



PROVINCE OF NEWFOUNDLAND AND LABRADOR
HOUSE OF ASSEMBLY

HOUSE OF ASSEMBLY
MANAGEMENT COMMISSION

Ninety-Fifth Meeting

Wednesday, April 11, 2024

HANSARD

Speaker: Honourable Derek Bennett, MHA

The Management Commission met at 10:30 a.m. in the House of Assembly Committee Room/video conference.

SPEAKER (Bennett): Good morning, everyone, we're going to get started.

First of all, I would like to call the meeting to order. I would like to introduce the Management Commission Members that we have here today. First of all, the hon. John Hogan, Government House Leader; Barry Petten, Opposition House Leader; the hon. Lisa Dempster, MHA for Cartwright - L'Anse au Clair; Lela Evans, MHA for Torngat Mountains who's attending virtually this morning; Craig Pardy, MHA for Bonavista; Lucy Stoyles, MHA for Mount Pearl North; Kim Hawley George, Clerk of the House of Assembly; and Sherry Gambin-Walsh, Deputy Speaker.

The other House officials we have attending are Bobbi Russell, Principal Clerk of Committees and Director of Policy; and Gerri Smith, Law Clerk and Parliamentary Counsel.

Lastly, joining us from the Members' Compensation Review Committee today, we have Heather Jacobs, joining us virtually; Sandra Barnes, Senior Advisor; and Maureen McCarthy, Pensions Advisor.

The first agenda item we have today is the 2024 Members' Compensation Review Committee report, *How We Value Democracy*, which was delivered to myself, as Speaker, and then to the Management Commission on March 26, 2024.

First of all, I want to extend a big thank you to Heather Jacobs and the MCRC team who are joining us today for the briefing. Before I turn the floor over to Ms. Jacobs and her team, I would like to provide a quick background on the overview of the MCRC provisions and process.

The 2024 Committee was appointed by resolution of the House on November 2,

2023, in accordance with section 16 of the *House of Assembly Accountability, Integrity and Administration Act*, which requires a review of salaries, allowances, severance and pensions of Members of the House of Assembly during each General Assembly. The resolution which was adopted unanimously required the Committee to deliver a report on or before April 1, 2024.

Section 16 of HOAAIAA established the process for reviewing Members' compensation. It's based on the recommendations of 2007 Green report, further to the review conducted by former Chief Justice Green at that time.

The 2024 review is the fourth review conducted under these provisions and the others were conducted in 2016, 2012 and 2009. Section 16 has remained substantially unchanged since enacted in 2007.

I'm now going to turn the floor over to Ms. Jacobs and her Committee to the Commission for the review of the findings, analysis and recommendations.

Good morning, Heather, you have the floor.

H. JACOBS: Good morning, I apologize for the delay.

For those of you who don't know me, I'm Heather Jacobs and with me today are two members of my team: Ms. Maureen McCarthy, who served as my Pensions Advisor, and Sandra Barnes, who serves as my Senior Policy Advisor.

At this time, I would like to recognize other members of the team: Yvonne Power, Mark Jerrett and Adrienne Ding and thank them for their work on the review.

I would also like to recognize the staff at the House of Assembly, OCIO, Treasury Board Secretariat and Transportation and Infrastructure who went above and beyond to get the information we needed to conduct

this review and they put all the logistics in place for us to do our work.

As indicated by the Speaker, on November 2, 2023, I was appointed by the House under section 16 of the *House of Assembly Accountability, Integrity and Administration Act* as the sole member of the 2024 Members' Compensation Review Committee to review and make recommendations regarding MHA salaries, pensions, severance and allowances. The review was to commence on December 1, 2023, and I was to report no later than April 1, 2024.

As indicated by the Speaker, I delivered my report on March 26, 2024. My report is titled, *How We Value Democracy*. This was an important concept that guided me in my deliberations and that I have woven throughout the report.

In this presentation, I will overview the approach used and discussed in each area of the 2024 MCRC mandate individually, outlining the recommendations and providing a high-level assessment that led to those recommendations. After each section, I will pause to take questions you have on that particular component and, again, at the end, for any questions you may have. Of course, you can also ask me questions at any time.

So the agenda for today is: approach, salaries, salary adjustment formula, severance, pension, allowances and closing remarks.

In completing this review, we sought information from four sources. Firstly, we received input from the general public and the MHAs. On December 12, 2023, and January 8, 2024, news releases were issued calling for input from the general public. On December 13, 2023, and again on January 4, 2024, I contacted each MHA requesting their input. I also met with the staff of the House of Assembly and the pensions division of Treasury Board

Secretariat. The input I received is reflected in my analysis.

