

**REPORT OF THE COMMISSIONER  
ON SALARIES, ALLOWANCES AND  
RETIREMENT BENEFITS FOR MEMBERS  
OF THE MANITOBA LEGISLATIVE ASSEMBLY**

**July, 2017**

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Commissioner**

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## 1. Jurisdiction and Authority of the Commissioner

*The Legislative Assembly Act*, section 52.7(1) mandates the Legislative Assembly Management Commission (“LAMC”) to appoint a Commissioner to decide on the appropriate salary, allowances and retirement benefits for members and to make regulations to implement them.

LAMC is chaired by the Speaker of the Legislative Assembly. LAMC appointed Michael D. Werier to be the Commissioner.

This is the third report by a Commissioner under the current legislation. The first two reports were issued by Michael D. Werier on December 19, 2007 and September, 2012.

A Commissioner is to be appointed within six months after a general election and the term of the commission ends one year after the regulations are made or come into force, whichever is later.

The Commissioner may consult with interested groups or individuals when conducting a review.

Sections 52.8(1), 52.8(2) and 52.9 of *The Legislative Assembly Act* particularizes each of the specific decisions to be made by the Commissioner. They state as follows:

### SALARIES AND ALLOWANCES

#### **Commissioner to decide salaries and allowances**

52.8(1) The commissioner must make decisions about the following:

1. The annual salary for members.

2. The additional salary for members who hold the following positions:
  - (a) the Speaker and Deputy Speaker;
  - (b) the leader of the official opposition and leader of a recognized opposition party;
  - (c) the elected deputy chairperson or other deputy chairperson of the Committee of the Whole House;
  - (d) the elected permanent chairperson and vice-chairperson of a standing or special committee;
  - (e) the government house leader, house leader of the official opposition and house leader of a recognized opposition party;
  - (f) the government whip, whip of the official opposition and whip of a recognized opposition party;
  - (g) legislative assistant to a member of the Executive Council.
3. The additional salary for members of the Executive Council.
4. The additional living allowance for members who represent electoral divisions wholly or partly outside the City of Winnipeg, and the circumstances in which it is to be paid.
5. The additional constituency allowance for access and service to constituents, and the circumstances in which it is to be paid.
6. The additional allowance for members for travel, a vehicle allowance and mileage, and related expenses, and the circumstances in which it is to be paid.
7. The severance allowance for members who are not entitled to a severance allowance under section 52.21, and the circumstances in which it is to be paid.
8. The additional allowance, if any, for members of a standing or special committee for attending meetings during periods that the Assembly is not in session, or when a committee meets outside Winnipeg.

9. Any other salary or allowance for expenses the commissioner considers should be paid to members, and the circumstances in which it is to be paid.

**Items to be included**

- 52.8(2) The commissioner must also decide, in relation to salaries and allowances,
- (a) when and how they are to be paid;
  - (b) the period for which they are to be paid;
  - (c) the circumstances and manner in which they are to be prorated;
  - (d) whether they are to be adjusted for changes in the cost-of-living and, if so, when and how;
  - (e) what information about salaries and allowances is to be disclosed to the public; and
  - (f) any other matter the commissioner considers necessary or desirable.

**RETIREMENT BENEFITS**

**Commissioner to decide retirement benefits**

- 52.9 The commissioner must make decisions about
- (a) retirement benefits for members and former members, including the nature and amount of those benefits and how they are to be provided, and contributions toward those benefits; and
  - (b) disclosure to the public of information about retirement benefits.

**2. Relevant Recent Legislation**

Certain provisions of this Act have had a major impact both on Members' salaries and the jurisdiction of the Commissioner under the relevant sections of *The Legislative Assembly Act*.

Part 8 and 9 of this Act dealing with Members' salaries is reproduced below:



## Part 8 Members' Salaries

### **Members' Salaries Regulation** amended

98(1) *The **Members' Salaries Regulation** made under **The Legislative Assembly Act** is amended by this section.*

98(2) *The following is added after subsection 1.1(4):*

### **No adjustments for 2012-2013 and 2013-2014**

1.1(5) No cost-of-living adjustment is to be made to a member's basic salary under subsection 1(1) or a member's additional salary under subsection 1(2) for the 2012-2013 fiscal year or the 2013-2014 fiscal year.

### **Definition of "commissioner"**

99(1) *In this section, "commissioner" means the commissioner appointed under section 52.7 of **The Legislative Assembly Act** after the 2011 general election.*

### **No increase for 2012-2013 and 2013-2014**

99(2) *The commissioner's decisions and regulations under sections 52.8 and 52.12 of **The Legislative Assembly Act** must not increase, in the 2012-2013 fiscal year or the 2013-2014 fiscal year,*

*(a) the basic annual salary for members; or*

*(b) the additional salary for members of the Executive Council.*

## PART 9 COMING INTO FORCE

Coming into force

Part 8: Members' Salaries

100(27) *Subsection 98(2) is deemed to have come into force on March 23, 2012.*

The effect of this legislation was that Members' basic salary and salary for other positions such as the Premier, Cabinet, Speaker, and Committee Chairs was frozen at 2011-2012 levels for fiscal years 2012-2013 and 2013-2014 and cost-of-living adjustment (COLA) increases cannot be applied to these positions.

The only changes the Commissioner could make for 2012-2013 and 2013-2014 relate to compensation for special positions such as Government Whip or Opposition

Whip and other such position increases.

In addition to the freeze on COLA increases, the salaries of the Premier and Cabinet were rolled back twenty (20%) percent until April 1, 2014 as the economy improves. This rollback did not apply to other positions such as the Speaker or the Leader of the Opposition.

Therefore, any increases by this Commissioner in 2012 to the Premier's and Cabinet Ministers' salary and Members' salary could not be effective until April 1, 2014.

The period of the twenty (20%) percent reduction extended until March 31, 2016, being the end of the economic recovery period pursuant to *The Balanced Budget, Fiscal Management and Taxpayer Accountability Act*.

Section 16(2) of this Act states:

“The following definitions apply in this Part:

“economic recovery period” means the period beginning April 1, 2010 and ending:

- (a) March 31, 2016; or
- (b) March 31 immediately preceding the first fiscal year after 2010 for which the net result (for the purpose of determining balance under section 3) is positive; whichever is earlier.”

The general election took place in April, 2016. The NDP Government did not present a 2016/17 budget and there was no BITSA (Budget Implementation and Tax Statutes Amendment) implemented.

Therefore the salaries set out in the 2012 report became effective April 1, 2014 with the corresponding COLA increases. As is set out later in this Report, Members have voluntarily chosen to remit the 1.6% COLA increase effective April 1, 2017 to either

the Government of Manitoba (Conservative Caucus) or to a charity of their choice (other Members).

The other significant piece of legislation is Bill 28, *The Public Services Sustainability Act* passed by the current Manitoba Government, but not proclaimed into law as of the date of this Report. As is set out later on, this Act puts restrictions of wage increases for certain unionized public sector employees. The maximum increases for what is referred to as the applicable sustainability period is 0%, 0%, .75% and 1.0% (s. 12(1) of the Act), over a 4-year period.

### **3. History of Review Process in Manitoba**

In the 2007 report on Salaries, Allowances and Retirement Benefits, this Commissioner reviewed the history of the review process in Manitoba and it is included in this Report as it was in 2012 as it is relevant to gaining an understanding of the significant developments over time.

Also attached to this Report is Appendix "A" which lists Members' Indemnities from 1974 to present.

In 1970, an independent committee was appointed to review Members' indemnities and remuneration. This committee reported in February of 1971. Among its recommendations was that "a periodic review of Members' indemnities and allowances be carried out at regular intervals by an independent body".

In February 1980, Mr. Justice Gordon C. Hall issued a Report and Recommendations on salaries, indemnities, allowances and pensions. He suggested that a committee of the House address the issue of a permanent solution for the review of remuneration. In between 1970, 1979 and 1993, either a committee of the legislature or the full Assembly was responsible for recommendations and changes to Members' compensation.

In March 1994, the Indemnity and Allowances Commission issued its report. Under the provisions of *The Legislative Assembly Amendment and Consequential Amendments Act*, it was empowered to review and determine all aspects of compensation for Members and Commission decisions were also to be binding. The Commission was also empowered to make recommendations on a process for review in the future. This was the first Commission in Manitoba history to have the power to decide compensation rather than merely make recommendations.

This Commission's report was issued in March, 1994, and its decision came into force following the April 25, 1995 general election pursuant to the provisions of the legislation.

The changes made in 1995 are noteworthy for a number of reasons. The tax-free allowance portion of the Member's indemnity was abolished along with the car allowance. The Member's salary was established at \$56,500.00 representing a 1.5% increase over April, 1994. Future salary adjustments were to be tied to the percentage change (up or down) in the average yearly wage in Manitoba.

Of most significance were changes made to the pension arrangements for Members. The amendments to the Act which created the Commission set out that the existing Defined Benefit Pension Plan with an accrual rate of 3% be eliminated after the next election. The Commission decided that this retirement plan was to be replaced with a Registered Retirement Savings Plan with matching contributions of up to 7% by the Member and the Province.

While the Commission commented that the Manitoba pension plan was among the least generous for elected officials in Canada, it determined that the pension arrangements were excessively generous and exceeded community standards. While thought to be fair at the time, this decision proved to be unfair and ultimately

resulted in further changes years later. This will be the subject of comment later on in this Report.

From 1995 until 2005, Members received cost-of-living increases ranging from 0.0% to 3.3%.

In 2002, the Commission for Members' pay was established by *The Legislative Assembly Amendment and Consequential Amendments Act*. The Speaker, as Chair of the LAMC, engaged Earl Backman as sole Commissioner. His report outlining his recommendations was dated May 14, 2004. Under the terms of the Act, the Legislature had to vote on the report as a whole.

The report contained a wide range of recommendations, including increases to Members' salaries, increases to salaries for Cabinet Ministers and the Premier, and changes to the pension plan. The report was summarily rejected by the Legislature which passed a resolution asserting that salary increases were not appropriate given economic conditions in the Province and asking that the Commissioner review the section on salary increases with a view to deferring them.

A supplementary report was issued by Backman on June 8, 2004 which recommended that the 1.4% salary and additional indemnity increases already paid for 2004-2005 be rolled back effective April 1, 2004. These recommendations were implemented. The Commissioner further recommended that the Legislature give some consideration to removing the necessity for Members to vote directly on their compensation levels and possibly delegate the duty to a truly independent body or Commissioner. Backman stated that this type of process "would be less self-serving and more acceptable to the public trough", and that to continue the present process "will forever be an exercise in masochism that serves neither the MLA nor the public very well".

The Legislature acted on the above recommendation by setting up an Interim

Commissioner who would have the authority to decide on compensation levels. The LAMC appointed Dr. Jerry L. Gray with a request that he consider only the cost-of-living increase, an increase to the basic annual salary of Members, and salary increases only in specific roles.

The report was issued May 5, 2005. The report decided that a 2.5% cost-of-living increase to Members and Executive Council be effective April 1, 2005 and were to be computed on the 2003-2004 salaries. The annual basic Member's salary was to be \$67,173.00 and the April 1, 2006 salary, \$72,000.00. Other adjustments were made to the salary for the Speaker, Caucus Chairs, and to the COLA system.

The report also made a number of recommendations, none of which were binding, including that the past service buy back program of the Legislative Assembly Pension Plan be reviewed because of the inability of Members to buy back service to the extent recommended in the May 14, 2004 Backman report.

The first report under the new provisions of *The Legislative Assembly Act* was issued December 19, 2007. The decisions were binding on the Legislature and the Regulation was amended to reflect the decisions in the report.

It was determined that Manitoba ranked 8 out of 10 of all the provinces for Members' salaries. The salary was increased from \$74,982.00 to \$82,000.00. Cost-of-living increases were given for 2008 and 2009 until the freeze was imposed late in 2009.

At the time, the Premier's salary was the lowest of all the provinces at \$124,509.00. The additional salary was increased to \$67,018.00 from \$49,527.00 effective May 22, 2007, resulting in a total compensation of \$149,018.00.

The additional salary for Ministers and that of the Speaker and Leader of the Opposition was increased from \$30,957.00 to \$44,018.00.

There were no changes made to the pension plan or severance pay. Numerous changes were made to the allowances scheme, including the establishment of a separate constituency allowance expense and enhanced travel allowances.

On September 1, 2010, this Commissioner was appointed as Allowances Commissioner to review the Auditor General's 2009 Annual Report as it relates to Members' allowances and to decide what regulations or amendments to regulations should be made in order to implement the recommendations contained in the Auditor General's Report.

The Auditor General's Report contained numerous recommendations, including that there be increased transparency and accountability and that information about expenses be available to the public.

The Auditor General's Report also recommended that each category of representation expenses be reviewed and amended to reflect contemporary best practice. The areas of expenses allowed under the representation category included donations (cash and product), event tickets, scholarships and bursaries, hospitality, meals, flowers, and other promotional items.

