September, was an important event that provided the legal environment to further support bilateral cooperation in this area. This also signified an important event in the history of foreign relations and cooperation of the Civil Service Council of Mongolia.

We have much to learn from the Public Service Commission of Canada, which has over 100 years of history. During his visit to Canada, Prime Minister Batbold stated that Canada could be a role model for Mongolia's development. We see that introducing the Canadian model of civil service into the practice of the Mongolian civil service is also important in terms of realizing this objective.

In this regard, we look forward to further develop and expand cooperation between our two institutions. Within this framework of cooperation, recently the Canadian side conducted a comparative analysis of mandates and functions of the Public Service Commission of Canada and the Civil Service Council of Mongolia. We see that the Public Service Commission and the Civil Service Council operate along similar lines in respect to their missions, objectives, and functions. However, the numbers of the functions are quite different and they will be a future discussion topic for us.

Since we are planning to introduce the Canadian model of development as well as the model of the Canadian Public Service Commission into Mongolia's civil service, we need to work on this matter in a more active and effective way. The Civil Service Council has just sent its detailed proposal on future areas of cooperation to the Public Service Commission of Canada: in particular, cooperation and exchange of experience in the areas of public service reform; the merit-based principle; a code of conduct; the selection of public service senior and executive officials; and other applicable standards in the public service.

It is anticipated that, within the framework of cooperation, the activities shall be conducted step by step in accordance with the specified topics. Therefore, we need to make a comparative study, organize a workshop or discussion, work on specific documents, and, if necessary, conduct some pilot studies on the above-mentioned topics.

In order to accomplish these objectives, we see the need for a comprehensive program on public service reform, jointly developed by the Public Service Commission of Canada and the Civil Service Council of Mongolia. The Civil Service Council of Mongolia would greatly appreciate the Parliament and the Government of Canada, as well as other relevant public institutions of Canada, in their support and assistance provided to the Civil Service Council of Mongolia. We will work hard and in a timely manner to implement these objectives for the benefit of the two parties.

I wish to take this opportunity to express my deepest gratitude to Ms. Maria Barrados for her contribution and hard work to promote relations between the public service institutions of our two countries.

I am confident that this hearing will lead to important results in the exchange of ideas on the ways to achieve the above-mentioned objectives and would greatly contribute to the development of Mongolia's public service sector.

Thank you for your attention.

[*Video Presentation concludes*]

● (1550)

The Chair: Thank you very much. We're going to bring it back live.

Ms. Lee, thank you for being here. You have up to 10 minutes. I'll turn the floor over to you.

Ms. Gale Lee (Vice-President, International Services, Canadian Executive Service Organization): Thank you, Mr. Chairman.

Honourable Dean Allison and honourable members of the Standing Committee on Foreign Affairs and International Development, it is indeed an honour and privilege for me to be here today to share with you the work of CESO and its experience in public service collaboration and support around the world. I must thank you very much for asking us to participate and to share with you our best practices and some of our methodologies, which have worked for us. I'm not sure if many of you know about CESO or what we're about, so I'll briefly give you a bit of the background of CESO.

We were founded in 1967 and are a non-profit, volunteer-based development organization. Our vision is a world where there are sustainable and social economic opportunities for all.

Since our inception, we have completed over 46,000 assignments in over 120 countries around the world. We have a very strong track record in terms of helping the public sector and also the private sector, because our two main areas of focus are governance and private sector development. We all know that you cannot have successful, dynamic private sector business development without the enabling environment, which is provided by effective government, effective services, and strong regulatory frameworks that are conducive to business development.

Our motto is "Canadians sharing a lifetime of experience". This is because our resource pool of more than 3,000 volunteer advisers are mainly retired and semi-retired volunteers from the civil service and senior level professionals from the private sector. They come with a lifetime of experience. Out of their own Canadian values of helping one another and promoting rights such as gender equality and environmental areas, they come to CESO to share with the rest of the world the experience they have gathered, and also to be ambassadors of Canada, in a sense, because not only are they representing CESO when they go abroad, but they are representing Canada.

When we were founded in 1967, it was for international development. Two years later, our board at that time felt that charity begins at home, so we also have a very strong national program. We work closely with the first nations communities across Canada, from east to west and in the northern provinces.

I will tell you a little bit about some of the work we've done because it's important to have context regarding our methodologies and why they work. In terms of our work in the public sector, we have carried out recent projects that are relevant to what you will be doing soon.

In Peru, we supported the Peruvian government's effort to reduce poverty and increase economic growth through public sector reform. The areas of focus included regulatory frameworks, decentralization procedures, policy development, and institutional strengthening. Our partner institutions in that project were an agency responsible for supporting free market economies, a land registry, an ombudsman office, and a statistical agency.

Most of the projects that we do right now are funded by the Canadian International Development Agency, so I'd like to acknowledge CIDA's financial support over the years of our existence.

In Bolivia, we also carried out a public sector reform support project. Again, the objective was to support the Bolivian government in modernizing the public sector and consolidating its decentralization initiatives. The areas of focus included improving technical and human capacity in developing and implementing financial, economic, social, and administrative policies. The partner institutions included regulatory agencies such as those for water, telecommunications, railways, and air transport. We also worked closely with the public service commission.

In the Philippines, we worked with municipalities. We still are, but we conducted a special project for two years. It was called “E-Governance for Municipal Development”. In that project, we built the capacity of 31 municipalities throughout the island of Luzon. We provided technical training and advisory services in the area of e-governance, specifically for the implementation of an electronic business licensing system. The partner institutions were the League of Municipalities of the Philippines, the department of trade and industry, and the national computer centre, and the many municipalities.

● (1555)

Going on now to our model of program delivery, we follow a partnership approach. It's a very organized, structured approach. It's a programmatic method of assistance over a long term, usually over a period of two to five years, because most of the projects are really five-year projects.

We carefully select partners based on selection criteria that will assure a successful outcome. Some of these criteria would include a commitment and a buy-in from a particular agency. In the case of Mongolia, from listening to what the officials have to say I can see that there's already buy-in and commitment from the leadership toward that. The criteria also include a minimum level of resources in order to implement the recommendations that our VAs provide.

We like the idea of having an MOU signed, just to put the commitment of each side in writing. Usually we appoint what we call a lead volunteer adviser to be the project manager. That person does a needs assessment, first of all, in collaboration with the partner. This is where the partner identifies their needs and goals or dreams of where they want to be in five years. Working back from the result that they would like to have, the lead VA and the partner develop an action plan.

We do a bottom-up approach, where our lead VA doesn't just speak to the minister or the head of the agency; they spend a week or two speaking to key players within that ministry or agency and other agencies that will interact, in order to get a holistic picture. So when they develop an action plan, it's a plan that involves assignments, as we call them, that build upon each other. It's a holistic approach, where they support each other. Whatever is implemented will not be in a vacuum, because there will be a supporting environment. It's a stakeholder approach, whereby all stakeholders are consulted before a plan of action is developed.

