



PROVINCE OF NEWFOUNDLAND AND LABRADOR
HOUSE OF ASSEMBLY

HOUSE OF ASSEMBLY
MANAGEMENT COMMISSION

Fifty-Eighth Meeting

Wednesday, December 7, 2016

HANSARD

Speaker: Honourable Tom Osborne, MHA

The Management Commission met at 5:30 p.m. in the House of Assembly.

MR. SPEAKER (Osborne): Order, please!

I call this session of the Management Commission to order.

I would like to welcome as guests and, for the purpose of asking questions, should Members need to ask questions, Ms. Sandra Burke, Chair of the Members' Compensation Review Committee and Ms. Maureen McCarthy, Director of Pensions Administration, Department of Finance.

The House of Assembly Accountability, Integrity and Administration Act require that the substance of any decision made at an in-camera meeting be reported at the next public meeting of the Commission. We did make two decisions at the in-camera meeting before the televised portion of this meeting.

Prior to getting into those, I did neglect to – starting with Mr. Hutchings, I'll do introductions.

MR. HUTCHINGS: Keith Hutchings, MHA, District of Ferryland.

MS. MICHAEL: Lorraine Michael, MHA, St. John's East – Quidi Vidi.

MS. DEMPSTER: Lisa Dempster, Deputy Speaker.

MR. A. PARSONS: Andrew Parsons, MHA, Burgeo – La Poile.

MS. COADY: Siobhan Coady, MHA, St. John's West.

MR. BROWNE: Mark Browne, MHA, Placentia West – Bellevue.

MS. KEEFE: Marie Keefe, Clerk's Office.

CLERK (Ms. Barnes): Sandra Barnes, Clerk.

MR. SPEAKER: Tom Osborne, Chair of the Management Commission.

The Commission at an in-camera meeting recommended to the Lieutenant Governor in

Council that the new Chief Electoral Officer and the Commissioner of Legislative Standards be compensated at EPO6, step one, with regular step increases to apply. Also, in order to give immediate effect to this decision, the Commission waived the usual two-day waiting period for the Management Commission decisions.

Further, the Commission at the in-camera meeting recommended to the Lieutenant Governor in Council that the new Child and Youth Advocate be compensated at EP10, step 21, with regular step increases to apply. In order to give immediate effect to this decision, the Commission waived the usual two-day waiting period for Management Commission decisions.

Moving on to the agenda items for this particular meeting, Tab 1 is the approval of minutes for November 23. There is a decision required and the proposed motion is that the Commission approve the minutes of the November 23, 2016 meetings.

Moved by Mr. Parsons; seconded by Mr. Browne.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Tab 2 – there are 10 items under Tab 8 in your booklets. They are MCRC recommendations. On October 28 the MCRC presented its report with 59 recommendations. While all recommendations will be brought to the Commission, they cannot be dealt with in one meeting. In deciding which recommendations would be added to today's agenda, we considered those with budgetary and legislative impacts, as well as those that have time frames attached to their implementation.

So we have Recommendations 39 to 43 which affect MHA pensions. Recommendation 39, "There shall be no portability option to the Member of the House of Assembly Pension Plan. An amendment shall be necessary to the Portability of Pensions Act; 40. Eligibility for an

MHA to receive a pension shall be at 60 years of age, and there shall be no option to select an early retirement option; 41. The MHAPP shall have no indexing component; 42. The current MHAPP vesting component and survivor’s benefit remain unchanged; and 43. The Defined Benefit Plan as outlined in the Morneau Shepell attached as Appendix H (Option 2) shall apply to Members of the House of Assembly who were first elected on or after November 30, 2015.”

Recommendation 39 is the first one we will deal with. That one, again, the proposed motion is that the Commission accepts Recommendation 39 and directs that there shall be portability option to the Member of the House of Assembly Pension Plan. An amendment will be necessary to the *Portability of Pensions Act*.

Do we have any comments or questions?

Do we have a mover for that motion?

Moved by Mr. Parsons; seconded by Mr. Hutchings.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

Motion two is that the Commission accepts Recommendation 40 and directs that eligibility for an MHA to receive a pension shall be at 60 years of age, and there shall be no option to select an early retirement option.

Are there any comments or questions?

Do we have a mover for that motion?

Moved by Mr. Parsons; seconded by Mr. Hutchings.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

Motion three, the Commission accepts Recommendation 41 and directs that the MHA Pension Plan shall have no indexing component.

Are there any comments or questions?

Mover?

Moved by Ms. Michael; seconded by Mr. Parsons.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

Motion four that the Commission accepts Recommendation 42 and directs the current MHA Pension Plan vesting component and survivor’s benefit to remain unchanged.

Do we have any questions or comments?

Do we have a mover?

Moved by Mr. Parsons; seconded by Ms. Michael.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

Motion five, that the Commission accepts Recommendation 43 and directs that the Defined Benefit Plan, as outlined in the Morneau Shepell Report attached as Appendix H, Option 2, shall apply to Members of the House of Assembly who are first elected on or after November 30, 2015.

Any comments or concerns?

Ms. Coady.

MS. COADY: (Inaudible) conflict – not a conflict of interest, because it would apply to me, so I want to recuse myself.

MR. SPEAKER: Okay, and Mr. Browne, you raised your hand.

MR. BROWNE: Yes, Mr. Speaker, similar to Ms. Coady. Obviously, this would impact me, so I will not vote on this measure either.

MR. SPEAKER: Okay.

Mr. Parsons.

MR. A. PARSONS: I don't have any conflict, and I want to speak to this one because my opinion differs from the motion that's presented. I say that knowing that this has no effect on me in any way, shape or form.

I think there are a number of Members in this House, who, when they signed up to run in the last general election, they knew what they were getting into in the sense that they could make employment plans, make financial plans. I know a number – as many should do if you're taking any new position or trying to get a new position, you need to check out how it's going to affect you financially and personally, and there were rules in place at that time.

Again, they ran with that expectation of knowing what they were getting into. I know some actually went and got advice saying this is what you should do, and that's how they made their decision. We're about a year in now and that's what they've been dealing with.

So I have no issue with the plan being changed going forward, not a problem. But I think it's unfair for these Members, who signed up for one thing to have it changed mid-stream. They have been paying into it, dealing with it. That's why, personally, I think the motion should be changed to the recommendation is accepted from December 7, 2016 onwards.

I understand how it works with that acceptance and modification, but I also believe that the modification in this case doesn't affect pensions and severance, it affects the going forward. I think that can be accomplished here. I think that is not an issue. Now, that being said, you could

technically reject it. I agree with this process, that's why we've gone through this, we've sat through a number of meetings and discussed this and looked at this. I respect the process and how it applies. I do feel that in this case the motion should be changed because it would be be unfair, I think, in any employment situation to have this.

So that's my say on that. I don't know if other Members have any say, but that's just how I – I mean in fact, if this were done in certain workplaces, it could be deemed constructive dismissal or grounds. So I put that out there. That's my submission.

MR. SPEAKER: Any other comments?

Ms. Michael.

MS. MICHAEL: I think I'll ask, Mr. Parsons, just to repeat your very last phrase. I didn't get it.

If this had been –

MR. SPEAKER: Mr. Parsons.

