



**Legislative Assembly of Saskatchewan**

**BOARD OF INTERNAL ECONOMY**

**MINUTES AND VERBATIM REPORT**

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The Honourable H.H. Rolfes  
Speaker



No. 3 — WEDNESDAY, MAY 17, 1995

**BOARD OF INTERNAL ECONOMY  
1995**

Hon. Herman Rolfes, Chairperson  
Saskatoon Nutana

Hon. Carol Carson  
Melfort

Glenn Hagel  
Moose Jaw Palliser

Lynda Haverstock  
Saskatoon Greystone

Hon. Eldon Lautermilch  
Prince Albert Northcote

Rick Swenson  
Thunder Creek

Eric Upshall  
Humboldt

**MEETING #3 1995**

**BOARD OF INTERNAL ECONOMY**

**Room 10 Legislative Building  
8:44 a.m. Wednesday, May 17, 1995**

**Present: Members of the Board of Internal Economy**

Hon. Herman Rolfes, Chair  
Hon. Carol Carson  
Glenn Hagel, MLA  
Lynda Haverstock, MLA  
Hon. Eldon Lautermilch  
Rick Swenson, MLA  
Eric Upshall, MLA

**Staff to the Board**

Marilyn Borowski, Director, Financial Services  
Greg Putz, Deputy Clerk  
Gwenn Ronyk, Clerk  
Deborah Saum, Secretary

**Officials in Attendance**

Officials of the Legislative Assembly of Saskatchewan

Robert Cosman, Legislative Counsel and Law Clerk  
Janis Patrick, Financial Services

Members of the Independent Committee on MLA Salaries and Allowances:

Marguerite Gallaway, Member  
Arthur Wakabayashi, Member

**MINUTES** Ms. Haverstock clarified that the title of Mr. McDowell should be changed to Dr. McDowell, in the Minutes of Mtg. #2/95.

Moved by Ms. Haverstock, seconded by Mr. Lautermilch, that the Minutes of Meeting #2/95 be adopted. Agreed.

**AGENDA** Moved by Mr. Upshall, seconded by Ms. Haverstock:

That the proposed agenda be adopted.

The question being put, it was agreed to.

**ITEM 2** **Decision Item - Dissolution Guidelines: Approval of Revised Guidelines for MLA Allowances, Benefits, and Services, and for Caucus Funding and Services, during the Dissolution Period**

Moved by Mr. Hagel, seconded by Mr. Lautermilch:

That the proposed "Guidelines for MLA Allowances, Benefits, and Services after Dissolution (May 1995)" be adopted.

A debate arising and the question being put, it was agreed to.

Minute #1355

**HANDOUT ITEM** **Decision Item - Dissolution Procedures, Outstanding Office Equipment and Furniture Issues**  
**TO ITEM 2**

Moved by Mr. Lautermilch, seconded by Mr. Swenson:

That the proposed Dissolution Procedures, Outstanding Office Equipment and Furniture Issues be adopted.

A debate arising and the question being put, it was agreed to.

Minute #1356

## **ITEM 1**

### **Decision Item - Review of the Report of the Independent Committee on MLA Compensation (Salaries and Allowances) McDowell Report - continuation from Mtg. #2/95**

The Board agreed to continue the directive by directive review in order to raise issues of concern to Members regarding the proposed changes. The comments and proposed directives would then be referred back to the Independent Committee for further consideration.

#### **Directive #13.1 - Transition Allowance**

Moved by Mr. Lautermilch, seconded by Ms. Haverstock:

That the proposed Directive be amended, in order to reflect the changes the Board recommended at Mtg. #2/95, and adopted, in principle, as follows:

That, effective immediately, pursuant to s.50(3)(h) of "The Legislative Assembly and Executive Council Act", a Member who ceases to be a Member due to defeat at the polls, and who will not, for the four months immediately following such defeat, be receiving a superannuation allowance pursuant to "The Members of the Legislative Assembly Superannuation Act, 1979", shall be paid a transition allowance equal to one month's indemnity (as determined pursuant to Directive #21(2)) for each year of service to the Assembly, to a maximum of four months' indemnity.

A debate arising and the question being put, it was agreed to.

#### **Directive #14 - Per Diem Caucus Expense Allowance**

Moved by Ms. Haverstock, seconded by Mr. Lautermilch:

That Directive #14 be revoked due to cancellation of caucus per diem expense allowance, upon the implementation of the recommendations of the Independent Committee on MLA Compensation (Salaries and Allowances).

The question being put, it was agreed to.

#### **Directive #15 - Grant to the Office of the Leader of the Third Party**

Moved by Ms. Haverstock, seconded by Mr. Hagel:

That the Board adopt Directive #15, as amended, to reflect the recommendation of the Independent Committee on MLA Compensation (Salaries and Allowances).

The question being put, it was agreed to.

#### **Directive #16 - Malone Committee Report**

Moved by Ms. Haverstock, seconded by Mr. Lautermilch:

That Directive #16 be revoked on implementation of the report of the Independent Committee on MLA Compensation (Salaries and Allowances) - McDowell Report.

The question being put, it was agreed to.

#### **Directive #16.1 - Roll-Back of MLA 1991 Compensation Increase**

Moved by Ms. Haverstock, seconded by Ms. Carson:

That Directive #16.1 be revoked on implementation of the report of the Independent Committee on MLA Compensation (Salaries and Allowances) - McDowell Report.

**Directive #17 - Committee Per Diem and Expense**

Moved by Ms. Haverstock, seconded by Mr. Lautermilch:

That Directive #17 be revoked due to cancellation of committee per diem and expense, upon the implementation of the recommendations of the Independent Committee on MLA Compensation (Salaries and Allowances).

The question being put, it was agreed to.

**Directive #17.1 - Committee Per Diem and Expense Allowance**

Moved by Mr. Upshall, seconded by Mr. Swenson:

That the Board adopt, in principle, Directive #17.1 to reflect the recommendation of the Independent Committee on MLA Compensation (Salaries and Allowances).

A debate arising and the question being put, it was agreed to.

**Directive #18 - Speaker's Expense Allowance**

Moved by Mr. Lautermilch, seconded by Mr. Upshall:

That the Board adopt, in principle, Directive #18, as amended, to reflect the recommendation of the Independent Committee on MLA Compensation (Salaries and Allowances).

A debate arising and the question being put, it was agreed to.

**Directive #21 - Annual Indemnity and Allowances**

Moved by Mr. Hagel, seconded by Mr. Swenson:

That the Board adopt, in principle, Directive #21 to reflect the recommendation of the Independent Committee on MLA Compensation (Salaries and Allowances).

A debate arising and the question being put, it was agreed to.

**Directive #22 - Members' Accountability and Disclosure**

Moved by Mr. Lautermilch, seconded by Mr. Swenson:

That the Board adopt, in principle, Directive #22 to reflect the recommendation of the Independent Committee on MLA Compensation (Salaries and Allowances).

A debate arising and the question being put, it was agreed to.

**Directive #23 - Caucus Accountability and Disclosure**

Moved by Mr. Hagel, seconded by Mr. Swenson:

That the Board adopt, in principle, Directive #23 (Polling Day Version), as proposed, to reflect the recommendation of the Independent Committee on MLA Compensation (Salaries and Allowances).

A debate arising and the question being put, it was agreed to.

Moved by Mr. Lautermilch, seconded by Ms. Haverstock:

That the proposed directives arising from the recommendations of the Independent Committee on MLA

Compensation (Salaries and Allowances), together with the transcripts of the Debates and Proceedings (Hansard) from the Board of Internal Economy meetings of May 4 and 17, be referred to the Independent Committee for further consideration in light of the concerns expressed by Members during the Board's review of the aforementioned directives.

A debate arising and the question being put, it was agreed to.

The Board requested the Legislative Assembly Office to work with the Independent Committee on MLA Compensation (Salaries and Allowances) to assist in drafting the Directives, in keeping with the intentions of the Committee.

### **ITEM 3**

#### **Decision Item - Consideration of the Provincial Auditor's "Memorandum of Audit Observations" on the Legislative Assembly Audit for the period Jan. 1, 1993 to Dec. 31, 1994**

Moved by Hagel, seconded by Ms. Haverstock:

That the Clerk write to the Provincial Auditor informing him that many of the suggestions in the "Memorandum of Audit Observations" are being considered by the Board of Internal Economy in its review and implementation of the recommendations of the Independent Committee on MLA Compensation (Salaries and Allowances).

A debate arising and the question being put, it was agreed to.

The Board clarified its intentions that none of the proposed directives would be implemented until the Board receives and considers the further report from the Independent Committee on MLA Compensation (Salaries and Allowances).

The Board was reminded that the Independent Committee on MLA Compensation (Salaries and Allowances) ceases to exist, as per The Legislative Assembly and Executive Council Act, six months after reporting to the Legislative Assembly (September 30, 1995).

The Board directed the Legislative Assembly to continue to pay remuneration to the Independent Committee on MLA Compensation (Salaries and Allowances) based on the original proposed budget.

### **ITEM 4**

#### **Decision Item - Adoption of Partisan Content Guidelines for MLA Communication Allowance**

The Board agreed to refer the above proposal to the Independent Committee on MLA Compensation (Salaries and Allowances).

At 11:01 a.m., on the motion of Ms. Haverstock, the meeting was adjourned.

**BOARD OF INTERNAL ECONOMY**  
**May 17, 1995**

**The Chairperson:** — We do have a quorum here this morning and I would like to first of all welcome you here and welcome Mr. Wakabayashi and Ms. Gallaway here this morning.

Let me send regrets from Stirling McDowell. He was in touch with me this morning and regrets that he was not able to be here this morning and I will take part of that blame for it because when I spoke to him about 10 days ago or so, before our last meeting, I had been under the impression that we would not be able to have another meeting and I'd indicated that to him and he had made plans on that advice. So it's not Stirling's fault that he was unable to be here. He simply took my advice and I was wrong.

**Mr. Hagel:** — Some of us have learned that a long time ago, Mr. Speaker.

**The Chairperson:** — That you can be wrong. I have noticed that, Mr. Hagel, from time to time. But what I would like to do is start the meeting and go through the . . . accept the agenda and the minutes and then ask for a change in the order of the agenda until Mr. Swenson arrives so that we can then go back to item no. 1.

So let us begin by turning to the minutes of our last meeting and you will find them of course under your tag, entitled: minutes. Yes, we thought we wouldn't confuse you this morning and put them under the right headings.

So if you turn to that. Are there any errors or omissions or . . .

**Ms. Haverstock:** — Very minor and I think perhaps it's just protocol. On page 3, item 2, I think Mr. McDowell should be referred to as Dr. McDowell. That's it.

**The Chairperson:** — Okay, sure. Okay, are there any other errors or omissions? If not, could I have someone move the minutes? Ms. Haverstock, seconded by Mr. Lautermilch. All in favour? Carried.

Now let us turn to the agenda and the items are before you, items 1 to 4. Are there any additions to the agenda? If not, I would suggest that we change the order of the agenda this morning and deal with item 2 first. And then when Mr. Swenson arrives or when we finish item 2, then turn to item 1. Okay? Would that be agreed?

All right, let us then . . . Can I have someone move that we adopt the agenda as amended by myself? Mr. Upshall, seconded by Ms. Haverstock. All in favour? Agreed. Let us turn then to item 2.

We have sent out the guidelines for dissolution and I just want to draw your attention that they are basically the same as they were in 1991 with, I think, a couple of changes. And you should note that the two changes that we have recommended is the payment of constituency assistants up to and including dissolution day and also for the expenses incurred on

telephones up to and including dissolution day. To me it seemed to make sense to do that, and those are a couple of changes that have been incorporated in the guidelines for dissolution.

I would like to also remind members that if there are any other changes in the guidelines, they are made as a consequence of directives that were changed by the board since 1991. Naturally those would have to be incorporated. Other than that, I don't think there are any real changes.

Are there any questions on those guidelines?

