



PROVINCE OF NEWFOUNDLAND AND LABRADOR  
HOUSE OF ASSEMBLY

HOUSE OF ASSEMBLY  
MANAGEMENT COMMISSION

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Forty-Seventh Meeting

Wednesday, October 22, 2014

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**HANSARD**

Speaker (Acting): Honourable Wade Verge, MHA

The Management Commission met at approximately 9:00 a.m. in the House of Assembly Chamber.

**MR. SPEAKER (Verge):** Good morning, ladies and gentlemen.

I welcome you to the meeting of the Management Commission. We will take a few minutes to do some introductions. I am Wade Verge, the Member for Lewisporte district and Acting Speaker of the House of Assembly.

I will move to Mr. Pollard.

**MR. POLLARD:** Kevin Pollard, MHA, Baie Verte – Springdale.

**MR. HUTCHINGS:** Keith Hutchings, MHA, Ferryland.

**MR. KING:** Darin King, Government House Leader and MHA, Grand Bank.

**MS MICHAEL:** Lorraine Michael, MHA, Signal Hill – Quidi Vidi.

**MR. BALL:** Dwight Ball, MHA, Humber Valley.

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

**CLERK:** Sandra Barnes, Clerk.

**MR. SPEAKER:** Thank you very much.

Our legislation requires that any decisions taken in camera be reported at the next public meeting of the Management Commission. This morning we met in camera and two decisions were made. Decision one: The Commission approved the pre-commitment of funds for the 2015-2016, 2016-2017, and 2017-2018 budget appropriations for consulting services for the management certification process. Decision two: The Commission approved the pre-commitment of funds for the 2015-2016, 2016-2017, and 2017-2018 budget appropriations for consulting services for the audit of the Office of the Auditor General.

We will move ahead with the agenda. Going to Tab 2, we have minutes of the last meeting. Members have had a chance to review the

minutes. Is there a proposed motion that the minutes be accepted as circulated?

Moved by Ms Michael; seconded by Mr. Hutchings.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** Carried.

On motion, minutes adopted as circulated.

**MR. SPEAKER:** Tab 3: We have reports on authorizations that were made by the Speaker and the Clerk since the Commission last met. Two reports are provided. One is the approval of an expenditure for the Member for Cartwright – L'Anse au Clair in the provision of a snowmobile guide for travel to her district; and the other one is an expenditure that was approved by the Clerk for the Member for St. Barbe for the provision of a vertical filing cabinet for his constituency office. These are for reporting purposes only; there is no action required from the Commission.

We move to Tab 4.

Mr. King.

**MR. KING:** I just have a question on the filing cabinet. It just seems like an odd, special request. Would that not be part of normal furniture?

**CLERK:** There is provision in the standard office package for a filing cabinet. Sometimes a member will make a request if they have additional files or something like that, and if it is within reason, it is generally approved.

**MR. KING:** No, I am not questioning the request as much as to have to make the request for a filing cabinet. I just thought it was out of the norm.

**CLERK:** No, there are filing cabinets approved as part of the standard office package, but then sometimes members do have additional requirements, or it breaks. We have had that happen, and in which case –

**MR. KING:** It has to go back.

**CLERK:** – it has already been provided. We have to get rid of that asset and get a new one.

**MR. KING:** Okay, all right.

Thanks.

**MR. SPEAKER:** Okay.

Tab 4, Financial Information; our legislation requires us to report financial administration on a regular basis. Again, this is a reporting activity only. There is no decision to be made by the Commission here.

Financial statements have been provided for the first quarter of the fiscal year 2014-2015. It includes the financial information for the House of Assembly service, for the caucus offices, and for the statutory offices. Also included are the Member Accountability and Disclosure Reports outlining expenditures of each member of the House during the same period. Are there any questions on these or any discussion? I see none. We will move to Tab 5.

Tab 5, we have Letters of Appeal. Of course, these letters come up from time to time when members make claims against their allowances and for some reason the claims are denied by Corporate Members. We have, I think it is seven different letters of appeal to have a look at.

The first one is from the Member for Burin – Placentia West. In this instance, Corporate Members have looked at the details of the claim and it did not comply because it was outside the sixty-day deadline. There were sufficient funds to pay this claim and it met all of the requirements under the House of Assembly Accountability, Integrity and –

**CLERK:** Administration Act.

**MR. SPEAKER:** – Administration Act. Thank you, Sandra.

A motion is in order to either accept or deny.

**AN HON. MEMBER:** What is that?

**MR. SPEAKER:** The motion is to pay this claim. I am looking for the right wording here now. We have a proposed motion in here somewhere don't we? The motion is to approve the payment of that expense.

