


Item No. 2
Halifax Regional Council
July 10, 2012

TO: Mayor Kelly and Members of Halifax Regional Council
Original Signed by 
SUBMITTED BY: _____
Mike Labrecque, Acting Chief Administrative Officer
DATE: June 28, 2012
SUBJECT: Public Reporting of Senior Employees' Salaries

INFORMATION REPORT

ORIGIN

The motion of Regional Council of February 21, 2012 stating:

That Regional Council requests that the Access & Privacy Officer and Legal Services investigate the possibility of requiring that the salaries for all Halifax Regional Municipality Executive Team, and Senior Management Team be posted yearly - similar to the provincial government employee's salary reporting through the public accounts.

BACKGROUND

It is HRM's standard practice to release, when requested, salary ranges for non-union employees, as approved through the Non-Union Salary compensation bands, and the hourly wage for unionized employees, as published in collective agreements.

As the motion acknowledges, other jurisdictions have specific legislation that mandates the release of exact salary information, essentially superseding any privacy protections that may exist in the relevant access and privacy legislation.

The Provincial *Finance Act* for the Province of Nova Scotia requires an annual reporting of all sums paid from the Province's General Revenue Fund during the fiscal year. Payments to individuals and suppliers within the fiscal year are reported as: Salaries – \$25,000 and over; Travel – \$3,500 and over; and all other payments – \$5,000 and over. This statement is then filed with the House of Assembly and subsequently posted on-line.

The *Education Act* of Nova Scotia requires that School Boards report “all payments made by the school board to or on behalf of each employee, including the total for each employee, of all (i) salary, stipends, allowances and any other remuneration, (ii) payments for expenses, including expenses related to travel, conferences, meetings and professional development seminars, and (iii) payments made to a third party on behalf of an employee conferring a benefit on the employee that is not conferred on other employees.” This report is available for viewing in person or may be purchased.

In 2010, the Province of Nova Scotia passed the *Public Sector Compensation Disclosure Act* which requires public bodies to disclose compensation it pays to any person if the amount exceeds \$100,000. Public sector bodies include government reporting entities such as school boards, district health authorities and crown corporations, and may also be designated in the Regulations; to date, only universities have been designated in the Regulations. Compensation is defined broadly and includes, among other things in addition to salary: overtime payments, retirement or severance payments, vacation pay-outs, lump-sum payments, recreational club memberships.

HRM, and municipalities in general, are not currently subject to any of these Acts.

HRM is, however, subject to the statutory regime established by Part XX of the *Municipal Government Act* (FOIPOP provisions). The previously mentioned legislation mandates that other government entities release salary information: Part XX of the *MGA* does not. Part XX establishes the framework for a municipality to respond to a FOIPOP application, as well as criteria for the use and disclosure of personal information. There are many circumstances outside of a FOIPOP application in which a municipality may disclose personal information. In relation to Council's request to post salaries on a yearly basis, those circumstances include where it is required by another piece of legislation (s. 482(2)(a)) and where the affected individual has identified the information and consented in writing to its disclosure (s. 485(2)(b)).

DISCUSSION

Upon review of the Access and Privacy Office and HRM Legal Services there are several options available to assist in balancing an interest in disclosure of public sector salaries and the protection of individual privacy required under the current legislation to which HRM is subject:

1. Council could request that members of the Executive Team and Senior Management Team consent to the disclosure of their salaries.
2. Council could direct staff to immediately publish on the HRM web site, as part of routine disclosure, the salary bands for all non-union positions and hourly rates of pay for all union positions.
3. Council could, by motion, request that the provincial government designate HRM as a public sector body for the purposes of the *Public Sector Compensation Disclosure Act*. This would mean that HRM would be required to disclose compensation it pays to any person if the amount exceeds \$100,000. This change may be done by regulation and does not require a legislative amendment. This would result in broader disclosure than what Council is currently exploring, and would place long-term disclosure obligations on the municipality.
4. Council could, by motion, direct any or all of the above actions be taken.

BUDGET IMPLICATIONS

There are no budget implications associated with this information report.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

N/A

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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Original Signed

Report Approved by:

Marian Tyson, A/Director Legal Services & Risk Management
