



Appendix 10.1

House Operations: Allowances and Assistance 2006-2007

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MHA	DISTRICT	CONSTITUENCY ALLOWANCE
Wally Anderson	Torngat Mountains	91,700
Percy Barrett	Bellevue	40,900
Joan Burke	St. George's - Stephenville East	49,700
Roland Butler	Port de Grave	33,500
Edward Byrne	Kilbride	16,100
Jack Byrne	Cape St. Francis	20,000
Felix Collins	Placentia & St. Mary's	33,500
Randy Collins	Labrador West	60,400
David Denine	Mount Pearl	15,500
Kathy Dunderdale	Virginia Waters	15,500
Roger Fitzgerald	Bonavista South	41,300
Clayton Forsey	Exploits	41,300
Terry French	Conception Bay South	21,000
Judy Foote	Grand Bank	41,300
Kathy Goudie	Humber Valley	49,700
Harry Harding	Bonavista North	41,300
Jack Harris	Signal Hill- Quidi Vidi	15,500
Tom Hedderson	Harbour Main - Whitbourne	31,200
John Hickey	Lake Melville	57,100
James Hodder	Port Au Port	49,700
Harvey Hodder	Waterford Valley	15,500
Ray Hunter	Windsor-Springdale	46,300
Clyde Jackman	Burin-Placentia West	40,700
Charlene Johnson	Trinity – Bay De Verde	36,900
Yvonne Jones	Cartwright-L'anse Au Clair	74,900
Ed Joyce	Bay of Islands	46,900
Oliver Langdon	Fortune Bay – Cape La Hune	59,300
Elizabeth Marshall	Topsail	17,300
Thomas Marshall	Humber East	43,500
Kevin O'Brien	Gander	35,700
Paul Oram	Terra Nova	41,200
Sheila Osborne	St. John's West	15,500
Tom Osborne	St. John's South	15,500
John Ottenheimer	St. John's East	15,500
Kelvin Parsons	Burgeo & La Poile	59,300
Gerry Reid	Twillingate-Fogo	41,900
Tom Rideout	Lewisporte	41,300
Bob Ridgely	St. John's North	15,500
Shawn Skinner	St. John's Centre	15,500

Paul Shelley	Baie Verte District	49,700
Loyola Sullivan	Ferryland	35,600
George Sweeney	Carbonear – Hr. Grace	35,600
Trevor Taylor	The Straits – White Bay North	49,700
Anna Thistle	Grand Falls - Buchans	41,300
Dianne Whalen	Conception Bay East and Bell Island	19,400
Danny Williams	Humber West	31,900
Ross Wiseman	Trinity North	40,200
Wallace Young	St. Barbe	49,700
Sub-total		1,797,500



Appendix 10.2

Provincial Summaries of Members' Compensation & Allowances

Appendix 10.2 Provincial Summaries of Members' Compensation & Allowances

Introduction

We canvassed each provincial and territorial legislature to obtain the most relevant and up-to-date information available with respect to Members' Compensation Schemes and Members' Rules and Guidelines for expenditures. Our legislative library was very helpful in this research. After compiling and summarizing the information, we contacted the Clerk in each province and territory for their comments and for confirmation of our interpretation of their rules. The summaries are included in this order:

- Ontario
- Nunavut
- Saskatchewan
- Manitoba
- Alberta
- British Columbia
- Northwest Territories
- Prince Edward Island
- New Brunswick
- Yukon
- Nova Scotia
- Quebec
- House of Commons

ONTARIO

Materials Reviewed:

- Legislative Assembly of Ontario, *Members Handbook: Global Office Support & Communications Budget, Travel & Toronto Accommodation Expenses, Other Members' Expenses and Financial Management Reports* (Toronto: Financial Services, May 2004);
- Legislative Assembly of Ontario *Guide to Members' Allowances and Services and Members' Support and Caucus Staff (Fall 2006)*(Toronto: Legislative Assembly of Ontario, 2006); and
- *Legislative Assembly Act*, R.S.O. 1990, c. L-10.

Analysis:***Key Elements in Compensation Structure****(i) Salary*

Members of the Legislative Assembly of Ontario (“MLA”) had a base salary of \$88,771, as of April 1, 2006. There is no tax-free expense allowance for Ontario MLAs; it was eliminated April 1996. Additional salaries are paid to office holders such as Premier, Ministers, Speaker, Leader of Opposition, Caucus Chair, etc. these are as follows:

Salary Position	Base Salary	Additional Salary	Total
Premier	\$88,771	\$70,395	\$159,166
Cabinet Ministers with Portfolio	\$88,771	\$37,555	\$126,132
Cabinet Ministers without Portfolio	\$88,771	\$17,044	\$105,815
Parliamentary Assistants	\$88,771	\$12,694	\$101,465
Speaker	\$88,771	\$27,696	\$116,467
Deputy Speaker and Chair of the Committee of the Whole House	\$88,771	\$13,138	\$101,909
Deputy Chairs of the Committee of the Whole House	\$88,771	\$9,676	\$98,447
Chairs of Standing and Select Committees	\$88,771	\$12,428	\$101,199
Vice-Chairs of Standing and Select Committees	\$88,771	\$7,102	\$95,873
Chief Government Whip	\$88,771	\$16,245	\$105,016
Deputy Government Whip	\$88,771	\$11,097	\$99,868
Each of not more than 3 Government Whips	\$88,771	\$7,989	\$96,760
Leader of Official Opposition	\$88,771	\$49,002	\$137,773
Leader of Party with recognized membership of 8 or more in the Assembly	\$88,771	\$31,691	\$120,462
House Leader of Official Opposition	\$88,771	\$16,245	\$105,016
Deputy House Leader of Official Opposition	\$88,771	\$7,989	\$96,760
House Leader of Party with recognized membership of 8 or more in the Assembly	\$88,771	\$13,848	\$102,619
Deputy House Leader of Party	\$88,771	\$7,280	\$96,051

with recognized membership of 8 or more in the Assembly			
Chief Whip of Official Opposition	\$88,771	\$12,428	\$101,199
Each of not more than 2 Official Opposition Whips	\$88,771	\$7,989	\$96,760
Chief Whip of Party with recognized membership of 8 or more in the Assembly	\$88,771	\$11,185	\$99,956
Whip of Party with recognized membership of 8 or more in the Assembly	\$88,771	\$7,280	\$96,051
Government Caucus Chair	\$88,771	\$11,097	\$99,868
Official Opposition Caucus Chair	\$88,771	\$11,097	\$99,868
Caucus Chair of Party with recognized membership of 8 or more in the Assembly	\$88,771	\$10,031	\$98,802

(ii) *Severance Allowance & Transitional Assistance*

A severance allowance/death benefit is payable upon the retirement, defeat, resignation or death of a Member, calculated at one month's base salary for each year of service (pro-rated), subject to a minimum payment of six months and a maximum of twelve months base salary. A Member may elect to have the Severance Allowance rolled over into an RRSP account.

When a MLA leaves office, either through resignation, retirement or defeat, a transition amount of up to \$7,000 is made available. This amount may be used any time up to one year after leaving office, and is only provided once in a lifetime. The amount provided may be used for one purpose or for a combination of services; some of it will be a taxable benefit. The intent of this program is to assist MPPs in their move to private life and retirement, or in becoming established in a business or career.

(iii) *Pension Plan(s)*

The *MPP's Pension Act 1996*, S.O. 1996, c. 6, Sched. A, governs the actual terms and conditions of the retirement program for Ontario Members.

The main component of the *MPP's Pension Act* is a registered pension plan. Each month, the Legislative Assembly contributes an amount equal to 5% of the Member's salary (base plus ministerial and additional) to a pension account in his or her name. The funds in this account are invested according to investment options chosen by the Member. Contributions and investment income accumulate tax-free until used to provide a pension. Membership in the pension plan ends on the first of the following: the

retirement, resignation or death of the Member, the day before the polling day on which the Member is defeated or chooses not to run for office, or the end of the year in which the Member reaches age 69.

Members who are 69 or older will receive a 5% equivalent payment beginning January of the year after they reach the age 69; this payment is not tax-sheltered.

In addition to the registered pension plan, the retirement program also provides:

1. A group registered retirement savings plan (RRSP) for the Members' own retirement savings. A Member may also open an account in the group RRSP for his or her spouse;
2. A locked-in retirement account (LIRA) for Members who wish to transfer locked-in funds from another employer's registered pension plan; and/or
3. A non-registered savings plan for non-retirement savings or retirement savings that exceed Revenue Canada's retirement savings limits.

When a Member leaves, he or she is entitled to the full value of all funds in his or her pension accounts. The options available to the Member will vary depending on the type of account.

The options under the registered pension plan are:

- lifetime pension;
- locked-in retirement account (LIRA);
- life income fund (LIF) or locked-in retirement income fund (LRIF); or
- another employer-sponsored registered pension plan - if that plan allows transfers.

If a Member is re-elected after having taken a pension from the pension plan, the Member's salary will be reduced to reflect the amount of pension he or she is receiving. If under age 69, the re-elected Member will automatically be enrolled in the pension plan and pension contributions will be based on the Member's reduced salary.

Key Elements of Allowable Expenses:

(i) Office

The Members' Global Office Support and Communications Budget (or Global Budget) recognizes Members' different needs by:

- providing each Member with flexibility to allocate resources in the most efficient way to meet communications and office requirements;
- simplifying budget administration; and
- recognizing Members' accountability for managing allocated resources.

Under the Global Budget, there are four categories of expenditures that total \$243,200. They are allocated as follows:

- constituency office accommodation \$ 22,950

• support staff salaries	\$159,550
• office operations and supplies	\$31,600
• communications	\$29,100

Effective June 3, 1999, a Northern Member's Travel Budget was added to the Global Budget for eight northern Members. Funding was added for three additional ridings of Sudbury, Sault Ste. Marie and Nipissing in 2006/2007.

- Kenora-Rainy River and Timmins-James Bay (\$20,000 annually);
- Algoma-Manitoulin, Thunder Bay-Superior North and Timiskaming-Cochrane (\$15,000 annually);
- Nickel Belt, Parry Sound-Muskoka and Thunder Bay-Atikokan (\$10,000 annually); and
- Sudbury, Sault Ste. Marie and Nipissing (\$5,000 annually).

Constituency Office Accommodation includes, but is not limited to, rental of permanent or temporary offices and other accommodation expenses within the riding, such as rent, utilities, taxes, security and janitorial services. The Assembly does not fund personal expenses or charges incurred on premises owned by the Member or his or her, immediate family or relatives, or in political party offices or headquarters.

A staff allowance is provided to cover the salary cost of support staff Member's hire to work in either their constituency or Queen's Park offices. The allowance, established by the Board of Internal Economy, is currently \$159,550. There are no limits to the number of staff a Member may hire out of this allowance, and Members are permitted to hire all categories of staff at either Queen's Park or their constituency office. Members are not permitted to hire and retain in employment employees with whom they share any of the following relationships:

- spouse, including common-law spouse, same-sex partner
- parents
- children
- siblings
- grandparents
- grandchildren
- in-laws (mother, father, son, daughter, brother and sister)
- ward
- guardian

Queen's Park support staffs are provided with separate working areas and the standard entitlement of office furniture and equipment. Interviewing and hiring support staff is the individual Member's responsibility, as these are employees of the Member, of the Legislative Assembly.

Office Operations and Supplies and Communications expenses include, but are not limited to such items as, office supplies, equipment rentals, staff travel, printing, framing

(office pictures, scrolls), advertising, pins/flags, courier, postage, flyers, and photocopying charges.

The Global Budget does not fund hospitality, gifts or expenses of personal nature (e.g. funeral flowers). In particular, a Member is not entitled to claim the following expenditures: hospitality (except refreshments for meetings), gifts, works of art, vehicles, stereos, bar supplies and equipment, items or services of a partisan, political or personal nature, items for use by a political association and/or business controlled and/or owned by a Member, or a Member's family, expenses of business owned/controlled by a Member, or a Member's family.

(ii) *Travel*

A Member of the Assembly, other than the Speaker, whose principal residence is outside a 50km radius of the seat of government at Toronto, is eligible to be paid the actual cost of his/her accommodation within Toronto, up to a maximum amount for the fiscal year as determined by the Board of Internal Economy. A Member whose principal residence is within a 50km radius of the seat of government at Toronto may be reimbursed for actual costs of accommodation in Toronto, if the costs are incurred due to special or unusual circumstances while on business as a Member of the Assembly.

Members continue to be eligible for reimbursement for travel expenses while on business as a Member of the Assembly. Each Member is allotted a total of 64 travel points per fiscal year; one travel point is equal to one return trip. Members may choose to allocate their 64 points for use as follows:

- Air travel between Queen's Park and their residence for Members (including travel to Toronto for committee business);
- Assembly business travel within Ontario (up to a maximum of 40 return trips by any mode);
- Family travel between Queen's Park and the Member's residence by air, bus or train; and
- Northern Members travel – 4 days of travel by air charter (one return trip equals one trip/point).

Travel points may not exceed 64 points each fiscal year for all three combined categories and identified modes of travel. Members' travel between Queen's Park and their residence by automobile, bus or train is not counted as part of the 64 point travel system nor is family travel by automobile.

There are no limits on Members' travel by car, bus or train within their constituency or when travelling between their constituency and Queen's Park. All Members receive 34 cents per kilometre for reimbursement of automobile expenses. All Members may receive reimbursement for travel to any destination in Ontario for Assembly business, up to the following limits:

- 40 round trips (part of the 64 point travel system)
- 8 nights accommodation

- 12 days of meals

Each fiscal year, northern Members are allowed to charge four days of air charter travel within their riding to the 64 point travel system. Trips taken on these days will be counted the same way trips are counted under the 64 point travel system-one return trip equals one trip/point.

Under special circumstances, where it is impractical or unsafe to return home, Members representing southern ridings may receive reimbursement up to \$2,730 in accommodation and meal expenses incurred in their own constituency.

Each Member of a standing or select committee of the House may claim the actual cost of accommodation (outside Toronto), transportation, meals and gratuities charged to the appropriate legislative committee budget.

Travel reimbursements must be supported by original receipts and substantiated by travel logs.

(iii) Accommodation

All eligible Members are entitled to claim the cost of accommodation in Toronto, subject to the 2006/2007 fiscal year ceilings of \$17,643 for private Members and \$18,643 for Ministers of the Crown and Leaders of the Opposition and a recognized party. Budgets are pro-rated on change of appointment. Costs incurred for the following may be claimed if not included in rental charges:

- utilities;
- telephones (Communication costs incurred for Assembly business, such as telephone, faxes and internet, are funded by the Legislative Assembly outside of the Members' Global Budget.);
- cleaning services;
- furniture rental;
- television and cable TV rental;
- apartment contents insurance; and
- parking charges within the apartment or hotel/motel.

The Legislative Assembly provides funding only for Toronto apartment leases that do not exceed one year in length. Members who own accommodation (*i.e.* legally on title) in Toronto and are eligible for the Toronto Accommodation Allowance are permitted to claim the costs of property taxes, insurance, heat, electricity, telephone rental and long distance charges, and sewage and water charges, up to the maximum level established by the Board of Internal Economy. Receipts must accompany all claims for reimbursement.

Members may not claim the costs of:

- food;
- personal laundry;
- moving expenses;

- lease transfer fees;
- pay TV subscriptions;
- decorating charges;
- other personal expenses;

The purchase of furniture and appliances is not allowed. However, a monthly claim for depreciation (over five years) of furniture and household appliances owned by a Member may be made.

(iv) *Other*

Expenditures funded by the Ontario Legislative Assembly, in addition to the Members' Global Budget Amount, are as follows:

- insurance for Members' liability and property damage;
- benefits for Members' staff;
- offices at Queen's Park;
- certain furniture and equipment entitlements for both Queen's Park and constituency offices;
- telephone services, such as toll free numbers and long distance charges when away from office;
- Members' communication equipment costs outside Members' Global Budget, including:
 - purchase or rental of photocopiers, faxes, cell phones and personal data assistants, and
 - all service and maintenance costs related to the above items;
- notice and vacation pay for terminated Members' support staff;
- upgrade Members' systems (hardware) – to fund to two computers at Queen's Park and one computer for constituency offices;
- upgrade of second computer and a local area network at Members' constituency office;
- upgrade of Members' systems (software) – to upgrade software for Members' offices deemed appropriate in discussions with caucus representatives;
- upgrade of Members' servers to a clustered configuration and ongoing maintenance of that configuration;
- funding for the former Ontario Parliamentarians Association.

Effective April 1, 2003, communication costs from Members' residence(s) are not a charge to either the Members' Toronto Accommodation Budget or the Members' Global Budget, but rather are funded by the Legislative Assembly directly. Toronto accommodation telephone service and equipment rental costs can be reimbursed monthly. Monthly telephone service and equipment rental costs from residence(s) other than Toronto accommodation are reimbursed when the service has been established *solely* for Assembly business. Long distance costs from Toronto accommodation and other

residence(s) will also be an Assembly-paid item. Costs incurred at a Member's residence(s) for fax or internet use *solely* for Assembly business can be reimbursed.

The cost of such incidental supplies such as toner, paper supplies and software etc. necessary for computers, printers and faxes located at Members' residence(s) and used solely for Assembly business would be an allowable reimbursement and charged to the Member's Global Budget.

However, rental charges for office equipment located at a Member's residence(s) other than telephone, fax, computers and printers (*e.g.* postage meters, photocopiers) would not be reimbursed, and cannot be charged to the Members' Global Budget or Members' communication equipment costs.

As well, the costs associated with the operation of a home office in a Member's residence (such as rent, utilities, furniture and equipment) cannot be reimbursed and charged to the Global Budget.

NUNAVUT

Materials Reviewed:

- *Legislative Assembly of Nunavut Members' Handbook (September 2005)*
- *Rules of Legislative Assembly of Nunavut (February 2006)*
- *Legislative Assembly and Executive Council Act (Nunavut), S.Nu. 2002, c.*

Analysis:

Key Elements in Compensation Structure

(i) *MLA Pay Indemnities*

Sections 25, 26 and 27 of the *Legislative Assembly and Executive Council Act*, S.Nu. 2002, c. 5 (the *Act*) provide a series of indemnities to Members to assist in their day-to-day duties as Members of the Legislative Assembly. The Nunavut government sees an indemnity as a taxable dollar payment for work done-essentially a salary. Each Member is paid an annual indemnity (or salary) of \$67,530; this was increased to \$68,543 in April 2006. Additional annual indemnities paid for holding specific offices are as follows:

Position	April 2005	April 2006
Speaker	\$58,133	\$59,005
Premier	\$69,061	\$70,097
Minister	\$58,133	\$59,005
Deputy Premier	\$63,597	\$64,551
Deputy Speaker	\$6,775	\$6,876
Deputy Chair, Committee of the Whole	\$3,934	\$3,993
Chair of Standing or Special Committee	\$3,387	\$3,438
Chair of Full or Regular Caucus	\$2,295	\$2,329

Section 27 of the *Legislative Assembly and Executive Council Act* provides for the payment of meeting indemnities to allow regular Members to fulfill committee duties such as those on the standing or special committees or the Management and Services Board. The *Act* also provides for the payment of committee-meeting indemnities during travel days for Members to attend committee meetings. The indemnity is pro-rated according to arrival/departure of meeting times. A committee-meeting indemnity of \$255 per day (as of April 2006), or a pro-rated amount thereof, is paid for any regular Member who travels at least one full day to a committee meeting; up to a 1/2 day indemnity is paid to a Member who may be travelling to the committee meeting for less than a day.

A Member's residency is used to determine some payments under the *Legislative Assembly and Executive Council Act*; for example, living allowance payments are based

on residency. As well, the Nunavut Northern Allowance, which is paid to all Members, is based upon a Member's community of residence. Members are entitled to bank their Northern Allowance rather than receive it each pay.

Members' annual pay indemnities and any daily pay indemnity received for committee work is fully taxable. In compliance with section 22 of the *Nunavut Act*, R.S.C. 1993, c. 28 the first \$1,000 paid each year to a Member is not taxable and is not included in gross earnings for taxation purposes. Reimbursements made for receipted constituency expenses are not taxable. The daily living allowance received for performing constituency, committee or sessional duties is also not taxable.

(ii) *Transitional Allowance*

Upon leaving office, a Member is entitled to a taxable Transitional Allowance of six weeks pay for each year of continuous service. A Member is entitled to this allowance, which is intended to assist in the transition from public to private life, irrespective of the reasons he or she has ceased to be a Member. Based upon the Member's total base pay (basic indemnity plus extra indemnity, if applicable), it does not include the Nunavut Northern Allowance or any committee pay that may be earned. The Transitional Allowance is also tied to changes in the rates of pay of the public service as per the *Public Service Act*. Since April 2, 2006, the current maximum has been \$77,638.

(iii) *Pension Plan(s)*

The Legislative Assembly of Nunavut provides a registered defined-benefit contributory pension plan for its elected Members (the Retiring Allowances Act Plan or RAAP). Members are required to join the plan as soon as they are elected. A Member who completes four or more years of service, or serves at least one full term as a Member of the Legislative Assembly, is entitled to a retirement pension upon leaving office.

When a Member retires payments from the pension plan are based upon 2% of the best average earnings over four consecutive years as a MLA, multiplied by the number of years of credited service, up to a maximum of 30 years. For the positions of Premier, Speaker, Minister or other positions as defined by Section 12 (1) of the Act, 2% of the best average earnings over four consecutive years are multiplied by credited service.

Retirement must be taken upon reaching the first of the following requirements: the Member turns 60; the Member has provided 30 years of credited service; or, the combination of the Member's age and years of credited service equals 80.

The Legislative Assembly of Nunavut also provides a supplementary retirement allowance plan (Supplementary Retiring Allowances Act Plan or SRAAP) for its elected Members. Members are eligible to join the plan as soon as they are elected.

Members must contribute 6.5% of their pensionable salary/indemnity towards the RAAP. If a Member elects to participate in the SRAAP, they must contribute an additional 2.5%

(or 9% in total) to the RAAP in order to obtain an income tax deduction for their contributions.

Payments from the SRAAP when a Member retires are based upon 3% of the best average earnings over four consecutive years as a MLA, multiplied by the number of years of credited service up to a maximum of 30 years. Plus, 3% of the best average earnings over four consecutive years in each of the positions of Minister, Speaker or Premier or other position as defined in Section 12 (1) of the Act, multiplied credited service for each position. A position must be held for at least one year for a pension to be paid; the pension for each position is calculated separately.

Members may supplement their pension by contributing to a personal tax-sheltered Registered Retirement Savings Plan (RRSP).

Key Elements of Allowable Expenses

(i) Sessional Living Allowance

Allowances are provided to assist Members in carrying out their duties. They are provided to pay the cost of accommodation, meals, taxis and incidentals. Allowances are non-taxable payments.

The amount paid for Sessional Living Allowance depends upon the Member's place of residence. If a Member lives within commuting distance, he/she is paid the current government of Nunavut ("GN") per diem for each day that the House is in session and the Member attends. This does not include weekends, unless the Assembly is meeting on weekends. The GN per diem covers meals and out-of-pocket expenses such as taxis and telephone calls. If a Member does not live within commuting distance, and arranges hotel lodging or private accommodation while en route to the session, \$250 is paid for each night the Member is away from his/her home. This includes travel time and weekends, if the Member is required to be absent from his/her community over a weekend. The \$250 allowance is to pay for accommodation, meals and miscellaneous out-of-pocket expenses, such as taxis, local telephone calls and laundry. On the day the Member returns to his/her community, the allowance is reduced to the current GN per diem, as accommodation is not normally required.

Travel and hotel arrangements for Members are pre-arranged in advance by Corporate Services. Corporate Services provides return transportation between the Member's place of residence and Iqaluit, or the place where the Session is to be held; see section 28 , subsection (3)(a) of the *Act*. In addition to this trip, according to section 30 of the *Act* a Member who attends the Session is entitled to:

- one return air trip between the Member's home and place of the Session;
- a second trip, as described above, after the Member has attended for five sitting days;
- a third trip, as described above, after the Member has attended the Session for 20 sitting days; and

- a fourth trip, as described above, after the Member has attended the Session for 35 sitting days.

In addition, a Member's spouse, or a person designated by the Member, is entitled to one return air trip between the Member's home and the place where the Session is being held. Additional trips may be charged to the Member's constituency budget, if it can be shown that the Member is attending to constituency business while in the capital or needs to return home to attend a constituency-related matter.

(ii) *Standing or Special Committee Living Allowance*

Members attending a meeting of a standing or special committee receive a living allowance. If a Member lives within commuting distance, he/she is paid the current GN per diem for each day that the committee meets and the Member attends. This does not include weekends, unless the committee is meeting on weekends. The per diem covers meals and out-of-pocket expenses such as taxis and telephone calls. If a Member does not live within commuting distance and arranges hotel lodging or private accommodation while en route to the Session, \$250 is paid for each night the Member is away from his/her home. This includes travel time and weekends, if the Member is required to be absent from his/her community over a weekend. The \$250 allowance is to pay for accommodation, meals and miscellaneous out-of-pocket expenses. On the day the Member returns to his/her community, the allowance is reduced to the current GN per diem, as accommodation is not normally required. If lodging is paid directly by the Assembly, which is the fact for most meetings in Iqaluit, only the current GN per diem is paid. Living allowance for meetings of standing and special committees is not paid when a session of the Legislative Assembly is sitting.

For Members who do not live within commuting distance of the meeting location, reasonable costs of return transportation between their home and the meeting location are paid. Generally, transportation is by air and this cost is paid directly by the Legislative Assembly.

(iii) *Constituency Living Allowances*

A Daily Living Allowance, intended to cover the cost of meals and other out-of-pocket costs, is available to a maximum of 90 days and paid to Members engaged in constituency business or some other business that is directly associated with their responsibility as a Member.