MR. A. PARSONS: If this had been a different employment context, to change the terms of pension during, that it could be deemed a ground for constructive dismissal.

MR. SPEAKER: Okay.

Mr. Hutchings.

MR. HUTCHINGS: Yeah, Mr. Speaker, reviewing the context of this particular recommendation, I do as well share some of the concerns expressed by my colleague. Again, I point out this is not relevant to me this particular recommendation, but when you think about the employment contract and individuals that put themselves forward, were elected, and for the last year has basically paid into a pension plan, the retroactivity concerns me.

They came into a position. They were elected. The benefit plan and pension was in place. They've paid into it, as my colleague has said, for the year and now we're going to go retroactive. To me, it doesn't seem fair.

If we're talking about any employment environment and you walked in, were interviewed and were hired for a position, I would think – I'm not a lawyer but at the point in time when you accepted that position, what was in place for you was in place for you. If it was changed in some subsequent time, I guess it would be at that point in time in the future when it was changed and would take effect as of that time.

So I do have concerns with this. I just wanted to make you aware of them.

MR. SPEAKER: Okay.

In light of this, does somebody – Ms. Burke.

MS. BURKE: Thank you.

I, too, am concerned about this issue. I wanted to address the Management Commission to elaborate on this particular issue.

The 2016 MCRC put forward, as is recorded in the report, a comprehensive remuneration package knowing that some aspects of MHA remuneration were less generous than others. The remuneration package that has been recommended is on par with the rest of what is offered across Canada for MLAs and MHAs.

While pension is an important part of remuneration, it is not more or less important than any other aspect of MHA remuneration and that includes salary and severance. The changes that are recommended to the MHA Pension Plan are significant, but they were done with the salary and severance benefits in mind, and based on the fact that the MHA Pension Plan is financially unstable and unsustainable in its current form.

The 2016 MCRC decided not to grandfather the current newly elected MHAs, in relation to severance and pension, for a number of reasons. I want to go through them and explain them.

First of all, the Green report does not direct that future MCRCs were or are bound by his grandfathering recommendation, save and except for the 2009 MCRC which was to review a new pension proposal that was supposed to have been brought to its attention by the

Management Commission of the day. That did not happen.

Next, we were guided in making our decision by the fact that the provincial deficit was placed at \$1.83 billion as was announced in April 2016. Next, in the past 10 years since the Green report, there have been many comments made by political leaders that MHA pension reform must occur. Media coverage at the time of the 2012 MCRC report was received and included the quote from then Opposition leader, Dwight Ball, who is our current Premier.

Dwight Ball was quoted as saying: "The days of the gold-plated pension plans should be done ... We have to deal with pensions and we need to get our pension plans in line with what you would expect in the private sector, or even in line with what's available in the public sector right now. There have been changes made to the pension plan for MHAs in recent years, but it's still nowhere near in line with what other public servants or average people tend to get." That was a quote from *The Telegram* on December 5, 2012.

During the Management Commission meeting on December 2013, Mr. Ball expressed concern that if changes to the pension plan were left too long, the implementation of those changes would not occur until 2020. He found that delay to be unacceptable.

One year later, on September 3, 2014, *The Telegram* reported then Premier Marshall as saying: With sweeping changes to the provincial pension plans, the MHA Pension Plan is on the agenda for reform. He further stated that the pension reform deal, in the public sector at that time, targeted a sustainable future for the plans. He committed to sending the issue of the MHA Pension Plan to the Management Commission. That did not happen.

In 2012, Judge Jacqueline Brazil was appointed to the 2012 MCRC. Upon her consideration of the MHA Pension Plan she concluded that the changes made by the 2009 MCRC were not of a significant nature so as to conform to Recommendation 78(1) of the Green report. The details of her reasoning are found at page 20 of that report.

The 2016 MCRC undertook an extensive review of the pension plans across Canada and the public sector pension plans. We also bore in mind Judge Brazil's comments that the defined benefit plan was to be eliminated and a new defined contribution plan recommended or that the current MHA defined pension plan was to be significantly modified. She was, in effect, echoing the recommendation made in the Green report from 2007.

During the review by the 2016 MCRC it was noted that between March 2006 and December 31, 2015, there was an increase in the unfunded liability of the MHA Pension Plan in the amount of \$27.4 million. If the newly elected Members in the 48th General Assembly were grandfathered in to the existing MHA Pension Plan, it would add an additional financial burden of \$3.6 million to the plan's unfunded liability, all of which of course is borne by the people of this province.

The growing financial burden on the people in communities in this province must end somewhere. The continued growth of the unfunded liability is irresponsible and it's unsustainable. It's concerning that the people of this province are under significant financial strain. We felt that no further additional financial burdens to the MHA Pension Plan should be incurred by the people of this province effective this General Assembly.

Finally and additionally, as alluded to by Minister Parsons, section 16(5) of the *House of Assembly Accountability, Integrity and Administration Act* states that all MCRC recommendations requiring legislative approval be presented to the minister for preparation of a bill. This would include the recommendations regarding the MHA Pension Plan.

As subsection 16(6) does not refer to pensions, it may appear that it does not restrict the Management Commission's ability to modify the 2016 MCRC pension recommendations so as to create a greater benefit for its current MHAs. I urge the Management Commission to be careful in its reliance on the strict interpretation of this section of the act and not to make decisions solely based on what we would consider to be a perceived technicality, because

we recognized it and we have made recommendations for the amendment of that act.

We would ask that the Management Commission look to the spirit of the act and focus on the framework of accountability, integrity and transparency in all aspects of MHA remuneration.

With respect to the Member's comments that a number of Members were coming into the MHA position knowing what the remuneration was, I would direct those Members to the 2016 MCRC report. The fact of the matter is we met with 21 of 40 MHAs. Of the 21 who met with us, only one of the MHAs indicated that remuneration was a consideration of why they became a Member. None of the other 20 Members that we met with said they gave any consideration to remuneration.

In terms of the assertion that this could be grounds for constructive dismissal in a different employment contract; again, that is not the issue before us. The issue before us is that MHAs would, should be, if they aren't aware, that MCRCs are appointed within a very short time after the new General Assembly is in session. The purpose of the MCRC is to review all aspects of remuneration. That includes pension, salary, severance and allowances, and each Member should be aware that there may very well be changes, retroactively or not, with respect to these remuneration issues.

So those would be my comments and as further explanation of what the pension recommendation is in the report.

MR. SPEAKER: Are there any other comments or questions?

Ms. Michael.

MS. MICHAEL: Just a question of Ms. Burke. I know I've read the report but I don't have it in front of me.

Could you tell us, with the people who did present themselves to – non-MHAs – the MCRC, did pension come up and what was what you gleaned from that –

MS BURKE: (Inaudible.)

MS. MICHAEL: Yes.

MS. BURKE: The issue of remuneration was discussed and nobody mentioned the issue of pensions or salaries or severance.

MS. MICHAEL: Thank you.

MR. SPEAKER: Ms. Michael.

MS. MICHAEL: I'm not talking about MHAs. I'm talking about other than MHAs, the other people who presented to the MCRC, the general public. Did any of the general public bring up pensions, and if they did, what did they say?