We also reviewed many documents. There are numerous documents to inform reviews such as the *Rebuilding Confidence* report of the former Chief Justice Derek Green; the previous MCRC reports that were produced in 2009, 2012 and 2016; compensation reviews from other Canadian provincial and territorial jurisdictions; legislation, regulations and policy directives from other jurisdictions; pension reports; and the 2023 budget documents and economic review.

There were also a number of queries to other Canadian provincial and territorial jurisdictions to gain specific information regarding current salaries, severance, pensions and allowances in their jurisdiction.

Fourthly, Corporate and Members' Services extracted all the allowance transactions from fiscal 2012-13, through to 2022-2023, to feed into the analysis of allowance usage. I can take no credit for this, but Ms. Barnes reviewed 97,000 transactions. These inputs were analyzed and assessed and from this process, 32 recommendations were derived.

I should also add, on page 21 of my report, I list the factors I used in conducting my analysis and arriving at my recommendations. There was no one factor used, a holistic approach was taken.

In its November 2, 2023, Order of Reference, the House specifically instructed me to recommend the annual salary for MHAs.

My assessment was that the current base salary of \$95,357 is neither fair nor reasonable, that the roles and responsibilities of an MHA are critical. Since 2007, the salary has fallen from fifth to 10th, provincially and territorially. Salaries have dramatically fallen behind the public sector since 2007. The salary gap between DMs,

ADMs and MHAs is significant, having widened considerably since 2007.

The public is supportive of an increase. MHAs believe a salary increase would ensure diversity, attract qualified candidates and reflect the time commitment and expectations, and the economy can withstand the increase. I should note that salary was the number one issue raised by MHAs who participated in the process.

My recommendation was that the base salary should be \$120,000. A salary of \$120,000 will essentially position the MHA salary where it was, comparatively, in 2007. In 2007, the MHA base salary was fifth amongst the provinces and territories. Currently, it is 10th. In 2007, the base salary was 92 per cent of the average ADM salary and 70 per cent of the average deputy minister salary.

Today, it is 67 per cent of the average ADM salary and 54 per cent of the average DM salary. An increase to \$120,000 would rank the NL MHA salary fifth among the Canadian jurisdictions, and 84 per cent of the average ADM salary and 68 per cent of the DM salary. This, of course, will have financial impacts. An increase of \$985,720 is needed to the annual budget. Legislatively, an amendment to the HOAAIAA is required to set the new salary.

Are there any questions on the MHA annual salary?

SPEAKER: Any Members have any questions?

MHA Evans, if you'd like to ask any questions you can just (inaudible).

L. EVANS: Yes, I am following along.

SPEAKER: Okay, thank you.

Mr. Hogan, turn your mic on, please.

J. HOGAN: Maybe it's in the report. Did you do any analysis on the percentage of MHAs' salaries in other jurisdictions compared to ADMs and DMs?

H. JACOBS: No, Minister, I did not.

J. HOGAN: Okay, thank you.

SPEAKER: Any further questions?

If not, Ms. Jacobs, you can continue.

H. JACOBS: Next I'll discuss additional compensation, which was also part of my mandate. The instruction of the House was to review and to make recommendations regarding additional salary provisions for positions identified in subsection 12(1) of the HOAAIAA.

As a result of my analysis of this component, I made the following assessment: Compensation provided to MHAs who take on roles above and beyond MHA duties should be fair and reasonable. Currently, only eight of a potential 18 additional duty positions are compensated. Compensation should be comparable with that provided for these positions in other jurisdictions. Compensation should align total salary with senior positions in the Executive Branch. The policy of compensating only the highest paid position, if an MHA holds more than one, should continue.

The positions listed here on these slides are those that are already compensated under subsection 12(1) of the HOAAIAA, and I recommended an increase in compensation for each of these positions: Speaker to \$55,000; Deputy Chair and Chair of Committees to \$25,000; Leader of the Official Opposition to \$55,000; Official Opposition House Leader to \$25,000; Leader of the Third Party to \$30,000; Third Party House Leader to \$15,000; Chairperson of the Public Accounts Committee, \$15,000; and Vice-Chairperson of the Public Accounts Committee, \$10,000.

This recommendation adds 10 positions to subsection 12(1) of the HOAAIAA. Included in these 10 positions are the eight positions for which compensation was removed by the 2016 MCRC; namely, the Deputy Chair of Committees, the Deputy Opposition House Leader, the Party Whips and caucus Chairs.

I note that only the compensation was removed. The work done by these positions continued, as these positions perform necessary duties in the parliamentary system. I have recommended that compensation be restored.

I recommend that compensation for the Whip and Chair of the Third Party be conditional upon the caucus having at least five Members. Below this number, I am of the view that the duties of these positions can be handled with other duties.