There is a series short-term assignments for us that usually average three weeks. The minimum is two weeks and the maximum may be a month to six weeks. The methodology is that the lead VA would actually do training and mentoring. It's different from a consultant, because they're passing on skills and experience and knowledge. They mentor the people they train as they do their work. It's hands-on, practical, on-site training, which is very different from consultants who go in and out and do a job based on their terms of reference.

We find that this method works well, because the success factors, as we like to call them, are around the whole idea of local ownership and the shared accountability. The partners are involved in setting their goals and identifying needs for capacity development, and they have a shared responsibility and accountability for implementing and ensuring that results are achieved. It's a collaborative approach between the lead VA, who develops that, and CESO. At all times, we monitor that and get feedback. Again, it's a program-oriented approach; it's not just ad hoc, where we go to different places with requests. It's a holistic program that we've put together, and there are different assignments built upon each other.

On program management, an ongoing relationship is developed between the lead VA and the partner over a year or two. At any point, the partner, who would identify a focal person or a focal department, can interact, even though the lead VA is back in Canada. They can interact by Skype or e-mail on an ongoing basis.

As each VA goes out to do an assignment based on the action plan, they are briefed by the lead VA on what to expect when they get there. They're given insights on personalities, and also on how to approach them culturally, because going on a holiday is different from going on an assignment and sitting every day in an office dealing with people. The lead VA also does a proper briefing of the VA who helps to implement the short-term assignment.

● (1600)

There is also a cultural briefing that is done by the Centre for Intercultural Learning, provided by CIDA, so that VAs who may not have had international experience go through an intensive two-day cultural training. They also have a briefing by someone from the country they're going to.

In the case of our program, whenever someone is going on an assignment to a particular country, we ask them to speak to many of our other VAs who have been there before so that they know what to expect and are properly prepared in terms of knowing more about the country, the culture, and the people. Also, when they come back, the VAs are debriefed by the lead VA to know how things went and where we can improve, because it's important to have feedback in order to improve.

In terms of having volunteers, I think it's an advantage, in that the partners and the clients really appreciate the fact that volunteers are not doing this for any personal gain. They're doing it because they want to share and out of the goodness of their hearts, so immediately there's trust between the volunteer and the partners because there's no political motivation. The partners know the volunteer will be impartial and they can ask questions as freely as they like. The working relationships that are developed are really important and are helped by the fact that they are volunteers and not consultants.

The VAs also bring new perspectives and usually are very open. They're willing to answer any questions, even if it's not part of their assignment. They're there as mentors.

In a nutshell, that's the way we operate. I can provide more information and answer questions as required in terms of the process. We have a process flow chart that we can share with you.

I'm not sure if I have more time.

● (1605)

The Chair: No, you're pretty much out of time.

Ms. Gale Lee: Okay. I can answer any questions you have, and you have our brochure, which has more details.

Thank you very much.

The Chair: Thank you, Ms. Lee.

Mr. Rourke, welcome sir. The floor is yours for up to 10 minutes, please.

Mr. Phil Rourke (Executive Director, Centre for Trade Policy and Law): Thanks very much.

I'm the director of the Centre for Trade Policy and Law. What we do for a living is help governments and their stakeholders in business and in non-profit sectors around the world design, negotiate, and implement their international trade and economic strategies.

In the context of your study, what we do is combine the expertise of former practitioners from the ministry of trade and trade-related ministries, like Finance or Industry and so on, with policy-oriented academics that bring together more perspectives and ideas. The professors also help with the training of the experts.

We're jointly sponsored by the Norman Paterson School of International Affairs at Carleton, here in Ottawa, as well as the Faculty of Law at the University of Ottawa. We've been in business for about 22 years now and we've worked in about 40 countries. We've spent a lot of time in Eastern Europe, China, and Southeast Asia. We're now focused on the Americas. We're actively engaged right now in Chile, Peru, Colombia, and Panama, in the Caribbean, and in Cuba.

Governments around the world come to us for a lot of reasons, but mainly for something that Canadians are pretty good at: that is, (a) how do you negotiate and develop a strategy with a larger economic power?, and (b) how do you deal with the United States? In the first case, it could be the United States, but a lot of times it's that Uruguay wants to know how you develop an economic strategy under Mercosur with Brazil and Argentina. You have those kinds of dynamics as well.

In Canada, you're uniquely positioned because, first, we work, as you know, with the United States every day, and second, trade experts in other countries have a different kind of perspective. You can't really find in Europe a critical mass of experts because trade policy is concentrated in Brussels and all the countries are everywhere else. The only real competitor we'd have would be Australia or New Zealand, but they're more regionally focused on Southeast Asia.

I've read some of your testimony. Canada is seen as having one model. What typically happens is that countries are interested in looking at all kinds of different models and choosing for themselves which one makes sense. So they're interested in Canada, but they're also interested in Europe, the United States, and elsewhere. What we try to do is position what we do in the context of what other donor projects or other expertise governments are getting in a particular area.

Typically, our programs have four components.

First, you want to develop local expertise and have it stick somewhere. So you develop professional training programs that can be offered either in the training institutes of governments, like the foreign services do it here, or in university programs. A lot of times what happens is that you can give expertise, but information really is power in a lot of places, and people hoard it. So it's very important to put something on the ground through some professional training courses.

Second, what we try to do is set up organizations like ourselves outside of government and try to build some kind of public–private trade policy community over time. I'll get to that in a minute.

Third, there was some discussion in the testimony about finding local champions and so on. A key component is trying to help those champions continue to be champions and to increase the number of champions on a particular initiative. You do that through strategic advice, very similar to what Gale was talking about, in the expertise they provide.

Finally, what you want to do is have something that continues over time in order to continue with the process.

So on training, what we try to do is develop specific programs—so-called trainers programs. They usually want some kind of validation of these things and some international standards, so what we do is that we take many of the courses and programs that we offer at Carleton or Ottawa University and try to help them get to those same standards so they can learn for themselves. It usually takes three to five years to develop a local ownership for that kind of thing.

Second, we try to establish a trade policy network within the country. I have three examples of how we do that.

One is that you try to set up a trade unit or a secretariat as a starting point within the trade ministry to focus attention and skills development in a particular area or set of issues.

● (1610)

A second would be to create an independent organization outside of government and outside of private organization. This is the best case scenario, but it takes a lot more money and a lot more effort and discipline.

The third one is to find a local institution that's pretty much like you and that wants to take on a similar kind of mandate and build up their internal capacity.

In terms of what you're looking for in a successful model in our area, but more generally in what you're doing here in your public sector capacity building, we find it very useful to focus on applied issues as opposed to theoretical issues, and therefore it's very helpful to have current and former practitioners engaged in some of your activities.

