



**REPORT OF THE  
INDEPENDENT COMMITTEE  
ESTABLISHED TO REVIEW AND MAKE  
RECOMMENDATIONS  
ON THE  
SALARIES AND BENEFITS  
OF MEMBERS OF THE LEGISLATIVE ASSEMBLY  
OF NEW BRUNSWICK**

September 29, 2022

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Excellence is an art won by training and habituation.  
We do not act rightly because we have virtue or excellence, but rather we  
have those because we have acted rightfully.  
We are what we repeatedly do.  
Excellence, then, is not an act but a habit.

Aristotle

## EXECUTIVE SUMMARY

- [1] “*Few positions are more important to our status as a free and democratic society than those of our elected representatives.*”<sup>1</sup> Citizens want and deserve to be led by the best and brightest. We want leaders in their fields to run for election at all levels of government. We should also want diversity, in all its incarnations.
- [2] This Independent Review Committee is tasked with the review of the compensation of Members of the Legislative Assembly (MLAs or Members) of New Brunswick. This is pursuant to Terms of Reference<sup>2</sup> established by the Legislative Administration Committee (LAC), an all-party committee of the Legislative Assembly, pursuant to section 39 of the *Legislative Assembly Act (Act)*. There are two major components to this review: MLA compensation and constituency funding.
- [3] In the past, serving as an MLA was viewed as a “part-time” occupation. The current demands of time and effort, the increasing complexity of issues and legislation and not the least, the expectations and demands of the public, make being an MLA a “24/7” job. Weekend and evening work is required. Family and personal time is lost. The MLA is always “on call.”

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<sup>1</sup> British Columbia report on the issue of MLA compensation 2007, page 10.

<sup>2</sup> Appendix #1.

- [4] Our MLAs have not had a salary adjustment in 14 years. Allowances for constituency expenses are inadequate. Constituency assistants are underpaid. “More does not come from less.”
- [5] Attracting suitable candidates who are in mid-career to run for office can be difficult as it can seriously disrupt a career. The result can be dire as income and business opportunities are lost.
- [6] In our meetings with MLAs, most stated salary was not a factor in making the decision to run for office, or to offer for reelection. Many did not inquire about salary and benefits until they were elected. Many did not appreciate what they were embarking on for themselves or their families.
- [7] None of the MLAs we spoke to expressed the view that recommending increases of their salary should be our priority. Every MLA asked us to focus on the issue of constituency funding. While the gap between what an MLA is “worth” and what citizens will accept to pay may never be closed (certainly not by this committee), the lack of funding for constituency offices, and therefore staff, is a pressing matter that must be resolved immediately.
- [8] We suggest immediate salary adjustments and an appropriate amount for constituency expenses, including the salaries of constituency assistants. As importantly, we recommend a formula for future adjustments that once adopted, the parties resolve to fully support and pledge to not disturb.
- [9] We acknowledge the administrative support from the Office of the Clerk: Shayne Davies, Patrick Dunn, Katie Hill and Lindsay Martin.

**Democracy is the only system capable  
of reflecting the humanist premise of equilibrium or balance.  
The key to its secret is the involvement of the citizen.  
John Ralston Saul**

## INTRODUCTION

[10] The last review of salary and benefits for Members of the Legislative Assembly (MLAs) was undertaken by the Hon. P. A. A. Ryan, a former judge of the Court of Appeal of New Brunswick, in 2007<sup>3</sup>. In his report, Commissioner Ryan emphasized that the employment of powers to make laws and the inherent responsibilities attached to those powers, is serious. At paragraph 31 he stated:

*In a modern democracy, the powers, duties and responsibilities of legislators are no less substantial. Because of their powers, and the responsibilities and consequential duties owed to the electorate, it is essential that civic-minded persons continue to be attracted to serve the people of New Brunswick and that they receive fair and reasonable compensation for their public service. The compensation levels should not be so small that they discourage qualified candidates from running, or so generous as to be a major inducement for seeking office.*

[11] Commissioner Ryan recommended a salary increase for MLAs and annual adjustments to a member's salary in accordance with the industrial aggregate, the existing index then employed.<sup>4</sup> In 2013, the government of the day changed the adjustment formula to gross domestic product (GDP) as it was believed to be a better indication of the province's financial position. However, for the 14 years since implementation of Commissioner Ryan's recommendations, governments froze MLA salaries to the 2008 level instead of following a disciplined approach of scheduling manageable increases.<sup>5</sup>

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<sup>3</sup> Implemented in 2008.

<sup>4</sup> *Legislative Assembly Act, 2006*.

<sup>5</sup> *Executive Council Act*, section 6; *Legislative Assembly Act*, subsection 28(2.1).

[12] It would be difficult to identify another trade or profession that has not had a raise in salary, or even a salary review, in 14 years.

## **NEW BRUNSWICK**

[13] New Brunswick is a multi-billion-dollar entity: budget of \$11.3 B; assets of \$20.5 B; GDP of \$31.629 B<sup>6</sup>. The province's 49 Members must see to its proper governance and, every four years at least, must convince the citizens that they should be elected, or reelected.

[14] Like other governments, New Brunswick manages systems that provide health care, highways and education. It must also oversee everything from environmental regulation, economic development, motor vehicle control, emergency management, tourism, to restaurant inspection. Very few entities would undertake such a broad portfolio of "businesses." It must also protect the province's status within the Canadian federation by negotiating with other provinces and Canada. All of this, the public demands, it must do while keeping revenues (taxes and fees) to a minimum. While there will always be room for improvement, Canada's governments are largely successful when one considers what they have to do with the funds available. The return on investment (RoI) to constituents, when one takes all these factors into consideration, is impressive.

[15] As stewards of this entity, MLAs must demonstrate good judgment in administering the large sums of money collected through income tax, municipal taxes, and other taxes and fees in the regulation of these systems.

[16] An important distinguishing feature of a government from a corporation is that it must maintain a social conscience and protect democracy. While many

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<sup>6</sup> Approximate numbers.

corporations demonstrate a social conscience, their primary and predominant goal is RoI, to make a profit and satisfy their shareholders. Governments must demonstrate a social responsibility to their citizens and consider public policy issues and political, economic and social objectives while ensuring the rule of law, and at the same time satisfy the electorate so they can be reelected. Few people in our society bear such responsibility and we should not expect those who do so to be inadequately compensated.

[17] Presently, of our 49 MLAs, thirty are members of the governing party; of those, seventeen are cabinet ministers, plus the Speaker and two Deputy Speakers. The other ten government members may serve on committees. There are nineteen members in the opposition, most of whom serve on committees. The members range in age from mid-30 to over 70; the majority have post-secondary education. There are 13 women and 36 men.

[18] One of the most significant features of New Brunswick is the importance of linguistic rights. We are the only province with two official languages which are enshrined in the *Canadian Charter of Rights and Freedoms* and the New Brunswick *Official Languages Act*. This has set us apart and made us unique in the Canadian federation. Surely one of the most important duties of our MLAs is to defend those rights.

## **HISTORICAL CONTEXT**

[19] In his report, Commissioner Ryan recommended that MLAs receive a base annual salary of \$85,000.00, with a formula for annual adjustments. This was implemented on April 1, 2008. He further recommended that certain additional amounts be paid to members of the Executive Council, Leaders, Speakers and others. The Legislative Assembly adopted Commissioner Ryan's recommendations. However, due to annual salary freezes imposed by the Legislature under subsequent governments, the base amount of \$85,000



remains the same as in 2008.<sup>7</sup> The additional amounts for the Premier and Ministers of the Crown were reduced for several years and have only recently returned to the amounts recommended in 2007.

## MANDATE

[20] The two major components to this review are MLA compensation and constituency funding. The latter is not funding that goes to the MLA but the operation of the constituency office which provides services to the electorate.

[21] The LAC directs that our tasks should be accomplished by considering the 2007 Ryan report, recent MLA compensation reviews by other Canadian jurisdictions, recent compensation reviews by other comparable entities, and best practices across Canada; and by consulting with such persons as the Committee considers advisable.

[22] The LAC asks this committee to consider such factors as, but not limited to, the geographic and population size of a constituency or urban versus rural representation, and instructs the Committee to base its recommendation on the following guiding principle:

*The job of an MLA is representative of a full-time occupation. MLAs should be compensated at a fair and reasonable level to ensure that capable individuals continue to offer themselves for public services. Compensation levels should not be so small that they discourage qualified candidates from running, or so generous as to be a major inducement for seeking office.*

[23] The Terms of Reference specifically direct the review of MLAs' annual constituency office allowance and whether constituency office assistants are appropriately compensated for their work.

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<sup>7</sup> *Legislative Assembly Act*, subsection 28(2).

[24] The Committee is comprised of:

The Hon. Margaret E.L. Larlee, served as the first woman appointed as a judge of the Court of Appeal of New Brunswick from 1998 until her retirement in 2019. She was called to the Bar in 1974 and spent the next 11 years working in private practice and for the Government of New Brunswick. In 1985, she was also the first woman appointed as a judge of the Court of Queen's Bench of New Brunswick. During her career, she has played an active role in the Canadian Chapter International Association of Women Judges. In 2018 she received the Ilsa Greenblatt Shore Distinguished Graduate Award bestowed upon a member of the University of New Brunswick Law alumni who has been involved in public service, including service to the law school, and who has achieved recognition in their chosen field.