I'm also recommending a salary for the Government House Leader and the Deputy Government House Leader. I realize that these positions are traditionally filled by ministers in this province; however, I note that five provinces have provided salaries for these positions if not filled by ministers. As salaries can only be instituted as a result of an MCRC recommendation, it is my view that this flexibility should be provided to the government in this province. Whether or not the governing party would wish to utilize it, would be their choice.

I am recommending reinstating per diem compensation, which was eliminated by the 2016 MCRC for Members of House Committees and Members of the Management Commission for attendance at meetings when the House is not in session. So recommendation 4 was that Committee Chair get \$200 per meeting and Committee Members or Management Commission Members receive \$150 per meeting.

I'm also recommending that the per diems received be capped at a maximum of \$5,000 in a fiscal year. Further, I am

recommending that the policy of being compensated for only the highest paid positions should be codified in the HOAAIAA.

There would be financial impacts. There would need to be an increase in the budget to \$143,700 to provide increases to the current positions, as well as to compensate the additional positions, and there would be funding required to compensate Committee and Management Commission Members.

Legislatively, amendments will be required to the HOAAIAA to provide the increases to the additional salary positions, add the new ones, authorize the payment of compensation to Committee Members and Commission Members, and codify the practice of compensating only the highest paid positions.

Are there any questions on the additional salary positions?

SPEAKER: We'll open the floor now to any questions. Anyone?

Hearing none, Heather, you can proceed.

H. JACOBS: Okay, thank you.

The next topic I covered is the salary adjustment formula. As part of my mandate, I was instructed by the House to recommend a formula or means for making an annual salary adjustment for salary amounts referenced in clause (a) which was the annual salary for Members and (b) which is the additional salary positions.

My assessment was: a salary adjustment formula is needed to ensure compensation keeps pace, but the formula must take into account public service increases, scenarios of 2013 and 2021, when previously recommended formulas were not implemented due to fiscal constraints, should be prevented; linking the adjustment formula to the executive pay plan would ensure the recommended formula would not

increase MHA salaries above negotiated public sector salaries; use of the consumer price index would keep MHA salaries in line with changes in the cost of locally acquired goods and services; use of the consumer price index in the salary adjustment formula will prevent politicization of MHA salary increases and an automatic adjustment would not require ongoing legislative approval.

The recommended formula is intended to create some distance between the setting of the public service salaries to remove the perception of conflict of interest, but to cap any increases at the maximum provided to the public service should the consumer price index exceed the public sector increases. This is intended to eliminate situations in which MHAs are receiving greater increases than the public sector, which has been shown to be problematic.

So recommendation 8 was commencing on July 1, 2025, to adjust the MHA annual salary, additional-salary positions and committee maximums by the percentage change in the consumer price index in Newfoundland and Labrador, all items, on December 31 of the previous calendar year to a maximum of the percentage increase provided in the executive pay plan for the current calendar year.

Financially, the percentage change in the consumer price index would determine the increase to MHA salaries, limited, if necessary, by the executive pay plan increases and, legislatively, there would need to be amendment to the HOAAIAA to stipulate the formula.

Are there any questions on the salary adjustment formula?

SPEAKER: Minister Hogan.

J. HOGAN: Are we able to get – and I can probably do the math myself with Google – what the CPI – if the CPI was instituted

when the salary was set at \$95,000, what the salary would be now?

H. JACOBS: Minister Hogan, just one second, I have to get my book. I think it's Appendix D of the report. I'm just going to pull it up. So Appendix D, Minister, if you look at it, if you have the book –

J. HOGAN: I do.

H. JACOBS: – it's on page 148.

J. HOGAN: Okay, thank you, Heather.

H. JACOBS: So it's not really all the CPI because the way we did it is we did the formula from 2008 to 2013, which was the executive pay increase delayed by year.

J. HOGAN: Yes.

H. JACOBS: Then I did CPI formula for 2013 to 2015, which if that had been recommended at the time.

J. HOGAN: Yes.

H. JACOBS: Then I did it as what it would have been if the average of the four collective agreements. So Appendix D shows the salary would have been \$126,000, if we did that.

J. HOGAN: Three years ago.

H. JACOBS: Pardon me?

J. HOGAN: Three years ago, so there'd still be three more years of increases for CPI, potentially.

H. JACOBS: Right. Yes.

And then, Minister, if you go to the previous page on 147 of Appendix D.

J. HOGAN: Yes.

H. JACOBS: We did it the way it originally was in the HOAAIAA, delayed by one year

in the salary, in July 1, 2023, would have been \$129,000, Minister.

J. HOGAN: Okay. Thank you.

H. JACOBS: You're welcome.

SPEAKER: Ms. Barnes.

S. BARNES: I can get you a chart of all the CPI increases for the last 20-odd years. It's on the website. Okay?

J. HOGAN: Yes, just if we said CPI as of July 1, 2008, what would an MHA salary be as of – whatever today is – April 11, 2024?