The Report of the Allowances Commissioner outlined a number of decisions, including the elimination of donations and gifts as authorized expenses and changes to the publication of information about Members' spending, providing for greater access to information by the public.

The Member's annual report is now published on the Government website, together with monthly reports of the amounts spend under the Constituency Allowance, Constituency Assistants Allowance, travel, printing, and committee allowance, along with posting of the claims for each allowance.

Members of the public can examine copies of receipts and claims submitted.

In the 2012 Report, extensive changes were made to the Regulation dealing with respect to authorized expenses.

The salary for Members was set at \$89,500.00 as of April 1, 2014, and the additional salary for the Premier was set at \$75,000.00 effective April 1, 2014.

The additional salary levels for Ministers, the Speaker, and the Leader of the Official Opposition were increased to \$49,000.00 effective April 1, 2014.

Cost-of-living increases were to be applied on April 1, 2015 and April 1<sup>st</sup> of each year thereafter until a new decision was made.

No changes were made to the pension plan in 2012.

#### **4. The Review Process for this Report**

Pursuant to the Act, the Commissioner asked Manitobans to submit their views on Members' compensation in writing.

There were advertisements requesting input in four (4) Manitoba daily newspapers between the dates of November 4, 2016 and November 6, 2016. The advertisements were also published in ten (10) weekly newspapers throughout the province between November 8, 2016 and November 10, 2016 (including one Indigenous newspaper). The advertisements published in two (2) bi-weekly newspapers on November 17, 2016 and one (1) monthly newspaper on December 7, 2016. The ads also ran in forty-four (44) publications represented by the Manitoba Community Newspapers Association during the week of November 7, 2016.

One hundred and ten (110) written submissions were received from members of the



public.

The Commissioner specifically sought input on the issues from the following groups and organizations:

- Manitoba Chamber of Commerce
- Canadian Taxpayers Federation
- Association of Manitoba Municipalities
- Manitoba Federation of Labour
- Manitoba School Boards Association  
(previously known as the Association of School Trustees)
- The Winnipeg Chamber of Commerce
- Manitoba Government and General Employees' Union (MGEU)
- Association of Former Manitoba MLAs
- MLA Representation
- Canadian Union of Public Employees (CUPE)
- Manitoba Teachers' Society
- Business Council of Manitoba
- Canadian Federation of Independent Business
- Manitoba Employers Council

A written brief was received from the Canadian Taxpayers Federation.

The Commissioner interviewed many Members of the Assembly and received written submissions from them. One Party Caucus submitted a written brief.

In addition, the Commissioner reviewed reports issued since the last Report in 2012,

including the Newfoundland Compensation Review Committee Reports of 2012 and 2016, the Nova Scotia Remuneration Panel Report of 2014, and the Prince Edward Island Report of the Indemnities and Allowances Commission, 2015.

The Commissioner also had available for review the Regulations or manuals from various provinces relating to their system of allowances.

All of the above reports were of great assistance in arriving at the decisions contained in this Report. Some are specifically referenced in this Report.

The Commissioner reviewed compensation and pension plans in place for Members across Canada, together with salary information for Members of Parliament, the Mayor and City Council of Winnipeg, Deputy Ministers, and the CEOs of Crown Corporations.

A review was conducted of economic information relating to the state of the Manitoba and Canadian economy. This included statistics from Statistics Canada, the Government of Manitoba, and forecasts and analysis from Canada's chartered banks.

The Commissioner also reviewed statistics relating to cost-of-living increases and settlements made by the Province of Manitoba and its Crown Corporations with its unionized employees.

Lastly, the Commissioner reviewed and took into account the provisions of Bill 28, *The Public Services Sustainability Act*.

## **5. Principles Used to Determine Compensation and Allowances**

*The Legislative Assembly Act* which provides for the appointment of a Commissioner for Salaries, Allowances and Retirement Benefits does not state the criteria which

should be taken into account to determine the appropriate compensation and benefit levels for Members of the Manitoba Legislature.

In prior Reports, I have outlined the underlying principles that should guide this task. Nothing has changed in the intervening years to change my views on the relevant criteria. The concepts of fairness, reasonableness, and equity to both the Members and the public should govern.

The material factor that does change from time to time is the state of the provincial economy and the economics of other provinces. As will be reflected later on in this Report, this factor must be given weight.

It is beneficial to review once again the comments made in earlier Reports by this Commissioner and by others who have written reports on Member Compensation and Benefits.

For ease of reference, I include extracts from the 2012 Report.

“In 2007, this Commissioner stated that in the preparation of the report I have been guided by the principles of fairness.

I went on to say the following:

‘While there undoubtedly exists different points of view as to what actually is fair, the approach taken in most interest arbitrations which are used to determine compensation levels, both in the private and public sector, is to use certain objective criteria and comparators. This avoids decision making based on emotion or anecdotal evidence.’

The concepts of fairness, reasonableness and equity are standards that have been adopted by previous Commissioners in Manitoba when reviewing compensation of Members. For example, The Indemnities and Allowances Commission in 1994 stated:

'Any system of pay or salary must be fair, reasonable, and equitable to both the member and the public. A member is entitled to a reasonable level of pay or salary commensurate with the responsibilities of the position. The level of salary should reflect the economic realities of the province. Comparisons should be made to salary indices within Manitoba such as the average weekly wage and welfare rates and to other benchmarks such as pay levels for other public service positions within Manitoba. Inter-provincial rankings of MLAs' salaries should compare reasonably to the Province's relative economic position. A compensation system designed in this way will allow the general public to understand what is provided to an MLA and will allow the MLA to be clearly responsible and accountable.'

In his report to the Legislative Assembly dated May 5, 2005, Commissioner Dr. Jerry Gray stated:

'The only valid and practical method in these situations is to (a) approach the problem through a system of multiple measurements - also known as benchmarks, and (b) make an informed and independent judgment based upon all of the benchmarks observed. Although no specific weight was assigned to any factor, it should be noted that the decisions contained in this report are, in the final analysis, my judgment with regard to the primary criteria of *fairness*. There are many other factors that were considered in making the decisions (see Section 2.2), but the overriding objective was to achieve a situation that, in my view, moved toward fairness in pay for our elected legislators. Although all Manitobans would not likely agree to the specific definition of what is "fair", few - if any - would argue that our MLAs should not be compensated in a fair and equitable manner. Given the complexity of the issue, the appointment of a single, independent person to make an informed judgment regarding "fairness" is the most reasonable approach.'

These concepts of fairness, reasonableness and equitable compensation are found in numerous reports across the country, including the Green Report in Newfoundland and Labrador and the Major Report in Alberta. I endorse these concepts today as I did in 2007.

What factors are taken into account in arriving at fair, reasonable and equitable compensation?

In Manitoba, Commissioners reviewing compensation have utilized certain benchmarks. In 2004, Commissioner Backman wrote:

'Faced with the foregoing realities, it is apparent that comparisons with other jurisdictions in Canada and comparisons of the economic activity and success of Manitoba relative to other provinces should be primary factors in determining how we taxpayers compensate our elected representatives.'

In 2005, Commissioner Gray set out the following factors:

'Some of the factors used in making the decisions are (in no particular order):

- Salary comparisons with the elected roles in other federal, provincial and municipal governments
- The need to have compensation levels that make the MLA role attractive to highly qualified candidates
- Unfairness in salaries often must be corrected over time
- The need to have compensation levels that reflect the importance of the MLA role
- The public sensitivity to how much the roles of elected officials should be paid
- The unique requirements of the MLA role, including the lack of job security and the accountability processes
- The increased cost-of-living since the last MLA pay increase
- Comparable workloads of the various roles in the Legislative Assembly
- General compensation principles, policies and practices in the private sector'

As I indicated in 2007, all of these factors are relevant. At times, greater weight will be placed on certain factors.

As a rule, weight will be placed on salary comparisons with other provinces, the importance of the role played by Members of the Legislature, the need to attract qualified candidates to run for public office, and the general state of the Manitoba economy and its standing compared to other jurisdictions across the country.

These criteria remain relevant and have been applied in reaching the decisions set out in this Report.

The duties of a Member are very relevant. It is almost an impossible task to compare the job of a Member to other occupations. It is instructive to review salaries paid to civil servants, including Deputy Ministers and employees of Crown Corporations. These salaries are not direct comparators, but are relevant.

The Members have a unique and important role in our society. There is widespread acceptance amongst independent commissioners or committees who have conducted reviews. They have all concluded that Members must be compensated fairly for the role they play and the duties they perform.

Some members of the public believe that Members are paid too much and are in it just for the money. I received representations this year that salaries be reduced by 5%. I believe this is a minority view and the majority of Manitobans value the role played by Members.

I repeat my comments of the Report of 2007:

'The role played by Members, and those sitting in Cabinet, is an important one. The decisions made by the Legislature, whether it be in the area of criminal justice, social welfare, economic development, education, taxation, or health, can have a major impact on the quality of life in Manitoba. It is necessary to pay Members at a level which will continue to attract suitable highly qualified candidates to serve the public good. This need of course needs to be balanced with the other considerations outlined earlier.

While a Member in the 1970's and 1980's may have maintained another job, they have been required for many years to put in long hours in the constituency and at the Legislature. Many rural members, in particular, spend a great deal of time travelling over large distances to community events. Changes in technology have

created an expectation on the public of an immediate response to any query or demand. Constituency Assistants working out of a constituency office are standard throughout Canada.

The amount of compensation that should be paid to various occupational groups can be a controversial issue. Members of the public very often have strong views one way or the other. Some members of the public will focus on politicians whose conduct has been illegal or questionable. However, every occupational group has members who do not adhere to the professional, legal and ethical standards expected or required of them. Manitoba has experienced a high standard of conduct from its Members over the years.

The vast majority of Members choose to run for office because they wish to act in the public interest. The role of a Member is an extremely important one in a democracy. It is essential that people of high standards continue to seek public office. The remuneration must take this into account and be fair and reasonable in the circumstances.’ ”

The salaries paid in other jurisdictions to Members are obviously relevant and weight must be placed on them. But care must be taken in doing this because economic conditions in the provinces are not stable and traditional “have” provinces are not as strong economically as they have been in the past.

In the final analysis, all of the above considerations must be taken into account in arriving at a decision. I have been guided by these principles in making decisions on compensation, benefits and allowances.

## **6. State of the Manitoba Economy**

The state of the Manitoba economy is a very important factor to take into account when determining the appropriate salary for Members of the Manitoba Legislature.

The state of the economy is also relevant when comparing the salaries in other provinces and jurisdictions as economic conditions can vary greatly from one election to the next election.

In the 2012 Commissioner's Report on Salaries, Allowances and Retirement Benefits, I outlined some past historical trends relating to the state of the economy as follows:

"Past reviews of compensation have commented on the economic conditions existing in the Province at the time of the report. In 2004, the Legislature did not adopt the recommendations set out in the Backman report (it had to accept or reject the report in its entirety) because of the economic conditions in the Province.

In the early and mid 1990s, salary increases were impacted by the economic difficulties facing the Province. In 1991, the COLA increases were declined. In 1993, the Province enacted *The Public Sector Reduced Work Wage and Compensation Management Act*. This allowed the government to require employees to take up to fifteen (15) days off without pay. In 1993 and 1994, there were reductions in compensation. In 2007, I determined that overall the state of the Manitoba economy was strong. It was determined that Manitoba's compensation for Members lagged behind other provinces and the strong economy allowed for increases over and above the cost-of-living in order to bring Manitoba's salaries up from the bottom. In 2008, the Manitoba government passed *The Balanced Budget, Fiscal Management and Taxpayers Accountability Act* requiring government to balance its budget and included sections dealing with reductions in Ministers' salaries (sections 6(1), (2) and (3) and 7(1) and (2)).

The salaries of the Premier and Ministers was reduced to eighty (80%) percent of the salary for the last pay period before April 1, 2010 and was to last for the duration of the economic recovery period as set out in s. 16.2 of the Balanced Budget Legislation.

Amendments were made to the Members' Salaries Regulation in 2010 setting out this reduction. In addition, amendments to the Regulation set out that no cost-of-living adjustment was to be made to Members' basic salary and any additional salaries for fiscal years 2010-2011 and 2011-2012.

The freeze on Members' salaries was extended by virtue of Bill 39 (2012) to include fiscal years 2012-2013 and 2013-2014.



On April 17, 2012, the Government announced that the twenty (20%) percent reduction in Ministers' salaries would continue until April 1, 2014 or until the end of the economic recovery."

In 2012, there was an increase in the Members' salary to \$89,500.00 from \$85,564.00 to be effective April 1, 2014. This was after four years of 0%. Cost-of-living increases were to be applied on April 1, 2015, and April 1<sup>st</sup> of each year thereafter until such time as a different decision was made.

As stated earlier, the cost-of-living increases which became effective April 1, 2017 have been donated to the Government by the Government Members. Other Members have agreed to donate the cost-of-living increases to a charity of their choice. This is applicable for the entirety of the term in office.

