

HOUSE OF ASSEMBLY MANAGEMENT COMMISSION

MINUTES

The seventeenth meeting of the House of Assembly Management Commission was held in the Johnston Building, Room 233A and B, on Thursday, July 10, 2014, at 2:00 p.m.

Present were the following members of the Commission: Chair, Hon. Kevin Murphy, Ms Margaret Miller, Hon. Michel Samson, Hon. Labi Kousoulis, Mr Iain Rankin, Hon. Chris d'Entremont, Mr Larry Harrison, Hon. Frank Corbett and Mr Neil Ferguson, Chief Clerk. Also present were Gordon D. Hebb, Q.C., Counsel to the Commission, Annette M. Boucher, Q.C., Assistant Clerk and Deborah Lusby, Director of Administration, Office of the Speaker.

1) **Minutes of the February 27, 2014 meeting**

Mr Ferguson noted after review of the Hansard transcription of the meeting that there had been an omission in the minutes at the last paragraph of item 5. The words "that it be recommended to the Government" are to be inserted directly after "Corbett". The new corrected paragraph would be as follows:

"It is moved by Hon. Michel Samson and seconded by Hon. Frank Corbett that it be recommended to the Government that the *House of Assembly Management Commission Act* be amended to remove the financial statement audit at clause 22(5)(c) and that the date of September 1st at clause 11(3)(c) be changed to November 30th."

It was moved by Ms Margaret Miller and seconded by Hon. Chris d'Entremont that the February 27, 2014 minutes be approved as amended.

CARRIED

2) **Amendments to the *House of Assembly Management Commission Regulations***

- (a) *Amendments to the House of Assembly Management Commission Regulations* as directed by the 2014 Remuneration Review Panel

Mr Ferguson informed the members of the Commission that the conclusions of the Panel set out in their April 9, 2014 report came into force and effect as a matter of law on November 1, 2013. However, it is necessary to amend the Regulations formally so they reflect the law as it stands as a result of the Panel's conclusions.

A five page document setting out eighteen amendments to the Regulations to reflect the Panel's conclusions was circulated to the Commission members in advance of the meeting. The document is attached to these minutes as Schedule "A".

It was moved by Hon. Frank Corbett and seconded by Hon. Michel Samson that as a block the eighteen amendments to the *House of Assembly Management Commission Regulations* be adopted by the Commission.

CARRIED

(b) Amendment to clause 21(1)(k) of the *House of Assembly Management Commission Regulations*

As part of the block of amendments adopted at agenda item 2(a), a new clause 21(1)(k) of the Regulations was adopted.

Hon. Michel Samson indicated that the newly adopted clause at agenda item 2(a) would prevent MLAs purchasing advance event tickets from being reimbursed until after the event had actually taken place and there was confirmation that the member had attended. The event could be at some future distant point in time and that would mean that reimbursement would be delayed. Hon. Michel Samson's proposed amendment would permit reimbursement upon purchasing the ticket rather than waiting for the event to be held.

It was moved by Hon. Michel Samson and seconded by Ms Margaret Miller that

Clause 21(1)(k) of the *House of Assembly Management Commission Regulations* be repealed and the following clause substituted:

(k) two tickets to any event related to the member's constituency work, but not events related to the member's political party;

CARRIED

(c) Amendment to Section 28 of the *House of Assembly Management Commission Regulations*

As part of the block of amendments adopted at agenda item 2(a), a new Section 28 of the Regulations was adopted.

Hon. Michel Samson stated that inside members should not feel obligated to travel home in dangerous situations and that these MLAs would be held accountable for their decisions to stay overnight in the city by disclosing to the public how often and the reason for staying overnight in a Halifax hotel.

It was moved by Hon. Michel Samson and seconded by Mr Iain Rankin that

Section 28 of the *Regulations* be repealed and the following Section substituted:

28 (1) A non-outside member may claim reimbursement for an overnight hotel stay in Halifax when, because of

- (a) inclement weather;
- (b) time of day; or
- (c) any other reason,

the member is unable to return to the member's ordinary residence following a sitting of the House, a meeting of one of its committees or a caucus meeting.

(2) On May 1, 2015, and every subsequent May 1st thereafter, each non-outside member who has claimed reimbursement in accordance with subsection (1) shall table in the House of Assembly if the House is then sitting or, where the House is not then sitting, file with the Clerk of the House a report setting out the dates and the reason in each case for the overnight hotel stays for the fiscal year ending on March 31st in the year the report is tabled.

CARRIED

(d) New regulations relative to "outside" MLAs

Hon. Frank Corbett indicated that the 2014 MLA Remuneration Review Panel changed the definition of an "outside" member. This determination has had for effect the imposing of unforeseen expenses on former "outside" MLAs who took apartments in the former City of Halifax after the October 2013 election believing they would occupy the apartments until the next election and who now no longer qualify for payment of apartment rentals because of the Panel's new definition of an "outside" member and because they must now vacate their apartments.

