

HOUSE OF ASSEMBLY MANAGEMENT COMMISSION

MINUTES

The eighteenth meeting of the House of Assembly Management Commission was held in the Johnston Building, Room 233A and B, on Thursday, January 15, 2015, at 3:00 p.m.

Present were: Chair, Hon. Kevin Murphy, Ms Margaret Miller, Hon. Michel Samson, Hon. Labi Kousoulis, Mr Lloyd Hines, 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.

Hon. Frank Corbett requested that the following items be added to the agenda:

- #11. MLA constituency office expenses; and
- #12. Caucus office moving expenses following October 2013 general election.

Hon. Michel Samson requested that the following item be added to the agenda:

- #13. Asset inventory management.

The Chair advised the Commission that he had received a letter from the House Leader for the PC Caucus requesting an update on the security review and the MLA code of conduct. The Chief Clerk informed the members that Presidia Security Consulting from Ottawa had been retained to conduct a three building security assessment and the report was expected within the month. He pointed out that the security matters were within the jurisdiction of the Committee on Assembly Matters and not the Commission.

Hon. Chris d'Entremont expressed concern for the Commissionaires who are outside the House of Assembly in the very cold weather – the Chair indicated this had been addressed in the short term and would be a consideration on long-term security concerns.

Regarding a sexual harassment policy, Mr Ferguson informed the members that to date the Public Service Commission policy was used as a guide along with the provisions of the *House of Assembly Management Commission Act*. He indicated that the House of Commons in Ottawa is presently working on a parliament-oriented sexual harassment policy and that most provinces are awaiting this policy to set up their individual parliament frameworks. Nova Scotia will wait for the delivery of the House of Commons model to prepare a policy for our House of Assembly. Hon. d'Entremont indicated that there should be a full code of conduct for all elected members in addition to any sexual harassment policy. The Chief

Clerk indicated that all members are subject, at present, to the *Conflict of Interest Act*.

1) Minutes of the July 10, 2014 meeting

It was moved by Mr Lloyd Hines and seconded by Hon. Labi Kousoulis that the minutes of the July 10, 2014 House of Assembly Management Commission be approved as circulated.

CARRIED

2) House of Assembly Management Commission Regulation 52(1) waiver

The Chief Clerk informed the Commission that the *Regulation* provides for an annual increase on April 1st of all fixed expense amounts in the *Regulations* by either the Consumer Price Index for Nova Scotia **OR** the Core Consumer Price Index for Canada, whichever is lower, as set for the previous year. For the fiscal year 2011-12, the *Regulations* were amended to waive the increase.

Amendments to the *Regulations* were circulated for consideration. There are two options: the first circulated document provides for two amendments: 1) subsection 52(1) be amended so that any future increases be subject to the approval of the Commission rather than be automatic and 2) that a new subsection 52(3) be added to waive the increase for the fiscal year 2013-14. The second circulated document is the second option and provides for one amendment to the *Regulations* – adding a new subsection 52(3) to waive the increase for fiscal year 2013-14 and fiscal year 2014-15.

Hon. Michel Samson inquired about the financial implications of both proposed options. Ms Lusby informed the Commission that a 2% increase would cost approximately \$80,000.00. She noted that for the fiscal year 2011-12 the CPI increase was waived; for the fiscal year 2012-13 the expenses were increased by the CPI increase; for the fiscal year 2013-14 and 2014-15 there was no increase.

It was moved by Hon. Michel Samson and seconded by Hon. Frank Corbett that this agenda item be stood until such time as further information can be provided by the Minister of Finance and Treasury Board about the financial impact of the proposed *Regulation* amendments.

CARRIED

3) Barrier free compliance forms

Ms Lusby informed the Commission that six members submitted compliance forms and most related to absent visible alarms where there was an audible alarm. The Department of Transportation and Infrastructure Renewal was consulted about the non-compliances and the Department advised these were technical in nature and the Commission could waive them.

It was moved by Ms Margaret Miller and seconded by Mr Lloyd Hines that the Commission waive the non-compliance for the six members on the basis that they are technical in nature.

CARRIED

4) House of Assembly Management Commission Annual Report 2014

Mr Ferguson noted this report was a little changed from previous annual reports as it did not contain the audited financial statements and this was noted in the Speaker's letter in the report itself.

It was moved by Hon. Chris d'Entremont and second by Hon. Frank Corbett that the report as circulated be approved and be tabled in the House of Assembly by the Speaker as required.

CARRIED

5) House of Assembly Management Commission Audit Committee Annual Report 2014

The report was circulated to the members of the Commission in advance of the meeting.

It was moved by Hon. Chris d'Entremont and seconded by Hon. Michel Samson that the annual report 2014 of the Audit Committee be accepted by the Commission.

CARRIED

6) House of Assembly Risk Assessment

Mr Ferguson reminded the members that the Auditor General recommended the risk assessment in a report. The risk assessment has been completed by the Internal Audit Centre of the Department of Finance and was distributed to the members of the Commission.

