


HALIFAX

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Item No. 14.1.6
Halifax Regional Council
November 24, 2015

TO: Mayor Savage and Members of Halifax Regional Council

Original signed by 

SUBMITTED BY:

Richard Butts, Chief Administrative Officer

Original Signed by

Mike Labrecque, Deputy Chief Administrative Officer

DATE: October 15, 2015

SUBJECT: Municipal Salary Disclosure Administrative Order

ORIGIN

Motion passed by Regional Council, December 2, 2014:

MOVED by Councillor Hendsbee, seconded by Councillor Craig, that Halifax Regional Council:

1. Ask the Province of Nova Scotia to include compensation disclosure provisions similar to the Public Sector Compensation Disclosure Act in the new Halifax Regional Municipality Charter; and
2. Ask the Province for the authority in the Halifax Regional Municipality Charter to designate Agencies, Boards & Commissions that will report annually on compensation disclosure.

LEGISLATIVE AUTHORITY

Section 54A (1) of the Halifax Regional Municipality Charter:

- 54A (1) The Council may adopt a policy requiring the Municipality to disclose to the public the amount of compensation the Municipality pays or provides to any person, in accordance with the policy.

RECOMMENDATION

It is recommended that Halifax Regional Council adopt Administrative Order 2015-006-ADM Respecting Disclosure of Employee Salaries as set out in Attachment A to this report.

BACKGROUND

On December 2, 2014, Council directed that a request be made to the Province of Nova Scotia to permit the Municipality to publically disclose the compensation paid to municipal employees. As the Municipality was not covered under the provincial Public Sector Compensation Disclosure Act, at that time privacy legislation prevented the Municipality from publically disclosing employee salaries.

The Legislative Assembly agreed to Council's request. On May 11, 2015, Royal Assent was given to an amendment to the Halifax Regional Municipality Charter which authorizes the Municipality to adopt a policy to disclose the compensation the Municipality pays to any person.

As this was passed after the conclusion of the 2014-2015 fiscal year, 2015-2016 is the first fiscal year for which these disclosures may be made. Legislation is normally not retroactive and this amendment does not authorize the disclosure of salaries from previous fiscal years. The introduction of this Administrative Order is timed in order to allow it to be in place before the conclusion of the fiscal year.

DISCUSSION

This Administrative Order is drafted in order to closely mirror the requirements and structure of the provincial Public Sector Compensation Disclosure Act. The same definition of "compensation" is used. This is intended to include financial payments which would normally be considered salary or compensation, while excluding other elements such as expenses or medical benefits.

Employee is defined in the Administrative Order to include an independent contractor. This is so that all persons receiving compensation from the Municipality or another municipal body will be covered under the Administrative Order, even if they are not in a traditional employee/employer relationship. Councilors are likewise covered by the Administrative Order, although they are not considered employees of the Municipality. Only employees making more than \$100,000 in that fiscal year will be covered by this Administrative Order.

The Administrative Order is intended to cover all entities that are closely related to the Municipality, such as the Halifax Regional Water Commission and the Halifax Library. A list of the bodies covered is included as Schedule A to the Administrative Order. Should Council wish to require this disclosure for other entities not currently listed, they may be added to Schedule A in the future, so long as it is an agency, board, commission or corporation to which Council may appoint a majority of the members.

The fiscal year was chosen for the reporting period as that is the period used by the Province. This time period is also logical for the Municipality as many employee salaries are adjusted at the beginning of the new fiscal year.

The disclosure is to be published on a webpage in order to make it as widely available as possible. The disclosure will include the name of the employee, their position, the amount of salary paid to the employee, and the amount of other benefits paid to the employee in the year. The provincial disclosures do not include position titles; however it was felt that including position titles will make the disclosure more meaningful to the general public.

Bodies, including the Municipality, are given three months in order to prepare their disclosure following the conclusion of the fiscal year, and following their receipt they are to be published within two months. This provides sufficient time for the information to be gathered and prepared for release, and will result in disclosure occurring at approximately the same time as it is released by the Province.

The Administrative Order also includes a provision allowing the Municipality to withhold funding from a Municipal Body if they do not make the required disclosure. Although this provision will hopefully rarely be used, it provides a means of enforcement should a Municipal Body fail or refuse to comply with the Administrative Order.

FINANCIAL IMPLICATIONS

There are no financial implications.