From 2012 to 2016, the Premier and the Ministers' salaries were reduced by twenty (20%) percent pursuant to the Balanced Budget legislation.

A new budget was not presented prior to the 2016/17 provincial election. The economic recovery period ended March 31, 2016, and the Premier and Ministers' salaries reverted to \$75,000.00 additional compensation and \$49,000.00 respectively.

The Premier and Ministers as well are donating the COLA increases for April 1, 2017 of 1.6% to the Government.

Thus, it is clear that the state of the provincial economy has had an impact on past freezes or increases in compensation.

I turn now to the current economic situation. The government has committed to bringing the Province's finances under control. This is its number one priority. The deficit is estimated to be in the range of \$870 million. There is serious concern over

the amount required to service the Provincial debt and concern over the Province's credit rating.

The Province introduced Bill 28 to limit increases for employees in certain provincially funded employers.

The challenges faced in Manitoba are not unique. Other provinces are dealing with deficits and economic challenges because of lower oil prices, closures of manufacturing facilities, and uncertain trade markets.

It is difficult to forecast with precision what the future holds. Manitoba faces challenges in the North with the impending closures of mines and the challenges in Churchill.

Flooding has impacted the provincial economy. A most recent example is the damage to the rail line to Churchill caused by flooding which threatens the economic viability of the town.

There are some positive indicators. Recent statistics from Manitoba Finance, Economic and Fiscal Analysis Branch, indicate an increase in average weekly earnings and an increase in building permits. Real GDP growth was up in 2016. As of April 2017, Manitoba had the second lowest unemployment rate in Canada.

Also, there is a renewed optimism in the younger generation. Manitoba's median age is 37.5, the third lowest in Canada. Winnipeg has experienced a revitalization downtown with the stimulation caused by the Winnipeg Jets and the impending True North Project. Downtown Winnipeg is experiencing some positive development.

The prevailing economic priority is to bring down the deficit and control government spending.

## **7. Salary, Benefits and Allowance Reviews in Other Jurisdictions**

Most jurisdictions have a system in place for periodically reviewing salary, benefits and allowances for members of the provincial legislature.

A number of provinces appoint a committee which reviews input from the public and from Members and produces a report outlining their findings. Some provide recommendations only.

Since this Province's last report in 2012, Newfoundland (2016), Nova Scotia (2014), Northwest Territories (2014), and Prince Edward Island (2015) have issued reports.

These follow a number of earlier comprehensive reports in Newfoundland in May 2007 and Alberta in May 2012.

Some of these provinces such as Newfoundland had experienced spending scandals which resulted in a thorough analysis of their system.

There are common themes running through these reports. One relates to the important and challenging role played by elected officials. Another is the importance of maintaining a system of allowances which is transparent and stresses accountability.

These committees take into account salaries paid to Members across the country, the current economic situation in the respective provinces, cost-of-living increases, among other factors. Some committees place more weight on one factor depending on the particular circumstances of the day.

All of these reports stress that compensation should be fair and reasonable, both to the elected representative and to the public as a whole.

Two of the aforementioned reports are deserving of special review and were referenced in the 2012 Report. They are repeated here because of their ongoing relevance today.

The Report of the Review Committee on Constituency Allowances and Related Matters in Newfoundland was issued in May, 2007. The Commission was chaired by The Honourable J. Derek Green and the report has come to be known as the “Green Report”.

The report contains a thorough analysis of the system of compensation and allowances in that province and also contains an examination of the principles that should be applied in determining fair and reasonable compensation and what allowances are no longer deemed to be appropriate (e.g. donations).

Green’s report is useful for its review of the role played by elected officials and the demands placed on them.

The Green Report stated it this way:

“Service as an elected member in a representative assembly is, and should be, one of the highest callings to which a person can aspire in a democratic society. It is a vocation that is unlike virtually any other. It provides great opportunities for public service and for the possibility of having a direct influence on important issues at the centre of public affairs. Yet it also calls for considerable personal sacrifice and, in some cases, financial sacrifice as well. In short, it requires a special sort of person. Those who offer themselves for public office and who meet the high standards expected of them deserve commendation, not condemnation.”

The Province of Alberta MLA Compensation Review was released in May, 2012. It was chaired by The Honourable J.C. Major, retired Justice of the Supreme Court of Canada.

Of note are the five general principles that guided that Commission in the preparation of the Report.

The five principles are:

“Firstly, clarity and accessibility have been two essential principles in this undertaking. The Commission’s aim was to make the Report clear, accessible and comprehensible to the general public, and to avoid the technical terminology that exists on the subject of compensation.

Second, transparency is necessary. This principle must apply to both the process of preparing the Report and its recommendations. The evidence gathered by the Commission on MLA compensation and the conclusions drawn based on that evidence should be open and transparent to the public.

A third goal, which relates to the second principle, is to gain confidence in MLA compensation and in the Legislative Assembly of Alberta. It is understandable that Albertans, as interested taxpayers, dislike – and distrust – a complex compensation system with elements that are regarded as hidden or unfair. The aim is for the recommendations contained in this Report to allow Albertans to understand the process by which their representatives are remunerated, although they may disagree with the result. To that end, an attempt has been made to use objective criteria available in the analysis of the position of MLA and in the assessment of MLA compensation.

Fourthly, the recruitment and retention of qualified competent candidates must be an objective of this Report. Albertans expect – and should attract – the most qualified representatives prepared to undertake public service.

Finally, it is recognized that the principal objective is to recommend compensation that is fair and reasonable to the Members who work in the Legislative Assembly and understandable to the taxpayers to whom they are accountable. Members should be remunerated in total in a manner that is commensurate with the duties, responsibilities and importance of their role.”

## 8. Member's Salary

The increases in Member's salaries since 2013 are set out below.

### MEMBERS' INDEMNITIES - 2013 to Current Fiscal Year

YEAR		INDEMNITY	TOTAL	INCREASE/ DECREASE
2013	Basic	\$85,564.00	\$85,564.00	0.0%
	No COLA			
			\$85,564.00	
2014	Basic	\$89,500.00	\$89,500.00	
	No COLA			0.0%***
			\$89,500.00	
2015	Basic	\$91,201.00	\$89,500.00	
	COLA		1,700.15	1.9% COLA
			\$91,201.00	
2016	Basic	\$93,025.00	\$91,201.00	
	COLA		\$1,824.02	2.0% COLA
			\$93,025.00	
2017	Basic	\$94,513.00	\$93,025.00	
	COLA		1,488.40	1.6% COLA****
			\$94,513.00	

\*\*\*No COLA is to be applied to the basic pay for 2014/15. As per the Commissioner's Report on Members' Salaries, Allowances and Retirement Benefits, Members basic pay will increase to \$89,500 effective April 1, 2014.

\*\*\*\*Gov. MLA's donated COLA back to government. Statement in the House by Premier. Other parties followed however donated COLA to charity of their choice.

The chart at Appendix "A" indicates the history of salary increases for Members from 1974 to date.

Salaries were frozen from 2009 until April 1, 2014. There were COLA increases of 1.9% in 2015 and 2.0% in 2016. A 1.6% COLA increase became effective April 1, 2017.

The Manitoba Progressive Conservative MLA's announced that they will voluntarily freeze their wages for the duration of the current term. An election must be held on October 6, 2020 pursuant to the Manitoba *Elections Act*. The Members are donating the cost-of-living increases effective April 1, 2017 to the Province of Manitoba and will be receiving a tax credit receipt which can be claimed on the Member's income tax returns.

At the time of this announcement, the Government's Caucus Chair stated on the Party's website "Manitobans understand the need to get our province's fiscal house in order and they expect their elected official to lead by example".

The other Members of the Manitoba Legislature have indicated that they too will take a voluntary wage freeze and donate their cost-of-living increases to a charity of their choice.

I cannot as the Independent Commissioner control these decisions to donate the cost-of-living increases and I am bound by any legislation which expressly restricts increases or rolls back salaries.

As I have stated in earlier reports and reiterate here, Members are entitled to receive fair and reasonable salaries. There is not a scientific formula available to make such a determination of what is fair and reasonable.

In determining fair and reasonable compensation, I must rely on certain benchmarks

and comparators. These include Member's salaries in other jurisdictions (taking into account the general economic situation in each province, salary increases in the public sector and private sector in Manitoba, general cost-of-living increases and salaries paid to the Mayor of Winnipeg and City Councillors, and the state of the provincial economy.

As has been noted by many independent reviews across the country, it is challenging to find a comparable occupation to that of a Member due to the unique duties. That is why provincial comparisons of other Members are useful comparators, subject of course to the often very different economic conditions.

I turn then to these benchmarks and comparators. Appendix "B" to this Report is a chart (Jurisdictional Survey Members' Pay prepared by the Legislative Assembly of Alberta - Human Resource Services) which sets out the salaries of Members across Canada (including the House of Commons and the Senate). It also sets out salaries for Premiers, Cabinet Ministers, the Speaker, and other Special Positions.

The chart below sets out Members' Salary Comparisons as of April 1, 2017 across Canada:

#### **Members' Salary Comparisons - 2017**

<b>Jurisdiction</b>	<b>Salary</b>	<b>Total</b>
House of Commons	\$172,700.00	\$172,700.00
Senate	\$147,700.00	\$147,700.00
Alberta	\$127,296.00	\$127,296.00
Ontario	\$116,500.00	\$116,500.00
British Columbia	\$105,881.83	\$105,881.83
Northwest Territories	\$103,851.00	\$103,851.00
Nunavut	\$101,297.00	\$101,297.00
Newfoundland & Labrador	\$95,357.00	\$95,357.00
Manitoba	\$94,513.00	\$94,513.00
Quebec	\$93,827.00	\$93,827.00
Saskatchewan	\$92,817.00	\$92,817.00
Nova Scotia	\$89,234.90	\$89,234.90
New Brunswick	\$85,000.00	\$85,000.00
Yukon	\$76,775.00	\$76,775.00
Prince Edward Island	\$71,497.00	\$71,497.00



It is important to note that until Manitoba enacted legislation to have an Independent Commissioner appointed who had the authority to make binding decisions, Manitoba Members, Cabinet Ministers and the Premier lagged behind other provinces.

In 2007, the Manitoba Premier was the lowest paid in Canada, with a salary lower than the Mayor of Winnipeg.

This imbalance has evolved over time with Manitoba occupying closer to a midpoint of other jurisdictions across the country, which is an appropriate position given all relevant factors.

Similar to Manitoba, other provinces in the last number of years have restricted increases or rolled back salaries. This was due to changing economic conditions in certain provinces. For example, the salary for a Member in Alberta in 2012 at the date of the prior Commissioner's Report, was \$134,000, while Manitoba Members earned \$85,564. In 2017, Members in Alberta earn \$127,296 after experiencing a 5% rollback in 2015.

In 2012, Saskatchewan Members earned \$91,800. In 2017, they earn \$92,817 after receiving an earlier 3.5% rollback in salary effective April 1, 2017. Ontario Members earn the same in 2017, \$116,500 as in 2012.

New Brunswick Members earn the same in 2017, \$85,000 as they did in 2012.

Thus there has been a trend in other provinces of holding the line on salaries.

Manitoba ranks sixth out of the ten provinces and eighth out of thirteen if one includes the territories.

Salaries paid to Members of the House of Commons and to Senators obviously

greatly exceed salaries paid to Members of the Legislature.

The salaries paid to other public sector employees in Manitoba are a useful comparator. As stated earlier, at the time of writing this Report, the Province had passed Bill 28, *The Public Services Sustainability Act*. The Act has not been proclaimed.

As set out, it provides for allowable increases for provincial public sector employees of 0% for one year commencing April 1, 2017, 0% for one year commencing April 2018, 0.75% for the next year, and 1.0% for the following year.

There are exceptions if a group received 0% for a period commencing in 2016, then they only require one further year of 0%.

Settlements in the public sector in Manitoba reflect a range of settlements. For example, the MGEU negotiated increases of:

- 1% effective March 22, 2014
- 1% effective March 21, 2015
- 2% effective March 19, 2016
- 2% effective April 1, 2017
- 1% effective March 31 and September 29, 2018

Private sector settlements are projected to be in the range of 2.1% for 2017 based on a survey by Morneau Shepell. This is only an estimate across Canada and does not have the same relevance as public sector settlements.

Salaries paid to City of Winnipeg elected officials are relevant. In 2016, the Mayor and City Councillors received a 2.38% increase. This year, as of January 1, 2017, they received an additional 1.23% increase.

As of January 1, 2017, City Councillors earn \$93,000.00 (this does not include extra compensation for sitting on Executive Policy Committee). The Mayor earns a total of \$183,565.00 (including an allowance for vehicle and parking); the basic salary is \$173,107.00.

A review of the Salary Disclosure listed on the City's website sets out many City of Winnipeg employees working in police and fire earn in excess of \$140,000.00. The Chief Administrative Officer's salary and taxable benefits is listed at \$261,773.00. One Deputy Police Chief earned \$260,276.00 and another earned \$223,561.00.