S. BARNES: We could do that calculation. It would take a little bit of time, but I can get that calculation for you.

H. JACOBS: That's no problem, Minister. Sandra is a wizard at doing all the calculations.

SPEAKER: Any further questions?

No further questions, Heather, you can proceed.

H. JACOBS: Thank you, Speaker.

Next up is severance. I was given specific instruction by the House to review and make any recommendations regarding the current severance pay policy for MHAs.

My assessment was a political career is generally short. The average tenure in this province is 8.42 years. An MHA has no job security, is not entitled to employment insurance, may have difficulty obtaining employment or returning to a profession after leaving political life; severance is an essential element to support transition to private life. Other supports like counselling and résumé preparation should be provided to assist with transition.

There were issues with both severance provisions that need to be addressed: the

application of 181.2 per cent of a salary in the pre-November 30, 2015, provisions and challenges with the linkage to General Assemblies in the post-November 30, 2015, provision. All MHAs should be treated consistently. A severance plan helps attract diverse qualified people and the cost of severance is minimal compared to the payouts in corporate professions.

So my recommendations were: 9, continue the MHAs severance entitlement, renaming it transition allowance with the same provisions afforded to all MHAs regardless of when elected; calculate transition allowance using 100 per cent of an MHA's salary with a formula of one month for every year of service prorated by the number of days served for part years of service with a minimum of three months and a maximum of 12 months, regardless of the reason for departure, and with no three-year limit minimum, except if the seat has been declared vacated and pay transition in no more than two instalments in a fiscal year in which it occurred.

Recommendation 12 was to continue to recognize an MHA returning after a break in service as commencing their first General Assembly, regardless of how many assemblies they have served previously; remove the linkage of the transitional allowance to pension or post-employment status; and provide up to \$2,500 with receipts of career counselling, training and education for up to one year after the resignation or defeat of an MHA who has served at least one General Assembly and whose seat has not been declared vacated.

There would be a financial impact. A transitional allowance would increase the severance liability to \$612,000, taking into account that severance is a point-in-time calculation. There would also be a cost of providing counselling, training and education. If an attrition rate of 25 per cent is assumed for the next general election, this would be about \$25,000. And with respect to policy, the Management

Commission would need to provide a directive to affect the new severance policy.

Are there any questions on severance?

SPEAKER: Any Members have any questions?

Minister Dempster.

L. DEMPSTER: Thank you.

I was just curious the three-year minimum, and I'm just reflecting over my 11 years. I would guess that's a pretty small number of people who serve less than three years. Generally, a term is four. I just wondered if we had a scan of that from our own Legislature.

Thank you.

SPEAKER: Ms. Barnes.

S. BARNES: Heather, do you want me to take that one?

H. JACOBS: Yeah, I want you to take it, but I just wanted to say to Minister Dempster, what I felt was unfair with the three-year minimum was that if you served two years you did not receive any severance and I just didn't really understand the policy of why you had to serve three years to be entitled to any severance.

Okay, Sandra, I'll refer it over to you.

Thank you.

S. BARNES: As you'll recall, the 49th General Assembly was a very short duration and, as a result, we had MHAs who were elected and didn't achieve three years. So once they were defeated, they had absolutely no bridge, because there's no unemployment insurance, right. You put a lot on the line to run, it's not fair.

SPEAKER: Thank you.

Any further questions?

If not, Ms. Jacobs, you can continue.

H. JACOBS: Thank you, Speaker.

The next topic I considered was pensions. The input and analysis of Ms. Maureen McCarthy was invaluable for this section.

I was instructed by the House to review the current provisions for Members' pensions and provide any recommendations for adjustments.

My assessment was: a defined benefit pension plan is an essential element of remuneration and an incentive to attract diverse and qualified candidates to run for political office. The current MHA plan is consistent with other provincial plans. The 2017 amendments have improved the plans performance where the MHA pension plan was the most underfunded of the plans. The current reduction in the benefit formula and the improvement in asset growth has placed it fourth among plans.

Historically, as changes to pension plans were implemented, modifications were only applied to MHAs elected for the first time after the changes were made. The retroactive application of the 2017 amendments to the MHAs elected in 2015 was a significant departure from past practice.

Most jurisdictions have defined benefit plans. The status quo should be maintained in all other respects, i.e. the defined benefit plan should be retained, like most other jurisdictions; the retroactive pension application affecting the MHAs elected on November 30, 2015, should be remedied.

There were two recommendations on pensions. Recommendation 15 was to continue pension provisions for current MHAs elected after the November 30, 2015, general election and amend the *Members of the House of Assembly Retiring Allowances*

Act, with retroactive effect, to provide the pension benefit accrual rate and retirement eligibility under the MHA pension plan as it existed on November 30, 2015, for all MHAs elected for the first time on November 30, 2015, to the pension benefit accrual rate and retirement eligibility that existed on November 30, 2015.