G. Robert Basque, K.C. has practised law as a partner at the Moncton law firm of Forbes Roth Basque since 1983. His preferred areas of practice are administrative, employment and labour law. He was called to the Bar in 1981 and was appointed Queen's Counsel in 2001. During his career, Mr. Basque has served as President of the Law Society of New Brunswick and the Moncton Area Lawyers' Association. He is currently Chair of the Law Society's Discipline Committee. He has served on numerous boards of directors. He has been also vice-chair of the Employment Standards Tribunal. In the past, he has participated in a compensation review process for the City of Moncton.

## PROCESS

[25] To begin, we asked the Clerk of the Legislative Assembly to issue a press release and publish an advertisement in daily and weekly newspapers concerning the appointment of the Committee and seeking public input<sup>8</sup>. We did not schedule public meetings for several reasons, chief of which is that there would be little appetite or interest for them during a pandemic. We received 19 emails and letters from the public, and one telephone call. We also had in-person and virtual consultations with a parliamentary officer, a

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<sup>8</sup> Appendices #2 & #3.

legislative officer, a minister, a party leader, MLAs of all three sitting parties, constituency assistants and others.

[26] To all we promised anonymity. We attribute comments to no one. The views expressed are ours.

#### METHODOLOGY

[27] Commissioner Ryan did an extensive analysis of the province's economic situation<sup>9</sup>. He received a report on economic conditions in New Brunswick from an economist from the University of New Brunswick, and then did an assessment of the situation germane to the salaries of MLAs in the province. We did not deem it necessary to receive a similar report or do a synopsis of one.

[28] Our mandate is to make recommendations. It will be up to the MLAs to decide about increases in salary and allowances and whether the provincial budget and economy can sustain increases. The decision will be based on political judgment. An increase for any reason will be criticized. There is never a good time for one. It is not within our terms of reference to make assessments or predictions as to how the provincial economy is faring, or whether that should be a factor.

[29] Whatever the amount chosen, we recommend that it be implemented as soon as possible. As the Province's budget cycle starts April 1, we suggest that date in 2023. Some will say that it should be after the next election. The risk there is that it will become a political issue on the campaign trail, with all parties promising to roll back these recommendations and maintain the *status quo*, if elected. We do not see this as viable over the long term.

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<sup>9</sup> Pages 14-20.

## THE ROLES AND RESPONSIBILITIES OF MLAs

[30] A frequently asked question is “What do MLAs do to earn their salary?”

[31] The Legislative Assembly adopted a Code of Conduct in 2018 that contains a statement on the role and responsibilities of MLAs. Its key principle is to maintain and promote public confidence and trust in the integrity of MLAs as well as the respect and confidence that citizens place in the Legislature as an institution. It describes a public duty: to be loyal to the people of New Brunswick and to perform the duties of Members honestly and justly in conformity with the laws of the province and the rules of the Legislative Assembly. And it lays out the duty of an MLA as a representative: the duty to be accessible to the people of the areas for which they have been elected to serve and to represent their interests conscientiously.

[32] The responses from the public we received were largely negative. They reflect the reality of the increasing distrust in politicians. However, it is fair to say the responses did not touch on the important role MLAs play. Overall, the public is generally apathetic on the subject of remuneration of MLAs. As the author of the City of Fredericton report opined: “Nobody gets up in the morning or goes to bed at night wondering if city councillors are fairly compensated for what they do.”

[33] It is fair to say that many constituents do not understand what their MLA does. We agree with the 2016 Newfoundland and Labrador report<sup>10</sup> on the issue of [MLA]<sup>11</sup> compensation, where the role and responsibilities of members is defined in this way:

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<sup>10</sup> Page 13.

<sup>11</sup> The provinces use different terminology to describe their members and legislative assemblies. For example, Newfoundland refers to Members of the House of Assembly, or MHAs. Quebec uses Member of the National Assembly, or MNA. We use the New Brunswick terminology throughout, but it is intended to be generic.

*“The [MLA] is at once an ombudsman, social worker, legal advocate, crisis intervenor, even occasionally a father confessor. Members provide information and problem solve issues for constituents on government policies, services and programs. This requires knowledge of government and the ability to discern the big policies and the small issues. [MLA]s must understand their communities and be sensitive to their needs. In order to achieve this, the [MLA] needs to be present and accessible in their communities and have the ability to engage their constituents and listen to all concerns.*

*Members of the [Legislature] are expected to represent their constituents, even those that did not elect them, and act as their spokesperson. They also represent the broader civil society. They are responsible to their political parties and their party leaders. They need to research and be prepared to help make decisions with regard to policy, finances, and issues of concern to the residents of the province. As a trustee of the people, they must ensure that government is accountable to the people. Working with their fellow Members, they will be debating, deliberating, and voting on legislation to create laws. Many will serve on committees, be active in their caucuses and have additional jobs and responsibilities assigned to them by their party leaders.*

*Whether they are the first point of government contact for their constituents or acting as legislators, Members must either possess or develop the requisite skill set to meet the demands outlined above. They will be expected to speak publicly; engage their communities; have the ability to create new ideas; be able to multi-task and manage their time effectively; and manage their constituency offices.*

[34] There are four principal aspects to an MLA’s “job.”<sup>12</sup>

- a. Sitting in the Legislature;
- b. Sitting on legislative committees;
- c. Working in caucus;
- d. Working in their constituency.

[35] In all roles, MLAs are expected to have done their research, become informed on the issues, and be prepared to bring forth the views of their constituents.

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<sup>12</sup> We distinguish the MLA’s functions from those of Ministers.

#### THE LEGISLATURE

- [36] The public, and the press, are mostly interested in what happens in the Legislature as it is where laws are enacted. Since 2014, the number of days our Legislature sits per session, usually over a 12-month period, has been reduced to 44, on average. The explanation offered is that work in committees is more efficient and leads to a more effective Legislature. The opposite view is that it decreases transparency.

#### COMMITTEES

- [37] Legislative committees exist to expedite the work of the Legislative Assembly and to allow for more thorough study of complex or technical questions. They can take the place of sittings of the Legislature when necessary to consult the population, examine a Bill in detail, or carry out an in-depth study on a specific matter. There are two kinds of committees appointed by the Legislative Assembly: nine permanent Standing Committees and, currently, two Select Committees appointed on a temporary basis until their work is completed or the Legislature is dissolved.
- [38] Committees do not have independent powers of inquiry to examine matters of their own choosing but are totally independent in their deliberations. Committees can also provide a means by which the public can provide input on a matter and make their views and opinions known to the Legislature.

#### WORK IN CAUCUS

- [39] Each caucus meets numerous times throughout the year. There, MLAs can influence the direction to be taken before their party advances policy and legislative initiatives. MLAs do not receive extra compensation for their caucus work.

[40] Leaders represent their party in the Legislature and in the province. They are expected to comment publicly on government policy decisions and develop platforms for their own party, regardless of the size of the caucus.

#### CONSTITUENCY WORK

[41] Once elected, MLAs must work with constituents of all political stripes to help them navigate government systems. Most deal with and advocate on health, education, housing and social development issues. Some are seen as a “point of service” that dispatches constituents towards the appropriate agency. They deal with the real issues in the lives of real people.<sup>13</sup> Sometimes, it has nothing to do with government.<sup>14</sup>

[42] Many MLAs have several municipalities and local service districts in their riding. They are expected to anticipate demand for roads, schools, hospitals and environmental issues.

[43] To better coordinate their constituency work with their sitting days in Fredericton, MLAs require a parliamentary calendar indicating projected days the Legislature and committees will sit. It is hard to imagine that MLAs who have appointments, the care of children and other dependents can operate without knowing which days they must be in Fredericton. A detailed parliamentary calendar lends itself to more options regarding housing rather than a *per diem* allowance for hotels.

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<sup>13</sup> E.g.: “My power got turned off”; “Where do I get my vaccine?”

<sup>14</sup> One MLA told of being called on his first day in office by a constituent who wanted help finding the password for his computer.

## TERMS OF REFERENCE

[44] In accordance with the Terms of Reference, what follows addresses:

- a. Salaries and benefits of MLAs.
- b. Salaries and benefits of MLAs who have responsibilities under the *Executive Council Act*, the *Legislative Assembly Act* and additional indemnities for Parliamentary officers.
- c. Mechanism and timing of future compensation adjustments.
- d. Constituency office allowances.
- e. Urban vs. rural constituencies.
- f. Travel allowances.
- g. Transition allowance.
- h. Recommended legislative changes.

## SALARIES OF MLAs

[45] We place MLAs into four categories:

- Those beginning their career who see it as a “springboard”:  
For some, the salary of an MLA is “more money than they have ever made” or “thought they would ever make.”
- Those who are in the middle of a career and disrupt it.  
For many, being an MLA, even if made a minister, represents a major or total loss of income from other activities, with no guarantee of reelection when the next writ is dropped. We have anecdotal evidence of some leaving after one term as they cannot afford to stay. The current remuneration is not conducive to attracting professionals, college professors or CEOs.
- Those who choose politics predominantly because they want to make a difference, to influence change, and to respond to a call to public service.  
Everyone believes they can make a difference, but some enter politics only for that purpose. Some feel a serious need to commit to public



service and are prepared to “sacrifice individual goals for the greater good.”

- Those who have had a career, and this is a second one.

They have a pension or do not need the income for various reasons. Some held off from offering until they were “better off” in life.

