



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 15.1.2
Halifax Regional Council
January 9, 2024

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY:

Cathie O'Toole, Chief Administrative Officer

DATE: December 21, 2023

SUBJECT: **Review of Council Compensation**

ORIGIN

On December 12, 2023, Deputy Mayor Deagle Gammon gave the following notice of motion:

TAKE NOTICE that, at a future meeting of Regional Council I intend to move amendments to Administrative Order 17, so that Regional Council annual salary increases shall not exceed the increase in the Average Industrial Weekly Earnings for all industries excluding unclassified businesses for Canada as reported by Statistics Canada for the same period, and shall not exceed 4% for Councillors or 2% for the Mayor.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, subclauses 20(1)(d)(i)(ii)(iii), as follows:

- 20 (1) The Council may make policies
- (d) providing for and fixing
 - (i) the annual remuneration to be paid to the Mayor,
 - (ii) the annual remuneration to be paid to the Deputy Mayor,
 - (iii) the annual remuneration to be paid to councillors,

Administrative Order 17, the *Council Member Remuneration Administrative Order* ("AO 17").

RECOMMENDATION

It is recommended that Halifax Regional Council adopt the amendments to Administrative Order 17, *the Council Member Remuneration Administrative Order*, as set out in Attachment 2 of this report.

BACKGROUND

On November 30, 2023, Statistics Canada released the information required under AO17 to calculate the remuneration for Council. The Statistics Canada information indicated that the increase in “Average Weekly Earnings” as defined under AO17 was 8.4%. Based upon the directions in AO17, HRM Administration adjusted the remuneration for Council effective November 1, 2023. The first adjusted pay, including retro, for Council, was made on December 28, 2023.

DISCUSSION

The Average Industrial Weekly Earnings for all industries, excluding unclassified businesses, for Canada as reported by Statistics Canada for September 2022 to September 2023 increased by 4%. The proposed Amendment to AO17 would, therefore, reduce the November 1, 2023 increase to Council remuneration to 4% for Councillors and the Deputy Mayor, and to 2% for the Mayor.

Based upon payroll processing times, it is anticipated that, should Council approve the amendment on January 9, 2024, Council will have received three pays at the previous higher rate, plus retro pay to November 1, 2023. The proposed amendment will change the annual amount of remuneration that Council is to receive and HRM Administration will reduce the remaining bi-weekly payments to ensure that the annual amount of remuneration received by Council will be in accordance with the amended AO. HRM Administration will recover the amounts already paid at the higher rate from the amount of increase to be paid in accordance with proposed amended AO. It is estimated that this recovery will take 5 pay periods for Councillors and the Deputy Mayor, and will take 14 pay periods for the Mayor. In either case, the recovery will be completed before any November 1, 2024 increase.

FINANCIAL IMPLICATIONS

The proposed amendment will reduce the cost of Council remuneration by \$8,869 for FY 23/24 and \$12,564 for FY 24/25.

RISK CONSIDERATION

There are no significant risks associated with the recommendation in this report. The risks considered rate is Low.

COMMUNITY ENGAGEMENT

No community engagement was required.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

1. Regional Council could refuse to adopt the amendments. If Council selects this option, the current remuneration for the Members of Council will remain unchanged.

ATTACHMENTS

Attachment 1 – Showing Proposed Changes to Administrative Order 17
Attachment 2 – Amending Administrative Order for Administrative Order 17

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Britt Wilson, Executive Director, Human Resources, 902.476.8512

ATTACHMENT 1

(Showing Proposed Changes to Administrative Order 17)

HALIFAX REGIONAL MUNICIPALITY ADMINISTRATIVE ORDER NUMBER 17 RESPECTING REMUNERATION FOR MEMBERS OF COUNCIL

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

INTERPRETATION

1A. In this Administrative Order,

(a) "Average **Industrial** Weekly Earnings" means the Annual Weekly Earnings for all industries ~~excluding unclassified businesses for the Province of Nova Scotia~~ reported by Statistics Canada in October of the current calendar year, for the twelve (12) month period running from September 1st of the previous calendar year to September 1st of the current calendar year;

(b) "HRM" means the Halifax Regional Municipality; and

(c) "Member" means a member of Council.

REMUNERATION

2. (1) The annual remuneration to be paid to the Members, effective November 1, 2016, is as follows:

(a) to the Mayor, one hundred and seventy six thousand, thirty three dollars and seventy five cents (\$176,033.75);

(b) to the Deputy Mayor, ninety three thousand, nine hundred and eighty eight dollars and thirty three cents (\$93,988.33); and

(c) to the Councillors, eighty two thousand, six hundred and fifty two dollars and sixty four cents (\$82,652.64).

(2) Repealed.

2A. Repealed.

2B. Repealed.

2C. Repealed.

2CA. (1) Effective on November 1st, 2017 and in each subsequent November 1st, the annual remuneration to be paid to a Member shall be increased by the average increase in the Average Industrial Weekly Earnings **excluding unclassified businesses for the Province of Nova Scotia**.

(2) If there is no increase in the Average Industrial Weekly Earnings, there shall be no increase in the annual remuneration to be paid to a Member for that year.

(3) Effective on November 1, 2023, the annual increase in remuneration paid to a Member shall not exceed the lesser of:

(a) the increase in the Annual Industrial Weekly Earnings excluding unclassified businesses for Canada; and

(b) four percent (4%) for Councillors, or two percent (2%) for the Mayor.

2CB. Notwithstanding section 2CA, there shall be no increase November 1st, 2020 and November 1st, 2021 to the annual remuneration to be paid to Members.

ATTACHMENT 2

(Amending Administrative Order for Administrative Order 17)

**HALIFAX REGIONAL MUNICIPALITY
ADMINISTRATIVE ORDER NUMBER 17
RESPECTING REMUNERATION FOR MEMBERS OF COUNCIL**

BE IT RESOLVED as an Administrative Order of the Council of the Halifax Regional Municipality that Administrative Order Number 17, the *Council Member Remuneration Administrative Order*, is amended, as follows:

1. Clause 1A (a) is amended by:

(a) adding the word “Industrial” after the word “Average” and before the word “Weekly”; and

(b) striking out the words “excluding unclassified businesses for the Province of Nova Scotia” after the word “industries” and before the words “reported by”.

2. Subsection 2CA(1) is amended by adding the words “excluding unclassified businesses for the Province of Nova Scotia” after the word “Earnings” and before the period at the end of the subsection.

3. Subsection 2CA(3) is added after subsection (2) and before section 2CB, as follows:

(3) Effective on November 1, 2023, the annual increase in remuneration paid to a Member shall not exceed the lesser of:

(a) the increase in the Annual Industrial Weekly Earnings excluding unclassified businesses for Canada; and

(b) four percent (4%) for Councillors, or two percent (2%) for the Mayor.

Done and passed in Council this day of 20 .

Mayor

Municipal Clerk