I have noted in past reports that the state of the provincial economy is a very important factor in determining fair and reasonable compensation for Members. The state of the Manitoba economy has resulted in the Government's passage of Bill 28 and the voluntary wage freeze supported by all parties.

The deficit is a major concern for the provincial government. This has resulted in staff reductions in major public sector employers, including the Crown Corporations and the Winnipeg Regional Health Authority. The Province has frozen funding to the City of Winnipeg. This has resulted in cuts to some services.

Driving down the deficit has become a major priority for the provincial government. The government has expressed the need to prevent any future credit downgrade that will increase borrowing costs.

In a recent public statement, as reported in the Winnipeg Free Press on June 10, 2017, the Premier "warned the provincial government is not predicting normal revenue increases and is grappling with the decline in the growth of healthy transfer payments from Ottawa".

The Premier also indicated that "economic growth projections are really low".

There are voices of optimism in the Province who reference a relatively low unemployment rate, a strong and growing technology sector, and a renewed optimism amongst the younger generation of Manitobans, some who have returned to the Province.

The challenges faced by the Manitoba economy are also being dealt with in other jurisdictions. A number of the traditional “have provinces” have had to deal with changing economic conditions such as Alberta and its decreasing revenues because of falling oil prices and Ontario because of challenges in the manufacturing sector.

These economic challenges are the reason that a number of provinces have rolled back Members’ salaries or frozen them for a period of time.

I have also considered the salaries paid to the Mayor of Winnipeg and to City of Winnipeg Councillors. The Mayor’s salary commencing January 1, 2017 is \$173,107 and for the Councillors the salary is \$93,000. These put them also on par with the Premier and Members of the Legislature.

The Consumer Price Index increases in Manitoba for all goods in the range of 1.5%. This is only one of many benchmarks that are is relevant in assisting a fair and reasonable compensation.

In sum, Manitoba’s salary level for Members remains at an appropriate level when comparing salary levels with other provinces. Many provincial governments have put a hold on salary increases. The state of the Manitoba economy and the deficit are significant factors in assessing what increases, if any, should be made.

### **Decision on Member’s Salary**

***Considering all of the above and in applying a total compensation model taking into account my findings on pensions, my decision on Member’s salary***

***is as follows:***

- (1) The basic annual salary as of April 1, 2017 will be \$94,513.00;***
- (2) This salary will remain in place for the period commencing April 1, 2018 and 2019 with a 0% increase and no cost-of-living increase;***
- (3) A cost-of-living increase will be applied on April 1, 2020 and April 1<sup>st</sup> in each of the following years until such time as a further decision is made. The cost-of-living increase will be calculated on the basis of the previous five year moving average increase in the Manitoba Consumer Price Index.***

#### **9. Premier's Salary**

The salary paid to the Premier (prior to any charitable donation) effective April 1, 2017 is \$173,714.00.

The Premier's total pay is set out below.

#### **Premiers' Total Pay - 2017**

<b>Jurisdiction</b>	<b>Annual Amount</b>
Ontario	\$208,924.00
Alberta	\$206,856.00
Nova Scotia	\$202,026.10
British Columbia	\$201,175.48
Nunavut	\$194,628.00
Quebec	\$192,345.00
Northwest Territories	\$182,837.00
Manitoba	\$173,714.00
New Brunswick	\$164,000.00
Newfoundland & Labrador	\$160,525.00
Saskatchewan	\$160,323.00
Prince Edward Island	\$149,147.00
Yukon	\$135,833.00

I repeat my comments about the role of the Premier from the 2012 Report. “The role of the Premier is an extremely important one. The duties are onerous and time consuming. The responsibilities are many and significant. The Premier is constantly in the public eye.”

Manitoba’s Premier’s salary ranks sixth out of ten provinces.

The Premier’s salary places it in the mid-range and it is in the appropriate position based on all relevant criteria. There is not a reason to increase it.

#### **Decision on Premier’s Salary**

- (1) The Premier’s additional compensation will remain at \$79,201.00 as of April 1, 2017;***
- (2) This additional compensation of \$79,201.00 will remain in place for the periods commencing April 1, 2018 and 2019 with a 0% increase and no cost-of-living increases.***
- (3) A cost-of-living increase will be applied on April 1, 2020 and April 1<sup>st</sup> in each of the following years until such time as a further decision is made. The cost-of-living increase will be calculated on the basis of the previous five year moving average increase in the Manitoba Consumer Price Index.***

#### **10. Salaries for Ministers, Speaker and Leader of the Opposition**

The Ministers, Speaker, and Leader of the Opposition all receive the same remuneration. This is similar to the other provinces. The remuneration level is based on the responsibilities involved and the generally heavy work demands. A

number of Ministers have responsibility for multiple portfolios.

The following chart sets out the compensation for Ministers across Canada:

### Ministers' Total Pay - 2017

Jurisdiction	Annual Amount
Alberta	\$190,944.00
Nunavut	\$179,860.00
Ontario	\$165,801.00
Quebec	\$164,197.00
Northwest Territories	\$159,434.00
British Columbia	\$158,822.75
Manitoba	\$146,258.00
Newfoundland & Labrador	\$144,022.00
Saskatchewan	\$140,072.00
Nova Scotia	\$138,281.41
New Brunswick	\$137,614.00
Prince Edward Island	\$121,459.00
Yukon	\$118,116.00

### Decision on Salaries for Ministers, Speaker and Leader of the Opposition

- (1) *The additional compensation shall remain at \$51,745.00 as of April 1, 2017;*
- (2) *This additional compensation of \$51,745.00 will remain in place for the periods commencing April 1, 2018 and 2019 with a 0% increase and no cost-of-living increases.*
- (3) *A cost-of-living increase will be applied on April 1, 2020 and April 1<sup>st</sup> in each of the following years until such time as a further decision is made. The cost-of-living increase will be calculated on the basis of the previous five year moving average increase in the Manitoba Consumer Price Index.*

## **11. Additional Salaries - Special Positions**

These include Caucus Chairs, Government Whip, Official Opposition Whip, and Legislative Assistants. The same decision shall apply to these positions as to Members' salaries.

### **Decision on Additional Salaries - Special Positions**

- (1)
  - (a) *The additional compensation for Caucus Chair shall remain at \$6,574.00 as of April 1, 2017;*
  - (b) *The additional compensation for Government Whip shall remain at \$7,626.00 as of April 1, 2017;*
  - (c) *The additional compensation for Official Opposition Whip shall remain at \$6,103.00 as of April 1, 2017;*
  - (d) *The additional compensation for Legislative Assistants shall remain at \$4,578.00 as of April 1, 2017;*
- (2) *This additional compensation will remain in place for the periods commencing April 1, 2018 and 2019 with a 0% increase and no cost-of-living increases.*
- (3) *A cost-of-living increase will be applied on April 1, 2020 and April 1<sup>st</sup> in each of the following years until such time as a further decision is made. The cost-of-living increase will be calculated on the basis of the previous five year moving average increase in the Manitoba Consumer Price Index.*

## **12. Pension Plan**

The existing Legislative Assembly Pension Fund was set up on March 31, 2005.



The Legislative Assembly Pension Plan, referred to as LAPP, provided benefit to Members of the Legislative Assembly on the terms and conditions set out. It is a defined benefit plan. The benefits are the same as provided to the civil service in Manitoba with the exception that LAPP has a flat 2% accrual rate on all pensionable salary and early retirement is permitted at age 55 or later with no early retirement reduction.

It is instructive to briefly review the history of pension plans for Members.

Prior to 1993, the Members had a defined benefit plan with an accrual rate of 3%. There was public concern over the prior plan being expensive. The issue of changing the pension plan was debated in the Legislature.

The ultimate decision by the Legislature was to suspend the prior plan and put in place a Registered Retirement Savings Plan (RRSP) with matching contributions by the Province and Members of 7% of salary.

The financial results were not favourable. The Legislature in 2005 reinstated a defined benefit plan with a 2% accrual rate, a reduction from the earlier 3% accrual rate. There was also an option to have contributions made to an RRSP or a tax paid trust.

The LAPP put into place in 2005 carries on today. I am advised by the LAPP actuaries that the LAPP is 100% funded on a going concern with no deficit as at December 31, 2015, the date of the last approved valuation. From time to time, based on short-term investment and demographic experience, there may be a surplus or deficit. The LAPP is monitored annually and steps are immediately taken to balance the financial health to ensure long-term sustainability. Investment returns have been satisfactory. The LAPP is audited every year by the Office of the Auditor General and administered by the Civil Service Superannuation Board.

The features of the LAPP are as follows:

(a) Funding

The Act requires members to contribute 7% of pensionable earnings and the Province to fund the balance of costs associated with the LAPP. In addition, as members of the LAPP, employees can elect to purchase pensionable service for all or any part of the period they were a MLA between April 25, 1995 and the beginning of the pay period for which the member began making contributions by source deduction to the Fund. The Province of Manitoba is required to contribute sufficient funds to pay all pensions and other liabilities as they come due.

(b) Basic Pension Benefit

The lifetime monthly pension calculation equals:

- (i) 2% of the average of the five best annual salaries received during which pensionable service was accrued or, if the member has less than five years of pensionable service, the average of the annual salaries for their pensionable service,
- (ii) multiplied by the lesser of thirty five years and the member's years of pensionable service
- (iii) divided by twelve months.

(c) Indexing Benefit

Whenever an indexing benefit is provided for pensions being paid out of the Civil Service Superannuation Fund, a similar benefit is to be provided for both deferred members and pensioners of this LAPP. In the Civil Service Superannuation Plan, the cost-of-living benefit payments are limited to the extent that the amount in the separate Indexing Benefit Account is actuarially able to finance approximately one-half of that payment. Legislation limits the maximum annual adjustment to two-thirds of the increase in the Consumer Price Index (Canada) until the Indexing Benefits Account can pre-fund anticipated adjustments for the next twenty years.

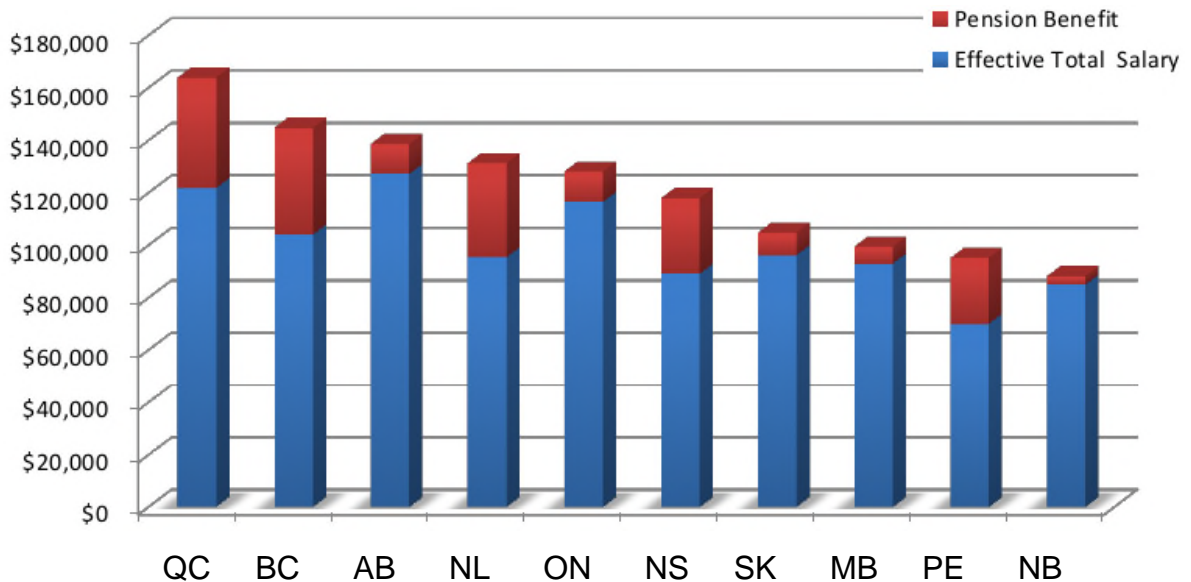
Under the LAPP, a Member who served for 35 years would earn 70% of his or her regular income. A Member serving 17.5 years would earn 35% of his or her income.

Prior to the April 2016 election, the average length of service of active Members was 11.8 years. After the election, the average length of service was 5.3 years due to the retirement of many long serving active Members.

Pension plans vary from province to province. Most have defined benefit plans (Quebec, Nova Scotia, Prince Edward Island, British Columbia, Manitoba and Newfoundland). Accrual rates vary (this affects the length of time to receive the maximum pension). For example, the accrual rate in Nova Scotia and British Columbia is 3.5%. Contribution rates from the Members and the provinces vary.

Following is a chart showing the Member's Total Compensation Interprovincial Comparison. Total compensation is the Member's total salary, being their base indemnity plus the value of the government's share of pension costs for 2015.