MS. BURKE: Most of the members of the public that we spoke to, there was very little – I can say that, there was very little public input. We had a small showing in Clarendville. We had a bigger showing of 20 people or so in St. John's. There were a number of people, maybe half a dozen on Twitter and then we had some telephone conversations with – I had some telephone conversations with those who called in. All of them indicated that the pension plan was a gold plated pension plan.

There were not many people who understood the intricacies of pensions. They weren't able to talk about pensions in any great detail, but they all felt that the pension plan was too rich.

MS. MICHAEL: Thank you.

MR. SPEAKER: Any other comments from the Members of the Management Commission?

Mr. Parsons.

MR. A. PARSONS: I will make a few comments to the comments by the Chair. Again, I appreciate the work done by this committee, which is why we've taken the time to be here to review it, to go through it, to digest it and discuss. I certainly take my responsibility here very seriously.

There are a number of things here when we talk about sustainability of the plan. That's something that obviously didn't just happen. It would take time to deal with that and what we're suggesting here. I can't speak for former Management Commissions. It's the first time

I've ever dealt with this. I don't know why it is what it is, but we're here.

Right now, this particular provision affects, I think, roughly 20 people. There will be hundreds of MHAs after that the change will affect going forward. We can get into a legal interpretation but the legislation explicitly chose not to include reference to pensions or severance in the statutory bar against modifications in 16(6). It explicitly chose to do so in section 16(1).

So to me, we can get into how you interpret or get into spirit or we can do the reading of the legislation. I think what's suggested here, and I don't want to get into the comments about what former Premier Marshall may or may not have said. I appreciate the comments. I understand, and this has no effect on me personally but it is something that does have an effect on 20 people who I think made a decision – and I think going forward we are recommending changes here that will have a positive effect going forward.

I would conclude with that.

MR. SPEAKER: Any other comments by Members of the Management Commission?

Mr. Davis.

MR. P. DAVIS: Thank you, my apologies –

MR. SPEAKER: For those of you who are viewing, Mr. Davis has joined us. I think he had prior commitments.

MR. P. DAVIS: I did, Sir.

Thank you, Mr. Speaker, and I apologize to you, the Commission, staff and guests here this evening for being late. I had hoped to be here by the start of the meeting, but I do apologize and I understand you're discussing – I have to get the right Tab here.

MR. SPEAKER: Motion five, Recommendation 43.

MR. P. DAVIS: Yes, if I could just have a moment, Mr. Speaker.

MR. SPEAKER: I think it's under Tab 10, Mr. Davis.

MR. P. DAVIS: Okay. Mine might be Tab 2, but different.

MR. SPEAKER: Tab 2, sorry.

MR. P. DAVIS: Now I know why; I was still using the old one.

MR. SPEAKER: Okay.

MR. P. DAVIS: So we're discussing right now under 43, which is the Defined Benefit Plan applying to Members of the House who were first elected on or after November 30.

I apologize if I'm duplicating or repeating some of the discussions that may have taken place but, after a briefing, I did a little bit of review on what had previously taken place respective of Justice Green's recommendation commentary on some steps being taken on pensions.

The 2007 MCRC, which actually produced its report in October 2009, and what I read and understood was – and I make these references because of previous discussions that we have made here or in other conversations. But the 2007 was actually reported on October 2009 and the Committee wasn't appointed until 2009. Because 2007 was right after Justice Green's changes to the House of Assembly and there were some commentaries on the benefits of – or in saying that two years had passed in reference to only two years had passed from 2007 to 2009 and when the MCRC issued its report.

And, in fact, the comments were that delay allowed for Justice Green's changes to be effective for a period and allowed some experience to have occurred with the changes as a result of Justice Green's report recommendations. Also, not only for Members of the House of Assembly but also members of the public and staff and others to have input based on experience of only two years.

At that point in time, on the effectiveness of the salaries – because of course the effective date of the salaries was not what, I don't think, especially Members of the House, had expected. But at that point in time the MCRC had made changes to pension benefits to become effective post the report – the MCRC report – and I think

you know that, and to be effective January 1, 2010.

Actually, I was the first MHA under the new pension plan at that point in time. Concern now, of course, that I've received from Members, particularly newer Members, but other Members besides who are not impacted by this decision have expressed a view, and I bring those to the Management Commission, is the premise of being elected on an expectation of some level of compensation and benefits, knowing that an MCRC was going to happen and the chair who's here with us could certainly make her own comments, and I don't intend to put words in her mouth, but my understanding from commentary and discussion with her was that they should have expected it.

I don't disagree with that, but having an expectation looking at the precedents of the 2007 MCRC which filed in 2009 was that the changes to benefits would happen for people elected after that point. Now, I sit here not having heard comments from other Members, so I apologize for any duplication, which there probably is some, I apologize for that.

One of the points I wanted to make today, significant points, was that I agree that before you run for office that you give some consideration to what it is you're running for, what the compensation and benefits would be. I think in past precedents of the previous MCRC that would establish that the pension and benefits may change – or the pension in particular would change, but only for Members of the House that were voted after the implementation of the report.

That's the main submission I wanted to make today.

MR. SPEAKER: Ms. Burke.

MS. BURKE: Justice Green, a close reading of his report indicates that he was concerned with the delays that the former body of the Management Commission was making with respect to pensions. He clearly identified there was a delay in implementing the contribution rates and accrual rates in 1998. He clearly identified there were delays with respect to the accommodation for tax issues in 2005.

In 2007, in Recommendation 78(1) and (3), he clearly indicated the Management Commission should proceed to develop a proposed new pension structure for MHAs to either eliminate the existing defined pension benefit plan and implementing a defined contribution plan, RRSP type of arrangement, that takes into account the cost and levels of benefits relative to other public service plans, or significantly modifying the terms of the existing defined pension plan to make it conform more closely in terms of levels of benefits with other public service plans. That was his recommendation in 2007.

The 2009 MCRC report clearly indicates that no new pension plan structure was provided to that MCRC. At that time, Recommendation 78(1) was not implemented.

The 2009 MCRC went on to make changes to the pension plan. I want to stop here to address something that Mr. Davis had earlier said. He felt there was a precedent set that the changes to benefits were for MHAs who are elected after that date. However, in 2009, that MCRC implemented an 8 per cent salary rollback that year and it was retroactive. So there is no particular precedent set with respect to these benefits.

In 2012, Judge Brazil found that the changes that were made by the 2009 MCRC were not significant so as to conform to Judge Green's Recommendation 78(1). She directed the Management Commission to develop a proposed new pension structure following the recommendations of the Green report, and the Management Commission of the day accepted that recommendation.

There was no new pension structure proposed by the Management Commission and provided to the 2016 MCRC.

The MCRC in 2016 undertook a significant review and reform of the MHA Pension Plan, almost 10 years after the time that the pension plan was to have been significantly dealt with or modified. It appears that we are further – and maybe the vote will come out differently, but it would appear that this Commission is going to delay the implementation of the recommendations to the next General Assembly

or to the next by-election for new Members that are coming onboard.

It would seem to me that this harkens back to Justice Green's comments that the delays that are being put in place with respect to the pension implementation are continuing even today. He found in 1998 and 2005 there are continuing delays in terms of how pension is being dealt with. It seems as though we're doing the same thing now.

