

hilltimes.comNovember 15, 2010 - <http://hilltimes.com/page/printpage/ag-11-15-2010>

Auditor General Fraser begins House audit, to look at some MPs' expenses

By TIM NAUMETZ

Federal Auditor General Sheila Fraser will include an examination of House of Commons and Senate expenses during a probe of Parliamentary spending and administration that Parliamentarians grudgingly allowed last June after resisting for four years.

A spokesman for Ms. Fraser told *The Hill Times* the audit, the first look at Parliament's books and administration by a federal auditor general since 1991, will cover procurement, human resources management, security, financial management and control, and support to individual members.

"Our audit will let Parliamentarians know whether or not the administrative systems of the House of Commons and Senate are being well managed and performing at the standard of quality that they expect," Ghislain Desjardins, manager of media relations for the auditor general's office, told *The Hill Times* in an email response to questions.

"We will make recommendations for improvement if appropriate. Some specific expenses will be reviewed as part of the examination of how well the financial controls function."

Ms. Fraser began her quest to look at Parliament's books in October, 2006. At the time, MPs bridled at the prospect of the auditor general reviewing expenditures such as free travel for MPs, Senators and their families, accommodation allowances and other expenses hidden behind the cloak of Parliamentary secrecy.

Their reaction that year, after Ms. Fraser disclosed her plans in off-the-cuff comments to a Senate committee and in a subsequent interview with a Parliamentary Press Gallery reporter, prompted her to assuage the Parliamentarians by saying she wanted only to review Commons and Senate financial statements rather than probing individual members.

"It doesn't go beyond that, it will simply be an opinion on financial statements, it won't be an opinion on individual members, it won't get into economy and efficiency issues, it won't get into any of that," she told the journalist who had reported her intentions.

Ms. Fraser renewed her efforts in 2009, although her office said at the time she approached MPs and Senators about conducting a "performance audit" of the two houses of Parliament prior to a notorious scandal over parliamentary expenses in the United Kingdom that year. Ms. Fraser will have to watch the results of her efforts from the sidelines, however, since her 10/-year term is up next May 31 and Mr. Desjardins said the audit will not be completed until the fall of 2011.



Pressure for an outside look at spending in Canada's Parliament increased again last June, following a controversy over misspending the Nova Scotia provincial auditor found in the province's legislative assembly.

MPs came under fire again following joint investigative reports by *The Ottawa Citizen* and the *Halifax Chronicle Herald* that revealed questionable spending by at least two MPs.

Liberals Judy Sgro (York West, Ont.) and John Cannis (Scarborough Centre, Ont.) had claimed Ottawa accommodation allowances for rent at condominiums owned by members of their immediate family, contrary to House of Commons bylaws. Ms. Sgro was staying at a condominium owned by her children, while Mr. Cannis was renting at a condominium owned by his wife.

After conducting its own review of expenses, the House of Commons Board of Internal Economy, chaired by Commons Speaker Peter Milliken (Kingston and the Islands, Ont.) and comprised of members of all four parties in the House, quietly ordered the two MPs, and possibly others, to repay thousands of dollars in rental expenses last June, two days after it finally gave in to Ms. Fraser's request to audit the Commons administration.

The two official spokesmen for the Commons Board of Internal Economy, Liberal Whip Marcel Proulx ((Hill-Aylmer, Que.) and Chief Government Whip Gordon O'Connor (Carleton-Mississippi Mills, Ont.) left the door open in interviews with *The Hill Times* for the possibility that other MPs also were required to repay expenses.

"It was a few, a few could be two, it could be five, it could be seven," said Mr. Proulx, who declined to confirm the reimbursements were for housing allowances.

The minutes of a June 17 meeting of the secretive board, however, shows in customary skimpy detail that, indeed, MPs were ordered to repay accommodation expenses.

"The Board took note of the current policy regarding secondary residences and of the report on the arrangements of some Members of Parliament for such accommodation," say the minutes prepared by House of Commons Clerk Audrey O'Brien, who acts as secretary to the board. "The Board requested that specific measures be taken in the case of some MPs."

The board, in charge of all House of Commons spending and its rules, agreed to continue the review and also approved "modifications to the business process for claiming secondary residence accommodation allowances." MPs can obtain up to \$25,000 for a living allowance for rented or leased accommodation in Ottawa, but the limit is lower if the MPs own a secondary residence in the city.

Asked whether the current audit will review accommodation, travel and expenses allowances for MPs and Senators, Mr. Desjardins referred *The Hill Times* to his statement earlier in an email that "some specific expenses" will be reviewed.

In recent contretemps over living expenses and other perks, an annual report of MPs' expenditures tabled in the Commons revealed that the total of MPs' expenditures, for everything from office staples to free airline travel, increased to \$142.6-million in the 2009-10 fiscal year from \$114.4-million in 2005-06, a 24-per-cent increase over only four years.

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