**MR. POLLARD:** So moved.

**MR. SPEAKER:** Moved by Mr. Pollard.

**MR. BALL:** Seconded.

**MR. SPEAKER:** Seconded by Mr. Ball.

The second one is from the Member for Cartwright – L'Anse au Clair. My understanding here is that if a member is required to travel over gravel road in excess of 5,000 kilometres in a year, and the member provides information verifying that, then they are entitled to a \$1,000 per year allowance.

The Member for Cartwright – L'Anse au Clair became aware of this, this current fiscal year, provided the necessary documentation and received the \$1,000 allowance. Then, once she became aware of it, she was not aware that this provision was in place last year, therefore she provided again the necessary documentation showing that she had driven in excess of the number of kilometres needed and is asking that she be paid for last year's allowance of \$1,000.

It has to come to the Commission because it is, of course, an expense of the last fiscal year but it is going to be paid out of this fiscal year. Is there any discussion?

**MR. KING:** A question: What has been the precedent on going back into previous fiscal years? It seems to me – my memory is not the best – there has been previous requests, whether it has been some question of whether approving it because it missed a timeline and the current fiscal has been accepted, but going back into the previous fiscal seems to be a little bit out of the norm.

I am not questioning the merits of the claim, by the way. It is just the procedure.

**MR. SPEAKER:** My understanding, Mr. King, is this has been done in the past, providing there was – the question that is usually asked when

this comes in is: Were there sufficient funds in the member's allowance last year? That seems to be a crucial question because if there is, then the decision has been made – in my recollection, I stand to be corrected, Sandra – to pay it out of this current year, but the payment has to come out of the member's current year allowance. In this case, this is \$1,000 that does not come out of the member's allowance, it comes out of –

**CLERK:** Yes, it comes out of the members' resources fund, not out of allowances. So, essentially we have to identify that there will still be sufficient savings this year in order to cover off that \$1,000 payment. Corporate Members are – it will not be difficult to find \$1,000.

**MR. SPEAKER:** They have advised us they have identified the \$1,000 that they would need to pay.

**MR. KING:** If I may, there is nothing from a rules perspective or a financial regulation that puts the Commission in any particular circumstance outside of where we ought to be here. It is well above the board for us to approve this.

**MR. SPEAKER:** My understanding is we have done, not the gravel road one, but we have paid claims in previous years, providing the member had sufficient monies in their allowance from the year previous, but it had to come out of the current year's allowance.

Ms Michael

**MS MICHAEL:** I think the explanation from the financial officer is helpful, that because this is not a budgeted item under our rules – we are told how much money we can spend on travel, but this \$1,000 is over and above how much Ms Dempster would be spending on travel. It is over and above that.

I think we are going to have something coming up later where the member is going to have the money come out of this year's budget, but it is because of that cap on the individual and because this is not the cap on the individual, it is outside of the cap on the individual MHA, it looks fine to me.

I will acknowledge that I did ask questions before coming here today as well of the Auditor General's office with regard to the practice of something being retroactive and was told that, in actual fact, retroactive in this sense is not an uncommon practice. I wanted to know what I would be responsible for at the table today, so I did seek an answer to that from the Auditor General's office.

**CLERK:** It is no difference than if an invoice from a vendor comes in and does not get paid until the next year. I mean, it relates, but as long as it is paid – you cannot reach back into previous funds but you can pay it; it just reduces your available funds for the current year.

**MR. SPEAKER:** Mr. King.

**MR. KING:** Just a quick question. To the Clerk's commentary, the difference is our friends do not treat us the same way they treat vendors. We need to be clear at the table that what we are doing is good.

I appreciate your commentary, but I just want to be clear. My understanding, from what you said, is that this will come out of the members' current budget?

**MR. SPEAKER:** In this case, it is not the members' budget because the \$1,000 allowance is not specific to a member; it comes out of the total Members' Resources –

**MR. KING:** The total budget for all?

**MR. SPEAKER:** Yes.

**MR. KING:** Okay, fair enough.

**MR. SPEAKER:** Mr. Ball.

**MR. BALL:** Thank you.

Can I just get an overview of how this will work, how is this going to be paid. You are saying it comes from Members' Resources, not the current MHAs' budget.

Tell me just how that will work.

**MR. SPEAKER:** I am going to get the Clerk to answer that question.

**CLERK:** In our funding for members, under Members' Resources and Allowances, there are two categories. Some of your allowances like your constituency allowance, your office operations, your I&E, are a capped amount. Others, for example, your operational allowance where you pay your phones, those sorts of things, the salaries and stuff, those are not capped on a member. They are capped at a main object basis, but not on a member basis because those amounts tend to be variable.

This is actually paid through Payroll. It is a taxable benefit paid through Payroll. We would need to identify funding in the overall salary piece in order to pay for this. Corporate and Members' Services – that is not an issue; there will be sufficient flex there.