**Mr. Hagel:** — Yes, well you've answered my first question with your last comment. As I go through this, there were . . .

**The Chairperson:** — If members . . . when you're referring to those guidelines, will you just tell us what page you are on and what item you're on, and it's so easier for everybody to find it.

**Mr. Hagel:** — Well I'm all over the place here, Mr. Speaker . . .

**The Chairperson:** — Well that's what I was thinking it probably would be . . .

**Mr. Hagel:** — It will be no surprise to you.

**The Chairperson:** — But your name is Mr. Hagel, isn't it?

**Mr. Hagel:** — That's right.

**The Chairperson:** — Well, okay. No, if you can just tell us what page you're on.

**Mr. Hagel:** — Well just for example, on page 2, but as I go through this there is a small number of places that I see bold print, and then there are a number of places where I recognize changes have been made consistent with directives adopted previously, as well as the two that you just referred to regarding the payment for telephone and constituency assistant. And so what I'm wondering here is what is the significance of the bold print in some places and changes in other places not in bold print?

**The Chairperson:** — For emphasis.

**Mr. Hagel:** — But this is new emphasis?

**The Chairperson:** — No.

**Mr. Hagel:** — Or this was in the previous . . .

**The Chairperson:** — It was . . . No, most of these were in the previous one, but we thought to highlight it for the members that there was no . . . And by the way the old one was set out. You can cross-check with the old one.

**Mr. Hagel:** — Yes, I notice the new sections and so on.

**The Chairperson:** — Yes.

**Mr. Hagel:** — But this new one has not been distributed beyond the members of the board here so far?

**The Chairperson:** — Oh yes, it has.

**Mr. Hagel:** — The new version?

**The Chairperson:** — Yes.

**Mr. Hagel:** — Okay.

**The Chairperson:** — Yes. All your constituency assistants will have it.

**Mr. Hagel:** — And they also have the old version? What has been distributed? Just the new version?

**The Chairperson:** — No, they just have the new one.

**Mr. Hagel:** — Okay, so we're not going to get confusion with two of them.

**The Chairperson:** — Well they may have the old one. We didn't send it out.

**Mr. Hagel:** — Right.

**The Chairperson:** — That doesn't mean they wouldn't have it from previous elections.

**Mr. Hagel:** — Right. No, I'm just talking in terms of recently distributed.

**The Chairperson:** — Right.

**Mr. Hagel:** — Good.

Mr. Speaker, if I may just . . . one point of clarification then that wasn't clear to me from here as I went through it. For members who have equipment leased that's in their constituency offices being used for constituency purposes, but the lease is in their personal name. And there are some members who, because of the rules that existed at the beginning of the term, are in that circumstance. So the name of the lease is not Property Management and they are personally liable for the payment of that lease during the election period.

Are they eligible to have that lease covered for that period? I think it's clear that once the election is over, that the continuation of it will be covered by the Legislative Assembly.

**The Chairperson:** — Mr. Hagel, if the Legislative Assembly has been paying for that lease through the communications allowance or any other allowance, that allowance will continue during the period of dissolution and the member is not personally responsible.

**Mr. Hagel:** — For any continuation of contracts?

**The Chairperson:** — That's correct. If it has been paid out of . . . if it had been paid out of allowances before, that will continue.

**Mr. Hagel:** — Okay, thank you.

**A Member:** — But they're not to use it during a campaign.

**The Chairperson:** — Oh no, but it's just understood that they can't use it during a campaign.

**Mr. Hagel:** — That's clear, that's understood.

**The Chairperson:** — Okay, I just assumed that, yes.

**Mr. Hagel:** — You assumed it correctly.

**The Chairperson:** — Before we leave these guidelines, there should be a motion that the board adopts these guidelines for dissolution. Moved by Mr. Hagel. Seconded by Mr. Lautermilch. Any further discussion on these guidelines for dissolution?

If not, all those in favour of adopting the guidelines for dissolution as presented? Opposed? Carried.

Now there's one further item. Last night it was hand delivered to you. Dissolution procedures, outstanding office equipment and furniture issues. Does the board want to deal with those now or does the board want to deal with those later on in the meeting? We could do it right now and finish this particular topic, or we could do it later on. What is the wish of the members? Deal with it now? Okay, let's deal with it now then.

I assume you've had an opportunity to go through the materials that were presented to you last night or delivered to you last night.

**Mr. Lautermilch:** — Mr. Speaker, would you maybe take us through this, because I know members received these last evening and maybe it would be good if you would take us through them.

**The Chairperson:** — Okay. If members don't mind, I will ask Gwenn Ronyk to take you through these in detail, and if there's any further explanation on policy, I think I can make an explanation on that. Gwenn is more familiar with the details on it than I am, so if members don't mind, I'll ask Gwenn to take you through it. Gwenn?

**Ms. Ronyk:** — The details of this item has been put forward to deal with some of the loan issues that are in place at the moment. We have several kinds of loans that members found necessary to establish and furnish and equip their offices after the last election. And also there were certain circumstances where members purchased or paid for equipment and furnishings out of their own pockets. And these



recommendations deal with those situations.

It's set up in the same format as your dissolution guideline book where we talk about members who are not seeking re-election, members who are seeking re-election; and if they're elected, what happens; if they're defeated, what happens. And the last section is on members with personal funds involved.

In directive #5, the constituency office directive, it provides for newly elected members to arrange for loan financing for the purchase of constituency office equipment and furnishings.

And I think the first part is basically a report to you here, that 18 members used this provision; and that as of May 1995, all of these loan arrangements have been either completed, they've been paid off, or they have been converted to another category of SPMC (Saskatchewan Property Management Corporation) loans.

Last year we made arrangements with SPMC to take over the equipment that is outstanding . . . under outstanding loans for certain members, because the board had already agreed in principle that we would be moving to the provision of a standard set of office furniture and equipment, and that material would then be owned by the province and not by the member.

Under the SPMC loan situation there are only four members involved in that, and a good part of those loans have been paid off as well. What will happen there is that if all the members that are . . . the four members that are involved are seeking re-election. If they are re-elected their payments will just continue to be made to SPMC out of their allowances. If they are not re-elected, then the Legislative Assembly will take up the remainder of the loan, and the member, who is now a former member, will not be liable for that. And we will own and keep the equipment and furnishings. If one of those members is defeated at an election, I've just said that we would take over the loan.

The total of money outstanding on those four SPMC loans is about \$8,000, so it's not very large money at this point, and will be paid off fairly soon for some of those.

The other item then is members who have personal funds outstanding, who maybe have purchased something personally, some equipment or furnishings. And when the policy was changed in June 1993, the board actually made the decision in principle to not allow members to own any equipment and furnishings purchased under their allowances in December '92.

But the details of that was worked out and amendments to the directives were finally distributed to members and made effective June 1993. So we picked June 1993; even though members knew about the change in policy prior to that, they really did not have the written documentation in their hands.

So as of June 1993, we see that as a bit of a cut-off time. If members incurred personal funds prior to that, it was because they were under the understanding that if they needed

something in their office and they didn't have enough funds in their office allowance that it maybe made sense to them to buy it because they were going to own anyway eventually.

But after June '93 when that policy was changed it was clear that members were not going to be able to own anything, and they did have the opportunity then to come forward and indicate where — with receipts and so on — where they had made personal expenditures and arrange for those to be deducted and paid back out of their future allowances as they became eligible for them.

If there are still any outstanding loans that were incurred prior to June '93, then we will deal with those on a case-by-case basis to ensure that they are paid off, the member is not liable, and that we will then own the goods and service . . . or the goods that were purchased.

Subsequent to June 30, '93, if members did incur personal expenses, we feel that those will remain the expense, the personal liability, of the member, because they knew at that time that the equipment and the furnishings would be the property of the Assembly from there on. And that if they had to spend personal money it was because they were overspending and that it wouldn't be fair to other members who lived within their allowances to cover the expenses of members who knowingly overspent.

Any questions?

**The Chairperson:** — Okay. Could we have someone move a motion that we adopt the presentation . . . (inaudible) . . . office equipment and furniture. Moved by Mr. Lautermilch, seconded by Mr. Swenson.

**Mr. Hagel:** — Just one question.

**The Chairperson:** — Yes.

**Mr. Hagel:** — If I can just get this clear then, Gwenn. Since June 30, '93, if a member was purchasing equipment for use in constituency office out of personal funds, using the equipment there, partially paid for through allowances since that time but not completely paid for, just clarify for me again if you would, what's the status of that? Or well maybe . . . do we have anybody in that position?

**The Chairperson:** — Well in some instances . . .

**Ms. Ronyk:** — We don't know that we have.

**The Chairperson:** — In some instances we just don't know that.

**Mr. Hagel:** — Right, okay.

**The Chairperson:** — But if it should be, after the election . . . Let's say individual A spent beyond their allowance and after the election that person is defeated and says well, it's not my

responsibility, it's Legislative Assembly's responsibility. Well we're saying no, because you knew as of June 30, 1993, that these properties would revert to the Legislative Assembly and you would not be personally owning them; therefore you are person responsible.

We don't know. There may not be anybody. We just don't want someone to come back at us after the election. So there may not be anybody. We don't know that. We wouldn't know that.

**Ms. Ronyk:** — It would be very unlikely that we would have been paying a member for an expense they incurred without us knowing what the arrangement was, and so I doubt that there are too many of those. If indeed we've already spent some public funds on some equipment, then we will deal with those on a case-by-case basis. It doesn't make any sense to us to lose something we've already spent some money on, and it may be sensible to spend the rest and retain it.

**Mr. Hagel:** — So it's case by case, but as far as you know, there aren't any.

**The Chairperson:** — That's right. There should not be any, but who knows? I mean we just don't know that. But we want to cover ourselves.

Okay. All those in favour of the motion. Thank you.

Now, ladies and gentlemen, let us revert back to item no. 1 on the agenda, and that is the review of *The Report of the Independent Committee on MLA Compensation*. And, ladies and gentlemen, I think you are aware that last day when we dealt with it, we did deal with a number of issues and we dealt with directive 1.1, directive #3, directive #5, directives #7, 8, 10, and 11. All those have been dealt with by the board.

I would now direct your attention to directive 13.1. And I think you . . . yes, there is 13.1. And I think you . . . not only think, I know you got a package last night on directive 13.1 and the changes, the amendments that were incorporated to reflect the discussion, I think, that went on here last meeting and also to reflect more appropriately the recommendations that were made by the committee, the independent committee.

I think what we should do, as we did last time . . . we have two members of the committee here, and it may be advisable for us to ask them if they believe that the amendments as proposed reflect what the committee had intended. I think we did this last time. Or how do members want to deal with this? Okay?

**A Member:** — Yes.

**The Chairperson:** — Then I'll ask . . . I think you have a copy of the . . . Anyone want to comment on this?

**Ms. Gallaway:** — I would like to suggest that this is probably appropriate for our committee, that it was never intended to create difficulty for those who may be eligible but were not ready to take a pension. However the point was that they not be

taking it at the same time, and I think this settles that point.

**The Chairperson:** — Is that okay?

**Hon. Mr. Lautermilch:** — Yes, Mr. Speaker, if I could, I'd just like to, I guess, make a few comments before we proceed on a directive-by-directive basis. I think with respect to time . . . and I know we all have heavy agendas. And I'm concerned that if this process slows down that we may have some difficulty getting through the directives today and I guess I want to make a suggestion in terms of the process.

Mr. Speaker, the board met May 4 and we've reviewed some of the recommendations of the McDowell report and we adopted in principle, the findings of the independent committee with respect to salaries and allowances. We then moved on to review the directives that were prepared by the Clerk's office to see if they were in keeping with the intent and the spirit of the McDowell recommendations. And we didn't get through them the last time and so we were able to reschedule a meeting for today.

And as that meeting drew to an end, I recall . . . and the member from the third party suggested, that members from government, from the opposition, and herself, get together to share some of the concerns that we've had and that they have had in terms of the directives and that we do that prior to the next meeting of the board.