There will be financial impacts from implementing these recommendations. Specifically, to reinstate benefits for those first elected on November 30, 2015, there would need to be an increase in the pension benefit obligation of \$1.4 million and an increase in the pension service cost of \$163,000. These would be paid from the Consolidated Fund Services. There would also need to be an increase in the pension obligation because of the increase in salaries. That would be \$175,000 per year for five years.

These analyses were done for us by Eckler Ltd. We retained an actuary to help us cost out the recommendation.

Legislatively, there would need to be an amendment to the *Members of the House of Assembly Retiring Allowances Act* to reinstate benefits for MHAs first elected on November 30, 2015.

If there are any questions, I likely will ask Maureen to jump in to assist me.

SPEAKER: Are there any questions by Members?

Hearing none, Heather, you can proceed.

H. JACOBS: Thank you, Speaker.

Next up is allowances. There was no particular instruction from the House regarding allowances. The review of this component is derived from the general authority provided under subsection 16(1) of the HOAAIAA that states the Members' Compensation Review Committee shall inquire into and prepare a report respecting

the salaries, allowances, severance and pensions to be paid to Members of the House of Assembly.

I'm going to ask Ms. Barnes to step in and do this section. Then I'll jump back in on implementation.

Over to you, Ms. Barnes.

Thank you.

S. BARNES: Okay.

So a review of allowance is – well, we ended up with about half the recommendation, but that's just simply because of the prescriptive nature of the allowances as opposed to – I guess the impact is probably less than the salaries or anything else.

The review was twofold. We looked at all of the transactions, focusing on the transactions from the 2016-17 fiscal year up until the 2022-23 fiscal year because, of course, that was the change in the electoral boundaries. So it was a good, solid base on which to look at what was happening. We were looking at it for general usage, were there any pressure points, those sorts of things.

The other part of it was to listen to the issues that were raised from the Members when we consulted with them. There was nothing brought forward from the general public with respect to the allowances. We never heard anything at all.

So, generally, the allowances are meeting the needs of the Members in terms of the types of allowance and the overall allocations. However, there are some adjustments needed to address issues that are there and ensure that the allowance regime remains relevant.

The issues with the reimbursements for the use of private vehicle usage are valid and need to be addressed, specifically the

reimbursement for the rate of mileage that's paid, the reimbursement of the cost of all mileage when commuting to the capital from outside the 60-kilometre commuting zone. That was the second biggest issue raised after the salaries, believe it or not. Even people who weren't affected by it raised that as an issue, and the eligibility to claim parking fees under the intra- and extra-constituency travel allowance.

All districts in category one of the intra- and extra-allowance categories should be provided the same option to utilize the monthly car allowance. There are two currently that don't, so we wanted to extend that.

The other big issue was the meal per diems and we were looking at ways in which we could address that. The meal per diems should be the same as those that are provided by the Treasury Board Secretariat in its policy. They were recently increased – not by much, but they were increased, so they should be extended to the MHAs as well.

MHAs who are staying in temporary accommodations without access to cooking facilities should be reimbursed, within reason, so that they can avail of healthy food choices. A number of MHAs stay in condos, apartments or whatever, but a significant number stay in hotels and they don't have access to cooking facilities. When they're attending and the House is in session, they are limited in terms of the meals they can avail of.

A mechanism should be available to address travel and living requirements in extraordinary circumstances. We saw this with the passing of MHA Bragg and Members were not allowed to claim any travel costs to attend the funeral. So we consulted with other jurisdictions. About half the jurisdictions have flexibility to accommodate that. The House of Commons and the Senate have actually stipulated provisions that allow for that to happen. And

there is overlap with eligible expenses under the office operations constituency allowance and the start-up allowance. Combining these allowances would create greater flexibility for all of the Members.

The recommendations are to reimburse all MHA claims at the Treasury Board Secretariat designated rate. The mileage reimbursement policy has two rates, up to 9,000 and then after that, so we're saying that all mileage should be reimbursed at the higher rate. The analysis of that can be found in Appendix R of the document, but essentially a significant number of MHAs incur significant mileage in the run of a year, some of them in excess of 45,000 kilometres on their personal vehicles. You know what that does to wear and tear, your warranty and all that. In order to compensate with that, the higher mileage reimbursement is recommended.

Remove the restriction on claiming mileage within the 60-kilometre commuting zone by MHAs outside this zone. This came in following 2016 recommendations. One MHA called it the phantom 120. But essentially, the MHAs who live outside the commuting zone, they can't charge commuting from their homes to their constituency office. That's where the equality comes in, but coming into the capital to attend the Legislature, that should be fully reimbursed. If they flew in and rented a car, there is nothing deducted so there is nothing different there, and it does add considerably to the wear and tear on their vehicles.