**MLA Total Compensation  
Interprovincial Comparison**  
*Effective Total Salary & Value of Gov't Share of Pension Cost*



In 2012, I determined that there should not be any changes to the existing LAPP. I stated:

“I have decided that there are not to be any changes to the LAPP.

I do not believe it would be in the public interest to change the present plan from a defined benefit plan to a defined contribution plan. This would put Manitoba out of line with most provinces in Canada. Furthermore, it would be a further disincentive to attracting people to run for public office.

Changes in the 1990s to the plan from a defined benefit to a Registered Retirement Savings Plan (RRSP) did not work out. Also, it would not be fair to maintain a defined benefit plan for the civil service and not one for elected officials who already earn less than many in the civil service.”

As part of the public consultation this year two main issues were raised with respect to pensions. Firstly, it was pointed out that the public does not get access to the Annual Report of the Legislative Assembly Plan. Secondly, there were submissions from individuals and from the Canadian Taxpayers Federation proposing the elimination of a defined benefit plan and an establishment of a defined contribution plan or a matching RRSP.

The concern expressed was that the Manitoba Government’s defined benefit public pension plans have unfunded liabilities of over \$2 billion.

They argue that the most fiscally responsible way to proceed in the future is to implement a defined contribution plan or a matching RRSP deposit plan.

The first issue can be dealt with in short order. There is no valid reason why the public should not have access to the LAPP information. It is in the public interest to have such access.

I have therefore determined that there be the appropriate changes to legally require

such access.

Turning to the issue of plan change, it is helpful in weighing this question to examine the main characteristics of a defined benefit plan and a defined contribution plan.

I acknowledge the recent 2016 report of the Newfoundland Members' Compensation Review Committee for succinctly summarizing the main characteristics of each plan as follows.

Defined benefit plan characteristics:

- pension income received by members at retirement is predictable;
- pension formula is based on an annual benefit accrual rate, average earnings and years of service;
- contributions are typically made by both the plan members and the employer;
- contributions not required for benefit payments are invested on behalf of the plan members by a professional investment manager; and
- unless the plan is jointly sponsored, the employer is generally responsible for unfunded pension liabilities and therefore bears the risk that accumulated assets may not be sufficient to meet the pension promise.

Defined contribution plan characteristics:

- income received at retirement is not predictable;
- contributions by both the employer and the plan members are fixed;
- individual investment accounts are maintained for each member;
- income received at retirement is based on total contributions and investment income generated over the years;
- the amount of annual retirement benefits is subject to limits imposed under both provincial regulatory legislation and the *Income Tax Act* (Canada); and

- the member bears the investment risk.

I reviewed the comparison of such plans with the LAPP actuaries. Under today's economic conditions, a defined contribution plan may cost less and hence will pay lower benefits. It will control costs, while a defined benefit plan has unknown costs to a certain degree.

A defined benefit plan as presently constituted provides a level of comfort to those members of the public choosing to run for public office that they will have a certain pension level as part of their compensation.

Between 2011 and 2015, employee contributions to the Civil Service Superannuation Plan were increased from 7% to 9% of salary in a staggered manner.

As was the case in 2012, I have determined that there should not be any changes to the current plan, other than the LAPP active Member contribution should be increased by 2% to 9%, in a staggered manner to place these Members on the same footing as Civil Service Superannuation Plan members. This would result in a small reduction to the otherwise Provincial costs. The increases should be one-half ( $\frac{1}{2}\%$ ) percent per year over 4 years. The ideal starting date for contributions according to the LAPP actuary should be January 1, 2018.

I believe the status quo should be maintained in all other respects. In doing so, I have taken into account the total compensation model and that Members may be receiving nominal raises in compensation in the future.

I have considered all the public submissions. I am mindful that many individuals working in the private sector do not have defined benefit plans.

As I stated in 2012, I do not believe that the civil service should have a defined

benefit plan on the one hand and, on the other hand, that Members of the Legislative Assembly should not have such a plan.

I have earlier commented on the important role played by Members of the Legislature in a democracy. They make important decisions which affect the lives of all Manitobans and bear a great responsibility.

It is in the public interest to attract quality individuals to run for elected office. It is also in the public interest to have citizens from different walks of life run for elected office.

In order to facilitate this goal, the overall compensation must be adequate for citizens to give up their current careers, either temporarily or permanently. A defined benefit plan with a 2% accrual rate contributes to this goal and should be maintained.

Secondly, it is in the public interest for information on the pension plan to be made public. I can see no overriding reasons to continue the present practice.

Amendments shall be made to mandate public disclosure of the Plan.

### **Decision on Pension Plan**

***As was the case in 2012, I have determined that there should not be any changes to the current plan, other than the LAPP active Member contribution should be increased by 2% to 9%, in a staggered manner to place these Members on the same footing as Civil Service Superannuation Plan members. This would result in a small reduction to the otherwise Provincial costs. The increases should be one-half (½%) percent per year over 4 years. The ideal starting date according to the LAPP actuary should be January 1, 2018.***

***I believe the status quo should be maintained. In doing so, I have taken into account of the total compensation model and that Members will be receiving nominal raises in compensation in the future.***

***I have considered all the public submissions. I am mindful that many individuals working in the private sector do not have defined benefit pension plans.***

***As I stated in 2012, I do not believe that the civil service should have a defined benefit plan on the one hand and, on the other hand, that Members of the Legislative Assembly should not have such a plan.***

***I have earlier commented on the important role played by Members of the Legislature in a democracy. They make important decisions which affect the lives of all Manitobans and bear a great responsibility.***

***It is in the public interest to attract quality individuals to run for elected office. It is also in the public interest to have citizens from different walks of life run for elected office.***

***In order to facilitate this goal, the overall compensation must be adequate for citizens to give up their current careers, either temporarily or permanently. A defined benefit plan with a 2% accrual rate contributes to this goal and should be maintained.***

***Secondly, it is in the public interest for the pension plan to be made public. I can see no overriding reasons to continue the present practice.***

***Amendments shall be made to mandate public disclosure of the Plan.***



### **13. Members' Allowances for Expenses**

The Regulations underwent a significant revision and tightening in 2007. The goal was to provide for a system under which Members were reimbursed for fair and reasonable expenses incurred in carrying out their duties.

The goal was also to provide for a system which was transparent and which was accountable to the public and which did not support partisan political activities.

As there should be, there was ever increasing scrutiny as to the practices in other provinces across Canada. There has been a trend to ensuring greater transparency and accountability by posting expenses online and by strict linkages to Member's constituency work. This has been, in part, a result of issues that have arisen in provinces and Canada which have caused alarm and anger amongst the public. Fortunately, in Manitoba, there is not any evidence of that being the case.

The challenge in drafting Regulations to govern allowances and benefits is whether to describe in general terms what is subject to reimbursement or to be specific in setting out what is and is not allowed.

A good example is the Regulation on souvenirs which includes lapel pins, pens, magnets and other souvenir items, such as those found in the Legislative Assembly gift shop, for distribution to constituents, up to a limit of \$30 per item including all applicable taxes, as authorized expenses.

One has to determine whether it is beneficial to move to a more general description of what constitutes an authorized expense or be more specific and detailed in setting out authorized expenses.

In doing this review, I have scrutinized these sections to determine if changes are warranted based on the past experience in working with the Regulations.

In that sense, the Regulations are a work in process. There is a benefit in doing a regular review. Changes occur over time necessitating revisions to the Regulations. A good example of this is the technology used in communications. A land line phone is not the major way to communicate anymore. There is phone service through the internet. Social networking is prominent. Advertising methods have evolved. It is necessary to “keep up with the times” to ensure that the Regulations are relevant, facilitate the work of elected representatives, and are in the public interest.

(i) **Constituency Allowance**

(a) **Constituency Office Space**

Section 11 of the Regulation sets out the type of authorized expenses for office space. These include (c) the expense of renovations, repair and redecorating of the constituency office space.

The Manitoba Legislature enacted *The Accessibility for Manitobans Act* in 2013. Its purpose is to provide access, equality, universal design and systemic responsibility for removing barriers in public buildings. This places an onus on Members to ensure that their constituency offices comply with the Act.

This has the potential to pose a problem in certain constituencies with high rental markets and also potential high renovation costs which are not necessarily borne by the landlord.

Excessive renovation costs will mean less funds available for other required expenses.

This is an important issue and Members require added funding in the

circumstances to comply with the legislation.

### **Decision on Constituency Office Space**

*A fund of up to \$5,000.00 shall be established for each constituency to be used for specific accessibility renovations. This is to be a one time amount available during the term of the Government. Each Member will be required to apply to the Assembly for pre-approval of such an expense. Section 11(1)(c) of the Regulation shall be amended to include provisions to deal with this authorized expense.*

#### **(b) Office Operation Expenses**

##### **(i) Bank Charges**

Section 10(2)(e) of the Regulation states that a Member can be reimbursed for:

“up to \$100 per month of bank charges, including interest, on a single bank account established and operated by a member exclusively for the payment and reimbursement of authorized expenses.”

I am advised that this level is inadequate if it is intended to cover orders for cheques and that Members are hampered by the current limit on bank charges.

### **Decision on Bank Charges**

*The Regulation shall be amended to set out that the \$100 per month is exclusive of charges for cheques.*

(ii) **Communication Services**

Section 12(1) of the Regulation provides for various authorized expenses for providing for the office operation and service to constituents.

Changes in technology are occurring at an ever increasing rate. As a result, sections in the Regulation require review and updating on an ongoing basis.

Firstly, there is increased demand for Members to have phone service through the internet. The Regulation should be amended to include such service as an authorized expense.

Secondly, I am advised that Members and Constituency Assistants have been advised that they could each have an iPod or tablet as these items are not taken to be communication devices. They are considered to be Legislative Assembly capital property.

Smart phones/cell phones are returned to the Legislative Assembly when they are replaced.

With capital property, no such return requirement is in place when a replacement model is purchased.

**Decision on Communication Services**

***The Regulation shall be amended to include phone service through the internet as an authorized expense.***

(iii) **Limit on Communication Devices and Services - Section 12(1.1)**

With ever changing technology, new smart phones are introduced on a regular basis. If a new smart phone is purchased, the Regulation shall include a section stipulating that the former device must be returned unless the Member buys out the contract.

It is not the intention of the Regulation to allow Members to purchase multiple iPods or tablets.

**Decision on Limit on Communication Devices and Services**

*When a Member purchases a new phone, the former device must be returned to the Legislative Assembly unless the Member buys out the contract.*

*If a replacement tablet or iPod is being purchased as capital property, the old one must be returned to the Legislative Assembly. The Regulation should be amended to reflect this requirement.*

(iv) **Zenith Telephone Service - Section 12(1)(d)(v)**

*This section of the Regulation can be deleted as Zenith telephone service is no longer utilized.*

(v) **Incidental Mailings**

Section 12(1.3) of the Regulation states:

“Section 52.22 of the Act provides financial support for up to three mass mailings per fiscal year by a Member to his or her constituents and for the related printing costs. Clauses (1)(e), (q) and (s) of this section are intended to provide additional support for incidental mailings to individuals and groups within the Member’s constituency, and are therefore limited to mailings addressed or delivered to not more than 20% of the addresses within the constituency. For this purpose, a series of mailings of printed materials that are substantially similar is to be treated as a single mailing.”

These mailings are to have contact of a non-partisan nature as opposed to the franking of bulk mailings which consist of partisan political material. At present, the Members’ Allowances Office does not receive a copy of the printed material. In order to properly administer this section, the printed material must be reviewed.

#### **Decision on Incidental Mailings**

***Therefore, the Regulation shall be amended so that the content of the mailings must be submitted to the Members’ Allowances Office in order to get reimbursement for this authorized expense.***

#### (vi) **Capital Property**

Section 15.1(5) of the Regulation states:

“The Members’ Allowances Office may allow the outgoing Member to purchase the item for an amount equal to the greater of the following amounts:

- (a) the amount that would be equal to the item's undepreciated capital cost to the Member if it were a depreciable property of the Member in respect of which the maximum capital cost allowance had been claimed under the *Income Tax Act* (Canada) and were the only property of the Member belonging to that class of depreciable property;
- (b) 10% of the original cost of the item.”

The intent of this section is to allow outgoing Members to purchase these items for their own personal use and not for the purpose of resale.

This restriction must be reflected in the Regulation to avoid any potential abuse of this provision.

### **Decision on Capital Property**

***The Regulation shall have a section added which makes it a condition of the Member's purchase that they will not re-sell the capital property to a newly elected Member or to a member of the public.***

#### (vii) **Tools**

I am advised that there is an issue as to what tools constitute reasonable authorized expenses for operation of a constituency office. Should this include power tools such as a drill or a basic toolbox, including items such as a hammer and screwdriver?

### **Decision on Tools**

***It is reasonable that an office have a basic toolbox on hand to deal with day-to-day requirements of maintaining an office. I do not believe that it is necessary to have power tools purchased for the operation of a constituency office.***

(viii) **Advertising**

Section 12(1) of the Regulation states that advertising is an authorized expense if it is incurred by the Member for the purpose of access and service to his or her constituents.