It was moved by Hon. Frank Corbett and seconded by Hon. Michel Samson that

WHEREAS the 2014 MLA Remuneration Review Panel changed the definition of "outside member" and directed that members who no longer had the status of outside member because of the change terminate their apartment leases at the earliest possible point under the terms of the lease;

THEREFORE be it resolved that regulations be enacted as follows:

1 These Regulations may be cited as the *House of Assembly Management Commission Outside Member Transition Regulations*.

2 Words and expressions in these Regulations have the same meaning as in the *House of Assembly Management Commission Regulations*.

3 (1) A member who, as an outside member, was renting an apartment on April 9, 2014, in the former City of Halifax and is no longer an outside member as a result of the MLA Remuneration Review Panel Report of April 9, 2014, may claim the cost of moving the contents of the member's apartment to the member's primary residence.

(2) A claim pursuant to this Section must be paid from the member's franking and travel allowance.

CARRIED

3) Resolution regarding amendments to the *House of Assembly Act*

Hon. Michel Samson informed the members of the Commission that in light of the conclusions of the Remuneration Review Panel that amendments to the *House of Assembly Act* will be brought forward by the Government during the 2014 Fall sitting of the House of Assembly to provide a three-month period following the tabling of the Panel's report for MLAs to terminate their apartment leases. He stated that this would result in the same standard applying as that used for an MLA who is defeated or resigns. In these cases three months to terminate apartment and office leases is permitted.

It was moved by Hon. Michel Samson and seconded by Hon. Frank Corbett that

Whereas the 2014 MLA Remuneration Review Panel changed the definition of "outside member" and directed that members who no longer had the status of outside member because of the change, terminate their apartment leases at the earliest possible point under the terms of the lease.

Be it resolved that the Commission recommends that the House of Assembly enact amendments to the *House of Assembly Act* permitting members, who have apartment leases and who are no longer outside members, to vacate their apartments on or before July 31, 2014.

CARRIED

4) Internal Control Review and Office of the Auditor General Audit update

(a) Internal Control Review update

Ms Lusby informed the Commission members that the Internal Audit Centre (IAC) commenced the 2013-14 internal control review in mid-June and the draft report is expected by the end of July. She has been advised by IAC that there is nothing unusual to report. The Chief Clerk will rely on the IAC report to certify that the internal controls are operating effectively.

Additionally, the IAC will prepare a template for the Speaker's Administration office to perform the 2014-15 internal control review themselves. Using the template, testing results will be documented and available for review by the Auditor General's Office when the annual audit is conducted.

As an important aside Ms Lusby indicated the IAC is not billing the Speaker's Office for this project.

(b) Office of the Auditor General Audit update

The 2013-14 engagement letter was revised because of the legislative changes made to the *House of Assembly Act* dispensing with the requirement for a full set of audited financial statements.

As a result the Office of the Auditor General will focus the audit on whether the expenses are in accordance with the *House of Assembly Management Commission Regulations* and policies and confirming the Chief Clerk's assertion that the internal controls are operating effectively. Based on the reduced scope of the audit, the Auditor General's fee for the 2013-14 audit will be reduced to \$20,000 from \$50,000.

The Office of the Auditor General will complete their audit with additional on-site work in August.

Ms Lusby provided an update on the risk assessment project. She reminded members of the Commission that in 2012 the Office of the Auditor General recommended in its audit that the Commission prepare a comprehensive risk assessment of the House of Assembly operations. The Internal Audit Centre (IAC) was engaged to conduct the assessment and the final report has been submitted to the Commission's Audit Committee. The Audit Committee has met to review the report and to discuss action plans to mitigate the key risks to the House of Assembly.

5) 2013-14 Year End/Quarter 4 Financial Review

These documents were circulated in advance of the meeting. Ms Lusby pointed out that the normal Legislative expenses (excluding election costs) for the year were under budget by approximately \$1.8 million. However, the estimated election costs were \$2.2 million which includes \$1.6 million for MLA transition allowances.

The 1st Quarter report was also distributed and the change to be noted was the reduced Progressive Conservative budget because their MLA count has decreased by one.

6) Caucus Relocation Expenses

Hon. Frank Corbett indicated that there are actual caucus expenses related to moving offices, shredding documents, removal of waste, etc. following an election. These are hard costs which can be quantified. He would like the Commission to consider paying these actual expenses. The NDP have quantified their actual relocation expenses to be \$22,185.03.

Hon. Michel Samson suggested that the PC and Liberal Caucuses also quantify their actual transition/relocation expenses and submit them to the Director, Administration and Operations in the Speaker's Office.

This item is to be discussed at the next Commission meeting.