We have met. We've had, I think, some very fruitful discussions this week and we all outlined and I think agreed. It's safe to say that we agreed that we had some areas of concern. And I want to say from the outset that all of us support . . . and I certainly don't intend to speak on behalf of the opposition member nor Ms. Haverstock, but I think we all will agree that the work of the McDowell committee has been very positive.

It's been a difficult job in reviewing the issues surrounding the salaries and allowances and that their recommendations have been a very positive first step towards better accountability, better scrutiny of the system under which we work as MLAs (Member of the Legislative Assembly).

And just you know, I guess if I cite an example, their recommendations with respect to salaries, per diems, have been very positive. But we found that there were some areas that we thought needed further examination and clarification. Some of the areas were identified last time. And for example, Ms. Haverstock noted that the communications allowance and the caucus grants have not been addressed to her satisfaction and expressed some concern over the reporting requirements in terms of procedure.

And there was also a concern with respect to indexing of some expenses and whether or not they would be appropriate given certain circumstances. And there were some concerns raised with respect to the \$200-a-day deduction for non-attendance to the legislature and whether or not it was appropriate and whether it was, I guess, equally fair for members who live in

close proximity to the legislature as opposed to those who live a little further away. And I think we can all agree that we want MLAs to be treated fairly and equally no matter where they live.

I think that being said, I think that it needs to be the recommendation of the Board of Internal Economy that we examine each of these directives, go through them, raise our concerns and our questions, and then at the end we ask the McDowell committee to review the directives as a package, noting our concerns, and then, working with the Clerk's office, report back to the Board of Internal Economy so that we can ensure that we have some finality to these directives they're drafting, and that we have some long-term benefits with them.

I think it's safe to say that we all feel that the committee has done good work and that the work of the committee must continue. We've got a good start, but I think it's important that these directives reflect their recommendations. And I think in subsequent terms of governments, the public want to be and need to be assured that their officials are using the public trust given to them in the appropriate fashion.

So I'm thinking maybe, to speed the process for today in terms of reviewing the directives, if we could go through them and maybe members could raise their concerns in terms of the directives as we go through them. And that might speed the process up a bit.

And the McDowell commission would then look at them in their totality when we have completed going through the directives and could then report back to the board after having viewed all of the concerns in terms of, I guess, making the accountability process there and the concerns of members, addressing them through the directives as they would be drafted, working with the Clerk's office as they have done in the past.

**Mr. Swenson:** — Thank you, Mr. Chairman. I agree with Mr. Lautermilch in that the intent of this commission and its exercises has been good. And for us to go through dissolution and not have this thing have the stamp of approval would in my view be a terrible waste.

But there's areas in there that, as Eldon has said, that need further work. And there was very little in the way . . . and I can appreciate that the bigger parameters that the commission were looking at had to be addressed, but that whole communication area, in my view, is still far too broad. And I think in discussions with Ms. Haverstock and Mr. Lautermilch, they agree that that be the case.

There's the issue surrounding the caucus funds and how that reporting is done. And there's an issue surrounding the reporting of travel that all of us feel are not in a present state that is conducive to us as members and the members of the future having a sort of a clear mandate on how to conduct their business.

Rather than sort of throw the whole thing out and go through dissolution, it's important that we identify and . . . as I understand it, you're still on the payroll, Art.

So that being the case, we can ask the commission to bring back some ideas, marry that with the Clerk's office, and come up with some reasonable solutions. And those of you lucky enough to get elected in the next election can come back and finish it off.

**Ms. Haverstock:** — I would just like some clarification from the Clerk's office. My understanding is that the Board of Internal Economy had requested in the past that there be an examination of everything from communication allowances and the way in which other legislatures function. Was a comparison done? Was that information collected? And do we have the results?

**Ms. Ronyk:** — Yes, that was requested last year and an extensive survey was conducted. And it was tabled in the board last fall and it's in a black binder.

**Ms. Haverstock:** — That's right.

**Ms. Ronyk:** — I have it with me, I think.

**Ms. Haverstock:** — That's fine. What I'm really getting at here is that there has been substantial amounts of work done to date, and I think that that could facilitate this whole process a great deal rather than having the commission . . . the committee working from square one. It appears that we've anticipated this already and that a good deal of work has been completed.

So I think that that might expedite the process a great deal, that there is comparisons available. We know some of the issues that have been faced in Saskatchewan already. And I think that we have tremendous expertise in the Clerk's office — people who have had to search out this information for many different reasons and had to even testify under certain circumstances. So I just think that the most valuable resource we have is in this very building on these issues.

**The Chairperson:** — Yes, I appreciate the suggestions of members of the board. I would like to caution members that I think there are certain issues we do have to deal with because they are imminent. And, for example, the transition allowance, I assume the board is going to deal with that because it will affect members very shortly, I think. I'm not certain of that but if the writ is dropped, you know, it will affect certain members, and does the board want to deal with that particular item.

Secondly, the board has to give us some guidance as to what they want to do with equipment and furnishings. We just need to deal with that within the next little while. So the board has to give us some guidance in that sense. The other issues, I think, yes. There may be one or two other issues that I can't recall right now. I think the others, yes. The Clerk's office . . . and we have a lot of information has been gathered. You're right. We can sit down with the members of the independent committee

and bring something back to the board. Just when, I don't know. I mean the members will have to decide that.

But I personally think that it can't be delayed too long if an election should be called because there's going to be utter confusion after the return of the writ as to: do we deal with the old issues; do we adopt some of the new ones; or how do we deal with it? So I would think, for clarification purposes, we have to deal with it very quickly. And we can do that too.

**Hon. Mr. Lautermilch:** — Yes, Mr. Speaker, I think what is important here is that we maintain the work and the involvement of the independent committee as these directives are drafted.

One of the reasons I think that members agreed that we appoint an independent committee was because it's always been a struggle at this board, and we've always had an internal struggle to ensure that whatever we put together has some degree of finality; that it is done in an independent fashion, and that it will assist members in doing their jobs and reporting their expenditures in an appropriate fashion.

I think what is really critical here is that the work that has been done by the Clerk's office, working together with the independent commission, that whatever comes back here, and whenever it would come back to this board, that the work of that commission is reflected in how those directives are worded.

We have a set of directives right now that we operate under. And I don't know, and no one at this board knows when an election's going to be called. And one can speculate that it'll be called in a week, two weeks, whatever. I mean you can speculate whatever you want.

What I think is important is that the independent commission have the opportunity to do their work and do it with whatever time that they require. With respect to new initiatives that may be recommended by the independent commission, I don't think it's critical, if an election were to be called, that there be a transition in place. I don't know that members can't live without that.

And if in fact an election were to be called before the independent commission could report back to this board, there is nothing that would preclude the board in the future looking at this new package of directives. And if retroactivity was a decision, they could do that. I don't know that a board would do that, and I'm not going to second-guess what that would be.

But all I'm saying is that we have a set of directives in place that we can live with. And I would suggest whatever time it takes to put these new directives in place, we take. I don't know that there is any major reason for rush. We have a set of directives, as I have said, that we operate under. And if there is a review, there's no reason why we couldn't go through a transition with the existing regulations or directives until reported back by the independent commission.

I mean we've gone through transition before with these rules in place that we're working under. What is important here is that we have a good reporting mechanism and that members are comfortable with how the scrutiny of their expenditures is done; and that they're comfortable that that process has had due diligence and it's something that is going to be a long-term solution and not ad hoc or in short term.

I mean I go through these recommendations here, or the directives, and when I look at the number of times that they've been amended over the years, we haven't been able to do it here. And there's still some concerns. So I say that the agreement that we would send these back to the Clerk's office and to the independent commission, to my mind, only would make sense.

And if members have other comments on that, you know, I'd be willing to listen. But I mean certainly that would be my feeling, having sat on this board for a number of years. I think we all want some finality to this thing, and the timing of an election I think is, to my mind, irrelevant. The work of this board will go on whether it be with these members or others. But it's a board that will continue to function.

And I think those of us who have spent some time here and know some of the problems that we've encountered would want to have some input today and have that reflected in what comes back from the Clerk's office and the independent commission.

**The Chairperson:** — Mr. Lautermilch, I hope my comments didn't mean that I was disagreeing with what the board was doing. I was just outlining some of the concerns that I had. The board can decide whatever it wishes and now I just want some clarification so that we know under what rules we are to operate. That's all I want.

I think we need some clear indication from the board that the old directives stay in place until the board adopts the new. Is that correct?

**Hon. Mr. Lautermilch:** — Is it not the process that before new directives — these directives that are put before us — would be adopted there needs to be an overall motion to that effect? Is that not the process that we've used in the past, Gwenn? Maybe you can describe the process that would happen to put these into effect.

**The Chairperson:** — No, that is our understanding. Yes, that certainly is our understanding.

The reason I brought up the transition allowance, because there's been some concern expressed by members and I thought that was a high priority of members that this transition allowance should be in place before the next election is called. If that is not the wish of the board that . . . I mean I'm not pressing one way or the other. It was just my understanding that there was some urgency in addressing that issue. If there isn't, that's fine.

**Hon. Mr. Lautermilch:** — Well I think the urgency here is that we have some long-term solutions. And it may be a difficulty for one member or another, I don't know that. But I think in view of this we want to deal with this as a package and we want to ensure that we have a long-standing and a long-lasting solution to some of the problems that we're identifying here as we go through these directives. And I mean it may be an inconvenience to some members that they may not have a transition allowance if the House should dissolve. Well I think then that should be the way it is.

But the concern here is not . . . and I can say that I don't know the transition has been a major priority of any member that I know. I think the concern of the members is accountability on communications and what's acceptable on communications, travel, and how you report, and assistance for members to be able to keep their house in order.

That's what I think the . . . those are the main concerns here as I know them. And I just believe that's the process we should use.

**The Chairperson:** — Mr. Lautermilch, let me just make . . . I would like to make a suggestion to the board that we do not piecemeal accept the independent committee's report, that we — and I'm basically agreeing with you — that we review the whole thing and accept it as a package. Whether that comes today or comes a month from now, or three months from now, or whatever it is, I think that the committee did their job and they did it not in isolation of each individual item but as a package.

And I think the board would not be wise in accepting individual things of the committee and then not accept the whole committee's report.

**Ms. Haverstock:** — I just would like some clarification. We've already approved some items. Correct? We did last week. And I'm understanding that what you were talking about initially were those things that were not addressed as fully as we would want or not addressed at all in terms of communication allowances, caucus grants, and how complex it will be without a standardized system for being able to document travel. Am I on the right page here? So that's one of the things we're saying we would like to see addressed.

Are you also saying then that we won't be going through . . . are you recommending that we not go through directive by directive then this morning? You're recommending we . . .

**Hon. Mr. Lautermilch:** — No, what I'm recommending, Ms. Haverstock, is that we go through directive by directive and we outline our concerns. And I've indicated one of the directives that we're not dealing with is communications because it's not part of this motion; but that we look at these directives, raise our concerns here today and send those back to the Clerk's office with our concerns.

And *Hansard* will be there clearly to guide the Clerk's office and the independent commission with our concerns. But send

the package back, because one change in one area can have impact on another, as we've already experienced in terms of the directives.

So my suggestion is, first of all, we've agreed to the McDowell principle . . . or the McDowell report in principle. We've agreed to the principles of it. I'm suggesting that we go through these motion by motion, put on *Hansard* our list of concerns so that the commission and the Clerk's office will have a record of where we think things need to be tightened up or that reporting should be enhanced, and that we then move a motion to send all of the directives, as a package . . .

And I can read a motion in if you'd like. I've drafted one and I might just, if you want, read it into the record. Because it's one that I think we should move after we've gone through these directives this morning, and hopefully we can get through them.