[46] The authors of the 2014 Nova Scotia Report on compensation focused on the issue of the disruption of a career<sup>15</sup>:

*An MLA effectively interrupts his or her career to become an elected Member. Several reports considered by the Review Panel along with submissions made by current and retired MLAs focus on the fact that the career interruption of MLAs is usually at a point in their lives when their careers are at their peak. Commissioner Donahoe stated:*

*“There must be adequate remuneration to allow a person to take a period out of a career or away from a business, at a time in their lives when their earning potential is at its highest, be able to maintain a standard of living at a level equivalent to that which one similarly qualified would maintain in the private sector and be penalized as little as possible, on return to private life.”*

[47] The challenge is to determine what fair remuneration is for an MLA today.

#### PRESENT SITUATION

[48] New Brunswick MLAs are paid a yearly salary of \$85,000. Had there not been salary freezes since 2008, and the recommendation of Commissioner Ryan and then the GDP increases been followed annually, the annual salary of an MLA would be \$91,162<sup>16</sup>, an increase of 7.25%.<sup>17</sup>

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<sup>15</sup> Page 13.

<sup>16</sup> Based on published and final average change in the industrial aggregate (from 2008 to 2013, there were years of negative growth) and GDP figures from 2014 to 2021, plus preliminary figures for 2022.

<sup>17</sup>  $(91,162 - 85,000) \div 85,000 = 7.25\%$ .

[49] In 2013, the government recognized that a more accurate indication of the province's financial position was to use the GDP.<sup>18</sup> Had the GDP been used since 2008, the salary of an MLA would be \$93,126.00, an increase of 9.56%.

[50] We note that using GDP does not work well because of timing. It takes about six months for Statistics Canada to release preliminary GDP figures for the year prior and almost a year before the final figures are released. For 2021, the preliminary GDP figures were announced in May 2022. The final figures will be released in November 2022. An increase this year without a freeze could only occur in November when the final figures come from Statistics Canada.

[51] The \$93,126.00 figure is therefore subject to change based on the GDP numbers to be published in November 2022.

[52] As MLA pay of \$85,000 was being established on April 1, 2008, two Deputy Minister pay levels were introduced. Deputy Minister pay has increased in the range of 20% since. As of October 1, 2022, the minimum annual salary of a Deputy Minister will be \$156,650.00. Had MLAs received the same average raise, their salary would now be in the range of \$102,000.00.

#### ANALYSIS

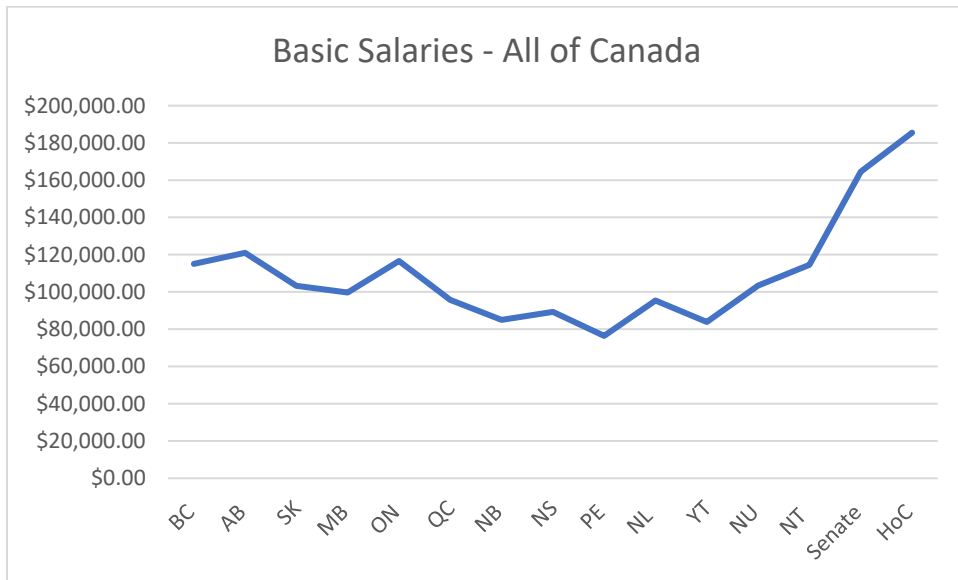
[53] The failure to provide annual salary increases since 2008 has placed present MLAs in an unfair position.

[54] We compared salaries and benefits and how MLAs are remunerated with those in the state of Maine and in other Canadian jurisdictions (where appropriate): provinces and territories, Canada, Fredericton and Moncton.

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<sup>18</sup> *Executive Council Act*, s. 7, *Legislative Assembly Act*, s. 28.

[55] New Brunswick MLAs are the lowest paid in Canada, save for Prince Edward Island. The basic annual salary of an MP is \$189,500. Unelected Canadian Senators, who do not have constituency offices to manage, make more money, just under \$180,000.



[56] It is difficult to compare our province to Prince Edward Island due to its small population and geography. The longest drive for any MLA to the capital of Charlottetown is just under 2 hours.

[57] The four largest provinces, Quebec, Ontario, Alberta and British Columbia, do not compare well because of their much larger geographic size and population. However, two of their recent remuneration review reports give some indication as to how they think MLAs should be treated with respect to remuneration.

- Quebec is of the view that its Premier plays a more important role than the Prime Minister. It emphasized the basic remuneration paid to MNAs must, among other things, reflect the value of the office of MNA because as a

society we must recognize the essential democratic role played by the men and women who choose to serve their fellow citizens.

- Ontario links MPP pay to MP's (75%) as Ontario is currently divided into 124 provincial electoral districts, almost the same number and size as federal electoral districts in that province (121).

[58] Commissioner Ryan rejected the approach taken by Ontario. He recognized that the idea of linking MLA salaries to a percentage of those in the House of Commons is not new. It had been proposed previously in Nova Scotia. He discounted the idea because the economies of our country and our province do not lend themselves to parity, nor do the portfolios of office.<sup>19</sup>

[59] While that may be true, it must be said that MLAs work as hard as MPs and are often closer to their constituents in terms of helping solve daily personal problems.

[60] The Territories of Yukon, Northwest Territories and Nunavut cannot easily be compared to New Brunswick because of the distances MLAs travel in the North and the resulting costs.

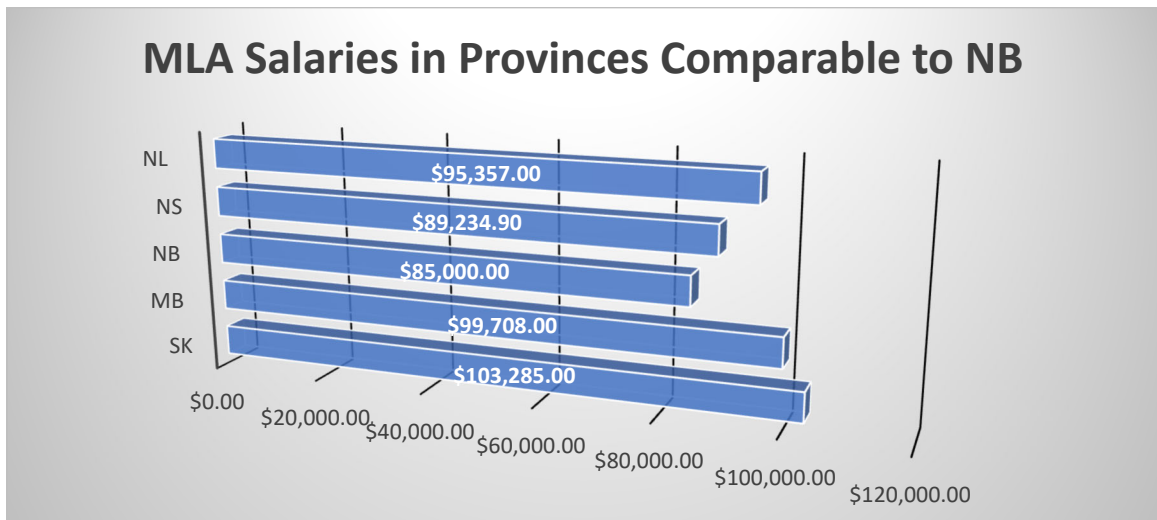
[61] Although the salaries of the mayors of the three largest New Brunswick cities might provide for a valid comparison to salaries of MLAs in urban centres, they do not provide for a particularly valid comparison to those in rural constituencies where travel is extensive. We note that the Mayor of the City of Fredericton's present salary is \$87,148 and will increase to \$91,837 on January 1, 2023 (based on a 5.35% increase since the municipality ties the salaries of mayor and councilors to the New Brunswick CPI).

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<sup>19</sup> Paragraph 149.

[62] New Brunswick compares better to Newfoundland and Labrador, Nova Scotia, Manitoba and Saskatchewan. These provinces have closer population numbers and geographic areas. New Brunswick has a population of 794,300. It covers 73,440 square kilometres in roughly a rectangular shape, about 242 kilometres from east to west and 322 kilometres north to south. Nova Scotia has a population of 1,002,556 people and a land mass of 52,284 square kilometres. The population of Newfoundland and Labrador is 522,875 over a land mass of 405,212 square kilometres. Manitoba has a population of 1.37 million and a geographic size of 647,747 square kilometres; Saskatchewan has a population of 1.186 million people and a geographic size of 651,900 square kilometres.

[63] The salary of New Brunswick MLAs is the lowest among the five.



[64] Another comparable salary in New Brunswick is that of a Legislative Officer: Auditor General; Chief Electoral Officer; Child, Youth and Senior Advocate; Clerk of the Legislature; Commissioner of Official Languages; Consumer Advocate for Insurance; Integrity Commissioner; and the Ombud. They are paid at a Deputy Minister level.

