## APPENDIX

(See p. 900)

OTTAWA K1A 0A6, April 4, 1979.

Mr. James J. Macdonell, Auditor General of Canada, 240 Sparks Street, Ottawa, Ontario. K1A 0G6 Dear Mr. Macdonell:

Last summer, shortly after the announcement of intended spending cuts in the public service, I was asked by the President of the Treasury Board whether similar economies were possible in the operation of Parliament. My response, of course, was that the ultimate decision must rest with Parliament itself, but that I would certainly provide an opportunity for members to pronounce themselves on the suggestion.

We therefore prepared a preliminary set of the Speaker's spending estimates and I asked our senior officials to identify areas in which substantial cutbacks might be affected if members so desired and, of course, consequential alterations to members' services. I appeared before the Management and Members' Services Committee to advise them that I had taken these steps and to invite them to consider carefully any possible savings so that when our estimates were before them in midwinter, they could give me their final advice. We met again in February and I learned that the committee had directed its attention to these matters in a number of meetings at which our officials testified. They were, however, reluctant to commit future Parliaments to substantial adjustments in members' services or other operational features of Parliament without a comprehensive review, and so, it was their strong suggestion that I authorize an independent study of parliamentary administration.

You will recall that at the Committee's suggestion, I discussed this matter with you in a preliminary way and it was your opinion that as a first step, in place of your regular annual audit, you conduct a somewhat more comprehensive study, which would include the value for money concept which I know you are competent to examine. It was your view that such a study would require about three to four months and that it would assist in identification of problem areas if they do exist, and likely suggest a number of solutions; furthermore, if

outside consultations were considered necessary to solve any remaining problems, your study would assist us in drawing appropriate terms of reference. A few days ago, when I appeared before the Committee for final approval of my estimates, I took the occasion in a brief session in camera, to inform the Committee of your opinion and I am pleased to say that they support me entirely in my intention to proceed.

This letter is therefore to formally request you to begin at your earliest convenience, the more comprehensive review which you described to me at our earlier meeting. I understand we can expect such a study to be finalized about the end of the summer so that the Speaker of the next Parliament would be in a position to consult with you and, in turn, with the reconstituted Committee at the commencement of the next Parliament before taking any further steps. I have, of course, advised Mr. Alistair Fraser, the Clerk of the House, General Gus Cloutier, the Sergeant-at-Arms, Mr. Georges St-Jacques, the Director of Administration and Personnel and Mr. Ed Thomas, the Director of Legislative Services, fully about these steps throughout, and by copy of this letter, I am asking all of them to be at your disposal to facilitate your work.

I need not add, I am sure, that the Parliament of Canada is an absolutely singular institution, which operates under entirely unique administrative requirements and pressures and after five years as Speaker, I must say that I have the highest respect for everyone responsible for our administration here. I am confident that you will find a thoroughly professional attitude and competence in every area and that chiefs of services will be of great assistance to you. On the other hand, I am conscious of the fact that the last organizational study of Parliament was made several years ago and that in size and complexity, our entire operation has multiplied several times in the recent years. I am especially pleased that all parties represented in the House and all the senior officials of the administration have expressed great interest in this kind of organizational review for which your audit may form the corner stone, and I thank you for your counsel and co-operation in this very important endeavour.

Yours sincerely,

James A. Jerome, O.C., M.P.