(iv) *Travel Allowances Outside Nunavut, and International Travel*

Members wishing to travel at the Assembly's expense outside of Nunavut, but within Canada, must seek approval of the appropriate standing committee or the Management and Services Board ("MSB") prior to departure. Approved travel expenses incurred on behalf of Members are paid by the Assembly. All travel must be undertaken in the most

cost-effective and economical manner. A living allowance is paid by the Assembly, and charged against the appropriate budget. *Additional pay indemnities are not paid.* Travel by spouses or designates to conference events is not permitted at public expense; participation in conference events by spouses or designates is also not permitted at public expense.

(v) *Constituency Expenses*

Members are entitled to be reimbursed for reasonable expenses they have incurred in order to engage in constituency work. These would include expenses to meet with constituents on community issues, expenses related to the operation of the Member's office in the community, and expenses related to the promotion of the Member in his or her role in supporting their constituents. The *Legislative Assembly and Executive Council Act*, section 31(4), states:

a member is entitled to be reimbursed for any other *reasonable expenses* incurred by the member in order to engage in the constituency work on production of receipts or other documentation satisfactory to the Management and Services Board. [italics added].

Reasonable expenses incurred in constituency work include:

1. travel expenses to meet with constituents or with federal/provincial or territorial officials to discuss issues of concern to constituents;
2. advertising—for example, constituency office hours, contact numbers for the Member, or notices of constituency meetings;
3. office supplies;
4. promotional items;
5. rental of rooms for constituency meetings;
6. food provided at constituency meetings;
7. telephone/fax lease and long distance charges;
8. computer hardware and software used exclusively by the Member or the Member's constituency assistant;
9. photocopying charges;
10. postage; and
11. constituency newsletters.

The following are not legitimate constituency expenses:

1. Travel costs for spouses or dependants cannot be reimbursed, unless the individual is travelling in order to perform constituency work on the Member's behalf. In such cases, the Member must provide details in writing;
2. Travel costs for constituents cannot be reimbursed, unless the constituent is travelling and performing constituency work on behalf of the Member. The Member must provide details in writing;

3. Donations of cash cannot be reimbursed. Members may donate up to \$1,000 in goods to events such as feasts and community events. It is recommended that, to better support the expense as a constituency work-related expense, the MLA and/or the Constituency Assistant attend the event to show support to his/or her community and constituents;
4. Sponsorships for individuals or groups cannot be reimbursed; and
5. Cost of artwork or craft items for constituency offices cannot be reimbursed.

(vi) *Modes of Travel*

If Members travel by aircraft, scheduled air service is to be used whenever possible. When Members travel using their own vehicles, they will be reimbursed the lesser amount of the cost of return airfare, the cost of gas (upon production of receipts), or the current GN reimbursement rate per kilometre. The per kilometre rate remains the same regardless of the kind of vehicle used (*i.e.*, snowmobile, car, airplane);

(vii) *Constituency Budget Entitlements*

Members have three budgets to assist them in fulfilling their constituency obligations: Constituency Work Expense Budget, Constituency Living Allowance Budget, and Constituency Assistants Budget.

Maximum yearly entitlements for constituency work expenses are outlined in Schedule B of the *Legislative Assembly and Executive Council Act*, and are district specific.

Each Member has a communication budget, which has a base amount of \$3,000 plus an additional amount to defray the costs of long distance telephone calls while the Member is in Iqaluit for sessions or meetings. All constituency telecommunication charges will be applied to this budget, such as telephone and fax charges for constituency offices; all charges against telephone and fax lines located in regular Members' offices in the Legislative Assembly building; all charges for calling cards, cell phones, and satellite phones; and regular monthly Internet online billings.

As stated above, Members are entitled to claim up to 90 days of Constituency Living Allowance during the fiscal year. This allowance is intended to assist with the cost of meals and other out-of-pocket expenses. Members are paid the current GN per diem (approximately \$116 daily) when they perform work in their home community; when they work outside their home community and where the Assembly does not pay additional costs of accommodation, Members are paid a per diem of \$250.

Constituency assistants are key resources that Members depend upon to assist them in fulfilling their responsibilities. All MLAs are entitled to engage the services of a constituency assistant. The budget for constituency assistants current to April 1, 2005 was as follows: \$46,100 (base salary); \$51,900 (one additional community); \$57,700

(two or more communities). In addition, the Northern Nunavut Allowance is paid to all constituency assistants to help defray the high cost of living in northern communities.

(viii) Constituency Offices

Members can make arrangements through Corporate Services or the Management and Services Board to lease office space in their constituencies, subject to specific guidelines regarding location, approval process and leasing terms. Members are entitled to receive an allocation of office furniture and equipment for use in their constituency office. In addition, Members can purchase additional items, so long as they are charged to their Constituency Work Expense Budget. Members are allocated furniture, a computer and equipment for use in their constituencies. This initial allocation is provided from the Assembly budget, immediately after the Member has been elected in a general election.

SASKATCHEWAN

Materials Reviewed:

- *Saskatchewan Legislative Assembly – Directives of the Board of Internal Economy Procedures Manual;*
- *Rules and Procedures of the Legislative Assembly of Saskatchewan (Adopted April 3, 2003);*
- *Legislative Assembly of Saskatchewan Code of Ethical Conduct for Members of the Legislative Assembly;*
- *The Legislative Assembly and Executive Council Act, 2005, S.S. 2005, c. L-11.2.;*
- *Province of Saskatchewan Report of the Independent Review Committee on MLA Indemnity (June 2006); and*
- *Legislative Assembly of Saskatchewan Board of Internal Economy Directives 2006 and Members' Pay Information 2006.*

Key Elements in Compensation Structure:

(i) Annual Indemnity

The *Legislative Assembly and Executive Council Act, 2005*, R.S.S. 2005, c.L-11.2 (“LAEC, 2005” or the “Act”), and the Board of Internal Economy (“BOIE”) Directives outline MLA compensation and allowances for the Province of Saskatchewan.

Sections 47 through 49 of the *Act* outline the Members’ entitlements. Every Member is entitled to be paid an annual indemnity and annual expense allowance. Every Member is also entitled to reimbursement for expenses and payments of expenses as determined by the Board for the following:

1. a per diem allowance for expenses of Members;
2. travel expenses incurred by Members to discharge their duties as Members;
3. telephone and related expenses incurred by Members;
4. office expenses or constituency assistant expenses, or both, incurred by Members with respect to their duties as Members;
5. postal, advertising and other communication expenses incurred by Members with respect to their duties as Members;
6. a special provision for travel expenses incurred by a Member who represents a northern constituency, with respect to the Member’s duties;

7. a retirement allowance for individuals who cease to be Members;
8. expenses incurred by the Speaker or Deputy Speaker while absent from his or her place of residence for the purposes of attending to the duties of the Speaker's office, other than as a member of a committee mentioned below;
9. a per diem indemnity and reimbursement for expenses incurred by Members who serve on a committee appointed by a motion of the Legislative Assembly or pursuant to the Rules and Procedures of the Legislative Assembly for each day that either the Legislative Assembly is not sitting, or the Legislative Assembly is sitting but the business of the committee occurs outside Regina.

Under Directive 21 issued by the BOIE, every Member of the Legislative Assembly shall be paid an annual indemnity of \$64,817¹ payable in 12 equal installments, in arrears, on the first day of each month for the previous month. A deduction shall be made from the annual indemnity payable to a Member in the amount of \$200 for each day on which the Member is absent from a sitting of the Legislature for reasons other than specific exemption, or the Member is named by the Speaker and suspended from the Chamber for the remainder of the day's sitting.

No deduction shall be made if a Member is absent from a sitting of the Legislature for the following reasons:

1. constituency business;
2. business of:
 - (i) the Government of Saskatchewan,
 - (ii) the Legislative Assembly, or
 - (iii) the Member in respect of his or her duties as
 - (A) a member of a caucus or a Committee of the Assembly,
 - (B) a critic of a department, a program, or a Crown corporation, or
 - (C) Leader of the Opposition or Leader of the Third Party;
3. bereavement;
4. serious illness related to the Member's family;
5. exceptional family circumstances, approved by the Speaker; or
6. injury to or illness of the Member, certified to, if of more than five days duration, by a duly qualified medical practitioner.

As of April 1, 2006, every Member of the Legislative Assembly was to be paid an annual expense allowance of \$5,426².

In June 2006 the Independent Review Committee on MLA Indemnity released a report reviewing MLA compensation in Saskatchewan. The Committee confirmed that the current salary, effective April 1, 2006, was made up of the basic indemnity (\$64,817) and annual expense allowance (\$5,426), as stated above. The annual expense allowance was officially classified as a reimbursement for expenses and was not subject to income tax. It

¹ CPI applied April 1, 1997-2004; 1% applied April 1, 2005, and 2006.

² CPI applied April 1, 1997-2004; 1% applied April 1, 2005, and 2006

was paid monthly to Members without requiring receipts and is considered earnings for pension purposes. In order to compare Saskatchewan MLA salaries with those of other jurisdictions and with other private and public sector groups in the province, the Committee added a taxable equivalent value of the allowance (grossed-up amount) to the basic salary. The grossed-up value depends on the MLA's taxable income as follows:

Taxable Income	Marginal Tax Rate (Sask. 2005)	Grossed-up Value Expense Allowance
\$37,000 - \$71,100	35%	\$8,356
\$71,200 - \$105,000	39%	\$8,898
\$105,100 - \$115,700	41%	\$9,170
\$115,800 -	44%	\$9,712

MLA indemnity and allowances were adjusted annually on the first day of April according to the annual increase in the Consumer Price Index for Saskatchewan. This continued to be the pattern until April 1, 2004, when the annual expense allowance was adjusted by the increase in cost of living (2.4%) on April 1, 2004 followed by a 1% increase on April 1, 2005 and a 1% increase on April 1, 2006.

The Committee received several submissions, including one from the Canadian Taxpayers Federation that called for the elimination of the annual expense allowance. The tax-free allowance is an irritant and is resented by the public. The rationale for maintaining the tax-free expense allowance is to reimburse MLAs who are asked to support many events, functions and organizations by purchasing tickets and/ or by donations that are not claimable expenses. If the tax-free allowance were eliminated, the annual indemnity would need to be increased by the amount of the taxable benefit of the expense allowance. The cost to the Saskatchewan Government would increase by the amount that the basic indemnity was adjusted, plus any matching pension contributions. This additional cost would be partially offset by the province's share of the income tax on the increased indemnity.

The Committee concluded that eliminating the annual expense allowance, with an appropriate adjustment to the annual indemnity, would be more equitable, clear and understandable to the public than the continuation of the current system.

They therefore recommended that the current annual expense allowance (tax-free) of \$5,426 be eliminated and that MLAs receive an annual indemnity of \$80,500.

The Independent Review Committee also made the following recommendations:

1. The Consumer Price Index for Saskatchewan, applied April 1 of each year, should continue to be used to adjust the salaries and allowances of Members of the Legislative Assembly;
2. Mandatory independent reviews should be conducted at least every five years to examine relevant components of MLA compensation, including allowances for additional duties, transition, expense allowances, pension and benefits; and

3. Once the Board of Internal Economy has considered the recommendations of such reviews and has set Members' salaries and allowances, the Board should no longer have the authority to adjust such amounts, other than accountable expense allowances, between independent reviews, and Members should be obliged to accept the salaries and allowances to which they are entitled.

(ii) *Additional Duties and Committees*

A Member who occupies certain office positions is entitled to be paid, in addition to amounts payable to him or her as a member, an annual salary at the rate determined by the BOIE. The annual allowance for extra duties is as follows:

Positions	2005-06 Amount	2006-07 Amount
Speaker	\$34,779	\$35,127
Deputy Speaker	\$11,859	\$11,978
Premier	\$57,967	\$58,547
Deputy Premier	\$46,375	\$46,839
Minister	\$40,578	\$40,984
Leader of the Opposition	\$40,578	\$40,984
Leader of the Third Party	\$20,289	\$20,492
Deputy Chair of Committees	\$5,930	\$5,989
Legislative Secretary	\$11,859	\$11,978
Deputy Leader of the Opposition	\$11,859	\$11,978
Government House Leader	\$11,859	\$11,978
Deputy Government House Leader	\$5,930	\$5,989
Opposition House Leader	\$11,859	\$11,978
Deputy Opposition House Leader	\$5,930	\$5,989
Third Party House Leader	\$5,930	\$5,989
Government Whip	\$11,859	\$11,978
Opposition Whip	\$11,859	\$11,978
Third Party Whip	\$5,930	\$5,989
Government Deputy Whip	\$5,930	\$5,989
Opposition Deputy Whip	\$5,930	\$5,989
Chair, Standing/Special Committee	\$11,859	\$11,978
Deputy Chair, Standing or Special Committee	\$5,930	\$5,989

If a Member holds more than one position as Speaker, Deputy Speaker or another position that entitles the holder to an additional amount payable, the Member is entitled only to be paid for the position with the higher amount.

Under section 7 of Directive 21 from the Board of Internal Economy, every Member with additional duties in the Legislative Assembly shall be paid a specific annual allowance for extra duties. The BOIE directs that Members are eligible to receive remuneration for the additional duties associated with the position of Chair and Deputy Chair for the

following committees: Standing Committee on Public Accounts; Standing Committee on Human Services; Standing Committee on the Economy; Standing Committee on Crown and Central Agencies; and Standing Committee on Intergovernmental Affairs and Infrastructure.

On April 1, 2007, and April 1 of each year thereafter, the annual indemnity, the annual expense allowance and the allowances for extra duties shall be increased or decreased by the annual change in the Consumer Price Index for Saskatchewan.

Every Member who serves on a committee appointed by the Legislative Assembly or pursuant to the Rules and Procedures of the Legislative Assembly is entitled to be paid a per diem indemnity of \$92 for each day a Member attends a committee meeting, or attends to the business of a committee, outside of session or outside of Regina when session is on (as provided by section 49(3)(i) of the *Act* and Board of Internal Economy). A Member may claim mileage costs and living expenses (meals and accommodation) for each meeting day, in accordance with the travel allowance rules outlined below. The indemnity and expense shall be charged to the appropriate committee budget.

(iii) *Pension Plan*

Members may enrol in the Public Employees Pension Plan (PEPP), which is designed to provide lifetime retirement benefits for participants. PEPP is a defined-contribution (money purchase) pension plan. Contributions to the plan will be used to provide a Member with income upon retirement. Members contribute 9% of their salary to PEPP. The salary includes the amount payable to a Member (annual indemnity and annual expense allowance); in the case of a Member with additional responsibilities, the amount of salary or allowance paid for that other position, including any allowance or grant that is payable with respect to travelling expenses of costs of staff, stationery or services.

The Province of Saskatchewan matches the Members' contributions up to the maximum permitted under the *Income Tax Act*. Contributions become locked in and vested following one year of membership in the plan. Age 65 is the normal retirement age; however, a Member is eligible to retire and receive retirement income at age 50.

(iv) *Transition Allowance*

A Transition Allowance is paid to a Member who ceases to be a Member due to defeat, does not stand as a candidate for re-election, or resigns due to personal illness. This allowance is equal to one month's indemnity (pursuant to Directive 21 above), for each period of 12 months of service to a cumulative lifetime maximum of 12 months to be paid monthly payments made during the transition period.

Key Elements of Allowable Expenses

Members are entitled to claim from a number of expense categories to assist them in fulfilling their duties and responsibilities. The guideline to assist a Member in deciding if a payment is appropriate is to ask: “Can this expenditure be justified to my constituents?”

(i) Travel

Every Member has an annual accountable allowance for travel. For Members representing constituencies wholly located in the city of Regina, the maximum allowable travel and living expense is the sum of (i) 30,000 kms multiplied by the highest amount per km paid during the year to Saskatchewan federal civil servants, and (ii) \$4,880. For Members representing constituencies of 100 square kms or less, the maximum allowable is the sum of (i) the distance in kms for 52 round trips plus 30,000 kms multiplied by highest amount per km paid during the year to federal civil servants and (ii) \$9,760. For Members who represent constituencies of more than 1,000 square kms, the maximum allowable is the sum of (i) the distance in kms for 52 round trips plus 42,500 kms multiplied by highest amount per km paid during the year to federal civil servants and (ii) \$9,760 and (iii) \$4,880. For Members who represent constituencies of more than 2,000 square kms, the maximum allowable is the sum of (i) the distance in kms for 52 round trips plus 55,000 kms multiplied by highest amount per km paid during the year to federal civil servants and (ii) \$9,760.

Air travel for northern Members includes two return trips to each community within the constituency.

Adjustments are made yearly by the annual change in the Consumer Price Index of Saskatchewan.

(ii) Accommodation

Regina accommodation expenses for Members representing constituencies wholly outside Regina are allowable to a maximum of \$31 for each day the Regina accommodation is available for the Member’s use. These Members also have the option of a \$85 per diem for each sitting day, or reimbursement of actual expenses for meals and accommodation, as living expenses during the Session.

(iii) Office Related Expenses

Under Directive 6, the Board of Internal Economy has entitled each Member to be reimbursed for a constituency assistant. The amount available to each Member for such services is aligned to government rates, and more specifically, to step 4 of the Junior Ministerial Assistance classification, pursuant to *The Ministerial Assistance Employment Regulations*. A Member cannot pay a family member for this expense. If the maximum amount is not used in any one month, remaining funds will accrue to the credit of the Member; however, unused portions cannot be carried into new fiscal year.

The Board of Internal Economy recognizes that certain funding is required for caucus, for independent members, and for the Offices of the Leader of the Opposition and the Leader of the Third Party; the BOIE may issue directives respecting the amount, terms and conditions of such funding.

Each Member is eligible to seek reimbursement for telephone and related expenses included in his or her duties as Member - such as constituency office phone, residential telephone expense, fax expenses, cellular expenses, and internet service.

Every Member is entitled to be reimbursed for, or to have direct payments made out of annual allowance towards, postal and communication expenses to assist Members, expenses related to operating and maintaining a constituency office or offices outside of the Members' residence, and office/secretarial assistance and related services. The maximum allowed is \$35,770 (adjusted by annual CPI for Saskatchewan). A Member can use up to maximum of \$7,500 out of this fund for travel and living expenses. Other allowable expenses under this section include books and subscriptions; provincial or national pins and flags; drinks and photos with tour groups; wreaths, flowers, plants and books; congratulatory plaques to recognize group achievement, but not gifts to individuals; and travel, training and registration fees for constituency assistants, and also for Member, if approved by Speaker.

Non-allowable expenses include: items, services or activities of a personal nature; hospitality other than those examples mentioned above; donations, gifts or novelty items other than those mentioned above; and services provided by a family member, or a company owned by the Member or his/her family member.

Any equipment, furnishings or supplies purchased with funds from this allowance are property of Crown.

MANITOBA

Materials Reviewed:

- *Legislative Assembly of Manitoba: Outline of Procedure 2005;*
- *A Guide to Members' Remuneration, Benefits and Services (April 2006); and*
- *The Legislative Assembly Management Commission Act, C.C.S.M., c. L114 (the "LAMC Act").*

Analysis:

Key Elements in Compensation Structure:

(i) *Basic Annual Salary*

Each Member is entitled to a basic annual salary of \$73,512. The additional annual salaries for certain positions are as follows:

Position	Amount
Premier	\$48,556
Minister with Portfolio	\$30,350
Minister without Portfolio	\$24,279
Speaker	\$30,350
Deputy Speaker	\$8,500
Leader of the Official Opposition	\$30,350
Leader of a Recognized Opposition Party	\$24,279
Deputy Chairperson of the Committee of the Whole House	\$ 6,072
Government House Leader	\$8,500
House Leader of the Official Opposition	\$6,072
House Leader of a Recognized Opposition Party	\$4,859
Government Whip	\$6,072
Whip of the Official Opposition	\$4,859
Whip of a Recognized Opposition Party	\$3,645
Caucus Chair	\$5,233
Legislative Assistant	\$3,645
Permanent Chairperson of a Standing or Special Committee max. (\$156.00/mtg.)	\$3,645
Permanent Vice-Chairperson of a Standing or Special Committee max. (\$156.00/mtg.)	\$3,037

A Member may hold two or more special positions but can only be paid for one position.

A cost of living adjustment, based on the average annual increase in the Manitoba Consumer Price Index for the last five preceding calendar years, is added to the basic annual salary and the additional annual salaries each April 1, beginning April 1, 2006.

(ii) *Pension Plan*

The Legislative Assembly Pension Plan (LAPP) was registered with Canada Revenue Agency effective December 7, 2005. As an on-going alternative to the LAPP, a Member may contribute up to 7% of his or her total pay to one or more RRSPs of his or her choice, including a spousal RRSP. A matching contribution is made by the Crown. Total pay includes the Member's basic annual salary and any additional annual salary paid to the Member. Contributions to RRSPs are generally made through payroll deduction.

A Member may not be able to contribute fully to a RRSP because he or she has insufficient RRSP contribution room as determined by Canada Revenue Agency. If he or she is not able to contribute the full 7% and matching 7% to a RRSP, the Member may elect to contribute to the Tax Paid Trust. Contributions to the Tax Paid Trust are generally made through payroll deductions.

(ii) *Severance Pay*

Members who were Members immediately before the April 25th, 1995 general election continue to be eligible for severance pay. Severance pay is calculated at one month's current basic annual salary for each year of service, and pro-rated for part of a year of service. Minimum severance is three months' pay, and the lifetime maximum is twelve months' pay.

(iii) *Transition Allowance*

Newly elected Members on April 25th, 1995 and in subsequent elections, are eligible a Transition Allowance. The Transition Allowance is calculated at one month's current basic annual salary for each year of service, and pro-rated for part of a year of service. A Member is not eligible to receive the Transition Allowance if he or she is drawing MLA Pension during the period of transition.

Key Elements in Allowable Expenses:

(i) *Constituency Allowance/Expenses*

Each Member is entitled to claim constituency expenses to a maximum annual amount, determined by region for the purpose of providing non-partisan service and access to constituents. The maximum annual amounts per region are:

Winnipeg Region - \$50,836
 Southern Region - \$47,140
 Northern Region - \$45,381

Within the annual amount, Members may be reimbursed for allowable expenses from four categories of expenditures. These categories are required for the purposes of reporting constituency expenses in the Public Accounts of Manitoba and for Members' annual reports. Members can claim expenses under any category, subject to the limit set in last category below, but may not exceed the global Constituency Allowance amount set per region, within the fiscal year. The categories are as follows:

- constituency office space and related accommodation expenses;
- constituency service and office operation expenses, including capital equipment and furnishings that cost \$158 or more per item or set of items. However, new Members may claim an additional \$3,667 for capital expenses for initial office set up, in their first year only. Capital equipment and furnishings are the property of the Legislative Assembly;
- constituency staff salaries; and
- representation expenses. This category has a maximum annual limit of 15% of the Member's Constituency Allowance annual entitlement.

The cost of constituency office space must be paid directly by the Legislative Assembly in accordance with the office lease filed by the Member with the Members' Allowances Office. Members are required to submit signed claim forms to generate monthly payment of the lease. For reimbursement of related accommodation expenses, constituency service and office operation expenses, and representation expenses, claim forms along with supporting receipts are to be submitted to the Members' Allowances Office. Expenses related to constituency staff salaries and benefits must be paid directly to constituency employees by the Assembly.

(ii) Travel Allowance/Expenses

All Members are eligible to be reimbursed for authorized travel expenses incurred while acting on constituency or Legislative Assembly business. However, expenses related to out-of-province travel are limited to an annual maximum of \$3,143.00. This limit is part of a Member's overall Travel Allowance and is not an additional allowance.

The amount of each Member's Travel Allowance is determined by the location and size of their constituency, as follows:

1. Winnipeg Members who represent a constituency that is wholly or partly within the City of Winnipeg are entitled to claim to a maximum annual amount of \$4,014;
2. Southern Members who represent a constituency that is wholly outside the City of Winnipeg are entitled to claim to a maximum annual amount equal to the sum of:
 - (a) the civil service mileage rate for travel by private vehicle of 65 round trips between the Legislative Building and the Member's residence in the constituency or where nominated, and

- (b) one of five levels of base amounts. The base amounts for the 2006/2007 fiscal year are \$5,351, \$9,120, \$12,158, \$12,644 or \$13,130, and are applicable to a specific Southern region constituency determined by the size of the constituency in square kilometres;
- 3. Northern Members representing the constituencies of Flin Flon, Rupertsland, The Pas, or Thompson are entitled to claim to a maximum annual amount equal to the sum of:
 - (a) the expense of 52 round trips by air between the Winnipeg International Airport and the government airstrip or landing strip nearest the Member's residence in the constituency or where nominated, and
 - (b) a base amount of \$12,899.

(iii) *Commuter Allowance/Expenses*

Members representing constituencies wholly outside the City of Winnipeg, who are living outside the City of Winnipeg and are not claiming Living Allowance expenses (outlined below), are eligible to claim commuting expenses. For each week that the Legislative Assembly is in session, a Member may claim the costs of commuting from the Member's residence to the city limits at civil service mileage rates, to a maximum of six trips per week. For each week that the Legislative Assembly is not in session, Members may claim the costs of commuting from the Member's residence to the city limits at civil service mileage rates, to a maximum of two trips per week. From the first day of a session to the first day of the next session, Members are eligible for contingency accommodation expenses to a maximum of 20 overnight stays in Winnipeg with a maximum of two meals per stay, based on standard civil service claiming procedures.