[65] We considered seven options to determine what the MLAs base salary should be:

- Link MLA salaries to those of Deputy Ministers and Legislative officers at the low end of the scale: \$156,650.00.
- Give MLAs the same 20% increase Deputy Ministers have received: \$102,000.00.
- Establish the salary as the average of Nova Scotia, Newfoundland and Labrador, Manitoba, and Saskatchewan: \$96,896.23.
- Link MLAs' salaries to MPs' salaries like Ontario does:  
 $\$189,500 \times 50\% = \$ 94,750.00$
- Establish the new base salary at what it would have been had the GDP been used since 2008. The salary of an MLA would be \$93,126.00, subject to change based on the GDP numbers to be published in November 2022.
- Establish the new base salary at what it would have been had the increases taken place as per the industrial aggregate since 2008 and then the GDP since 2013: \$91,162.00.
- Leave it at \$85,000.00.

[66] The *status quo* is not an option. In terms of what the salary would have been had the 2007 formula and then GDP been applied, what other profession takes a salary reduction because of negative change in the industrial aggregate? For the same reasons expressed by Commissioner Ryan, we reject tying the salary to federal MPs.

[67] We recommend that the salary should be what it would have been had the GDP been applied to increases since 2008: \$93,126.00, as of April 1, 2023, subject to change based on the GDP numbers to be published in November 2022. The gap between the average of the four provinces we compared or the salary of an MP

then becomes insignificant. We view the other options as not palatable to the electorate.

**Recommendation #1: That MLA base salary is set at \$93,126.00, effective April 1, 2023, subject to change based on the GDP numbers to be published in November 2022.**

#### COMMITTEE MEETINGS

- [68] Since 2014, there have been 44 sitting days of the Legislature per session, on average, and more committee meetings. Committees work during and between sessions. Their work can take up a considerable amount of an MLA's time.
- [69] Commissioner Ryan gave a history of the payment to MLAs for committee meetings<sup>20</sup>. He concluded that members should be fairly compensated for attending the committee meetings and taking on the additional work of the committees, with an expense reimbursement. Then there would be transparency and accountability.
- [70] Presently no extra money is paid to Members for committee work beyond a travel expense allowance. Section 11 of the *Act* provides not only for expenses incurred to be paid to each member of a committee of the Legislative Assembly, but also for an indemnity for each day a member is engaged in the work of a committee. The indemnity is usually referred to as a *per diem*.
- [71] Several provinces pay *per diem* amounts to MLAs to attend committee meetings. In Alberta, chairs of all-party committees receive \$200 for each meeting. Saskatchewan pays \$122 a day to committee members for attending meetings. Quebec pays a \$125 *per diem*.

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<sup>20</sup> Pages 26-28.

[72] We considered whether chairs and members of committees should receive a *per diem* amount for attending meetings in addition to the *per diem* expense allowance. Much work is done in committees, requiring many days of attending meetings in Fredericton. The chairs of those committees must often prepare extensively before the meeting. Government members who are not in executive or legislative functions must populate eleven committees. We heard that some MLAs sit as many as 30 days on these committees and that Members who care for children or other dependents must curtail their participation in committees or finance the cost of substitute caregivers from their own pocket.

**Recommendation #2: MLAs should receive \$125 per day when attending meetings of legislative committees, over and above their per diem expense allowance.**

**The chairs of committees should receive \$200 per day, over and above their per diem expense allowance.**

#### **MEMBERS OF THE EXECUTIVE COUNCIL AND PARLIAMENTARY OFFICERS**

[73] The current salaries of the Premier and the members of the cabinet are the same as they were in 2008.

[74] This year the government allowed a legislative amendment to the *Executive Council Act*<sup>21</sup> to lapse. The amendment had rolled back the Premier's and Ministers' salaries since 2015, until March 31, 2022. The effect has been to reinstate ministerial salaries to \$52,614 (from \$47,353) with the basic \$85,000 staying the same, totalling \$137,614. The Premier's salary went from \$67,150 to \$79,000<sup>22</sup> (plus the \$85,000) for a total of \$164,000.

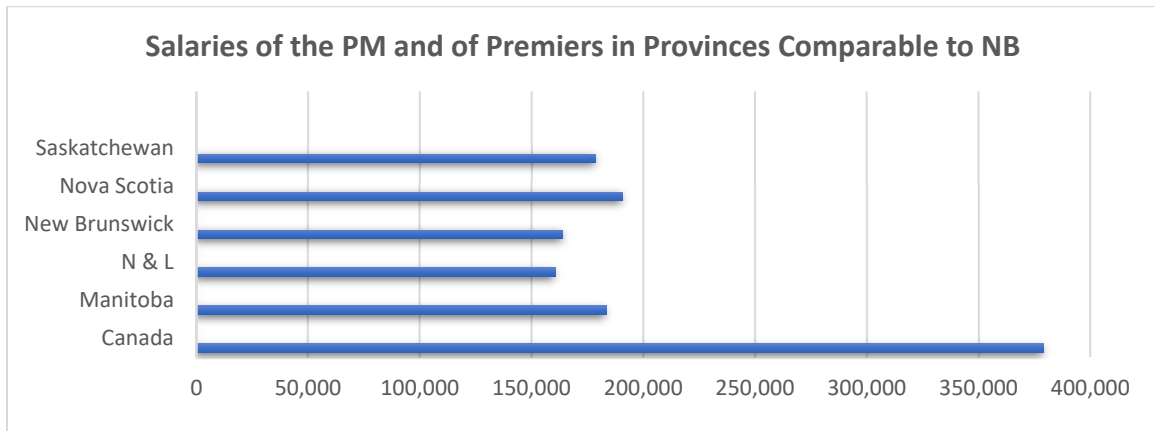
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<sup>21</sup> Subsections 6(1.1) and 6(2.1).

<sup>22</sup> *Ibid*, subsection 6(2).



[75] The total remuneration of the Premier of Saskatchewan is \$178,406; in Manitoba \$183,263; Nova Scotia's earns a total of \$190,780; and in Newfoundland and Labrador the salary is \$160,525. The Prime Minister's annual salary is \$379,000, doubling his \$189,500 salary as an MP.



[76] We considered five options. Make the Premier's total remuneration:

- Equal to the top salary of a Deputy Minister: \$206,518.
- Like the Prime Minister of Canada, double the recommended salary of an MLA, that is \$186,252.00.
- The average of the 4 comparable provinces: Saskatchewan, Manitoba, Nova Scotia and Newfoundland and Labrador: \$178,243.
- Increased proportionately to the recommended MLAs salaries:  $9.56\% \times \$164,000 = \$179,678.00$ .
- Equal to at least a mid-level Legislative Officer or Deputy Minister: \$178,412.

[77] The Premier is the Chair of a multi-billion-dollar entity that, over and above the requirement to show good fiscal performance, must also consider public policy issues, a demanding public, and political, economic and social objectives.

[78] As Heads of governments, Premiers are expected to be on top of every issue and know the "hot files" on the plate of every Minister. These are highly

accountable expectations. Heads of governments take vacations, but do not get days off. A Postmedia columnist published the following regarding the Prime Minister's recent vacation:

*“ – being PM is a tough job and ... he is entitled to vacation time with his family.*

*However, it comes with the caveat that the PM is always the PM, regardless of whether he is working in his office in Ottawa, attending G-7 meetings in Europe, or vacationing on a beach in the Caribbean.”<sup>23</sup>*

[79] The same applies to Premiers. Few executives would accept these working conditions for what taxpayers expect to pay.

[80] We recommend that the Premier's salary be double the MLAs' salaries.

**Recommendation #3: That the Premier's base salary be set at \$93,126.00, effective April 1, 2023, plus the MLA salary of \$93,126.00, totaling \$186,252.00, subject to change based on the GDP numbers to be published in November 2022.**

[81] Once the Premier's salary is set, the salaries of other members of the Executive Council and Parliamentary officers follow. We see no reason to deviate from the recommendations made by Commissioner Ryan.

[82] There is currently no salary paid to the Third-Party Whip as the present caucus only has three members. The Third-Party House Leader is paid \$2,500 as the result of the decision of the LAC. We would increase this amount given the need for that Leader to understand the Rules of the Legislature and to guide the caucus on procedure.

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<sup>23</sup> Lorrie Goldstein, August 6, 2022.

**Recommendation #4A:** That the following members of the Executive Council and Parliamentary officers receive the following remuneration, over and above their MLA salary, expressed as a percentage of the Premier’s salary of \$93,126.00:

Speaker	66.6% <sup>24</sup>	Minister with Portfolio	66.6% <sup>25</sup>
Leader of the Official Opposition	70% <sup>26</sup>	Minister without Portfolio	50% <sup>27</sup>
Leader of a Registered Political Party	25% <sup>28</sup>	Deputy Speakers	33.3% <sup>29</sup>

**Recommendation #4B:** That the following Parliamentary officers continue to receive payments as set by the LAC under subsections 28(10) and (11) of the *Legislative Assembly Act* based on the following percentages of the Deputy Speakers’ salaries:

Government House Leader	100%	Official Opposition House Leader	75%
Government Caucus Chair	33.3%	Official Opposition Caucus Chair	33.3%
Government Whip	100%	Official Opposition Whip	75%
		Third Party House Leader	15%

## MECHANISM AND TIMING OF COMPENSATION ADJUSTMENTS

[83] Since 2008, a more disciplined approach than freezing of salaries would have avoided the unenviable position of always having to play catch-up. This must be discouraging for MLAs who have not had a raise for 14 years.