Second, a lot of times people put a whole bunch of experts together, but you also need a business organization around it in order to manage it and basically keep the business part of it operating. Otherwise, there are just discrete activities without some sort of strategic plan and implementation of those. Of course, many times you're using donor funds, so you have to figure out a mechanism to ensure those funds are spent responsibly.

We find it's very helpful, and in fact necessary, to have people engaged within the organization who have direct links into the ministry and into the issues that matter to the public sector area you're looking at. In other words, you try to find people like us in those countries, people who are either seconded for a period of time from the government to work on these things or who have retired or otherwise left. You do find that in a lot of developing and transitioning economies people have left the public service to try to get things going in the private sector.

We're looking for organizations that have links to other similar kinds of firms and organizations. Basically, if you're going to have a business and you're going to invest in some expertise, you have to come up with some services that the organization will provide in order to make it sustainable financially over the long term. So you're looking for similar organizations that work in those areas.

Finally, in our area at least, trade policy, the sort of lingua franca is English, and it's also a kind of test case to see if the people who are engaged in trade policy have been outside of their country and have worked in some of the trade files. It's not necessarily the case in other areas of public policy, but in this area it's key. In Canada if you want to know something about trade policy, you have to get posted to Geneva, certainly to the United States, and to Brussels. Those are the key places to gain your experience. French, of course, is spoken in both Geneva and Brussels, but the working language in many of these meetings is English. So that—for us, anyway—has become a test case of whether somebody is engaged on the issues in a serious way.

On strategic advice, what you really want to do is help the champions continue to be champions and provide them with independent advice in support of the policies or initiatives the ministry is pursuing.

Finally, then, there are some key challenges. When I was reading the testimony, I saw that you've been grappling with some of these. Basically, the challenges depend on the level of ambition and the resources available in order to do what you want to do, as well as your acceptance of risk. Working in all countries has a certain level of risk. Working with 10 or 15 people and trying to build them up and provide long-term support is a pretty risky strategy. A lot of programs try to train as many people as possible so that you can say you trained 50 people or 100 people. That's good in some contexts, but if you really want to have some lasting local impact, you have to find the right people and build it from a smaller base.

These things typically take eight to ten years to develop some sort of sustainable strategy for such organizations. The risk of inaction—and a lot of it came out of the presentations we heard this afternoon from the two ministers—is that the files just stay where they are, that there is no public sector reform, that things do not move forward, and that the issues actually get more difficult and more challenging over time.

● (1615)

That's an opening presentation, Mr. Chairman, about what we do and how we do it. I thought it was important just to give you a case study as a subset of your broader discussion about public sector capacity building.

The Chair: Thank you, Mr. Rourke.

What we're going to do now is that we're going to start with our first rounds of questions, which will be for seven minutes, followed by subsequent rounds of five minutes.

We're going to start with Dr. Patry and Mr. Pearson.

Mr. Pearson, are you going first?

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): No, I'll go first. He's not ready.

Voices: Oh, oh!

[*Translation*]

Mr. Bernard Patry: Thank you very much, Your Excellency, Ms Lee, Mr. Rourke.

[*English*]

Thank you very much for being here.

I have a question for His Excellency.

In his remarks on the video, Mr. Zumberellkham said that the Mongolian Civil Service Council "has just sent its detailed proposal on future areas of cooperation" to the Public Service Commission of Canada.

What particular types of cooperation are you looking at? Are you looking at human resources management? Are you looking at legislation? Could you elaborate a little bit more on this please?

Mr. Tundevdorj Zalaa-Uul (Interpretation): Thank you very much.

During the visit of the president of the Public Service Commission to Mongolia, and also during our prime minister's official visit to Canada, we discussed the main challenges we're facing in the public sector of Mongolia.

As the chairman of the Civil Service Council of Mongolia mentioned in the video, of course the Canadian public sector has much more experience than us. It has 100 years of experience.

There are six main challenges we're facing right now in our public sector that should be addressed in the near future.

One of them is that the law for the civil service stipulated that there be fairness, accountability, and independence in public service appointments. However, the tendency of public service appointments to be manipulated by the political interests still remains quite dominant. We still have certain political interests being manipulated into these public service appointments.

The second one is that there is a need to renew and change the current classification of the public service, which includes civil servants, from the lowest administrative unit up to the highest level, comprised of the members of our parliament. I'd like to explain something about the second point, about challenges.

[*Witness continues in English*]

Mongolia is only a very small country between Russia and China. Mongolia has only 2.7 million people...[*Inaudible—Editor*].

[*Witness continues in Mongolian with interpretation*]

Compared to our population, which is quite small at 2.7 million, the number of public servants has reached 120,000. This is due to the lack of accurate classification, because right now in our country for those who we call "public servants", it means everybody that is serving the government, from police to doctors. That's why our classifications are broad. But the public service officers who work in the 13 ministries of the Government of Mongolia number only around 40,000.

So we obviously need the experience of foreign countries, especially the Canadian experience and model, for the classification of public service officials.

● (1620)

The third challenge we are facing is that there's a need to improve the appointment system: recruitment regulations for public servants at all levels, criteria for candidates, and the methods of testing. The current regulations are too vague and the method of the selection process does not meet the requirements.

The fourth challenge is that although the initial measures have been taken toward establishing common standards for developing and planning policy, implementing, and reporting in the civil service, the final decision has not been made. The decision on establishing the standards will significantly contribute to the civil service formation.

The fifth point is that the Civil Service Council has developed the code of conduct for the administrative officials of the government and the government approved it on November 10, 2010. The implementation of that regulation will start soon. There is a need to study the experience and methods from other countries on the code of conduct as well.

The sixth point is that currently there is no training and no capacity-building system in the public service that can provide the minimum level of public servant competence. The management academy, which works under the government, cannot provide the training for civil servants as they offer only general management courses.

The Chair: Thank you very much.

Did you want to ask another...? Okay. We'll come back. We're over the time. We'll come back in the next round.

I'm going to ask Madame Deschamps to ask her questions.

[*Translation*]

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Thank you, Mr. Chair.

Welcome, Your Excellency; welcome, ladies and gentlemen.

I have some questions on the testimony each of you provided. You have very different missions and objectives.

Ms. Lee, are you working in Mongolia currently?

Mr. Rourke, do you intend to work in Mongolia? How does that work? How do you decide on a project? It's a big world. What are your priorities?

You said that most of your projects are funded by CIDA.

Mr. Rourke, where does your funding come from?

● (1625)

[*English*]

Mr. Phil Rourke: We get funding from CIDA. We also get funding from other donor agencies—DFID, the donor agency in the U.K., the European Union, IDB, and different kinds of agencies—and then we have our own professional training programs.