(iv) *Temporary Residence Expense*

Members representing constituencies wholly outside the City of Winnipeg and who maintain a residence that is located outside a 50 kilometre radius from the Legislative Building as well as a residence within the City of Winnipeg will be eligible for a Living Allowance consisting of temporary residence expenses and living expenses as follows:

- (a) Temporary Residence Expenses: For each month in a fiscal year, a Member may claim to a maximum of \$1,051 per month for costs related to rental accommodation, such as rent, parking, utilities, telephone services, furniture rental and related furniture rental costs, or for costs related to a second-owned residence, such as property taxes, mortgage interest, common element fees (if a condominium), home owners' insurance premiums, telephone services and utilities. This claim must relate to the designated temporary residence maintained either within the City of Winnipeg or within the Member's constituency.
- (b) Living Expenses: For each month that the Legislative Assembly is in session, plus two additional months of a Member's choice in any fiscal year, and any month in which a special or standing committee meets, a Member may claim to a

maximum of \$635 per month for living expenses, such as dry cleaning and laundry services, apartment cleaning services, telephone services, apartment contents insurance, moving expenses and meals. Meals may be claimed upon submission of receipts or at civil service rates based on standard civil service claiming procedures. For the remaining intersessional months in a fiscal year, a Member may claim to a maximum of \$133 per month for living expenses, as described above. The Speaker, the Leaders of the Opposition parties, and Members of the Executive Council who qualify for this allowance will be eligible to claim up to a maximum of \$635 per month for living expenses for each month in a fiscal year.

(v) *Alternate Living Allowance:*

During any month in which he or she is not claiming any temporary residence and living expenses, a Member who represents a constituency wholly outside the City of Winnipeg and who maintains one residence that is located outside a 50 kilometre radius of the Legislative Building, will be eligible to claim an Alternative Living Allowance covering a maximum of eight overnight stays in Winnipeg. The types of expenses (meals, hotel accommodation and incidentals) and rates are those applicable to civil servants in similar circumstances, based on standard civil service claiming procedures.

A Member may not claim for the Living Allowance or the Alternative Living Allowance if he or she is claiming Commuter Allowance expenses.

(vi) *Committee Expenses*

A Member who is a member of a standing or special committee, or the Legislative Assembly Management Commission, may claim for expenses related to attendance at the committee meeting when held during an intersessional period.

(vii) *Mailing & Printing Privileges*

Each Member may make use, at the Province's expense, of three unaddressed householder mailings in each fiscal year. The cost of each mailing may not exceed the sum of the number of householders multiplied by the mailing cost per householder, as determined by Canada Post and the Manitoba Government Mail Services Agency. These privileges are provided for a Member's use in respect of his or her duties as a Member, but not in respect of his or her role as a member of a political party. A Member may have material, written for an unaddressed householder mailing, printed at provincial expense three times in each fiscal year. The amount of the Printing Allowance cannot exceed the sum total of 1.5 times the cost incurred by the Province for the mailing, *i.e.* 1.5 x (number of householders x mailing cost per householder).

(viii) *Telephone Privileges*

Each Member, except Members of the Executive Council, is issued a Manitoba Telecom Services credit card by the Members Allowances Office. The cost of long distance calls made by a Member in carrying out his or her responsibilities as a Member may be charged to the Member's credit card. All out-of-province credit card charges are to be approved by the Member's respective caucus chairperson.

(ix) *Special Supplies and Operating Allowance*

An allowance of \$2,471 per fiscal year is paid each April 1, in respect of each Member, for special supplies and operating expenditures. This allowance is paid, on behalf of each caucus, to a person designated by the leader of each recognized party. In the case of the Speaker or a Member who does not belong to a recognized party, the allowance is paid directly to the Speaker or that Member.

Each MLA is entitled to receive promotional items for distribution to the public. These items, such as lapel pins or flags, are available to MLAs from their respective caucus offices and are paid for out of the appropriate caucus budget.

(x) *Allowance Adjustment*

On April 1 of each fiscal year, the allowances will be adjusted in accordance with the formulas prescribed by *The Legislative Assembly Act* and the Members' Allowances Regulation.

ALBERTA

Materials Reviewed:

- *Legislative Assembly of Alberta: MLA Remuneration - Effective 2006 & 2005;*
- *Province of Alberta, Office of the Ethics Commissioner, Conflict of Interest Legislation, Policies and Guidelines;*
- *Legislative Assembly of Alberta, Policy on Spouse/Family Member/Guest Travel (Effective April 1, 2000);*
- *Expenditure Guidelines for Members of the Legislative Assembly of Alberta (updated March 2006);*
- *Guidelines on Dissolution of the Alberta Legislative Assembly (updated September 30, 2004); and*
- *Legislative Assembly of Alberta Members' Guide (August 2006) (Information for Members on indemnities, benefits, allowances, services, House procedures and interparliamentary relations).*

Analysis:

Key Elements of Compensation Structure:

(i)

Members receive an annual MLA indemnity, plus a tax-free expense allowance equivalent, to a maximum of 50 percent of the indemnity for expenses incidental to their duties. The tax-free allowance is intended to cover expenses that are not covered by any other legislation or order. A Member may miss 10 sitting days in a session without penalty. For each day beyond that, \$100 is deducted from the indemnity and \$50 from the expense allowance. Attendance at a legislative committee meeting counts as attendance at Session for that day. No deductions will be made for absences due to illness or injury, bereavement or public or official business. In these cases, the Member advises the Speaker in writing of the reason for the absence. Further indemnities are paid to Members holding offices in addition to that of MLA. In addition, an RRSP Allowance is provided to Members once per fiscal year. This allowance is equivalent to 50 per cent of the maximum RRSP limit as established by the Federal *Income Tax Act*.

In accordance with a decision of the Special Standing Committee on Members' Services on October 5, 1998, the components of Member remuneration are to be adjusted on April 1 of each year by the percentage increase or decrease in the Average Weekly Earnings for Alberta as reported by Statistics Canada's survey of employment payroll and hours for the calendar year immediately preceding. As of April 1, 2006, the MLA indemnity was

\$47,496 and the tax-free allowance was \$23,748. Other positions receive additional indemnities as follows:

Position	Additional Indemnity
Premier	\$74,136
Speaker	\$58,272
Minister with Portfolio	\$58,272
without Portfolio	\$25,884
Leader of the Official Opposition	\$58,272
Deputy Speaker and Chair of Committees	\$29,148
Deputy Chair of Committees	\$14,568
Leader, Recognized Opposition Party	\$25,884
Special Members' Allowances	
Official Opposition House Leader	\$12,396
Third Party House leader	\$9,912
Chief Government Whip	\$9,912
Assistant Government Whip	\$7,428
Chief Opposition Whip	\$7,428
Assistant Opposition Whip	\$6,192
Third Party Whip	\$6,192

Every Member who serves on a committee of the Assembly when the Assembly is not in session may claim an allowance for that service. Committee chairs receive both a Chair's and a Member's allowance. The amount is based on the length of the committee meeting, which includes travel time to and from each meeting. For up to four hours, a Member receives \$123.90; for four to eight hours, \$204.40; and for more than eight hours, \$321.90. Chairs of certain committees, such as the Standing Committee on Private Bills and the Standing Committee on Public Accounts, receive an additional allowance of \$433.50 a month.

Members may claim for reasonable travel, accommodation and subsistence expenses while travelling to, attending and returning from, functions sponsored by the Commonwealth Parliamentary Association or other parliamentary organizations.

Members who serve on a board, commission, committee or other body to which they are appointed by the Lieutenant-Governor in Council, by a Minister of the Crown, or by regulation, or who attend a function as representatives of the government of Alberta or of a Minister of the Crown, are entitled to reimbursement for reasonable living and travel expenses incurred in the course thereof. Members should submit claims for such expenses directly to the appropriate government body or department, not to the Financial Management and Administrative Services branch of the Legislative Assembly.

(ii) Transition Allowance

Members are entitled to a Transition Allowance when they leave office. The Transition Allowance shall be paid to every Member who resigns their seat as a Member, or who was a Member at the time of dissolution and does not stand as a candidate for re-election in, or is defeated, at the election immediately following dissolution.

(iii) Pension Plans

Members wishing to participate in a pension plan additional to the mandatory Canada Pension Plan are required make their own arrangements.

Key Components of Allowable Expenses*(i) Temporary Residence Allowance*

Members who require temporary residence in or near the city of Edmonton in order to carry out the duties of office may claim Temporary Residence Allowances for accommodation, meals and living expenses, according to specific guidelines.

All Members whose permanent residence is not in the city of Edmonton may claim a Temporary Residence Allowance when in Edmonton to perform public or official duties. Members whose permanent residence is less than 60 kilometres by primary highway from the Legislature Building may claim this allowance only if they work 12 or more hours on the day for which they are claiming the allowance, including travel time.

Members who qualify for this allowance may claim \$150 for each day of sitting during which they maintain a temporary residence in or near Edmonton. This allowance may not be claimed for a Friday, Saturday or Sunday, unless the Member is in or near Edmonton on public or official business that requires an overnight stay on those days.

Members who qualify for the Temporary Residence Allowance may also claim *one* of the following allowances:

- a Non-Sessional Allowance of \$150 for each day, not exceeding 10 days in a part month or 30 days in any three consecutive calendar months (beginning on the first day of the next month and ending on the last day of the third month), that they are in or near Edmonton on public or official business and have maintained a temporary Edmonton residence;
- a Capital Residence Allowance of \$1,500 per calendar month or, in the case of a part month, \$150 per day in the part month to a maximum of \$1,500, when they own or lease a temporary residence in their names.

Effective January 1, 2007, the rates were adjusted to \$174/day and \$1,750 per month.

(ii) *Extraordinary Temporary Residence Allowance*

Any Member may claim an allowance of \$175 per day, for up to 10 days in a fiscal year, when it is reasonably necessary for the Member to pay for overnight accommodation anywhere within the province for the purpose of carrying out his or her official duties.

(iii) *Travel Allowances*

Members are entitled to unlimited, regularly scheduled air travel between their constituencies or normal places of residence and Edmonton. In addition, Members on official MLA business may use regularly scheduled air service between points anywhere in Alberta. The Assembly pays for a maximum of five such return trips per Member in a fiscal year. A Member who is the leader of an opposition party is entitled to unlimited, regularly scheduled air travel within Alberta. Members representing the constituencies of Fort McMurray-Wood Buffalo, Dunvegan-Central Peace, Lesser Slave Lake and Peace River may be entitled to chartered air service within, or close to, their constituency's boundaries, provided that the trip cannot be made with reasonable convenience using regularly scheduled air service.

Members choosing not to travel by air on any or all of the five allotted return trips in the fiscal year may claim 36 cents per kilometre, to a maximum of 1,500 kilometres per trip, for surface travel by private automobile.

Members may claim expenses for operating private automobiles, including fuel, oil, lubrication fluid, antifreeze, gas-line antifreeze, transmission fluid, brake fluid, steering fluid, windshield-washer fluid, car washing and waxing, and labour. Members may have one car detailing service done during each fiscal year. In addition, Members may claim an allowance of 36 cents per kilometre travelled by private automobile for general travel within the province.

In each fiscal year, Members representing rural constituencies may claim up to 18,000 kilometres without fuel receipts and up to 62,000 additional kilometres with receipts; that is, there is an 80,000-kilometre limit. Members representing urban constituencies may claim up to 10,000 kilometres in a fiscal year without fuel receipts and 25,000 additional kilometres with receipts; the limit in this case is 35,000 kilometres.

An allowance of 36 cents per kilometre covers up to 52 return trips per fiscal year between Edmonton and a Member's residence, place of employment, business or constituency. This allowance is in addition to those listed in the preceding paragraphs.

Members are reimbursed for taxi travel incurred anywhere in Alberta. A Member may choose to rent, as often as required, a vehicle within Edmonton, Calgary or surrounding areas, and may also rent a vehicle anywhere in Alberta to a maximum of five days in a fiscal year. Members are entitled to regularly scheduled, long-distance bus transportation within the province. Members are reimbursed for parking expense incurred at airports. In addition, Members may incur up to \$900 per fiscal year for parking on MLA business.

When the spouse, family member or guest of a Member accompanies or joins that Member in Edmonton, or when the trip is related to the Member's public or official business in any other part of Alberta, reasonable living and travelling expenses may be paid to them, or on their behalf. A maximum of four round trips may be claimed in a fiscal year.

Spouses, family members or guests who accompany Members on a conference, meeting, seminar or other function sponsored by the Commonwealth Parliamentary Association or any of its regions or branches; a meeting of any other parliamentary association or any of its divisions; or any meeting or function attended by the Member as a representative of the Legislative Assembly or the Speaker, may be reimbursed for travelling and living expenses when appropriate approvals are secured.

(iv) *Committee Expenses*

Members serving on committees appointed by resolution of the Assembly may claim an allowance of \$175 per day for living expenses, for each day they are engaged in the committee's business and for each day required for travel in connection with these responsibilities, provided they are required to obtain accommodation because they are absent from their normal place of residence.

Members who do not require accommodation when engaged in the business of a legislative committee are not eligible for the \$175 per day living allowance, but may claim expenses for meals and travel for each day they are engaged in the committee's business or related travel. Members are also ineligible for the \$175 per day allowance if they are receiving the Capital Residence Allowance for that month, or if they have already claimed a Temporary Residence Allowance for that day. Members may claim 36 cents per kilometre for travel by private automobile, or reasonable expenses for travel by other means.

(v) *Constituency Office Staff*

Members recruit their own staff, who are hired through the Human Resource Services branch of the Legislative Assembly Office. Members need not lease office space to hire secretarial or office services, and two or more Members may share staff.

(vi) *Members' Services Allowance*

Each Member is entitled to an annual Members' Services Allowance to provide services to constituents. Members are personally responsible for this allowance, and only Members can authorize expenditures against it. The Member determines how much is spent on their constituency office, communications, or promotional expenses.

The amount of the Members' Services Allowance is calculated as follows, where E is the electors in the most recent list of electors for that constituency, and C is the population in

the Member's electoral division according to the Alberta Population Estimates, as reported annually by Alberta Finance Statistics branch.

- (a) (i) \$21,135 for office operations
- (ii) \$57,513 for staffing
- (b) + $\$1.02 \times (E \div 1.5)$
- (c) + $\$2,500 + \$0.0757 \times (C - 14,000)$
- (d) An adjustment amount based on this table and matrix scores.

The allowance may be used to pay for office space, office furnishings, office or secretarial assistance, and related services. It may also be used to pay the reasonable living and travel expenses of staff working for the Member and travelling to the Legislature or to the Member's constituency, or for the reasonable living and travelling expenses of constituency office staff who travel within their Member's electoral division on constituency-related business.

Members are responsible for locating their own constituency office space. The space does not have to be in the Member's constituency, and two or more Members may share an office and the cost of the lease.

This allowance may also be used to pay expenses related to non-partisan communication between Members and their constituents, such as mail outs, advertisements, or cell phones. Separate from the Members' Service Allowance, Members are allotted a maximum of \$750 per fiscal year for postage for individually addressed constituency mailings from the Legislature Building or Legislature Annex. All other postage is charged to the Members' Services Allowance.

Members may purchase pins, flags and other promotional items to give to constituents and others in the course of their duties out of this allowance. However, this allowance cannot be used for cash or charitable donations.

(vii) *Telephones*

Financial Management and Administrative Services (FMAS) arranges and pays for the installation, rental and tolls for three telephone sets and three incoming lines, for one constituency office per constituency. FMAS arranges and pays for the installation, rental and tolls for one single-line service in a Member's primary residence. For Members whose constituencies are outside the city of Edmonton, and who are eligible to maintain a temporary residence in Edmonton, FMAS arranges and pays for the installation, rental and tolls for one single-line service per temporary residence. Members may purchase a cellular telephone and pay for the equipment from their Members' Services Allowance. FMAS pays air time packages and long-distance tolls incurred by a Member on his or her cell phone.

(viii) Furniture, Electronic Equipment and Supplies

Each Member is provided with one standard constituency office furniture package and one standard equipment package for his or her main office. The Assembly will supply \$1,250 worth of stationery per constituency office per fiscal year. Financial Management and Administrative Services provides standard-format business cards and letterhead, which may be personalized by overprinting a Member's name and other information.

BRITISH COLUMBIA

Materials:

Legislative Assembly of British Columbia: Members' Handbook (March 2006 Edition).

Analysis:

Key Elements in Compensation Structure

(i) *Annual Indemnity*

As of April 1, 2006, the compensation for a Member of the British Columbia Legislative Assembly was \$76,100. A deduction of \$300 a day is made from a Member's annual indemnity allowance for every day, beyond ten, that he or she is absent from a sitting of the Assembly for reasons other than official business, illness, or another reason approved by the Speaker. (See section 10 of the *Legislative Assembly Allowances and Pension Act*.) The Member must keep a record of his or her attendance and submit this information to the Clerk of the House. The basic indemnity is not part of a special allowance as defined under the *Legislative Assembly Allowances and Pensions Act*, R.S.B.C. 1996, c. 257, and consequently does not require debate in the House to be amended.

Special allowances for certain positions are as follows:

Position	Allowance
Premier	\$45,000
Ministers with Portfolio	\$39,000
Ministers without portfolio	\$25,000
Parliamentary Secretaries	\$6,000
Speaker	\$39,000
Deputy Speaker	\$19,500
Deputy Chairperson, Committee of the Whole	\$9,000
Leader of the Official Opposition	\$39,000
Leader of the Third Party	\$19,500
Government Whip	\$9,000
Deputy Government Whip	\$6,000
Official Opposition House Leader	\$9,000
Third Party House Leader	\$6,000
Official Opposition Whip	\$9,000
Third Party Whip	\$6,000
Government Caucus Chairperson	\$9,000
Official Opposition Caucus Chairperson	\$9,000
Third Party Caucus Chairperson	\$6,000

Chair of Select Standing or Special Committee	\$6,000
Deputy Chair of Select Standing or Special Committee	\$3,000
Government Caucus Committee Chair	\$6,000

Members of select standing and special committees of the Legislature, when authorized by the Legislative Assembly to sit during a period in which the House is adjourned, may claim for actual and reasonable expenses incurred in the discharge of their committee work. There is no salary for committee work.

(ii) *Pension Plans*

An optional MLA Group Registered Retirement Savings Plan has been implemented with Standard Life Assurance Company of Canada. The Legislative Assembly contributes 9% of the Member's basic compensation directly to Standard Life on a bi-weekly basis. Members may also contribute up to 9% of their basic compensation through payroll deduction.

(iii) *Transitional Assistance*

Transitional assistance is available to Members who meet certain conditions.

Key Elements in Allowable Expenses:

(i) *Capital City Allowance*

The Capital City Allowance is \$150 per sitting day of the House for Members from outside the Victoria Capital Regional District who are required to stay overnight in Victoria. Members who reside within the Victoria Capital Regional District and are conducting legislative business, and Members who return to their constituency overnight, are eligible to receive \$51.50 per sitting day. Normally claims should be for sitting days only. Members who are required to remain in Victoria overnight on the last sitting day of the week (normally a Thursday or Friday night) due to requirements of the House, or by travel necessity, may claim the \$150 allowance, rather than the \$51.50 allowance for the last sitting day; Members who are required to arrive in Victoria on Sunday night due to requirements of the House, or by travel necessity, may apply for an additional \$150. Members do not claim the Capital City Allowance on a travel day unless they are conducting legislative business for a substantial portion of that day.

Members may claim the Capital City Allowance when conducting legislative business in Vancouver during a legislative session. The Capital City Allowance is available to Members out-of-session who are conducting legislative business in either Victoria or Vancouver. Members not staying overnight in Vancouver will claim \$51.50. Members staying overnight in Vancouver will claim \$51.50 for meals and gratuities, plus actual accommodation costs (supported by receipts). Accommodation costs do not include

meals, in-room movies, bar charges or cleaning of clothing. If a Member stays with friends, he or she may claim \$30 in lieu of accommodation charges.

(ii) *Travel Allowance between Capital and Constituency*

Members are permitted 52 return trips per fiscal year when there is only one session during the year. This is increased by eight trips when there are two sessions during the year (*e.g.*, spring and fall sessions). In addition, Members who hold executive positions in their respective caucuses may claim a further five trips per fiscal year. Members may use these trips for themselves, their spouse, dependants or constituency staff as follows:

Spouse/Dependants:	Spouses or Dependants may use up to 52 (or 60) return trips per fiscal year as a claim against the total of 52 (or 60) trips allocated to each Member.
Constituency Assistant:	Each Member may designate up to four of the 52 (or 60) trips for use by the constituency assistant in any fiscal year.
Legislative Assistant:	Each Member may designate up to two of the 52 (or 60) trips for use by the legislative assistant in any fiscal year.

A Travel Allowance is not claimed if a Member's constituency is within the capital (Capital Regional District or Greater Vancouver Regional District).

Claims for travel between a constituency and the capital may include private vehicle or public transportation costs to and from airports, and airport parking costs. There is no provision for meals, accommodation or other expenses. Use of a private vehicle for these trips, or portions thereof, may be claimed by a memorandum submitted to the Legislative Comptroller at rates approved by Legislative Assembly Management Commission (\$0.47 per kilometre effective April 1, 2006), but must not exceed equivalent economy air fare. Trips between Vancouver and Victoria may be claimed either as a capital/constituency trip or a business trip.

In each fiscal year, the In-Constituency Travel Allowance for travel within a Member's riding is paid quarterly. This allowance varies by district. Members who represent coastal/remote ridings are eligible to claim an additional maximum of \$8,580 per fiscal year. Since November 1, 1993, Members' constituency assistants (except those representing urban ridings) have been permitted to claim for travel costs incurred while travelling within their ridings.

Members are permitted to claim actual and reasonable expenses for up to eight trips between their constituency and any other location in British Columbia on business related to their roles as an MLA. Members may claim trips between Victoria and Vancouver as either business travel or as capital/constituency travel.

(iii) *Constituency Assistant and Office Allowance*

Effective July 18, 2006, an allowance will be available to Members to help with the operating costs, including staff salaries, of constituency offices; this allowance is either \$9,916.67 per month, or \$119,000 per fiscal year, plus the employer's share of compulsory payroll deductions. The allowance can be apportioned towards standard office expenses in a manner best suited to each Member, and towards office occupancy costs, such as heat and light, if these are not included in the lease payments. The allowance is not to be used for political purposes, Members' expenses, supplementing Members' allowances, or acquiring equity in real estate or in a motor vehicle. Following each general election or by-election, a new Member will receive a \$2000 Start-up Allowance for their constituency office. A returning Member will receive \$1000.

Effective August 14, 1996, the Legislative Assembly will purchase and maintain furnishings and equipment for constituency offices. Computers, telephones and printer/fax/photocopy equipment will be provided by the Legislative Assembly. Effective January 31, 1995, all equipment and furniture purchased in whole or in part with public funds by MLAs for use in their constituency office(s) will remain the property of the Legislative Assembly.

As a convenience to Members, the payment of salary, deductions and preparation of forms can be arranged through the Office of the Legislative Comptroller, utilizing the Legislative Assembly payroll system. If a Member chooses to pay an assistant directly from the Constituency Office Allowance, the person in charge of administering the payment must submit both the employee's and employer's share of the appropriate payroll deductions, and must prepare all necessary documents, such as T4 slips. In either case, the constituency assistant is the direct employee of the Member and is not an employee of the Legislative Assembly.

NORTHWEST TERRITORIES

Materials Reviewed:

- *Legislative Assembly of NWT: Members' Remuneration;*
- *Legislative Assembly of NWT: Members' Conduct Guidelines;*
- *Independent Commission to Review Members' Compensation and Benefits (December 2005);*
- *Legislative Assembly of NWT: Board of Management Regulations and Policies for the Management and Services to Members of the Legislative Assembly;*
- *Legislative Assembly and Executive Council Act, S.N.W.T. 1999, c. 22 (the Act);*
and
- *Indemnities, Allowances and Expense Regulations, R-101-99 (the Regulations).*

Analysis:

Key Elements of Compensation Structure

(i) Members' Remuneration

As outlined in section 17 of the *Legislative Assembly and Executive Council Act*, Members of the Legislative Assembly of the Northwest Territories are entitled to a basic indemnity of \$87,572 (as of April 1, 2005). Other positions and office holders receive an additional indemnity as follows:

Position	Additional Indemnity
Speaker	\$30,835
Premier	\$66,604
Minister	\$46,869
Deputy Speaker	\$6,167
Deputy Chairperson of Committee of the Whole	\$3,701
Chairperson of a Standing Committee	\$5,464
Chairperson of a Special Committee	\$2,732

A sum of \$123 will be deducted for each morning or afternoon that a Member fails to attend the sitting of the Legislative Assembly, or a committee of the Legislative Assembly of which he/she is a Member, without a reasonable explanation.

Members are also entitled to a non-taxable annual expense allowance of \$6,784 (as of April 1, 2005) for a Minister or a Member who lives within commuting distance of the

capital. Members, who are not Ministers, who do not live within commuting distance of the capital, are entitled to \$10,483 annually (as of April 1, 2005).

(ii) *Adjustments*

Section 21 of the *Legislative Assembly and Executive Council Act*, states that when the rates of pay for public service employees are globally increased or decreased by a certain percentage, the Board of Management shall, by regulation, amend the Indemnities and Non-Taxable Allowance by increasing or decreasing the amounts paid to Members by the same percentage.

(iii) *Northern Allowance*

Members will be paid a Northern Allowance based on the community where they are deemed to reside. Ministers are deemed to reside in Yellowknife.

(iv) *Legislative Assembly Retiring Allowances Fund (Pension Plan)*

Members are required to contribute 6.5% of their pensionable income to the pension plan as soon as they are elected. The pension becomes vested with the Member after he or she has served one term or four years, whichever comes first. Members who retire at age 55 or later will receive 2% of their final average earnings for each year of service, multiplied by the years of service (to a maximum of 30 years). Final average earnings are the average of a Member's best four consecutive years of pensionable earnings.