<sup>24</sup> *Legislative Assembly Act*, subsection 20(1).

<sup>25</sup> *Executive Council Act*, subsection 6(1).

<sup>26</sup> *Legislative Assembly Act*, subsection 28(12).

<sup>27</sup> *Executive Council Act*, subsection 6(3).

<sup>28</sup> *Legislative Assembly Act*, subsection 28(16).

<sup>29</sup> *Legislative Assembly Act*, subsection 20(2).

[84] New Brunswick is not alone. Although Ontario required the Integrity Commissioner to review MLA annual salaries at such time as they require it necessary, salaries have been frozen since 2008.

[85] As recently as July 15, 2022, the Independent Nova Scotia Remuneration Panel Review of MLA Salaries, a committee which, by legislation, could make “binding” recommendations on the issue of MLA salaries, made “binding” recommendations that the base pay of Nova Scotia MLAs be increased from \$89,234.90 to \$100,480.91. The base pay has been frozen since 2013.<sup>30</sup> In its report, the Nova Scotia Committee wrote:

*"It is critically important to democratic government that no one is dissuaded from seeking public office solely on account of perceived financial risk or certain disproportionate financial loss. The central principle is to widen the opportunity to attract leaders from the community to participate in public office."*

[86] The Nova Scotia government’s reaction was swift: on July 19, the Premier announced that the legislature was being recalled on short notice (July 26) and that the government would introduce legislation that would block the pay raise.<sup>31</sup>

[87] Such a rush to judgment reflects the fact that some political leaders are increasingly frightened of public opinion. The consequence of this is to encourage a decrease of the quality and competence of people who seek public office. Being an MLA should not entail financial punishment.

[88] What is needed is a logical and fair system designed to provide certainty. MLAs, like all other New Brunswickers who serve the public in full-time positions, are entitled to increases to battle inflation and the resulting increase

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<sup>30</sup> [MLARemunerationReview2022.pdf \(nslegislature.ca\)](#)

<sup>31</sup> [N.S. government readies legislation to block pending MLA pay increase | CBC News](#)

in the cost of living. Once established, the parties must resolve to support the formula.

#### BY WHOM AND WHEN

- [89] How and when should compensation adjustments be reviewed in the future? Until the appointment of this committee, there had not been a review since 2007. A sampling of how salaries are reviewed in other jurisdictions is useful.
- [90] In Alberta, MLA salaries are reviewed every four years. The Chief Justice of the Court of King's Bench of Alberta (or a designate) is appointed chair of a committee of three members to review MLA compensation. The two other members of the committee should be judges of the same court.
- [91] The British Columbia review commission recommended that a comprehensive review of the MLA compensation package be undertaken in the first session of every second parliament and the Speaker appoint an independent review commission comprising three people, at least one of whom has expertise in compensation matters. The Commission would be required to report back to the Speaker within 180 days of their appointment. This is like the present New Brunswick legislative provision.
- [92] Section 37 of the Nunavut *Legislative Assembly and Executive Council Act* authorizes the Speaker of the Legislative Assembly to establish, after consultation with the Management and Services Board, an independent commission to review and make recommendations regarding the indemnities, allowances, expenses and benefits which are paid to members of the Legislative Assembly.
- [93] The Prince Edward Island Indemnities and Allowances Commission was established by legislation in 1994 as an independent body with the authority

to review and assess remuneration provided to MLAs, and to present binding decisions to the Legislative Assembly.

[94] In Quebec the Committee recommended that the National Assembly consider the creation of a permanent independent committee with decision-making authority concerning the conditions of employment of MLAs. To ensure the committee's independence and authority, the National Assembly would determine its terms of reference, the appointment process for its members, and its operating rules.

[95] Saskatchewan's mandatory independent reviews are conducted at least every five years to examine relevant components of MLA compensation, including allowances for additional duties, transition, expense allowances, pension and benefits.

[96] Finally, after looking at best practices in other municipalities, the author of the City of Fredericton report recommended that independent compensation studies directed by a citizens' committee become the norm, and that the independent reviews of council compensation should be easily accessible on the city website.

[97] We make no recommendation regarding future reviews as, if the formula we recommend is followed, they will not be required.

#### MECHANISM

[98] We considered the following options for future salary adjustments:

- Continuing to link them to the GDP.
- Linking increases to the Consumer Price Index.
- Tying them to the increases given to employees listed in Part I of the New Brunswick Public Service.

- Linking them to the Quadrennial Commission that determines the salaries of federally appointed judges.
- Linking them to the salary of Federal MPs.

#### GDP

[99] Even if there had not been freezes, using GDP does not work well, as explained previously. The calculated amount of \$91,162 is until the final figures from Statistics Canada are received in November 2022.

#### CPI

[100] Most jurisdictions use the Consumer Price Index (CPI) to annually adjust salaries: Alberta, British Columbia, Fredericton, Maine, Manitoba, Northwest Territories, Nunavut and Saskatchewan. For example, in Maine salaries are adjusted annually on December 1, to reflect the percentage increase in the CPI for the most recent concluded fiscal year, up to a limit of 3% per year.

[101] Since 1996, salaries and allowances for Saskatchewan MLAs have been adjusted each April 1 by the change in the CPI for Saskatchewan. The author of its report writes:

*The use of a Consumer Price Index as a basis for salary adjustments has the following advantages:*

- *It keeps salaries in line with changes in the cost of locally acquired goods and services*
- *It does not contribute to an artificial escalation of salaries*
- *Components used in the index are largely beyond the ability of the employer, in this case the government, to influence or control*
- *It is widely understood and accepted.*

*Disadvantages that have been identified with the use of a cost of living index are:*

- *It may or may not maintain a consistent relationship with salary changes on the part of relevant groups*

- *It does not necessarily reflect the ability of the employer to pay more (or less) than what the cost of living provides*
- *It is not intended to compensate for salary levels that may be inappropriate to begin with.*

#### Part I Employees

[102] Governments bargain hard against their unions. The current increases in the revised pay plan for management and non-union employees of the province (Part I) were set based on two main factors:

- a. Recent collective agreements signed with a dozen groups since December 2021 provide General Economic Increases (GEIs) of 2% per year over five years. To avoid wage compression issues, the current pay plan was revised from 3% over four years to 10% over five years.
- b. CPI-NB over the term of the revised pay plan (2019 to 2023) is forecast to be 2% per year on average (mix of actual for years 2019, 2020 and 2021 and forecast for 2022 and 2023).

#### Quadrennial Commission

[103] The Quadrennial Commission on Judicial Compensation and Benefits, commonly referred to as the Quadrennial Commission, is established every four years to make recommendations to the Federal Minister of Justice regarding the adequacy of salary and benefits of all federally appointed judges and Federal Court prothonotaries. It produces a report.<sup>32</sup>

[104] Some suggested that MLA salaries be linked to the salary of federally appointed judges through their Quadrennial Commission. This is a totally independent body that surveys salaries of judges and lawyers across Canada. It is good public policy to remove salary increases from the political process.

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<sup>32</sup>[https://quadcom.gc.ca/Media/Pdf/2020/Final%20Report%20and%20Recommendations%20\(30%20AUG%202021\).pdf](https://quadcom.gc.ca/Media/Pdf/2020/Final%20Report%20and%20Recommendations%20(30%20AUG%202021).pdf)



### Match Increases to MPs

[105] MPs are eligible for raises each year on April 1, based on the average annual increase in private-sector union contracts with corporations that have more than 500 employees. MPs receive on average an extra \$3,200 annual raise.

[106] In our view, the fairest solution is to tie the increases of remuneration to what is given to Part I employees. No further revision will then be necessary.

**Recommendation #5: That annual increases of remuneration be tied to the increases given to the government’s Part I employees.**

## CONSTITUENCY ALLOWANCES

### CONSTITUENCY WORK

[107] Instead of just receiving written letters and telephone calls as in days gone by, most MLAs are now bombarded with hundreds of emails daily and contacts through social media channels. Cell phones make communication through calls and texts almost instantaneous.

[108] As one MLA said to us, “People don’t call their MLA when things are going well!”

[109] In rural New Brunswick, the constituency office is sometimes the only “government” office in the area. Or it may be that because there is not an office of a particular department<sup>33</sup>, the MLA is called first. In addition to all the other issues, MLAs from those constituencies constantly spend much time dealing with road conditions.

[110] MLAs in large geographic areas spend considerable time travelling to attend functions and events. For some, the drive from one end of their constituency to

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<sup>33</sup> e.g.: Social Development.

the other can take hours. Some report adding 50,000 kilometres per year to their personal vehicles. Those who have islands in their ridings face another challenge of extensive travel and ferries to reach their constituents. Those who have large agricultural or fisheries operations in their ridings are often called about jobs.

[111] MLAs are expected to hold “Town Hall Meetings” to listen to their constituents on issues of concern and send them newsletters. They must be sensitive to linguistic issues and the fact that the population is aging.

[112] MLAs dealt with all sorts of pandemic issues. They were extraordinarily busy with questions about vaccinations, the New Brunswick border closings with Nova Scotia, Maine and Quebec, and with requests for help with the necessary documentation.<sup>34</sup> During the dramatic flood of 2018 and subsequent flood in 2019, MLAs in the Saint John River valley were contacted about all sorts of issues, not the least of which was where to procure sandbags.

[113] Constituencies in which colleges and universities are located have student populations who add another layer of requests from MLAs on all sorts of issues. MLAs must be aware of Truth and Reconciliation matters.