But I guess what I'll do is rather than move it now, but I'll just read in what my suggestion will be:

That the directives arising from the recommendations of the independent committee on members' salaries and allowances, together with the transcripts of debates and proceedings, *Hansard*, from the Board of Internal Economy meetings of May 4 and May 17, be referred to the independent committee for further consideration in light of the concerns expressed by members during the board's review of the aforementioned directives.

So what we would in essence be doing is saying we've agreed in principle; we've looked at all of these; these are the concerns we have with them. You know, we'll accept the directives. We would like to send this back as a package and have McDowell review, working with the Clerk's office, and come back to tighten up some of these areas — but looking at it as a whole package.

And I think that was the tone of our discussion when we met in the legislature — Mr. Swenson, myself, and you — and that that was our intention and our feeling as members of the government.

**Ms. Haverstock:** — My confusion was I was left with the impression we weren't going to continue to proceed this morning.

**Hon. Mr. Lautermilch:** — Oh no. I think that discussion clearly needs to take place because there are a number of areas of concern. And since we didn't have time to meet prior to discuss, I guess hopefully we can go through them and just each raise our concerns in a, you know, concise sort of fashion.

**The Chairperson:** — Yes, I think maybe we should . . . because of time constraints, I think we should get at the issue. And I think now we know what direction we want to follow. Thanks for the clarifications. I just didn't know just what direction we were going here so . . . I think we can . . .

And I do want to draw members' attention to the minutes, what we have said, that the board agreed to consider each proposed agenda . . . amended directive, then revoke the old directives at the conclusion of the review. So none of these really are accepted until at the end we have an overall motion to revoke and accept. So the board is correct in that.

**Hon. Mr. Lautermilch:** — I guess, Mr. Speaker, I would . . .

**The Chairperson:** — Are we going to go back to the first directive so members can state their concerns so that they . . . or how do you want to deal with these? Are there other concerns on all of the directives? I'll have to take my guidance from you people on this so that the Clerk's office and the committee members know what to address.

**Hon. Mr. Lautermilch:** — Okay, I think from our perspective, we have done . . . we're up to directive — what are we? — at 13. And I personally have nothing to raise in terms of the first one, other than to say that item 3, the communications one, needs to be addressed. And we have some comments that we can make at the end with respect to communications. If other members have some that they would want to speak to . . .

**Mr. Upshall:** — Well just that there were some concerns brought up, and they were recorded in *Hansard*, so I think that . . .

**Hon. Mr. Lautermilch:** — Some already have been.

**Mr. Upshall:** — Mr. Lautermilch was referring to . . .

**The Chairperson:** — We will go through those.

**Mr. Upshall:** — Yes.

**Hon. Mr. Lautermilch:** — But I think if we could just go through on a directive by directive, and then if members want to raise . . .

**The Chairperson:** — Starting with 13?

**Hon. Mr. Lautermilch:** — Let's start with 13, would be my suggestion, if members agree.

**The Chairperson:** — Okay, fine.

**Ms. Haverstock:** — I'll begin with 13.1 then. The issues that I raised last day, there are, as I see, three motions included before the new directive has been put down. And this makes now, with the first motion, a severance payable to any member currently sitting. It clarifies the meaning of the original proposal which I had raised last day that I was concerned about.

And the second being that it was originally worded that the severance would have been paid on full salary and not just MLA portion. So that's been dealt with. And the third one was of course was the issue raised by you, Mr. Hagel.

So if we're looking at this directive 13.1 as amended, I find that it has addressed all of the things that were raised last day.

**The Chairperson:** — Anybody else have any further comments on 13.1? No further comments? There are no motions or anything I think needed at this time since we're just looking at and accepting members' comments or recommendations to the working committee.

**Hon. Mr. Lautermilch:** — Mr. Speaker, how did we handle these in the previous meeting? Did we not vote on them? I think we did, and I think we should vote on them because I think what we all want is to clarify and to make very clear that the intent of these directives is in keeping with, first of all, the independent committee, but secondly that we are supportive of these initiatives. And so I think it would be fair that we would have a vote on them.

**Mr. Hagel:** — I don't think we're very clearly wanting the independent committee to know that we're starting from this point, and this is acceptable and whatever changes they see appropriate. You have a very clear starting point.

**Hon. Mr. Lautermilch:** — And I think that's what we're trying . . . (inaudible) . . .

**The Chairperson:** — Well, ladies and gentlemen, if I could suggest, you have an amended directive before you. If that amended directive is acceptable to the committee, then I . . . (inaudible interjection) . . . yes, somebody should move a motion that we accept that amended directive which we have given to you.

**Hon. Mr. Lautermilch:** — I'll move.

**The Chairperson:** — Moved by Mr. Lautermilch, seconded by Ms. Haverstock.

**Mr. Hagel:** — This is the one on the fourth page then, fifth page, the one on the fifth page?

**The Chairperson:** — Oh, I don't know where it is.

**Mr. Hagel:** — The last page, the last page of last night's paper.

**The Chairperson:** — It starts out with: effective immediately . . .

**Mr. Hagel:** — Right.

**The Chairperson:** — Okay.

**Mr. Hagel:** — A question on this, Mr. Speaker. I wasn't sure what I heard you say before. Did you say that if this one . . .

**The Chairperson:** — It will not be effective.

**Mr. Hagel:** — . . . is not adopted prior to dissolution, that it cannot be put in place, it cannot be honoured retroactively?

**The Chairperson:** — That's right. The board has no authority to do anything retroactively. The board must go back to the legislature.

**Hon. Mr. Lautermilch:** — If it's required.

**The Chairperson:** — That's right. If you want to do something retroactively you must go back to the legislature.

**Hon. Mr. Lautermilch:** — I think we understand that. Right? Okay.

**The Chairperson:** — All those in favour of the amended directive? Carried.

I believe the next substantial one that you want to deal with is directive 17.

**Mr. Hagel:** — Why wouldn't it be 14, 15, 16?

**The Chairperson:** — Well why are we going back — 14 is revoked by the board. Those are the per diems.

**Ms. Haverstock:** — Why don't we just read these into the record. And I will, Mr. Speaker, say directive 14 is simply being revoked due to the cancellation of the per diem caucus expense allowance. So the amendment is . . .

**The Chairperson:** — Okay. That's fine.

**Ms. Haverstock:** — Directive #15.

**The Chairperson:** — You're on 14, are you?

**Ms. Haverstock:** — I've finished 14.

**The Chairperson:** — No, but we have to vote on it. We can't just . . .

**Ms. Haverstock:** — Oh, okay. Let's vote on it.

**The Chairperson:** — You've moved it. Do we have a seconder? Mr. Lautermilch. Any discussion? All in favour? Great.

Directive 15. Well the only changes here, ladies and gentlemen, you note, is the increase or decrease as it pertains to the consumer price index. Do we have a mover? Mr. Hagel. Is there any further discussion? All in favour? Great.

**The Chairperson:** — Now what's 16? We have to revoke in the report, right?

**Ms. Haverstock:** — We'll just state this directive is being revoked as recommended by the McDowell committee to override the Malone committee.

**The Chairperson:** — That's correct. Moved by Ms. Haverstock, seconded by Mr. Swenson. Any further discussion?

All those in favour? Great.

Now we are at 16.1. Because the new ones come into effect, we have to revoke the old ones.

**Hon. Mr. Lautermilch:** — I think for clarification, Mr. Speaker, let me go back to 14. The revocation of this, and this is all sent back to the independent commission, and to the Clerk's office, will mean that we still operate under the existing directives, which is basically what this directive says, directive 14. So that will remain in place although we've indicated that it will be revoked.

**The Chairperson:** — Okay. That's right.

**Hon. Mr. Lautermilch:** — Are we comfortable with that?

**The Chairperson:** — That is correct. Okay.

I was going too fast here, I think, for the . . . (inaudible interjection) . . . No, you guys were all right. It's . . .

**Ms. Haverstock:** — Yes. Well 16.1 directive is being revoked, as it's cancelled the old cost of living increase as recommended by the Malone committee.

**The Chairperson:** — Yes. That's correct. Moved by Ms. Haverstock, seconded by Ms. Carson, that directive 16.1 be revoked. Any discussion? All in favour? Agreed.

Now 17. Okay, 17, those are the per diems. All right. That is simply revoking the old committee per diem and expense and then in 17.1 we, I believe, address the new one. Yes. Could we have a motion to revoke 17? Moved by Ms. Haverstock, seconded by Mr. Lautermilch. Any discussion? All those in favour? Agreed.

Let's turn to 17.1, committee per diem and expense allowance. All right. Now do members wish to have any discussion on this and give the committee some recommendations or . . .

**Ms. Haverstock:** — I'll simply comment then for the sake of the record that this new provision allows for \$75 per diem for members who are on legislative committees, which was previously \$155, and for living expenses instead of per diems. So the indexing component is contained in section 3 which is similar to all previous directives.

**Mr. Wakabayashi:** — Mr. Speaker, there is one question that arose to us after we reviewed the directives, and I just mentioned it to Gwenn Ronyk this morning, and that had to do with \$75 per diem allowance, and it may be only a minor point.

When we put forward the recommendation of \$75 dollars per day, we were assuming it would be a taxable allowance, and that's why we had included it along with the schedule of allowances for extra duties, as an additional duty. We consider it an additional duty, therefore assume that the \$75 per day for committee would be taxable.

But then having looked at directive 17.1, which provides for, under subsection 1, a per diem allowance of \$75 for each day, it perhaps could be interpreted that this is a non-accountable allowance that could still be tax free as long as the MLAs' expense allowance and non-accountable allowance is less than half the indemnity . . . is considered tax free.

So it's possible the way this is drafted that the \$75 per diem allowance might in effect be tax free. Now it's not a major issue. It's just a question I thought I should put before the board . . . direction from the board as to whether the intent should be that the \$75 per diem allowance be taxable or not taxable.

**The Chairperson:** — Your intention was that it was taxable.

**Mr. Wakabayashi:** — Yes. Yes. The intent was it was.

**Hon. Mr. Lautermilch:** — Mr. Wakabayashi, if this is a taxable allowance, is that in keeping with the per diems of what the public service receive? Is theirs taxable? I'm trying to . . . this is why this so complex because it changes everything. And one part of one directive, an understanding or an interpretation, can have such a major impact on others, i.e., what happens and how does this impact on the pensions, and I don't know that. If it's taxable, is this then part of the pension?

And I mean these are the kinds of things that I think members have concerns about. You know . . .

**The Chairperson:** — Can I suggest that we look at what happens to other boards where . . . I don't think there is anything like that in the public service, but let's say for people who serve on boards, to see whether or not those are taxable. That's something that the committee can look at.

And if those are taxable for members who serve on other boards and agencies, then we can make that recommendation back to the board when we report.

**Ms. Gallaway:** — I would just like to comment that having it taxable is in keeping with the underlying principles which are outlined at the beginning of the report, that in general unaccountable expense allowances should be replaced by reimbursement.

And the whole foundation of our report was that we had, on consultation with members and with the public, assumed that it is a full-time position and would be paid as such. The \$75 was considered a top-up of salary because of the committee meetings being out of sessions, being an extra responsibility and burden.

So it certainly was inherent in our original discussions that that would be part of salary.

**Hon. Mr. Lautermilch:** — Okay, well it's recorded.

**The Chairperson:** — It's recorded, and we'll certainly report back to the board on what happens with other agencies. We

believe that they are taxable, but we're not certain of that and we'll certainly check that out.

**Mr. Hagel:** — Yes, I would certainly accept that and would simply add, I think that as the committee is doing its additional work that we're asking them to do, that there is . . . and I would hope that they would feel that their lines are open to all members of the board or others that you may wish to consult with further; that it shouldn't simply be a matter of having to receive submissions or that sort of thing; that these are things that you feel free to dialogue with us or other members as you're further refining your thinking on these.

**The Chairperson:** — Sorry for the delay. Are there any further questions or comments on 17.1? Could I have someone move that we accept 17.1? Mr. Upshall, seconded by Mr. Swenson. Pardon me?