To answer your question about Mongolia and how you choose, you basically choose just like any other business. I don't know about your experience, but it's what your relative strengths are, who you have who can do specific things, and where the demand is for that kind of work. Then you look around for different donors or different governments or even at the private sector for those who are looking for those kinds of services.

In the case of Mongolia, we had a project in China and we had a project in Russia. There was some interest a few years ago in Mongolia, so while we were in China...as his predecessor said, "Once you're in Beijing, it's like going to Toronto". I said, "Yes, it is an hour and a half away from Beijing, once you get there".

So while you're working on existing projects, you do some business development looking at other areas, and then you try to find out who has some funding to do those kinds of things. That's how you end up in different places.

[*Translation*]

Ms. Johanne Deschamps: So you are currently working on a project in Mongolia in partnership with the Mongolian government and you are focusing on commerce.

Could the fact that you are currently in a country working on your mission help with a free trade agreement between Canada and that country?

[*English*]

Mr. Phil Rourke: You have to get on the ground to find out what people need. Whether it's CIDA or other donor agencies, they've decentralized the planning and the decision making, so even if you want to work somewhere, you can go and talk to somebody and get to know them, but you really have to get on the ground and find out what's there.

Right now we're not in Mongolia, but there was a specific interest in our professional training courses, so we went and looked. When we got there, we actually found funding from a German donor agency for the participation of some of the students in our professional training programs. So it's not predetermined where you're going to find the money; you basically have to invest in some areas of interest and see what you get.

In terms of building relations more broadly between Canada and Mongolia or other places, most of our experts are former diplomats and senior practitioners. Much like politicians or any other professionals, if you get them all in a room, no matter where they're from, they have a lot of things in common. I've been to a lot of the same meetings and so on, so you quickly develop a rapport. From that, you start looking at areas of particular interest.

There's a final point. Mongolia would be interested in experts from somewhere like Canada because the same kinds of questions arise. How do you deal with the larger economic powers that surround them physically? How do you develop a strategy to deal with that? So that's where we came in.

[*Translation*]

Ms. Johanne Deschamps: Ms Lee, in the brochure you have published, you list several projects. Are they over? Is your organization still in Peru, Bolivia, the Philippines, Honduras and Cameroon? Which countries are you in? Are you in Africa, for example? Given your objectives and your mission, has CIDA ever refused any of your projects?

[*English*]

Ms. Gale Lee: Right now we work in nine countries: Bolivia, Colombia, Honduras, Haiti, Guyana, Burkina Faso, Cameroon, Senegal, and the Philippines. These are all CIDA-funded projects. Since we've been in existence, basically, most of our funding has come from CIDA. Given the challenges we have now with funding and shrinking of those resources, we are looking to other sources outside of Canada, such as the World Bank or other international sources.

Basically, we're guided by needs: if we're approached by a certain country or government looking for help. Then, based on those contacts we've made, we would try to find funding. Of course, first we'd go to CIDA. If it's not available there, we would try to go elsewhere.

You asked if we have ever refused.... There are cases where we've been approached by countries for assistance when we don't have a source of funding and the countries themselves don't have funding, so in those cases we can't. But if we do find funding, the needs of the country are where we have our strengths, and we know we can do a good job, we would go ahead with it.

But the big challenge now for us is funding. For example, if the Government of Mongolia were to approach us and if they had funding to implement and we could get support from CIDA, we would assist.

As you probably know, CIDA has a list of 20 focus countries where most of their development assistance is targeted. To a lesser extent, there are countries that are eligible for assistance, that are given a smaller level of funding, but most of the assistance goes to the 20 focus countries. I don't think Mongolia is a part of that at the moment.

● (1630)

The Chair: Thank you very much.

We'll move back to Mr. Abbott for seven minutes, please.

Hon. Jim Abbott (Kootenay—Columbia, CPC): Thank you.

Just so we're all clear, we've had some excellent testimony by the ambassador and from the video with respect specifically to Mongolia. Ms. Lee and Mr. Rourke represent organizations from which we may learn something, some parts of which we can perhaps use as a template for moving forward with this initiative.

Ms. Lee, you have a basic organization, and then you are involved in specific projects to which the executives will go. I have quite a number of questions, so I wonder if you could be very brief, very "yes or no" brief.

Can you confirm that you have an organization that finds opportunities or is approached with opportunities? Just exactly how does that work? Can you give us a very brief summary of that?

Ms. Gale Lee: If we are approached by a country that needs assistance, we first of all find out what are their expectations and what are their needs. We will examine, in terms of our own strengths, if it's a need that we can fill and how we fit, how we can fill a gap.

We would develop a proposal that we would take to CIDA or other funding agencies where we know there is a possibility of getting funding. Based on that proposal and whether it's approved or not, then we can go ahead and develop a project plan for implementation.

Hon. Jim Abbott: How many people are on your CESO permanent staff?

Ms. Gale Lee: Right now there are 40 staff members, but we have a lot of in-house volunteers who come to work in our offices.

Hon. Jim Abbott: You're a long-established organization, as you mentioned. Are your headquarters in Toronto?

Ms. Gale Lee: Yes, in Toronto, and we have an office in Montreal.

Hon. Jim Abbott: Just very roughly, in round figures, what is your annual budget for that basic organization?

Ms. Gale Lee: For the international services, right now we have a five-year contract with CIDA, which amounts to $12.6 million. For national services, I don't have an exact figure, but I know we have contracts with INAC. Those are based on annual financing. It's around $2 million a year, I think.

Hon. Jim Abbott: CIDA and INAC: are those your sole sources for that core funding?

Ms. Gale Lee: At the moment, yes.

Hon. Jim Abbott: When the executives go, how long would they be expected to be...? I'm sure it must vary. What would be the shortest, what would the longest, and what would be the average time when an executive is dispatched to wherever?

● (1635)

Ms. Gale Lee: Usually the shortest is two weeks and the maximum would be two months.

Hon. Jim Abbott: Oh, I see. But you were mentioning, I thought, that you had fairly long-term projects.

Ms. Gale Lee: Oh, yes. That is where we have a lead VA, but that lead VA first does a needs assessment and comes back to Canada, and then manages the program from Canada. They go back periodically to the country to follow up. During that period, we send different volunteers to implement different aspects of the project in various specializations.

For example, the first assignment for that action plan may be developing a strategic plan for implementing a computerized system in a municipality. Out of that will come assignments to actually do training in that software or in using the software and in developing the software. Other training may come in improving the systems so the transparency and accountability systems are in place and so the programs work. They are short-term, periodic, and over a number of years.

Hon. Jim Abbott: What expenses are covered?

Ms. Gale Lee: On expenses that are covered, we cover the airfare, medicals, the insurance, and visa costs. I talked about shared accountability and shared responsibility. We usually require the local partner, whether it's a municipality or government agency, to provide for local costs for that volunteer, which are the costs of accommodation, meals, and transportation.