The pension provided under this plan increases with the cost of living as measured by the Consumer Price Index. If a Member with a spouse dies after completing four years of service, the spouse will receive 66% of the Member's pension for his/her lifetime. If a Member also has one or two dependent children, each child will be entitled to 10 percent of the Member's pension. If a Member has more than two dependent children, the maximum they can receive as a group is 25% of the Member's pension. Children qualify as dependents if they are under the age of 25 and are in full-time attendance at a post-secondary educational institution.

Members of the Legislative Assembly are also given a one-time option to enrol in a Supplementary Retiring Allowances Plan, which requires them to contribute 9% of their pensionable income. Members who opt out of this plan will not be given the opportunity to join at a later date. First-time Members in future Assemblies will also be given a one-time offer to join the plan.

(v) *Transitional Allowance*

Section 31 of the *Legislative Assembly and Executive Council Act* states that a person who is a Member of the Legislative Assembly immediately before that Legislative Assembly is dissolved or is ended by the passage of time and who does not become a

Member of the next following Legislative Assembly, shall be paid a Transition Allowance equal to one-twelfth of the annual indemnity for each consecutive year of service. This Transition Allowance shall be calculated *pro rata* for any period of service less than a year, and without regard to any period of service before December 7, 1999, but shall not exceed the annual indemnity, as of the day the person ceases to be a Member.

Key Elements in Allowable Expenses

(i) Primary Residence, Commuting Distance & Capital Accommodation

A Member who is not a Minister is required to file with the Clerk a statutory declaration identifying the place at which the Member lives. The declaration is required to determine various entitlements of Members. A Minister is deemed to live within commuting distance of the capital (*Act*, section 23).

A Member will be considered to live in the community in which he/she regularly or customarily lives in the normal routine of life. The Legislative Assembly will pay up to \$27,840 annually for accommodations in the capital (“capital accommodation”) on behalf of a Member whose residence is not within 80 km of Yellowknife, while the Member is attending sittings of the Legislature, and/or committee meetings, or performing constituency duties in Yellowknife (*Act*, section 24 and *Regulations*, section 6). Capital accommodation includes actual rent for rental accommodation and other authorized expenses, or the actual cost of hotel accommodation while a Member is in Yellowknife. The annual amount for capital accommodation expenses is calculated using the average cost of a two bedroom, furnished unit in Yellowknife, not including the highest and lowest rental units in the city.

A Member will not be reimbursed for rent, the cost of hotel accommodation or any other expense where the Member, the Member’s spouse or relative has a financial interest in the contract or other arrangement pursuant to which the expense is incurred, or in a corporation that has a financial interest in the contract or other arrangement pursuant to which the expense is incurred.

Sections 25 and 26 of the *Legislative Assembly and Executive Council Act* provide that, where a Member does not live within commuting distance of a place other than the capital to which he/she must travel on business as a Member, the Member will be reimbursed for the actual and reasonable cost of hotel accommodation and will be paid an allowance for meals and incidental expenses.

(ii) Constituency Work Expenses

Section 1 of the *Legislative Assembly and Executive Council Act* defines constituency work as any work directly connected with a Member’s responsibilities as a Member in relation to the ordinary and proper representation of members of the public.

A Member shall be reimbursed for the expenses necessarily incurred by the Member to carry out his or her constituency work (section 29 of the *Act*, section 10 of *Regulations*). The maximum amount for each district for expenses related to constituency work in each district is outlined in the Schedule attached to the *Regulations*. This amount is in addition to the compensation structure outlined above.

Section 11 of the *Indemnities, Allowances and Expense Regulations* sets out the types of expenses that may and may not be reimbursed:

11. (1) The following types of expenses necessarily incurred by a member to carry out his or her constituency work may be reimbursed under section 29 of the Act:
 - a) with respect to the establishment and operation of a constituency office,
 - (i) office signage, stationery, business cards and other office supplies,
 - (ii) furniture not provided by the Legislative Assembly,
 - (iii) support and maintenance of office equipment and software,
 - (iv) internet service and costs related to the development and maintenance of a web page,
 - (v) postal, courier and other similar services and the rental of a post office box,
 - (vi) moving costs between constituency offices;
 - b) with respect to service to constituents,
 - (i) the cost of advertising in a newspaper or other media,
 - (ii) newsletters and other printed material for distribution,
 - (iii) translation and interpretation services,
 - (iv) professional services,
 - (v) facility rental for meetings,
 - (vi) meals or the bulk purchase of food, non-alcoholic beverages and other supplies for constituency meetings and meals on other occasions,
 - (vii) lapel pins and similar souvenirs,
 - (viii) token items for presentation, with a maximum value of \$150 for each item,
 - (ix) items provided to constituents to mark special occasions, with a maximum value of \$75 for each item,
 - (x) memberships in community or other organizations;
 - c) equipment not provided by the Legislative Assembly;
 - d) telephone services and the purchase of a telephone or telephones;
 - e) magazine and newspaper subscriptions;
 - f) vehicle lease or rental;
 - g) salaries of a constituency assistant and amounts payable under short-term service contracts;
 - h) registration fees for conferences and courses;

- i) travel within Canada, including the cost of accommodation and meals while traveling, of a member or other person while on constituency business;
 - j) insurance for any of the items or services listed in paragraphs (a) to (i) and in respect of the constituency office premises.
- (2) The following types of expenses may not be reimbursed under section 29 of the Act:
- a) anything that uses or includes any word, initial, color or device that identifies a political party;
 - b) artwork including paintings, prints, sculptures, carvings and crafts, except for the purposes set out in subparagraphs (1)(b)(viii) and (ix);
 - c) sponsorship of individuals or groups;
 - d) donations;
 - e) raffle tickets;
 - f) travel outside of Canada.

Under section 12 of the *Regulations*, an expense will not be reimbursed if a spouse or relative of any Member has a financial interest in the contract or other arrangement pursuant to which the expense is incurred, or in a corporation that has a financial interest in the contract or other arrangement, unless the reimbursement is specifically approved by the Board of Management.

Section 30 of the *Act* provides that all items purchased by a Member and for which the Member received reimbursement under his/her Constituency Work Expense Allowance are the property of the Legislative Assembly and may not be retained by the Member at the expiry of his/her term of office.

A Member who wishes to use his/her Constituency Work Expense Allowance to lease a vehicle for constituency travel must keep records of the actual use made of the vehicle for constituency travel. A vehicle lease will not be considered a constituency work expense, and the lease expense will not be reimbursed, if a benefit accrues to the Member as a result of the lease.

(iii) Constituency Office, Equipment and Furniture

The constituency office is provided to enable Members to provide access and service to their constituents. The cost of renting/leasing a constituency office is paid by the Legislative Assembly. With the approval on the Board of Management, a Member may choose to have part-time office space in more than one community.

The Board of Management will not approve a request to lease office space where any Member, or the spouse or relative of any Member, has a financial interest in the contract or in a corporation that has a financial interest in the contract, unless the Member wishing

to lease the space supplies detailed rationale and substantiation for the lease, and the Board is satisfied that no alternate space is reasonably available.

A personal computer system and a fax machine/copier will be supplied to each Member. It is the choice of each Member whether he/she wants to keep the computer in his/her constituency office or elsewhere. In addition, the standard office equipment/furniture will be provided upon request to each Member who rents a constituency office.

Office equipment and furniture are the property of the Legislative Assembly and shall not be retained by the Member at the expiry of his/her term of office.

Each Member who is not the Speaker, the Premier or a Minister is assigned one Member's office, located on the second floor of the Legislative Assembly Building. Each Member is also assigned a second office directly across the hall from the Member's office for use by a constituency assistant. Each Member's office comes equipped with a desk, cabinet, filing drawers, shelves, three chairs and a coat closet. A personal computer system, fax machine and copier will be supplied to each Member. It is the choice of each Member whether he/she wants to keep these items in his/her Legislative Assembly office or elsewhere. Members may purchase additional supplies through their Constituency Expense Allowances.

(iv) Constituency Assistant

Members are permitted to hire individuals, businesses or corporations to assist them in the performance of their constituency duties, and to be reimbursed for this expense from their Constituency Work Expense Allowances. Members can access additional funding for support staff under the Supplemental Pay Program. A Member may hire an individual as a constituency assistant as a term employee, and/or may engage an individual, business or corporation to perform duties under a short-term service contract. Members may hire more than one constituency assistant and enter into more than one service contract at any time.

The following persons are not eligible to serve as constituency assistants or to enter into service contracts with a Member, unless specifically approved by the Board of Management: a spouse or a relative of the Member; another Member; or the spouse or a relative of another Member. A Member also may not enter into a service contract if any of the previously listed persons has a financial interest in a corporation that has a financial interest in the service contract, unless specifically approved by the Board of Management.

Members can access a supplementary pay level up to a maximum of \$7,500 annually to offset the cost of support staff. In order to access this funding, the salary for the constituency assistant must meet a minimum threshold of \$35,000 annually. In the case of two or more staff, the combined salaries must meet the \$35,000 threshold. This funding cannot be used to augment a Member's constituency budget, as a year-end bonus, or for short-term contract services, and must be applied to the staff salary.

(v) *Telecommunications*

Telephones are supplied in Members' and constituency assistants' offices in the Legislative Assembly Building. Each Member is assigned a Legislative Assembly telephone budget based on the location of his/her constituency.

All Members are provided with telephone calling cards to help them carry out their legislative and constituency responsibilities. Calls made with a calling card will be charged against the Member's Constituency Work Expense Allowance.

(vi) *Sessional and Committee Travel*

Section 27(1) of the *Act* provides that, where a Member does not live within commuting distance of a place to which he/she must travel on business as a Member, or where a Member travels to attend Session, the Member will be reimbursed the actual and reasonable cost of the return transportation between the place and the place where the Member lives.

Subsection 27(2) of the *Act* provides that a Member will be reimbursed for the actual and reasonable cost of return transportation from the Member's residence and the place of session for a spouse or other person designated by the Member to attend the opening of a session.

Section 28 of the *Act* provides that a Member will be reimbursed for the actual and reasonable cost of return transportation between the Member's residence and the place of session or sessions after every 10 sitting days. The travel may be taken by the Member, the Member's spouse or a person designated by the Member. The reimbursement for return transportation to which a Member is entitled under section 28 of the *Act* does not accrue to the Member; an entitlement that is not claimed or used expires when the Member next becomes entitled to reimbursement for the cost of return transportation (*i.e.*, after the next 10 sitting days attended).

Approved travel expenses incurred on behalf of Members will be arranged and paid by the Assembly. Where a Member or other person travels using his/her own transportation, the Member or other person will be reimbursed the lesser of the cost of the most economical return airfare as per arrangements made by Corporate Services or, the rate set per kilometre from time to time by the Federal Treasury Board for employees of the government of Canada. This rate remains the same regardless of the kind of vehicle used (*i.e.* snowmobile, car, airplane, boat). Corporate Services will arrange all air charters. Charters will only be used when more economical travel is not available or is impractical.

Travel by Members at public expense to perform their duties and functions is not a taxable benefit. Similarly travel by a spouse or designate to attend the opening of a session under section 27(2) of the *Act* is not a taxable benefit. Where the travel entitlement under section 28 of the *Act* is taken by a Member's spouse or by a person

designated by the Member, the payment or reimbursement of the travel expenses will be administered as a taxable benefit to the Member.

(viii) Constituency Travel

Section 11 of the *Indemnities, Allowances and Expenses Regulations* provides that a Member will be reimbursed from the Member's Constituency Work Expense Allowance for the cost of travel of a Member or other person while on constituency business.

A Member may request Corporate Services to make arrangements for constituency travel by completing an approved form. Travel arrangements will be made through the travel agency of the Member's choice where practical. Where a Member or other person travels for constituency business using his/her own transportation, the Member may choose to be reimbursed, or direct that payment be made to the person owed, by either the actual cost of fuel (receipts required) or by the prevailing federal government reimbursement rate per kilometre. Again, this rate remains the same regardless of the kind of vehicle used (*i.e.* snowmobile, car, airplane, boat).

PRINCE EDWARD ISLAND

Materials Reviewed:

- “*Report of the Indemnities and Allowances Commission 2005 for the Legislative Assembly Prince Edward Island*”.

Analysis:

Key Elements in Compensation Structure

Remuneration and benefits, as defined by the P.E.I. *Legislative Assembly Act*, include “salaries, indemnities, allowances and pension benefits.”

The Indemnities and Allowances Commission (the Commission) was first created in 1994 to review and determine remuneration and benefits to be paid to Members, Ministers, etc. The Commission is appointed after every general election and serves for the duration of the general assembly.

(i) *Remuneration*

In its 2005 report, the Commission recommended that the annual indemnity (taxable) for Members be set at \$36,689 (effective April 1, 2006). The annual non-taxable expense allowance for Members was to be set at \$12,000. There are also salaries paid to Members of the Executive Council, the Speaker, Deputy Speaker, Leader of the Opposition, Leader of a Third Party, and those other Members who hold special positions in the Legislative Assembly, or sit on the Executive Council Committees. These payments are in addition to payments received by Members in the form of indemnities, and are also taxable. The Premier receives an additional salary of \$60,054, a Cabinet Minister and the Leader of the Opposition receives an additional \$42,420. Also the Premier receives an additional non-taxable allowance of \$3,000 for a total non-taxable allowance of \$15,000. Leader of a Third Party receives \$16,034. The Speaker and the Deputy Speaker receive \$31,812 and \$15,906, respectively. The Government House Leader receives \$11,470 and the Opposition House Leader receives \$4,015. Whips receive an additional \$3,377. Section 45(4) of the *Legislative Assembly Act* states that a Member of the Legislative Assembly may not at any time hold more than one of the following offices: Speaker, Deputy Speaker, Leader of the Opposition, Government House Leader, Opposition House Leader, Government Whip, Opposition Whip. A Member, other than a Minister, appointed to an Executive Committee will receive \$5,735, provided they do not hold any of the offices identified in section 45(4).

(ii) *Pension Plan*

The Commission tabled with its 2001 report an outline for the pension plan introduced in 1994 and the supplemental plan introduced in 1996. This plan was indexed at the rate of

CPI to a maximum of 8%, during the period when the Member is on an active or deferred basis. When receiving benefits the indexation is CPI less 2%.

In its 2003 report, the Commission recommended that, effective as of April 1, 2004, the amount of earnings upon which a Member's pension shall be calculated is the total earnings of the Member, excluding any car or mileage allowance (*i.e.* the basic indemnity, the annual expense allowance and any salary paid to the Member by reason of an office-such as a Cabinet Minister or Whip-held by the Member). The Commission noted that any pension calculations or entitlements for earnings prior to April 1, 2004 shall not include the annual expense allowance. The Commission reconfirmed this decision in their 2005 report.

In its 2004 report, the Commission recommended that, effective April 1, 2005, in respect of pension benefits payable under the Basic Portion and the Supplemental Portion the MLA Pension Plan, a participant shall be entitled to an unreduced pension on the first day for the month coincident with, or immediately following, the participant's 55th birthday. The Commission reconfirmed this decision in their 2005 report.

(iii) *Severance*

The severance provisions for Prince Edward Island Members are found at section 47 of the *Legislative Assembly Act*, R.S.P.E.I. 1994, c. L-7. A person who is a Member of the Legislative Assembly immediately before the Assembly is dissolved or is ended by the passage of time, and who does not become a Member of the next Legislative Assembly, shall be paid a severance allowance equal to one twelfth of his or her remuneration, at the rate in force immediately before the Member ceases to be a Member, for each year of service. A Member of the Legislative Assembly who resigns his seat shall also be paid a severance allowance equal to one-twelfth of his remuneration. The severance allowance shall not be more than the amount of the total of the annual indemnity and expense allowance payable to the Member. A death benefit, calculated in the same manner, shall be paid to the family or estate of a Member who dies. "Remuneration" means the annual indemnity and the expense allowance payable to a Member. Where the Member is also a Member of the Executive Council, the remuneration includes any other salaries payable to the Member in respect of the performance of official positions or in addition to their responsibilities as a Member.

Key Elements in Allowable Expenses

The Commission in its 2005 report recommended an increase of \$524 in a Member's basic tax-free allowance, so that the total tax-free allowance for a Member effective as of April 1, 2006 would have been \$12,000. In view of the additional duties associated with the position of Premier of the Province, the Commission further recommended that an additional tax-free allowance of \$3,000 be paid to the Premier for a total of \$15,000.

In 2005 the Commission reviewed amounts to which Members of Assemblies in other jurisdictions in Canada are entitled for such items as staffing, communications and travel

allowances; group, life, health and dental benefits; office facilities and constituency allowances. The Commission concluded there is considerable variation across the country as to the type and range of such amounts and benefits.

(i) *Travel and Vehicle*

The Premier and Cabinet Ministers, the Leader of the Opposition, and the Speaker shall be provided with a government-owned or leased vehicle, or in lieu thereof, an allowance for use of their own vehicle. Members, other than those previously mentioned, shall receive a mileage allowance for use of their own vehicles while attending sessions of the Assembly, or Committee meetings held on days when the House is not sitting or during inter-session. The Members claiming the mileage allowance shall receive such allowance at the prevailing civil service mileage rates. Members shall receive payment, on a claim basis, for up to five trips per month to Charlottetown when the House is not in session.

(ii) *Office*

Constituency Office Allowances are not paid to Members in PEI.

NEW BRUNSWICK

Materials Reviewed:

- *Legislative Assembly of New Brunswick Orientation Manual 2006: Indemnities and Allowances of Members.*

Analysis:

Key Elements in Compensation Structure

(i) Members' Indemnity and Allowance

The various indemnities, allowances and expenses paid to Members of the Legislative Assembly of New Brunswick are authorized by the *Legislative Assembly Act*, R.S.N.B. c. L-3. Each Member of the Legislative Assembly is paid an indemnity of \$43,955.23 per year (2006 rate).

(ii) Additional Indemnities, Salaries and Allowances

In addition to the Members' indemnity, the following indemnities, salaries and allowances are paid to Members who carry out additional duties (2006 rates):

Position	Additional Indemnity
Speaker	\$29,437.14
Deputy Speaker(s)	\$ 9,125.51
Premier *	\$58,870.60
Minister *	\$39,247.88
Minister without Portfolio *	\$29,437.14
Leader of the Opposition	\$39,247.88
Leaders of Registered Political Parties	\$12,000.00

* salaries of Cabinet Ministers are paid under authority of the *Executive Council Act*, R.S.N.B. c. E-12.

An annual non-taxable allowance is paid to the Speaker (\$1,000) and to each Deputy Speaker (\$250). Each Member holding the position of Whip of a recognized party is paid an annual indemnity at the rate of:

- \$9,125.51 per year for the Government Whip;
- \$4,562.76 per year for the Official Opposition Whip; and,
- \$ 500.00 per year for the Third Party Whip.

The allowances for the whips are established by the Legislative Administration Committee and are paid on a bi-weekly basis.

(iii) *Annual Expense Allowance*

Each Member of the Assembly is paid an annual expense allowance of \$17,582.09 (2006 rates) to cover expenses incidental to the discharge of the Member's duties. Members are not required to account for their use of this allowance, nor are they required to submit an expense report. The allowance is set at 40% of the Member's indemnity and is currently paid on a quarterly basis. Each year, the Legislative Administration Committee may approve the payment of a special constituency allowance to bring the total annual expense allowance up to 50% of the Member's indemnity. In 2006, a special allowance of \$4,395.52 was approved for payment to all Members.

The basic annual indemnity and expense allowances for MLAs are adjusted annually on January 1 under the provisions of the *Legislative Assembly Act*. Adjustments are based on the change in the average weekly earnings for all employees in New Brunswick.

(iv) *Pension Plans*

The following are brief descriptions of the superannuation plans available to Members of the Legislative Assembly. Members are eligible for certain superannuation plans as defined in the *Members' Superannuation Act*, R.S.N.B., c. M-8, or the *Members' Pension Act*, .S.N.B., c. M-7.1.

The *Members' Pension Act* applies to the following Members:

- (a) members who were members on the date of commencement of the *Act* and who elected to come within the scope of the *Act*;
- (b) members who first became members after the commencement of the *Act* (members elected for the first time in the 1995 provincial general election and onward);
- (c) former members who ceased to be members before or after the commencement of the *Act* and who again became members after the commencement of the *Act* (former members elected in the 1995 provincial general election and onward)

The *Members' Pension Act* was passed in December 1993, it does not apply to Members or former Members to whom the *Members' Superannuation Act* applies. The benefit level remains the same as the *Members' Superannuation Act*. The age at which a Member qualifies for an unreduced benefit is now 60 years; in the past, there was no age limit. Reduced pensions are available prior to that age, with a reduction of 5% for each year under 60. Prior to the passage of the *Members' Pension Act*, there was no minimum age to qualify. In addition, the number of sessions of pensionable service required to qualify for a pension under the *Members' Pension Act* has been changed from ten sessions to eight full sessions.

Contributions under both the *Members' Superannuation Act* and the *Members' Pensions Act* are made at the rate of 9% of the Members' indemnity; the contributions are compulsory. If the Member is also a member of the Executive Council, he or she must contribute an additional amount equal to 6% of the ministerial salary. If the Member is

Speaker, Deputy Speaker, Leader of the Official Opposition or Leader of a registered political party, the Member's respective salary for the position is subject to additional deductions at the 6% rate.

Under certain conditions, a Member may be entitled to a return of contributions.

A Member to whom the *Members' Superannuation Act* applies and who has to his or her credit less than ten sessions of pensionable service, is entitled, upon ceasing to be a Member (for whatever reason), to a return of their contributions. A Member to whom the *Members' Pension Act* applies and who has to his or her credit less than eight sessions of pensionable service, is entitled, upon ceasing to be a Member, to a return of their contributions. Where a Minister ceases to be a Minister but remains a Member, he or she may apply in writing to the Minister of Finance for a return of his or her contributions as a Minister, and shall thereby irrevocably forfeit the right to a Minister's pension in respect of that pensionable service.

A Member who has ceased to be a Member, has received a return of contribution, and again becomes a Member, may choose within one year to reinstate the pensionable service in respect of which he or she received the return of contributions.

A Member to whom the *Members' Superannuation Act* applies and who has to his or her credit ten or more sessions of pensionable service, is entitled to an annual pension immediately upon ceasing to be a Member. A Member to whom the *Members' Pension Act* applies and who has to his or her credit eight or more sessions of pensionable service, is entitled to an annual pension upon attaining 60 years of age or, at such later time upon ceasing to be a Member. A Member who has to his or her credit at least six months pensionable service as a Minister is entitled, in addition, to a Minister's pension.

The pension payable under the *Members' Pension Act* to an eligible Member equals:

- Member - $4.5\% \times$ average indemnity during three highest successive years \times number of sessions of pensionable service.
- Ministers - $3\% \times$ service as a Minister \times average salary during three highest successive years.

(v) *Re-establishment Allowance*

A Re-establishment Allowance is payable to Members who cease to be Members, who are not eligible for pension benefits and who meet certain conditions.

Key Elements in Allowable Expenses

(i) *Travel Expenses (Sessional)*

Each Member who is not a member of the Executive Council is eligible to receive the sessional allowances for each day the Member attends sittings of the Legislative Assembly. The sessional allowances consist of an Accommodation Allowance of \$70 for

each day that the House is in session, if the Member's residence is greater than 50 kilometres from Fredericton; a Subsistence Allowance of \$40 for each day that the House is in session; and Travel Allowance, calculated per kilometre. One return journey between the Member's residence and Fredericton is allowed for each week, or part of a week, the House is in session.

If a Member's residence is between 25 and 50 kilometres from Fredericton, this kilometric allowance is claimed daily in lieu of the Accommodation Allowance. The kilometres are cumulative and include all other kilometres claimed by the Member. Members are reimbursed at the following rates:

- \$0.38 for the first 8,000 kilometres during the Province's fiscal year,
- \$0.36 for the next 8,000 kilometres, and
- \$0.31 for the remaining kilometres.

In 1998 the Legislative Administration Committee agreed that additional compensation would be paid to Members who travel in excess of 8,000 and 16,000 kilometres in a fiscal year. The Committee approved an additional kilometric allowance for kilometres in excess of 8,000 and 16,000 as follows: for travel of 8,000 - 16,000km, an additional \$0.02 / km; for travel over 16,000km, an additional \$0.06 / km. Therefore, Members whose residence is greater than 25 kilometres from Fredericton may claim an overall Travel Allowance of \$0.38 per kilometre for the first 16,000 kilometres and \$0.37 for kilometres over 16,000.

(ii) *Travel Expenses (Intersessional)*

Each Member who is not a member of the Executive Council is eligible to claim intersessional travel costs between the Member's home and Fredericton, except when the Legislative Assembly is sitting. The maximum is currently established at 30 travel trips between the date of the opening of a session of the Legislative Assembly and the opening of a new session.

Intersessional travel costs consist of a non-accountable expense allowance of \$250 for each travel trip between the Member's home and Fredericton, if the Member's residence is greater than 50 kilometres from Fredericton. There is a non-accountable expense allowance of \$170 for each trip between the Member's home and Fredericton, if his or her residence is less than 50 kilometres from Fredericton. Lastly, a Member may claim an allowance per kilometre if the Member's residence is greater than 25 kilometres from Fredericton.

As noted in the previous section on Sessional Travel Allowances, Members are reimbursed at the following rates: \$0.38 for the first 16,000 kilometres during the Province's fiscal year; and \$0.37 for the kilometres over 16,000.

(iii) Committee Allowances

An allowance is paid for each day the Member attends a meeting of a committee, and consists of a daily salary which is currently set at \$200. Committee chairs receive an additional \$50. There is also an accommodation and expense allowance of \$70 if the Member's residence is greater than 50 kilometres from Fredericton and a substance Allowance of \$40; and an allowance per kilometre if the Member's residence is greater than 25 kilometres from Fredericton.