COMMUNITY ENGAGEMENT

No community engagement took place.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

ALTERNATIVES

Regional Council may decide not to adopt the proposed Administrative Order 2015-006-ADM.

Regional Council may adopt the proposed Administrative Order, but with amendments.

ATTACHMENTS

Attachment A: Administrative Order 2015-006-ADM Respecting Disclosure of Employee Salaries

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Katherine E. Salsman, Solicitor, 902.490.6024

Report Approved by: _____
John Traves, Q.C., Director, Legal Services, 902.490.4226

Original Signed

Attachment A: Administrative Order 2015-006-ADM

**HALIFAX REGIONAL MUNICIPALITY
ADMINISTRATIVE ORDER NUMBER 2015-006-ADM
RESPECTING DISCLOSURE OF EMPLOYEE SALARIES**

WHEREAS the Halifax Regional Municipality believes that it is in the public interest for information regarding compensation paid by public funds be made available for the inspection of the public;

AND WHEREAS on May 11, 2015 the Halifax Regional Municipality was granted authority to adopt a policy requiring the Municipality to disclose to the public the amount of compensation the Municipality pays to any person pursuant to section 54A of the Halifax Regional Municipality Charter;

BE IT RESOLVED as an Administrative Order of the Council of the Halifax Regional Municipality as follows:

Short Title

1. This Administrative Order may be cited as Administrative Order 2015-006-ADM the Salary Disclosure Administrative Order.

Purpose

2. The purpose of this Administrative Order is to assure the public disclosure of compensation paid in respect of employment by the Municipality to employees who receive compensation of one hundred thousand dollars (\$100,000) or more in a year.

Interpretation

3. In this Administrative Order:

- (a) "Chief Administrative Officer" means the Chief Administrative Officer of the Municipality;
- (b) "compensation" means the total amount or value of all cash and non-cash salary, wages, payments, allowances, bonuses, commissions and perquisites, other than a pension, pursuant to any arrangement, including an employment contract, and includes, without restricting the generality of the foregoing,
 - (i) all overtime payments, retirement or severance payments, lump-sum payments and vacation payouts;
 - (ii) the value of loan or loan-interest obligations that have been extinguished and of imputed-interest benefits from loans,
 - (iii) long-term incentive plan earnings and payouts;
 - (iv) the value of the benefit derived from vehicles or allowances with respect to vehicles;
 - (v) the value of the benefit derived from living accommodation provided or any subsidy with respect to living accommodation;
 - (vi) payments made for exceptional benefits not provided to the majority of employees; and
 - (vii) payments for memberships in recreational clubs or organizations;
- (b) "employee" includes an independent contractor;

(c) "Municipal Body" mean the Municipality and any agency, board, commission or corporation to which the Council may appoint the majority of the members; and

(d) "Municipality" means the Halifax Regional Municipality.

Application

4. (1) This Administrative Order applies to any compensation paid to a person who is a member of the council of the Municipality or who is in an employment or contractor relationship with any Municipal Body.

(2) A list of the Municipal Bodies to which this Administrative Order applies shall be found in Schedule A.

Annual disclosure of compensation

5. A Municipal Body shall, within three (3) months after the end of each fiscal year ending on or after March 31, 2016, disclose to the Chief Administrative Officer or his designate the amount of compensations it pays or provides, directly or indirectly, to any person in that fiscal year if the amount of compensation to that person is one hundred thousand dollars (\$100,000) or more.

Content and form of disclosure

6. The disclosure shall indicate the year to which the information on it relates, shall list employees alphabetically by surname, and shall show for each employee:

- (a) the employee's name as shown on the Municipal Body's payroll records;
- (b) the office or position last held by the employee with the Municipal Body in the year;
- (c) the amount of salary paid by the Municipal Body to the employee in the year; and
- (d) the amount of other benefits paid by the Municipal Body in the year.

Publication of disclosure

7. The Chief Administrative Officer or his designate shall, within two (2) months of receiving the disclosure from every Municipal Body, make the information disclosed under this Administrative Order available for inspection by any person without charge by publishing such information on a publicly accessible website.

Failure to Disclose

8. Where a Municipal Body fails to make disclosure as required by this Administrative Order, the Chief Administrative Officer may require that a portion of the funding payable by the Municipality to Municipal Body, up to a maximum of 15%, be withheld until disclosure as required by the Administrative Order has been made.

Schedule A
Municipal Bodies

Halifax Regional Municipality

Halifax Regional Library Board

Halifax Regional Water Commission