Hon. Jim Abbott: I just want to be clear that I understand you. Let's say that a person went to Paraguay to work on a computer project and they're down there for three weeks. There would be an agency or an individual in Paraguay who would be looking after their accommodation and local transportation and things of that nature.

Ms. Gale Lee: This is how we like to work, because we feel that the local partners should invest, should put up some kind of their own financial investment, because that way I think they will ensure that whatever recommendations come out of that project.... They want to see success. They want to show results for the money they've invested.

So we always try to ask. Sometimes we subsidize part of it if it's a poor organization, if we know it would be too much, but we always ask them to at least symbolically put some kind of investment up front to support it.

Hon. Jim Abbott: So if you had a five- or a seven-year project, a singular project, it might involve quite a number of volunteers who would actually go to that.

Ms. Gale Lee: That's right. Over a two-year program, let's say, we can have the lead VA and then about six or seven different volunteers going to do specialized aspects of that program. But he oversees that they mesh together and they build upon each other and don't duplicate.

Hon. Jim Abbott: Do we have time for Lois?

The Chair: Go ahead, Ms. Brown.

Ms. Lois Brown (Newmarket—Aurora, CPC): Thank you, Mr. Chair.

I'm delighted to be filling in for one of my colleagues today, because Mongolia is actually a country that I've taken a significant personal interest in after reading some biographies of Genghis Khan, so thank you very much for the opportunity to be here.

I have some questions for you, Ms. Lee. For a number of years, my family was involved with an organization called AFS Interculture Canada, an exchange program where we hosted as a volunteer family. The kids who came to our place lived with us for a full year. They did a year at the local high school while living with us. I figure that I have kids all over the world. We have very special relationships with every one of those students. We've maintained those relationships and they're ongoing.

I wonder what the opportunity might be for nationals to come here to do some sort of a training program in a shadow capacity. Is that something you have considered?

Ms. Gale Lee: Actually, I didn't have time to get into a lot of detail, but we do what we call reverse assignments, where we actually bring in people from our partners and expose them to Canadian practices in Canada, and they spend time—

Ms. Lois Brown: How long would they stay?

Ms. Gale Lee: Usually it's one to two weeks. The factor that dictates a lot of that is cost, of course.

For example, with the municipalities, we would bring some municipal officers to Canada and match them with municipalities around Toronto. They would spend time in those municipalities to see how things actually work on site and maybe take back with them some of what they learned.

● (1640)

Ms. Lois Brown: I'd be a willing host if you ever need a place to billet someone.

Ms. Gale Lee: Thank you.

The Chair: That's all. We'll come back to you, Ms. Brown.

We're going to move to Mr. Dewar, for seven minutes.

Mr. Paul Dewar (Ottawa Centre, NDP): Thank you, Chair.

Thank you to our guests.

I might start with our friends from Mongolia. I'm curious about other jurisdictions or other countries that have worked with you. Are there any that are involved in public service reform and support?

Mr. Tundevdorj Zalaa-Uul (Interpretation): The modern Mongolian government public service organization is very young, with only 15 years of experience. As we mentioned earlier, we have been through three short phases, and we are still improving our legislative system. Everything is still in progress.

We do not have any countries that directly cooperate with us in our civil service council, like Canada. We do not have that right now. We're still in the process of contacting experience.

Mr. Paul Dewar: So Canada is the only country you are working with.

Thank you very much.

Mr. Tundevdorj Zalaa-Uul: Canada is the first country that we have direct....

Mr. Paul Dewar: You talked a little bit about how that's working. Ms. Barrados, having been in front of committee, has told us a bit about that. Have you worked with us at all specifically on the issue of customs and excise and that kind of administration?

Mr. Tundevdorj Zalaa-Uul (Interpretation): Our cooperation, you could say, started around May of 2010.

Mr. Paul Dewar: Yes—

Mr. Tundevdorj Zalaa-Uul: The President of the Public Service Commission of Canada visited Mongolia in May 2010. During her visit, some cooperation issues were suggested to help our public service, in particular, cooperation and an exchange of experiences in the areas of public service reform, many public principles, codes of conduct, the selection of public service senior and executive officials, and other applicable areas to assist with our public service. Those are—

Mr. Paul Dewar: The general areas.

Mr. Tundevdorj Zalaa-Uul: Yes, the general areas.

Mr. Paul Dewar: All right. So it's nothing very specific. You're doing the framework at this point.

Mr. Tundevdorj Zalaa-Uul: No, not specific.

Mr. Paul Dewar: Thank you.

Mr. Rourke, I'm interested in the window of time in which you think it's important to have commitments. I guess from both sides, right? You were talking about how a window of somewhere seven to eight years is important in terms of seeing a commitment from both sides.

Mr. Phil Rourke: I was talking about the sustainability of what you're trying to do.

Mr. Paul Dewar: Yes.

Mr. Phil Rourke: I mean, you have to develop a partnership. A lot of times there are some cultural differences that take a little time to organize and understand; you start off with some discrete activities to sort of demonstrate your expertise and to build some relationships. You start knitting together some activities that go to some sort of objective, but this is more technical assistance than it is development. A lot of times, technical assistance may be all they need, but technical assistance in my mind is just short term and for specific problems.

But if you have a development question like some of the ones they're talking about in Mongolia, about basically building up the capacity of the public service to serve citizens in a transparent and developed country kind of way, that's going to take a while. One of the things that takes a while is changing the culture towards some directions that they're not used to. I don't have that experience in Mongolia, but in other countries where there was a move from a more controlled to a more market-oriented economy, there are a lot of cultural things that have to change in order to get at the objectives that the ambassador was talking about in terms of transparency and so forth.

● (1645)

Mr. Paul Dewar: Just on that note, you mentioned that you have done some work in Cuba. How long has that arrangement been in place and how much work have you been doing there?

Mr. Phil Rourke: We worked for three years talking about trade policy in market economic terms. We worked with the ministry of trade and their training institute. It was very much a question of what I was alluding to in the beginning: they want to understand different models of how things are organized in different countries. They wanted to know how Canada would do it and they've gone to Spain to ask questions about how the Europeans do it and so forth.

We were there for three years and we're talking about doing some other activities there in the future.

Mr. Paul Dewar: So they approached you?

Mr. Phil Rourke: They approached us in the context of a programming envelope that CIDA had organized on modernizing the state. That was their term for public sector reform. One of the areas was trade policy. The ambassador called us up and said, “I understand you know something”. That's how it began.

Mr. Paul Dewar: Thank you.

Ms. Lee, just to sum up from my questions, I'm interested in how we go about doing this. I've had some concern, frankly, about this issue, and that, as opposed to just saying okay, we know some people who need some help and we'll go and help them, we start with an overview of what Canada's strategic interests are so we can actually help in a way that is effective, that is with some planning and—to get back to Mr. Rourke's point—that is sustained. I'm a little concerned that if we just do a niche here and a little bit there we don't actually do as much as we possibly could, and it needs to fit into a larger framework of what I guess our foreign policy would be.

