

PROVINCE OF NEWFOUNDLAND AND LABRADOR HOUSE OF ASSEMBLY

HOUSE OF ASSEMBLY MANAGEMENT COMMISSION

Seventy-ninth Meeting

Friday, October 16, 2020

HANSARD

Speaker: Honourable Scott Reid, MHA

The Management Commission met at 9 a.m. via video conference.

MS. RUSSELL: Okay, Mr. Speaker, we're ready to go.

MR. SPEAKER (Reid): We're ready to go?

I'm going to call the meeting to order. I want to welcome everyone here and also those viewing the broadcast.

Before we start I would like to introduce the Members of the Commission and the staff present for the meeting today. First of all, the hon. Steve Crocker, the Government House Leader; Mr. David Brazil, the Opposition House Leader: hon. Siobhan Coady, Member for St. John's West; Ms. Alison Coffin, Member for St. John's East - Quidi Vidi, Leader of the Third Party; Mr. Barry Petten – Barry is here – Member for Conception Bay South; Mr. Trimper, Member for Lake Melville; Ms. Pam Parsons is here as Deputy Speaker; Ms. Sandra Barnes, Clerk of the House of Assembly and secretary to the Commission is here; and Ms. Bobbi Russell, Policy and Communications Officer with the House of Assembly. Welcome everyone.

We have a few items to go through today, so I'm just going to jump right in and we'll go through those. I know a number of the people have time constraints, so we'll go through these.

The first thing we have to do, the first agenda item, is reporting the decisions from in camera meetings held prior to this meeting. As required by the *House of Assembly Accountability*, *Integrity and Administration Act*, the Commission is required to report any decisions from an in camera meeting to form part of the public record. The Commission held in camera meetings on September 9 and September 29 of 2020.

Details of the decisions made at these meetings are included in the draft minutes, which will be approved as part of the next agenda item. The draft minutes were circulated to the Commission with their briefing package and are posted on the House of Assembly website as part of the briefing package for this meeting. I don't think

we need a motion for that; it's just part of the reporting mechanism.

So approval of the minutes for the December 4 meeting. Draft minutes of the Commission meeting on the following dates require approval of the Management Commission: July 30, 2020, September 9, 2020 and September 29, 2020.

Any comments or questions before we approve those minutes? No, I'm seeing none.

We need a motion to approve those. Does someone want to give us a motion?

I'm seeing Mr. Trimper, and Ms. Coffin seconds it

The motion is the minutes of the Commission meetings held July 30, September 9 and September 29, 2020, are approved as read.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Carried.

On motion, minutes adopted as circulated.

MR. SPEAKER: We have a few points that we need to discuss and make decisions on today. The first is a budget transfer request. We have to either approve or not approve the budget transfer in accordance with the *House of Assembly Transfer of Funds Policy*.

The transfer of funds is required from the House Operations, Transportation and Communications to Members' Resources, Professional Services for the purposes of paying legal fees. We're transferring money that we have available in one allocation under the House of Assembly budget to another allocation in the House of Assembly budget.

Anyone have any comments or questions before we approve this?

We need a motion to do this. I guess the motion would be the Commission approves the following transfer of funds: House Operations, Transportation and Communications, \$4,400, to

Members' Resources, Professional Services, \$4,400.

Mr. Brazil moving that motion; seconder, Ms. Coffin.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

The next item we have to deal with is the appointment of Audit Committee Chair. I think we also have to deal with the appointment of another government Member to the Audit Committee as well.

With the recent changes in the membership of the Management Commission, there's a vacancy in the Audit Committee as the Member for Fortune Bay - Cape La Hune, who served as the Chair of the Audit Committee for the government caucus, is no longer a Member of the Commission.

The other Member of the Commission on the Audit Committee is the Member for St. John's East - Quidi Vidi. Due to the vacancy, the Commission must now appoint one of its Members from the government caucus to serve on the Audit Committee and further designate one of the current Members of the Committee as the Chair.

Further detail on this are in the briefing package. Are there any comments or questions before we move forward? Any comments or questions? No, okay.