(iv) Constituency Office Allowance

Each Member is entitled to receive reimbursement for constituency office costs incurred in respect of their duties as a Member. There are three categories of constituency office costs for which Members may be reimbursed: office accommodation, office operations, and staff.

The Constituency Office Allowance for expenses incurred by private Members with respect to the operation of a constituency office is \$40,000 per fiscal year. The Constituency Office Allowance for members of the Executive Council is established at \$15,000. The allowance is allocated to each Member every fiscal year and is pro-rated for Members elected part way through the fiscal year. Members of the Executive Council have access to an additional \$25,000 in departmental funding for staff and telephone services.

The Constituency Office Allowance may be applied to the cost of renting office space, including the costs of heating, electrical, maintenance, janitorial and similar expenses of that office; the cost of renovating rented office space; and the cost of insuring rented office space. There are no restrictions on the location of a Member's constituency office within his or her constituency boundaries, with the exception that the office must *not* be operated out of the Member's political party office or headquarters nor is a Member entitled to rent office accommodation from himself or herself or from his or her own spouse or child. This restriction extends to a company of which the Member, the Member's spouse or child is a shareholder or from which he or she would receive a benefit. A mobile trailer is an acceptable form of constituency office, providing that the unit is used as such.

A Member may use the Constituency Office Allowance to rent or purchase office equipment and furniture, and to cover the cost of moving, installing or disconnecting equipment, the cost of office supplies, or the cost of postal and mailing charges. Other allowable items include: promotional items such as pins and flags; sympathy cards and greetings cards (*i.e.* Christmas cards) or other similar cards sent to constituents. The Constituency Office Allowance may also be used to purchase frames for photographs of Her Majesty the Queen, which can be given by Members as gifts to constituents, and to purchase flowers to be sent to the family of a deceased constituent as an expression of sympathy. Items that are specifically excluded are:

- renovations to premises owned by the Member,
- maintenance or repair to office equipment owned by the Member;
- coffee machines;
- microwave ovens;
- televisions, VCRs, cameras and related supplies such as tapes and film;
- paintings or other decorative wall hangings;
- briefcases or attaché cases; and
- food or beverages for use in the constituency office.

Any supplies, equipment or furnishings paid out of the Allowance may be used in the Member's Constituency Office or residence in connection with the Member's official duties. Any office equipment or furnishings purchased with funds from the Allowance is considered to be the property of the Legislative Assembly. In the event of a change in representation in a constituency, a former member may purchase office equipment and furnishings with funds out of the constituency office allowance in accordance with specific rules established by the Legislative Administration Committee.

The Constituency Office Allowance may also be used to pay expenses related to nonpartisan communication between Members and their constituents, including the cost of printed items to be distributed or sent to constituents and the cost of distribution or postage for such items, including greeting cards or other similar cards to be sent to constituents; the cost of advertisements including messages of welcome or congratulation; the cost of rental of a meeting hall for non-partisan meetings and reasonable costs associated with providing refreshments for the meeting; the cost of rental or purchase of a cellular telephone and all charges involved in its use; and the purchase of certificate folders and frames for certificates of recognition to be given by Members to their constituents.

The Constituency Office Allowance may be applied to the cost of office and secretarial assistance and related staff including the cost of bookkeeping and accounting services. Staff is recruited and paid directly by the Member, who will be reimbursed through the submission of receipts. It must be recognized that any staff hired by the Member remains as an employee of the Member and is not a government employee. Such matters as working conditions, hours of work, vacation pay, severance pay and other fringe benefits remain the responsibility of each Member. Members will determine the rate of pay and the duties and responsibilities of constituency office staff. It is up to the individual Member to advise his or her constituency staff that upon the Member's defeat or resignation, their employment ceases unless they are rehired by the newly elected Member.

Two or more Members may retain the services of one staff person and share the related costs. A Member is not entitled to employ himself or herself, or his or her own spouse or child. A spouse includes a person who is not married to the Member but whom the Member represents to be his or her spouse.

Effective January 1, 2006, the Clerk's Office implemented a payroll service for MLAs. Constituency Office Assistants may be paid directly by the Legislative Assembly and the costs are charged to the Member's Constituency Office Allowance. Constituency Office Assistants remain employees of the Members. Also effective January 1, 2006, the Legislative Administration Committee determined that employer costs (CPP, EI and vacation pay) shall be funded centrally and not charged to the Members' Constituency Office Allowance.

YUKON

Materials Reviewed:

- *Yukon Legislative Assembly Handbook Members' Pay, Expenses, and Pension Plan* (April 2006)

Analysis:

Key Elements in Compensation Scheme

(i) *Annual Indemnity*

Each Member of the Yukon Legislative Assembly is paid an annual basic indemnity of \$38,183. This indemnity is the member's compensation (salary) for being a Member of the Legislative Assembly.

(ii) *Expense Allowance*

Each Member of the Assembly receives an annual expense allowance that is provided "to pay for the expenses of that member incident to the discharge of his duties as a Member" *Legislative Assembly Act*, (ss.39(5)). Members do not have to account for, or be prepared to account for, their use of this expense allowance.

All Members who are appointed to the Executive Council (Cabinet) and all Members who represent an electoral district outside of Whitehorse (including Lake Laberge and Mount Lorne) are paid an expense allowance of \$19,091. All Members who represent an electoral district within Whitehorse receive an expense allowance of \$16,669.

The federal *Income Tax Act* provides that the expense allowance of a Member of a legislative assembly is not subject to taxation so long as it does not exceed 50% of the indemnity paid to the Member.

(iii) *Salaries*

In addition to the annual indemnity and expense allowance, the following annual salaries are provided to Members who carry out additional duties:

Position	Additional Indemnity
Minister	\$21,147
Premier (in addition to the \$21,147)	\$7,824
Leader of the Official Opposition	\$21,147
Leader of a Third Party	\$4,229
Speaker	\$7,049
Deputy Speaker	\$5,287

(iv) Deductions for Absence

A deduction of \$100 is to be made from a Member's indemnity for each day on which the Member is absent from a sitting of the Legislative Assembly, or from a meeting of a committee of the Assembly, unless a substitute Member has been properly identified to the chair of the committee.

Deductions are not to be made when the absence is due to:

- sickness of the Member;
- sickness or death in the immediate family of the Member;
- any cause beyond the reasonable control of the Member as determined by the Speaker; or
- attendance at any meeting or event as a member of the Executive Council or as a representative of either the government of Yukon or the Legislative Assembly.

The Members' Services Board has established a form to be used by Members to declare their absence from sittings of the Assembly and its committees. When declaring an absence, a Member must either request that a deduction of \$100 be made from his or her indemnity for each day of absence, or provide reasons for the absence when no request for a deduction is being made. These forms are to be submitted to the Clerk, who prepares a report based upon them that is tabled in the Legislative Assembly at the beginning of each sitting.

(v) Cost of Living Adjustment

The indemnity and the expense allowance are adjusted on April 1 of each year, in accordance with the percentage change in the average annual Consumer Price Index for Canada over the previous two calendar years. Salaries may be changed only through amendment to the *Legislative Assembly Act*.

(vi) Severance Allowance

When a person ceases to be a Member of the Legislative Assembly, he or she is paid a severance allowance equal to 25% of the aggregate of the salary, indemnity and expense allowance received by that Member during the preceding year.

(vii) Pension

A contributory pension plan is provided for Members of the Yukon Legislative Assembly by the *Legislative Assembly Retirement Allowances Act*. Administration of the plan is the responsibility of the Members' Services Board of the Legislative Assembly.

Participation in this pension plan is voluntary. Paragraph 1(2)(b) of the *Act* states that a Member who does not wish to participate in the plan must give written notice to the

Speaker before "the expiration of 60 days after first becoming a member." This decision is final and not subject to change at a later date.

Members who choose to be covered by the plan must contribute 9% of the MLA indemnity and any salaries they receive under the *Legislative Assembly Act*. Contributions are made by way of deductions from Members' bi-weekly pay cheques and, together with the employer's contributions made by the government of Yukon, are placed in a trust fund administered by a Board of Trustees; this trust fund was established by a trust agreement made between the government of Yukon, the Members' Services Board of the Yukon Legislative Assembly, and the Trustees. A separate top-up fund that receives only employer contributions from the government of Yukon is administered by the Members' Services Board.

The Members' Services Board is required, under subsection 4(4) of the *Legislative Assembly Retirement Allowances Act*, to ensure that the plan is qualified as a registered pension plan under the federal *Income Tax Act*. This means that the contributions made by Members to the plan are tax deductible.

The maximum period for making contributions to this plan is 15 years. This period applies to each office held by a Member. For example, a person who has been a Member for 15 years would no longer be able to make contributions based on the MLA indemnity. The same person, however, may have been a Cabinet Minister for only eight years. In such a case, the Member would be allowed to continue to make contributions for a further seven years on the salary payable to a Cabinet Minister. Members who have reached the age of 69 are not allowed to make contributions to the plan as of the end of the calendar year in which they attain that age.

A former Member who has at least six years of service and has reached the age of 55 is eligible to receive a pension under the *Legislative Assembly Retirement Allowances Act*.

The pension is normally calculated as follows:

1. Pension as a Member -
The indemnities and expense allowances received by a Member during the Member's best four years of service are totalled and then averaged. The pension is determined by taking 5% of this average and multiplying that figure by the number of years of service of the Member (not exceeding 15).
2. Pension as an office-holder -
To be entitled to a pension for service in an office (Premier, Minister, Speaker, Deputy Speaker, Leader of the Official Opposition, Leader of a third party), a Member must have served at least 12 consecutive months in that office. If a person has served at least four years in an office, the pension is determined by taking 5% of the average annual earnings for the best four years of service and multiplying that figure by the number of years of service in the office. If a person has served less than four years in that office, the pension is determined by taking 5% of the

average annual earnings during the period of service and multiplying that figure by the number of years of service in the office.

A person who ceases to be a Member before serving six years will be refunded any contributions made to the pension plan plus interest. A person who holds an office (for example, as a Minister) for less than 12 consecutive months will be refunded any contributions made to the pension plan plus interest. If a Member has a break in service as a Member but is later re-elected, that Member may again join the plan and receive credit for past service but must return prior contributions plus interest to the plan.

Key Elements in Allowable Expenses

(i) Travel and Living Expenses

In general, Members who qualify for travel and living expenses will:

1. be reimbursed for actual expenditures for hotel accommodation;
2. be paid a per diem for meals and incidentals at the public service rate; and
3. be reimbursed for actual expenditure for travel (*e.g.*, airfare) or be paid the public service rate for using a private vehicle.

An allotment is provided to each Member for support services. As well, Members are provided with an office in the main administration building and basic office supplies (including stationery, a telephone calling card, and business cards).

Members, other than Cabinet Ministers, who represent electoral districts outside Whitehorse (including Lake Laberge and Mount Lorne), and who live outside Whitehorse, and Cabinet Ministers who represent electoral districts outside Whitehorse, are entitled to be reimbursed for renting accommodation in the capital. Cabinet Ministers are deemed to reside in Whitehorse.

As at April 1, 2006, the maximum amount a Member may be reimbursed for renting accommodation is \$832 per month. This maximum is subject to review by the Members' Services Board and may be changed from time to time.

Payments are processed upon submission of a form to the Legislative Assembly Office stating the costs incurred by a Member in renting accommodation. These costs can include items such as utilities and furniture rental, in addition to charges for space. Although receipts are not required, Members are advised to obtain and retain such receipts for their own income tax files. The rent claim form is to be obtained from the Legislative Assembly Office and submitted within seven days of the end of each month.

(ii) Qualification for Travel and Living Expenses

Every member qualifies for payment of expenses when absent from his or her normal place of residence to attend:

- a sitting of the Legislative Assembly;
- a meeting of a committee of the Legislative Assembly;
- a meeting or event as a representative of the Assembly;
- a meeting or event as a representative of the Speaker; or
- a meeting or event as a representative, in the capacity of a Member, of the government of Yukon.

Members who reside in Whitehorse are not absent from their normal place of residence when attending a function taking place within the City of Whitehorse. All Ministers are deemed to reside in Whitehorse.

Each Member who represents an electoral district outside Whitehorse (including Lake Laberge and Mount Lorne), who resides outside Whitehorse, and who is not in Cabinet, qualifies for payment of expenses when absent from his or her normal place of residence to attend a meeting of a caucus of a party, or a meeting or event, in the capacity of a Member, when the Legislative Assembly is not sitting. Claims under this provision, commonly titled "Business as an MLA," are restricted to a maximum of 48 return trips and \$8,800 in accommodation and living expenses per fiscal year. The maximum for accommodation and living expenses is reduced to \$4,400 per year if a Member is being reimbursed for expenditures incurred in renting or leasing accommodation.

Each Member who represents an electoral district outside Whitehorse and who is a Cabinet Minister qualifies for payment of expenses when visiting that electoral district in the capacity of a Member. Claims under this provision are restricted to a maximum of 24 return trips and \$4,400 in accommodation and living expenses per fiscal year.

Each recognized leader (*i.e.*, Premier, Leader of the Official Opposition, Leader of a third party) qualifies for payment of expenses when travelling within the Yukon in the performance of legislative duties. Claims under this provision are restricted to a maximum of 12 return trips and \$2,200 in accommodation and living expenses per fiscal year.

During Session, a Member's accommodation and living expenses will be paid if the Member remains in Whitehorse over a weekend. If the Member chooses to return to his or her electoral district for the weekend, travel expenses will be covered but, if applicable, the Member will be required to check out of the hotel in Whitehorse. Any travel which takes place during a session, but that is not related to attendance at the session, will be charged against the "Business as an MLA" allocation of the Member.

(iii) *Per diems and other rates*

No receipts are required when claiming a per diem or any portion thereof. The per diem is broken down as follows:

Breakfast	\$13.95
Lunch	13.75
Dinner	43.25
Incidental Expenses	11.50

A Member staying in private accommodation may claim \$13.50 per night without submitting a receipt. The allowance for use of a private vehicle is \$0.55 per kilometre. These rates must be the same as those applied for a government of Yukon employees and are subject to change in April of each year.

Original invoices are required when claiming reimbursement for actual expenditures on hotel accommodation, or on any other item not covered under a general rate, such as the per diem for living expenses or the kilometre allowance for use of a private vehicle.

If a Member plans to travel by commercial airline, arrangements for travel must be made by the Legislative Assembly Office through the Department of Infrastructure. Once travel is completed, the remaining portion of the airline ticket must be attached to a travel claim before the claim can be processed for payment.

The Clerk is required, by order of the Members' Services Board, to prepare an annual report on the cost of travel incurred by Members that has been paid for from the budget of the Legislative Assembly. This report, which is completed in April of each year, is provided to all Members and is tabled in the Legislative Assembly by the Speaker.

NOVA SCOTIA

Materials Reviewed:

- *Report of the Commission on Inquiry on the Remuneration of Elected Provincial Officials* (September 2006).
- *House of Assembly Act, R.S.N.S, R.S. (1992 Supp.), c. 1 (Consolidated to 2006 Amendments) and Legislature Internal Economy Board Regulation 2006.*

Analysis:

Key Elements in Compensation Scheme

(i) Indemnity and Non-Taxable Allowance

In February 2006 a Commission of Inquiry was formed by the Speaker of the House to examine the salaries of Members of the Legislature of Nova Scotia (MLAs) and to determine their appropriateness in the current environment. It was recommended that the base salary of Members of the Nova Scotia Legislature be increased to \$79,500, bringing the province to the same range as New Brunswick and Saskatchewan, but considerably less, appropriately in the view of the Commissioners, than Alberta, Ontario and Quebec. This is a 21.27% increase. There is no tax-free allowance for Nova Scotia Members.

A Cabinet Minister, Speaker of the House and Leader of the Opposition will benefit from the change in the MLA component of his or her salary; therefore the Commission recommended that the additional indemnity, currently \$43,696 for these positions, not be increased. A Deputy Speaker and the Leader of a recognized party will receive \$21,848. The Government House Leader and Opposition House Leader and House Leader of a recognized party all receive \$21,848; these positions had previously only received \$10,000. Deputy Government House Leader will receive \$10,924. Lastly, the Premier of Nova Scotia's salary will be increased from \$61,324 to \$71,324.

All of the above salaries were increased retroactively to July 1, 2006. The indemnities and salaries are to be adjusted by an independent commission following each provincial election. Otherwise, their annual increase is proportionate with increases in the Consumer Price Index.

(ii) Transition Allowance

Under section 40 of the *House of Assembly Act*, it states that a person who is a member of the House immediately before the House is dissolved or is ended by the passage of time and does not become a member of the next following House because he or she resigns or dies shall be paid a transition allowance equal to the product of

- (a) the person's number of years of service as a member of the House;

- (b) 0.067; and
- (c) the annual indemnity and allowance for a member at the rate in force immediately before the person ceased to be a member.

In any case, the allowance will not be less than 25 per cent nor greater than 100 per cent of the annual indemnity and allowance referred to in clause (c).

The Transition Allowance shall be paid in 12 equal installments commencing 30 days after the person ceases to be a Member. It may be paid in a lump sum payment within 30 days after this termination, if the Member so chooses.

Where a Member has previously served in the House and received a Severance Allowance or a Transition Allowance upon ceasing to be a Member, and subsequently is re-elected to the House, the allowance shall be calculated by using the total number of years the Member served in the formula of the Transition Allowance in force at the time that the Member last ceases to be a Member, and then by deducting from the dollar amount so determined the amount that the Member previously received as a Severance or Transition Allowance.

Key Elements in Allowable Expenses

(i) Constituency Expenses

Each Member of the House is entitled to recover a sum, as determined by regulation of the Legislature Internal Economy Board, for expenses incurred as a Member of the House while serving in his or her electoral district; these expenses may include the costs associated with the provision of office space or equipment, meeting places, secretarial service, and travel within the electoral district.

(ii) Franking and Travel

Each member of the House is entitled to receive \$13,132.50 in substitution for the franking privilege and in lieu of expenses incurred on account of postage; and in lieu of expenses incurred on account of travel within the Member's constituency.

Members in certain districts are given a larger amount to account for the unique characteristics of these districts throughout Nova Scotia.

The amounts payable to a person who becomes a Member during the year shall be reduced proportionally to the percentage of the year that the person may be a Member.

Each Member of the House is entitled to receive the sum of \$1000 per month in lieu of expenses incurred on account of services to that Member's constituency, and a further sum, net of sales tax, not exceeding \$5,500 per month, for expenses accounted for by proper receipts and incurred on account of services in that Member's constituency for the

provision of office space, meeting places, equipment, telephone, telephone answering services, advertising and secretarial services.

(iii) *Travel and Accommodation Expenses*

A Member shall be reimbursed travel expenses for up to 52 return trips per year between the place where the Member is ordinarily resident and the City of Halifax to attend in Halifax, other than for attendance at a meeting of a select committee, a special committee or a standing committee.

Under the *House of Assembly Act* Members of the House, the Leader of the Opposition and the Leader of a recognized party, who live outside the Halifax-Dartmouth metropolitan area, are entitled to be reimbursed from the Consolidated Fund of the Province for expenses incurred for travel between the place where a Member is ordinarily resident and the place where the House ordinarily sits or where a committee, upon which a Member serves, is meeting. Members are required to travel by the shortest route and using the most economical means available. The cost of economy airfare and normal airline ground transportation will be reimbursed. Mileage for transportation by automobile is calculated at \$0.34 per kilometer.

Each Member (except the Premier, a member of the Executive Council having charge of a department, the Leader of the Opposition, or the Leader of a recognized party) who lives outside the Halifax-Dartmouth metropolitan area, is entitled to an expense allowance for attending a sitting of the House.

An amount of \$80 for expenses, without receipts, is available for each day that the Member is in attendance while the House is in session.

In addition, a Member may seek reimbursement (with proper receipts) for sleeping accommodation charges or for travel by the shortest and most convenient route between the place where he or she is ordinarily resident and the place where the House ordinarily sits, at the specified rate.

These additional expenses may not exceed \$85 per day.

Each member of the Executive Council who lives outside of, and normally travels by motor vehicle on a daily basis between, the Halifax- Dartmouth metropolitan area and his or her constituency in the capacity of a member of the Executive Council, is entitled to be reimbursed for travelling expenses by the shortest and most convenient route at the rate per kilometre set out above. This would not apply if the Member has been provided with a government-leased or government-purchased motor vehicle, or leases premises for sleeping accommodation in the Halifax-Dartmouth metropolitan area.

An outside Member, other than the Premier or a member of the Executive Council having charge of a department or the Leader of the Opposition, shall be reimbursed \$1,400 per month for accommodation expenses in the Halifax-Dartmouth metropolitan area. If a

Member is reimbursed for accommodation expenses, he or she shall not be reimbursed for any sleeping accommodation charges.

Each Member from the Halifax-Dartmouth metropolitan area, and each outside Member who is a member of the Executive Council or the Leader of the Opposition or the Leader of a recognized party, is entitled to an amount of \$80, without receipts, for expenses for each day in attendance at the House while the House is in session.

Other than to attend a sitting of the House or of one of its committees, each outside Member (except the Premier, a member of the Executive Council having charge of a department, the Leader of the Opposition, or the Leader of a recognized party) is entitled to an allowance of \$80 on account of expenses, without receipts, for each day spent in the capital on House business.

Additional reimbursement is available for travel and accommodation expenses incurred, and for return trips between the place where the Member is ordinarily resident and the Halifax-Dartmouth metropolitan area.

Sleeping accommodation charges incurred and claimed shall be accompanied by proper receipts, shall not be for more than two nights accommodation unless approved in advance by the Chairman of the Legislature's Internal Economy Board, and shall not exceed the government rate for the establishment where the Member stayed.

Each member is entitled to an allowance of \$80 on account of expenses, without receipts, for each day in attendance at Session. Additionally, each member is entitled to reimbursement for economy airfare, normal airline ground transportation and expenses for sleeping accommodation charges incurred, for one return trip between the place where the Member is ordinarily resident and the City of Ottawa to attend in Ottawa on constituency business.

If a Member is not reimbursed for a return trip between the place where he or she is ordinarily resident and the City of Ottawa on constituency business, then that Member is entitled to reimbursement for economy airfare, normal airline ground transportation and expenses for sleeping accommodation charges incurred, for one return trip between the place where the Member is ordinarily resident and another place in North America outside the Province to attend that other place on constituency business. In the case of travel outside of Canada, a daily allowance of \$100 is available, without receipts; in the case of travel inside Canada, a daily allowance of \$80 is available, without receipts. Approval of the Chairman of the Legislature Internal Economy Board must be obtained before the expenses are incurred.

Lastly, a Member will be reimbursed for travel expenses to attend a meeting of the Commonwealth Parliamentary Association or a meeting of any other parliamentary or legislative group, if approval of the Chairman of the Legislature Internal Economy Board is obtained before the expenses are incurred.

(iv) Committee and Board Chairs and Vice-Chairs

The chair of each standing select and special committee of the House and the Legislature Internal Economy Board is entitled to payment as follows:

- Committee on Assembly Matters, Law Amendments Committee and Public Accounts Committee - \$3,000,
- all other committees of the House - \$2,000,
- Legislature Internal Economy Board - \$3,000.

The vice-chair of each standing select and special committee of the House is entitled to payment of \$500.

For each day on which the chair and a member attends a meeting of a committee or the Board when the House is not sitting or the meeting is held outside the Halifax-Dartmouth metropolitan area, the chair and each member of each standing, select and special committee of the House and the Legislature Internal Economy Board is entitled to receive an amount of \$80 without receipts, on account of meals and other reasonable expenses incurred for the purpose of attending the meeting or actual expenses for meals and other reasonable expenses; reimbursement for actual expenses incurred in respect of accommodation; and reimbursement for travelling expenses.

Sleeping accommodation charges incurred and claimed shall be accompanied by proper receipts, shall not be for more than one night's accommodation, and shall not exceed the government rate for the establishment where the Member stayed.

(v) Official Position Expenses

The Leader of the Opposition and the Leader of a recognized party, in carrying out official duties within the Province, are entitled to be reimbursed for actual and reasonable expenses for accommodation, meals, travel and incidentals in a total amount not exceeding \$20,000. The Leader of the Opposition also receives a living allowance equivalent to a member of the Executive Council. The Leader of the Opposition and of a recognized party receive a leased motor vehicle on same basis as Executive Council Members. The Deputy Speaker receives \$4000 in lieu of expense.

(vi) Offices

Each caucus office is entitled to claim an allowance for support services, including employment positions, to a maximum of \$300,000 plus \$42,300 times the number of members the caucus has at the beginning of the year, with a pro-rated proportion of \$42,300 for each additional member of the caucus gained during the year.

An independent Member who is not a member of a caucus that receives the financial support outlined above, shall be provided with the following:

- office space not exceeding three hundred square feet;
- one secretary at the civil service classification AS(13);
- office furniture and equipment necessary to furnish and equip the office for the Member and one secretary;
- one telephone line; and
- reasonable postage.

An independent Member may incur, and be reimbursed for, long-distance telephone charges for telephone calls made from the office telephone in respect of House or constituency business.

(viii) Offices for Opposition Leaders

The Leader of the Opposition shall be provided with office facilities consisting of a private office for the Leader, a private office for a senior assistant or senior secretary, a private office for a director of research and a research assistant, a reception area for the Leader's secretary, and a working area for a secretary for the director of research and the research assistant. As well, the cost of the office facilities and the necessary equipment shall be paid out of the Consolidated Fund of the Province. The Leader of a recognized party, other than the Premier and the Leader of the Opposition, shall be provided with office facilities consisting of a private office for the Leader, a private office for a senior assistant or senior secretary, a private office for the Leader's research assistant, and a reception area for the Leader's secretary. The cost of the office facilities and the necessary equipment shall be paid out of the Consolidated Fund of the Province. In addition the salaries of two secretaries, a director of research, a research assistant, and a senior assistant or senior secretary, employed by the Leader of a recognized party, shall be paid out of the Consolidated Fund of the Province.

