

On the particular issue of the planning of capital acquisitions, which is another aspect of the SPICE examination, in July 1978 the Treasury Board issued a new policy and guidelines on the management of major crown projects. The essence of this important document will be reiterated in a forthcoming Treasury Board Circular covering the approval of all capital projects. I have also instructed the Treasury Board Secretariat to prepare guidelines on the selection and remuneration of qualified project leaders for major crown projects for further consideration by Treasury Board.

I have noted carefully your comments concerning the desirability of establishing "departmental comptrollers". As you know, I have supported this concept in the past. The task now is to evolve towards such an organizational form and to develop it, so that it may accommodate the particular needs of individual Departments and Agencies.

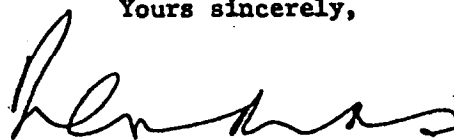
Your discussions have covered a variety of other topics which will be the subject of observations in your forthcoming Report. I would like to comment briefly on the important government-wide issues of the future form of the Estimates, and your comments on the desirability of charging Departments for the accommodation that they occupy.

With respect to the future form of the Estimates, we have discussed the major study of this matter that has been undertaken by the Treasury Board Secretariat. The first objective of this study is to provide an improved communication to Parliament of government expenditure plans and the necessary parliamentary authorities needed for their execution. The second objective is to improve the linkage between the Estimates and the operational plans of program managers. To achieve both objectives satisfactorily is clearly a complex task. Because of this, the study team has been instructed to conduct a comprehensive review of the issue taking into account the views and advice of all major users of the Estimates. The work which has been undertaken by your Office and the reactions of the parliamentarians to the options which you will display to them will therefore be of great assistance to both the study team and the Government in the formulation of its proposals to Parliament on this important issue.

The question of accommodation charges was the subject of intense study by the Executive during 1974 and 1975 and a decision was taken at that time not to implement any internal charging system for accommodation occupied by Departments and Agencies. Instead, it was decided that an improved display of accommodation costs in the Estimates and accounts of both the Department of Public Works and user Departments would improve the control and accountability for accommodation services. Your current comments however, taken in conjunction with those of the Standing Committee on National Finance have led me to request a review of the basis for that decision.

In conclusion, I trust that you will agree that these plans which I have briefly summarized are the most suitable way to effect improvements in the financial and related operational control practices of the federal public service, an objective which I can assure you is fully supported by both the Executive and the operating Departments and Agencies which serve it.

Yours sincerely,



Robert Andras.