**MR. BALL:** Yes, I understand the concept. This particular benefit is a set amount, so I just do not understand why it would come from Members' Resources. I get the fact that it is something that is variable. I guess you could argue the fact that some of us based on where our districts are and the numbers of days that the House of Assembly is open and all that, yet it shows up really on our individual forms here.

In this particular case where we know that it is going to be capped at \$1,000 if the person travels the miles or the kilometres, I just find that odd that it comes out of Members' Resources as opposed to being a budget item for that particular MHA.

**CLERK:** My understanding from Corporate and Members' Services is that the previous member never claimed this. In the rules it specifically says the District of Cartwright – L'Anse au Clair.

It does say if there are other districts that meet that criteria, and the Management Commission issues a directive, that members from those districts would be eligible for the same amount. It was never included. In the way the allowances are structured in the rules, it is not included in any of the ones that have caps.

**MR. SPEAKER:** Mr. King.

**MR. KING:** I just want to pick up on Mr. Ball's point there. Would it not be an expectation that

members would submit that as part of their budget requests?

For example, I received a memo not long ago from the Speaker indicating that it is my responsibility to review the rules and submit a request to you indicating the number of trips I am permitted for my district; the number of nights I claim for secondary accommodations or private accommodations; and kilometres, if I travel kilometres. In my case I do not because I am a minister and I get an allowance. Would we not expect that members who have gravel roads would also claim that \$1,000 as part of their budget and then it would be highlighted and included?

**CLERK:** Members would have to make application if that was the case. The way the rule is structured right now, it is only definitive for the District of Cartwright – L'Anse au Clair. Any other members who wanted to claim that would have to come, and the Management Commission would have to issue a directive to cover those districts.

**MR. KING:** I understand that, but I am picking up on Mr. Ball's point, though, that –

**CLERK:** It should be part of the budgeting process.

**MR. KING:** – would it not be an expectation for the Member for Cartwright – L'Anse au Clair and for others if you are going to –

**CLERK:** To be quite honest, I know they structure those requests to help us determine the allocation for the House in session, House not in session components of the allowance. This one has not been factored in but I will certainly go back to Corporate and Members' Services and ask if it should be included and get that information for you.

**MR. SPEAKER:** The member, in her letter to the Speaker, clearly says she just learned that the \$1,000 annually was available. She obviously did not know until she found out about it this year. That is why she is reaching. She did not know about it last year.

Now, that does not answer your question whether it was her responsibility to know, but

she did say clearly in her letter that she did not know about it. I guess in terms of budgeting for it, she would not have done that because she did not know it was available.

**CLERK:** But I will ask Corporate and Members' Services.

**MR. SPEAKER:** Mr. Hutchings.

**MR. HUTCHINGS:** Yes, to that point, Mr. Speaker.

The point of Mr. Ball and Mr. King, in regard to defining an MHA when they are asked what their actual expenses or budget allocations are expected for the following year, I think it would be more clear and definitive if something like this was included. I think staff mentioned they would check into that, but it is clearly defined then. So a new member, or any member, if that was an allocation for their actual district, they will be fully aware of that as part of their overall budget, that it is distinct to them and certainly distinct to their actual district.

**MR. SPEAKER:** Thank you.

Is there any further discussion?

**MR. POLLARD:** A point of clarification.

**MR. SPEAKER:** Mr. Pollard.

**MR. POLLARD:** (Inaudible) that includes both paved and gravel, or?

**CLERK:** You have to travel at least 5,000 kilometres in the year on unpaved roads in the district in order to qualify for this. It is intended to be like a wear and tear allowance, above what would be built into the mileage rate.

**MR. SPEAKER:** Her letter indicated 9,000, but in actual fact the allowance rule says if you drive over 5,000. So there must have been some error in her understanding.

**MR. POLLARD:** Okay.

**MR. KING:** Mr. Speaker.

**MR. SPEAKER:** Yes, Mr. King.

**MR. KING:** I would like to make a suggestion, that perhaps we could clear up some of this for future budgeting and maybe have a discussion about the process by which members, particularly new members, are briefed on what they are entitled to by way of allocations. The discussion here is not about the Member for Cartwright at all, I want to be clear about that. It is more about the process and going forward.

I do not sense anybody here wants to not support the Member for Cartwright, but it is important we have, first of all, proper mechanisms in place so that the budget is developed based on what the entitlements are. Secondly, there is some responsibility on behalf of someone here, whether it is at this table or otherwise, to notify members when they are elected of what they are entitled to claim and not entitled to claim so that everything is above board. That way the for future, a member, like the Member for Cartwright, does not have to submit a letter of appeal based on lack of knowledge.