I'm just curious as to how, from your organization's point of view, you end up getting involved in the projects you do. Do you have a strategic approach as to where you want to actually get involved and with whom you want to work?

Ms. Gale Lee: Yes. As Phil said before, we look first of all at our history, our strengths, and areas where we can provide a service. We also look at the CIDA countries of focus, because they are based on the overall strategic Canadian foreign policy. We are guided very much by what CIDA promotes in terms of its strategic countries. As most of our projects are funded by CIDA in any case, we go through that process of talking to CIDA to find out where their interests lie and where they would like us to go based on our strengths and what we have to offer.

Right now, we are looking at diversifying and going to potential funders outside CIDA, in which case we are looking at the Inter-American Development Bank, because I know that Canada's focus is on the Americas as our backyard. We're looking strategically towards assisting countries in the Americas based on the funding that we can get from the Inter-American Development Bank. But basically right now we are guided by CIDA, because our funding comes from CIDA.

Mr. Paul Dewar: Thank you.

Thanks, Chair.

The Chair: We're going to move back here for a second round of five minutes.

We'll start with Ms. Brown and then we'll go to Mr. Lunney.

● (1650)

Ms. Lois Brown: Thank you, Mr. Chair. I'll be brief.

Mr. Rourke, if I may, I'll ask a couple of questions of you. Hernando De Soto, in his book *The Mystery of Capital*, talks about the need in developing countries for contract law to be able to be judged in a court of law. Could you talk about that a little bit in regard to the work that you're doing in helping...? You're helping to establish enterprise, really, in countries and you're helping them to build their capacity. Are you having any influence in that regard?

Mr. Phil Rourke: That's interesting. We're developing a project on increasing access to finance for small businesses in the Caribbean, and the question is exactly what you're asking about. The basic problem is there are very few things that people can use as collateral to get credit, whereas in our country and a lot of developed countries, you can use furniture, you can use the cargo on a ship—all kinds of different things.

Second, from a development perspective, there may be a house and a car or something like that. These tend to be owned by the men in the household. The women don't have any access to credit, but they might have jewellery or family heirlooms or different kinds of things. To address this, there are all kinds of different ways, but one of the key things is to change the laws and the regulations to allow these kinds of things and to create greater certainty within the financial market for it to lend to small businesses.

This is at the very micro level and is more domestically oriented than internationally oriented, but that's the direction that a lot of these things are going in. De Soto very much talked about private property rights and using them to access credit. You see these kinds of projects all around the world. There's a strong emphasis on these kinds of things.

Ms. Lois Brown: The reality is that for all the investment a government may make, with CIDA perhaps going in and making a contribution in a country, unless contract law can be upheld, other investment is not going to come in and help build a foundation there where enterprise can grow.

Mr. Phil Rourke: The question is to get people from the informal economy into the formal economy.

Ms. Lois Brown: Absolutely.

Mr. Phil Rourke: There are various ways of doing that, but contracts are part of that, and then there is accounting and there are all kinds of other things. There are a lot of things that governments and donor agencies are doing in order to move that into the formal economy so that it can regularize. It's all under what you're talking about: the rule of law and applying it.

Ms. Lois Brown: Mr. Lunney.

Mr. James Lunney (Nanaimo—Alberni, CPC): Thank you.

Mr. Rourke, I understand that a large percentage of Mongolia's exports actually go to China. Your organization has some experience in dealing with China and the other big neighbour, Russia. Given the situation as you assess it today, do you see a role for your organization to play in helping to expand capacity there? Or, given the suite of problems described by His Excellency, do you think that's a little premature for the expertise of your particular organization and that maybe it's more for the role of the Public Service Commission and organizations like CESO at this time? Or all of the above?

Mr. Phil Rourke: Well, China is a developing country, but also has a lot of money in other areas, so for the trade stuff we do, in my mind they should pay for it, and they do.

We finished working in Russia several years ago, but we continue to get contracts, including from the government. I remember the discussion, which was, “Well, Max, they're asking us why the Government of Canada should pay for this if it's so valuable”. Our partner said, "Yes, that's a good point".

But I think that's different from Mongolia. In Mongolia, it's a much different situation. I've been there. It's much more rural. They're landlocked. They have a lot more constraints in terms of what they can do. They're trying to develop their own companies and build them while there's a lot of investment from different places. Basically, they're trying to manage what they have, so I wouldn't take the lessons from China and Russia and apply them. Hopefully we can apply them in 10 or 15 years when they've gotten to a different level of economic development. The dynamics are different and that's why donors move from different country to different country over time in terms of where their priorities are—at least that's how I understand it.

● (1655)

Mr. James Lunney: Ms. Lee, regarding CESO and given the suite of challenges you've seen from Mongolia—I don't know how much chance you've had to study Mongolia—do you see a role with the expertise in your membership? You draw on quite a number of Canadians who are retired. Do you see that you'd have a role to play, with appropriate support from the host government and CIDA?

Ms. Gale Lee: Oh, yes, I do see a role. I have done a bit of reading and I've seen some of the presentations made by the Mongolian officials. The important thing I see is that the Mongolian government is very proactive in promoting the rule of law and effective government and introducing good governance practices.

I think there are places where with CESO's expertise—this and work we've done before—we can fill a gap. Obviously we won't replicate exactly, but we can work within the local situation and adapt the experience we've had to the Mongolian situation. I can see where we can certainly fill a gap there, based, again, on the level of commitment I've seen from the Government of Mongolia and the efforts they have made so far.

The Chair: Thank you very much.

We'll move back to Mr. Pearson for five minutes.

Mr. Glen Pearson (London North Centre, Lib.): Thank you, Chair.

Miss Lee and Mr. Rourke, when Maria Barrados was here from the Public Service Commission she talked about the extent of the work that Canada will probably be doing in these areas in the future. As emerging democracies continue to grow and expand, we're going to need to have more capacity to be able to do the kind of effective work that you have done. I appreciate what you've have said today.

In her testimony here a couple of weeks ago, she said:

> ...the amount of time and effort that can be directed to these projects, both at the PSC and across the public service, is limited since very few special resources are dedicated to these projects. The demand for our expertise and assistance is greater than the resources available.

She also said that "we need to bring these significant resources together through some effective networks".

Do you see something that's kind of there, something that's growing and emerging that could establish that network so all the various groups could come together to be able to do it? She feels that for her organization—and likely for yours as well—as more challenges come across, the ability to pull this together is going to be difficult. Do you see something kind of developing that it could fall under?