**Mr. Hagel:** — Has that not been moved already?

**The Chairperson:** — No, no. All those . . . is there any further discussion? All those in favour? Thank you.

All right. Directive #18 — since I will no longer be the Speaker, maybe we should revoke that — no, just a joke.

**Mr. Hagel:** — The entire position, Mr. Speaker?

**The Chairperson:** — I would consider that.

**A Member:** — Retroactively?

**Mr. Hagel:** — Retroactively.

**The Chairperson:** — The board can't do anything retroactively; that's why I was safe in saying that.

**A Member:** — Oh, we know that.

**The Chairperson:** — Okay, effective . . . let me see, what is this? Okay. Could we have someone move that we accept the changes on directive 18? Mr. Lautermilch, a question? Yes.

**Hon. Mr. Lautermilch:** — If I could just . . . yes, I have some questions and I'm not sure what is meant under section (1)(a), "reasonable and actual disbursements for travel other than by private or government automobile." I'm not sure what's meant by that. I don't know how much that is.

**The Chairperson:** — Air travel, I think.

**Hon. Mr. Lautermilch:** — Well what is . . . I mean I don't know what fair is. And I think . . . you know, I mean it's just a matter of putting the concern on record and it'll, I'm assuming, be looked at, because I think that does need some clarification. I think what we want is some consistency here with respect to other members, and I think the Speaker will want that too.

**The Chairperson:** — Yes, if I could just make a clarification



or a point here. This is from the old directives and are also in the Act. These are the words that are taken right from the old directive and from the Act. I asked the same question yesterday, what does reasonable mean? And since the Speaker . . . pardon me?

**Mr. Swenson:** — First class air travel.

**The Chairperson:** — Oh no, I would hope not. I would hope not. But anyway, you make a good point. I will take that . . . we'll have a look at that. But it is . . . it's currently in the directive and also in the Act.

**Mr. Upshall:** — And I think the same applies to (1)(c).

**The Chairperson:** — Yes, okay. I think it should be . . . personally, I agree with you. I think it should be very similar to what we have accepted for other members, you know, what is acceptable for the Leader of the Opposition, what is acceptable to cabinet ministers, and so on. Okay?

Can we have someone move that we accept this? Mr. Lautermilch. Seconder? Mr. Upshall. Any further discussion? All in favour? Carried.

Okay, let's go to directive 21. And here I guess we have some concerns here. Could we have anybody . . . discussion, or is this not the one where we have concerns?

**A Member:** — Yes, we do.

**The Chairperson:** — Oh yes, yes, this is the one.

**Mr. Hagel:** — Well let me start here. In reference to the item (3) of this, with which I think we all agree with the principle, and my concern is the precise and accurate definition of when it applies.

As I listened and reviewed the comments of the committee members, of the independent committee members at the last meeting, I heard the phrase: conducting business in the role of an MLA. And I know that as I look at (3)(a)(ii), I am aware that the definition, those are two very precisely defined terms which do not encompass everything that is . . . would be my understanding of the role of an MLA.

And I just toss out some quick examples of role of an MLA that's not covered in item (2) — and I think in some ways I'm repeating myself here — one being an opposition critic who is absent from the Assembly and not in his or her constituency while carrying out the obligations as a critic. In opposition, critics in many ways have responsibilities similar to cabinet ministers in terms of contact with their constituencies of interest, that apply to either their role as an opposition member or as an opposition critic. And it, in my mind, is very, very legitimate for an opposition critic for example, to be away for a conference dealing with a critic area for two or three days, not here, doing their business, and it would be highly unfair that they would pay a fine of 4 or \$600 for attending to their critic

responsibilities in that way.

I'll just give another quick example. Just recently, and I guess this came to mind as well, having been the Chair of the Select Committee on Driving Safety, which then falls under the category of business of the Legislative Assembly, created by motion. But when the report was delivered to the Assembly, then officially at that moment the committee ceased to exist, and therefore the position of Chair of the committee also ceased to exist.

I was asked to make a presentation on the committee's findings and recommendations to a conference that involved a good number of Saskatchewan interests, but that kept me away from the Assembly for a day. So I was not on government business because it was not authorized by a minister; I was not on Legislative Assembly business, because the committee had dissolved; but was, I think, very clearly conducting business in the role of an MLA.

And then there would be the one that's harder to define but I think also legitimate, that can happen to opposition members who are there as representatives of Her Majesty's royal and loyal — I guess it's loyal, not royal — loyal opposition, not necessarily specific to the critic area but as a representative of the opposition.

There may also be, parallel to that, private members who are in attendance to duties as representatives of the government caucus. So this is not as easily defined as it might seem, and I think was part of the rationale why there was a legitimate category called other, that we currently use. That it recognized these things do happen and nobody's violating the intent here.

But as I look at this definition I think it's very important to think these things through. Other members, I think, want to raise some things related to the ease with which members can be here for a portion of the day, depending on how far you live from the capital city and that sort of thing.

So I just want to put those on the record for the consideration of the committee.

**Ms. Gallaway:** — Could I just ask if all of these positions where you're invited to be a speaker and so forth in your position as an MLA, then that precludes any honorarium?

**Mr. Hagel:** — That's right. No, I'm not aware of a single incident that would involve honorarium. In fact, I would be troubled by the fact if that was so. Quite the contrary.

**Ms. Gallaway:** — I assume so.

**Mr. Swenson:** — Usually they hit you up for something.

**Mr. Hagel:** — That's right. Yes, usually in the process you're buying something.

**Hon. Mr. Lautermilch:** — Ms. Gallaway, this is the process

that you're donating . . . (inaudible) . . . for a couple of hours and then you come home.

**Ms. Gallaway:** — I usually have some.

**Mr. Upshall:** — Yes, I just wanted to bring up a couple of points too, which reflects fairness, I guess. One is distance from Regina. If two members with identical circumstances, one living in Moose Jaw or near Regina and one living in Nipawin, let's say they had a sick child or whatever, and they had to take him to the hospital, and you find out the child is not really sick. The member from Nipawin misses a day, can't get down. The member that's near Regina is not deducted his \$200. So I would like you to address that problem of travel and distance in that.

And secondly, there's often circumstances where a member will be doing personal business or business that won't be related to the job, or be away and plan on a return for the evening session of the legislature beginning at 7 o'clock. And the way this wonderful world of this legislature works, often those sessions are cancelled. So the person is going to be deducted his \$200 even though good intent on being, you know, on the job and coming in to sit.

So those are two things that without going into any greater detail, I think you're going to get the drift of the problems that might arise on these circumstances.

**Ms. Haverstock:** — I'm sorry that I've missed some of the discussion in my absence, but there were three things I wanted to raise on this directive, one not dissimilar to your last concern, and that's regarding the loss of \$200 a day for absences — and this may have been raised in my absence — and that is that there is no mechanism for taking attendance. So based on what, is this going to be done?

**Hon. Mr. Lautermilch:** — Well Lynda there is. I think Murray Mandryk's . . .

**Ms. Haverstock:** — Yes I know, but you see . . .

**Hon. Mr. Lautermilch:** — If you're not in question period you haven't attended the session.

**Ms. Haverstock:** — Which is really intriguing, because of course you may miss question period but be there for five hours afterwards.

**Hon. Mr. Lautermilch:** — But you see maybe the independent commission will take that into consideration when they . . .

**Ms. Haverstock:** — Okay. As well, I am interested in how you determined, how you actually measured that you did not include the existing rates in your chart in terms of payment. So it may have escaped some notice, or notice of some, that the Leader of the Opposition and the Leader of the Third Party were the two that took substantial cuts, 9.6 per cent and 5 per cent respectively — 9.6 per cent cut for the third party and 5 per cent for the Leader of the Opposition. I was wondering how you

actually determined this decrease.

**Mr. Wakabayashi:** — What decrease were you making reference to?

**Ms. Haverstock:** — We're talking about the annual allowance for extra duties.

**Mr. Wakabayashi:** — Yes, right. And for, say, the Leader of the Opposition?

**Ms. Haverstock:** — Yes, that's a 5 per cent decrease.

**Mr. Wakabayashi:** — From what it would have been if there hadn't been . . .

**Ms. Haverstock:** — I've got it. If we look at the old rates, now let's take the Leader of the Opposition in this case, the old amount would be \$36,610, okay? The new amount is \$34,676 which is a decrease of 5 per cent. If you take the old amount for the Leader of the Third Party, it's \$19,060, and the new amount is 17,390, which would make no difference since I've never taken what was available anyway. But that's a 9.6 per cent decrease.

If you look at whether it would be Speaker, Deputy Speaker, Premier, Deputy Premier, minister, they remain either the same; or in the case of Speaker, a 44 per cent increase, Deputy Speaker, 28 per cent increase, Opposition House Leader, 2.5 per cent increase; and the most substantial decreases were Leader of the Opposition and Leader of the Third Party.

And then of course if you compare old amounts and new amounts, there's actually a decrease of 2.6 per cent for the following: Government Whip, Opposition Whip, Third Party Whip, Government Deputy Whip, Opposition Deputy Whip, Deputy Chair of the committees, and Chair of the standing committees, all took a decrease of 2.6 per cent.

So I was just wondering how that was derived.

**Mr. Wakabayashi:** — We didn't look at all of these. The basis of the recommendations for the additional allowances is set forth on page 8 of our report. We simply recommended that the additional allowances be set at what they presently are at. In other words, as explained in the report, a number of decisions have been made to either reduce salaries or not provide for the cost-of-living index that is provided for.

So we simply were recommending that we do not provide for a catch-up for any of the positions that were entitled to an additional allowance, and recommended that.

Now if the effect may be as what you have described, the only references we made was we note that a cabinet minister would have received \$41,076 had we reinstated the cut-backs that had taken place. And similarly with the Premier, the Premier would have received 58,760; he's currently receiving 49,680.

So we really had a two-part recommendation, as I think explained by Stirling, that the recommended additional allowances be set at what is presently being paid, which in effect meant no catch-up for what would have taken place if there weren't these cut-backs and freezes.

And then our second recommendation was that the relationship between the Premier and everyone else remain the same, which was the basis of the Malone report, except for the Speaker and the Deputy Speaker, that we recognized some additional responsibilities. So all I can explain is that the basis as to how we arrived at the additional allowances.

**Mr. Swenson:** — Maybe the question was asked on 4, is that taxable or not?

**Mr. Wakabayashi:** — Four is not taxable.

**Mr. Swenson:** — That's non-taxable. Okay.

**The Chairperson:** — Any further questions on 21? Comments? Okay, go ahead.

**Ms. Ronyk:** — Could we get a clarification from the committee that it was the intent in your recommendations that the salaries would be at what they're currently being paid.

**Mr. Wakabayashi:** — Yes.

**Ms. Ronyk:** — And not what they were entitled to if they hadn't taken the 5 per cent reduction, and their roll-backs, the freezes, and the lack of indexing.

**Mr. Wakabayashi:** — Yes, that was the intent of the committee, yes.

**The Chairperson:** — Except for the categories that we had mentioned.

**Ms. Ronyk:** — Yes, the increase.

**The Chairperson:** — Yes. Could we have a motion to accept directive #21? Moved by Mr. Hagel, seconded by Mr. Swenson. Further discussion? All agreed? Carried.

Directive #22, members' accountability and disclosure. Any direction for the committee on this?

**Mr. Hagel:** — Just on this, the thing I think is important for all of us to have very clear is how the members' accountability and disclosure will be done. The directive is a long way from being precise and I understand that. And I don't know whether the intent here in writing the directive was that the listing of members' expenditures through allowances will be tallied and summarized and the statement prepared by Legislative Assembly Office from what is received. Or whether members are going to be required, and if so, at whose expense and charged to what allowance to prepare their own reports?

Are we all supposed to get our own auditors or our own accountants to make our own statements? Recognizing that there's . . . I tend to assume that there is an assumption here that this is to be done . . . it will be prepared by the Legislative Assembly Office because there's no reference to the use of an allowance that could be drawn from. And I certainly wouldn't recommend that we would be wanting to have members preparing this themselves.