QUEBEC

Materials Reviewed:

- *An Act Respecting the National Assembly*. R.S.Q. c. A-23.1;
- *An Act Respecting the Conditions of Employment and the Pension Plan of the Members of the National Assembly*, R.S.Q. c. C-52.1;
- *Règlement sur les allocations aux députés* *Loi sur l'Assemblée nationale* (L.R.Q., chapitre A-23.1, aa. 103 et 104);
- *Règlement sur la rémunération et les conditions de travail du personnel d'un député et sur le paiement des services professionnels* *Loi sur l'Assemblée nationale* (L.R.Q., chapitre A-23.1, aa. 104, 124.2); and
- *Règlement sur la rémunération et les conditions de travail du personnel des cabinets de l'Assemblée nationale et sur le paiement des services professionnels* *Loi sur l'Assemblée nationale* (L.R.Q., chapitre A-23.1, aa. 104, 108, 124.2).

Analysis:

Key Elements in Compensation Scheme

(i) *Annual Indemnity*

Members receive an annual indemnity of \$69,965 as of July 1st, 2000, which was increased by 2.5% on January 1st, 2002 and January 1st, 2005. After 2002, the indemnity has been increased by the percentage increase applicable to the salary scales for the group of positions of senior executive officers in the public service. The indemnity for 2006 was \$80,464.

(ii) *Expense Allowance*

When legislation was adopted in 1982, every Member was to receive an annual allowance of \$7,500 to reimburse any expenses incurred in the performance of duties. This allowance is adjusted on the first of January each year, according to the rate of increase in the Consumer Price Index for Canada established by Statistics Canada. As of January 2006, the tax-free expense allowance is \$14,234.

(iii) *Transition Allowance*

Since 1 January 1983 a Member who resigns from the Assembly, is defeated in an election, or serves out his term as a Member but is not a candidate in the next election, is entitled to a Transition Allowance. The allowance is equal to twice the Member's monthly salary for each complete year during which he or she was a Member of the

Assembly. He or she is also entitled, where such is the case, to twice the portion of the monthly salary equal to the fraction of a year during which he or she was a Member of the Assembly.

In no case may the allowance be less than four times the Member's monthly salary, or more than twelve times that monthly salary. The period over which the payment of the allowance is spread corresponds to the number of months' salary to which the Member is entitled.

The monthly salary contemplated above will equal to the higher of the following amounts:

- 1) one-twelfth of the sum of the indemnities contemplated in subdivision 1 of Division I of Chapter I and of those provided for in section 7 of the Executive Power Act (chapter E-18) received by the Member in the 12 months preceding the end of his term; if he has been a Member of the Assembly for less than 12 months, the sum of those indemnities divided by the number of months and parts of months during which he was a Member of the Assembly during that term;
- 2) one thirty-sixth of the sum of the indemnities contemplated in subparagraph 1 received by the Member for the last three highest paid years of service during his last term or all his terms provided they were continuous; if the beneficiary has less than three years of service but more than one during those successive terms, the sum of those indemnities divided by the number of months and parts of months he has accumulated during that period.

A year of service corresponds to a total of 365 days during which a person was a Member of the National Assembly, whether continuously or not; an annual indemnity is presumed to have been received uniformly during the entire period of service counted for that year.

(iv) Salaries

In addition to their annual indemnity, Members who hold specific positions and/or additional duties are entitled to an additional indemnity. These are as follows:

President of the Assembly	An indemnity equal to 75 % of the annual indemnity
Vice-President(s) of the Assembly	An indemnity equal to 35 % of the annual indemnity
Parliamentary Assistant	An indemnity equal to 20 % of the annual indemnity

Member occupying the recognized position of Leader of the Official Opposition	An indemnity equal to 75 % of the annual indemnity
Member occupying the recognized position of House Leader of the Official Opposition	An indemnity equal to 35 % of the annual indemnity
Any Member, other than the Member contemplated in paragraph 4, who leads an opposition party, in the Assembly, (a) which had at least 12 Members elected at the last general election, or (b) of which the recognized membership in the Assembly is less than twelve Members but which, according to the official addition of the votes cast throughout Québec at the last general election, obtained 20 % of the valid votes cast, or (c) which was represented, under subparagraph a or b, during the preceding Legislature	An indemnity equal to 35 % of the annual indemnity
Chief Government Whip	An indemnity equal to 35 % of the annual indemnity
Chief Whip of the Official Opposition	An indemnity equal to 30 % of the annual indemnity
Member who is not a member of the Conseil exécutif and who occupies the recognized position of Deputy Government House Leader	An indemnity equal to 25 % of the annual indemnity
Member occupying the recognized position of Deputy House Leader of the Official Opposition	An indemnity equal to 20 % of the annual indemnity
Member occupying the position of Whip of a party contemplated in paragraph 6, Assistant Government Whip or Assistant Whip of the Official Opposition (For the purposes of this paragraph, the government and the Official Opposition are entitled to a number of Assistant Whips equal to the multiple of 20 Members in excess of 20, any fraction of 20 not being counted for the purposes of this section)	An indemnity equal to 20 % of the annual indemnity

Caucus chairman of the government party	An indemnity equal to 25 % of the annual indemnity
Caucus chairman of the Official Opposition (received, if the caucus consists of 20 Members or more)	An indemnity equal to 22.5 % of the annual indemnity
Chairman of a Standing Committee	An indemnity equal to 25 % of the annual indemnity
Vice-chairman of a Standing Committee	An indemnity equal to 20 % of the annual indemnity
Member who presides over a sitting of a Standing Committee	An indemnity equal to 15 % of the annual indemnity
Member who is a member of the Office of the National Assembly	An indemnity equal to 15 % of the annual indemnity

A Member who exercises more than one function for which indemnities are granted under this section or section 7 of the *Executive Power Act* (c. E-18), is entitled to only the higher indemnity.

The indemnities and the Transition Allowance constitute a salary for the purposes of paragraph 11 of Article 553 of the *Code of Civil Procedure* (c. C-25).

(v) *Pension*

Every person who is a Member after December 31, 1991 shall participate in the pension plan provided under the *Act Respecting the Conditions of Employment and the Pension Plan of the Members of the National Assembly*, unless he or she gives notice to the Office of the National Assembly of the intention not to participate. Section 34 applies to a person who has given such notice, and for the purposes of that section, such a person is deemed to have ceased to be a Member on the date on which the notice is received by the Office. Any person who has given such notice may subsequently elect to participate in this plan by giving notice to that effect to the Office.

The plan applies to a person who is entitled to, or who receives, a pension under a pension plan which applied to a Member before January 1, 1992. However, a Member shall not participate in the plan from December 31 of the year in which the Member attains 69 years of age.

An amount equal to 9 % of each payment of a Member's indemnity shall be withheld as contributions. However, no amount shall be withheld from the indemnity of a Member who has accumulated pension credits for 25 years or more.

The indemnity of a Member is the base indemnity, plus, in the case of a Member who receives such, any additional indemnity as specified above. In no case may the annual indemnity exceed, for the purpose of computing contributions and pension credits, the amount required to arrive at the defined benefit limit applicable for each year under the *Income Tax Act* (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).

Where a Member has participated in the plan for only a fraction of a year, his annual indemnity shall not exceed the amount obtained by multiplying the amount referred to in the previous paragraph by that fraction of a year.

A person who ceases to be a Member by reason of physical or mental disability is deemed to have paid contributions on the base annual indemnity until the date on which he or she ceases to receive benefits under a disability insurance plan determined by the Office of the National Assembly, or if earlier, until the date on which he or she attains 60 years of age.

Each Member is entitled to an annual pension credit equal to 1.75 % of the annual indemnity on which he paid, or as the case may be, is deemed to have paid contributions, without exceeding a period equivalent to 25 years.

A pension credit computed in accordance with the first paragraph shall be granted to a person who is a Member on January 1, 1992 for each year (or part of a year) during which he or she paid contributions to the plan before January 1, 1992, and each year (or part of a year) credited to him under the plan before that date. Such pension credit replaces, in respect of each of those years and parts of a year, the pension credit granted to the Member before January 1, 1992.

A Members is also entitled to a pension credit for each year or part of a year during which he or she paid contributions to a pension plan applicable to a Member of the National Assembly or to a Member of the Parliament of Canada that may be counted under this plan, and in respect of which her or she is not entitled to a pension under such a plan or another Act provided he or she applies and pays on the conditions and in the manner prescribed by regulation, an amount equal to the contribution that would have been withheld under the plan from the indemnity to which he or she is entitled at the time of the application for each year and part of a year so counted.

The retirement pension shall be equal to the aggregate of the pension credits accumulated. A person 60 years of age or more who ceases to be a Member is entitled, upon application, to a retirement pension.

A person under 60 years of age is entitled, upon application, to a retirement pension reduced, for its duration, by 0.25 % for each month between the date on which the pension is payable and the date on which he or she attains 60 years of age.

The retirement pension is payable at the latest from December 31 in the year in which the person attains 69 years of age, even if the person has not ceased to be a Member on that date.

The retirement pension is payable to a person 60 years of age or more who ceases to be a Member from the date on which the person ceases to be a Member, regardless of the date of the application.

The retirement pension is payable to a person under 60 years of age who ceases to be a Member from either the date on which the application is received, or any date mentioned in the application and subsequent to the date on which the application is received, but not later than the date on which the person attains 60 years of age. However, if the latter person applies for a retirement pension after turning 60 years of age, the retirement pension is payable from that date.

Instead of receiving a reduced retirement pension, a person who is under 60 years of age may, upon an application made in accordance with the conditions and in the manner prescribed by regulation, elect to receive payment of the actuarial value of the reduced pension. This amount bears interest, in the manner and at the rate prescribed by regulation, from the date on which the retirement pension would have been payable until the date on which payment is made. The amount shall be transferred to a locked-in retirement account with a financial institution chosen by the person. Payment of this amount shall cancel any entitlement to the retirement pension.

Every person who was a Member before January 1, 1983 and was still a Member on January 1, 1992 was entitled on that date to a retirement pension equal to 75 % of the aggregate of the contributions he or she paid, or was deemed to have paid, before January 1, 1983 under the *Legislature Act* (c. L-1), indexed until December 31, 1991 in accordance with the said *Act*. However, a person who was receiving a retirement pension under the said *Act* and who was a Member on January 1, 1992 was entitled on that date to the pension to which he or she would have been entitled under the said *Act* if the pension had continued to be paid and indexed until December 31, 1991. The person was deemed to have ceased to be a Member on December 31, 1991 and to have again become a Member on January 1, 1992.

A retirement pension is payable to a person who was a Member before January 1, 1983, from the date on which the person ceases to be a Member or, at the latest, from December 31 in the year in which the person attains 69 years of age. Every person who was a Member before January 1, 1983 and who ceased to be a Member before January 1, 1992 shall continue to receive, for life, the retirement pension he was receiving under the *Legislature Act* (c. L-1) on December 31, 1991. Every person who was a Member after December 31, 1982 and who ceased to be a Member before January 1, 1992 shall continue to receive, for life, the retirement pension he was receiving under this *Act* on December 31, 1991.

Key Elements in Allowable Expenses

(i) Travel Allowance for Political Activities within Québec (tax-free)

This allowance does not apply to Ministers.

A Member is entitled to an allowance and, if applicable to an additional allowance, for travel expenses incurred in relation to political activities within Québec. The allowance is automatically paid *without vouchers being required*, in 12 equal, monthly instalments, on the 1st of the month following the one in which it was payable. It is included with the Member's payroll.

The amount of the allowance ranges between \$6,800 and \$17,300, depending on the group under which the constituency is classified.

In addition to their basic allowance, the Members representing the electoral divisions of Duplessis and Ungava (Northern Québec) are entitled, on presentation of vouchers, to reimbursement of their travelling expenses to a limit of \$4,000 for the annual visit of their riding. Furthermore, the Member for Ungava is entitled to an annual reimbursement (maximum \$12,000) of his travel expenses for visits to the distant native communities in his electoral riding. Likewise, the Member for Duplessis is entitled to an annual reimbursement (maximum \$6,000) of his travel expenses for visits to the communities in his riding that are inaccessible by land.

(ii) Accommodation (Living) Allowance

Any Member whose main residence is outside Québec City or any of its contiguous constituencies is entitled to a maximum of \$13,100 per year for living expenses in Québec City. Qualifying Members are free to rent (with or without a lease), buy property or stay in a hotel.

The Speaker of the National Assembly, the Prime Minister, the Leader of the Official Opposition, the Government House Leader, the Opposition House Leader, the Chief Government Whip, the Chief Whip of the Opposition or the caucus chair of the government party each receive an additional \$3,000.

The living allowance (rent, rental value of property or cost of hotel accommodations) covers, when applicable, the cost of telephone service; upkeep of lodging facilities; parking; electricity; insurance protection against fire and theft and civil responsibility; cable fees; monthly Internet subscription fees; and shared expenses, in the case of a condominium.

Accommodation expenses (hotel receipts, leases, rental receipts, rental value certificates.) are reimbursed on *presentation of appropriate vouchers*.

(iii) Travel Expenses

This allowance does not apply to Ministers.

Each Member is entitled to an allowance of \$0.45 per km for a maximum of 60 round trips per year from his or her constituency office to the Parliament Building by any mode of transportation, based on the distance from the constituency to Québec City. Members with additional responsibilities are entitled to ten additional round trips. Included in the 60 or, where applicable the 70, round trips are 5 round trips for the Member's family.

The Member must furnish proof of travel with his claim. No proof is required if the trip involves mileage under 240 km return.

A Member travelling by plane is eligible to have the following expenses reimbursed, upon presentation of receipts:

- the cost of an economy class plane ticket;
- reservation or administration fees for the plane tickets;
- \$0.45 per km when using his or her own car to drive to and from the airport;
- parking at the airport;
- taxi fare or cost of other commuter service to the airport (up to \$30 each trip without receipts); and
- airport facilities improvement fees, even without receipts.

A Member travelling on a chartered flight, by limousine or taxi, whether or not the cost is shared with other Members, is entitled to an allowance equivalent to \$0.45 per km.

(iv) Constituency Allowances

These do not apply to Ministers.

Members are eligible for an allowance valued between \$37,700 and \$41,700 per fiscal year for the office, depending on the constituency.

The following operational costs are eligible for reimbursement, upon presentation of receipts:

- office space rental;
- the rental or purchase of furniture and office equipment;
- purchase of stationery, envelopes and office supplies;
- mail and messenger services;
- cleaning and maintenance of office, furniture and equipment;
- identification signs;
- rental taxes;
- insurance (fire, theft, civil responsibility);

- printing cost of speeches delivered by the Member in the Assembly, business cards, invitation and greetings cards, and other stationery items;
- expenses for parking, snow removal, moving and repair;
- expenses for the purchase, installation and maintenance of photocopiers, fax machines, pagers and telephone-answering devices;
- expenses for the rental, installation and maintenance of pagers and telephone-answering devices;
- registration and notary fees;
- purchase of or subscriptions to newspapers;
- publicity costs related to the function of the Member;
- fees for creating and maintaining a web site on Internet;
- fees for making or purchasing promotional material related to the function of the Member, excluding the cost of 30 Québec flags (4' x 6') which are given each year to the Member by the Assembly;
- expenses related to leasing of meeting rooms;
- expenses related to hospitality extended to constituents;
- expenses incurred for meetings and receptions held at the Member's riding office or in a meeting room rented for these purposes;
- Member's registration at conferences, congresses, seminars or symposia;
- Language-class fees (the Assembly pays up to \$1,500 per year);
- Costs of printing and delivering unaddressed mail or of publication of information material in a newspaper (The contents of such mail or material may not seek to obtain membership or financial contributions to a political party, nor may they encourage electors to participate in an advocacy activity, or include any form of petition or invitation to sign one. Visual identification related to a political party is forbidden. Furthermore, unaddressed mail and texts of an informational nature may be neither published nor distributed once a general election or a referendum has been officially declared).

Telecommunications expenses are paid by the National Assembly. These include installation and rental expenses for cable service connection; installation and subscription fees to Internet; the riding office telephone system; the Member's calling card and cellular phone, including local and long distance calls made by the Member and his staff in the performance of their duties.

Mailing costs of non-partisan material sent by the Member from his or her office at the National Assembly are charged to the Assembly. Only non-partisan political activity may be charged to this allowance.

At the end of his or her term of office, the Member must return all goods acquired with allowances to the Assembly. The Member can purchase these goods, at fair market value, from the Assembly if the incoming Member does not wish to keep them.

(v) Member's Staff

Members receive between \$131,783 and \$150,335 annually for hiring personnel, as well as for the payment of professional services. Members of the Official Opposition receive between \$126,783 and \$145,335 annually.

Each Member hires his or her personnel, which is composed of advisors, political attachés and support staff. The Member determines staff duties and responsibilities, as well as remuneration. The remuneration of an employee is restricted to the annual maximum salary level of the work category to which he or she belongs.

Persons employed by a Member are considered the Member's employees and are consequently not part of the Québec Civil Service, unless they were employed as civil servants prior to joining a Member's staff.

Staff employed by a Member are entitled to the same fringe benefit package as Québec civil servants. These benefits do not apply to contract employees hired by a Member.

The Member also disposes of an annual amount ranging between \$2,701 and \$6,744 for the reimbursement of his or her staff's travel expenses.

The Member must provide proof of hiring to the Personnel Department for each staff member. Travel expenses are reimbursed on presentation of vouchers.

(vi) Mailing, Printing, Communications (Telephone) Allowance

On-going mail costs of constituency office are paid by the National Assembly.

Mailing costs of non-partisan material sent by the Member from his constituency office are included in the allowance granted for the operations of his constituency office, as are on-going printing costs of constituency office.

HOUSE OF COMMONS:**Materials Reviewed:**

- *Members' Allowances and Services Binder, House of Commons* (April 2006); and
- *By-laws of the Board of Internal Economy, House of Commons* (January 2006)

Analysis:***Key Elements in Compensation Structure****(i) Sessional Allowances*

Members of Parliament are entitled to a sessional allowance, retirement benefits and a number of other benefits. An annual sessional allowance of \$147,700 is payable to Members in accordance with the *Parliament of Canada Act*, R.S. 1985, c. P-1.01. Members who occupy certain offices and positions are entitled to additional remuneration in accordance with the *Parliament of Canada Act*. The additional salaries as of April 1, 2006 were as follows:

Position	Additional Salary
Prime Minister	\$147,700
Speaker	\$70,800
Leader of Official Opposition	\$70,800
Cabinet Ministers	\$70,800
Ministers of State	\$70,800
Secretaries of State	\$53,100
Leaders of other Opposition Parties	\$50,400
Deputy Speaker	\$36,800
House Leader of the Official Opposition	\$36,800
Chief Whips (Government and Official Opposition)	\$26,700
Parliamentary Secretaries	\$14,900
Deputy Chair (Committees of the Whole)	\$14,900
Assistant Deputy Chair (Committees of the Whole)	\$14,900
House Leaders of other Opposition Parties	\$14,900
Deputy House Leaders of Government and Official Opposition	\$14,900
Chief Whips (Other Opposition Parties)	\$10,500
Deputy Whips (Government and Official Opposition)	\$10,500
Caucus Chairs	\$10,500

(Government and Official Opposition)	
Chairs of Standing, Special, Standing Joint and Special Joint Committees, excluding the Liaison Committee and the Standing Joint Committee on Library of Parliament	\$10,500
Caucus Chairs (Other Opposition Parties)	\$5,400
Deputy House Leaders (Other Opposition Parties)	\$5,400
Deputy Whips (Other Opposition Parties)	\$5,400
Vice Chairs of Standing, Special, Standing Joint and Special Joint Committees excluding the Liaison Committee and the Standing Joint Committee on the Library of Parliament	\$5,400

The Sessional allowances and additional salaries are adjusted each year on April 1 according to the index of the average percentage increase in base rate wages for a calendar year in Canada, resulting from major settlements negotiated in the private sector.

A deduction of \$120 is made from the sessional allowance for each day beyond 21 days in a session in which a member does not attend a sitting in the House for reasons other than illness or official business. For every month that the House is sitting, a Member must provide the Pay and Benefits Section with a statement indicating the number of days he or she attended during the month, including the days he or she did not attend for the following reasons: illness, participation in other public or official business, service in the Canadian Armed Forces, or the adjournment of the House. No deductions are made from House Officers' additional salaries.

(ii) *Pension*

The *Members of Parliament Retiring Allowances Act*, R.S. 1985, c. M-5, (MPRAA) provides pension coverage for Members and House Officers of the House of Commons. Members receive a number of benefits, subject to certain restrictions, including a Retiring Allowance at age 55; supplementary retirement benefits; continuation of payroll benefits; and survivor benefits.

Under the MPRAA, Members must contribute 7% of their sessional allowance toward their retirement benefits. Members receiving additional salaries or allowances for extra duties, such as House Officers, Ministers, Whips, and Parliamentary Secretaries, may contribute 7% of their additional allowances. Special buy-back options are available under certain circumstances for the purchase of further pensionable service credits. This contribution complies with the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.) respecting pension arrangements in Canada.

A Retirement Allowance is paid to a former Member who has made contributions for at least six years and is 55 years of age or older. The amount of the allowance is based on the total number of years of pensionable service and the average annual sessional allowance over the best consecutive five years of service. A Member is deemed to have met the maximum contributions with 25 years of pensionable service. The Retirement Allowance or other benefit payable to a former Member is suspended in respect of any period during which that person subsequently becomes a Senator or a Member of the House of Commons, and during any period in which the former Member subsequently becomes employed with the federal government.

Members who do not have the six years minimum pensionable service for the Retirement Allowance are entitled to a Withdrawal Allowance. A Withdrawal Allowance is a lump-sum payment equal to the total sum of contributions paid by the Member, plus the interest compounded annually at 4%. It is payable immediately upon ceasing to be a Member.

Under the *Parliament of Canada Act*, Members who are ineligible for an immediate pension under the *Members of Parliament Retiring Allowances Act* are entitled to a severance allowance upon ceasing to be a Member. The severance allowance is a lump-sum payment equal to 50% of the total sessional allowance plus any additional salary as of the date prior to ceasing to be a Member. Lastly, a Member who is 65 years of age or over, and who resigns by reason of disability, may elect to receive a Disability Allowance.

(iii) *Relocation Expenses*

Once per Parliament, at any time following their election to the House of Commons Members can relocate their primary residence or establish a secondary residence in the National Capital Region. Relocation is considered a compensation benefit. Members may relocate back from the National Capital Region to a residence in Canada within one year of ceasing to be a Member. The following actual relocation expenses may be reimbursed:

- packing, unpacking and moving furniture etc.;
- shipping up to two family vehicles;
- insurance premium of household effects;
- in-transit storage of household goods; and
- incidental expenses related to installation or removal of appliances, utilities, telecommunications, or security systems.

The following restrictions and limitations apply:

- all relocation expenses must be claimed within one year of ceasing to be a Member;
- financial Management Operations must approve in advance any in-transit storage of household effects; and
- moves must be direct from one address to another. However, Members will not be reimbursed, in whole or in part, to relocate from one National Capital Region residence to another.

Generally, travel expenses of the Member, dependants and spouse residing with the Member will be reimbursed when relocating to the National Capital Region and relocating back to the residence elsewhere in Canada. Accommodation, meal and incidental expenses will not be reimbursed. However, when travelling under the Travel Points System (described below) Members may claim their personal accommodation, meal and incidental expenses as a charge to their Travel Status Expenses Account.

Key Elements of Allowable Expenses

The following outlines the allowable expenditures and budgets allocated to Members of Parliament.

(i) Budget Allocations

Members are provided with operating funds, office premises in the Parliamentary precincts, and goods and services to be used to carry out their parliamentary functions. Following an election, budgets will be pro-rated from the date of the general election or by election to the end of the fiscal year. The following is a summary of the 2006-2007 Budget Allocations:

2. Summary of Budget Allocations

Allocation	Fiscal year 2006-2007	Description
Member's Office Budget (MOB) Basic Budget Add: (if applicable) + Elector Supplement + Geographic Supplement + Schedule 3 Supplement	\$268,300	The Member's Office Budget provides Members with an annual budget to pay employee salaries, service contracts, some operating and travel costs, and other expenses. See the appendix Member's Office Budget by Constituency 2006-2007.
Miscellaneous Expenditures Account	3% of the MOB	This account allows Members to charge certain hospitality expenses related to the Members' parliamentary, non-partisan functions. See the appendix Financial Limits by Constituency 2006-2007.
Advertising Expenses Account	10% of the MOB	This account allows Members to inform their constituents about matters related to their parliamentary functions including staff recruitment notices; public meeting announcements, change of address for constituency office(s); and congratulatory messages or greetings to constituents. See the appendix Financial Limits by Constituency 2006-2007.
Other Allocations:		
Constituency Office Furniture and Equipment Improvement Fund	\$5,000	This fund allows Members to charge office furniture, equipment, computers and peripherals if purchased using the House Administration's standing offers. For more information, see the Constituency Office and Services chapter.
Travel Status Expenses Account	\$24,000	This account allows Members to charge some travel related expenses they personally incur while in travel status. For more information, see the Travel Chapter.
Travel Points System	64 travel points	This system ensures that Members have the same transportation resources regardless of where their constituency is located. Members are allocated 64 regular travel points each fiscal year of which 25 points may be used as a special trip. For further information about the Travel Points System, see the Travel chapter.

(ii) Members' Office Budget

The Board of Internal Economy (BOIE or Board) provides and regulates the use of an annual Member's Office Budget to pay employees' salaries, service contracts, some operating and travel costs, and other expenses as determined by the Board.