The history on this is quite clear. Pension reform should have been done a long time ago. The current newly elected MHAs if pension reform was done when it should have been done, then the current pension plan – they would be already subject to the new pension plan and the reformed pension plan.

Those are my comments.

MR. SPEAKER: I thank you. I will make one clarification on the 8 per cent rollback that you had mentioned. The 8 per cent rollback was implemented or suggested by the MCRC in 2008 and it was implemented. It was retroactive but the increase happened post-election not pre-election. The rollback occurred but it rolled it back to what wages were as of the election date. It didn't roll them back greater than what they were at the time Members were elected in the 2007 general election.

So there is a bit of difference. I'm just pointing out there's a bit of difference, I think, in what happened in 2008. I don't think we can say there's precedence based on that because this is changing benefits that Members were elected to in the most recent general election.

Ms. Burke.

MS. BURKE: When Members were elected at that time, they were aware that wages were tied to the Public Service Sector increases. So there was an anticipation. That was their understanding; that was going to happen. In fact, they had actually gotten the increased wages and there was money then taken away from them. So I'm not sure that there is a significant difference there.

MR. SPEAKER: Any other comments or questions by Members of the Management Commission?

Mr. Davis.

MR. P. DAVIS: Thank you, Mr. Speaker.

Just one question for Ms. Burke: Have you considered what changes to current pension legislation – I know there are many different pieces of pension legislation. I don't know, maybe if the minister could comment on it, but if you have knowledge of what changes to current legislation would have to exist in order to allow for retroactivity of a pension plan, because I know there are rules and legislation around – very strict rules about the administration of pensions.

I anticipate from the bit of reading I've done on it that there would have to be changes to the act to allow for retroactivity to take place. I'm just wondering if Ms. Burke had considered that or what her findings were on it.

MS. BURKE: I'll defer that to Ms. McCarthy.

MS. MCCARTHY: I assume we're referring to the *Pension Benefits Act* which regulates pension plans in the province. There are some aspects of this act that are subject to the PBA. I guess you're talking about the retroactive reduction in benefits but I mean this is not too dissimilar from what was done for the public sector plans.

Now they've since become exempt from the *Pension Benefits Act* but that's an issue I would have to defer to the superintendent of pensions to actually see if this is a reduction in that, because none of the Members are vested. There's no entitlement yet; none of these new Members. So that's something to defer to the superintendent.

MR. SPEAKER: Any other comments or questions?

MR. P. DAVIS: Mr. Speaker, again, my review of some of this led me to believe that there'd probably have to be some changes made. The question about portability would probably require a change in the *Portability of Pensions*

Act as well. I'm wondering if it would be an important factor for us to consider as well in our decision. I know from my own experience as well that rules on pensions are very strict and on elections of pensions. We make choices and decisions about pensions and wondering what complications may arise as a result of that.

MR. SPEAKER: Further comments, further questions?

Are Members ready for the motion?

Based on comments put forward, are we ready for the motion as proposed?

Mr. Parsons.

MR. A. PARSONS: I would move that the motion read – and I might get the wording wrong: The Commission accepts Recommendation 43 that the Defined Benefit Plan as outlined in Appendix H of the Morneau Shepell Report (Option 2) shall apply to Members of the House of Assembly who were first elected on or after December 7, 2016.

MR. SPEAKER: Okay.

Is there a mover for that proposed motion? Mr. Parsons.

A seconder? Mr. Hutchings.

We have a mover and a seconder.

All those in favour of the new motion?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

SOME HON. MEMBERS: Nay.

MR. SPEAKER: I declare the motion carried.

Item 2, Recommendations 31-38 of the MHA Severance: "31. A Member must serve 3 years to be eligible to receive severance;

"32. Severance shall be calculated as follows: a. If the Member's service ends at the conclusion of his/her 1st General Assembly, 20% of the Member's salary is payable as severance; b. If

the Member's service ends at the conclusion of his/her 2nd General Assembly, 50% of the Member's salary is payable as severance; c. If the Member's service ends at the conclusion of his/her 3rd General Assembly or thereafter, a maximum of 75% of the Member's salary is payable as severance.

"Provided that, if a Member's service ends prior to the end of an Assembly, the severance will be pro-rated for the years of service.

"33. Severance shall be paid monthly during the transition period;

"34. A Member who is or becomes disqualified from being a Member pursuant to Part V of the Act (other than the failure to be re-elected or the resignation of his/her seat) is not eligible to receive severance;

"35. No additional severance shall be paid to an MHA who has vacated or otherwise terminated his/her Legislative Office for any reason whatsoever;

"36. Severance benefits paid to an MHA from any other government source including, but not limited to, severance benefits available to Members through Executive Council (e.g. the receipt by a Minister of payment upon leaving a Ministerial office and an extended car allowance) shall be deducted from the severance payable to an MHA from the HOA, so that the overall severance payable to the MHA from all sources does not exceed severance payable to a Member pursuant to Severance Recommendation 32;

"37. Severance benefits shall cease in the event that a Member: a. is eligible to receive a pension sponsored by the Government of Newfoundland and Labrador during the transition period; b. obtains fulltime employment with the public sector; c. is appointed a provincial or federal judge; d. is appointed to the Senate of Canada; e. is elected as a Member of the House of Commons; f. is appointed Lieutenant-Governor of Newfoundland and Labrador; g. is appointed Governor General of Canada;

"38. If a Member becomes a Member again, following a break in service, prior service for which severance has already been paid is not to

be counted towards years of service for future severance pay, and the Member shall be considered as commencing his/her first General Assembly, regardless of how many Assemblies he/she may have served previously."

Are there any comments or questions prior to moving to the motions?

Motion one, the Commission accepts
Recommendation 31 –

MR. P. DAVIS: Mr. Speaker, my apologies.

I know (inaudible) a bit delayed.

MR. SPEAKER: Mr. Davis.

MR. P. DAVIS: Thank you, Mr. Speaker.

My recollection of the briefing we had, we had a discussion about effectiveness, who this applies to or an effective date. I don't see it in the motion. I just ask for clarification from Ms. Burke.

MR. SPEAKER: Members elected prior to November 30 are grandfathered.

MR. P. DAVIS: Is that in the motion?

MR. SPEAKER: No, that's in another recommendation.

MR. P. DAVIS: Oh, it is. Okay.

MR. SPEAKER: Motion one, the Commission accepts Recommendation 31 and directs that a Member must serve three years to be eligible to receive severance.

Do we have a mover and/or a seconder?

Moved by Mr. Parsons; seconded by Ms. Michael.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Motion two, if the Commission accepts the recommendation the following is proposed: the Commission accepts Recommendation 32 and directs that severance shall be calculated as follows: “If the Member’s service ends at the conclusion of his/her 1st General Assembly, 20% of the Member’s salary is payable as severance; b. If the Member’s service ends at the conclusion of his/her 2nd General Assembly, 50% of the Member’s salary is payable as severance; c. If the Member’s service ends at the conclusion of his/her 3rd General Assembly or thereafter, a maximum of 75% of the Member’s salary is payable as severance. Provided that, if a Member’s service ends prior to the end of an Assembly, the severance will be pro-rated for the years of service.”

Do we have a mover and/or seconder?