**MR. SPEAKER:** It is my understanding, Mr. King, that such training is provided by members from the House of Assembly, and there is a members' guidebook that is provided to all new members. Now, whether or not – I cannot speak to whether the member would have been told about that specifically, but it is my understanding it is available in the literature that is provided to new members. Your point is well taken, but in defense of past practice, that is my understanding.

I will ask the Clerk if she wants to add to that.

**CLERK:** No, there is training provided to members. I will acknowledge, though, that the rules are very complex. This is a bit of a different situation. It is only that district that is qualified to receive it. It had not been accessed before.

My understanding is that it was covered, but as I said, when you are a new member and you are learning an awful lot it is easy to miss something.

**MR. SPEAKER:** Thank you.

Is there any further discussion?

I will entertain a motion from a member to approve. Is your motion to approve the \$1,000 expense?

Moved my Mr. King; seconded by Mr. Hutchings.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

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

Carried.

The next appeal is from the Member for Cape St. Francis. Upon reviewing the details of this appeal, it would appear that the member engaged the services of a company, The Hub, to do some printing. The amount of the expense was \$1,801.22. The Corporate Members had not received the proper invoice in time to make the payment. It was past the sixty days. Does this reach back into the past fiscal year? It also reaches –

**CLERK:** It missed the fiscal year cut off.

**MR. SPEAKER:** It missed the fiscal year cut off. It meets all the requirements of being paid, and upon checking, the member did have sufficient funds available in his last year's budget to pay this invoice. However, we cannot pay it out of last year's budget. If it is going to be paid it would have to be paid out of the member's current year allowance.

Discussion?

Mr. Ball.

**MR. BALL:** In this particular case, this is not something that would come out of members resources. This comes out of this particular MHAs specific budget.

**MR. SPEAKER:** Correct, yes.

**CLERK:** The office operations, which is a capped allowance. That is where that is paid from.

**MR. BALL:** That is a little more straightforward.

**MR. SPEAKER:** Is there anything further?

I will entertain a motion.

**MS MICHAEL:** So moved.

**MR. SPEAKER:** Moved by Ms Michael that we approve the payment of this invoice.

**MR. POLLARD:** Seconded.

**MR. SPEAKER:** Seconded by Mr. Pollard.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

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

Carried.

The next one is the Member for the Bay of Islands. This appeal is seeking reimbursement of advertising expenses which did not contain the proper contact information and also which contained wording indicating it was a sponsorship.

If you review the material that is submitted and the appropriate sections of the legislation that is provided by Corporate Members, whenever we do an advertisement our contact information, as members, is to be included. In this case the member, in the information that I have here, indicated he had asked that his contact information be included, and he has provided documentation to support that. However, once the signage was placed, his contact information was not showing.

As well, the other part that Members Services had difficulty with was if you look at the documentation provided it says: this hole is sponsored by. Again, under the rules in the legislation, section 46(4) says, "The following types of expenses shall not be reimbursed". One of them is sponsorship of individuals or groups or donations. It is really based on those two items that the claim has been denied. The member is appealing to the Commission to have the claim paid.

Ms Michael.

**MS MICHAEL:** Thank you, Mr. Speaker.

I was glad we received the extra information. Seeing the signage itself, I have to agree with the decision that was made with regard to the rejection of the application by the member.

I would add a third thing, and it is a point that was made earlier by the Speaker of the House. That is, first of all, a practice I think we all practice in our offices, is that if we put an ad in somewhere – I know it is a practice in our caucus office. If we put an ad in somewhere, you always see the ad. You approve it before it goes in. You always approve it. No matter what the ad is, we approve the ad first. You know what your ad is, that is number one. You approve your ad – I think that is a general business practice that you would do that.

Number two, the contact information is not there, as has been pointed out by the administration of the House of Assembly; and number three, this whole sponsored by goes against what my understanding – I think that has been a ruling as well and I want to speak further to it. My understanding of our responsibility as MHAs is that if we decide to give money to a charitable event, we are supposed to do it without any advertisement of ourselves as an MHA giving the charitable donation.

This sign, to me, indicates a donation with the MHA written there. For all of those reasons – I donate to many charitable things and I have to say to the organizations when I do it, I am doing it as Lorraine Michael; it cannot be public that I am doing this donation. I understand that is the practice that we are supposed to follow, so I cannot approve the request by the MHA to have this covered.

**MR. SPEAKER:** Mr. Ball.

**MR. BALL:** Mr. Speaker, I support the decision that was made by Corporate and Members' Services Division on this. When you look at the request there, this does not meet any of the requirements or the conditions that has been set out for when members or MHAs, in this particular case, if they want to go ahead and sponsor something. To me, it is clear and I support the decision. I certainly make a motion that we put that motion to the floor that we

obviously support the decision of the Corporate and Members' Services Division.