The Member's Office Budget consists of a basic office budget and, for those who represent densely populated or geographically large constituencies, an elector supplement and/or a geographic supplement. Members who represent constituencies listed in Schedule 3 of the *Canada Elections Act*, R.S.C. 2000, c. 9, also receive a Schedule 3 supplement of \$15,860 and Members representing Western Arctic and Nunavut receive \$19,030. The Board of Internal Economy sets the basic budget, and may adjust it from time to time. The basic budget is currently set at \$268,300 for all constituencies. Members who represent densely populated constituencies may receive the elector supplement; this is added to the basic budget when there are 70,000 or more electors on the official voters list for a Members constituency.

The following are the annual elector supplements in effect for the 2006/2007 fiscal year:

Number of Electors	Supplement
150,001 or more	\$49,140
130,001 to 150,000	\$40,940
110,001 to 130,000	\$32,760
90,001 to 110,000	\$24,580
80,001 to 90,000	\$16,390
70,000 to 80,000	\$8,200

There is also the geographic supplement for those who represent constituencies with 500 square kilometres or more; the amounts are as follows:

Area (Square kilometres)	Supplement
500,001 and more	\$49,850
200,001 to 500,000	\$35,120
75,001 to 200,000	\$28,330
20,001 to 75,000	\$20,390
15,001 to 20,000	\$18,130
8,001 to 15,000	\$15,860
3,001 to 8,000	\$7,930
500 to 3,000	\$4,530

Members may carry forward into the next fiscal year the unspent portion of the previous fiscal year's Member's Office Budget, excluding any carry-forward from a prior year, to a maximum of 5% of the approved budget. There is no carry-forward between Parliaments.

The Member's Office Budget is used for the employees' salaries, service contracts, advertising, office operation costs and some travel expenses subject to the direction and restrictions of the Board of Internal Economy. The following is a Schedule of Rates:



Appendix Schedule of Rates

Item	Rate				Effective date
Annual Maximum Salary	\$74,743 per employee				April 1, 2005
Annual Maximum Service Contract Limit	\$74,743 per contractor				April 1, 2005
Maximum Contractor Per Diem	\$600 per day				March 7, 1990
Travel Status Expense Account	\$24,000 per fiscal year				April 1, 2006
Constituency Furniture and Equipment Allowance	\$5,000 per fiscal year				April 1, 2005
Per Diem Rates	Provinces *	Yukon	N.W.T.	Nunavut	May 1, 2006
	\$	\$	\$	\$	
Breakfast	12.50	13.95	12.95	20.35	
Lunch	12.00	13.75	14.90	21.60	
Dinner	33.60	43.25	47.00	55.85	
Incidental Expense Allowance	<u>17.30</u>	<u>17.30</u>	<u>17.30</u>	<u>17.30</u>	
Total	75.40	88.25	92.15	115.10	
	* When travelling in the USA, per diem rates are paid in US funds				
Private Accommodation Rate	\$50 per night				October 20, 2003
Secondary Residence Rate	\$25 per day				April 1, 2004
Kilometre Rate	\$0.471 per kilometre				May 1, 2006
Taxi and Bus Reimbursement	Receipts required for amounts over \$25				
Preferred Bulk Postal Rate (applicable only when items are mailed from House of Commons Postal Stations)	\$0.82 per kilogram				January 1, 1996

Note: The revised kilometre rate effective September 1, 2006 is \$0.487 per kilometre.

Ottawa and constituency office employee salaries are charged to the Member's Office Budget. The Board of Internal Economy sets a maximum annual salary of \$74,743 and the terms and conditions of employment. The costs of service contracts are charged to the Member's Office Budget, and are subject to a maximum contract limit of \$74,743 per year or \$600 per day as set by the BOIE. Members may use up to 10% of their Member's Office Budget for advertising expenses.

Members will have an office in Ottawa and usually one or more offices in their constituency. In Ottawa, Members are provided with a furnished office within the Parliamentary precincts that includes standard computers and office equipment. The House Administration provides services to Members, including mail, messenger, printing

and telecommunications. These services are generally charged against the House Administration's budget and are subject to certain conditions. In the constituency offices, most operating expenses, such as leases, equipment and maintenance, are charged to the Member's Office Budget. Members may charge some of their travel expenses and those of their authorized travellers to the Member's Office Budget. These expenses include:

- travel within the province or territory in which the Member's constituency is located;
- travel within the National Capital Region at the approved kilometre rate;
- travel for Members whose constituencies are located in the National Capital Region at the approved kilometre rate;
- employee travel to attend training; and
- accommodation, meals and incidental expenses of employees travelling on parliamentary business.

Up to 3% of the Member's Office Budget may be used as a Miscellaneous Expenditures Account. This amount cannot be increased by a carry-forward.

The following hospitality expenses related to the Member's Parliamentary functions, but excluding partisan activities, may be charged to the Miscellaneous Expenditures Account:

- meals for the Member and guest when accompanied by one or more guests;
- tickets for meals with service groups, at community events or other meetings of a non-partisan nature;
- food and any beverages served at any meetings and non-partisan events;
- purchase of a gift not exceeding \$100 given as a matter of protocol on official occasions; and
- small token items such as buttons, pins, ribbons and certificate holders (except for promotional items with the Member's contact information which would be considered an advertisement expense).

To receive reimbursement against the Miscellaneous Expense Account, the Member must provide original receipts and must personally sign the invoice or expense claim. This responsibility cannot be delegated.

The BOIE has set some restrictions regarding the use of the Member's Office Budget, including the Miscellaneous Expenditures Account. This budget may not be used for:

- personal expenditures, such as personal meals and traffic violation fines;
- hospitality expenses for partisan events;
- membership and tournament fees;
- purchase of a gift exceeding \$100.00;
- purchase of a gift certificate;
- purchase or rental of formal wear;
- donations or contributions of any kind, direct or indirect, including any fundraising meals or events;

- sponsorship of events, groups or causes;
- rental or purchase of furniture for the Ottawa office, except where authorized by the Board;
- purchase or long-term lease of motor vehicles, including acquisition costs and financing charges for mobile office;
- riding Association meeting announcements; and
- legal fees, except those related to the preparation of constituency office leases.

(iii) *Staff*

Members may hire support staff; all salaries are paid from the Member's Office Budgets or House Officer's Office Budget, as described below. Members and House Officers are the employers of their employees and as such may recruit, hire, promote or release employees, as well as determine the duties to be performed, hours of work, classification of positions and salaries.

(iv) *House Officers Office Budget Allocations*

The Board of Internal Economy provides each recognized party with an Annual Research Office Budget, an Information Technology Budget, a Caucus Translation Service Budget and a National Caucus Meeting Budget. The Annual Office Budgets for House Officers, established based on a party representation formula approved by the Board of Internal Economy, are as follows:

2006-2007 Annual Office Budgets for House Officers

	Government	Official Opposition	Bloc Quebecois	NDP
Party Leaders	-	\$3,813,575	\$2,096,050	\$978,500
House Leaders	-	\$442,900	\$309,000	\$1,053,175
Research Offices	\$2,412,775	\$2,372,219	\$1,617,100	\$1,053,175
Chief Whips	\$579,633	\$514,743	\$322,648	\$210,635
Information Technology	\$256,470	\$234,840	\$181,280	\$72,100
Caucus Chairs	\$94,200	\$86,850	\$68,650	\$60,950
Stornoway	-	\$151,133	-	-

The Information Technology Budget referred to above is for each recognized party; it is allocated to be used to acquire computer equipment, including computers and laptops, printers, peripheral devices, personal digital assistance and software, or to acquire consulting services. Each party is also provided with a budget of \$125,000 for translation expenses. In 2006-2007, each recognized party was provided with a budget of \$46,000 for reasonable expenses incurred for National Caucus Meetings. These meetings may be held within or outside the National Capital Region. Allowable National Caucus Meeting charges include staff travel, accommodation and related administrative support costs. The

Chief Whip or a person designated by the party leader must approve these expenses and original receipts must be provided.

The Annual Research Office Budget is provided to pay employees' salaries, translation and service contracts. This budget is allocated at the beginning of each fiscal year on April 1.

(v) *Ottawa Office and Services*

Members are provided with an office within the Parliamentary precincts. Members are also provided with office furniture, equipment and supplies for their Ottawa office, based on a standard office allocation approved by the Board of Internal Economy. Members and House Officers' standard furniture, equipment and supplies are as follows: furniture, photocopiers, computer and laptop equipment, televisions, telephones and long distance, VCRs/DVDs, wireless devices, regular office supplies, fax machines, and reference materials. All purchases remain the property of the House Administration, and may not be transferred to the constituency office. Members must consult with the appropriate House Administration service before making purchases to ensure that the equipment conforms with the House Administration's technical and service standards, to take advantage of any standing offers that usually offer the best prices, and to record equipment warranties. Members are provided with standard office supplies such as pens, post-it notes, and desktop items. Reference materials will be charged to the Member's Office Budget; they include: dictionaries, books, newspaper and periodical subscriptions, and any fees for access to information requests personally submitted by the Member.

All assets provided by the House Administration or charged to the Member's Office Budget again are the property of the House of Commons. Members may not personally fund, in whole or in part, the purchase of any House of Commons assets.

Members also have access to many printing-related services including document preparation, digital copying, offset printing, bindery services, and consulting and planning services; these are subject to some restrictions. The following are some items available within printing services: householders, ten per centers, personalized stationery, season's greetings cards, and printing on demand.

Householders are printed materials sent by Members to inform their constituents about Parliamentary activities and issues. Members are entitled to print and mail up to four householders per calendar year. Ten per centers are printed or photocopied material reproduced in quantities not exceeding 10 percent of the total number of households in a Member's constituency. Quantities exceeding that amount will be considered householders, and will be deducted from the Member's householder allowance. Each fiscal year, Members are entitled to personalized stationery printed in two colours at House expense. This includes personalized letterhead to a maximum of 12,000 sheets, and also additional personalized letterhead on more economical grade of paper in a quantity equal to the number of households in the Member's constituency. Personalized stationery also includes business cards for Members, wish cards, and note paper and pads.

Members are also entitled to 2,000 full-colour photograph cards, or personalized cards printed in two colours provided by printing services. Cards beyond the 2,000 limit may be charged to the Member's Office Budget. Members are entitled to up to ten copies of Committee transcripts at House expense.

Members and House Officers may not use the House Administration printing and photocopying services, the Member's Office Budget or the House Office Budget for the following:

- solicitations for membership in any political party;
- solicitations for monetary contributions for any political party;
- provincial, municipal or local election campaign material;
- large volume requests for material that have been previously duplicated that fiscal year for the Member.

(vi) *Constituency Office and Services*

Members may establish one or more offices in their constituencies. There are specific entitlements and services for Members in their constituency offices.

Members have a number of options for locations when establishing a constituency office, such as an office anywhere *within their* constituency, including buildings managed by Public Works and Services Canada. Members may also share office space with another Member, a Member of a provincial legislature or an elected municipal representative. At times, Members use mobile homes or house trailers as constituency offices. In order to charge mobile office expenses to the Member's Office Budget, the unit must be equipped with a suitable desk, table and chairs, must remain in the constituency at all times, and must be exclusively used as a constituency office. Members' constituency offices are usually located within the constituency; however, should a Member need to establish a constituency office within the boundaries of another Member's constituency, the prior written consent of that Member must be obtained.

Members may charge office furniture, equipment, computers and supplies for the constituency office to the Member's Office Budget, or under certain conditions up to \$5,000 per fiscal year to a House Administration Central Budget called the Constituency Office Furniture and Equipment Improvement Fund. The Board of Internal Economy has established rules and limitations regarding the acquisition and care of these items, as follows:

- Following a general election or by-election, the new Member assumes custody and use of existing constituency office furniture and equipment from the previous Member. Members may purchase or lease furniture or equipment required for a typical office, such as desks, chairs, bookcases and filing cabinets, photocopiers, water cooler and services. Members may acquire furniture and equipment from any supplier and charge the cost to the Member's Office Budget. However, Members are also provided with a House Administration Central Budget called the Constituency Office Furniture and Equipment Improvement Fund to which they may

charge office furniture if purchased from House Administrations standing offers;

- Members may modestly and professionally decorate their offices in standard office style. They may charge to their Member's Office Budget decoration, artwork, and framed or unframed prints up to a maximum of \$350 per item;
- Members may acquire computers, printers and other hardware from any supplier, and charge the cost to their Member's Office Budget. Or, they can use the Constituency Office Furniture and Equipment Improvement Fund to which they may charge these items if purchased from House Administration standing offers;
- Members are provided with the following telephone services in their primary constituency office: four telephone sets and lines, one fax line, one toll free number, and wireless devices and airtime. Members will designate one constituency office as their primary constituency office for these services. Additional telephones and services in either the primary or secondary constituency offices will be charged to the Member's Office Budget. Members may purchase or lease fax machines for their constituency office or the Member's residence in their constituency, as well as an additional telephone line for that purpose;
- Reasonable quantities and standard stock supplies, such as letterhead, paper and pens, are provided and shipped to the constituency office by the House Administration at no cost to the Member;
- Members may also charge the following reference materials to their Member's Office Budget: dictionaries, books, newspaper and periodical subscriptions, and fees for access to information requests; and
- Members may charge plants and floral arrangements, flags, Remembrance Day wreaths, seasonal decorations, and items of office-related hospitality (such as coffee makers, cups, spoons and drinking glasses) to their Member's Office Budget.

Again, all assets provided by the House Administration or charged to the Member's Office Budget are the property of the House of Commons. Some of the services provided to Members in Ottawa are also available for their constituency office, including postal privileges, printing services, training and translation.

Members may use up to 10% of their Member's Office Budget for advertising expenses. The purpose of advertisement is to allow Members to communicate with their constituents about the following:

- their office location and contact information;
- assistance and services they provide;
- meeting announcements;
- congratulatory messages or greetings to constituents; and
- parliamentary functions, including partisan opinions and advocacy statements.

Advertisements must support at least one of the purposes outlined above, must contain the Member's name and must provide a means to contact the Member, such as telephone or fax number, street or Web site address. A Member may advertise in local newspapers, billboards, event programs or booklets, newsletters, or on billboards, television, radio or other commercial media commonly available. Members can also use promotional items of minimal value, such as book marks, calendars and refrigerator magnets.

Advertising is a communication method, not a form of sponsorship or a support mechanism for community groups and charities. Therefore it cannot be used to:

- make a donation or contributions of any kind;
- sponsor or provide financial assistance to groups or causes (golf tournaments, concerts, festivals, charitable activities, sport teams);
- display a sign of a particular event; or
- create, finance or contribute to the operating costs of an Internet site.

Members may share an advertisement with another federal Member or provincial or municipal elected official from the same community or region.

Requests for advertising reimbursements or payments must include:

- an invoice printed on the official letterhead of the business organization that provided the advertisement;
- a copy of the advertisement in the published format, tear sheet, script for radio or television ads, the Internet link or a hard copy of a web ad; and
- the authorization and signature of the Member.

Lastly, allowable expenses that can be charged to the Member's Office Budget include things such as meeting rooms, parking, television, courier services and moving expenses.

(vii) Travel

To facilitate Members' travel, the Board of Internal Economy provides Members with:

- (a) the Travel Points System;
- (b) the Travel Status Expenses Account; and
- (c) the Member's Office Budget.

(a) Travel Points System

The Travel Points System ensures that Members have the same transportation resources regardless of where their constituency is located. Members are allocated 64 travel points each fiscal year. A travel point is equivalent to one return trip in Canada. Members may allocate some of their travel points to a designated traveller, dependants and eligible employees, within the limits determined by the Board of Internal Economy. Travel points are allocated on the beginning of each fiscal year on April 1. Unused points may not be carried over to the next fiscal year. A regular trip is considered travel between Ottawa and the Member's constituency. Members may allocate:

- up to 9 of the 64 regular trips to the dependants; and

- up to a total of 15 of the 64 regular trips to the dependant, eligible employees or parliamentary interns.

Members may use up to a maximum of 25 of the 64 travel points for special trips. Special trips are considered other travel in Canada that uses the Travel Points System. Members may also allocate some or all of the 25 special trips to their designated traveller, and:

- up to 6 points for special trips to their dependants, apart from the 25 special trips mentioned;
- up to 6 of the 25 points for special trips to eligible employees that accompany the Member or House Officer on trips relating to parliamentary business; and
- up to 6 of the 25 points to special trips to eligible House Officers' employees when accompanying the House Officer on trips relating to parliamentary business.

The 25 travel point limit for special trips does not apply to the Speaker, Party Leaders, House Leaders and Chief Whips. Members may also use up to 4 of their 25 special points for trips to Washington, DC, if the travel is in support of a parliamentary function, are between Ottawa or the Member's constituency and Washington DC without stopovers, and the Member is the traveller.

For all travel, Members and their authorized travellers must select the most economical, yet suitable, means of transportation. Members, the designated traveller and the dependants may travel by any class other than first class. For air travel, trips that include a planned stop over will be counted as a special trip against the Travel Points System. Members, their spouses and dependants receive free train privileges under the VIA Rail Canada policy. No travel points are deducted when the free train privileges are used. However, when the train travel is not included in the free rail privileges, Members may charge the cost of meals, accommodations and seat upgrades to the Travel Points System, up to the maximum cost allowed for air transportation plus local ground transportation to and from the nearest airport. These costs may be charged to the Member's Office Budget or the Travel Points System, depending on the circumstances of travel. For instance, travel within the Member's constituency or the territory in which the Member's constituency is located may be charged to the Member's Office Budget or the Travel Points System for transportation cost.

Members and their authorized travellers may use their own car at the kilometre rate determined by the Board of Internal Economy. A formula is used based on rates set by the Executive Treasury Board. Members and their authorized travellers may also use rented vehicles. However, the combined cost, including local ground transportation, cannot exceed the cost of the allowed air transportation. Costs are charged to the Travel Points System or the Member's Office Budget as appropriate. The kilometre rate currently is 48.7 cents per kilometre. For bus transportation only actual, receipted costs will be reimbursed. Again, they may not exceed the costs allowed for air transportation, including local ground transportation.

The rate of the reimbursement for Members operating a privately owned or leased aircraft or boat will be determined on a case-by-case basis. Members will be reimbursed up to the maximum cost of the equivalent commercial airfare on days when commercial flights are available for chartered aircraft or boat. Otherwise, the Member will be reimbursed for actual cost. Members may charge the cost of charters to their Member's Office Budget for travel within the province or territory of their constituency, or use the Travel Points System for other allowable travel. If a Member uses the Travel Points System for chartered aircraft or boat, travel points will be deducted for each return trip as follows:

- When a designated traveller, dependants or employees accompany a Member, only one point will be deducted for the trip and charged to the Member's account;
- When the Member's designated traveller, dependants or employees use a charter and a member is not present, only one point will be deducted and charged to the traveller identified by the Member; and
- When two or more Members share a charter, one point per Member will be deducted.

As mentioned above, local ground transportation expenses are recoverable by a Member. When a Member is travelling under the Travel Points System, local ground transportation costs for travel to and from train and bus stations or airports are considered part of the cost of the trip. Travellers will be reimbursed as follows:

- Taxi and bus services are reimbursed at the cost incurred. Original receipts are required for amounts over \$25;
- Travel in personal vehicles is reimbursed at the approved kilometre rate. Kilometres travelled include round-trip distances to and from airport, rail and bus terminals;
- Original receipts must be provided to reimburse parking costs related to allowable ground transportation expenses;
- Bridge, ferry, road and tunnel tolls are reimbursed at the cost incurred; original receipts are required.

For reimbursement of claims, all travel claims must be personally signed by the Member and should be submitted monthly. Members may not use the Travel Points System or their Member's Office Budget for travel outside of Canada, except as may be otherwise indicated or approved.

(b) Travel Status Expenses Account

Members are in travel status when they are 100 kilometres from their primary residence and travelling;

- in and between Ottawa and their constituencies;
- within their constituency, province or territory;
- within the National Capital Region;
- elsewhere in Canada; or
- in and between Washington, DC and Ottawa or their constituencies.

When Members are in travel status, they may charge their travel-related accommodation, meal and incidental expenses to the Travel Status Expenses Account, subject to certain conditions as determined by the Board of Internal Economy. The Board of Internal Economy has set a maximum limit of \$24,000 that Members may claim against the Travel Status Expenses Account for the fiscal year 2006/2007.

When Members are in travel status, their meals and incidental expenses are reimbursed based on the per diem rates approved by the Board of Internal Economy (see previous Schedule of Rates).

Members who maintain a primary residence within 100 kilometres of the Parliamentary precincts, or whose constituency is located within the National Capital Region, may claim breakfast and dinner on days when the House is sitting. The Members working a minimum of 11 hours, including transit time to and from the Member's home, will be reimbursed at the provided per diem rates for meals.

When in travel status, Members may charge hotel, motel or private accommodation expenses to the Travel Status Expenses Account as follows:

- hotels and motels at actual costs - original receipts must be provided; and
- private non-commercial accommodation, other than a secondary residence owned by a Member within the National Capital Region, at the private accommodation rate of \$50 per night.

Members may choose to lease, rent or buy a long-term secondary residence in the National Capital Region or the constituency. A Member must file a Declaration of Primary and Secondary Residences Form to identify the location of their primary residence. Members who have a primary residence in the constituency and own a second residence in the capital, or vice versa, must also declare the location of their secondary residence. Members may claim the secondary residence expenses described below as a charge to the Travel Status Expenses Account:

- Members who rent or lease a secondary residence may claim reimbursement for the following receipted expenses: rental of furnished and unfurnished apartments, condos or homes; one basic telephone line; Basic cablevision; utilities; and one parking space.
- Members who own a secondary residence may claim an accommodation rate of \$25 per day for each day it is available for the Member's occupancy and is not rented to another person.

Members may not claim any of the following as secondary residence expenses:

- seasonal or recreational dwellings such as cottages, ski chalets or campsite rental fees;
- internet access fees (which are chargeable to the Member's Office Budget);
- space used as a Member's constituency office;
- real estate fees;
- legal fees;

- house finder fees;
- mortgage payments;
- lease cancellation charges;
- local moving costs;
- furniture, furnishings or equipment; and
- mobile homes or recreational vehicles.

Members who maintain a primary residency within 100 kilometres of the Parliamentary precincts, or whose constituency is wholly within the National Capital Region, may claim overnight accommodation when they are required to remain for House of Commons or Committee business, or in exceptional or emergency situations, such as when they cannot safely return home due to bad weather. Original receipts are required to claim reimbursement. However, Members whose residences are within 16 kilometres of the Parliamentary precincts may not claim this provision.

(c) Travel Expenses Chargeable to the Member's Office Budget

Members frequently travel within their constituency and within the province or territory in which their constituency is located. Members may charge their transportation and other travel-related expenses to their Member's Office Budget. For details and rates regarding air, rail, car, bus or charter travel, please see the above discussion.

- Members may claim the kilometre rate for distances travelled in their constituency in their personal vehicles. For trips over 80 kilometres, Members must provide the date, points of departure and destination, and the number of kilometres travelled. For trips less than 80 kilometres, Members need only report the total number of kilometres travelled in the month.
- Members may claim a maximum of four consecutive nights' accommodation costs in each location, when travelling within their constituency, province or territory. Members representing constituencies in Ontario and Quebec may not use this provision to pay for accommodation within the National Capital Region.

Members may charge to their Member's Office Budget expenses for parking, taxis and public transportation personally incurred while travelling in the National Capital Region on parliamentary business. Original receipts are required to claim reimbursement.

Members who maintain a primary residency within 16-100 kilometres of the Parliamentary precincts, or whose constituency is located within the National Capital Region, may claim transportation costs at the approved kilometre rate for the commuting distance between the Member's home and the Parliamentary precincts.

Employees must regularly work a minimum of 15 hours per week, or earn a minimum of \$100 a week and be employed by any Member of the House or House Officer for at least three consecutive months, to be eligible to use a Member's travel resources.

Accommodation, meals and incidental costs related to employee travel between Ottawa and the Member's constituency (regular trips) may be charged to the Member's Office Budget when the employee travels between that area for work-related reasons, and is more than 100 kilometres from his or her primary residence. A maximum of two weeks accommodation may be charged per trip; original receipts are required for reimbursement.

When an eligible employee accompanies the Member or House Officer on a trip using a special point, only accommodations, meals and incidentals at the per diem rate can be charged to the Member's Office Budget.

When travelling within the Member's constituency on travel authorized by the Member, any employee meals will be paid from the Member's Office Budget. If the travel is work related and the employee is more than 16 kilometres away from his or her regular workplace during normal meal hours. Reimbursement is based on the actual cost incurred, and cannot exceed the applicable meal allowances.

Authorized travellers representing a Member will be reimbursed for accommodations, meals and incidentals at the approved per diem rate if: the travel is for parliamentary functions; the travel is within the province or territory in which the Member's constituency is located; the person representing the Member is more than 100 kilometres from his or her primary residency; claims are limited to four consecutive nights in each location; and original receipts are provided.

At the Member's discretion, transportation costs of the Member's employee to attend training courses may be charged to the Travel Points System or the Member's Office Budget.

All employee and other designated traveller reimbursement claims must be personally signed by the Member, and should be submitted monthly.

Members may use accumulated frequent flyer points; however, they may not use these points or other promotional benefits for personal travel, only House Administration and constituency business travel. Members may donate unused frequent flyer points to charitable organizations if permitted by the carrier.