Moved by Lorraine Michael; seconded by Mr. Hutchings.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

Motion number three, the Commission accepts Recommendation 33 and directs that, “Severance shall be paid monthly during the transition period.”

Do we have a mover and/or seconder or any comments or questions?

Moved by Mr. Parsons; seconded by Ms. Michael.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

Motion number four is that the Commission accepts Recommendation 34 and directs that, “A Member who is or becomes disqualified from being a Member pursuant to Part V of the Act

(other than the failure to be re-elected or the resignation of his/her seat) is not eligible to receive severance.”

Do we have a mover and/or seconder?

Moved by Ms. Michael; seconded by Mr. Parsons.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

Motion number five, the Commission accepts Recommendation 35 and directs that, “No additional severance shall be paid to an MHA who has vacated or otherwise terminated his/her Legislative Office for any reason whatsoever.”

Do we have a mover and/or seconder?

Mr. Parsons; Ms. Michael.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

Motion number six, the Commission accepts Recommendation 36 and directs that, “Severance benefits paid to an MHA from any other government source including, but not limited to, severance benefits available to Members through Executive Council (e.g. the receipt by a Minister of payment upon leaving a Ministerial office and an extended car allowance) shall be deducted from the severance payable to an MHA from the HOA, so that the overall severance payable to the MHA from all sources does not exceed severance payable to a Member pursuant to Severance Recommendation 32.”

Do we have a mover or seconder?

Ms. Michael moved; seconded by Mr. Hutchings.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Motion number seven, the Commission accepts Recommendation 37 and directs that, "Severance benefits shall cease in the event that a Member: a. is eligible to receive a pension sponsored by the Government of Newfoundland and Labrador during the transition period; b. obtains fulltime employment with the public sector; c. is appointed a provincial or federal judge; d. is appointed to the Senate of Canada; e. is elected as a Member of the House of Commons; f. is appointed Lieutenant-Governor of Newfoundland and Labrador; g. is appointed Governor General of Canada."

Do we have a mover and/or seconder?

Moved by Mr. Parsons; seconded by Ms. Michael.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

Motion number eight: "The Commission accepts recommendation 38 that if a Member becomes a Member again, following a break in service, prior service for which severance has already been paid is not to be counted towards years of service for future severance pay, and the Member shall be considered as commencing his/her first General Assembly, regardless of how many Assemblies he/she may have served previously."

Do we have a mover and/or seconder?

Moved by Ms. Michael; seconded by Mr. Hutchings.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

Recommendation 44 (Grandfathering Provision); the recommendation is that: "The Severance and Pension Recommendations shall not apply to Members of the House of Assembly who were elected before November 30, 2015."

Based on a previous vote of the Committee, I think those two should be separated. The proposed recommendation is: "The Commission accepts recommendation 44 that the severance and pension recommendations shall not apply to Members of the House of Assembly who were elected before November 30, 2015."

So I think the motion, if I may, should be that the Commission accepts Recommendation 44 and directs that severance recommendations shall not apply to Members of the House of Assembly who were elected before November 30, 2015, and we'll do a separate motion on pensions. Do Members follow what I'm suggesting?

Okay. We've made a change to one of the recommendations regarding pension. The change was that effective December 7, 2016, the pension would change.

Based on that, I am recommending two separate recommendations. So one recommendation would be the Commission accepts Recommendation 44 and directs that severance recommendations shall not apply to Members of the House of Assembly who were elected before November 30, 2015.

Do I have a mover and/or seconder for that recommendation?

Moved by Ms. Michael.

Do I have a seconder?

Seconded by Mr. Hutchings.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

Based on the change in date for pension, it would be the same recommendation but the date would be December 7, 2016: The Commission accepts recommendation 44 and directs that pension recommendations shall not apply to Members of the House of Assembly who were elected before December 7, 2016.

Do I have a mover and/or a seconder?

Moved by Mr. Parsons.

Do I have a seconder?

Mr. Hutchings.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

Recommendation 21 – annual lump sum for temporary accommodations in the capital region. Recommendation 21 is: “A Member may opt to receive a lump sum for his/her accommodations rather than avail of the Secondary Accommodation, Private Accommodation or Temporary Accommodation: a. such lump sum shall be a taxable benefit to the Member; b. shall apply to the Capital Region only, for the entire fiscal year, whether the House in Session or the House not in Session; c. the Member must elect this option no later than 30 days before the commencement of the fiscal year. If he/she does not so elect, the Member will not be permitted this option and shall have to choose from the Secondary Accommodation, Private Residence or Temporary Accommodation options; d. The lump sum will be calculated”

Marie, you were going to update that. Do you have a copy of that?

MS. KEEFE: It’s on 16.

MR. SPEAKER: Oh, it’s on 16. Sorry – the lump sum shall be calculated as follows.

As discussed, the wording in the motion in the briefing note needs to be changed. So the number of sitting days in the parliamentary calendar or the average number of sitting days the House is in session calculated over the previous eight-year period, multiplied by the temporary accommodation rate at the RFP price. The Member may not seek other accommodation expenses or reimbursements for the remainder of the fiscal year, and if the Member leaves office prior to the end of the fiscal year, the Member must repay the lump sum on a pro rata basis.

Do we have any comments or questions on this recommendation?

Do I have a mover and/or a seconder?

Mr. Davis.

MR. P. DAVIS: Thank you, Mr. Speaker.

There were some discussions at our last meeting and the minister had –

MR. SPEAKER: Based on the parliamentary calendar?

MR. P. DAVIS: Yes – well, no. There were some concerns that were expressed by the minister on –

MR. SPEAKER: I can address those, I think.

MR. P. DAVIS: Can you? Okay.

MR. SPEAKER: The Commission considered the recommendation November 30 and queried whether the number of sitting days in each year, as provided in the recently approved parliamentary calendar, could be used for the calculation of the lump sum instead of the average number of days outlined in the recommendation. The Chair of the MCRC was in attendance and agrees that if a parliamentary calendar is in force, it can be used in the lump sum calculation.

“While the revised Standing Orders provide for a certain number of sitting days in each year, that number could still fluctuate depending on issues related to the legislative agenda that may require further sitting days. The Commission

further considered whether there could be an adjustment to the lump sum after the fact to accommodate the actual number of days the House sat in that year.

“MCRC confirms that the original intent of this recommendation was to provide Members flexibility with respect to accommodation options in the Capital Region. The lump sum (a taxable benefit) could be chosen by a Member at the beginning of a fiscal year, and put toward costs of either private or temporary accommodations for the entire year (for both House in Session and House not in Session). It cannot be chosen if the Member maintains a secondary residence in the Capital Region.

“The calculation mechanism was recommended as a means of determining a reasonable amount for the lump sum. It was not intended to capture the actual number of days the House sat in that year.

“Should a Member wish to seek reimbursement for the actual number of days the House sits, he/she would have the option of claiming one of the following existing alternatives for accommodations in the Capital Region:” either secondary residence, declared by affidavit; private accommodations or temporary accommodations.

The new motion, as I put forward, does capture the calendar day. The calculation would be the number of sitting days in a parliamentary calendar or the average number of sitting days that the House is in session, calculated over the previous eight-year period.

MS. MICHAEL: We don’t have this in front of us, though, do we, the amendment?

MR. SPEAKER: The amendment?