**MR. SPEAKER:** Mr. King.

**MR. KING:** Mr. Speaker, like the other speakers, I, as well, support the decision. I think the language is very clear. As a matter of fact, by coincidence, it was only about two years ago I made an inquiry here of a similar hospital charity golf tournament in my own district.

At that time, we actually had a business card done up that we were going to advertise. At that time, the two things I was told was, one, it would be perceived as a sponsorship; and number two, I think the cost was around \$500, and I was told that that was far in excess of what we would normally be expected. Anywhere from \$50 to \$150 to \$200 would be the norm for a business card in a booklet or in a newspaper or something like that.

I agree; I think the right decision was made. For future reference, like we do with all of these decisions, there might be an opportunity for our staff to look at whether we can clarify further some of the language around this to guide members in future when they are making decisions like this.

**MR. SPEAKER:** With no further discussion, Mr. Ball has made the motion that we uphold the decision of Corporate Members in this regard; seconded by Ms Michael.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** Carried.

The next one is from the Member for Burgeo – La Poile. The member is seeking reimbursement of an expenditure that fell outside the sixty-day deadline. In the documentation provided, I do believe the member has said that he did not receive the invoice within the sixty days. Corporate Members have advised us that it falls within the guidelines and would be paid if it was provided in sixty days.



Moved by Mr. King that we approve this expenditure; seconded by Ms Michael.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

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

Carried.

Number 6, the appeal is seeking reimbursement of expenses which were again outside the sixty-day deadline but also appear to be outside the rules for expenses related to constituency work. The Member for St. Barbe has provided an appeal here because Corporate Members denied his claim of \$187.51 for two reasons. One is that it was outside the sixty-day time allocation.

In this case, the supporting documentation that was provided, the member's claim for reimbursement, indicates that a community organization had applied for a grant to host an event, but they did not receive the funding because they had missed the deadline. The member bought some food and provided the food at the event. He bought some food for the event. Based on that, Corporate Members were saying that this was actually a donation to the event. It is not an event that was organized by the member, but the member did attend it.

If you look at section 46(3) on the bottom of the first page there and 46(4) on the top of the next page, "The following types of expenses shall not be reimbursed" and it indicates donations. It is my understanding that staff at Corporate Members' was deeming this to be a donation because the member had bought food for the event.

That seems to be my understanding of what has taken place here. Is there any discussion?

Ms Michael.

**MS MICHAEL:** (Inaudible) I think it is difficult when it comes to something that is being sponsored by a community organization. We did have something recently actually with one of our MHAs. It was something that the MHA was involved in very publicly, but the overall sponsorship was more than the MHA. It

was involving community organizations and received word that the MHA should not look for reimbursement for that. It was legitimate. We agreed that it was bigger than just the MHA sponsoring in the constituency.

It seems to me this is the same thing, especially where the community organization had applied for a grant to host the event, but did not receive funding as they missed a deadline. Then, as an MHA, the member assisted the organization. To me, it is problematic doing that. I have a real problem approving it.

**MR. SPEAKER:** Mr. Hutchings.

**MR. HUTCHINGS:** Yes, can I just ask for some clarification on the relevancy in regard to the member did not arrange the actual event. I think there was reference to that.

**MR. SPEAKER:** It was an event that was put off in the member's district. The group had asked – or they were going to apply for some funding and they missed the deadline. Therefore, they could not get the funding and they brought this to the attention of the member. The member provided some food for the event.

**MR. HUTCHINGS:** Okay.

**MR. SPEAKER:** This was information that was attached to the member's claim by way of an explanation note. It is not in here. The member had provided food. In the interpretation of Corporate and Members' Services, they interpreted that to be a donation to the event, as opposed to you are going to have a meeting with constituents and you are going to provide food at the meeting.

**MR. HUTCHINGS:** Yes, okay.

**MR. SPEAKER:** They made that distinction. That is my understanding.

**MR. HUTCHINGS:** Okay.

**MR. SPEAKER:** Mr. Ball.

**MR. BALL:** Yes, that is exactly something I wanted some more clarification on. This does not have anything to do with any member in the daily routine or the routine of doing the

constituency business. It is an event outside of any of the constituency work, something that the MHA decided to go up and bring some sandwiches to support the event as opposed to hosting the event. Am I clear on that?

**MR. SPEAKER:** That is my understanding.

**MR. BALL:** In that case, I would support the decision made by Corporate and Members' Services.

**MR. SPEAKER:** Mr. King.

**MR. KING:** To follow up on that, I do not disagree with the commentary. However, for the record, the rules do not say that the member has to host the event. The rules say "meals or the bulk purchase of food, non-alcoholic beverages and other supplies for meetings with constituents or other members of the public in relation to constituency business".