Appendix 10.3

Calculations and Assumptions for Intra-Constituency Travel

Appendix 10.3 Calculations and Assumptions for Intra-constituency Allowance

Assumptions:
 Meal allowance/day \$50
 Mileage rate/km 0.3541
 Max accommodation \$125
 Est # of days in constituency 75
 Est # of nights in constituency varies
 but not at home 1,000
 Ottawa trip estimate or other district

Proposed New Rules

Riding Name	Meals	Accommodations	# nights in constituency	Travel	Km	other travel requirements- plus \$1000 for other	Total	Rounded amount	District Specific Assumptions
Baie Verte	\$3,750	\$2,500	20	\$6,312	15,000	\$1,000	\$12,562	\$12,600	
Bay of Islands	\$3,750	\$3,750	30	\$8,082	20,000	\$1,000	\$15,582	\$15,600	
Bellevue	\$3,750	\$2,500	20	\$10,082	20,000	\$3,000	\$16,332	\$16,400	small boats required occasionally
Bonavista North	\$3,750	\$2,500	20	\$6,312	15,000	\$1,000	\$12,562	\$12,600	
Bonavista South	\$3,750	\$2,500	20	\$6,312	15,000	\$1,000	\$12,562	\$12,600	
Burgoe & LaPoile	\$3,750	\$2,500	20	\$7,812	15,000	\$2,500	\$14,062	\$14,100	interdepartmental cooperation suggested, uses ferry(500*3)
Burin-Placentia West	\$3,750	\$1,875	15	\$4,541	10,000	\$1,000	\$10,166	\$10,200	
Cape St. Francis	\$3,750	\$625	5	\$4,541	10,000	\$1,000	\$8,916	\$9,000	
Carbonear-Harbour Grace	\$3,750	\$1,250	10	\$4,541	10,000	\$1,000	\$9,541	\$9,600	
Cartwright-L'Anse au Clair	\$3,750	\$6,250	50	\$39,116	8,800	\$36,000	\$49,116	\$49,200	snowmobile & guide, boat, 4 scheduled aircraft (\$2500/day), 2 helicopter (\$1500/hr)
Conception Bay East & Bell Isla	\$3,750	\$250	2	\$5,541	10,000	\$2,000	\$9,541	\$9,600	
Conception Bay South	\$3,750	\$625	5	\$4,541	10,000	\$1,000	\$8,916	\$9,000	
Exploits	\$3,750	\$2,500	20	\$6,312	15,000	\$1,000	\$12,562	\$12,600	
Ferryland	\$3,750	\$2,500	20	\$6,312	15,000	\$1,000	\$12,562	\$12,600	
Fortune Bay - Cape La Hune	\$3,750	\$6,250	50	\$49,593	4,500	\$48,000	\$59,593	\$59,600	4 trips yr/ to remote part of district, using helicopter
Gander	\$3,750	\$1,250	10	\$4,541	10,000	\$1,000	\$9,541	\$9,600	
Grand Bank	\$3,750	\$3,125	25	\$8,082	20,000	\$1,000	\$14,957	\$15,000	

Riding Name	Meals	Accommodations	# nights in constituency	Travel	Km	other travel requirements- plus \$1000 for other	Total	Rounded amount	District Specific Assumptions
Grand Falls - Buchans	\$3,750	\$1,250	10	\$6,312	15,000	\$1,000	\$11,312	\$11,400	
Harbour Main - Whitebourne	\$3,750	\$250	2	\$4,541	10,000	\$1,000	\$8,541	\$8,600	
Humber East	\$3,750	\$625	5	\$3,479	7,000	\$1,000	\$7,854	\$7,900	
Humber Valley	\$3,750	\$3,125	25	\$8,082	20,000	\$1,000	\$14,957	\$15,000	
Humber West	\$3,750	\$1,875	15	\$4,541	10,000	\$1,000	\$10,166	\$10,200	
Kilbride	\$3,750	\$625	5	\$4,541	10,000	\$1,000	\$8,916	\$9,000	
Labrador West	\$3,750	\$1,250	10	\$4,541	10,000	\$1,000	\$9,541	\$9,600	
Lake Melville	\$3,750	\$1,875	15	\$4,325	6,000	\$2,200	\$9,950	\$10,000	occasional use of ferry, no info on # communities; 3 flights to Churchill Falls
Lewisporte	\$3,750	\$2,500	20	\$5,249	12,000	\$1,000	\$11,499	\$11,500	
Mount Pearl	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
Placentia & St. Mary's	\$3,750	\$2,500	20	\$8,082	20,000	\$1,000	\$14,332	\$14,400	
Port au Port	\$3,750	\$1,250	10	\$3,479	7,000	\$1,000	\$8,479	\$8,500	
Port de Grave	\$3,750	\$1,250	10	\$4,541	10,000	\$1,000	\$9,541	\$9,600	
St. Barbe	\$3,750	\$2,500	20	\$6,312	15,000	\$1,000	\$12,562	\$12,600	
St. George's - Stephenville East	\$3,750	\$1,250	10	\$4,541	10,000	\$1,000	\$9,541	\$9,600	
St. John's Centre	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
St. John's East	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
St. John's North	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
St. John's South	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
St. John's West	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
Signal Hill - Quidi Vidi	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
Terra Nova	\$3,750	\$2,500	20	\$6,541	10,000	\$3,000	\$12,791	\$12,800	small boats/snowmobiles?\$2000
The Straits & White Bay North	\$3,750	\$2,500	20	\$6,312	15,000	\$1,000	\$12,562	\$12,600	
Topsail	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
Torngat Mountains	\$3,750	\$7,500	60	\$34,600	0	\$34,600	\$45,850	\$45,900	normally would not live in district; no roads connecting communities; represents members on # matters outside of district, 4 trips * \$400* 6 communities (scheduled flights), \$2000 for small boats/snowmobile, \$2000 for chartered flights, \$20,000 for 1 round

Appendix 10.3

Riding Name	Meals	Accommodations	# nights in constituency	Travel	Km	other travel requirements- plus \$1000 for other	Total	Rounded amount	District Specific Assumptions
Trinity - Bay de Verde	\$3,750	\$2,500	20	\$4,541	10,000	\$1,000	\$10,791	\$10,800	
Trinity North	\$3,750	\$1,875	15	\$4,541	10,000	\$1,000	\$10,166	\$10,200	
Twillingate - Fogo	\$3,750	\$2,500	20	\$6,041	10,000	\$2,500	\$12,291	\$12,300	ferries (500*3)
Virginia Waters	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
Waterford Valley	\$3,750	\$250	2	\$3,479	7,000	\$1,000	\$7,479	\$7,500	
Windsor - Springdale	\$3,750	\$625	5	\$4,541	10,000	\$1,000	\$8,916	\$9,000	
Total	180,000	87,375		357,038			624,413	626,400	



Appendix 10.4

Canadian Legislatures' Provisions re: Donations, 2007

Appendix 10.4 Canadian Legislatures' Provisions re: Donations, 2007

Jurisdiction	Provision re: donations	Rationale
PEI	The Legislative Assembly of does not permit donations as an allowable expense.	
New Brunswick	<p>In New Brunswick donations are generally not an authorized expenditure under a Member's Constituency Allowance.</p> <p>That being said, there are certain exceptions. For example, Members may claim reimbursement for the cost of a Remembrance Day wreath for a cenotaph in the Members' riding, or they may claim the cost of an advertisement in a local newspaper for a charitable organization. In New Brunswick Members receive, in addition to their annual salary, a non-accountable, tax-free allowance to cover costs incidental to their duties as an MLA. Members are free to spend this allowance as they see fit, which may include donations to any charitable organization.</p>	The reason given by NB officials is that the Constituency Office Allowance is only to be used to fund costs associated with running a constituency office. Donations in their opinion do not fall within this category.
National Assembly of Québec	<p>The Members of the National Assembly of Québec are not permitted to make donations to organizations using the allowances granted to them by the National Assembly. Indeed, none of the allowances or budgets granted to Members in accordance with section 104 of the <i>Act respecting the National Assembly</i> (R.S.Q., chapter A-23.1) provides for payment or reimbursement of this type of expense.</p> <p>However, the Members of the National Assembly of Québec may use their non-taxable annual expense allowance, without a voucher, to make donations to organizations of their choice. This allowance currently stands at \$14,467.</p>	
Saskatchewan	Generally, donations or sponsorships are not allowable expenses by MLAs. The Board of Internal Economy addresses this issue in its Directive #4.1 - which states:	These are not considered an appropriate use of public funds.

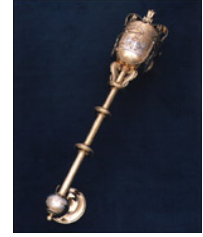
	<p>No Member shall claim an expense from this allowance for items, services or activities that are:</p> <p>(a) Of a personal nature;</p> <p>(b) Hospitality (meals and beverages other than drinks as referred to in subclause (4)(b));</p> <p>(c) Donations, gifts, or novelty items, other than those items named in subclauses (4)(b) and (d).</p> <p>While gifts and novelty items are unacceptable, certain exceptions are permitted. These include:</p> <p>Provincial and national pins and flags, drinks and photographs with tour groups, wreaths, flowers, plants and books [subclause (4)(b)];</p> <p>Congratulatory plaques that recognize group achievement but which are not gifts to individuals [subclause (4)(d)];</p> <p>An observation that is not normally publicized is that MLAs may make personal donations out of the non-taxable portion of their annual indemnity (\$5400) which is paid out with their monthly salary. This stipend is intended to cover those incidental costs that are incurred by an MLA which are not covered by their allowances.</p>	
Alberta	<p>In Alberta there are no provisions in the legislation governing Members' expenses or in our Members' Services Orders that would allow Members to use their constituency allowances to make charitable donations in cash. The policy document "Expenditure Guidelines for Members of the Legislative Assembly of Alberta" makes it clear that cash donations of any sort are non-compliant expenditures and will not be reimbursed.</p>	
British Columbia	<p>The Comptroller has advised as follows:</p>	<p>Members in constituency are serving their constituents in a</p>

	<p>The BC legislature’s policies are not completely clear on the topic, but the broad guidelines followed by members with respect to charitable donations from constituency funds are that, basically, donations are not allowed.</p>	<p>non-political, non-partisan, and impartial manner. We have taken the view that this approach extends to charities. A member should not be viewed as favouring one charity over another. In other words, a member should donate to all charities or none at all. Since the former is impractical, and costly, the latter is the default policy.</p>
<p>Ontario</p>	<p>Ontario's policy on donations by Members is as follows:</p> <p>Donations can not be made using public funds at the Legislative Assembly of Ontario. More specifically, Members are not able to make donations to specific individuals or organizations within their constituency.</p> <p>Further, the Board of Internal Economy has approved a policy allowing Members to attend events and be reimbursed. If the fee identified to attend the event is a donation, the Member will not be reimbursed by the Legislative Assembly.</p> <p>Additionally, Members are not allowed to solicit donations through their community events either to defray their own costs or to raise funds on behalf of any individual/organization within their constituency.</p>	<p>The rationale for this policy is that Members can not be seen as supporting or providing a benefit to a specific individual or organization within their constituency and not to others. Donations may be seen as furthering the Member's or individual's or organization's own interest.</p>
<p>Manitoba</p>	<p>In Manitoba, donations are part of an authorized category of expenses under the Constituency allowance called Representation expenses, and are limited to 15% of a Member's annual Constituency Allowance amount.</p> <p>The restriction with donations is that donation expenses may be claimed only if they are to a charity or non-profit organization, with no cash</p>	

	<p>donations to an individual. A receipt must be provided, and in addition, it is not possible for a tax credit to be claimed for the donation.</p>	
<p>New Brunswick</p>	<p>In New Brunswick donations are generally not an authorized expenditure under a Member's Constituency Allowance.</p> <p>In New Brunswick Members receive, in addition to their annual salary, a non-accountable, tax-free allowance to cover costs incidental to their duties as an MLA. Members are free to spend this allowance as they see fit, which may include donations to any charitable organization.</p>	<p>The main reason being that the Constituency Office Allowance is only to be used to fund costs associated with running a constituency office. Donations in the Legislature's opinion do not fall within this category. That being said, there are certain exceptions. For example, Members may claim reimbursement for the cost of a Remembrance Day wreath for a cenotaph in the Members' riding, or they may claim the cost of an advertisement in a local newspaper for a charitable organization.</p>
<p>Nova Scotia</p>	<p>In N.S. Members have a non-receiptable constituency expense allowance of \$1000/month which presumably they could use for donation purposes. They have been cautioned about taking a tax deduction against personal income out of an expense allotment however. Members also receive up to \$5500/month for constituency expenses on proven receipt. It is acceptable to allow a receipted claim for a "donation" which is essentially a form of advertising of the particulars of the Member-restricted to name, constituency, office particulars including addresses, contact information, hours, etc. Examples of such allowable "donations" would include an acknowledgement by the relevant group of a contribution to a "brick in the wall" campaign, or being shown as a patron on a local theatre playbill.</p>	

<p>Yukon</p>	<p>There is no provision in Yukon that would permit Members of the Legislative Assembly to claim reimbursement for donations that they might make to individuals, charitable organizations or any other groups.</p> <p>Yukon's situation is very similar to that of New Brunswick. Members receive, in addition to their annual salary, a non-accountable, tax-free allowance to cover costs incidental to their duties as an MLA. Members are free to spend this allowance as they see fit, which may include donations to any charitable organization.</p>	
<p>Nunavut</p>	<p>In Nunavut, donations are generally not an authorized expenditure under a Member's Constituency Allowance or operating budget. Members' Constituency Operating Budgets are only to be used to fund costs associated with running a constituency office. Donations do not fall within this category. However, there are certain expenditures which are close to being considered a donation; for example, Members may claim reimbursement for the cost of "contributions" of up to \$1,000, per year, for food costs for community celebrations (feasts). This is per community, per year, however Members generally only have one or two communities in their riding. A Member or his or her constituency assistant should attend these community celebrations so that the Members' office can be represented and so the expense can be better justified as an expense which allows the Member to liaise with their constituents. Members can also contribute food or flowers to a maximum of \$200 to a grieving family who has lost a loved one. Both of these examples are in keeping with Inuit traditions.</p>	

Source: Correspondence with legislative Clerks, February 2007.



Appendix 10.5

Cost Estimates and Assumptions for New Rules

Appendix 10.5 Cost Estimates for New Rules
Summary Comparison of Estimated Resources and Allowances-Based on Maximums
Based on Report, Draft Act and Rules
(Dollars)

Constituency	Office Allowances	Travel and Living	Intra-constituency	Constituency Allowance	Estimated New Total	Current Block Funding	Estimated Current Office Costs*	Estimated Current Total	Increase (Decrease)
Baie Verte	23,000	40,125	12,562	3,000	78,687	49,700	16,000	65,700	12,987
Bay of Islands	23,000	40,125	15,582	3,000	81,707	46,900	16,000	62,900	18,807
Bellevue	23,000	22,525	16,332	3,000	64,857	40,900	16,000	56,900	7,957
Bonavista North	23,000	36,925	12,562	3,000	75,487	41,300	16,000	57,300	18,187
Bonavista South	23,000	30,525	12,562	3,000	69,087	41,300	16,000	57,300	11,787
Burgeo & LaPoile	23,000	46,525	14,062	3,000	86,587	59,300	16,000	75,300	11,287
Burin-Placentia West	23,000	30,525	10,166	3,000	66,691	40,700	16,000	56,700	9,991
Cape St. Francis	23,000	-	8,916	3,000	34,916	20,000	16,000	36,000	(1,084)
Carbonear-Harbour Grace	23,000	22,525	9,541	3,000	58,066	35,600	16,000	51,600	6,466
Cartwright-L'Anse au Clair	23,000	52,925	49,116	3,000	128,041	74,900	16,000	90,900	37,141
Conception Bay East & Bell Island	23,000	-	9,541	3,000	35,541	19,400	16,000	35,400	141
Conception Bay South	23,000	-	8,916	3,000	34,916	21,000	16,000	37,000	(2,084)
Exploits	23,000	36,925	12,562	3,000	75,487	41,300	16,000	57,300	18,187
Ferryland	23,000	-	12,562	3,000	38,562	35,600	16,000	51,600	(13,039)
Fortune Bay - Cape La Hune**	23,000	46,525	59,593	3,000	132,119	59,300	16,000	75,300	56,819
Gander	23,000	36,925	9,541	3,000	72,466	35,700	16,000	51,700	20,766
Grand Bank	23,000	30,525	14,957	3,000	71,482	41,300	16,000	57,300	14,182
Grand Falls - Buchans	23,000	36,925	11,312	3,000	74,237	41,300	16,000	57,300	16,937
Harbour Main - Whitebourne	23,000	22,525	8,541	3,000	57,066	31,200	16,000	47,200	9,866
Humber East	23,000	40,125	7,854	3,000	73,979	43,500	16,000	59,500	14,479
Humber Valley	23,000	40,125	14,957	3,000	81,082	49,700	16,000	65,700	15,382
Humber West	23,000	38,025	10,166	3,000	74,191	31,900	16,000	47,900	26,291
Kilbride	23,000	-	8,916	3,000	34,916	16,100	16,000	32,100	2,816
Labrador West	23,000	52,925	9,541	3,000	88,466	60,400	16,000	76,400	12,066
Lake Melville	23,000	52,925	9,950	3,000	88,875	57,100	16,000	73,100	15,775
Lewisporte	23,000	36,925	11,499	3,000	74,424	41,300	16,000	57,300	17,124
Mount Pearl	23,000	-	7,479	3,000	33,479	15,500	16,000	31,500	1,979
Placentia & St. Mary's	23,000	30,525	14,332	3,000	70,857	33,500	16,000	49,500	21,357
Port au Port	23,000	40,125	8,479	3,000	74,604	49,700	16,000	65,700	8,904
Port de Grave	23,000	22,525	9,541	3,000	58,066	33,500	16,000	49,500	8,566
St. Barbe	23,000	46,525	12,562	3,000	85,087	49,700	16,000	65,700	19,387
St. George's - Stephenville East	23,000	40,125	9,541	3,000	75,666	49,700	16,000	65,700	9,966
St. John's Centre	23,000	-	7,479	3,000	33,479	15,500	16,000	31,500	1,979
St. John's East	23,000	-	7,479	3,000	33,479	15,500	16,000	31,500	1,979
St. John's North	23,000	-	7,479	3,000	33,479	15,500	16,000	31,500	1,979
St. John's South	23,000	-	7,479	3,000	33,479	15,500	16,000	31,500	1,979
St. John's West	23,000	-	7,479	3,000	33,479	15,500	16,000	31,500	1,979
Signal Hill - Quidi Vidi	23,000	-	7,479	3,000	33,479	15,500	16,000	31,500	1,979
Terra Nova	23,000	36,925	12,791	3,000	75,716	41,200	16,000	57,200	18,516
The Straits & White Bay North	23,000	44,425	12,562	3,000	82,987	49,700	16,000	65,700	17,287
Topsail	23,000	-	7,479	3,000	33,479	17,300	16,000	33,300	179
Torngat Mountains	23,000	72,725	45,850	3,000	144,575	91,700	16,000	107,700	36,875
Trinity - Bay de Verde	23,000	30,525	10,791	3,000	67,316	36,900	16,000	52,900	14,416
Trinity North	23,000	30,525	10,166	3,000	66,691	40,200	16,000	56,200	10,491
Twillingate - Fogo	23,000	44,425	12,291	3,000	82,716	41,900	16,000	57,900	24,816
Virginia Waters	23,000	-	7,479	3,000	33,479	15,500	16,000	31,500	1,979
Waterford Valley	23,000	-	7,479	3,000	33,479	15,500	16,000	31,500	1,979
Windsor - Springdale	23,000	36,925	8,916	3,000	71,841	46,300	16,000	62,300	9,541
Total	1,104,010	1,270,425	624,413	144,000	3,142,848	1,797,500	768,010	2,565,510	577,338
Reduction if MHA's incur no additional rent	(336,000)	-	-	-	(336,000)	-	-	-	(336,000)
Total	768,010	1,270,425	624,413	144,000	2,806,848	1,797,500	768,010	2,565,510	241,338

* Currently budgeted and paid through the general House of Assembly budget- not reflected in MHA block funding

** Current practice has been to authorize additional helicopter charges over and above the MHA block funding in recognition of the geographic characteristics of this district. These charges are not reflected in the existing MHA allowance but are reflected under the new rules.

Relevance of the Cost Estimates:

It must be emphasized that these assumptions and the associated estimates are not precise but have been prepared to provide a general indication of potential expenditure levels for the respective constituencies. They should therefore not be interpreted as prescribed allowance allocations.

Basis of Estimates:

The dollar values of the estimated impact of the new rules as set out in Appendix 10.5 have been based on a number of assumptions. These estimates should be regarded as preliminary indications only. As assumptions change, so too will the estimated overall cost of implementing the structure for allowances discussed in Chapter 10. The more significant assumptions underlying this analysis are as follows:

1. The *office allowance* per MHA of \$23,000 includes budgeted costs for office accommodations totalling \$7,000; office operations and supplies of \$15,000; and a miscellaneous amount of \$1,000. The office accommodation budget is based on provincial guidelines¹ and assumes that an office space of 300 sq ft is sufficient. This is consistent with the space presently allocated to members. It assumes that that \$7,000 is sufficient to cover such costs as basic rent, utilities, taxes, insurance, security services and janitorial services. Included in the office operations and supplies budgets are estimated costs of items such as office supplies, printing, courier services, and postage. Additionally, the model estimates costs of \$0.52 per piece of mail sent by the MHA, and assumes that the average member mail outs will be approximately 12,000 to 25,000 pieces of mail per annum. The miscellaneous amount of \$1,000 is expected to be used only after an election or by-election to cover start up costs for MHAs who had not previously been members.
2. *Travel and living allowances* are estimated based on *current* members' living status and the estimated number of trips they may take while the House of Assembly is in session and not in session. The costs are driven by whether the members represent a rural or capital region/urban area. Under the proposed rules, Members representing a capital or urban district residing within 40 kilometres of the Confederation Building are not entitled to a travel and living allowance. For all other members, the estimate for the travel and living allowance has been calculated based upon the whether a principal residence is maintained in the capital city, within the Member's district, or outside of both the capital city and the Members district.² Depending on each scenario, costs of the estimated

¹ Assumes that MHA's are entitled to the same space as Deputy Ministers (as per the *Government of Newfoundland and Labrador Office Space Standard*, December 2006, page 7).

² For a more detailed breakdown of the various scenarios, see Chart 10.2 in Chapter 10 (Allowances). For the purpose of these calculations, it has been assumed that the living arrangements for the MHA *currently* representing a particular district will remain the same for the district after the next election. Obviously, these arrangements may change. To the extent that they may change, the category applicable to a particular district, as outlined in chart 10.2 may yield different district-specific calculations.

number of trips to and from the district and the capital have been calculated. Included is the cost of one return trip per week³ for the MHA to travel to their district or the capital, depending on where they have their principal residence, while the House is in session. Also included is the cost of 20 trips per year⁴ for the MHA to travel to his or her district or the capital, depending on where they have their principal residence, while the House is not in session. These calculations include transportation, accommodations and meals⁵ and have been based on discussions with Members and quotes for each type of cost. As members of the House or the Member's circumstances change, so to will the travel and living allowance costs.

3. *Intra-constituency allowance* costs assume that members will require a certain amount of travel within their constituency. It includes a number of nights of accommodations⁶ in each constituency, as well as meal allowances⁷. Additionally, this allowance includes reimbursement for the kilometres⁸ Members are expected to drive within their districts. The numbers of nights as well as the kilometres driven varies by district and have been allocated based upon discussions held with current Members. Where Members did not respond to our requests for constituency-specific information, an estimate was made based on the best information available. Some districts require members to use helicopters, boats, or snowmobiles to visit members. These estimated costs have been included in this category.
4. *Constituency allowance* costs have been reduced to a modest amount and have been capped at \$3,000.

³ Average costs of travel were used based on the area of the province in which a particular district is located. The breakdown has been made as follows:

- **Labrador** (Torngat, Labrador West, Lake Melville, Cartwright-L'Anse au Clair) \$1200 per trip;
- **Western** (Humber Valley, Bay of Islands, Humber West, Humber East, St. Georges – Stephenville East, Port au Port, Bair Verte) \$800 per trip;
- **Western-extended** (Straits-White Bay North, St. Barbe, Channel-Port aux Basques, Fortune Bay-Cape LaHune) \$1000 per trip;
- **Twillingate-Fogo** \$1000 per trip;
- **Central** (Windsor-Springdale, Grand Falls-Buchans, Exploits, Gander, Lewisporte, Terra Nova, Bonivista North) \$700 per trip;
- **Eastern** (Grand Banks; Burin-Placentia West, Bellevue, Bonivista South, Trinity North) \$500 per trip;
- **Avalon** (Carbonear-Harbour Grace, Trinity – Bay de Verde, Harbour Main-Whitbourne, Placentia & St. Mary's, Port de Grave) \$250 per trip.

It is recognized that some will be higher and some will be lower and it is important for each MHA to properly prepare their own annual estimate for presentation to the Clerk in accordance with Recommendation 77 of the Report.

⁴ Calculations use the same assumptions as in footnote 3.

⁵ A per diem for meals has been provided at \$50, and accommodations costs vary up to a maximum of \$125 per night.

⁶ Ibid.

⁷ Ibid.

⁸ The rate per kilometre is \$0.3541.

5. The *new regime* of allowances is estimated to cost the government approximately \$241,000 more than the old system assuming the numbers of MHAs who operate offices in their districts remains the same as at present. Under the existing system, most Members did not have a constituency office, but rather availed of an office at the Confederation Building with these costs being covered by the Provincial government. In such cases, none of the MHA's block funding was used to cover the costs of an office. It is not possible to determine with any degree of certainty as it is not possible to predict how many MHA's will have an office in their constituency as well as in the Confederation Building following the next election. It can be argued that the rent of \$7,000 per MHA, or \$336,000 could be added to the \$241,000 above to provide an estimate of the maximum increased costs of \$577,000.