



INTRODUCTION TO THE STANDING COMMITTEE ON INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

MANDATE

The Standing Committee on Internal Economy, Budgets and Administration has the mandate to consider all matters of a financial or administrative nature relating to the internal management of the Senate. It reviews and authorizes the budget applications of committees and sets guidelines and policies on items such as senators' travel and office and research expenditures. It should be noted that unlike most Senate committees, the committee is authorized to carry out its mandate on its own initiative rather than being dependent on an order of reference from the Senate. (*Rule 12-7.(1)*). Under the *Parliament of Canada Act*, the committee also has an intersessional authority, allowing it to continue to meet and act during a period of prorogation or dissolution.

STRUCTURE AND MEMBERSHIP

The committee has 15 members, plus two *ex officio* members: the Government Leader in the Senate or that person's representative; and the Opposition Leader in the Senate or that person's representative.

The Subcommittee on Agenda and Procedure (Steering Committee), comprised of the Chair, Deputy Chair and one other member of the committee, has the power to make certain decisions when the Senate is not sitting, or during election periods. The members of the Steering Committee are also *ex officio* members of the Joint Inter-parliamentary Council of the Senate and the House of Commons, created in 1995 and responsible for all administrative and financial matters relating to the inter-parliamentary associations.

HISTORY

In 1867, the year the Canadian federation was established, the Senate of Canada struck three standing committees, including a Committee on Contingent Accounts. The Clerk of the Senate was to table a statement of Senate accounts, with supporting documents, at the beginning of each session of Parliament; that committee was to consider and report on all matters relating to employees and general administration.

Unlike the House of Commons, whose Board of Internal Economy is established under statute, the Senate has chosen to delegate matters relating to its internal administration to an ordinary committee, to have the committee report to the Senate, and to have the committee's recommendations approved under the same rules that apply to all other Senate committees.

A singular point is that the Speaker of the Senate plays no direct role in the administration of the Senate and does not necessarily sit on the Committee on Internal Economy, Budgets and Administration, although there have been exceptions, the most recent being Speaker Noël H.



Kinsella, who has been a member since 2007 and from 1985 to 1989 when Speaker Guy Charbonneau chaired the committee.

The Committee on Contingent Accounts became the Standing Committee on Internal Economy and Contingent Accounts in 1894, and received its present name during the 1970-72 session of Parliament. In 1991, the *Parliament of Canada Act* was amended in order to give the committee legal recognition and legal powers to act between sessions of Parliament.

Because of the breadth of the committee's mandate, it often establishes subcommittees to examine specific issues, in the interest of efficiency and effectiveness. These subcommittees report their conclusions and recommendations to the committee for consideration.

The Clerk of the committee is the Clerk of the Senate. The Clerk is supported by a group of senior Senate officials who attend meetings of the committee and, where appropriate, its subcommittees, depending on what is on the agenda, and who may be called upon to respond to committee members' questions.

OPERATION

With the agreement of the committee, the committee's meetings are called by the Chair. This is commonly done after consultation with the Deputy Chair or with the Steering Committee.

Policy and project development usually follows one of two courses:

- (a) the Steering Committee instructs senior officials to draft policies or proposals, including financial implications, evaluation of options and recommendations; or
- (b) senior officials take the initiative of drafting policies or proposals, consider them in detail at the Management Committee chaired by the Clerk of the Senate, and then submit them to the Steering Committee.

All agenda matters are considered by the Steering Committee before being put on the committee's agenda. The committee may come to a decision itself or refer items for further study and review to the appropriate subcommittee.

KEY ISSUES AND DEVELOPMENTS

Over the past 10 years, the committee has approved new policies, guidelines and administrative directives in a number of areas. These range from the *Senate Administrative Rules* to the *Senators' Travel Policy* to initiatives to increase diversity in the Senate workforce.

As part of the long-term renovations of the Parliamentary Precinct, a Long-Term Accommodation Strategy was adopted in January 2000 and then revised in 2007. Issues and considerations involve the Parliamentary Precinct's governance, development plan and implementation plan.

Other issues the committee concerns itself with include:



(a) Committee Budgets

Pursuant to the *Senate Administration Rules*, no committee may incur expenditures before its budget has been approved by the Committee on Internal Economy and the Senate. The committee has adopted numerous policies, procedures and guidelines which govern committee budgets.

(b) Internal Auditing

In 2008-09, the committee moved to strengthen the internal audit capacity of the Senate by approving a reallocation of financial resources to fund the formalization of an internal audit function. It was agreed that the overall goal would be that the audit function would be as professional as similar operations in the public, private or legislative sectors, and that activities and practices would be in line with the professional standards set by the Institute of Internal Auditors. On May 28, 2009 Internal Economy adopted an Internal Audit Charter and a Policy on Internal Audit.

An audit of the opening balance was carried out in 2010 and the Senate's financial statements have now been audited three years in a row, receiving unqualified audit opinions that have been publicly disclosed by the Chair of Internal Economy. These financial reports and the internal audits reports publicly disclosed since 2010 have proven significant instruments for the public accountability of the Senate.

Other audits carried out in recent years include audits of the Senators' office expenditures, services contracts and the job classification function. Audit results are submitted to the Clerk of the Senate and the relevant senior managers, and then presented to the Audit Subcommittee of the Internal Economy Committee.

(c) Senate Budget and Supplementary Budget Applications

In the fall of each year, the Administration reviews its work plans and the Senate's funding requirements and proposes a budget for the upcoming fiscal year to the committee. The committee usually makes its final decisions in December and submits its report to the Senate for final adoption. A similar procedure is followed when there is a need for a supplementary budget application within the same fiscal year.

FURTHER INFORMATION

Minutes of the committee's meetings, as well as the committee's reports can be found on the parliamentary website at <http://senate-senat.ca/ciba.asp>. For further information you may send an email to media@sen.parl.gc.ca

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