

Salaries and Allowances of Federal and Provincial Legislators

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(An up-dated version of the article
that appeared in our previous issue)

For many years legislators in most Canadian jurisdictions could only increase their salary by introducing a bill which went through the usual legislative process. The problem with introducing legislation, even when based on recommendations of an impartial committee, is that it invites public criticism and thus tends to inhibit frequent changes.

To eliminate the need for full scale debate on each increase Parliament passed an amendment to the Senate and House of Commons Act in 1975. Beginning January 1, 1976 there was to be an automatic increase of 7 per cent or an amount equal to the percentage increase in the Industrial Composite Index for the preceding twelve months whichever was lesser. In view of the anti-inflation policy announced in October 1975 the President of the Treasury Board, Mr. Chrétien, subsequently introduced a bill to eliminate the increase for 1976. Some members felt this was contrary to the principle that salary matters would no longer require a specific bill, however, it was adopted and the increase was cancelled.

For the last three years federal parliamentarians have received increases amounting to approximately 5.6 per cent in 1977, 5.0 per cent in 1978, and 6.4 per cent in January 1979.

The attached table shows the indemnity and expense allowances for federal and provincial legislators. Quebec, Manitoba and New Brunswick along with the Yukon and Northwest Territories have indexed the salary of legislators. The Federal

Government and Quebec revise their salaries on January 1st of the New Year, Manitoba, New Brunswick, the Yukon and the Northwest Territories revise their salaries at the beginning of the first session in the new year or the start of the new fiscal year in April.

Saskatchewan reviews its legislation with respect to the remuneration of elected officials every four years. Its latest legislation in 1974 provided for annual increments over the projected life of the Act. Nova Scotia, the Yukon and Northwest Territories also review their legislation every four years. This review process is now under way in each of these jurisdictions. British Columbia has established a Royal Commission on Electoral Reform and it is expected to report on some of these matters concerning the allowances and remuneration of members early in 1979.

In 1976 British Columbia legislators reduced their salary by 10 per cent for a one-year period which ended on April 1, 1977. In 1978 Alberta legislators reduced their salaries by 2 per cent for the 1978 fiscal year.

The basic and most readily identifiable payment made to elected officials is known variously as a "sessional or annual indemnity" or "sessional or annual allowance". This payment is usually considered to cover a one-year period regardless of the number of parliamentary sessions or their length. Manitoba is one exception. If a second or special session is called -- an infrequent occur-

rence -- an Order-in-Council is passed authorizing the payment of an additional sum related to the normal sessional indemnity for that year. In 1978 the Nova Scotia House of Assembly Act became the centre of public controversy when its provisions concerning the sessional indemnity and expense allowance were interpreted to apply to only one parliamentary session. As there were two sessions in 1978 members were paid a full indemnity and expense allowance for each session.

These indemnities range from a high of \$26,486 for members of the Quebec National Assembly to a low of \$8,470 for members of Saskatchewan's Legislature. This kind of straight comparison is unfair because it does not consider the impact of the other allowances and services and because the legislative role in some jurisdictions is more demanding of a member's time and financial resources than it is in others. The length of the sessions and the workload of the House of Commons means that most Members of Parliament look upon their position as a full-time vocation. Most members have to maintain more than one yearly residence. This is not so for many of the provincial legislatures, especially the smaller ones, where most members spend less time away from their homes and often can participate in the provincial assembly while retaining other occupational responsibilities.

An expense allowance is paid to cover expenses that arise in relation to a Member's performance of his duties and as such they are normally tax free. They are known by various names: entertainment allowance, travel allowance, constituency allowance. The Federal Government, Newfoundland, Saskatchewan and the Northwest Territories offer an allowance which varies according to categories established for their constituencies. Special consideration is given to members who represent districts which are particularly large and/or isolated and who can thereby be expected to entail additional transportation and communication costs. These "expense" allowances vary from a high of \$12,700 to \$16,800 for a member

of the House of Commons to \$4,050 for New Brunswick legislators. This again is deceptive as there are a great many additional subsidies which may be granted to legislators in a particular jurisdiction. Indeed, the package of benefits received by any one group of legislators is unique. For example, in Ontario, there is an extra allowance for members of four named northern ridings for the actual costs of travel and accommodation not to exceed \$2,500 per year while travelling by air in the electoral district. Most provinces provide a "rent allowance" for members who reside outside the capital region. This varies from an obligation to meet vouchered expenses of up to \$25 a day in Manitoba to vouchered expenses which are not to exceed \$4,200 a year for some Ontario Legislators. Federal legislators do not receive a rent subsidy; these expenses are expected to be covered by their more generous expense allowance. Saskatchewan offers an interesting variation: each Saskatchewan legislator receives \$35 a day for each day the legislature is in session. Also, each Saskatchewan legislator receives a sessional expense allowance on a per session basis of \$3,530. Some jurisdictions extract a financial penalty from its legislators if they fail to attend the legislature for more than a stipulated number of days of a session without a reasonable cause. The severity of the penalties varies and many jurisdictions have no such penalty. There are other possible compensations such as subsidized meals, relocation allowances, severance allowances, pensions and special travel allowances. Other services which can assist the legislators in the performance of his duties are: the provision of office space and secretarial and research assistance, constituency office space and secretarial help, telephone and mailing privileges. Funds for the caucus and the provision of library resources and specialized research staffs can also be very important in facilitating the work of the legislator. These additional "perks", allowances and services vary widely from jurisdiction to jurisdiction, and they will be considered in later editions of this journal.