[114] MLAs are expected at events such as ribbon cuttings and graduations. They are expected to attend funerals and weddings of people they hardly know. They must listen to the demands of constituents, rational or not. They are often double, or triple, booked on weekends. This is not the regular employment of an individual.

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<sup>34</sup> Lack of access to vaccinations, unfair rent increases, lack of access to affordable housing, climate change anxiety and closed ERs, are further examples.

#### EFFECT OF CURRENT ALLOWANCE

- [115] The \$50,000 (net of HST) constituency allowance MLAs have received since 2019 is for all constituency expenses, including
- (1) office accommodation, including rent and furnishings,
  - (2) office operations, including, but not limited to, utilities, media, insurance, advertising, and security,
  - (3) staff salaries.
- [116] First comes rent to establish an office. The amount of rent an MLA pays in one riding where there are high rents may not compare to that of an MLA in another riding where rents are low. Some MLAs pay more than \$1000 a month while others pay in the \$400 per month range. The average is approximately \$800.00, plus HST.
- [117] Offices then must be furnished. For a first-time MLA, there is no extra funding for things such as desks, chairs, drapes, air conditioning and filing cabinets. They only receive a prorated amount for the remainder of the year if they are elected midyear.
- [118] Then comes media: cell phones, computers, WiFi and telephone lines. Today, MLA offices should have security systems and carry liability insurance.
- [119] Next, there is the cost of travel within the constituency. MLAs can charge the approved mileage allowance if they travel more than 50 kilometres within their constituency in a day, but it is charged against their constituency allowance.
- [120] There must also be money kept aside to purchase pins, flags and certificate holders (for 50<sup>th</sup> anniversaries, milestone birthdays and other significant events), cards (sympathy, congratulations, Christmas), tickets to events where they are representing the province, membership in the local Chamber of Commerce, advertising, and for unforeseen events. Refreshments can be

supplied for receptions in the office for non-partisan events. All these costs, and others, come from the \$50,000 constituency allowance.

[121] The amount left over of the \$50,000 determines the amount a staff member in the constituency office will earn!

#### CONSTITUENCY ASSISTANTS

[122] An MLA cannot accomplish all tasks without an assistant. MLAs are not always in their ridings. They may be at the Legislature or dealing with other matters. The plethora of issues that come at them daily must be managed. No one can work 24/7/52.

[123] MLAs' assistants, mainly women, are the "front line" for MLAs. They operate the office and receive the calls. They help constituents navigate the government departments and programs. They dispatch them to the appropriate sources for the services they need. Often, the issue concerns other levels of government<sup>35</sup>, but the MLA's office is the first stop, and the assistant is often the first contact.<sup>36</sup> Much time is spent on the phone listening to constituents who do not always know where to turn. The assistants become counsellors and advisors. The more familiar they become with the wheels of government, the more they can assist the MLA, and constituents.

[124] With \$50,000, most MLAs cannot pay a decent annual amount to an assistant given the other expenses they must cover. Many, if not most, MLAs operate their offices less than full-time: some open for as little as 17 hours per week with assistants on a part-time basis; some are closed one or two days per week or only open 9 a.m.-1 p.m. If assistants' hours are cut to provide a higher hourly rate, services suffer, and offices can only operate on a part-time basis. If

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<sup>35</sup> e.g.: Immigration; unemployment; income tax; snow removal; urban planning.

<sup>36</sup> "I have no money to buy groceries for my children."

assistants' hours are extended, they are paid less per hour. We are told salaries are as low as \$17,000 per year.

[125] Salaries are more competitive in an urban setting. It is difficult to recruit assistants, particularly bilingual ones. There is no job security. The personal services contracts signed by constituency assistants provide that their employment ends the day the legislature is dissolved.<sup>37</sup> Low wages and part time or reduced hours of work in any constituency contribute to high staff turnover. Some go through three or more assistants in one term. The learning starts over every time.

[126] Some MLAs told us they do not have sufficient resources to do their work.

[127] This is an issue of service, or lack of service, to the public. We reiterate that a constituency allowance does not constitute extra income for the MLA.

[128] It is also a pay equity issue as most of these constituency offices are staffed by female workers with minimum wage salaries. Some staff are working much beyond what is "on the clock." If we are to be serious about narrowing the gender gap in wages in New Brunswick, this situation must be corrected.

[129] With respect to office operations, many items were identified which are not currently covered, such as installation of alarm systems and "hot buttons" linked to police departments, and translation of documents. This is not an exhaustive list, but allowable items should be revised to make the list current with the times.

[130] So that there is as much money left as possible for staff remuneration, some MLAs report that they pay for some of these items out of their own pockets.

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<sup>37</sup> They are paid until polling day.

[131] We were told that some MLAs do not carry liability insurance, although advised to the contrary by the LAC, as the premiums would result in an equal decrease of staff salaries.

[132] MLAs are expected to purchase tickets for every minor sport, service club, home and school raffle, draw, auction or other fundraisers. Some report spending thousands on these items. They have no budget for any of this. If they refuse to contribute, they are called “cheap.”

[133] Ministers are in a different category as they are allowed an Executive Assistant and sometimes a Regional Assistant and Special Assistant. These employees are employed by the Minister’s department and their salaries are paid by the department. Any expenses related to supporting the Minister in their official capacity as a minister are covered by the department. The Speaker is treated similarly to a minister in that there is a separate budget used to operate the Speaker’s Office and hire an Executive Assistant if deemed appropriate.

#### ANALYSIS

[134] Plainly stated, one cannot operate an office, be open 9 to 5, five days per week and pay staff appropriately with \$50,000 per year. This is an antiquated and outmoded way to provide for expenses of a constituency office and it may be preferable to break down the expenses for the three categories. Other provinces prescribe different approaches for compensation for constituency offices.

[135] British Columbia members have an annual constituency office budget and it is up to them to decide how much of their budget to allocate for staffing. A collective agreement sets a starting salary for constituency assistants at \$48,490.82.

- [136] The Legislative Assembly of Alberta employs constituency assistants, based on the recommendation of the MLA. There are 3 levels of Constituency Assistant salaries: Level 1: \$32,880 - \$43,068; Level 2: \$37,908-\$52,620; and Level 3: \$45,396 - \$76,080.
- [137] The total annual amount available to each Saskatchewan Member for constituency assistant expenses is \$61,427.
- [138] Newfoundland and Labrador MLAs have an Office Operations, Supplies & Communications allowance which is currently capped at \$12,000 (inclusive of HST). The purpose of this allowance is to assist the MLA with the effective operation of the constituency office and to provide effective (non-partisan) communication to constituents. In addition, they receive a \$3,000 constituency allowance for expenses incurred in conducting constituency business. Expenses may include such things as meals or purchase of food for meetings with constituents, memberships in community or other organizations, and renting facilities to accommodate constituency meetings. It also allows for MLA training and attendance at conferences, if approved by the Speaker. Obviously, these two amounts do not address rental of offices or salaries of employees.
- [139] Manitoba has a Constituency Assistant allowance which provides each Member a maximum allowance per month (biweekly pay periods) for salaries, including benefits to pay for constituency staff. The biweekly maximum entitlement for a constituency assistant's salary is \$2,016 biweekly or \$52,416 annually.
- [140] Ontario members have an assistant at the Legislature and one at their constituency office. How they staff their offices is up to their discretion as they are the employers. Members are provided a global budget to be used for the purpose of operating their offices and hiring staff. There is a union contract for

employees: Clerk Typist: \$39,203, Special Assistant \$50,050, Legislative Assistant \$52,899, Constituency Assistant \$56,878, and Executive Assistant \$60,600.

[141] The 2022 Nova Scotia report confirms that MLAs access a monthly allowance of \$4,282 (\$51,384 annually), plus between \$14,059 and \$18,558 depending on the constituency for expenses related to the constituency office, on presentation of receipts<sup>38</sup>.

[142] In the Northwest Territories,<sup>39</sup> it was recommended that while each MLA continues to negotiate the salary level for their Constituency Assistant, the minimum hourly rate should not be less than \$25.00 per hour. It was further recommended that the budget amounts available to MLAs for Constituency Assistant salaries be increased by the Canadian Consumer Price Index annually. The MLA's constituency budget ranges from \$90,385 to \$106,602.

[143] A Quebec MLA has an operating budget not only for their riding office but also for payroll for their staff. The National Assembly supplies certain services, computer and telephone equipment and support. There is a scale<sup>40</sup> for each of four groups for operating budget: \$48,400-\$56,700 and for remuneration of from \$162,888 to \$210,711

[144] At the House of Commons, members hire staff for their Parliament Hill office and staff for their constituency offices. There is no salary scale for Members' employees but there is a maximum salary of \$92,800.<sup>41</sup> This maximum is adjusted annually based on the index of the average percentage increase in base-rate wages for a calendar year in Canada resulting from wage settlements negotiated by major groups.

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<sup>38</sup> Page 201.

<sup>39</sup> June 2021 report page 40.

<sup>40</sup> Page 47 of 2013 report.

<sup>41</sup> <https://www.ourcommons.ca/Content/MAS/mas-e.pdf>



[145] The present system of New Brunswick MLAs receiving a global amount of \$50,000 is insufficient and must be replaced by something which will meet the needs of the three categories. There will be exceptions. Members in more affluent ridings may not need to be open as many hours as others. Others in ridings covering more geography may be able to justify two offices. In any recommendation we make regarding this, there must be some flexibility.