The three top risks are:

- (a) Succession planning for the positions of Chief Clerk, Chief Legislative Counsel and Director of Administration;
- (b) Low staffing levels within Legislative Services; and
- (c) Need for a business continuity management plan.

Ms Lusby provided an update regarding each of the risk areas:

- (a) A posting has been prepared and will appear by the end of the month for an additional Assistant Clerk – the focus will now shift to the Chief Legislative Counsel position. Progress of this active item will be reassessed by the end of March 2015.
- (b) Division brainstorming sessions have been held to identify the top three core objectives/priorities for each division, the challenges in meeting the priorities and possible solutions. A summary of the sessions will be ready for distribution by the end of February 2015.
- (c) Meetings have been held regularly with EMO and are ongoing with expected reassessment by the end of March 2015.

Additional Ms Lusby noted that the Audit Committee has initiated and continues discussion on the fourth identified risk of structure and composition of the Commission and the impact on open and frank discussions.

7) 2013-14 Auditor General Audit Report

Mr Ferguson informed the Commission that the Auditors have not identified any problems regarding member expenses. The two recommendations made in the report were:

- (a) Franking and travel amounts – more particularly whether there were sufficient controls to prevent the entire amount being expensed at the beginning of a year when the member did not, for whatever reason, serve as a member for the entire year. The Audit Committee prepared a response for the Auditor General that this has not been an issue over the last forty years and that members need to have the flexibility to concentrate travel if they wish, during certain months of the year to serve their constituents in the best possible manner. Similarly a household mailing may be quite large but only done once per year to reach all constituents. The Audit Committee advised that this issue would be considered further should it be necessary.

- (b) Renting constituency offices from associated persons – the Auditor General suggested amending the annual member disclosure statements to have members certify that they were not renting their constituency offices from associated persons. The response to this was that the annual disclosure statement is prescribed in the regulations made pursuant to the *Conflict of Interest Act* which is not within the Commission’s jurisdiction, therefore the issue cannot be addressed by the Commission.

It was moved by Hon. Labi Kousoulis and second by Hon. Chris d’Entremont that the 2013-14 Auditor General Audit update be accepted.

CARRIED

8) 2013-14 Internal Control Review update

Ms Lusby indicated that the report, which was distribute in advance of the meeting, was positive and identified a few minor opportunities for improvement.

It was moved by Hon. Chris d’Entremont and seconded by Ms Margaret Miller that the 2013-14 Internal Control Review be accepted.

CARRIED

9) 2014-15 1st, 2nd and 3rd Quarter Financials

Ms Lusby informed the Commission that there were a few areas that had exceeded 75% of their budget by the end of the 3rd quarter – these related to Hansard, Legislative T.V. and House of Assembly Operations and were due to the long hours kept by the House during the Fall 2014 sitting.

It was moved by Hon. Frank Corbett and seconded by Hon. Michel Samson that the financial statements for the first, second and third quarter be accepted.

CARRIED

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

a) Amendments to Directive #1 – Mr Ferguson explained that the reason for the proposed changes to the Directive #1 were to exclude inexpensive items costing less than \$50.00 from the tagging and inventory requirement as it is becoming very onerous to tag and trace small items such as thumb drives.

It was moved by Hon. Michel Samson and seconded by Hon. Labi Kousoulis that the following changes be made to Directive #1:

1. Furniture and equipment under clause 23(1)(a):

- (a) adding “that costs greater than \$50.00” to the heading.

2. Computer equipment under clause 23(1)(c):

- (a) adding “that costs greater than \$50.00” to the heading;

- (b) striking out the listing under the heading and substituting the following list:

(a) personal computers or laptop computers or any combination thereof not exceeding four units (unless more staff in office) along with operating software (e.g. MS Office Suite);

(b) application software (e.g. Adobe);

(c) hardware peripherals (e.g. mouse, speakers, memory cards, thumb drives, etc.);

(d) network routers, switches, modems and other equipment associated with a computer network;

(e) one shredder;

(f) one television set 32 inches or smaller;

(g) office and employee security devices;

(h) one camera;

(i) one air conditioner (if none provided in facility);

(j) up to two printers (covered under 23(1)(f));

(k) one scanner (covered under 23(1)(f));

* or a unit that combines some or all of the above functions

(l) one fax machine (covered under 23(1)(b));

(m) one photocopier (or lease arrangement) (covered under 23(1)(f));

(n) telephones with answering devices or services (covered under 23(1)(b));

CARRIED

It was clarified that these changes are not retroactive.

b) Amendment to subsection 8(2) and 23(11) of the *Regulations*

The proposed amendment to subsection 8(2) clarifies and requires the repayment of an overpayment made in error from public funds.

The proposed amendment to subsection 23(11) is to correct the name of a department.