A different interpretation might be that if the member attends an event in his constituency that is related to constituency work, whether he arranged the meeting or not, he would be entitled to ask for support.

**MR. SPEAKER:** My own understanding, having looked at this Mr. King, is that while Corporate Members have said the member did not host the event, that is not on where they are hanging their decision. The decision, in their mind – and you know it is not clear cut.

The member provided some explanation on his expense claim which indicated that really what the member did was made a donation. It is 46(4)(e), and because he bought food and provided it for the event, they considered that to be a donation. If he had gone to an event that he did not host, or if a member went to an event and did not host it, and at that event he bought some food and met with some people there or something, then I would argue that would probably be a different result.

**MR. KING:** Isn't that what happened here? Didn't the member attend the event and provide some food?

**MR. SPEAKER:** The member attended the event.

**MR. KING:** Right. Isn't that what you just said? That if the member attended the event and provided some food while he was there that it would probably be –

**MR. SPEAKER:** What I said was if a member attended a community event, and while there you bought some food and met with some people, then I would see that as being different than if a member – if there is an event going on in my district and they are looking for a donation, let's say they ask me as a member: Can you give me \$100 so that I can buy some food for the event? I would say no, I cannot make a donation. They said: Well, will you buy \$100 worth of food and bring it to the event? I think that is circumventing the rules in a way. That would be the way I would interpret it.

Ms Michael.

**MS MICHAEL:** I guess for me, speaking directly to the questions that have been put to the floor, reading the briefing note, it was not necessarily an event. I do not get the sense it was an event that was held for the sake of the MHA to do constituency business. That is the thing. I think that makes a difference.

If we have a meeting with a group in our constituency to sit down and actually talk about their work, how we can help them with their work and that kind of thing then I think it is legitimate to provide the money for whatever food is offered during that time. It seems to me this was an event that was not there specifically for the member doing constituency work. The member made then, I think, the ruling that it was a donation to a community event. Then the donation issue is what comes to play, and 46(4)(e) then comes into play there for me as well.

**MR. SPEAKER:** Mr. Ball.

**MR. BALL:** As for the decision not to reimburse the MHA in this particular case – I would like some clarification on what would happen in the future, and I guess for any MHA. If they attend an event and they actually buy tickets to go to a particular dinner, if it is at some Legion or if it is at some Chamber of Commerce and the MHA just goes and does not participate. How would you explain the

difference between buying that ticket to attend an event and actually buying food to support an event?

**MR. SPEAKER:** Mr. King.

**MR. KING:** That has been eligible in the past to attend events in your district.

**MR. BALL:** I know. That is what I am looking for, some clarification on this, where we are actually going with it because it is very hard to explain what the difference would be.

**MR. SPEAKER:** Can you elaborate on that, Mr. King? You say it has been eligible in the past.

**MR. KING:** I cannot remember but I will just give you examples that I am fairly certain are good. If the Grand Bank Development Corporation is hosting a fall fair where they are charging \$20 for people to attend a dinner and an evening and I want to go, the \$20 is an eligible expense for me to claim back.

If I go to the Burin Peninsula Chamber of Commerce annual awards dinner and I spend \$35, or if I go to the Deer Lake Chamber and spend \$35 to buy a ticket, that is an eligible expense for members as part of doing business in their constituencies. Well, in my case, maybe not Deer Lake.

**MR. BALL:** You are welcome.

**MR. KING:** I will go as the minister.

It has been an eligible expense in the past, to Mr. Ball's point.

**MR. SPEAKER:** Ms Michael.

**MS MICHAEL:** There is another pocket of money that we use for events, and it clearly says we can, and that is the caucus funds. I know there are events for organizations that if we go to within our caucus, we pay for it from the caucus funds. Because if an MHA is going to represent the caucus and it is a group that is not maybe specific to a constituency, because it covers all constituents, but it is the caucus money and that is legitimately an expense under the caucus

money. It is designated that caucus money can be used for that. It is not the individual MHA.

In spite of what Mr. Ball and Mr. King have said, I still think this thing is different than buying the \$20 ticket. It just seems different to me, especially because of the circumstances which are not included in the member's letter but which are included in the briefing note, the circumstances of the money being sought to help the thing happen, that they did not get funding for it, et cetera. The whole thing makes it different than just buying a \$20 ticket to go I think.

**MR. SPEAKER:** Mr. Ball.

**MR. BALL:** Yes, just to clarify, not to respond to Ms Michael's comment there.

In no way was I suggesting that this was different or similar in any way. I think I have been very clear in saying I would not support this. What I am asking for is clarification. In the future if someone comes to buy a ticket to a Chamber of Commerce event, what the difference is, because to me, I would see that it can be described and defined as being very similar in the future. I am just looking for some clarification.