Remove the prohibition on claiming parking expenses on MHAs' private vehicles when availing of rental vehicles under the intra- and extra-constituency allowance. This is, you know, small in the scheme of things but it is a source of – well, we can't explain why it's there.

SPEAKER: Minister Dempster.

L. DEMPSTER: Just for clarity, because I know a number of MHAs that have

experienced that. For people who might be wondering, that recommendation would also, I believe, translate into savings. For example, if an MHA is going to drive their car to the airport and catch a flight and go work somewhere for a day and come back, they cannot claim the parking which might be \$16 or \$20, but if they pay \$35 to go in a cab and come back, they can claim that.

So you are, before, seeing an MHA to charge more money, right?

S. BARNES: We recommended that and, to be quite honest, about 4 per cent of the I and E travel is rental vehicles, so it wouldn't be a big amount of money anyway.

Provide the Districts of Harbour Grace - Port de Grave and Labrador West with the option to avail of the \$200-per-month vehicle allowance. They have the same density as the districts in the capital region and surrounding areas. If the MHAs representing these areas want to avail of it, it should be available to them as well.

Authorize the Management Commission to designate that, in extraordinary circumstances, travel and living expenses may be considered an extra-constituency expense and charged against the intra- and extra-constituency allowance. This would provide a mechanism to deal with something out of the ordinary should it occur. It is rare, it's hard to quantify, but essentially if the MHA needed to attend something that was designed as such and the funding was available in their allowance, they could certainly avail of it.

The next one is, adopt the Treasury Board Secretariat meal rates as the per diem meal rates for MHAs. That was all of, like, less than \$2.50, but administratively it would be more efficient and they should be at least the same.

Continue to prorate the eligibility to claim meal expenses in accordance with the Treasury Board Secretariat policy. Continue

the prohibition on claiming meal expenses while on travel status, where meal expenses are included as part of another reimbursable item. For example, there's not a whole lot of travel outside the province for Members, but you do go to parliamentary conferences and then, in those situations, a lot of the meals are already provided. You can't claim meal expenses for that but while you're in transit and you have to have lunch at the airport or something like that, that's certainly an allowable expense.

Like I said, there are a lot of recommendations with the allowances, but they're only small.

Reimburse MHAs staying in commercial accommodations in the capital region when travelling on House-in-session or House-not-in-session status the reasonable expense of meals based on a combination of receipts and per diem charges, with a maximum of \$75 – Canadian, HST included – daily. This would provide for situations where if you're staying in a hotel or a motel and you have to have lunch or dinner, whatever, in the restaurant and the costs are higher than what the per diems provide, you won't be out of pocket, basically.

Allow MHAs on approved international travel to claim meal per diems as stipulated in the federal Treasury Board's Travel Directive without seeking further approval. This is only an administrative thing. There's not a whole lot of international travel in the Legislature. You might have one trip every year or two but if somebody is approved to go on international travel, then it stands to reason they should be able to claim the meals according to the Treasury Board's Travel Directive.

Also, provide for MHAs on travel status outside the province to claim a combination of receipted meal purchases and per diems, as appropriate, to a maximum of \$100 – Canadian, HST included – per day. This is to allow for situations where MHAs who are in transit have to have airport meals or

you're on your way to a conference and the conference, probably, provides lunch and dinner and doesn't provide breakfast. You're in a hotel, someplace, and the breakfast is a lot more than the \$10 that are provided in the meal per diems.

Eliminate the existing office operations allowance, constituency allowance and the office-start-up allowance – and 29 goes with that – and establish an office and constituency operations allowance in accordance with the following. So, basically, the funding that is currently in the office operations allowance and the constituency allowance would be combined. There's \$12,000, HST excluded, in one and \$3,000, HST excluded, in the other, so that would be \$15,000 for that one allowance, when they're combined.

State the eligible expenses in broad categories, allowing purchasing of normal goods and services in reasonable quantities generally required to operate the office and the constituency.

Continue the established prohibitions on donations, sponsorships, use of funding for political purposes and purchases of gifts, personal items, alcohol and cannabis, except for the prohibition on meals in eating establishments, which should be removed.

Add the expensing of meals in eating establishments for the purpose of conducting constituency-related meetings as an eligible expense. If you remember, this came out in 2016, but the bottom line is that you're allowed to rent a room to have a meeting in. You could order food, so it, kind of, didn't make a whole lot of sense to maintain that prohibition.

Clarify that, for events for which the MHA provides hospitality, the MHA may attend either in-person or virtually, providing that the virtual attendance is interactive. That's the important – the purpose of these meetings is to interact with the Member. The hospitality is secondary. You can't send

a recorded message to an event and provide hospitality, but you can certainly interact with your constituency and provide hospitality.