It can be by signage or by message broadcast, posted or published in any media if:

- (i) the sign or message includes the Member's name, constituency and contact information, and
- (ii) in the case of a sign, it is located within the Member's constituency.

There have been advances in technology since the last Report. Members are utilizing or seeking to utilize new types of advertising.

Following are examples of some of these forms of advertising:

- (a) Smart tag, Facebook, Instagram, Twitter;
- (b) Movie theatres;
- (c) Robocalls;
- (d) Slide show/video advertisement at events;
- (e) Vendor website advertising.



In 2012, I wrote that the question that had arisen is the amount of advertising and the type of advertising that may be claimed.

I determined that there should not be any changes but that it should be reviewed by the next Commissioner.

Members have continued to utilize different types of advertising media icons for Instagram, Facebook and Twitter which is permissible, but they cannot use addresses which may lead to access to partisan information.

I remind Members that the purpose of advertising is to communicate with constituents so that they will be advised as to how they can access their Member.

#### **Decision on Advertising**

***Issues have arisen regarding advertising on hockey jerseys or t-shirts. Such form of advertising is more in the form of a sponsorship which is not permitted under the Regulation.***

***As I stated in 2012, I see no reason to amend the Regulation on advertising at this time.***

#### (ix) **Framing Costs**

It is customary for Members to have photographs of Members, constituency maps, photograph of the Queen, and the Member's Oath of Office on display in their offices.

I am advised that in 2013 the LAMC agreed that Members be

reimbursed for the framing expense of two Member group photographs provided one is the composite headshot and the second is the group photograph of all Members in the Chamber.

I am further advised that framing costs for the Member's Oath of Office, constituency map, and the Queen, have been reimbursed as well.

It is appropriate for these framing expenses to be specifically set out in s. 12 of the Regulation as authorized office expenses.

### **Decision on Framing Costs**

***The Regulation shall be amended accordingly to include framing costs as set out above.***

#### (c) **Representation Expenses**

##### (i) **Authorized Expenses for Representation**

- (i) Expense of food and non-alcoholic beverages at community events - Section 14(c) of the Regulation.

I have been advised that when an Indigenous Member hosts a community event the giving away of tobacco is considered an act of hospitality.

This strikes me as an expense which should be authorized under the Regulation in light of this accepted tradition.

### **Decision on Tobacco as an Authorized Representation Expense**

*The Regulation shall be amended to reflect that the purchase of items for use at community events related to cultural practices are authorized expenses.*

#### **(ii) Table or Booth Rentals at Community Events**

In addition to hosting their own community events for constituents, Members are invited to rent a booth or table at other community events and use this as an opportunity to meet with constituents. These rental expenses should be recoverable and should be authorized expenses as long as they are incurred for the purpose of access and service to constituents.

### **Decision on Table or Booth Rentals**

*The Regulation (s. 14) should have added to it a section authorizing recovery of such rental expenses.*

#### **(iii) Expense of Souvenir Items**

The current Regulation states the expense of lapel pins, pens, magnets and other souvenir items, such as those found in the Legislative Assembly gift shop are authorized expenses for representation.

Since the last Report, the gift shop has undergone a change and carries a wider range of items, many of which do not have an Assembly focus.

The intent of the Regulation is to allow Members to provide constituents with mementos which bear some relationship to the Legislative Assembly. Items that have no relationship (e.g. golf balls) are more promotional in nature and not consistent with the purpose of this section.

### **Decision on Souvenir Items**

*There have been issues as to what is an authorized lapel pin or magnet. The intent of this section is to provide a souvenir which is linked to the Legislative Assembly or the Member. The Regulation shall be amended to set out that lapel pins have symbols connected to Manitoba and that the magnets be in the form of a business card.*

*The reference to the Legislative Assembly gift shop should be deleted and the section amended to state “and other similar type of souvenir items”.*

#### (iv) **Event Tickets**

Section 14(g) of the Regulation provides that “the Member’s cost of up to two tickets to attend a non-profit or charitable community event (which, for greater certainty, does not include a sporting event, a golf or other sporting tournament, a social, or a service club meeting)”.

Two issues have arisen. One is what kind of events fall within the present definition in the Regulation.

I am advised that there has been a significant increase in

requests from smaller organizations for Members to attend events.

The other issue is that documentation is not always readily available in order for a Member to provide reasonable documentation in order to make a claim for reimbursement.

Members are constantly approached to attend community events. There is an expectation by certain groups that Members have an obligation to attend.

The intent of the Regulation is to facilitate Members meeting with constituents at community events. The intent is to not provide a personal benefit to a Member such as playing in a golf tournament (albeit for charitable purposes) and enjoying a meal and refreshments or to donate to sponsor an organization.

Sometimes it is difficult to draw the line between what is permissible or not. For example, Newfoundland and Saskatchewan do not permit reimbursement for memberships, while British Columbia allows reimbursement for attending Rotary Club events or Chamber of Commerce functions.

### **Decision on Event Tickets**

***Firstly, I think that it is appropriate to extend the representation expenses to purchasing tickets to attend events at the Chamber of Commerce or similar types of organizations. This allows a Member to meet any constituents who are discussing issues which are relevant to their work as elected representative.***

***Secondly, as to the current definition in s. 14(g) of the Regulation, I am comfortable that it best describes the intention to limit attendance to community not-for-profit events. Members should use their best efforts to provide the Members' Allowances Office with substantiation as to the nature of the entity hosting the event.***

(v) **Plants**

An issue arose as to whether a plant is an authorized expense under Section 14(a) of the Regulation.

**Decision on Plants**

***I believe that a plant falls within the spirit and intent of the Regulation and it shall be added to Section 14(a) of the Regulation.***

(ii) **Constituency Assistants Allowance - Section 16**

(a) **Issues arising of an Administrative or Interpretative Nature**

Under s. 16.1(2)(a) the Regulation provides each Member a maximum allowance per month (bi-weekly pay periods) for salaries, including benefits to pay for constituency staff.

As set out in the Members' Allowances Office Compliance Report for April 1, 2011 to March 31, 2016, the practice has been that if salary expenses are less than the maximum, then the unused funds are rolled from the bi-weekly pay into the following pay period, which could give

the appearance of the monthly amount being in excess of the maximum allowance. This practice has been applied since the institution of the Constituency Assistants Allowance in 2008.

**Decision on Rollover of Funds  
for Constituency Staff Salaries**

***This practice is fair and reasonable in the circumstances. The Regulation shall be amended to include the bi-weekly rollover as an authorized process for unexpended funds.***

(b) **Statutory Holidays**

As set out in the Members' Allowances Office Compliance Report for April 1, 2011 to March 31, 2016, statutory holidays (Good Friday and Easter Monday) took place during the election writ period. As a result, Constituency Assistants that had been laid off at the time the writ was issued, received the statutory holiday pay for these two days. The statutory pay was allocated to the Constituency Assistants Allowance and Constituency Allowance when salaries were not eligible during the writ period of the Election.

The statutory pay expense resulted in one Member exceeding the maximum allowance entitlement for the Constituency Allowance by \$535.

The Member reimbursed \$535 to the Constituency Allowance.

**Decision on Statutory Holiday Pay**

***The Regulation shall be amended to allow for this statutory payment in addition to limits of the Constituency Assistants***

***Allowance.*****(iii) Travel Allowance****(a) Meal Expenses**

Certain issues have arisen in the application of authorized travel expenses. Section 21(1)(d) of the Regulation provides for payment of the expense of meals at civil service rates.

The rates are adequate for meals within the province, but not necessarily outside the province.

**Decision on Meals**

***Therefore, s. 21(1)(d) of the Regulation shall be amended to read “the expense of meals in the province at civil service rates”.***

**(b) Authorized Travel Expenses**

Section 21(1)(e) of the Regulation states that the expense of commercial accommodation should be in accordance with civil service guidelines.

I am advised that this guideline creates certain difficulties because of the range of hotel room rates.

**Decision on Authorized Travel Expenses**

***Therefore, s. 21(1)(e) of the Regulation shall be amended to state as follows:***



***“..... the expense of commercial accommodation in accordance with standard hotel single room rates.”***

(c) **Maximum Out-of-Province Travel Expenses**

Section 21(3) of the Regulation does not specifically set out the eligible expenses for reimbursement. As well, it does not adequately provide for meal expenses out of province.

**Decision on Maximum Out-of-Province Travel Expenses**

***Therefore, this section of the Regulation shall be amended to identify the following expenses:***

- (a) ***the actual expense of transportation other than by private vehicle;***
- (b) ***the expense of transportation by private vehicle, equal to the kilometric distance multiplied by the kilometric rate;***
- (c) ***the expense of meals at the receipted rate or at the out-of-province meal rates;***
- (d) ***the expense of commercial accommodation standard single room rate.***

(iv) **Living Allowance**

(a) **Permanent Residence Treated as Temporary Residence**

Section 25.1(4) of the Regulation states:

***“While a residence remains designated as a temporary residence under subsection (1) and the Member continues to own and occupy the other residence referred to in that subsection.***

- (a) the designated residence is deemed to be a temporary residence of the Member; and
- (b) the Member's authorized temporary residence expenses for the residence consist only of:
  - (i) property taxes;
  - (ii) mortgage interest;
  - (iii) common element fees, if the residence is a condominium;
  - (iv) premiums for the insurance of the residence and its contents;
  - (v) expenses for repairs that are necessary or advisable to maintain the structural integrity of the residence;
  - (vi) telephone rental and services, except to the extent that they are claimed as living expenses under subsection 25(2), and
  - (vii) utilities, including cable television.

Issues have arisen regarding the type of cable television service which is authorized and whether lawn and snow service is authorized.

#### **Decision on Living Allowance**

***Subsection 25.1(4)(b)(vii) of the Regulation shall be amended to state utilities, including basic cable television.***

***A subsection should be added to clarify that eligible expenses for the owned second temporary residence does not include lawn and snow services. This should be the personal expense of the Member.***

(v) **Miscellaneous Items**

(a) **Payment of Expenses**

In the Compliance Report by the Members' Allowances Office for the five fiscal periods April 1, 2011 to March 31, 2016, it was noted that "after ceasing to be a Member, Members of the Legislative Assembly have claimed the expense of hiring individuals to assist in closing down their constituency office".

It was recommended that the next Commissioner amend the Regulation to include the hiring of persons as an authorized expense and provide more direction as to the length of time and expense is deemed reasonable for completing the work of closing the constituency office.

I agree that it is reasonable to set out a specific time and expense limit to cover these costs.

**Decision on Payment of Expenses**

***Section 8(2) of the Regulation shall be amended to include a section that a person or persons can be hired to assist in closing the constituency office to a total maximum of fifty (50) hours' work.***

(b) **Appeals of Decisions and Determinations  
by Appeal Commissioner**

Section 31 of the Regulation states:

**Appeal**

**31(1)** A Member may appeal any decision or determination under this regulation to a person appointed by the Legislative Assembly Management Commission, who may be referred to as the appeals commissioner.

**Form of appeal**

**31(2)** The appeal must be in writing and must state

- (a) the decision or determination being appealed; and
- (b) the member's argument in support of the appeal.

**Appeals commissioner**

**31(3)** The appeals commissioner may allow or dismiss the appeal, in whole or in part, and in extenuating circumstances may authorize an expense to be paid under an allowance if he or she considers it fair and reasonable to do so, even if not all of the requirements to qualify it for payment have been met. The decision of the appeals commissioner is final.

**Notice of decision to all members**

**31(4)** After allowing or disallowing an appeal, the appeals commissioner may direct the Members' Allowances Office to inform all members of the decision and the circumstances to which it applied.

The appeal system has functioned well, but the question arises as to whether a limitation date is required for the filing of appeals.

In my capacity as Appeals Commissioner, I have dealt with a range of issues. Some have been filed a number of months after the expiration of the fiscal year.

However, I believe that s. 31(3) of the Regulation gives the Appeals Commissioner sufficient flexibility and discretion to deal with such timing issues. Therefore, no amendment is needed.

## **Decision on Appeals - Limitation Date**

***No amendment is needed to s. 31(3) of the Regulation.***

(c) **Liability Insurance**

Certain Members have raised concerns about the lack of a comprehensive liability policy to protect Members against defamation claims and also relating to claims arising out of the employment relationship with their Constituency Assistants.

There was a comprehensive form of liability insurance in place from 1985 to 1987. The current insurance maintained by the Government of Manitoba.

The Legislative Assembly is covered under the Manitoba Government Insurance and Risk Management Branch under the Department of Finance. This policy which is subject to a \$5 million deductible covers all Members and Legislative employees.

There are certain exclusions, including that the legal action must be for an outside entity. Therefore, a claim made by a Constituency Assistant against a Member would not be covered.

Also, if the actions relate to actions outside the scope of duties, Members are advised to hire independent legal counsel. If the actions relate to inside the scope of duties, the Legislative Assembly will consider reimbursement according to the guidelines.