Ms. Gale Lee: Yes. I was actually very interested when I read that statement by Mrs. Barrados, because I think there are synergies that can be built among Canadian organizations, where we can work together with our different strengths and support each other to come up with a greater whole. With that greater whole, we can provide the type of assistance that I think Mongolia needs. I don't think any one organization can do it on their own. We need to work together. Even in international development generally now, most donors encourage NGOs or organizations to work together in a consortium.

For example, the Dutch government won't accept a proposal from a single organization. It has to be from a consortium. CIDA is also going that way. Currently we work in Haiti in a consortium with three other NGOs and we all have strengths in various areas. By putting us together, we become a synergistic whole where we can provide much more organized and supportive assistance, which can produce better results, as opposed to working ad hoc.

Mr. Glen Pearson: Do you know if that dialogue is taking place amongst the various groups? Who would you see perhaps providing leadership to that?

Ms. Gale Lee: Well, first off, I would like to say CESO is interested in starting a dialogue with whoever is interested in working together in a consortium to assist Mongolia. As I said, we have the experience, in that we are doing it now in Haiti with four organizations together. For example, in that project, we have strength in private sector development and governance, so we're doing that part of the project. There's another organization that has strengths in social services and women's issues. We split the responsibilities based on our strengths, but again, we all work together as a whole.

Mr. Phil Rourke: When I read her testimony, I was thinking that she has a huge organizational problem that her commission probably can't solve for her, because they're not organized to implement international projects. They're organized to do what they do, which is a different mandate.

I've seen this in all kinds of different government agencies: they're asked to do things, but they're not organized that way, and the job descriptions are not written in that way. She can't really pull in people on long-term assignments. The solution is to have an outside organization run the project and bring those people in, through exchanges or secondments or different kinds of things, and have informal links with those agencies. I'm sure there are a lot of people within the commission who are interested in working in Mongolia, but organizationally it would be difficult to do it.

You have a very competitive marketplace in Canada. The development business is very competitive. And who would be the potential organizers for that? There are a lot of public affairs schools at universities that do public sector reform and that could combine the practical experience of the commission with that of some of their academics, who probably go back and forth anyway. You could have a bid for that. I'm sure you would get five or six really interesting proposals on how to organize that and you would get them from across the country.

I think that's what the problem is for her. I don't know the details, but I can see how that would be a concern.

● (1700)

The Chair: That's helpful. Thank you.

Monsieur Patry.

[*Translation*]

Mr. Bernard Patry: I would like to ask a quick question.

[*English*]

I just want to ask a question to Mr. Rourke or Mrs. Lee. I was reading what you gave us.

First of all, I know about SACO, as it is called in French, because once in a while I receive a note that one of my constituents has worked as a volunteer in SACO. It's very good to know people are involved there from every part of the country.

I notice that in the Philippines you're working in municipalities, and the same is true in Honduras and also in Cameroon, but what are you doing right now in Haiti? Haiti is so close to us, in the sense, of course, that they had flooding there, and now they have cholera. What's your involvement in Haiti right now?

[*Translation*]

Mr. Phil Rourke: Gale is responsible for that area.

[*English*]

Ms. Gale Lee: In Haiti we have a four-year project that's funded by CIDA, and the organizations are CECI, WUSC, and the Paul Gérin-Lajoie foundation. We work with partners in four areas, four cities in Haiti.

Again, there are various aspects. There is an educational aspect, which CECI and the Paul Gérin-Lajoie foundation are doing. In particular, with CESO, which I can tell you more about, we are working with some micro-finance organizations and small associations of women in livelihood projects. We will soon be working with some government agencies to strengthen their institutional strengthening.

It's a challenge right now, as you can see, because there has been a cholera outbreak. We actually had four volunteers who were in Artibonite, which is the part that was hit, and we had to move them temporarily to Jacmel and Port-au-Prince until we were assured by the health authorities that they could return to their partners and do work there. They have returned. It's being very closely monitored by our people on the ground and in the field, and also by the Haitian health authorities.

It's very interesting, because at first we thought those volunteers probably would have wanted to return to Canada, but they actually didn't even want to leave Artibonite because they wanted to help, and they knew they could contribute. They were very happy when they were given the clearance to go back and continue their work. Obviously they're told to take precautions to keep themselves from being affected by cholera, and they are all being closely monitored, but I think it will be a challenge in the future to get people who are willing to go.

Mr. Bernard Patry: You talk about education with the Fondation Gérin-Lajoie. What specifically are you doing in education? Are there teachers? What's your involvement there with education?

Ms. Gale Lee: As far as I know from the Fondation Paul Gérin-Lajoie, they're helping with training teachers.

The Chair: Thank you.

We'll move to Mr. Van Kesteren.

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Thank you, Chair.

I have a question, and I think Mr. Abbott has something as well.

Mr. Rourke, we had testimony on October 28 from Steve Saunders. He was here with a former parliamentarian. We were talking about Mongolia and the work that was done in Mongolia, and they got quite excited when I asked them about economic benefit, about what's in it for us. It's great to do these things, and I think we all have a heart and we all want to change the world, but ultimately there has to be something in it for us.

It was quite apparent that the results in Mongolia were good for Canada, not only to establish good practices that will help that country, but good for us in terms of business.

You mentioned Cuba. I'm curious. What are we doing in Cuba? Are we making any inroads there? Are we realizing any economic benefits in Cuba?

● (1705)

Mr. Phil Rourke: In both countries—and in a lot of countries—we have Canadian companies that have investments in those countries. They have to abide by the laws of those countries, but the Canadian government gets implicated in them in different kinds of ways. The consulate in Mongolia, for example, spends a lot of time—and I'm sure it was set up there to help—on the investments and the engagement of Canadians there.

I think there's a mutual interest in these kinds of things, because the Canadian embassies and high commissions are promoting investment both ways. These kinds of projects help to manage economic relations between both countries, so whether it's Mongolia or Cuba or other places, there's a mutual interest that then takes hold.

Then, when you bring in some expertise from different government departments, they have an interest because they want to understand the country and how it all works. They want to understand when Ivanhoe or some other company in Mongolia asks them questions: well, okay, how does it all work, where can we help, and where is it just a commercial transaction where we have to step back a little bit?

In my experience, these kinds of commercial policy or trade policy projects help at the macro level and then at the technical level, whether it's on customs, food inspection, or different kinds of things.

Mr. Dave Van Kesteren: I just have a quick follow-up to that. I'm still wanting to hear a little more about Cuba. I'm a firm believer in our western hemisphere initiative: that we actually devote more and more of our energies toward South America. I think most of us can see that Cuba has to change at some point. Are you getting any indication that they're wanting to make that change? Are we going to be in the forefront of that so we can take advantage of that action into a free market system, for instance, in Cuba?

