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Regular Council Meeting
1985 JUNE 24

1985 June 18

TO: MEMBERS OF MUNICIPAL COUNCIL

RE: PER DIEM RATES

From: Alderman V. V. Stusiak
Liaison Finance Alderman

SUMMARY

It is the policy of the Municipal Council to pay the expenses of delegates, whether members of Council or otherwise, when on instruction of Council they are representing the municipality outside the limits of the municipality. While there have been changes in costs during the last year, it is considered that the existing rates should be retained for the forthcoming year, and it is so recommended.

REPORT

Existing Policy

The present per diem allowance of one hundred and fifty dollars (\$150.00) was approved by Council in 1984 when Council adopted the following recommendations from the Finance Liaison Alderman:

1. THAT effective immediately, members of Council or delegates, may claim a per diem for room, meals and miscellaneous costs of one hundred fifty dollars (\$150.00) when on the instruction of Council they are representing the Municipality outside the limits of the municipality; and
2. THAT the per diem rate of one hundred and fifty dollars (\$150.00) be United States funds when travelling outside Canada; and
3. THAT the Municipal Council member or delegate, when travelling on municipal business, may request additional costs up to a maximum per diem of one hundred dollars (\$100.00), when a loss of wages or salary is incurred in the individual's normal occupation; and
4. THAT economy air passage be paid or actual mileage at the current municipal employee rate, whichever is the least; and
5. THAT the above per diem rate be reviewed 1985 May 01.

The authority for Council to approve the per diem expenditure is provided in Section 270 of the Municipal Act, which states:

The Council may, by a vote of at least 2/3 of the council members, expend money to

- (a) help establish, develop, maintain and operate airports, seaplane harbours and aircraft landing areas in or out of the municipality;
- (b) inquire into railway or harbour improvements;
- (c) receive and entertain distinguished guests;
- (d) pay, in addition to payments under section 267, all or some of the expenses necessarily incurred by a member of council when, on instructions of council, he represents the municipality or is engaged, beyond its borders, on its business;

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(e) pay all or some of the expenses of delegates, whether council members or otherwise, when, on instructions of council, they represent the municipality beyond its borders;

(f) pay all or some of the expenses necessarily incurred by an employee when, on instructions of council, he is engaged on municipal business;

(g) honour persons who have, in the opinion of the council, served or brought honour to the municipality.

DISCUSSION

Per Diem

The 1984 rate was struck taking into consideration that it would apply to the first half of 1985, and was based on what the average costs might be during that period, e.g.

Rooms - inclusive of tips and tax	\$ 80	to	\$100
Meals - inclusive of tips and tax	30	to	40
Miscellaneous - taxis, airport bus, valet service, tips, coffee etc.	<u>20</u>	to	<u>30</u>
Total cost per day	\$130	to	\$170

The costs in the United States are approximately the same on a dollar for dollar basis. Rates outside the North American continent would on average be much higher than those stated in this report.

I have reviewed the current rates and while there have been minor increases in costs I recommend no change in the \$150 a day for the forthcoming year.

Loss of Wages

It will be noted that in Section 270(d) and (e) the Council can provide for all or some of the expenses of Council members and/or delegates when they represent the municipality beyond its borders. Prior to 1981, per diem allowances were to offset direct costs incurred by the member but made no provision for compensation for a loss of wages by said member or delegate.

It is my opinion that a person serving the interest of the community should be compensated for all costs. If part of that cost is a loss of pay as a result of absence from their normal occupation, then this cost should be recognized by the community being served. It would be difficult to cover the total range of possible daily costs for lost wages so a fixed figure, which would be at the daily average labour rate, would be a minimum suggested amount.

In 1984, Council approved payment for such a loss to a maximum of \$100.00 per day. The average daily wage of the public administration sector has risen slightly but I am recommending no increase in the current per diem for loss of wages of \$100.00 per day.

RECOMMENDATIONS

1. THAT members of Council or delegates, may claim a per diem for room, meals and miscellaneous costs of one hundred and fifty dollars (\$150.00) when on the instruction of Council they are representing the municipality outside the limits of the municipality; and

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2. THAT the per diem rate of one hundred and fifty dollars (\$150.00) be United States funds when travelling outside Canada; and
3. THAT any members of Council or delegate, when travelling on municipal business, may request additional costs up to a maximum per diem of \$100.00, when a loss of wages or salary is incurred in the individual's normal occupation; and
4. THAT economy air passage be paid or actual mileage at the current municipal employee rate, whichever is the least; and
5. THAT the above per diem rates be reviewed 1986 May 01.

Victor V. Stusiak

Respectfully submitted,
Alderman V. V. Stusiak