So I guess we need a motion, and I'll just leave the name blank: The Commission appoints blank as the Member of the Audit Committee, effectively immediately – I guess we can do it all in one motion, two parts – and the Commission designates blank as Chair of the Audit Committee, effectively immediately.

Minister Coady.

MS. COADY: Thank you, Speaker Reid.

I move the MHA for Lake Melville be appointed to the Audit Committee.

MR. SPEAKER: Okay. I guess we can do those separately, so we'll deal with that one first.

Any other comments? Okay.

So all those in favour of appointing the Member for Lake Melville? It's moved by Siobhan Coady and seconded by Mr. Crocker.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

Okay, and the second part of that is to appoint the Chair of the Audit Committee.

Does anyone want to make a motion on that?

MS. COADY: (Inaudible.)

MR. SPEAKER: Okay, Minister Coady.

MS. COADY: I can move the MHA for Lake Melville, if that's acceptable?

MR. SPEAKER: Yes, okay.

We need a seconder for that, I think. Okay, Minister Crocker.

So the motion is the Commission designates the Member for Lake Melville as Chair of the Audit Committee, effective immediately.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

Okay. So the next item on the agenda is the request we received from the Member for Burgeo - La Poile. It's regarding pension plan options for political support staff. Currently, employment contracts of all political staff,

constituency assistants and caucus office employees, employed by the Legislature stipulate that they are required to participate in the Government Money Purchase Plan, unless they are members of the Public Service Pension Plan when hired. Further details with respect to the provisions of current employment contracts as well as the implications for amending the contracts to allow for choice in pension plan options is included in the briefing package.

I'm going to open the floor for questions or comments on this. Any questions? Comments?

Mr. Brazil.

MR. BRAZIL: Only from our previous discussion here that we think this is reasonable across the board. Every other employee in every other sector of government has those privileges. It's not a big costing to the taxpayers because it's equally paid by the employees themselves. It's a benefit they've earned in any other environment within our civil service, so to exclude them, to me, has been an unjust operation.

I think it's a normal procedure that they're entitled to. The same processes with the new pension plan would come into play, I would assume, so many years of service before they would be eligible to carry over their health insurance after retirement and to be eligible for some of the other services.

I wholeheartedly support it. I think it's well overdue and I think we should move this along as quickly as possible.

MR. SPEAKER: Minister Coady.

MS. COADY: I'm completely supportive. I think Mr. Brazil said it as well.

I'm prepared to move a motion, if that's satisfactory.

Oh, sorry, Perry would like to speak as well, or are you going to second my motion?

MR. SPEAKER: Mr. Trimper.

MR. TRIMPER: Thank you.

I'll just add, I didn't want to lose the thought. I'm fully supportive as well; I agree with Mr. Brazil.

Also, I wanted, though, if we could, just raise and I would like to know: Where are we with the review of compensation for CAs? I know several of us have raised it in the past and have grave concerns.

I guess just for those watching, if one is to review the range of salaries and compensation available for some of the folks that we hire, for example, as our constituency assistants, most people would probably be shocked at the level of pay given the responsibilities and the skills sets needed.

I know it's not on the agenda but I just wanted to see where that was.

MR. SPEAKER: Yes, I have to ask Sandra – sorry, Ms. Barnes, Clerk of the House, for an update. I know the staff has been doing some work in terms of cross jurisdiction comparisons and things like that.

Sandra.

CLERK (Barnes): It definitely is a work in progress. We had made significant progress back in August in terms of doing jurisdictional scans to find out the genesis of these positions. It's been an interesting process. Unfortunately, we're like everyone else and we only have so many people available, and once the House opened we had to put all that aside, but we will pick it up again in earnest once the House rises.

MR. SPEAKER: Ms. Coffin has a comment as well.

MS. COFFIN: Thank you.

I do have a comment and I guess a question as well. I note that the Member for Burgeo - La Poile did say in his letter to us: Furthermore, it's our understanding that members of the Premier's staff are being given the option to buying into or transfer to the Public Service Pension Plan.