Mr. Phil Rourke: Sure. On the economic side, Americans actually export somewhere between $600 million to $800 million worth of agricultural products to Cuba every year. The economic interest of Canada is that a lot of those agricultural products have displaced Canadian exports to Cuba. So if we can, through talking about standards, customs, food inspection and different kinds of things, help them to understand the Canadian market, maybe that will help with the engagement of the Canadian producers who want to export to Cuba.

In terms of market reforms in Cuba, it's clear that there are all kinds of discussions now about market reforms, and they've been asking about how to organize these things. I think there's a lot of help that can be made in terms of understanding, as I said before, the different models of how to organize their trade ministry, their industry ministry, and their export and investment ministries. We've made some contributions there, and if there's other interest, we'd be pleased to help.

The Chair: Do you have a quick question, Mr. Lunney? What I want to do to wrap it up is to come back and see if there are any additional questions here, and then wrap it up with you, Jim. Do you have a quick question?.

Mr. James Lunney: I just wanted to follow up with CESO. I see from this brochure you provided that you were founded in 1967. That was our centennial year. You have had 46,000 assignments in 120 countries. If I read your remarks right, you have 3,000 volunteers. I've known a couple of them—an architect and a city planner. We are rich in human resources in Canada. We're fortunate to have a lot of retired people with means.

I wonder whether your volunteer base is increasing year by year. Are you static? Are you dwindling? What's happening with the vision? Are Canadians engaging? If so, how many from your organization are equipped to engage in public service type training?

● (1710)

Ms. Gale Lee: The first point is that our resource pool, or roster, as we call it, is slowly increasing. Naturally, there is some level of attrition. We keep increasing, but with the attrition, there's a more gradual increase in the numbers. We're careful of taking too many people onto our roster and then not having projects for them to go on, given the dwindling resources. In terms of governance, the percentage of government experience we have is about 25% of that roster, so it's 25% of 3,000.

The Chair: I'm going to go to Mr. Gaudet.

[*Translation*]

Mr. Roger Gaudet (Montcalm, BQ): Thank you, Mr. Chair.

Ms. Lee, I would like to know if there is any coordination between organizations in Haiti so that duplication is reduced or if everyone actually works in isolation.

[*English*]

Ms. Gale Lee: There are so many development organizations working in Haiti. So that's a good question.

I know that in most countries there is some level of donor coordination. All the donors from all countries have periodic meetings to exchange information about work they are doing so they can try not to duplicate.

In terms of the Canadian organizations, again, I know that the Canadian embassy in Haiti keeps track of all the assistance that goes in from Canada, and they try to avoid duplication. This is why, as I mentioned before, in many cases they're encouraging the organizations to work together and to form consortiums so that they complement—not duplicate—each other.

I know that donor coordination is difficult in most cases in any case, especially with different countries, but at least from a Canadian perspective there's a CIDA officer in the Canadian embassy in Port-au-Prince who keeps track of all the Canadian assistance that goes in. Obviously he tries to ensure that there's no duplication in Haiti.

[*Translation*]

Mr. Roger Gaudet: Thank you.

Ms. Johanne Deschamps: In answer to one question, you said that you were looking for other sources of funding in order to diversify. There is assistance that Canada can provide bilaterally, namely by providing a grant to a Canadian organization on the ground. But the organization can also ask for funding from any international fund.

Is there any coordination in things like that? Are there any international criteria for avoiding duplication? Here, you are kind of at the mercy of the strategies chosen by the government. Among other choices, they determine the countries to which they give priority. That limits you a little in terms of funding.

Does your experience allow you to determine whether a given country has needs, even if those needs are not given priority by the government? Do you have a framework, a way of measuring, a program, a tool that you can tell us about? Go ahead.

[*English*]

Ms. Gale Lee: In international development, that is the age-old problem or question: the whole idea of all the different countries and agencies working in one country and duplicating each other and competing for aid projects. At the global level, there is the development association, the DAC, through the OECD in Paris, that tries to do this kind of global development cooperation and do all the coordination. Again, it's difficult to control.

So at our level in terms of CESO, we are guided by the countries, because if each country is required to have a poverty reduction strategy and various strategies towards development—and they're required to have that by the international donor agencies—that should be their road map for development. We try to analyze within their road map where our strengths would fit.

Then, in finding the partners we would like to work with, we do an institutional analysis, which is why I mentioned that we have criteria for partners. In that institutional analysis, we would ask that partner how many other agencies they are doing projects with. We would like to see and know what kinds of projects they are doing, so that when we go and work with them we fill a gap, and we don't duplicate.

At our level, we try to do our own control, because at the wider international level, or even the national level, it's difficult. So in selecting partners, we do an institutional analysis, and we do a profile where we have information of all the donor projects that are ongoing within that partner. Then we try to see if we're needed and if we fit—if there's a gap. If there's not and we think we will just be duplicating, we don't go with that partner.

● (1715)

The Chair: Thank you very much.

We're going to wrap up with Mr. Abbott.

Hon. Jim Abbott: I have one quick question for the ambassador, but for my colleagues, hopefully we'll have time to decide whether this is agreeable as instructions to get our report together.

Ambassador, when Ms. Lee was speaking about the cooperation with other nations, she was talking about an idea of there being some support for the volunteers—in this case from Canada—who would be supported for their on-the-ground costs as much as possible, say when they were in Ulan Bator. From your perspective as a representative of Mongolia, does that sound like something that would be workable if a model like this were recommended by this committee?

Mr. Tundevdorj Zalaa-Uul (Interpretation): As you all know, in Mongolia right now what is taking place is what we call in modern language “a mining boom”. In that sense, compared to the recent two to three years, our economy is much better.

As of today, I cannot exactly say that our government can support certain officials if they are assigned to work in Ulan Bator. But if certain people, skilled people with expertise of very crucial importance, are appointed, I believe the government can work towards providing for them during their stay in Mongolia. Of course, it cannot be many people, but we certainly could....

Canada is the second largest investor in Mongolia overall. There are a lot of Canadian companies that operate inside Mongolia, and they also cooperate with Mongolian organizations and companies. Personally, in that sense, I believe we can find a way of finding sponsors to sponsor those people who are completing their assignments.

● (1720)

Hon. Jim Abbott: Thank you.

I thank my colleagues for taking up the suggestion about doing these hearings. It has taken one extra meeting. I'm thinking that if this outline—a very crude, very rough outline that I've given you in French and English—is acceptable, it would be instructions for our researchers to begin a report. The alternative, which is perfectly viable, would be to take more committee time to discuss this outline.

I'm asking if there's agreement that this could form some direction for the researchers.

The Chair: Here's what I'm going to do. I'm going to dismiss the witnesses.

You don't have to hear our stuff. Thank you very much, Mr. Rourke, Ms. Lee, and Ambassador, for being here today.

Why don't we say goodbye to our witnesses? Then we'll come right back here. We have five minutes or so before we go ahead.

Thank you very much. We really appreciate it.

[*Proceedings continue in camera*]

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