Members of the Legislative Assembly are protected by way of legislative privilege for statements made by them in the Chamber.

Quebec Members have a policy which provides protection to Members from judicial actions arising from the Member's duties. No other provinces have such protection.

There is no policy of insurance covering defamation or a claim by a Constituency Assistant, but assistance can be provided to a Member if the request is approved by the Office of the National Assembly.

Ontario has a commercial general liability policy that covers defamation and liable, subject to a \$10,000 deductible. The policy is funded by the Assembly directly.

It is agreed Members are vulnerable as comments made at a community event or the grocery store can be recorded and publicized.

As to the employment relationship, it is suggested Members can claim for wrongful dismissal, harassment, or discrimination under the *Human Rights Code*.

There is recent evidence of claims being made against Members. Fortunately, these claims are the exception rather than the rule.

In the circumstances, I am not satisfied that there is a need for the Legislative Assembly to incur additional costs for this limited type of coverage.

### **Decision on Liability Insurance**

***I would allow that individual Members could attempt to purchase coverage for defamation and/or claims relating to the employment***

***of Constituency Assistants.***

***The funding would have to come out of their constituency allowance. The Regulation shall be amended to allow this as an authorized expense.***

(d) **Severance/Transition Payments**

An administrative issue has arisen with respect to the use of the word “allowance” in reference to transition or severance payments to Members or constituency staff under the Regulation.

These payments are not administered by the Members’ Allowances Office.

**Decision on Severance/Transition Payments**

***In the appropriate sections, the Regulation shall be amended to delete the word “allowance” and substitute the word “payment”.***

(e) **Employer Paid Benefits**

At present, these benefits are not set out in the Regulation. These benefits are part of the statutory appropriation of the budget process of government and are to be in line with all civil service benefits.

**Decision on Employer Paid Benefits**

***As such, all employer paid benefits should be set out in the Regulation and this shall be done in the ensuing amendment.***

(vi) **Other Benefits**

All existing salaries, benefits and allowances entitlements are to continue unless specifically changed by one of the decisions in this Report.

(vii) **Effective Date**

Unless otherwise indicated in a decision, the effective date of the decisions is the date of this Report.

Dated July, 2017



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Michael D. Werier  
Commissioner



## **SUMMARY OF DECISIONS**

### **DECISION ON MEMBER'S SALARY**

- (1) The basic annual salary as of April 1, 2017 will be \$94,513.00;***
- (2) This salary will remain in place for the period commencing April 1, 2018 and 2019 with a 0% increase and no cost-of-living increase;***
- (3) A cost-of-living increase will be applied on April 1, 2020 and April 1<sup>st</sup> in each of the following years until such time as a further decision is made. The cost-of-living increase will be calculated on the basis of the previous five year moving average increase in the Manitoba Consumer Price Index.***

### **DECISION ON PREMIER'S SALARY**

- (1) The Premier's additional compensation will remain at \$79,201.00 as of April 1, 2017;***
- (2) This additional compensation of \$79,201.00 will remain in place for the periods commencing April 1, 2018 and 2019 with a 0% increase and no cost-of-living increases.***
- (3) A cost-of-living increase will be applied on April 1, 2020 and April 1<sup>st</sup> in each of the following years until such time as a further decision is made. The cost-of-living increase will be calculated on the basis of the previous five year moving average increase in the Manitoba Consumer Price Index.***

**DECISION ON MINISTERS, SPEAKER AND LEADER OF THE OPPOSITION**

- (1) The additional compensation shall remain at \$51,745.00 as of April 1, 2017;***
- (2) This additional compensation of \$51,745.00 will remain in place for the periods commencing April 1, 2018 and 2019 with a 0% increase and no cost-of-living increases.***
- (3) A cost-of-living increase will be applied on April 1, 2020 and April 1<sup>st</sup> in each of the following years until such time as a further decision is made. The cost-of-living increase will be calculated on the basis of the previous five year moving average increase in the Manitoba Consumer Price Index.***

**DECISION ON ADDITIONAL SALARIES - SPECIAL POSITIONS**

- (1) (a) The additional compensation for Caucus Chair shall remain at \$6,574.00 as of April 1, 2017;***
  - (b) The additional compensation for Government Whip shall remain at \$7,626.00 as of April 1, 2017;***
  - (c) The additional compensation for Official Opposition Whip shall remain at \$6,103.00 as of April 1, 2017;***
  - (d) The additional compensation for Legislative Assistants shall remain at \$4,578.00 as of April 1, 2017;***
- (2) This additional compensation will remain in place for the periods commencing April 1, 2018 and 2019 with a 0% increase and no cost-of-living increases.***
- (3) A cost-of-living increase will be applied on April 1, 2020 and April 1<sup>st</sup> in***

*each of the following years until such time as a further decision is made. The cost-of-living increase will be calculated on the basis of the previous five year moving average increase in the Manitoba Consumer Price Index.*

### **DECISION ON PENSION PLAN**

*I have determined that there should not be any changes to the current plan, other than the LAPP active Member contribution should be increased by 2% to 9%, in a staggered manner to place these Members on the same footing as Civil Service Superannuation Plan members. This would result in a small reduction to the otherwise Provincial costs. The increases should be one-half (½%) percent per year over 4 years. The ideal starting date according to the LAPP actuary should be January 1, 2018.*

*I believe the status quo should be maintained. In doing so, I have taken into account of the total compensation model and that Members will be receiving nominal raises in compensation in the future.*

*I have considered all the public submissions. I am mindful that many individuals working in the private sector do not have defined benefit pension plans.*

*As I stated in 2012, I do not believe that the civil service should have a defined benefit plan on the one hand and, on the other hand, that Members of the Legislative Assembly should not have such a plan.*

*I have earlier commented on the important role played by Members of the Legislature in a democracy. They make important decisions which affect the lives of all Manitobans and bear a great responsibility.*

***It is in the public interest to attract quality individuals to run for elected office. It is also in the public interest to have citizens from different walks of life run for elected office.***

***In order to facilitate this goal, the overall compensation must be adequate for citizens to give up their current careers, either temporarily or permanently. A defined benefit plan with a 2% accrual rate contributes to this goal and should be maintained.***

***Secondly, it is in the public interest for the pension plan to be made public. I can see no overriding reasons to continue the present practice.***

***Amendments shall be made to mandate public disclosure of the Plan.***

#### **DECISION ON CONSTITUENCY OFFICE SPACE**

***A fund of up to \$5,000.00 shall be established for each constituency to be used for specific accessibility renovations. This is to be a one time amount available during the term of the Government. Each Member will be required to apply to the Assembly for pre-approval of such an expense. Section 11(1)(c) of the Regulation shall be amended to include provisions to deal with this authorized expense.***

#### **DECISION ON BANK CHARGES**

***The Regulation shall be amended to set out that the \$100 per month is exclusive of charges for cheques.***

#### **DECISION ON COMMUNICATION SERVICES**

***The Regulation shall be amended to include phone service through the***

*internet as an authorized expense.*

#### **DECISION ON LIMIT ON COMMUNICATION DEVICES AND SERVICES**

*When a Member purchases a new phone, the former device must be returned to the Legislative Assembly unless the Member buys out the contract.*

*If a replacement tablet or iPod is being purchased as capital property, the old one must be returned to the Legislative Assembly. The Regulation should be amended to reflect this requirement.*

#### **DECISION ON ZENITH TELEPHONE - SECTION 12(1)(d)(v)**

*This section of the Regulation can be deleted as Zenith telephone service is no longer utilized.*

#### **DECISION ON INCIDENTAL MAILINGS**

*The Regulation shall be amended so that the content of the mailings must be submitted to the Members' Allowances Office in order to get reimbursement for this authorized expense.*

#### **DECISION ON CAPITAL PROPERTY**

*The Regulation shall have a section added which makes it a condition of the Member's purchase that they will not re-sell the capital property to a newly elected Member or to a member of the public.*

**DECISION ON TOOLS**

*It is reasonable that an office have a basic toolbox on hand to deal with day-to-day requirements of maintaining an office. I do not believe that it is necessary to have power tools purchased for the operation of a constituency office.*

**DECISION ON ADVERTISING**

*I see no reason to amend the Regulation on advertising at this time.*

**DECISION ON FRAMING COSTS**

*The Regulation shall be amended to include the framing expense of two Member group photographs, provided one is the composite headshot and the second is the group photograph of all Members in the Chamber, as well as framing costs for the Member's Oath of Office, constituency map, and the Queen, as authorized office expenses.*

**DECISION ON TOBACCO AS AN AUTHORIZED REPRESENTATION EXPENSE**

*The Regulation shall be amended to reflect that the purchase of items for use at community events related to cultural practices are authorized expenses.*

**DECISION ON TABLE OR BOOTH RENTALS AT COMMUNITY EVENTS**

*The Regulation (s. 14) should have added to it a section authorizing recovery of expenses such as booth or table rentals at community events other than the Member's own events as long as they are incurred for the purpose of access and service to constituents.*

### **DECISION ON SOUVENIR ITEMS**

*The Regulation shall be amended to set out that lapel pins have symbols connected to Manitoba and that the magnets be in the form of a business card.*

*The reference to the Legislative Assembly gift shop should be deleted and the section amended to state “and other similar type of souvenir items”.*

### **DECISION ON EVENT TICKETS**

*Firstly, I think that it is appropriate to extend the representation expenses to purchasing tickets to attend events at the Chamber of Commerce or similar types of organizations. This allows a Member to meet any constituents who are discussing issues which are relevant to their work as elected representative.*

*Secondly, as to the current definition in s. 14(g) of the Regulation, I am comfortable that it best describes the intention to limit attendance to community not-for-profit events. Members should use their best efforts to provide the Members’ Allowances Office with substantiation as to the nature of the entity hosting the event.*

### **DECISION ON PLANTS**

*I believe that a plant falls within the spirit and intent of the Regulation and it shall be added to Section 14(a) of the Regulation.*

**DECISION ON ROLLOVER OF FUNDS  
FOR CONSTITUENCY STAFF SALARIES**

*The Regulation shall be amended to include the bi-weekly rollover as an authorized process for unexpended funds.*

**DECISION ON STATUTORY HOLIDAY PAY**

*The Regulation shall be amended to allow for this statutory payment in addition to limits of the Constituency Assistants Allowance.*

**DECISION ON MEAL EXPENSES**

*Section 21(1)(d) of the Regulation shall be amended to read “the expense of meals in the province at civil service rates”.*

**DECISION ON AUTHORIZED TRAVEL EXPENSES**

*Section 21(1)(e) of the Regulation shall be amended to state as follows:*

*“..... the expense of commercial accommodation in accordance with standard hotel single room rates.”*

**DECISION ON MAXIMUM OUT-OF-PROVINCE TRAVEL EXPENSES**

*Section 21(3) of the Regulation shall be amended to identify the following expenses:*

- (a) the actual expense of transportation other than by private vehicle;*
- (b) the expense of transportation by private vehicle, equal to the kilometeric distance multiplied by the kilometeric rate;*



- (c) *the expense of meals at the receipted rate or at the out-of-province meal rates;*
- (d) *the expense of commercial accommodation standard single room rate.*

#### **DECISION ON LIVING ALLOWANCE**

*Subsection 25.1(4)(b)(vii) of the Regulation shall be amended to state utilities, including basic cable television.*

*A subsection should be added to clarify that eligible expenses for the owned second temporary residence does not include lawn and snow services. This should be the personal expense of the Member.*

#### **DECISION ON PAYMENT OF EXPENSES**

*Section 8(2) of the Regulation shall be amended to include a section that a person or persons can be hired to assist in closing the constituency office to a total maximum of fifty (50) hours' work.*

#### **DECISION ON APPEALS - LIMITATION DATE**

*No amendment is needed to s. 31(3) of the Regulation.*

#### **DECISION ON LIABILITY INSURANCE**

*I would allow that individual Members could attempt to purchase coverage for defamation and/or claims relating to the employment of Constituency Assistants.*

*The funding would have to come out of their constituency allowance. The*

*Regulation shall be amended to allow this as an authorized expense.*

**DECISION ON SEVERANCE/TRANSITION PAYMENTS**

*In the appropriate sections, the Regulation shall be amended to delete the word “allowance” and substitute the word “payment”.*

**DECISION ON EMPLOYER PAID BENEFITS**

*All employer paid benefits should be set out in the Regulation and this shall be done in the ensuing amendment.*