Do we have any analysis about how long it's been going on; the number of people that have been involved? Has that happened, I guess, would be my first question and if it has, has there been any fiscal implications? We've had some pretty significant changes to our public sector pension plan recently and we're recognizing the unfunded liability associated with that.

I think from a financial perspective, remember we all have a fiduciary duty here as well as responsibility to our staff, what are the fiscal implications of what we're about to do? I understand that by moving them into the Public Service Pension Plan that they are going to top up any unfunded liabilities at this point because the GMPP is a defined contributions plan, where the PSPP is a defined benefits plan. There will be a deficit associated with that, I think that's an important thing.

The second thing that I think is implied by this is that individuals moving into the PSPP would be eligible for post-employment benefits. That is an unfunded program as well.

Perhaps the Minister of Finance can talk to us a little bit about how we want to address that and some of the implications associated with it as well.

MR. SPEAKER: Ms. Coady.

MS. COADY: Before we get into the depth and details of the pension plan, I think Clerk Barnes you might have some details of who's involved in the Premier's office. It's an option; it's not set. It's an opt-in as per the options that are presented for us today. You can opt-in to joining the GMPP – and many of them do – or the Public Service Pension Plan.

The unfunded liabilities of the Public Service Pension Plan, of course, are a more detailed discussion because it's further reaching than this particular piece, but I'll turn it to the Clerk first to make that analysis.

CLERK: Our understanding is that the Executive Branch made the option available to political support employees in 2015. Prior to that, all political support employees followed that 1989 order-in-council which said political support employees participate in the Government Money Purchase Plan. It will be an individual's choice whether they wish to convert

and they will not get one to one, because the money purchase plan is a different plan and the contribution is at a lower level. It's 5 per cent. I can't remember what PSPP is; it's much higher. So it would be an individual's choice.

In the meantime, the number of political support staff is very low. We have about 60 political support staff attached to the Legislature. But remember now, that is all the constituency assistants, plus the caucus office staff. Then it would be the Premier's office and the EAs in the departments; that's it. So the incremental cost of these people availing of the Public Service Pension Plan, as opposed to the money purchase plan, in the scheme of things, to me it's not a consideration. It's more a consideration of what choices do these employees wish to make for their own well-being.

MR. SPEAKER: Yes.

Minister Coady?

MS. COADY: Thank you.

To address probably the bigger issue here, remember that anyone who joins this plan now, to change from the GMPP to the PSPP, would have to have more vesting mechanisms. They would have to be in a position for 10 years. A lot of political staff don't meet that criteria, so it will have to be a decision taken by the political staff as to whether or not they decide to move into this other mechanism. The impact to Treasury is minuscule, really.

I take your broader question – and I'm sure we'll have many discussions about this in the House of Assembly – about the broader pension plan, the unfunded liabilities thing. As you know, there were some fixes done during a former administration and we can give you an update on where we are with those pension plans at a different time.

MR. SPEAKER: Just before we continue, a question, just so I understand and others as well.

People who had been previously employed by the provincial government who then take up a job as a political staffer would be able to continue with their participation in the Public Service Pension Plan, so some of these people that we have as political staffers are maybe already on that pension plan. The whole point of the money purchase plan is that for temporary employees, employees that are in a short period of service, it's a way of providing a pension option for them, but some of the political staff people have been around for a long period of time.

I guess the issue then becomes fairness in terms of we're treating people who've been around for comparable periods of time, whether we should treat them the way we treat other people in the civil service who've been around for a period of time.

Is that a correct assessment, Sandra?

CLERK: To be honest, there was a directive by the IEC back in 1990 and that basically set it up as a term of the contract that political support staff would participate in the Government Money Purchase Plan. That was a policy option and it became a term and condition of employment. Until the request came forward from Minister Parsons, to be quite honest – I've gone back over the minutes of the IEC – it just never came up before in terms of looking at it.

As I said, it was a term and condition of the employment, but given that there is no legislative prohibition from these people, from political support employees, participating in the Public Service Pension Plan, if they so choose, there's no reason why we can't make it available to them.