MS. MICHAEL: We don’t have it in front of us.

MR. SPEAKER: The revised motion?

AN HON. MEMBER: (Inaudible.)

MR. SPEAKER: Basically, it’s either the parliamentary calendar or the average number of

days, as opposed to just the average number of days.

MS. MICHAEL: Okay. Then looking at what we would be voting for, the Commission accepts Recommendation 21, but Recommendations 21 is what you just read out, not what we have in front of us.

MR. SPEAKER: No, everything remains the same except for item (d). Item (d) would be changed to read, if you’re looking at item (d), item (d) would be the number of sitting days in the parliamentary calendar or the average number of sitting days the House is in session, calculated over the previous eight-year period. Everything else remains the same.

MS. MICHAEL: Okay. The only point I’m making then, Mr. Speaker, is that it’s not what’s written here that is the 21 that we are voting on; it’s what you have read into the minutes. We don’t have that wording in the 21 that we have here. I just want to make that clear where we are going.

MR. SPEAKER: Yes, and we apologize about that. Based on the discussion we had at the last meeting –

MS. MICHAEL: No, I realize where it has come from, but we just don’t have that wording in front of us.

MR. SPEAKER: Yes.

MS. MICHAEL: You do; we don’t.

MR. SPEAKER: Did you want a photocopy of this prior to –

MS. MICHAEL: No, as long as we all know what we mean when we are voting on Recommendation 21 because it’s now what –

MR. SPEAKER: Absolutely, so read into the record the only change would be item (d) and it’s (d)(1). So that would read the number of sitting days in a parliamentary calendar or the average number of sitting days the House is in session, calculated over the previous eight-year period. Everything else in the recommendation remains the same.

MS. MICHAEL: Okay, thank you.

MR. SPEAKER: Okay.

Any questions or comments on the recommendation?

Do I have a mover and/or a seconder?

Moved by Mr. Davis; seconded by Mr. Hutchings.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Recommendation 24 – Commuting Distance.

The 2016 MCRC made the following recommendation: "There will be no mileage allowance for any Member travelling within the 60 km zone (commuting distance). This restriction does not apply to the Intra/Extra Constituency Allowance."

Members who live within the commuting distance of the capital region, Confederation Building Complex, may not claim mileage and those who reside outside the commuting distance may claim mileage. The Committee felt that there is little fairness between Members who are close to the commuting distance and noted that people in the province travel far greater distances to and from their workplace, or work and receive no benefit for such travel.

"The Committee recommended that Members be prohibited from claiming mileage when travelling within the 60 km zone for House in Session and House not in Session travel only, which they felt would place all Members on a same footing.

"The commuting distance restriction does not apply to any travel under the I/E constituency allowance. Therefore, travel within the 60 km zone is allowable for all Members under that category."

Are there any questions or comments?

Mr. Parsons.

MR. A. PARSONS: I'm trying to make sure I understand this. Explain to me the I&E – so it doesn't apply to House in session. Right now if for going back and forth, but it applies for I&E – somebody dumb that down for me.

Ms. Burke.

MS. BURKE: If I can.

Chapter five of the members' administration guide refers to types of travel. Travel and living expenses fall into one of three categories, based on the purpose of the travel: one, House in session; two, House not in session; and three, intra and extra constituency.

For House in session, then the Member is reimbursed the cost of travel and living for one return trip per week. This would include, then, the 60-kilometre zone. So no reimbursement is to be provided to an MHA who is travelling within the 60-km zone for House in session.

House not in session travel, a Member may claim the cost of travel and living for 20 return trips per year between the permanent residence and the capital region, and that would encapsulate the 60-kilometre zone in Recommendation 24.

Intra and extra constituency is travel within the constituency between the capital region and another constituency outside the capital region. My understanding of intra and extra constituency is between constituencies and within the constituency, but the House in session, House not in session, deals with the 60-kilometre restriction.

MR. A. PARSONS: So just to make sure I understand. When I drive back here from Port aux Basques, 894 kilometres, when I hit the 834 kilometres, it's cut off?

MS. BURKE: That's right.

MR. SPEAKER: Mr. Browne.

MR. BROWNE: Just so I'm clear, Mr. Speaker, that includes House in session and House not in

session? That is the intent of the recommendation, is it?

MS. BURKE: Yes.

MR. SPEAKER: Any other questions or any other comments?

Mr. Browne.

MR. BROWNE: Mr. Speaker, if I could. So for Members who fly to the capital region from their districts and avail of rental cars, would the rental car still be covered within the 60-kilometre zone?

MS. BURKE: I can only speak to the recommendation that says: "There will be no mileage allowance for any Member travelling within the 60 kilometre zone (commuting distance)."

MR. SPEAKER: Mr. Parsons.

MR. A. PARSONS: This one sort of, in some ways, falls in conjunction with the further one where there's a capital city or Corner Brook allowance for Members to get a sum of money for driving within the city. Is that how that works?

MR. SPEAKER: No, I think that's under I&E only.

MR. A. PARSONS: I&E only is it? Okay.

CLERK: Right now, anybody within 60 kilometres (inaudible) claim any mileage while the House is in session or the House is not in session.

MR. SPEAKER: Any other comments? Any other questions?

MR. P. DAVIS: Mr. Speaker.

MR. SPEAKER: Mr. Davis.

MR. P. DAVIS: Thank you, Sir.

Just trying to make sure that we have a full understanding here; the new rules for Members within the capital region will be – maybe Ms. Burke could explain the difference for Members

whose districts fall within the capital region and what the rules would be for them, versus those outside the capital region.

MR. SPEAKER: I can make a stab at it. Ms. Burke can correct me if I'm wrong, but my understanding of reading the report, the \$200 allowance is for I&E only. Members within the capital region, within 60 kilometres, don't claim any mileage to and from work. Members beyond 60 kilometres could claim up to the point they reach the 60 kilometre mark for mileage. Am I correct in saying that?

MS. BURKE: That's correct.

MR. P. DAVIS: Okay. I understand.

MR. SPEAKER: Okay.

Any other questions? Any other comments?

Mr. Browne.

MR. BROWNE: Yeah, for those of us who use travel logs, there's a means of accountability for our intra- and extra-constituency travel. We have to take a log of that. I guess what's being proposed is that a \$200 allowance would be given.

I'm just wondering is there any means of accountability ensured there because, conceivably, the Member could travel nowhere, incur no costs and still receive the benefit. Whereas, if you're claiming based on the travel claims, as I understand it – and I could be totally wrong and correct me if I am.

MR. SPEAKER: Yeah, if I could, Mr. Browne, for a second. The \$200 amount you're talking about is another recommendation. That's I&E only; it's not mileage to and from. I think you're intermeshing the two recommendations.

You can still ask your question if you wish. I can ask Ms. Burke to elaborate, but I think you're mixing up the recommendations.

MR. BROWNE: I guess, Mr. Speaker – and I'm new, so please feel free to interject. My question perhaps then should be has there ever been an analysis done of the usage of intra- and extra-constituency travel for rural districts

versus urban? Has that analysis been done? I guess my question is – I know you yourself don't claim it. I'm wondering has that analysis been done that urban Members actually use the I&E and would there be any measure of accountability there?