So I'd just like some clarification on that because it looks really fuzzy to me in its current state. And I don't disagree with the principle that's here but I'm just unclear as to how the practice would take place.

**The Chairperson:** — Ladies and gentlemen, as I indicated last day, we have all of the information on the computer and it's not very difficult for the Legislative Assembly to draw that off the computer. And what we foresaw here — the committee can speak for themselves, but when the committee had recommended and then we looked at it, was that we would, we could draw all of this off the computer. We would sit down with the MLA and say, okay look, is this . . . I mean these are all the things that you had purchased and here it is, and that will be included in your annual report.

We can easily do that. There's no difficulty with that. And I would assume that that's the way it would function.

But let me say to the members to just allay some of your fears, now that this is sent back to a committee to review, when the committee meets next day, it is our intent that we will have a sample for you as to how it can be done so that the board can look at it and say, oh yes, okay fine; or no we would like to have it changed this way. So when we report back to you, we will have an example as to how it will work. So the members don't have . . . I mean I know what you're saying. Give us your concerns. We will try and incorporate them into the committee's work, and we'll have an example as to how it can function as recommended by the independent committee.

**Ms. Haverstock:** — Mr. Chairman, I actually raised this last day as well. I had the very similar concerns, and I think I posed the question to Ms. Ronyk who indicated that the Clerk's office would be able to produce the standardized format and guidelines in order to be able to have both newly elected and re-elected MLAs begin at the very outset to keep their records. I may stand corrected, but I'm sure that that was something we've discussed last week.

I think what's really key in here is making sure we have a standard format so that there can be . . . like for all these sort of annual ways of reporting; otherwise they're meaningless as far as being able to make any comparisons.

**Hon. Mr. Lautermilch:** — Mr. Speaker, I guess the one concern I had, and I am not sure that it was raised, but I intended to raise it as we got to the end of our directives as we were going through them, I guess the one concern that I have is with respect to communications. We're concerned, as you will

know, as to how that is reported, how it's accounted for. But I think what is equally as important is what is appropriate and what is inappropriate. We have made no amendments to the directives as they were. There were none recommended. And I think that it's important that that be brought forth by the Clerk's office and be looked at by the independent commission, because I do think there is some areas in there that we will want to spend some degree of time discussing.

And so I really think it's important is to address the appropriateness of some expenditures — what is, what isn't. There is some discussion and has been some discussion of what is blatantly political and what not blatantly political. And I don't know, frankly, how you disassociate the role of an MLA — any MLA, whether it be on the government side or the opposition side — from being political. We are after all, politicians. But I think what we need to do is determine what level of politics is appropriate, if any. If it's straight information, then I think we need some kind of definition as to what is blatantly political and what is not. And I think those are the kinds of things that I think we need to address. But as well, I think the appropriateness of expenditures is really important.

The other point that I guess I want to make is in with respect to reporting. If a blanket invoice is reported as an example for communications in the neighbourhood of \$2,000 for whatever with a one-line blank invoice from wherever, is there a breakdown required if there are expenditures within that \$2,000? And I don't know that. But I think those are some of the things that have got to be addressed and should be addressed. And I think it probably was raised.

But I think if we're going to have members with this kind of a reporting mechanism and an accounting procedure, there needs to be some professional expertise available whether it be an independent auditor that a member can use, whether it be independent accounting services that can be used during the course of a year as a member goes through the process so that there can be a concise set of books that will withstand the scrutiny of the Provincial Auditor or the general public or any other body that wants to have a look at members' expenditures.

And I guess so what I'm saying is, in terms of the disclosure, the accountability, and the reporting, I'm not convinced as I've seen this that members have the tools to be able to do that in an appropriate fashion. So those are some of the things that were I guess less clear to me than I would have liked to have seen. So hopefully they can be addressed by the Clerk's office and by members.

**The Chairperson:** — Any further discussion?

**Ms. Galloway:** — May I ask if this really requires an addendum to the report to broaden that particular area?

**Hon. Mr. Lautermilch:** — I guess I would leave that in the hands of the commission, whether or not they felt an addendum to the report would be appropriate.

What we really did attempt to do — and I think it's clear what we are attempting to do in this whole process — is to maintain the independence of your committee. We've struggled internally with this for years and years, and I had a little chuckle to myself as I looked at one of the directives that I think we had amended eight or nine or ten times, and it still didn't fix the problem. And we just really want to be meticulous in this, and we're relying on your good judgement to do what you feel is appropriate.

This is why we spent, you know, a long time in terms of first of all agreeing on the make-up of the size of the commission or of the committee and agreeing to the people who would sit on the committee. I met with the then Leader of the Opposition and the Leader of the Third Party on many occasions because what we wanted to do was to try and ensure that we could have unanimity in terms of agreement of the make-up, the mandate of your committee, and the ability to report back to us.

So I guess from my perspective, it would be your decision as to whether or not you wanted to do an addendum to your report or if you felt comfortable dealing with it working on a directive-by-directive basis. I would leave that to your choice. I think the mandate is clear enough in terms of what we were asking of the committee, that it was sort of all encompassing.

But I think really what is important . . . that it be looked at as a package because one directive will impact on other areas of remuneration or of support funding. But I think that would, from my perspective certainly, that would be your choices. Do what you felt appropriate.

**Ms. Galloway:** — I just wanted to be clear on what you were asking, if it's beyond just clarification interpretation. And if that's what you're asking, of course it will be our decision as to what comes back to you.

**Hon. Mr. Lautermilch:** — With respect to communications, my colleague has indicated we want you to do more than that. We want you to look into communications I guess in a more in-depth way. And I think that's part and has been part of your mandate, as I interpreted it at any rate. So that's certainly open for you to have another look at.

**Hon. Ms. Carson:** — Thank you, Mr. Chairman. Following up on Eldon's comments, I was reading some of the material here. And communications is obviously a problem, trying to define what the limits are, what's appropriate, and what's not. And there's only one small comment that I would like to recommend that we look at.

In regards to pins and flags, all MLAs purchase quite a quantity of both pins and flags each year. And I would ask that we would look at using the mechanism that we have for furniture and equipment and ask that SPMC provide a certain amount of pins and flags because that's not exactly communication. Those are usually given out because somebody is going on a trip, or somebody has come to the constituency office who is visiting from somewhere else. And so I don't see it following directly within the description of communications. But it seems to me

more appropriately it could be dealt with through an SPMC allowance that would allow MLAs to purchase a certain number of flags and pins each year in order to carry out their work as being, you know, promoting Saskatchewan and taking care of their guests and the people in their constituency.

**Mr. Swenson:** — Just further to the comments that Eldon was making . . . And it's not easy; I understand that. You're looking at an area . . . I mean until you've actually almost done it, you know, used the communication allowance. It's a hard thing to sort out.

But it's obvious from some of the things that have gone on over the last few years that you have to be able to come up with a better system of defining partisanship. It is supposedly fairly clear in the directives right now. But I thought maybe if there was . . . maybe there needs to be a bigger and more stringent penalty area or something in there for members so that they clearly don't cross that line.

And the other thing is, I think all three caucuses gave you submissions on dealing with that whole range of things under communication. And I think all three of them recommended that that has to be tightened up, that there was simply too many items probably available, and that if we need to expand an area — electronics has gotten to be a big thing now with the way you communicate — that maybe that electronic area needs to have more breadth to it than it has previously.

But some of the novelty items, they're the traditional things, you know, pins and mugs, all that bric-à-brac that you would get your name on. I mean the guys up there are telling me they can get on this Internet stuff, and they can do all of that electronically. You don't need to . . . you can get hooked into every major thing in your constituency now. I don't know if you can or not, but that seems to be the way it's going. So if shifting with the times means that we tighten that up — and it isn't even letters and stamps any more — if there's other things, then let's address it.

But I really believe that you have to downsize. The public expects us to get out of the novelty business. And that's it. And I think that the members will work with you. Every caucus will work with you in a major way on those two issues. It's damned embarrassing when something happens, and then you're hanging out there to dry.

**The Chairperson:** — Any further discussion on directive #22? Not. Could I have a motion that we accept directive 22? Moved by Mr. Lautermilch, seconded by Mr. Swenson. Further discussion? All in favour? Great.

Ladies and gentlemen, directive 23, as you note there are two versions to directive 23, dissolution version and polling day version. My suggestion is that we disregard dissolution version and turn to polling day version. The two were set out there for you, but . . . (inaudible interjection) . . . Yes, as you know, I think the committee had indicated dissolution, but there causes a fair number of problems for members if it's dissolution. So I

would suggest . . . it's up to the members. Maybe I should get a recommendation from the members.

**Mr. Hagel:** — Well, Mr. Chairman, I would agree. I would recommend the polling day version. And if I . . . what do I need to do to . . . maybe I'll just say that we can deal with the decision however we want.

**The Chairperson:** — Yes, we can deal with it. I mean we just ignore the other one.

**Mr. Hagel:** — It is more workable, I think. In its present form, it's literally impossible to follow and does need some amendment. All caucuses will receive funds, and clearly the directives make it very clear that during the time of dissolution that continuing obligations are the responsibility of the caucuses, although funds that have been retained over a period of time which would be in a surplus position may be used for that. And I think it's clear to do the tally effective the polling day.

I also state very clearly, it will be the intention of our caucus. Whether this is adopted or not, we will be following this as best we can; however it will be, I predict, impossible to follow it as it's literally written. We have a circumstance where we have a collective agreement, and collective agreement lays out things like lay-off and termination and — what's the term? — well recall but . . . (inaudible) . . . Yes, and then payment to those who are not hired back on staff.

Now the reality is that it is virtually impossible on the day immediately following polling day to know what your staffing is going to be from here on in. And one of our obligations is payment honouring a collective agreement for people who are terminated. And until you can define that, you can't clearly define what your outstanding accounts are, as described here. That's affected also by . . . potentially affected if you have an election in which there are a number of close seats, for example, by not knowing how many members you have.

So I think there's certainly no problem with the spirit of it. The time period that caucuses have, I think, to honour this though, to make payment of any surplus accounts to the Legislative Assembly, has to be something, a period of time longer than the day after the election. I mean that really is . . . it is impossible to do that responsibly. And probably something, a time period here that is equivalent to . . . I'm not sure what the official period of time you have for the statement of the official return of members is. Is it 30 days or 45 days? I'm not sure about that period of time.

**A Member:** — For returning of the writ?

**Mr. Hagel:** — Returning of the writ.

**A Member:** — Twenty-three days.

**Mr. Hagel:** — Is it 23 days? So it's something to give caucuses a chance to follow the directive. If we tried to follow this one,

we'd be forfeiting . . . we'd be asking caucus to do something that's literally impossible to do as it's written right now. The assessment of assets and so on, that you can do during the period of the writ. That can be conducted; there's no problem with that. But your obligations to your employees who aren't returning is something you just need time to make some decisions so that you're in a position to be able to honour them.

**Mr. Swenson:** — What, Glenn — I'm sort of curious about this — if your caucus cease to exist? How would your collective agreement handle it?

**Mr. Hagel:** — If your caucus ceased to exist? Well, you still have a collective agreement with the employees and . . .

**Mr. Swenson:** — Like if you didn't have any money, how would you honour it? Is somebody on the hook personally?

**Mr. Hagel:** — Yes. Well I would assume so. Those employees have a legal agreement that is binding on that body, and ultimately that would be a solution that, I suppose, could ultimately be found in the Labour Relations Board.

**Mr. Swenson:** — Because it wouldn't be the Relation Board's party responsibility, it's a different entity.

**Mr. Hagel:** — No. it's not the political party.

**Mr. Swenson:** — It's a creature of this place.

**Mr. Hagel:** — In our structure, we have an administration committee. And if the caucus ceased to exist, then I suppose ultimately that would be a question solved by the Labour Relations Board because there was a collective agreement that would have to be resolved in the same way any other collective agreements are resolved when there is dispute. I mean this is legally binding by the law of the land. So I'm saying here our directive needs to give us the ability to honour the formal collective agreement.