MR. SPEAKER: Okay.

Are we ready for a motion on this?

MHA Coffin.

MS. COFFIN: Thank you.

I completely want to ensure that all our employees have the best supports available to them. The best pension plan, the best postemployment benefits, those things are really, really important. The reason I ask these questions is because we have two roles here: One, we protect our staff and we make sure that employees are well provided for and well compensated, but at the same time we do have

that fiduciary duty. I wanted to be absolutely clear that we all recognize that.

The piece now that I just want to make sure that is correct here: If we give individuals the option to move, either to choose the GMPP or the PSPP, ones that do choose the Public Service Pension Plan, that defined benefits plan, will they also have access to post-employment benefits? Is that a condition of having the PSPP, that you will get your post-employment benefits?

CLERK: Yes. I mean, essentially, if you are a participant in that plan. It depends on your eligibly within that plan, because it depends on how much service you have when you entered the plan. That would define it. If you make that choice, you're a plan member of that plan like any other plan member, and what you get will depend on your eligibility to receive it.

MS. COFFIN: Okay. I just wanted to make sure that we know exactly what these individuals are getting. They also need to know as well. That's a really important thing.

All right, so I guess the next battle would be to ensure that those post-employment benefits are there for these individuals once they do retire.

MR. SPEAKER: Okay.

Are we ready for a motion here?

Ms. Russell, do you have a proposed motion for us?

MS. RUSSELL: The proposed motion would be that the Commission directs an amendment to the current employment contracts of political support staff in the Legislature that provides the option of joining or transferring between the GMPP and the PSPP.

MR. SPEAKER: Okay.

I see two people. Ms. Coffin.

Sorry, I couldn't hear you.

MS. COFFIN: I realized I was muted. I'm sorry. I have a question about the motion.

Given that this has been happening in the Premier's office since 2015, would this give individuals who choose to move to the PSPP the option of that happening retroactively?

CLERK: It would depend on how much service. If they've left the public service, they can't join now. It's really not a consideration because they would have to convert whatever they had in the money purchase plan into whatever they can in the Public Service Pension Plan and then make up any shortfall in contributions, or wherever they land, accept that. I mean, that's an individual determination.

MS. COFFIN: Okay.

So at any point, the staff that we have right this instant will be able to switch over? I just want to make sure everybody is going to have access to this. It has to be universal.

CLERK: Well, there are 57 employees of the Legislature right now who participate in the money purchase plan. It will be up to those people. About half of them have less than five years' service though.

MS. COFFIN: Okay, good. Thank you.

MR. SPEAKER: Okay.

Are we ready to move that motion now?

Minister Coady?

MS. COADY: I move the motion.

MR. SPEAKER: Okay, Minister Coady, and seconded by the Member for Lake Melville.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

The motion is carried.

Okay, we'll move to the next item. We have some requests for appeal from Members. We're going to go through each of these.

The next agenda item is a request from the Member for Humber - Bay of Islands. He appeals a decision of the House of Assembly to reject payment for an expense totalling \$185.64 relating to the purchase of food items and other supplies under constituency allowance allocation.

The decision to reject the payment of the expenses was based on the interpretation of the related provisions of the Members' rules outlined in the Briefing Note. The Member is appealing the decision of the House of Assembly in accordance with section 24 of the House of Assembly Accountability, Integrity and Administration Act.

I'll just give a brief summary of this case. This is a situation where Members, if they have a gathering of people they can provide food and some refreshments for the meeting. In this case, it was the Special Olympics in the Member's district. They had, over the years, been doing this sort of event just to show appreciation for the accomplishments of the people in the Special Olympics.

That was allowed within the rules of the reimbursement process, but this year because of COVID and to keep everyone safe, they did not have a gathering where everyone got together. Instead, they had a virtual gathering and the organization sent out some packages, a lunch package to the participants in the virtual get together. So by strict interpretation of the rules that wasn't allowed, but we have the option here to look at this and look at the circumstances around it and make a decision if we want to take into account these other circumstances and to approve it here.