**MR. SPEAKER:** I am going to interject for a minute because a couple of times here members have indicated that clearer direction is needed. I am just going to ask the Clerk if she could elaborate because on some of these items we want clarity. What is the process here for the Commission? Is there an ability of the Commission to make a motion or something to that effect, that we provide more clarity on some of these things? It has been brought up a couple of times and if it is possible for that to be actioned from this meeting than that will be good.

**MR. KING:** In the interest of time, I would certainly put the motion forward.

I can say based on my dealings with a lot of members, that the constituency fund is probably the most frustrating fund that we have. Most members, if I may be so blunt, the challenge is of trying to find the ways that we can spend that legitimately in the district. Most people seem to

think that for the most part, other than buying a few meals here and there for meetings, is all you can spend it on.

I would make the motion that if officials could do a piece of work maybe and come back to us for discussion around adding more details so members have a better idea of what they can spend that fund on, because it is a source of frustration for many people. So I make the motion.

**MR. SPEAKER:** Would that be in order to make that motion at this point?

**CLERK:** Yes, because the Commission does have authority to issue directives in determining, clarifying, or amplifying the rules.

**MR. SPEAKER:** Okay.

Moved by Mr. King; seconded by Mr. Hutchings.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

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

The motion is passed.

Mr. King.

**MR. KING:** One other comment, Mr. Speaker, if I could, just for a matter of record. While I understand the interpretation and I support the decision here on interpretation, for clarity I think it needs to be said. The information provided in this note indicates a piece of information, that while the member attended the event, it was not organized by the member. I think we need to clearly state that is not why this is being rejected because that was provided as supporting documentation.

It is my understanding that if the Deer Lake town council invited Mr. Ball to attend a meeting as their MHA, it would be acceptable for Mr. Ball to provide some coffee and refreshments as part of meeting with constituents. If you accept that part of the rationale is that it was not organized by the member that pretty much eliminates a lot of

other functions. I think clearly that ought not to be part of the documentation supporting the decision.

**MR. SPEAKER:** Would the Commission members be more comfortable in us coming back and providing some clarity around that, and in the future making a decision on this particular appeal? Or would you prefer to proceed with it?

Mr. King.

**MR. KING:** My preference is to proceed. All I am saying is in the background information here when you gave us information to support the rationale of rejecting this, one of the pieces of information was, "While the Member attended this event, it was not organized by the Member."

If you read the rules that you provided, section 46(3) and beyond to support it, nowhere there does it suggest that members cannot provide food or refreshments to meetings unless they sponsor them. It says that any time you meet with a constituent you can provide food and refreshments. There is a contradictory statement there in my opinion and I do not think it should be part of the rationale for this decision.

**MR. SPEAKER:** Ms Michael.

**MS MICHAEL:** I will be voting to support the decision but it is based on section 46(4)(e) – and I agree with Mr. King – where, "The following types of expenses shall not be reimbursed" and it says donations. I think in this case, lacking further clarity on what we moved in the previous motion, based on where we are at this moment, I think it is the donation issue and the reason why I would say that we not pay the expense.

I am ready to be the mover of upholding the decision of the Corporate and Members' Services Division.

**MR. SPEAKER:** If there are no further items to discuss, or anybody else having anything to contribute, then Ms Michael – Mr. Ball did you want to...?

**MR. BALL:** No (inaudible).

**MR. SPEAKER:** Moved by Ms Michael and seconded by Mr. Ball that the decision of Corporate Members be upheld.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

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

Carried.

There is a second appeal from the Member for St. Barbe. This particular appeal, my understanding is that it would fit within the rules; it just fell outside the sixty-day submission deadline.

I would entertain a motion to pay.

**MR. KING:** So moved.

**MR. SPEAKER:** Moved by Mr. King and seconded by Mr. Pollard that the particular invoice be reimbursed for that amount.

Tab 6: Caucus Operational Funding Expenditure Reports. One of our reporting requirements is that each year each caucus, the Speaker, and also independent members have to file a report on the expenditures of their caucus operational funding. This is a reporting requirement and it does not entail a decision to be made by the Commission. The required reports are in your briefing materials. Are there any discussion, any questions?

Tab 7: Transfer of Funds Policy. Attached in your material, there is an example of the old policy and the changes that are being proposed. By way of explanation, this item deals with an amendment to the current Transfer of Funds Policy. The amendment is required to address changes that were made to the financial systems in the Department of Finance.

The changes to the financial systems deal with the Operating Accounts. The changes do not affect the Transfer of Funds Policy relating to salaries and grants and allowances. The changes proposed are consistent with changes to the departmental policy that have been approved by Treasury Board. The details and the reasoning are outlined in your briefing package.

I would note that this really entails no extra authority other than what is currently happening or what is past practice. It basically brings our policy in line with what is happening in the financial administration system through the software.