It was moved by Hon. Frank Corbett and seconded by Hon. Chris d'Entremont that the following amendments be made to the *House of Assembly Management Commission Regulations*:

Subsection 8(2) of the *House of Assembly Management Commission Regulations* is repealed and the following subsection substituted:

(2) Where through inadvertence or otherwise a claim made by a member is paid from public funds and it is discovered that

(a) the claim should not have been paid or honoured because it was in excess of the maximum allowed for that category of expenditure; or

(b) the claim was paid in error,

the member is liable for repayment of the over-payment and must, upon request, immediately pay the amount due to Her Majesty in right of the Province.

Subsection 23(11) of the regulations as amended on October 19, 2010, is further amended by striking out “Economic and Rural Development” in the fourth line and substituting “Internal Services”.

CARRIED

11) MLA constituency office expenses

Hon. Frank Corbett indicated that a number of changes since the last election such as changes in constituency boundaries resulting in larger geographical constituencies and accessibility requirements for constituency offices have resulted in additional financial pressures for members. He thinks that it may be possible to address these issues by incorporating the travel and franking allowance into the universal constituency budget. He indicated this would not represent “new” monies but rather the re-allocation of monies.

It was moved by Hon. Frank Corbett that the franking travel allowance would be collapsed into one global budget for constituency expenses rather than have the franking and travel allowance separate effective April 1, 2015.

The motion was then discussed. Mr Ferguson indicated that currently when a member ceased being a member that they are entitled to the same three months of constituency expenses to close their constituency offices, however, they cannot access the franking and travel allowance for the additional three months – however if there was one universal budget and it was available during the three month period, some members would receive larger amounts than others to close their offices. Hon. Frank Corbett acknowledged this caution and indicated his motion was a possibility and he was open to all ideas to address the situation.

Mr Ferguson asked for clarification as to whether the franking and travel amount would be divided by twelve so that 1/12th would be added to each of the 12 monthly constituency expense amount.

Hon. Chris d'Entremont indicated that the additional constituency expenses need to be addressed, but there may be different options for doing this and there needs to be controls put in place regarding additional monies for the expenses.

Hon. Labi Kousoulis suggested that perhaps the franking and travel allowance could remain as it presently exists and when members went over their monthly constituency allowance they could claim the “overture” expenses from the franking and travel allowance. This would provide flexibility and when a member ceased to be a member the three month allowance to close the office would be limited to the constituency expenses and be separate from the franking and travel allowance.

Hon. Michel Samson indicated that he supported Hon. Frank Corbett's motion and he seconded the motion that the franking and travel allowance be rolled in the constituency budget as a lump sum amount and not be divided in twelve installments.

Mr Lloyd Hines noted the impacts on his ability to service his constituents because of the large geographical size of his constituency.

In response to Mr Fergusons' inquiry Hon. Hon Frank Corbett indicated he was amending his motion to reflect Hon. Michel Samson's comments that the franking and travel allowance be transferred and become a universal yearly amount in addition to the constituency allowance rather than be made available in 12 monthly installments.

Ms Boucher clarified for the members of the Commission, in response to a comment, that a motion with the exact text of the Regulation amendment would require the approval of the Commission before it could be sent for filing with the Registrar of Regulations. This is necessary because of the statutory requirement that the Commission's Regulations and any amendments made thereto be filed with the Registrar of Regulations. A future meeting will be required to approve the text of the amendments to give effect to the motion.

The questions on the amended motion made by Hon. Frank Corbett and seconded by Hon. Michel Samson was called and the motion was carried.

12) Caucus moving expenses following the October 2013 general election

Hon. Frank Corbett indicated that after the election the New Democratic caucus incurred moving expenses of approximately \$22,000.00. Historically these expenses were paid from transitional funding and not from ordinary caucus expenses.

Mr Ferguson explained that in the past the Internal Economy Board obtained additional funding from Treasury Board for these moving expenses as they were not included in the regular budgets.

It was moved by Hon. Michel Samson and seconded by Mr Lloyd Hines that the House of Assembly Management Commission support a request to Treasury Board to reimburse the NDP caucus for their relocation expenses following the October 2013 General Election in the amount of \$22,185.03.

CARRIED

13) Asset inventory management

Hon. Michel Samson indicated questions have arisen regarding the current requirement that framing be included and registered for asset inventory purposes. The particular issue relates to customized framing.

It was moved by Hon. Michel Samson and seconded by Hon. Frank Corbett that all existing framing recorded on the asset inventory management system be removed and that future framing be exempted and not added to the system.

CARRIED

The meeting adjourned at 4:15 p.m.

The House of Assembly Management Commission went into an in camera meeting pursuant to Section 9 of the *House of Assembly Management Commission Act* at 4:17 p.m.

At 4:27 p.m. the decision made in camera was reported as follows: that the three long-serving staff receive the same salary increase that was provided to civil servants and that these employees continue to receive the same annual salary increases as are provided to civil servants moving forward until their retirement date.

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

Certified

Speaker

Chief Clerk