I think the House of Assembly did everything in terms of applying the rules as they were, and given the authority we have through the Accountability, Integrity and Administration Act to approve appeals, we have to make a decision if we want to approve this appeal.

Any questions or comments?

MHA Brazil

MR. BRAZIL: Yes, I'd like to speak to it.

Again, I do understand and respect the staff doing their due diligence here and following the protocol but this is a unique situation that we're in for a number of reasons – the COVID one, obviously – and because we've had to adjust a thousand other things in the House of Assembly, we didn't have the time nor the resources to go back and say: How does COVID impact other things we do, in the gatherings, the supports we put out for constituents and the interaction and all that?

To me, this is just an extension of exactly what was being done before, only in a different manner. I'd have no problem in supporting this because I think it's an adjustment to where we are with dealing with COVID. We haven't had an opportunity to deal with other things that need to be done on a smaller scale, but this is one of those that are unique situations that I don't see an issue with it, particularly.

MR. SPEAKER: Okay. Any other comments?

MHA Coffin.

MS. COFFIN: Thank you.

Certainly, I can see how the application of rules ought to change during COVID. Can we separate this out into an individual event versus perhaps the larger concept as a whole? Since we are looking at a situation, change as a result of COVID, is this the right forum to maybe make a recommendation to change how we apply or interpret those rules? If this would be, then maybe that's a discussion we can have right now. If not, I think that looking at this on face value it would be a reasonable extrapolation from my point of view.

Although, some of the accusations you saw in the letter from the Member, I do have some questions about, but I don't think that's a matter for right now either. I would appreciate everyone's interpretation of that and their thoughts on individual, general and I guess response as well.

MR. SPEAKER: Just before we enter into that discussion, I think that may be a discussion that would take a little bit of time, and given the time constraints we're under now, maybe we could move that ahead to another meeting and deal

with the matter at hand now. If that's agreeable to the Members, and then look at this issue at a future meeting maybe, the broader implications of how we apply the rules here. Is that a good way to do it, most Members think?

Okay, I'm not seeing any objections. I'm going to see that as — so if no one objects, what we'll do is we'll move forward with the motion either to approve or reject this and then we'll bring this back to the broader issues that MHA Coffin talked about to a future meeting, if that's okay.

MHA Coffin, yes? Okay, I'm seeing her nod.

MHA Trimper.

MR. TRIMPER: Thank you.

I have different thoughts on this. I guess I'm also, as Ms. Coffin said, concerned about the tone in some of the response by the MHA, but I'm trying to focus on the matter at hand and the unusual circumstances of COVID-19 and what we've all gone through.

I must say, I took the scenario and I ran it by my constituency assistant and just said: What would you think whether the (inaudible) would be acceptable? She immediately said: No, it wouldn't be. So I just found myself very conflicted here in terms of whether to support this or not because I think the logical exercise would have been to contact the office and just confirm as to whether or not that was appropriate. That wasn't done, someone proceeded and so on.

I'm still not sure whether I'll support it or not, but that's what's going on in my head.

MR. SPEAKER: Okay.

Are we ready for a motion on this?

I'm seeing no other comments. I'll do the motion to approve and then Members will have a vote on that.

The motion I'm proposing would be: The Commission approves a payment of the expenses totalling \$185.64 for the Member for Humber - Bay of Islands.

Someone has to move that, I think. Does someone want to move that?

Okay, MHA Brazil moves the motion. And a seconder? We need a seconder for that, I think.

Minister Crocker seconds that.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Okay. So I think the motion is carried. Is that correct?

Motion carried.

Okay, we have some other requests for appeal. The next one is an appeal for the Member for Lewisporte - Twillingate.

The Member for Lewisporte - Twillingate is appealing a decision of the House of Assembly to reject payment of expenses totally \$174.80 related to the purchase of advertising signage for an event in his constituency. The expenses were rejected for reimbursement as they did not comply with the provisions of the advertising publication policy of the House of Assembly as outlined in the briefing note. The Member is appealing the decision of the House of Assembly in accordance with section 21 of the House of Assembly Accountability, Integrity and Administration Act.

