

Backgrounder

Use of House of Commons Resources for Political Offices – Board Decision

- In <u>March 2014</u>, allegations of improper use of House resources by some New Democratic Party (NDP) Members in offices outside of the Parliamentary Precinct and constituency offices were brought to the attention of the Board of Internal Economy.
- The Board launched an investigation and at its meeting of <u>April 7, 2014</u>, it approved an amendment to the *Members By-law* and issued a media statement to this effect on <u>April 8, 2014</u>.
- At its meeting of August 12, 2014, the Board of Internal Economy determined that some NDP Members inappropriately used parliamentary resources for certain employment, telecommunication and travel expenses.
- This backgrounder provides context for this decision.

CHRONOLOGY

- In August 2011, the NDP hired many employees to support its newly elected Quebec Members. Based on the employment forms signed by several of these Members and submitted by the NDP, the House Administration understood that the employees would work in Ottawa for their respective Members and that the salaries would be paid by up to seven Members concurrently. Since the situation was unprecedented, Human Resources sought advice from the Office of the Law Clerk and Finance Services. As a result, payroll was not processed immediately so pay was in arrears.
- During the fall of 2011, various representatives of the NDP consulted with accounting and pay clerks
 as well as mid-level management in Finance Services and Human Resources on implementing a costsharing arrangement and following the correct human resources and financial processes. The NDP
 asked Finance Services if they could lease an off-precinct office especially for these employees and
 were advised that this was not allowed since according to the Members By-law and the Members'
 Allowances and Services Manual work should be carried out within the Parliamentary Precinct or in
 constituency offices.
- In October 2011, an NDP Research Office employee indicated in an email exchange with an Information Services employee that laptops were needed in Montréal. However, as per usual practice, the laptops were provided to the NDP Research Office in Ottawa.
- On October 13, 2011, two mid-level managers from Finance Services and Human Resources met
 with the Deputy Chief of Staff to Nycole Turmel, then Interim Leader of the Official Opposition. The
 House Administration managers specifically asked where the employees would be working since the
 employment forms indicated Ottawa and yet the employees' residences were in the Montréal area.

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- The Deputy Chief of Staff confirmed the employees would be working in Ottawa. The managers suggested that the NDP consider hiring these employees under the responsibility of the NDP's Research Office, but the Deputy Chief of Staff replied that this would not be desirable since the employees were exclusively carrying out constituency office work.
- In light of the novelty of this type of staffing arrangement, the matter was further escalated; the Clerk, the Chief Financial Officer, the Chief Human Resources Officer and the Law Clerk held consultations on the matter. At no point was the House Administration informed that the employees would be located in Montréal, that their work would be carried out in an office shared with the political party's offices or that NDP Research Bureau assets (namely, laptops) would be used primarily in a remote location.
- On November 29, 2011, the Clerk wrote to Joe Comartin, then House Leader of the Official Opposition and a member of the Board of Internal Economy, seeking clarity on the staffing arrangements.
- On December 14, 2011, Mr. Comartin responded with further information but did not mention that employees were working in Montréal in offices shared with the party.
- On January 10, 2012, the Chief Financial Officer met with the Deputy Chief of Staff to Nycole Turmel, then Interim Leader of the Official Opposition in order to discuss in greater detail the nature of the work being conducted by these employees. The Deputy Chief of Staff sent a written confirmation later that day to the Chief Financial Officer explaining that the employees in question "are performing tasks associated with the Quebec Member's responsibilities, including preparing mailings, supporting riding media work, constituency outreach and support to MPs dealing with local issues, etc. Work that is typically performed and paid for by the Members Operating Budget".
- Since, according to the rules, an employee may work for more than one Member and since confirmation was received from the Deputy Chief of Staff that the work performed was in support of Members' parliamentary functions, the House Administration advised the NDP that, although there might be a number of administrative or legal issues associated with multiple employing Members, such employment arrangements would be acceptable. This advice was given based on the information provided, that is, without knowledge that the work would be performed in a location other than Ottawa or a Member's constituency office; that the work would be carried out in an office shared with the political party's offices; and that the employees would not be performing work only for the Members on record as their employers but rather on behalf of the whole caucus.
- At its meeting of March 24, 2014, the Board of Internal Economy discussed a recent newsletter article related to the NDP's satellite offices in Montréal and Quebec City.
- On March 27, 2014, pursuant to an Order of Reference from the House regarding allegations of improper use of House of Commons resources for partisan purposes, the Leader of the Official Opposition was asked to appear before the Standing Committee on Procedure and House Affairs (PROC). On May 15, 2014, the Leader of the Official Opposition appeared before PROC. The issues of satellite offices and large-volume mailings were addressed and the Leader of the Official Opposition answered questions. PROC has not yet completed its study.

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- At its meeting of April 7, 2014, the Board decided to launch an investigation into the use of House resources with respect to satellite offices. As a result, on April 10, 2014, the Speaker wrote to Ms. Turmel, Chief Opposition Whip, requesting that information related to current and former employees who had worked, until recently, in the NDP's Montréal or other satellite offices be forwarded to the Clerk by April 17, 2014.
- Ms. Turmel responded on May 12, 2014, informing the Speaker that the NDP intended to participate
 appropriately in the Board's inquiry but would not provide the information requested due to
 perceived procedural conflicts between the PROC's study of the matter and the Board's
 investigation.
- At its meeting of June 2, 2014, the Board directed the House Administration to provide information on 19 former and current employees whose salaries were known to be shared by multiple Members. The House Administration compiled the following data:
 - employment information, including salaries, periods of leave without pay and positions occupied;
 - o travel information, including destination, purpose of travel, dates and travel costs; and
 - o telecommunications information, including smartphone costs and general usage details.
- On July 22, 2014, the Board met to review employment, travel and telecommunications information
 related to 19 former and current employees of the NDP whose salaries were known to be shared by
 multiple Members, as well as additional information related to another seven employees who had
 more than one employer. One hour before the meeting, the NDP provided the Clerk of the House
 with the names and job descriptions of 19 former and current employees involved in
 communications, printing (ten percenters and householders) and outreach activities.

FRAMEWORK FOR INVESTIGATION: BOARD BY-LAWS

The Board is authorized by the *Parliament of Canada Act* to make by-laws governing Members' use of the funds, goods, services and premises made available to them for carrying out their parliamentary functions.

The By-laws are legally binding on Members of the House of Commons and, because of their statutory nature, they take precedence over any administrative manual or general policy decision.

Subsection 4(1) of the *Members By-law* states: The funds, goods, services and premises provided by the House of Commons to a Member under the *Parliament of Canada Act*, this By-law or any other by-law made under that Act may be used only for carrying out the Member's parliamentary functions.

Other relevant sections of the Members By-Law: 22, 24, 57(1), 69(2), 70, 78.

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BOARD OF INTERNAL ECONOMY

- The Board of Internal Economy is the governing body of the House of Commons.
- It is created by the *Parliament of Canada Act* and has equal representation from the governing party and the officially recognized parties (i.e. those holding at least 12 seats in the House), apart from the Speaker.
- It is chaired by the Speaker of the House.
- The Board is responsible for establishing by-laws, policies and guidelines relating to expenditures and resources provided to Members in order to carry out their parliamentary functions. This authority is given to the Board by the *Parliament of Canada Act*.

RELATED RESOURCES

- By-laws of the Board of Internal Economy
- Members Allowances and Services Manual
- Board meeting <u>minutes</u>
- April 8, 2014 Board of Internal Economy <u>statement</u> on the use of House of Commons resources for political offices

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