7) Additional expenses related to expanded geographic area of constituency

Letters were received from MLA Lloyd Hines and MLA Gordon Wilson setting out the challenges they face regarding their constituency expenses given the large geographic area of their constituencies. They are of the view that they require two constituency offices (Gordon Wilson currently has 2 offices, Lloyd Hines has one) to adequately serve the citizens of their constituency and the current constituency budget is simply not sufficient for the expenses of two offices.

Hon. Chris d'Entremont indicated he had not submitted a letter to the Speaker but faced the same challenges as Mr Wilson and Mr Hines given the increased size of his constituency.

Hon. Michel Samson suggested the Director of Administration identify a few funding options for further discussion by the Commission. One option may be to consider a scale for constituency budgets similar to the approach taken for franking and travel. A second option may be to remove the constituency office rental from the budget and have the expense paid directly as a separate heading by the Speaker's Office.

It was pointed out that by having constituency offices barrier free, in some cases, the rental cost has increased significantly resulting in additional financial pressures on the constituency budget.

Options are to be discussed at a future meeting.

The meeting adjourned at 2:53 p.m.

These minutes were approved by the Management Commission on January 15, 2015.

Certified

Speaker

Chief Clerk

**Amendments to the *House of Assembly*
Management Commission Regulations
as directed by the 2014 Remuneration Review Panel**

1 Clause 21(1)(k) of the *House of Assembly Management Commission Regulation* is repealed and the following clause substituted:

(k) two tickets for any events related to the member's constituency work that the member personally attends, but not events related to the member's political party;

2 Section 22 of the *Regulations* is amended by

(a) adding "(1)" immediately after the Section number; and

(b) adding the following subsection:

(2) For greater certainty, a member may not be reimbursed under Section 22 for a donation that is a sponsorship or a gift.

3 Subsection 23(6) of the *Regulations* is repealed and the following subsection substituted:

(6) Assets required to be marked in accordance with subsection (2) must be disposed of in accordance with the applicable asset disposal directives issued by the Department of Transportation and Infrastructure Renewal and by the Chief Information Officer.

4 Section 26 of the *Regulations* is repealed and the following Sections substituted:

26 Each member is entitled to receive \$50.00 on account of expenses, without receipts, for each day that the member is in attendance at the House while the House is in session.

26A (1) For attending the House while it is in session, each outside member, except the Premier or a member of the Executive Council having charge of a department or the Leader of the Opposition or a leader of a recognized party, who does not have an accommodation rental in the Halifax-Dartmouth metropolitan area is entitled to reimbursement for expenses for either

(a) sleeping accommodation charges, with proper receipts, not exceeding a maximum of \$153.00 per night; or

(b) travel by the shortest and most convenient route between the place where the outside member is ordinarily resident and the place where the House ordinarily sits at the rate set out in Section 50, unless the outside member is in receipt of a vehicle allowance.

(2) Where the outside member normally travels by motor vehicle on a daily basis between the Halifax-Dartmouth metropolitan area and the member's constituency to attend sittings of the House, only the first trip made during a week that the House is sitting is counted as one of the fifty-two trips referred to in Section 49

and the member is entitled to be reimbursed in accordance with clause (1)(b) for each additional trip made during the week.

26B Payments may be made pursuant to Sections 26 and 26A in respect of a holiday, a Saturday or a Sunday if the Speaker determines that travel on the holiday, Saturday or Sunday is necessary for the purpose of attending a sitting of the House on the following day.

26C A member may not submit a claim for travel more often than once every two weeks in respect of payments to be made pursuant to Sections 26 and 26A.

5 (1) Subsection 27(4) of the *Regulations* is amended by

(a) striking out clause (a) and substituting the following clause:

(a) accommodation rental or hotel accommodations;

(b) striking out “apartment” and substituting “accommodation rental” in clause (b); and

(c) striking out “apartment” and substituting “accommodation rental” in clause (c).

(2) Subsection 27(5) and (6) are repealed and the following subsections substituted:

(5) A newly elected outside member, who enters into an accommodation rental agreement, is entitled on a one-time basis to be reimbursed for the cost, not exceeding \$2,550.00, of

(a) appliances such as a vacuum, mini-fridge, microwave, heater, water cooler, air conditioner, dehumidifier if the cost of an appliance does not exceed \$200.00;

(b) a small appliance such as a kettle, drip coffee maker, toaster if the cost of a small appliance does not exceed \$50.00;

(c) furnishings;

(d) utensils and cookware; and

(e) linens,

when these items are not provided in the rental accommodation.

(6) Notwithstanding subsection (5), a member shall not be reimbursed for the cost of televisions, radios, CDs, DVDs, DVRs or other forms of entertainment systems or machines for an accommodation rental.