So just for clarity, the problem was the sign did not include the telephone number of the Member, as required, the contact information. So that was the missing piece. I think in the notes in the letter that he provided it was something that sort of happened over the weekend, he didn't have a chance to – usually this material would be sent to staff in the House of Assembly for approval before it was printed. In this case, it was something that happened in the district, the town had won the Kraft Hockeyville competition and they were having a parade and so he had to get the sign done quickly. That's my understanding from the briefing material.

So that's the situation with that. I don't know if anyone has any questions or comments on this?

Okay, seeing no comments or questions, I'll propose a motion: The Commission approves payment of expenses totalling \$174.80 for the Member for Lewisporte - Twillingate.

So that's the proposed motion. We need someone to move that.

Okay, MHA Brazil is moving that. Is it seconded by – we need a seconder for that motion. Seconded by Minister Coady, okay.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

Okay, the next appeal is from the Member for Exploits to reimburse the expenses related to the previous fiscal year. As it was not submitted within 30 days of the end of the fiscal year prior to the system cut-off, it requires Commission approval to reimburse. The expenses totalled \$402.50 is allowed under the Members' rules. It is related to the purchase of advertising. The Member is appealing the decision of the House of Assembly in accordance with section 24 of the House of Assembly Accountability, Integrity and Administration Act.

Before we go to comments, I'm going to ask the Clerk, we've had similar requests like this, I think, have we, in the past?

CLERK: Yes, there are many situations where a Member doesn't necessarily receive the invoice from the association or the company or whatever in time to get it processed. When we look at it, we always check and see if it had come in time would it have been in accordance with the rules? If it is after the fiscal year end, we look at were there funds available. If it had come in on time, were there funds available in that fiscal year to pay it?

Now, if the Commission approves it, it has to come out of this fiscal year, but that would be one of the conditions that there would have had to have been money to pay that in 2019-2020, and there was, in this case.

MR. SPEAKER: Okay, yes.

Any other comments before we move forward with this?

MHA Trimper.

MR. TRIMPER: I heard the Clerk say that there were monies available in that fiscal year, correct? So I have no problem, and I'd like to make the motion to accept it.

MR. SPEAKER: Okay, so the proposed motion here is the Commission approve payment of expenses totalling \$402.50 for the Member for Exploits with expenses to be paid within the appropriate allocation for the 2020-2021 fiscal year.

So Mr. Trimper has moved that, I believe, yes. We need a seconder. Seconder is MHA Coffin.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

Okay. The next one is similar to the previous agenda item. This item deals with a request from the Member for Bonavista to reimburse an expense related to the previous fiscal year.

The expense totalled \$45 is allowable under Members' rules. It is related to the purchase of an annual membership fee in the Chamber of Commerce organization in the constituency. The Member is appealing the decision of the House of Assembly in accordance with section 24 of the House of the Assembly Accountability, Integrity and Administration Act. So a similar sort of situation.

The proposed motion I have here is: The Commission approves payment of expenses totalling \$45 for the Member for Bonavista with the expenses to be paid within the appropriate allocation for the 2020-21 fiscal year.

Does someone want to move that motion? Minister Crocker; seconded by MHA Coffin, I believe.

Any comments on this one before we do the vote?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

That concludes today's agenda. I want to thank everyone for participating. I want to also welcome MHA Trimper to the Commission. I think this is your first meeting since you've been appointed.

MR. TRIMPER: (Inaudible.)

MR. SPEAKER: No? Okay, sorry. I'm late welcoming. This is the first public one is it or -?

MR. TRIMPER: Yes.

MR. SPEAKER: Yes.

I want to thank the Member for Fortune Bay - Cape La Hune for his service on the Commission, as well. This is the first public meeting we've had without him being present.

We need a motion to adjourn. Minister Croaker is moving a motion to adjourn; seconded by MHA Coffin.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

We'll see you again next meeting, or I'll see you again when the House opens on the 19th of October.

Thank you very much.

On motion, meeting adjourned.