MR. SPEAKER: I think most urban Members, both within the St. John's metro region and Corner Brook don't claim I&E mileage. I think that was the purpose for the recommendation on the \$200; but, again, we're talking about a different recommendation now.

The current recommendation that we're on, Recommendation 24, is about the 60 km zone. We will be getting to the \$200 recommendation next. I'm happy to talk about both recommendations now if you wish, but they are two different recommendations.

Any other comments or questions?

Do we have a mover and/or a seconder for Recommendation 24? Ms. Michael moves.

Do we have a seconder? Mr. Davis seconds.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Recommendation 27, which is the recommendation I think we were just discussing. "MHAs in the Capital Region and in the Corner Brook district only, have the option at the beginning of each fiscal year to choose between: a. Claiming mileage; or b. A monthly automobile allowance of \$200, which will be a taxable benefit to the Member.

"The remainder of the current I&E Allowance (until it is changed as recommended herein) to be allotted for the other uses permitted by the Allowance.

"Currently, all Members are reimbursed a per kilometer rate for actual distance travelled by automobile under the Intra/Extra Constituency Allowance, requiring detailed mileage records.

"For urban districts (Capital Region and Corner Brook) where travel is often a short distance, keeping the required detailed mileage records has been described in the report as "unnecessarily onerous."

"Accepting recommendation 27 would allow Members in these districts the choice of claiming actual mileage (and keeping detailed mileage records), or a monthly allowance of \$200"

Are there any comments or questions on this, and I invite Mr. Browne, too?

MR. BROWNE: Thank you, Mr. Speaker.

I will return to the point I made earlier. I know that when rural Members travel, they have to log in their book where they're going. I'm just wondering what accountability measures will be put in place for the \$200.

MR. SPEAKER: Okay.

Ms. Burke.

MS. BURKE: Thank you.

It's important to note that the \$200 monthly allowance is a taxable benefit. So Members aren't actually getting \$200 in their pocket per month, it will be something less than that. The Committee felt the benefit that was provided would be a reasonable amount of money, given what we understood to be the travel within the capital region for the Members.

In terms of accountability, we did not feel that a relatively small amount would require any detailed amount of accountability, as we felt that it was a small amount in terms of an allowance after tax and the most Members who were in the capital region or the Corner Brook region were not keeping monthly automobile allowance records because it was so tedious to do so. We felt that it was important for Members to be reimbursed for their expenses in relation to travel and that's why we came up with that number.

MR. SPEAKER: Any other questions or any other comments?

CLERK: I have a question.

MR. SPEAKER: Madam Clerk.

CLERK: I can't find the section right now, but there are certain positions in the House of Assembly that are entitled to the car allowance similar to that which ministers may elect to receive. With those allowances, if they choose to receive that lump sum allowance, they cannot claim mileage.

MS. BURKE: Right.

CLERK: So in this case the \$200 allowance, that would not be available to anybody who's already in receipt of a car allowance?

MS. BURKE: Right, so they can elect.

CLERK: Okay.

MS. BURKE: They have the option, beginning each fiscal year, to choose between claiming a mileage or claiming a monthly automobile.

CLERK: Yeah, but for those who get the \$8,000 car allowance, Mr. Speaker –

MS. BURKE: No, no, no, it doesn't apply. That's the executive.

CLERK: No, no, but the Speaker gets the car allowance, the Leader of the Official Opposition gets the car allowance and if the Leader of the Third Party sat in the House, he or she would get the car allowance.

MR. SPEAKER: If I may, Madam Clerk, for clarification I think what you're driving at is –

CLERK: Can you overlap those two.

MR. SPEAKER: Yeah. Can we have an understanding that anybody in receipt of a ministerial allowance is not also eligible to collect the \$200 car allowance?

MS. BURKE: Anybody who's in receipt of any automobile allowance would not be eligible to collect the monthly automobile allowance.

MR. SPEAKER: Okay. So that clarifies the point quite adequately I think.

CLERK: Okay.

MR. SPEAKER: Okay, any other questions or comments

Do we have a mover and/or a seconder for the motion?

Moved by Mr. Hutchings; seconded by Ms. Michael.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Recommendations 12 through 15: "12. All advertising by MHAs is to be restricted to the size of a business card;

"13. The HOA staff shall prepare a template to be approved by the Management Commission which will be used by the Members for all advertising to provide consistency in approach and content of advertising for all MHAs;

"14. Paragraph 24(i) will require an amendment to comply with the advertising recommendations;

"15. A Member shall be permitted recovery of an expense for advertising (that meets the amended Rules and the revised Policy) in an organization's brochure/pamphlet, despite any reference to "donation" or "gift" by the organization."

Currently, Members are permitted "to use the office operations, supplies and communications allowance for advertising expenses. The *Advertising Policy for Members of the House of Assembly* provides further direction with respect to the purpose, type and content of advertising by MHAs ... the MCRC is recommending that changes should be made to the Advertising Policy to provide consistency in content and approach of advertising by Members. The changes will include restricting all advertising to the size of a business card. A detailed template for advertising, to be approved by the

Management Commission, will be provided for use by all Members.”

Do we have any questions or comments?

Mr. Davis.

MR. P. DAVIS: Just an observation, Mr. Speaker.

I don't know if Ms. Burke can elaborate a little bit further, but on number 12, “All advertising by MHAs is to be restricted to the size of a business card.”

I'm just wondering if any analysis was done on that. I'm thinking about a circumstance where you know districts are all different and have local publications and some not so much, and the MHAs use a variety of means to advertise that they exist. Currently, anyone who advertises has their name and their district name and their contact information is required on all advertising. I can't think of a specific circumstance but I just to make sure that we're not being too restrictive.

Is there a circumstance where restricting it to the size of a business card would prevent Members from advertising or restrict them or minimize their ability to advertise? I don't know if Ms. Burke considered that or not. I'm just curious if there was a further look at different districts around the province in that regard.

MS. BURKE: The 2016 MCRC considered that given the technology that is available today, the telephone that is available to constituents to call the House of Assembly or to call the Confederation Building to determine who their Members are and for contact information for its Members, the Committee decided that there was no need to enhance the advertising by MHAs greater than that of a business card.

MR. SPEAKER: Any other questions or comments?

Ms. Michael.

MS. MICHAEL: Directed to Ms. Burke – I can't remember. It's not here, so it must be somewhere else where it talks about we may still do something that may be a particular, like a

national holiday – there's another place that mentions major national days and we can recognize those.

It would seem to me that would be a different classification because you would not be able to do that in a business size card, whereas the regular advertising that some of us put in the paper or put in different places, the business card can work; but if were actually recognizing one of the major days like in a local journal or something, recognizing maybe November 11, for example, the business card size wouldn't fit then.

Did you have that consideration? I can't remember where it is that –

MS. BURKE: It was in number 11, “Recovery of expenses incurred for advertising of messages of welcome, greetings and congratulations is prohibited, except for the recognition of national, provincial, constituency level weeks, days and events. Members may still include messages of welcome, greetings and congratulations in MHA newsletters”

So I would see that number 12 would be modified by number 11, such that advertising in relation to the recognition of national, provincial, constituency level weeks, days and events; but again, I'm not sure that greater than a business card would be necessary. The 2016 MCRC still regards that a business card would be an appropriate size.