Require the Management Commission to issue a document providing guidance regarding normal office and constituency expenses and what constitutes reasonable quantities.

Continue the Management Commission's authority to issue directives regarding the use of the allowance. And, because this is a change where we're combining two allowances, require the Audit Committee of the Management Commission to review the nature of purchases of this allowance on an annual basis and make recommendations to the Management Commission regarding MHAs' use of the allowance.

In these allowances, there was a lot of overlap and Bobbi will tell you from just doing the training, trying to explain why certain things were – there was no rhyme or reason to it. And similarly, you're not allowed to transfer money between the allowances. That's a specific prohibition in the rules. So, by combining them, if somebody needs to spend more money on advertising, or somebody needs to buy a piece of equipment not provided for the House and there's not quite enough money in one pot but there is in another, it will take care of those situations.

The last one was: Amend the Members' Resources and Allowances Rules respecting constituency offices to be operated in government-owned/leased space, if available, to exclude the Confederation Building. Confederation Building will always be in a district. There will always be space, and that's not fair to whoever represents the district that ends up with this place. This gives them the same flexibility as other people to have a constituency office. It's a great building and all that, but it's not easily – and it can be intimidating for people to come in here.

J. HOGAN: Who asked for that?

apply to those first elected on November 30, 2015.

S. BARNES: Hmm?

J. HOGAN: Who asked for that?

This is my closing remarks. As I said at the beginning when I undertook this review, the question I asked myself was, how do we value democracy? I believe we must value democracy by recognizing the importance of the work MHAs do and to compensate MHAs accordingly. In doing so, we strengthen our democracy by providing greater opportunities for a more diverse population to run for public office. This would lead to a greater representation within our Legislature.

S. BARNES: You're not the first one.

There would be – allowances, it depends on the take up. We've estimated – and as I said, the assumptions behind the Estimates are all in Appendix R – increased expenditures of approximately \$95,000. The \$67,000 would be associated with the mileage, \$28,000 with the meals. However, if you look in your document, you can see that there should be plenty of capacity to absorb this within the existing appropriations.

I am aware that some of the public is not receiving these recommendations favourably, but I do believe this report provides a strong foundation for improving our provincial democracy.

From a regulatory perspective, you would need to amend the Members' Resources and Allowances Rules to give effect to the allowance changes.

Thank you for your time. I apologize for the delay. I am happy to take any further questions you have and, of course, I'm available for the next six months.

Any questions?

H. JACOBS: Thank you, Sandra, for that.

Any questions overall on the report and what we presented here today?

Throw it out to see if there are any questions?

SPEAKER: Any Members have any questions for Sandra or Heather?

SPEAKER: We will open the floor again if any Members have any questions either to Ms. Jacobs, Ms. Barnes or Ms. McCarthy.

No questions. Okay, we'll proceed.

MHA Petten.

H. JACOBS: Thank you, Speaker.

B. PETTEN: No, I'd just like to thank Heather, actually, on behalf of our caucus.

Next is implementation. There are two recommendations for implementation. I recommended that salaries, severance and allowances should come into effect on April 1, 2024, because MHAs should have to wait no longer to receive a well-deserved salary increase and it's the beginning of a fiscal year, which keeps everything tidy, administratively.

I was around for the last MCRC and I think she has done a great job capturing a lot of the concerns that have been outstanding for years. The public may have views otherwise. We all live in that world, a public life, but I think Heather has done a great job, and her team: Sandra, Maureen and company.

Finally, the recommendations affecting the reinstatement of the pension benefits should

I just want to thank them. Regardless of where we go with the report, I think it was a great job.

Thank you very much.

SPEAKER: Thank you, MHA Petten.

MHA Pardy.

C. PARDY: Barry did a good job in summarizing and thanking you for a very comprehensive report. I'm part of his caucus so I'm glad he did extend that.

One thing, a question that came up, and whether in the public forum or in my district, I'm sure they will be asking about the public feedback that you received. I'm just wondering if you can quantify what response you got back from the public.

Some might question the balance that would be there from the public feedback, and when you did seek the public feedback as to what mechanism and forum that you may have settled on and what your thoughts were to get the feedback that you desired.

I'm well aware that your approach is a holistic approach, which is a fair one and it ought to be that one. I would, just for going forward, like to get your opinion on that.

H. JACOBS: Yes, thank you for the question.

To be honest, public engagement was low, but I don't think it was any different in 2009, 2012 or 2016. They did road shows that were poorly attended. The Speaker, when I was appointed, he did a news release. I did two news releases requesting public input. I asked for written, phone calls, email, virtual. Social media was used to try to get public attention.