**APPENDIX "A"**

**MEMBERS' INDEMNITIES - 1974 to Current Fiscal Year**

<b>YEAR</b>		<b>INDEMNITY</b>	<b>ALLOWANCE (TAX-FREE)</b>	<b>TOTAL</b>	<b>INCREASE/ DECREASE</b>
1974		\$9,600.00	\$4,800.00	\$14,400.00	--
1975	Basic	\$9,600.00	\$4,800.00	\$14,400.00	
	COLA	1,049.41	524.71	1,574.12	10.9%
		\$10,649.41	\$5,324.71	\$15,974.12	
1976	Basic	\$10,649.41	\$5,324.71	\$15,974.12	
	COLA	918.49	459.47	1,378.41	8.6%
		\$11,568.35	\$5,784.18	\$17,352.53	
1977	Basic	\$11,568.35	\$5,784.18	\$17,352.53	
	COLA	631.16	315.58	946.74	5.5%
		\$12,199.51	\$6,099.76	\$18,229.27	
1978	Basic	\$12,199.51	\$6,099.76	\$18,229.27	
	Stat. Adjust	.49	.24	.73	
	COLA	0.00	0.00	0.00	0.0%
		\$12,200.00	\$6,100.00	\$18,300.00	
1979	Basic	\$12,200.00	\$6,100.00	\$18,300.00	
	COLA	1,047.49	523.74	1,571.23	8.6%
		\$13,247.49	\$6,623.74	\$19,871.23	
1980	Basic	\$13,247.49	\$6,623.74	\$19,871.23	
	COLA	1,319.76	659.88	1,979.64	10.0%
	Stat. Adjust	7,752.51	876.26	2,628.77	
		\$16,319.76	\$8,159.88	\$24,479.64	
1981	Basic	\$16,319.76	\$8,159.88	\$24,479.64	
	(COLA)	1,646.50	823.25	2,469.75	10.0%
		\$17,966.26	\$8,983.13	\$26,949.39	
1982	Basic	\$17,966.26	\$8,983.13	\$26,949.39	
	COLA	1,977.83	988.91	2,966.74	11.0%
		\$19,944.09	\$9,972.04	\$29,916.13	

YEAR		INDEMNITY	ALLOWANCE (TAX-FREE)	TOTAL	INCREASE/ DECREASE
1983	Basic	\$19,944.09	\$9,972.04	\$29,916.13	
	COLA eff. June 18/83	1,272.02	636.01	1,908.03	6.3%
		<u>\$21,216.11</u>	<u>\$10,608.05</u>	<u>\$31,824.16</u>	
1984	Basic	\$21,216.11	\$10,608.05	\$31,824.16	
	Defrd COLA	403.32	201.66	604.98	
	Basic	\$21,619.43	\$10,809.71	\$32,429.14	
	COLA	880.24	440.12	1,320.36	4.0%
		<u>\$22,499.67</u>	<u>\$11,249.83</u>	<u>\$33,749.50</u>	
1985	Basic	\$22,499.67	\$11,249.83	\$33,749.50	
	COLA	748.49	374.25	1,122.74	3.3%
		<u>\$23,248.16</u>	<u>\$11,624.08</u>	<u>\$34,872.24</u>	
1986	Basic	\$23,248.16	\$11,624.08	\$34,872.24	
	COLA	887.52	443.76	1,331.28	3.8%
		<u>\$24,135.68</u>	<u>\$12,067.84</u>	<u>\$36,203.52</u>	
1987	Basic	\$24,135.68	\$12,067.84	\$36,203.52	
	COLA	878.00	439.00	1,317.00	3.6%
		<u>\$25,013.68</u>	<u>\$12,506.84</u>	<u>\$37,520.52</u>	
1988	Basic	\$25,013.68	\$12,506.84	\$37,520.52	
	COLA	890.67	445.33	1,336.00	3.6%
		<u>\$25,904.35</u>	<u>\$12,952.17</u>	<u>\$38,856.52</u>	
1989	Basic	\$25,904.35	\$12,952.17	\$38,856.52	
	COLA	878.00	439.00	1,317.00	3.4%
		<u>\$26,782.35</u>	<u>\$13,391.17</u>	<u>\$40,173.52</u>	
1990	Basic	\$26,782.35	\$13,391.17	\$40,173.52	
	COLA	1,181.00	591.00	1,772.00	4.4%
		<u>\$27,963.35</u>	<u>\$13,982.17</u>	<u>\$41,945.52</u>	
1991	Basic	\$27,963.35	\$13,982.17	\$41,945.52	
	COLA	Statutory increase declined.			0.0%
		<u>\$27,963.35</u>	<u>\$13,982.17</u>	<u>\$41,945.52</u>	

YEAR		INDEMNITY	ALLOWANCE (TAX-FREE)	TOTAL	INCREASE/ DECREASE
1992	Basic	\$27,963.35	\$13,982.17	\$41,945.52	
	COLA	954.00	477.00	1,431.00	3.4%
		<u>\$28,917.35</u>	<u>\$14,459.17</u>	<u>\$43,376.52</u>	
1993	Basic	\$28,917.35	\$14,459.17	\$43,376.52	
	COLA	534.00	267.00	801.00	1.8%
	Basic	\$29,451.35	\$14,726.17	\$44,177.52	
	Reduction	1,119.17	559.58	1,678.74	(3.8%)
		<u>\$28,332.18</u>	<u>\$14,166.59</u>	<u>\$42,498.77</u>	
1994	Basic	\$28,332.18	\$14,166.59	\$42,498.77	
	COLA	436.00	218.00	654.00	1.48%
	Basic	\$29,887.35	\$14,944.17	\$44,831.52	
	Reduction	1,106.94	553.49	1,660.43	(3.70370%)
		<u>\$28,780.41</u>	<u>\$14,390.68</u>	<u>\$43,171.09</u>	
1995	Basic	\$29,887.35	\$14,944.17	\$44,831.52	
A. <sup>1</sup>	COLA	52.00	26.00	78.00	0.174%
		<u>\$29,939.35</u>	<u>\$14,970.17</u>	<u>\$44,909.52</u>	
1995	Basic			\$56,500.00	
B. <sup>2</sup>					
1996	Basic			\$56,500.00	
	COLA			565.00	1.0%
				<u>\$57,065.00</u>	
1997	Basic			\$57,065.00	
	COLA			1,199.00	2.1%
				<u>\$58,264.00</u>	
1998	Basic			\$58,264.00	
	COLA			991.00	1.7%
				<u>\$59,255.00</u>	

<sup>1</sup> Prior to April 25, 1995 General Election

<sup>2</sup> Subsequent to April 25, 1995 General Election

YEAR		INDEMNITY	ALLOWANCE (TAX-FREE)	TOTAL	INCREASE/ DECREASE
1999	Basic			\$59,255.00	
	COLA			1,897.00	3.2%
				\$61,152.00	
2000	Basic			\$61,152.00	
	COLA			367.00	0.6%
				\$61,519.00	
2001	Basic			\$61,519.00	
	COLA			2,031.00	3.3%
				\$63,550.00	
2002	Basic			\$63,550.00	
	COLA			700.00	1.1%
				\$64,250.00	
2003	Basic			\$64,250.00	
	COLA			1,285.00	2.0%
				\$65,535.00	
2004	Basic			\$65,535.00	
	COLA				0.0%*
				\$65,535.00	
*Note: Commissioner recommended that 1.4% COLA be given up. Legislature accepted that recommendation and appointed a Pay Commissioner to make pay decisions.					
2005	Basic			\$65,535.00	
As at April 1	COLA			1,638.00	2.5%
				\$67,173.00	
2006	Basic			\$67,173.00	
2006	Adjustment to base per Commissioner			4,827.00	7.2%
2006	Adjusted Basic			\$72,000.00	
	COLA			1,512.00	2.1%
				\$73,512.00	
2007	Basic			\$73,512.00	
As at April 1	COLA			1,470.00	2.0%
				\$74,982.00	
Note: COLA for fiscal year 2006/07 is applied using a five year average for CPI for Manitoba.					

YEAR		INDEMNITY	ALLOWANCE (TAX-FREE)	TOTAL	INCREASE/ DECREASE
2008	Basic			\$82,000.00	
	COLA			1,722.00	2.1%
				\$83,722.00	
2009	Basic			\$83,722.00	
	COLA			1,842.00	2.2%
				\$85,564.00	
2009	Basic			\$85,564.00	
	COLA*				0.0%
				\$85,564.00	
2010	Basic			\$85,564.00	
	COLA				0.0%
				\$85,564.00	
2011	Basic			\$85,564.00	
	COLA				0.0%
				\$85,564.00	
2012	Basic			\$85,564.00	
	COLA**				0.0%
				\$85,564.00	
2013	Basic	\$85,564.00		\$85,564.00	0.0%
	No COLA				
				\$85,564.00	
2014	Basic	\$89,500.00		\$89,500.00	
	No COLA				0.0%***
				\$89,500.00	
2015	Basic	\$91,201.00		\$89,500.00	
	COLA			1,700.15	1.9% COLA
				\$91,201.00	
2016	Basic	\$93,025.00		\$91,201.00	
	COLA			\$1,824.02	2.0% COLA
				\$93,025.00	

YEAR		INDEMNITY	ALLOWANCE (TAX-FREE)	TOTAL	INCREASE/ DECREASE
2017	Basic	\$94,513.00		\$93,025.00	
	COLA			1,488.40	1.6% COLA****
				\$94,513.00	

**Note: COLA for fiscal year 2009/10 and onward is applied using a five year average for CPI for Manitoba.**

**\*No Cola applied for fiscal year 2009/10 as per amendment to Legislative Assembly Act, Member's Salary Regulation, Sec. 1.1(4).**

**\*\* On April 17<sup>th</sup>, 2012, the government announced in the budget speech that a 20 % reduction in Ministerial will continue and no cola will be applied to MLA pay for the 2012/13 and 2013/14 fiscal years. The 2012/13 Estimates of Expenditure and Revenue was not adjusted to show the reduction.**

**\*\*\*No COLA is to be applied to the basic pay for 2014/15. As per the Commissioner's Report on Members' Salaries, Allowances and Retirement Benefits, Members basic pay will increase to \$89,500 effective April 1, 2014.**

**\*\*\*\*Gov. MLA's donated COLA back to government. Statement in the House by Premier. Other parties followed however donated COLA to charity of their choice.**





MEMBERS' SALARIES	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL	YT	NU	NT	Senate	HoC
Caucus Chair															
Leader 2 <sup>nd</sup> Opposition	\$26,470.46	\$28,644.00	\$23,627.00	\$43,614.00	\$41,608.00	\$32,839.00	\$19,750.00	\$24,523.25	\$19,942.00	\$24,300.00	\$17,717.00				\$58,600.00
2 <sup>nd</sup> Opp. House Leader	\$10,588.18	\$12,732.00	\$6,906.00	\$6,103.00	\$18,182.00	\$23,457.00		\$10,506.00		\$12,166.00					\$17,000.00
2 <sup>nd</sup> Opposition Deputy House Leader								\$5,253.00							\$6,000.00
2 <sup>nd</sup> Opp. Whip	\$10,588.18	\$7,632.00	\$6,906.00	\$4,578.00	\$14,685.00	\$18,765.00	\$2,500.00	\$5,253.00							\$12,000.00
2 <sup>nd</sup> Opp. Deputy Whip															\$6,000.00
2 <sup>nd</sup> Opp. Caucus Chair	\$10,588.18		\$6,906.00	\$6,574.00	\$13,170.00			\$10,506.00							\$6,000.00
Permanent Chr - max per year	\$15,882.28		\$13,810.00	**\$4,578.00	\$16,317.00	\$23,457.00		\$2,101.00		\$12,166.00		\$4,577.00	\$6,480.00	\$11,900.00	\$12,000.00
Permanent Vice Chr - max per yr.	\$10,588.18		\$6,906.00	**\$3,816.00	\$9,324.00	\$18,765.00		\$525.00		\$9,300.00				\$5,900.00	\$6,000.00
Temp. Chair of Standing Committee (Quebec)						\$14,074.00									
Member of the Office of the National Assembly						\$14,074.00									
All Party Committees		\$200.00/mtg	\$111/day	No add'l pay	No add'l pay	\$125 per diem	No add'l pay			\$0/mtg	No add'l pay		No add'l pay		
Other Committees									\$6,499.00*	\$0/mtg					
Government Committees			\$111/day	No add'l pay	No add'l pay	No add'l pay	n/a	n/a			No add'l pay	No add'l pay	No add'l pay		
<b>Changes</b>	Change +1.8% April 1	No Change 0%	Change Bill 47 authorized 3.5% reduction in annual indemnity and allowances	Change +1.6% April 1; Some MLAs may rebate increase **\$197/mtg, which member presides +50%	No Change 0%	Change +1.75% April 1	No Change 0%	No Change 0%	Change +2% April 1 *if Member does not receive add'l salary from council	Change after MCRC review Nov. 2016. See Page 32-39 <a href="http://assembly.nl.ca/pdf/MCRCReport2016.pdf">http://assembly.nl.ca/pdf/MCRCReport2016.pdf</a> 0 displayed for previously paid positions	Change +1.3% April 1	Changes approved Oct. 2016 - retroactive Oct. 1, 2014:2% 2015:1% 2016:1% and 2017:2%	No Change 0% Wage freeze for 2016/2017 Note* - only members beyond commuting distance to the capital are eligible	Change +1.4% April 1	Change +1.4% April 1