MS. MICHAEL: Right, for that, it would be. That's what I'm pointing out, yes.

MS. BURKE: Yes.

MR. SPEAKER: Any other comments or questions?

Do we have a mover and/or a seconder for motion one?

There are several motions. Motion one would be that the Commission accepts Recommendation 12, “All advertising by MHAs is to be restricted to the size of a business card.”

Mr. Parsons; seconded by Ms. Michael.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Motion two is that the Commission adopts Recommendation 13 and directs the House of Assembly officials to develop a template which will be used by all Members for advertising. The template must be approved by the Management Commission.

Do we have a mover?

Mr. Parsons.

Seconder?

Ms. Michael.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Motion three, that the Commission adopts Recommendation 14 to amend paragraph 24(i) of the *Members' Resources and Allowance Rules* to comply with the advertising recommendations.

Do we have a mover and/or seconder?

Moved by Ms. Michael; seconded by Mr. Parsons.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Motion four that the Commission adopts Recommendation 15 to permit recovery of advertising expenses in an organization's

brochure/pamphlet, despite any reference to a donation or gift by the organization.

Do we have a mover and/or seconder?

Mr. Parsons; Mr. Browne.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Recommendation 26 – Travel to Other Districts. “Section 30 of the Rules are to be amended to add the following: A member may claim reimbursement for travel and associated accommodation and meal costs related to travel ... to another district in relation to matters affecting his or her district.”

“... the MCRC found that under the current provisions there was no accommodation to allow for the following: Travel between districts inside the Capital Region, Travel between a district outside the Capital Region and a district inside the Capital Region.

“The MCRC noted that recommendation 73(1)(d) of the Green Report clearly intended that the I/E constituency allowance provide for travel to another district in relation to constituency matters, but that the provision did not appear to be included in the *Members' Resources and Allowances Rules* (the Rules).”

Any questions or comments?

The recommended motion is that the Commission accepts Recommendation 26: “Section 30 of the Rules be amended to add the following: A member may claim reimbursement for travel and associated accommodation and meal costs related to travel ... to another district in relation to matters affecting his or her district.”

Do we have a mover and/or seconder?

Moved by Mr. Parsons; seconded by Mr. Browne.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

Recommendations 29 and 30 – Constituency Allowance: “29. The recovery of meal expenses from restaurants, pubs, delicatessens and the like under the Constituency Allowance shall be prohibited. Members shall not be permitted to claim this expense as part of their meal per diem.

“30. If incurring an expense as an adjunct to a community event in the district, the Member or his/her Constituency Assistant is required to be present at the event, but is not required to host the event.”

Any questions or comments on either of those?

Motion one is that the Commission accepts Recommendation 29, that the recovery of meal expenses from restaurants, pubs, delicatessens and the like under the constituency allowance shall be prohibited. Members shall not be permitted to claim this expense as part of their meal per diem.

Do we have a mover and/or seconder?

Moved by Mr. Parsons; seconded by Ms. Michael.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

Motion number two is: “The Commission adopts recommendation 30 that if incurring an expense as an adjunct to a community event in the district, the Member or his/her Constituency Assistant is required to be present at the event, but is not required to host the event.”

Do we have a mover and/or seconder?

Moved by Ms. Michael; seconded by Mr. Parsons.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

Recommendations 7 through 9 – Committee Meeting Per Diems: “7. There shall be no meeting per diems for the chair and/or committee members for meetings held when the House is not in session;

“8. The chair and committee members are expected to take advantage of electronic media to participate in Committee work where practical;

“9. The chair and committee members shall be reimbursed for expenses associated with travel and accommodations when meetings are required to be held when the House is not in session.”

Do we have any comments or questions?

MR. P. DAVIS: Mr. Speaker.

MR. SPEAKER: Mr. Davis.

MR. P. DAVIS: It states meetings per diem. Is that supposed to be meals per diem or is it meetings per diem?

MR. SPEAKER: The Clerk.

CLERK: When members of the Public Accounts Committee, which often meets when the House is not sitting, or the Standing Orders Committee, those that are not receiving a salary from an office or a ministerial salary are entitled to claim per diem to attend that meeting, in addition to their travel and accommodation and meal expenses. So essentially, adopting this, they wouldn't be eligible for the meeting per diem, the \$145 anymore.

MR. SPEAKER: Okay.

Ms. Michael.

MS. MICHAEL: I have a question of clarification.

I'm assuming under number 9 that expenses associated with travel and accommodations does include the meals for the person who has had to travel to come out?

AN HON. MEMBER: Yes.

MS. MICHAEL: Okay, just making that clear.

AN HON. MEMBER: (Inaudible.)

MS. MICHAEL: Yes, under accommodations, that would include meals.

Thank you.

MR. SPEAKER: Any other questions or comments?

Okay, motion one is that the Commission adopts Recommendation 7 that there shall be no meeting per diem for the Chair and/or Committee members for meetings held when the House is not in session.

Do we have a mover and/or seconder?

Moved by Mr. Hutchings; seconded by Ms Michael.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Motion two, the Commission adopts Recommendation 8 that the Chair and the Committee members are expected to take advantage of electronic media to participate in Committee work, where practical.

Do we have a mover and/or seconder?

Moved by Mr. Browne; seconded by Mr. Parsons.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

Motion three, the Commission adopts recommendation 9 that the Chair and Committee members should be reimbursed for expenses associated with travel and accommodations when meetings are required to be held when the House is not in session.

Do we have a mover and/or seconder?

Moved by Mr. Hutchings; seconded by Ms. Michael.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

This concludes the meeting.

Do we have any other comments or questions before we conclude?

Mr. Davis.

MR. P. DAVIS: Thank you, Mr. Speaker.

I just received some information that when the lights dimmed out earlier, there may have been a power outage and a loss of the broadcast. So we might want to check that.

MR. SPEAKER: We have. There was about a 4 or 5 second loss and then it came back.

MR. P. DAVIS: Okay.

CLERK: I asked the Broadcast Centre will the portion of the broadcast that was dropped be present in the archive – because after the meeting, the archive is available. And Don Brewer in the Broadcast said he won't know for sure until the meeting ends. He says the cameras lost power for a few seconds, so there will be some video missing, but he doesn't think the audio is affected. He'll need to check the master

recording to know the full effect. Because when the lights came back up, we were showing here. I know that I lost the network connection here, so I don't know –

On motion, meeting adjourned.

MR. SPEAKER: Any other comments or questions?

Mr. Parsons.

MR. A. PARSONS: Just because it's been a couple days of this, do we have more recommendations left?

MR. SPEAKER: We do, yes.

MR. A. PARSONS: Okay, I wanted to make sure.

MR. SPEAKER: We will set another meeting. I know that we're getting close to the conclusion of this session. My guess is it will probably be January before we have the next meeting.

Are all Members in favour of setting a time in January?

Okay. So we will set a time; we will communicate with Members to try to get a consensus on a date in January.

We need budget meetings for the House of Assembly as well. They're okay for January as well.

CLERK: Early January – we have to have our submission in by the 20th of January.

MR. SPEAKER: So it will be early January.

Do we have a motion to adjourn?

Mr. Parsons; seconded by Mr. Hutchings.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed?

Carried.

Thank you for attending.