[146] One option is a hybrid approach: take rent out of the equation, or out of the constituency allowance and have the Director of Finance and Human Resources approve a rental amount for each of the 49 constituency offices depending on market rates and conditions in the constituency. It could be a fixed amount for urban and rural constituencies with an additional amount for an MLA requiring a second office. Then a global amount could be given to each MLA for office operations and staff salaries. For office operation, each MLA could receive \$60,000,00 annually. A committee should review and revise what this amount covers. An additional amount could be given to newly elected MLAs. Or perhaps furnishings could be supplied by the Legislative Assembly or the Department of Transportation and Infrastructure. Office staff could become employees of the Legislature or paid salaries commensurate with those of similar employees. Installation of security systems would be left to the Director of Finance and Human Resources as it involves negotiations with landlords.

[147] If this approach is too cumbersome, and the old system is kept the amount should be increased to provide for the highest rent; an hourly minimum rate of \$25 for an assistant based on a 36-hour week (\$46,800 annually); and sufficient funds to operate an office. Assistants' salaries should be reviewed on a timely basis and be comparable to similar employees of the Legislature.

[148] There has never been a formal assessment of the role and duties of constituency assistants. Perhaps it is time.

#### RETHINKING ALLOWABLE EXPENSES

[149] There are many barriers facing women in running for elected office. Compared to men, female politicians tend to start their careers later, have fewer children, spend more time caring for their families and arrange their lives to have shorter commuting time. Women and men involved in childcare or elder care face tough time constraints balancing family responsibilities and a political career. To encourage more female participation, the Legislature should develop a strategy for supporting politicians who care for young children or other family members by allowing occasional virtual participation, making special accommodation for overnight stays in the capital rather than hotel accommodation and providing more constituency money for the trips to and from Fredericton, particularly if care expenses are needed.

[150] Considerations concerning childcare or elder care, functions often occupied by women, should be reexamined. Additional constituency money would encourage representation by women, particularly if care expenses are permitted.

[151] We suggest a review.

- Recommendation #6:**
- That the salary of constituency assistants be set at \$25.00 per hour for a 36-hour work week, and that it be indexed as per MLA salaries.
  - That each constituency be allocated an amount for rent per year. We make no recommendation regarding rent since there is such a diversity of amounts or range of rents paid in the constituencies.

- That the constituency allowance be immediately increased to a total of \$75,000 per year, including salaries and rent.
- That the allowable constituency expenses be reviewed.

## URBAN VS. RURAL

[152] The LAC asked us to consider and recommend whether MLA compensation should be based on geographic and population size of a constituency or urban versus rural representation.

[153] Population size is not a factor to be considered as the *Electoral Boundaries and Representation Act* provides for numeric equality of the constituencies.

[154] To try and determine a salary on geographic size would be difficult given the unique size of each of the 49 constituencies. It is difficult to determine a salary based on urban and rural factors without a detailed study. Cities like Moncton or Dieppe cannot be easily compared to Campbellton or Edmundston. To apply urban and rural factors to a base salary, one would have to do an analysis of each constituency to determine if it were urban or rural. Each MLA would have to be interviewed and perhaps a scale established with respect to the size of each city. We have insufficient information to do a proper analysis. We did not consider these factors when coming to a determination of a base salary for MLAs. However, these factors came into play when reviewing the constituency office allowance.

## TRAVEL ALLOWANCES

[155] What is sometimes referred to as a *per diem* allowance is really a travel allowance, consisting of

- an accommodation allowance of \$150.00 and an incidental allowance of \$5.00 for each overnight stay the member incurs while the House is in

session if the member's residence is greater than 50 kilometres from Fredericton;

- meal rates;
- an allowance of \$.50 per kilometre if the member's residence is greater than 25 kilometres from Fredericton.

[156] Each member who is not a member of the Executive Council is eligible to receive the travel allowances for

- each day the member attends sittings of the Legislative Assembly,
- each day the member attends a committee meeting,
- travel costs between the member's riding and Fredericton, except when the Legislative Assembly is sitting. The maximum is currently established at 40 travel trips per fiscal year.

[157] These allowances correspond to the amounts allowed to Appendix A of the Travel Allowances And Other Expenses section of the Travel Policy made under the *Financial Administration Act*.

**Recommendation #7: - That the travel allowance continue to be tied to what is allowed for the public service.**

#### ELECTRIC VEHICLES

[158] Analysis shows electric vehicles perform better than traditional ones, in terms of greenhouse gas emissions, depletion of non-renewable resources and emissions of atmospheric pollutants affecting urban areas.

[159] In their July 2021 announcement of New Brunswick's 3-year Electric Vehicle Incentive Program, the Departments of Environment and Local Government and Natural Resources and Energy Development and NB Power offered rebates for those who buy new and used electric vehicles and long-range hybrid electric vehicles, and a rebate of \$750 towards the purchase of a charging

station. They announced the incentive program would help them meet their target of 20,000 electric vehicles by 2030.

[160] Eighteen of the 49 MLAs receive a car and a gas card (Cabinet Members and the Speaker), or a vehicle allowance<sup>42</sup>. The others charge their mileage. Some report adding upwards of 50,000 kilometres on their vehicles. No review of the true cost of this has ever been conducted.

[161] One solution to the inadequate rate of compensation<sup>43</sup> an MLA receives for travel<sup>44</sup> is to supply all MLAs who are prepared to participate with electric cars. Charging stations could be established in each riding, sometimes at the constituency office, thus contributing to New Brunswick's EV infrastructure. This would serve as an example to the citizens of New Brunswick and Canada!

[162] If the government of New Brunswick is not prepared to buy electric vehicles for those who wish to drive them, it could provide additional incentives to all MLAs to drive electric or hybrid vehicles. The cost and savings and the promotion of the use of such vehicles would provide an opportunity for MLAs to be ambassadors and to lead New Brunswick into this new era of a greener province.

[163] The New Brunswick government can boost support for electric vehicles and be a leader in automobile and travel efficiency in the province and set an example for other provinces. In doing so it will improve and support its MLAs' travel expenses and service to the public.

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<sup>42</sup> As do Deputy Ministers.

<sup>43</sup> \$.50 per kilometre.

<sup>44</sup> And for the additional 50,000 to 60,000 kilometres some MLAs put on their personal vehicles annually for constituency work and back and forth travel to the capital, particularly in rural areas for which there is no compensation.

**Recommendation #8:** That a study be undertaken to compare the cost and benefits of electric vehicles vs. the cost of continuing to compensate MLAs for their travel by the kilometre.

## **TRANSITION ALLOWANCES**

[164] When MLAs leave office, voluntarily or not, some find it difficult to find new employment. Most political careers are short to medium term. Section 38 of the *Act* provides for a Transition Allowance equal to one twelfth of the person's annual indemnity as a member, at the rate in force immediately before the person ceased to be a member, for each session or portion of a session of pensionable service in the Legislative Assembly, up to a maximum of six sessions.

[165] The present formula based on a "session" for determining the allowance is troublesome as sessions may vary in a year. Since 2020, there has only been one session of the Legislature. To avoid any prejudice, the transition allowance should be equal to one twelfth of the annual indemnity for each year, or portion of a year, of pensionable service in the Legislative Assembly, up to a maximum of six years.

**Recommendation #9:** That the transition allowance be equal to one twelfth of the annual indemnity for each year, or portion of a year, of pensionable service in the Legislative Assembly, up to a maximum of six years.

[166] Transition allowances should also be extended to constituency assistants whose income ends on polling day should their MLA employer not be reelected.

## LEGISLATIVE AMENDMENTS

[167] The Committee recommends all necessary legislative and regulatory changes to implement our recommendations be undertaken. These include but are not limited to the following:

- Sections 20 and 28 of the *Legislative Assembly Act* must be amended to delete GDP and amend annual indemnity and salary adjustments. The portions of them relating to the salary “freeze” that are spent should be removed.
- Section 38 of the *Legislative Assembly Act* which ties the transitional allowance to “sessions” of “pensionable service,” rather than years of pensionable service should be amended.
- Sections 6 and 7 of the *Executive Council Act* must be amended to implement a revised salary adjustment mechanism for ministers. Like the *Legislative Assembly Act* provisions pertaining to MLA compensation, certain provisions of the *Executive Council Act* are now spent due to the expiry of the “freeze” on March 31, 2022 (s. 6(1.1), s. 6(2.1), s. 6(3.1), s. 7(6)).
- Section 9 of the *Executive Council Act* requires that the Legislative Assembly review all salaries paid under the *Legislative Assembly Act* and the *Executive Council Act* every two years, which would duplicate the review mandated by s. 39 of the *Legislative Assembly Act* after every second general election. It should be repealed or be consistent with the review mandate in s. 39 of the *Legislative Assembly Act*.

## CONCLUSION

[168] If New Brunswick wants to move forward, we cannot pay less to our elected representatives, curtail their budgets and limit their ability to serve, and expect a better service. There will always be a cost to being governed properly.

[169] Not all these recommendations will meet with unanimous favour. We expect that many will meet with considerable resistance. But in our view, the question is: How do we attract the best and brightest to govern us in the future, and

keep them, while reflecting the diversity of the various communities within New Brunswick?

Respectfully submitted on September 29, 2022.



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The Hon. Margaret Larlee



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G. Robert Basque, K.C.



## LIST OF ALL RECOMMENDATIONS

Recommendation #1: That MLA base salary is set at \$93,126.00, effective April 1, 2023, subject to change based on the GDP numbers to be published in November 2022.

Recommendation #2: MLAs should receive \$125 per day when attending meetings of legislative committees, over and above their per diem expense allowance.