(6A) All assets purchased pursuant to subsection (5), with the exception of linens and mattresses, are the property of Her Majesty in right of the Province and must be identified by appropriate markings as assets of Her Majesty in right of the Province.

6 Section 28 of the *Regulations* is repealed and the following Section substituted:

28 (1) A non-outside member may, with the written approval of the member's party leader setting out the reasons, claim reimbursement for an overnight hotel stay in Halifax when, because of

- (a) inclement weather;
- (b) time of day; or
- (c) any other reason,

the member is unable to return to the member's ordinary residence following a sitting of the House or a meeting of one of its committees.

(2) On May 1, 2015, and every subsequent May 1st thereafter, each party leader shall table in the House of Assembly if the House is then sitting or, where the House is not then sitting, file with the Clerk of the House a report setting out the number of nights and the names of the non-outside members that were approved for overnight stays pursuant to subsection (1) for the fiscal year ending on March 31st in the year the report is tabled.

7 Clause 30(1)(a) of the *Regulations* is repealed and the following clause substituted:

(a) \$50.00 on account of expenses, without receipts, for each day the committee or the Commission meets;

8 Clause 34(3)(a) of the *Regulations* is repealed and the following clause substituted:

(a) \$50.00 on account of expenses, without receipts, for each day the caucus meets;

9 Section 42 of the *Regulations* is amended by adding immediately after subsection (2) the following subsections:

(3) Expenses incurred on account of travel in this Section includes travel from the member's ordinary residence to the member's constituency office if there are available funds in the member's franking and travel allowance.

(3A) For travel over 250 kilometres one-way within the member's constituency, the member is permitted to claim expenses for meals, with receipts, at the same rate as is paid to civil servants when they travel, if there are available funds in the member's franking and travel allowance.

10 Subsection 43(4) of the *Regulations* is repealed.

11 Subsection 44(1) of the *Regulations* is amended by

(a) striking out clause (a) and substituting the following clause:

(a) \$50.00 on account of expenses, without receipts, for each day;

(b) adding “where the member does not have an accommodation rental in the Halifax-Dartmouth metropolitan area” immediately before “reimbursement” in the first line of clause (b).

12 (1) Section 45 of the *Regulations* is amended by striking out clause (1)(a) and substituting the following clause:

(a) \$100.00 on account of expenses, without receipts, for each travel day and for each meeting day when the travel day is not a meeting day;

(2) Section 45 is further amended by adding immediately after subsection (3) the following subsection:

(3A) The Speaker may permit reimbursement of unexpected expenses for a trip permitted in accordance with this Section on presentation of receipts and the member’s written reasons for incurring the additional expenses.

13 (1) Subsection 46(1) of the *Regulations* is amended by striking out clause (a) and substituting the following clauses:

(a) when the trip is within Canada, \$100.00 on account of expenses, without receipts, for each travel day and for each meeting day, when the travel day is not a meeting day;

(aa) when the trip is outside Canada but within North America, \$150.00 on account of expenses, without receipts, for each travel day and for each meeting day, when the travel day is not a meeting day;

(2) Section 46 is further amended by adding immediately after subsection (2) the following subsection:

(2A) The Speaker may permit reimbursement of unexpected expenses for a trip permitted in accordance with this Section on presentation of receipts and the member’s written reasons for incurring the additional expenses.

14 Section 47 of the *Regulations* is amended by

(a) adding “(1)” immediately after the Section number;

(b) striking out clause (a) and substituting the following clauses:

(a) when the trip is within the Province, \$50.00 on account of expenses, without receipts, for each travel day and for each meeting day when the travel day is not a meeting day;

(aa) when the trip is outside the Province but within Canada, \$100.00 on account of expenses, without receipts, for each travel day and for each meeting day when the travel day is not a meeting day;

(ab) when the trip is outside Canada, \$150.00 on account of expenses, without receipts, for each travel day and for each meeting day when the travel day is not a meeting day;

(c) adding the following subsection:

(2) The Speaker may permit reimbursement of unexpected expenses for a trip permitted in accordance with this Section on presentation of receipts and the member's written reasons for incurring the additional expenses.

15 Clause 48(1)(a) of the *Regulations* is repealed and the following clause substituted:

(a) \$50.00 on account of expenses, without receipts, for each day;

16 Clause 50(a) of the *Regulations* is repealed and the following clause substituted:

(a) the same rate per kilometre as is paid to civil servants; or

17 The *Regulations* are further amended by adding immediately after Section 53 the following Section:

53A When an outside member ceases to be a member in accordance with Section 53, the member may claim the expenses for two trips from the member's ordinary residence to the Halifax-Dartmouth metropolitan area to vacate the member's rental accommodation and to vacate the member's personal caucus office.

18 Clause 55(2)(a) of the *Regulations* is amended by striking out "26(1)(a)" and substituting "26A".