The only media request we received, despite the news releases in the social, was when the report was released publicly. I did decline an interview at that time because I felt it wasn't appropriate for me to speak because I had already handed the report over to the Management Commission.

I don't know if that answers your question, but public engagement was low. I know I have heard a fair bit in the media about engageNL, and engageNL, in my opinion, is a tool for the Executive, not the Legislative Branch. The last review that was done of statutory offices, didn't use engageNL either.

Does that answer your question?

C. PARDY: Yeah, it sure does. Thank you for that Heather.

Thank you very much.

H. JACOBS: Yeah, no problem.

Thank you.

In each section of the report, like salary and pension, I put in an area of public input, and it will say if there was none or if it was low and what we heard from the public.

But I would say public engagement was low.

SPEAKER: Thank you, Heather.

Do we have any further question or comments.

Minister Hogan.

J. HOGAN: No, I'll just echo Barry's comments on behalf of our caucus.

We appreciate the work. We appreciate you reaching out to all the MHAs as well and making time, sometimes on short notice, to meet with us.

I think even just listening here today, the recommendations are very clear and backed up by evidence, which I think is what we can all asked for, so any decision that's made, we can rely on the thoroughness of the report. I think that is important.

SPEAKER: Anything further? If not, I guess this concludes this part of it.

I just want to also express my appreciation, Ms. Jacobs and Ms. Barnes and Ms. McCarthy, for your work and diligence on putting together this report. I think it's well written, very evidence based on all the information you provided and your recommendations, so I just want to extend my appreciation for your work, too.

Thank you.

H. JACOBS: Thank you for the opportunity. I enjoyed my four months.

I had a wonderful team who worked night and day to reach the deadline. One hundred and 20 days sounds like a long time, but we were cutting it close, but we did it with the long hours. So I appreciate all the work that Maureen and Sandra did and the other members of the team.

Thanks, again.

SPEAKER: We also appreciate it.

So if there are no questions, we're going to take a very short recess now to allow the members to leave and we'll get ready for the remainder of our meeting.

Thank you.

Recess

SPEAKER: Okay, thank you, everyone, we're going to restart the meeting again.

MHA Evans, can you still hear us good?

L. EVANS: Yes, I can still hear you.

Thank you.

SPEAKER: Okay, thank you.

The next agenda item is the approval of the minutes of the January 24 meeting. A draft

copy of the minutes has been circulated in your packages today. Just wondering before we call for a vote, are there any comments as regards to errors or omissions on the minutes of the January 24 meeting?

Hearing none, I'll call for a mover that the Commission approve the minutes of the January 24, 2024, meeting.

Moved by Minister Dempster and seconded by MHA Pardy.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

SPEAKER: All those against, 'nay.'

How do you vote MHA Evans?

Are you in favour –?

L. EVANS: In favour.

SPEAKER: Okay, thank you very much.

Motion carried.

On motion, minutes adopted as circulated.

SPEAKER: The next agenda item relates to the application of the *Accessibility Act* to the House of Assembly.

The *Accessibility Act* came into force on December 3, 2021. By virtue of the section 37, the act does not apply to the House of Assembly or the statutory offices.

There was no intention to exclude the House of Assembly and the statutory offices from the application of the provisions of the act. Rather, a particular analysis was required before the act was made applicable to the Legislature. Section 37 of the act was added by an amendment in the Committee to enable that analysis for further discussion to occur.

As the Legislature is a separate branch of the government, overseen by myself as Speaker, the application of the statute to the Legislature must ensure that the parliamentary privilege and the separation of powers between the Legislative Branch and the Executive Branch is upheld and protected.

Amendments to HOAAIAA will be required to ensure the *Accessibility Act* requirements fit with legal framework of the Legislative Branch.

Everybody has a copy of the briefing notes and I'll open up the floor for any discussion. Basically, before we proceed, we just need some direction from the Committee if we are going to move forward to ask the staff to do some further drafting of the proposed amendments.

Any comments or questions?

If not, I'll call for a motion that the Commission direct staff of the House of Assembly to draft proposed amendments to the *House of Assembly Accountability, Integrity and Administration Act* to incorporate accessibility requirements within the parliamentary precinct and the statutory offices and to be brought back to the Commission for further discussion.

We will come back for another meeting once we get it drafted up.

Can I get a mover for that? MHA Petten.

Seconder? Minister Hogan.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

SPEAKER: All those against, 'nay.'

Motion carried.

This concludes our regular meeting. I'm going to ask Members to stay behind. We

are going to have a short in camera meeting after. So we'll call for a motion to adjourn this portion – Minister Dempster, seconded by MHA Stoyles.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

SPEAKER: All those against, 'nay.'

Motion carried.

The regular meeting has adjourned.

The Speaker recessed the meeting to transition to an in camera session.