The chairs of committees should receive \$200 per day, over and above their per diem expense allowance.

Recommendation #3: That the Premier’s base salary be set at \$93,126.00, effective April 1, 2023, plus the MLA salary of \$93,126.00, totaling \$186,252.00, subject to change based on the GDP numbers to be published in November 2022.

Recommendation #4A: That the following members of the Executive Council and Parliamentary officers receive the following remuneration, over and above their MLA salary, expressed as a percentage of the Premier’s salary of \$93,126.00:

Speaker	66.6% <sup>45</sup>	Minister with Portfolio	66.6% <sup>46</sup>
Leader of the Official Opposition	70% <sup>47</sup>	Minister without Portfolio	50% <sup>48</sup>
Leader of a Registered Political Party	25% <sup>49</sup>	Deputy Speakers	33.3% <sup>50</sup>

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<sup>45</sup> *Legislative Assembly Act*, subsection 20(1).

<sup>46</sup> *Executive Council Act*, subsection 6(1).

<sup>47</sup> *Legislative Assembly Act*, subsection 28(12).

<sup>48</sup> *Executive Council Act*, subsection 6(3).

<sup>49</sup> *Legislative Assembly Act*, subsection 28(16).

<sup>50</sup> *Legislative Assembly Act*, subsection 20(2).

Recommendation #4B: That the following Parliamentary officers continue to receive payments as set by the LAC under subsections 28(10) and (11) of the *Legislative Assembly Act* based on the following percentages of the Deputy Speakers' salaries:

Government House Leader	100%	Official Opposition House Leader	75%
Government Caucus Chair	33.3%	Official Opposition Caucus Chair	33.3%
Government Whip	100%	Official Opposition Whip	75%
		Third Party House Leader	15%

Recommendation #5: That annual increases of remuneration be tied to the increases given to the government's Part I employees.

Recommendation #6: That the salary of constituency assistants be set at \$25.00 per hour for a 36-hour work week, and that it be indexed as per MLA salaries.

That each constituency be allocated an amount for rent per year. We make no recommendation regarding rent since there is such a diversity of amounts or range of rents paid in the constituencies.

That the constituency allowance be immediately increased to a total of \$75,000 per year, including salaries and rent.

That the allowable constituency expenses be reviewed.

Recommendation #7: That the travel allowance continue to be tied to what is allowed for the public service.

Recommendation #8: That a study be undertaken to compare the cost and benefits of electric vehicles vs. the cost of continuing to compensate MLAs for their travel by the kilometre.

Recommendation #9: That the transition allowance be equal to one twelfth of the annual indemnity for each year, or portion of a year, of pensionable service in the Legislative Assembly, up to a maximum of six years.

## LEGISLATIVE AMENDMENTS

- Sections 20, 28 and 38 of the *Legislative Assembly Act*.
- Sections 6, 7 and 9 of the *Executive Council Act*.

## APPENDIX 1

### TERMS OF REFERENCE

Approved by the Legislative Administration Committee, April 5, 2022

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1. THAT, pursuant to section 39 of the *Legislative Assembly Act*, an independent Committee consisting of at least two persons be established to review and make recommendations on the salaries and benefits of Members of the Legislative Assembly (MLAs) under the *Legislative Assembly Act*, including the additional indemnities for parliamentary office holders, and the salaries and benefits of MLAs who have responsibilities under the *Executive Council Act*.
2. THAT the Committee consider and recommend the mechanism and timing for MLA compensation adjustments in the future and whether adjustments should be based on the annual change in gross domestic product (GDP) or a revised mechanism.
3. THAT the Committee consider and recommend whether MLA compensation should be based on such factors as, but not limited to, the geographic and population size of a constituency or urban versus rural representation.
4. THAT the Committee consider and recommend whether the annual constituency office allowance of MLAs should be adjusted to ensure that constituency office assistants are appropriately compensated for their work.
5. THAT the Committee consider and recommend whether the MLA *per diem* allowance, including kilometric allowance, for attending sittings of the House and committee meetings, as well as for intersessional travel, should be adjusted or whether a revised mechanism should be implemented, taking into consideration any relevant tax implications.
6. THAT the Committee consider and recommend whether the MLA transition allowance should be adjusted and whether a revised mechanism should be implemented based on the number of years, not sessions, of service.
7. THAT the Committee consider the 2007 New Brunswick *Report of the MLA Compensation Review Commission*, recent MLA compensation reviews by other Canadian jurisdictions, recent compensation reviews by other comparable entities, and best practices across Canada.
8. THAT the Committee consult with such persons as the Committee considers advisable.
9. THAT the Committee base its recommendations on the following guiding principle:

The job of an MLA is representative of a full-time occupation. MLAs should be compensated at a fair and reasonable level to ensure that capable individuals continue to offer themselves for public services. Compensation levels should not be so small that they discourage qualified candidates from running, or so generous as to be a major inducement for seeking office.

10. THAT the Committee recommend the necessary amendments, if any, including consequential and transitional amendments, to the *Legislative Assembly Act* and the *Executive Council Act*.
11. THAT the Committee file its report and recommendations with the Legislative Administration Committee by September 30, 2022.
12. THAT the report, once filed with the Committee, be tabled in the House by the Speaker, for its adoption at the next sitting of the House.

## APPENDIX 2

Legislative Assembly of New Brunswick

# Independent committee appointed to review MLA compensation

05 May 2022

FREDERICTON (GNB) – The legislative administration committee, an all-party committee of the legislative assembly of New Brunswick, has appointed an independent two-person committee to review and make recommendations on the salaries and benefits of MLAs under the *Legislative Assembly Act*.

This will include reviewing the additional indemnities for parliamentary office holders, and the salaries and benefits of MLAs who have responsibilities under the *Executive Council Act*.

The committee, which includes retired judge Margaret Larlee and lawyer G. Robert Basque, will also review the basis for future compensation adjustments, the annual constituency office allowance of each MLA to cover rent, the salary of an assistant and office expenses, and the per diem and transition allowances.

In order to determine whether it is now appropriate to adjust the salary amounts established in 2007, as well as the allowances under review, the committee is seeking input from the public. Individuals or organizations wishing to comment should do so by Friday, June 10, by submitting comments in writing to the Office of the Clerk, Legislative Assembly of New Brunswick, P.O. Box 6000, Fredericton, N.B., E3B 5H1; by phoning 506-453-2506 or by email to [leg-consultations@gnb.ca](mailto:leg-consultations@gnb.ca).

Larlee served as the first woman appointed as a Judge of the Court of Appeal of New Brunswick from 1998 until her retirement in 2019. She was called to the bar in 1974 and spent the next 11 years working in private practice and for the provincial government. In 1985, Larlee was also the first woman appointed as a Judge of the Court of Queen's Bench of New Brunswick. Larlee served as co-chair of the New Brunswick Electoral Boundaries Commission in 2006 and has played an active role in the Canadian Chapter International Association of Women Judges.

Basque currently practises as a partner at the Moncton law firm of Forbes Roth Basque, specializing in areas such as administrative, employment and labour law. He was called to the bar in 1981 and was appointed Queen's counsel in 2001. During his career, Basque has served as president of the Law Society of New Brunswick and has participated in a compensation review process for Moncton City Council.

A previous review of MLA salaries and benefits took place in 2007 when compensation commissioner and former Judge of the Court of Appeal of New Brunswick, Patrick A.A. Ryan, recommended that all MLAs receive a base annual salary of \$85,000. He also recommended that certain additional amounts be paid for such positions as premier, minister of the Crown, leader of the official Opposition, Speaker, deputy Speaker, leader of a registered political party represented in the legislative assembly, house leader and whip.

Following the adoption of Ryan's recommendations, the base amount of \$85,000 has remained unchanged and the additional amounts for the premier and ministers were reduced for several years and have only recently returned to the amounts recommended in 2007.

## APPENDIX 3

### NOTICE

#### **Independent Committee Seeks Public's Input on MLA Compensation**

The Legislative Administration Committee, an all-party committee of the Legislative Assembly of New Brunswick, has appointed an independent two-person committee to review and make recommendations on the salaries and benefits of Members of the Legislative Assembly (MLAs) under the *Legislative Assembly Act*, including the additional indemnities for parliamentary office holders, and the salaries and benefits of MLAs who have responsibilities under the *Executive Council Act*.

The independent committee is also reviewing the basis for future compensation adjustments, the annual constituency office allowance of each MLA (\$50,000 annually to cover rent, salary of assistant and office expenses), and the *per diem* and transition allowances.

The previous review of MLA salaries and benefits took place in 2007 and resulted in all MLAs receiving a base annual salary of \$85,000. As well, additional salaries are paid for such positions as Premier (\$79,000), Minister with portfolio (\$52,614), Minister without portfolio (\$39,500), Leader of the Official Opposition (\$55,300), Speaker (\$52,614), Deputy Speaker (\$26,307), Leader of a Registered Political Party represented in the House (\$19,750), Government House Leader and Whip (\$26,307 each) and Opposition House Leader and Whip (\$19,730 each).

The independent committee is seeking the public's input on these salary amounts established in 2007, as well as the other allowances provided to MLAs. Individuals or organizations wishing to comment should do so by **Friday, June 10, 2022**, by submitting comments in writing to:

Office of the Clerk  
Legislative Assembly of New Brunswick  
P.O. Box 6000  
Fredericton, N.B.  
E3B 5H1  
tel.: (506) 453-2506  
e-mail: [leg-consultations@gnb.ca](mailto:leg-consultations@gnb.ca).