TABLE FOLLOWS



	House of(a) Commons	Senate(a)	Alta.	B.C.	Man.(b)	N.B.(b)
Indemnity	28,600	28,700	12,510	16,000	12,200	12,152
Expense Allowance	12,700(d)	6,200	6,075	8,000	6,100	4,050
Sessional Allowance						
Most recent increase	1979	1979	1978	1977	1978	1978
Indexed annually	Indexed	Indexed	No	No	Indexed	Indexed
Prime Minister	35,400		33,286	28,000	16,600	25,000
Leader of Opposition	21,200	9,500	27,986	19,000	15,600	16,000
Minister	21,200		27,986	24,000	15,600	16,000
Minister Without Portfolio	21,200		21,360	21,000		10,000
Parliamentary Secretary	5,600				2,500	
Speaker	21,200	14,100	19,610	19,000	5,000	5,000
Deputy Speaker	8,500		6,736	8,500	2,500	2,500
Deputy Chairman of Committee (Whole)	5,600				1,250	
Asst. Deputy Chairman of Committee (Whole)	5,600					
Chairman of Select Committee						
Chairman of Standing Committee						
Leader - Recognized Political Party	5,600			8,500	6,000	
House Leader - Official Opposition	5,600					
House Leader - Recognized Party						
Chief Government Whip	5,600					500
Chief Opposition Whip	5,600					
Chief Whip - Recognized Party						500
Deputy Government Whip						
Deputy Opposition Whip						
Whip						
Leader of the Government		21,200(e)				
Deputy Government Leader		4,600				
Deputy Opposition Leader		3,800				

REMARKS

(a) This represents an interim increase over 1978 of 6.4 per cent calculate in January 1979. This may be revised upwards to no more than seven per cent when the calculations for the 1978 Industrial Composite Index are complete.

(b) The 1978 indexation has yet to be included in the current pay schedules of Manitoba, New Brunswick, Northwest Territories and the Yukon. This will be calculated and included by April 1, 1979.

Nfld.	N.S.(c)	Ontario	P.E.I.	Que.	Sask.	N.W.T.(b)	Yukon(b)
12,450 6,225(f)	9,600 4,800	20,012 7,800	10,000 5,000	29,468 7,500	8,470(k) 7,560(k) 3,530(1)	10,707 1,000(m)	11,912 2,875(n)
1978 No	1974 No	1978 No	1978 Indexed	1979 Indexed	1978 Indexed	1978 Indexed	1978 Indexed
23,455 14,815 18,815	25,000 21,000 21,000	26,000(i) 18,720 18,720	29,000 10,000 19,000	41,700 30,580 30,580	26,095 19,300 19,300		19,523(o)
8,640	21,000(g)	7,800 5,200	19,000	8,340	3,000		
8,640 6,170	11,000 5,000	9,360(i) 5,200	3,000 1,500	30,580 13,900	7,060 4,240	2,000 1,500	5,670 2,835
3,090	6,000	3,120		12,510		1,000	
		2,080		3,675			
		5,200(i) 5,200		12,510 12,510	9,102		
3,090	65 x (h)	2,600 5,200		11,120 12,510	1,415		
3,090	65 x (h)	3,120		8,340	1,415		
	65 x (h)	2,600 3,120		6,950 6,950	708		
		2,080(j)		6,950			

(c) In 1978 the sessional indemnity and expense allowance were interpreted to mean per session. There were two sessions in 1978.

(d) The expense allowance is \$16,800 for members from the N.W.T. and \$15,600 for members representing electoral districts in Schedule III of the Canada Elections Act.

(e) The salary of the Leader of the Government is \$15,600; the \$21,000 salary represents the present Leader's position as a Minister of the Crown.

(f) This is called a Travel Allowance. It is divided into six categories from \$6,225 to \$10,225. These categories are based on the relative distance of the constituency from the provincial capital.

REMARKS (continued)

- (g) The salary for a Minister Without Portfolio can range between \$6,000 and \$21,000 as determined by the Governor-in-Council.
- (h) The salary for any party Whip is equal to \$65. multiplied by the number of members in that party.
- (i) These four office holders receive an additional representation allowance:
- | | |
|------------------------------|---------|
| Premier | \$4,680 |
| Leader of the Opposition | \$3,120 |
| Speaker | \$2,080 |
| Leader of a Recognized Party | \$1,560 |
- (j) This is paid to each of not more than 3 Government Whips and 2 Official Opposition Whips in addition to the Chief Whips and the Deputy Government Whip.
- (k) The members representing the constituencies of Athabasca and Cumberland receive annual indemnities of \$9,470 and expense allowances of \$7,810.
- (l) In 1978 there were two sessions.
- (m) The constituency allowance is divided into several categories which are based on a consideration of the relative distance of the constituency from the capital, the size of the constituency and the problems of travel and communication. It is designed to allow the member to meet his expenses in visiting each community in his constituency at least twice a year. It varies from \$1,000 for constituencies within Yellowknife to \$8,000.
- (n) A constituency allowance of \$2,875 is paid to members representing Whitehorse and \$5,670 is paid to members outside Whitehorse. The \$5,670 is paid to all members of the Executive Committee and Advisory Committee on Finance regardless of where they reside.
- (o) This represents the salary of members of the Executive Committee and the Advisory Committee on Finance.