Are there any questions?

The proposed motion is that pursuant to subparagraph 20(6)(b)(ii) of the House of Assembly Accountability, Integrity and Administration Act the Commission approves the proposed amendments to the Transfer of Funds Policy, April 2008.

Would one of the members like to make that motion?

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

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** Contra-minded?

Carried.

Tab 8 deals with the financial statements from the Office of the Auditor General. It is a reporting requirement again. The financial statements of the Office of the Auditor General must be submitted to the Management Commission and the statement in your briefing material is the financial information of the Office of the Auditor General for the fiscal year ending March 31, 2014. It was prepared by the independent auditor for the Office of the Auditor General.

Are there any questions?

Tab 9, these are the financial statements of the House of Assembly and the recommendation of an Audit Committee on the auditor for the Legislature. The agenda item has two separate orders of business for the Commission to consider: number one, the financial statements of the House of Assembly; and number two, the recommendation of an Audit Committee on the auditor for the Legislature.

The financial statements for the House of Assembly for the year ending March 31 were prepared by the Auditor General and reviewed by the Audit committee. The Audit Committee has recommended acceptance of the statements by the Commission.

The proposed motion is that the Commission approves the audited financial information for April 1, 2013 to March 31, 2014 for the House of Assembly and its statutory offices as recommended by the Audit Committee.

Moved by Mr. Pollard; seconded by Mr. King.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** Those against?

Carried.

The other one is a recommendation of the Audit Committee on the auditor of the Legislature. The House of Assembly Accountability, Integrity and Administration Act require that the Audit Committee recommend the appointment of the auditor for the Legislature for each year. The Audit Committee has recommended that the Auditor General be appointed auditor for the fiscal year ending March 31.

We need a motion to accept the recommendation of the Audit Committee.

Moved by Mr. Pollard; seconded by Mr. Hutchings.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** Against?

Carried.

**CLERK:** You have to sign the statements.

**MR. SPEAKER:** We have to sign the statements. It has to be done on camera, so we will take a minute to do that.

The final item of business on the agenda is a budget transfer request from the Office of the Citizens' Representative. They are requesting a transfer of funds into Salaries from Professional Services. The reason is to acquire some extra resources to assist in meeting the increased workload associated with the recently proclaimed whistleblower legislation which the Office of the Citizens' Representative is responsible for administering.

**CLERK:** (Inaudible).

**MR. SPEAKER:** Yes, there are two transfer requests. We will do this one first, the Office of the Citizens' Representative. In your material, it is the last one. We will go back to the Official Opposition caucus after.

Are there any questions or discussion? Are we ready for a motion?

The proposed motion then is that the Commission approves the following transfer of funds: from Subdivision 4.1.01.02 the Office of the Citizens' Representative – Professional Services, \$15,000, to Subdivision 4.1.01.01 the Office of the Citizen's Representative – Salaries in the amount of \$15,000.

Ms Michael makes that motion; seconded by Mr. Hutchings.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** Contra-minded?

Carried.

The other transfer of funds has to deal with the Official Opposition caucus. A transfer is required from Members' Resources and Allowances to Grants and Subsidies for the Official Opposition caucus to provide the caucus operational funding for the period August 26, 2014 through to March 31. It is related to the election of the Member for St. George's – Stephenville East in a recent by-election.

The proposed motion is that the Commission approves the following transfer of funds: from Subdivision 1.1.04.02 Members' Resources –

Purchased Services in the amount of \$900 to  
Subdivision 1.1.07.10 Official Opposition  
Caucus – Grants and Subsidies in the amount of  
\$900.

Made by Ms Michael; seconded by Mr. King.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** Contra-minded?

That concludes our business. I thank the  
members of the Commission for their time.

**MS MICHAEL:** A point of order, Mr. Speaker.

**MR. SPEAKER:** A point of order.

**MS MICHAEL:** (Inaudible) under Tab 9, we  
did have a motion that we moved, and that is  
fine, but we did not actually have it in writing  
and it would be helpful. We have the letter from  
the Chair of the Audit Committee and the report.  
It is just for purposes of, ahead of time, having  
the written motion in front of us. We usually do;  
there is an action required and you read out what  
the motion is, the suggested motion, but we did  
not have one under Tab 9. Just to request that  
whenever a motion is going to come that we  
have the written form of the motion ahead of  
time.

It is a minor thing but –

**MR. SPEAKER:** Yes, point well taken.

Thank you very much.

**MS MICHAEL:** Thank you.

**MR. SPEAKER:** That concludes our meeting,  
thank you very much.

Do we have to have a motion for adjournment?

**AN HON. MEMBER:** No.

**MR. SPEAKER:** No?

Okay, have a good day.

The Commission meeting is now adjourned.