**The Chairperson:** — I'd just like to make a comment on that. I don't want to provoke any debate on this, but it is the responsibility of the caucus to make sure that there are sufficient funds to meet their collective agreement. And I think the directive, I think, fairly clearly states . . . at least the intent of the directive is that obligations that have been incurred up to polling day will be met. And so, but that doesn't mean that the day after polling day, that you will be able to make all the decisions on . . . and say well they have to be paid.

Of course, I mean, after polling day you will know pretty well . . . I mean there might be two or three seats that are very close. But you will have a fairly close idea as to what your obligations are, and those obligations will be met out of those caucus funds.

Now if a caucus decides to spend all its money before polling day and then doesn't meet its obligations, that is their responsibility. That's not the responsibility of the Legislative Assembly. That's the responsibility of that caucus. I don't think

that we should interpret this as that at polling day suddenly you have to make all those decisions — not at all.

**Mr. Hagel:** — That's what it says in here, "on the day following."

**The Chairperson:** — No. Well, I know, day following, but what it says is that the day where you have to make a decision as to what is owing.

But the payments will be made after that. I mean it's not that day, but you will pretty well know. I mean you know what your assets are. You know what your expenditures are. It's exactly the same thing as applies to an MLA on dissolution. Any expenditures that are made before dissolution, even though the account may . . . I mean you may be asking for payment during dissolution, but if it has occurred before dissolution, we will pay it. Exactly the same thing applies to caucus grants — exactly the same thing.

So there is going to be some . . . I mean surely we're not going to say the day after polling day — boom. You know, but that's the day that you have to make the decision. Yes, it certainly could be . . . I mean some of the decisions for example you can't make until the day of the writ and maybe even longer than that, but that's the day that will be used for your expenditures. Okay?

**Mr. Hagel:** — I don't disagree with that, Mr. Speaker, and I think the directive should say that.

**The Chairperson:** — I think it does. On the day immediately following that polling day, "All surplus funds, after payment of outstanding accounts" — think it says that — "shall revert to the Crown . . ."; "after payment of outstanding accounts" — and that to me means any obligations that you have by your collective agreement, but it is also inherent in this that you have sufficient funds in your caucus account.

**Mr. Hagel:** — Certainly. But I think, Mr. Speaker . . .

**Hon. Mr. Lautermilch:** — Mr. Speaker, I think the point's been made. I don't believe that we need to haggle over the wording of it. That can be reflected, and it will be reflected, in the members' comments in *Hansard* and can be brought back.

**The Chairperson:** — I agree.

**Mr. Hagel:** — But just let me give you an example, Mr. Speaker, where this is not as simple as you project it. For example, if a caucus should move from opposition to government or government to opposition, I mean reality, the real world you are you can't sit down the day after the writ and what your staffing needs are going to be for the next term of office.

**The Chairperson:** — That's nothing to do with this.

**Mr. Hagel:** — Okay.

**The Chairperson:** — No, but those are future obligations. What we're saying is past obligations.

**Mr. Swenson:** — Just one final comment for the two commission members here, because as you can tell from the discussion, this is a thorny issue. The lives of a lot of people are affected.

But there has to be fairness in here, and you know we went all through this in our caucus with our staff right now and how much holiday time they got and how much money we owe them you know, what's left, and that sort of thing. It's tough because some of them have got more holidays than others, and you get them at each other in there pretty fast when they start to comparing notes. That's just life; that's any office situation you've ever worked in. Okay? And you're trying to make it equitable.

But because the government caucus has a collective agreement, and I don't know what the details of that are, there has to be some fairness in my view between fair employees, our employees and your employees, sort of at levels and what not. You can't bargain yourself into a good retirement fund if you take a bath on polling day, okay, because you have a collective agreement. And you might have more money than we have in our account.

So there has ... as long as they're classified or they're something and they're all treated kind of fairly as legislature accounts ... I think we have one or two people who are paid directly by the legislature, and it's pretty standard. They get four weeks if they've been around for X number of years, or they get three weeks, or they get, you know ... and they get their holiday pay paid out, those type of issues. So long as there's some fairness in there that all caucus employees are treated equitably.

**Ms. Haverstock:** — Unless you want to make reference to this discussion, I'm taking this somewhere else.

**Mr. Upshall:** — Okay, I'll just make a quick comment. I just think that we should note that the committee might want to talk to the chiefs of staff of caucus offices to get an understanding of exactly what the technical problems would be, and how many days they would need, and if it can be done on the day. Just to make sure that there's a clarification.

**Ms. Haverstock:** — Well we certainly support increased accountability and disclosure of caucus grants. I'm going to deal with this from more of a ... not the people side but just the tabling of documents and the confusion that becomes ... around this.

As you will recall, our submission went much, much further in this regard as far as disclosure of caucus grants and accountability than the McDowell committee. And this directive does not state a time frame within which the annual caucus audit must be presented. And The Tabling of Documents Act would imply that the time frame would be

within 90 days of year end.

And I'm asking, in fact, is that the case? Because if it's correct, it means the same thing as with annual reports. And unless the House is sitting in July, the reports or audits for a particular year are not going to be tabled in the Assembly until the House sits again, which usually is the following February, if we're talking about current practice.

So this, I think, is a major weakness in The Tabling of Documents Act, which we've tried to address by introducing a private members' Bill yesterday. And under the current system, it means then that almost a year has gone by.

Now we had a meeting with the Provincial Auditor — as I'm sure you did — and he commented that a financial audit is only one of three aspects of what he considers to be a full audit. It should also include a determination as to whether or not the rules governing the expenditure of funds were followed, and whether the proper control mechanisms are in place to oversee those expenditures. And so he sees this as a full audit issue, that a full audit should be required as far as this is concerned.

Now this directive seems to require that a caucus has to submit an annual audit done before dissolution. Am I correct in that? Otherwise how can its statement of financial assets referred to in (2)(a) be accurate? Am I following this right?

Now I must say that it is difficult to achieve that. I don't know about you folks, but I know that having our audit done before dissolution is going to be an extremely difficult task, given the amount of time involved.

**A Member:** — It can't be done.

**Ms. Haverstock:** — No. And just with the necessary, you know, journal entries and everything in the midst of a session, it's really, really difficult. So I want us to look at that from a practical point of view.

And then regarding (2)(b), we already have an inventory of equipment done and could provide that immediately, if required. I think that's something that is realistic. I don't know about the former.

**The Chairperson:** — Ms. Haverstock, did I misunderstand you? Did you say that an audit had to be done before dissolution?

**Ms. Haverstock:** — No, I'm asking about (2)(a). How can this statement of financial assets referred to in (2)(a) be accurate?

**The Chairperson:** — But it says each caucus shall, following the dissolution of each legislature — following the dissolution of each legislature — provide the Clerk of the Assembly with a statement of its financial assets.

**Ms. Haverstock:** — Okay.

**Mr. Hagel:** — As at the polling day.

**Ms. Haverstock:** — Which means . . . okay, doesn't that still apply then?

**The Chairperson:** — Well it applies at polling day but not at dissolution.

**Mr. Swenson:** — That was a question Glenn was asking about.

**Ms. Haverstock:** — Okay.

**Mr. Hagel:** — . . . provided as at polling day, and then the next day you . . . (inaudible) . . . we're mission impossible here.

**Ms. Haverstock:** — Just to finish off this. As with annual reports for members that I raised earlier, unless there's going to be a standard form used by all caucus offices, statements can almost be meaningless if they don't contain the same information. So I'm wondering how much direction the board's willing to give in order to ensure some consistency in the reports.

I know that one of the things we're doing in our office is we have a system, the same system for categorizing revenue and expenses as the provincial government does. I think it's called object codes. And I think we would propose that the guidelines respecting caucus financial statements include the directive that they use the object code system and guidelines that's used by the provincial government. And then in that way there's a level of standardization. I think it makes it simpler for people.

But that's just a recommendation from us and I'm sure that something more could come from the Clerk's office.

**The Chairperson:** — Well the committee will certainly take that under advisement and look at that suggestion.

Did I have someone move this? I'm not certain now whether I did or not.

**A Member:** — Not yet.

**The Chairperson:** — Not yet, okay. Could I have someone move that we accept directive #23, polling day version. Mr. Hagel, seconded by Mr. Swenson. Further discussion? All in favour? Great. Carried.

**Mr. Upshall:** — Just before you go to that, Mr. Speaker, there's one thing I was going to mention with regards to the statement of members to be supplied to the Speaker's office and the auditing of that statement. Now I just want to note that the Legislative Assembly books are audited; you present your budget and then we go through public accounting of the audited statement of the Legislative Assembly. And all the payments to members are in there, so they are audited once. And I just want to note if the statement that is being tabled by the member has to be audited yet again. That's the question for the committee.

**The Chairperson:** — Okay, that's something that we'll look at, you know. My initial reaction would be no, but we'll look at that, certainly.

**Mr. Upshall:** — I just wanted clarification.

**Ms. Gallaway:** — May I refer back to just the previous directive, just for a moment, for clarification while you're here?

**The Chairperson:** — Oh, certainly, yes.

**Ms. Gallaway:** — It was our assumption on the communications money that requiring a disclosure would lead to a more prudent and considered use of that fund, which would require then less specific spending — this and not for that. Is that an assumption that was not accepted by the board members? I'd be interested in your views on that.

**Hon. Mr. Lautermilch:** — Just speaking to that, Ms. Gallaway, if I look at the old directive and I look at . . . there's a bunch of things, that this is acceptable, and this, you know . . . I think the concern was raised that one . . . Mr. Swenson, I don't want to speak for him but I think he had indicated that some of the trinket items he didn't feel to be acceptable. And I mean what's an acceptable trinket and what isn't?

I mean we're dealing with the same directive that we had difficulties with and so I guess what we're saying is we'd like to have another look at that because we're not . . . first of all, we're not clear on the reporting mechanism and how much detail is there. So we don't know that. So it's all fairly abstract to us. And I think what we would like is tied down and made more clear and more identifiable so that there'd be less grey areas in terms of what is acceptable and what isn't acceptable. And if you could spend some time helping us with that directive we would . . . I think that would be very helpful. So I think that's really where we're coming from. At least I know it is from our perspective.

**Mr. Swenson:** — My view, Ms. Gallaway, is that here's the items and if it ain't there, don't ask. Okay, I mean we sit in here all the time over the last years and somebody will . . . they want this or they want that. I mean grow up. And that's just my personal view. Just don't ask. Okay? And if the board on a yearly basis then maybe can review as technology changes or the requirements . . . The public gets fed up with us because of that penny-ante attitude that some people have. I know we're here to serve members, but sometimes it just gets aggravating. That's my view.

**Hon. Mr. Lautermilch:** — Okay, I had no more to add on . . .

**The Chairperson:** — Does any other member have an additional comment? Not?

**Hon. Mr. Lautermilch:** — I guess I have one other comment, and that would be with respect to per diems for the Board of Internal Economy when we're not in session. When we're in session, of course, there are no extra per diems. And I can't



recall, I think . . . Is the rate \$109 a day? I think that's something that we need to address. We should look at that. And I think it's legislated. So I think it may require some legislative amendment if the recommendation would be that we change that. So I think we need to have a look at that because it's not consistent, as I understand it, with other committees. So I'd like us to have a look at that.

And I guess I have no other comments on the directives. And I indicated earlier that I've consulted with other members of the board and that we have agreed that we would refer this to the Clerk's office and to the committee with our concerns.

And in light of that, but just before I do that, I again just want to thank the members of the committee for their work. This must be a frustrating exercise for you. I know it is for us. And I'm hoping that your help will end up in being a long-term solution for the Clerk's office, for the members of the Board of Internal Economy, and hopefully in the future we'll have something here that's workable.

