

October 27, 2016

The Honourable Scott Brison, P.C, M.P. President of the Treasury Board Treasury Board of Canada Secretariat 90 Elgin St Ottawa ON K1A 0R5

Dear Mr. Brison,

As your government approaches its first anniversary in office, the Canadian Taxpayers Federation (CTF) would like to commend you on your service as Treasury Board President, in particular for the steps you have taken to ban partisan government advertising, as well as your commitment to improve the federal *Access to Information Act*, with a full review to take place by 2018. We look forward to participating in this review to update this important law, which is a key tool for all Canadians to ensure their government remains transparent and accountable.

I write to you today in my capacity as the CTF's Federal Director to speak to two issues under your purview which have led to unflattering headlines for your government in recent months, and to provide our recommendations on ways your government could address them going forward.

The first issue concerns the transparency surrounding expenses incurred by Ministers, Members of Parliament, Senators, and political staff. In particular, news that Health Minister Jane Philpott and Environment Minister Catherine McKenna incurred dubious expenses (for car services and photography, respectively) reflected poorly on your government as a steward of taxpayer dollars.

As I argued in a recent <u>opinion column</u>, both the Government of Alberta and the City of Toronto make use of a straightforward mechanism which could also be applied to the federal government: copies of all expense receipts are required to be scanned and posted online, proactively.

Under the current system of proactive expense disclosure, relevant details about expenses are often buried in aggregate categories or timeframes. Accordingly, those incurring expenses have little incentive to worry about the appropriateness of individual transactions since they are unlikely to ever be uncovered, barring extensive research on the part of media, opposition parties, or advocacy groups like the CTF. By ensuring that every expense receipt is proactively made public, an obvious incentive would be created to ensure every expense incurred is appropriate and publicly defensible.

The second issue is with regard to the relocation expenses claimed by political staff. In particular, the news that the Prime Minister's Principal Advisor Gerald Butts and Chief of Staff Katie Telford received taxpayer reimbursements of \$127,000 and \$80,000, respectively, to pay for them to move from Toronto to Ottawa, was poorly received by the public. I commend Mr. Butts and Ms. Telford for agreeing to repay a portion of the money, but the more pressing issue is what concrete steps will be taken to ensure such excessive payments are not made again in the future.

I note that relocation expenses for exempt political staff are based on the National Joint Council (NJC) Relocation Directive, which includes such broad entitlements as reimbursement for the cost of shipping boats, RVs and antiques. Additionally, three funds (the Core Relocation Fund, Customized Fund and Personalized Fund) allow for expenses ranging from legal fees and real estate commissions from the sale of a home, to such categories as "non-accountable incidental allowance" and "employee transfer allowances" to be paid out.

In our view, the reimbursement entitlements currently available to exempt political staff are excessive and represent poor value for Canadian taxpayers. Working at the highest level of government is an enormous privilege that few Canadians will ever enjoy, and it should not fall to taxpayers to cover every cost associated with moving to Ottawa.

The CTF therefore proposes that new reimbursement guidelines for exempt political staff be limited to:

- The cost of transportation for a staffer and their family from anywhere in Canada to Ottawa;
- The cost of shipping furniture and other household effects from anywhere in Canada to Ottawa; and;
- Either the cost of an Ottawa rental property for a reasonable timeframe (such as two months) **or** the interest cost of mortgage payments on a non-Ottawa residential property for a period of up to two months while two residences are being maintained.

We recognize there may be rare circumstances where additional reimbursement may be appropriate; provision could therefore be made to authorize up to an additional \$10,000 in reimbursement provided the figures are released proactively by the authorizing authority (such as the Minister) with receipts and explanation as to the reason for the additional sum.

I would be pleased to meet with you and your staff at your convenience to further discuss these proposals.

Sincerely,

Aaron Wudrick Federal Director Canadian Taxpayers Federation

cc: Prime Minister Justin Trudeau