So with that I would move that the directives arising . . . and I can give you a copy of this. Did you get a copy of that? . . . (inaudible interjection) . . . Okay.

That the directives arising from the recommendations of the independent committee on member salary and allowances, together with the transcripts of the debates and proceedings, *Hansard*, from the Board of Internal Economy meetings of May 4 and May 17, be referred to the independent committee for further consideration in light of the concerns expressed by members during the board's review of the aforementioned directives.

I so move.

**The Chairperson:** — We need, Mr. Lautermilch, for you to sign that and have a seconder for that.

**Ms. Haverstock:** — Can we have you change one thing in it so that it more accurately reflects what they're called?

**Hon. Mr. Lautermilch:** — Change what?

**Ms. Haverstock:** — Instead of in the second line where you have members salaries and allowances — you've got independent committee on member's salaries and allowances — it's actually called MLA compensation (salaries and allowances).

**Hon. Mr. Lautermilch:** — Okay.

**Ms. Haverstock:** — So all it is, is a more . . . it's the actual title. Okay?

**Hon. Mr. Lautermilch:** — Okay. Well after "on" then we would strike "members' salaries and allowances" and add on just "MLA compensation (salaries and allowances)".

Okay, I would entertain that amendment.

**A Member:** — A friendly amendment.

**Hon. Mr. Lautermilch:** — A friendly amendment.

**The Chairperson:** — Could I ask for one other friendly amendment, and that is for it to read: that the proposed directives . . . that's what we have been looking at.

**Hon. Mr. Lautermilch:** — Yes, I think that's no problem. Are you comfortable with that?

**Mr. Swenson:** — Oh, definitely.

**Hon. Mr. Lautermilch:** — I can tell you're excited.

**The Chairperson:** — All right. Moved by Mr. Lautermilch, seconded by Ms. Haverstock. I think members know what the motion is. Is there any further discussion? All those in favour of the motion? Passed unanimously.

All right, ladies and gentlemen, on item 3, let me . . . on item 3, I don't think the board can deal with item 3 because of our decisions this morning on item 1. I would suggest that we write to the Provincial Auditor and inform him that many of his suggestions in his letter are under consideration by the board and by the independent committee in conjunction with the Legislative Assembly, and that many of the items that he has recommended will be addressed by the board and by the committee.

**Mr. Hagel:** — And thanking him for his report.

**The Chairperson:** — Yes, of course. Is that satisfactory to the committee that we do that? Agreed.

**Mr. Hagel:** — Do you want a motion, Mr. Chairman?

**The Chairperson:** — Yes, it would probably be better if we had a motion to that effect. Mr. Hagel, seconded by Mr. Swenson. All those in favour? Carried.

Ladies and gentlemen, I want to be perfectly clear on this. Am I correct in surmising that nothing will be implemented on the independent commission's recommendations until that committee . . . we have set up reports back to the board and the board then makes a final decision on the directives and the implementation date? Is that correct?

That's agreed. Okay.

**Mr. Wakabayashi:** — Do you have a time frame or deadline for us to work within?

**The Chairperson:** — Well that was my second question. I need some direction from board members as to when . . . you know, regardless of whether the House is dissolved, this board stays in existence. Whether you are a member or not a member

makes no difference, you stay . . . this board stays in existence at least until the return of the writ. And if other people are then named . . . so it will stay.

**Hon. Mr. Lautermilch:** — If I could just make a suggestion. I think members of the board will know that this committee would like to get this finalized and done with and out of the way. But we certainly don't want to impose any time restrictions on you that you can't meet. We know that Mr. Gallaway has some commitments. I think it's a given that July and August are difficult times to get people together.

As an example I can recall last summer, when we were trying to get members of Ms. Haverstock and Mr. Swenson together with myself, to sit down and discuss the mandate, the timing and the make-up of the committee, we had difficult times over July and August to put that group together.

But having said that, you will know that we're concerned and want to get this out of the way. We would ask you to keep that in mind as you proceed with your work. But I don't think it would be prudent for us to put any particular time frame on you, other than to say, as soon as you can. And the Clerk, I assume, has some kind of an agenda too.

**The Chairperson:** — Ladies and gentlemen, I just want to remind members that the end of the committee's report, I think, is September. They have six months after they report, and then they go out of existence, so we'll have to keep that in mind.

**Hon. Mr. Lautermilch:** — If I can ask, as a matter of clarification — and I don't see any reason that that would have to be extended — but in terms of striking the timing and the duration and the length of time by which the committee is in existence, how is that established then?

**The Chairperson:** — It's in the Act.

**Hon. Mr. Lautermilch:** — It's done in the legislation?

**The Chairperson:** — Yes.

**Hon. Mr. Lautermilch:** — Well I guess then that's the strength for sure then.

**The Chairperson:** — I don't want to belabour this, but would the members be opposed to . . . let's say we have it ready after the writ is issued. Would the members be opposed to addressing it at that time?

**Hon. Mr. Lautermilch:** — My question is, Mr. Speaker, do you know when the writ is going to be . . .

**The Chairperson:** — Oh yes I do. Oh why didn't you ask me?

No, okay, but members would not be opposed if we had it ready in six weeks' time regardless of . . . to address the issue, would they?

**Mr. Swenson:** — Not at all. Lots of time on my hands, Mr. Speaker.

**Mr. Hagel:** — Mr. Speaker, however if we're in the period of an election, I am not available for board meetings. I make that very clear.

**The Chairperson:** — Well okay. We'll let you know. It may be two months. It may be three months. It may be four months. I don't know.

We have one further item before you close your books which we . . . (inaudible interjection) . . . Yes, Ms. Haverstock.

**Ms. Haverstock:** — May I ask a question about budget? I'm assuming then that the independent committee is under-budget so that continuation is not going to change the initial expense. Where are we at here as far as money is concerned?

**Hon. Mr. Lautermilch:** — Can I ask, is the commission funded through the Legislative Assembly Office? Is the commission funded through the Legislative Assembly Office?

**Ms Ronyk:** — Yes.

**Hon. Mr. Lautermilch:** — Well I mean when we strike committees, whether it be MLA committees, standing committees of the legislature, we can only guess on how much it's going to cost because we never know how many days we're going to sit, what the public demand will be. And I think the same could be said of the independent commission on salaries and allowances.

**Ms. Haverstock:** — I'm sorry. I actually thought that we had, in some of our meetings, made decisions about amounts and that it can't exceed so much and . . .

**Hon. Mr. Lautermilch:** — Well I think we had looked at proposed budgets, and we were trying to assume and base it on assumptions as to how many days they might want to meet, how much public input would be. And I think we were trying to limit it. We first of all — I recall — limited the number of members because we were talking about the overall impact on the budget. That I know we did. But I think at that time — and I can't remember even what the figure was that we had suggested as a budget figure — I think even at that time, it's difficult to determine how much, how many days, how many per diems we're going to be paying and how much work is going to be involved.

So I guess I would just say if there's an overrun on our projections, it will either have to be absorbed internally or we will have to ensure that the adequate funds are there to allow the committee to do its work.

**Ms. Haverstock:** — Because there was a deadline, so we knew in essence how long it could go on for. We just didn't know how many days would be included, but we knew there was a . . . Now this is a little more open-ended, so I was just

wondering if that's something we had to address.

**Hon. Mr. Lautermilch:** — Well I guess we can only ask that the committee use its good judgement in terms of how many days they need. I think it's not totally open-ended because there's a time by which the committee ceases to exist, and it's legislated. We can only, I guess, ask members of the committee to be prudent with taxpayers' dollars, as I know they will be.

**Mr. Hagel:** — And the committee has been prudent, so . . .

**Hon. Mr. Lautermilch:** — And I think they've shown that that will be the case. So incremental funding, we'll have to just find either within the Legislative Assembly budget or it may be another allocation to deal with the financial . . .

**The Chairperson:** — Could you just give me a minute.

**Hon. Mr. Lautermilch:** — Oh, sure, it's not a problem.

**The Chairperson:** — The committee has certainly underexpended the budget, but there's some difficulty because the fiscal year has passed us by. And I would really like to have a motion by the board which authorizes us to pay the per diems and the expenses as required for the committee members to carry out the work that has been assigned by the board.

We are under-budget, but the per diems that were authorized have been expended although we are under the total budget. But I think we would need to have some authorization for us to pay. We can pay the expenses, but we'd have some difficulties in paying per diems since they have been expended.

And I think I would need . . . I would love to have a motion from the board to authorize us to pay those per diems as required to do the work that the board this morning has assigned to the committee.

**Hon. Mr. Lautermilch:** — I'm not sure if I understand what you're saying, Mr. Speaker. You're saying first of all that the budget is underexpended, but that you don't have the money for per diems? You have for expenses but not for per diems?

**The Chairperson:** — That's right.

**Hon. Mr. Lautermilch:** — Was in the budget there ever any way articulated that you couldn't transfer from expenses to per diems, or vice versa? And I guess I'd need to know how much the differential is between what's been spent and what's budgeted.

**The Chairperson:** — About 18.

**Hon. Mr. Lautermilch:** — Well I think then if it's a motion that you require, we would need to . . .

**The Chairperson:** — I think I'm not quite clear as to whether I have the authorization to do that. And I think if the board moves a motion that . . . I mean we are underexpended by about

\$18,000, but those are due to expenses, not to per diems. The per diems have been expended as such, but not for the expenses.

**Ms. Haverstock:** — I forget what the budget was. Okay? So if you could tell us what the expenditures have been to date, because we would know those. And then you're saying that from the total budget that we're \$18,000 to the good; is that what I'm hearing?

**The Chairperson:** — Well let me . . . okay, the proposed budget was the following. The chairperson, 500 times 20 days, \$10,000; members, 300 times 15 times 2, \$9,000. Then travel expenses and office expenses and employees' services. What I'm saying to you is that the days, the per diems, have been expended but the expenses, they are under. So about 60,000 has been expended and we have about 18,000 left of the proposed budget. I'm not sure that we are authorized to expend more on per diems.

**Hon. Mr. Lautermilch:** — How do you handle a standing committee that is authorized by this board? If there's X number budgeted and it goes over, how do you handle that?

**The Chairperson:** — Special warrants. But I don't think we've ever specifically said in standing committees, that I can recall, so much per diem as outlined in the proposed budget, which we did in this one. I don't think we've ever . . .

**Ms. Haverstock:** — See, that's what I was actually wondering about. Remember when we were meeting and we associated days, right? You said, this per diem for so many days. And so if we're going to extend the number of days . . . I guess that's why I was asking for some clarification. Because if this is now changed in terms of numbers of days, we should actually . . .

**Mr. Upshall:** — This is simply a budget. The guess of X number of days means absolutely nothing.

**Hon. Mr. Lautermilch:** — That was based on other committees that had . . .

**Mr. Upshall:** — It's just a guess and I don't think you . . . you don't need a motion, Mr. Chairperson, because the budget simply was a guess that we put forward as to what this might cost. There was no limits put on as to what we could spend. So there's no rule that says you cannot pay 100 days.

**The Chairperson:** — Well as long as, I mean as long as . . .

**Hon. Mr. Lautermilch:** — I think the committee understands that the board, the committee . . . this board I think understands that the committee has been very prudent and has done their job quite capably. And I frankly don't see a need for a motion. If we have to as a board look for special warrants for incremental funding, there may be other areas of overexpenditure that we need as well. And my suggestion would be that we allow the board to carry on with its work and report back as soon as they can.

**The Chairperson:** — As long as it's understood that we can pay them their per diems.

Ladies and gentlemen, I have one further . . . it's item 4 that we have not dealt with. But I don't think again that we can deal with item 4 because it's tied in very closely to the committee work. So if I could . . . we will just stay item 4, if that is agreeable with the board, until the committee reports. And I assume that that is referred to the committee — item 4. Is that correct? Okay.

Ladies and gentlemen, could I have a motion of adjournment? Okay, we have about three or four people. Thank you very much and if I . . . well, good luck.

The meeting adjourned at 11:01 a.m.