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LEGISLATIVE SUMMARY



Bill C-24: An Act to amend the Salaries Act and to make a consequential amendment to the Financial Administration Act

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Any substantive changes in this Legislative Summary that have been made since the preceding issue are indicated in **bold print**.

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(Legislative Summary)

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LEGISLATIVE SUMMARY OF BILL C-24: AN ACT TO AMEND THE SALARIES ACT AND TO MAKE A CONSEQUENTIAL AMENDMENT TO THE FINANCIAL ADMINISTRATION ACT

1 BACKGROUND

Bill C-24, An Act to amend the Salaries Act and to make a consequential amendment to the Financial Administration Act,¹ was introduced in the House of Commons by the Leader of the Government in the House of Commons on 27 September 2016.

The bill has five objectives.

The first is to amend the *Salaries Act*² so that five ministerial positions, created last year, receive a salary equivalent to those of other ministerial positions, paid out of the Consolidated Revenue Fund.

The second objective is to provide a legislative framework so that those positions can receive support from existing departments in the exercise of their mandates.

The third objective is to remove from the *Salaries Act* references to a number of ministers that no longer exist.

The fourth objective is to transfer the powers and duties of the Minister of Infrastructure, Communities and Intergovernmental Affairs to the Minister of Infrastructure and Communities.

The fifth objective is to replace any reference to the Minister of Infrastructure, Communities and Intergovernmental Affairs in the *Salaries Act* and the *Financial Administration Act*³ with a reference to the Minister of Infrastructure and Communities.

1.1 THE SALARIES ACT

The *Salaries Act* sets the salary for lieutenant governors, ministers and the prime minister and requires that those salaries be paid out of the Consolidated Revenue Fund. Section 4.1(3) of the *Salaries Act* sets the annual salary for ministers at \$67,800.⁴ Section 4.1(5) sets out the same figure for “each minister of State, being a member of the Queen’s Privy Council for Canada, who presides over a ministry of State.” This figure is adjusted on the same yearly basis as salaries for ministers.⁵

1.2 MINISTERS OF STATE

Under the *Ministries and Ministers of State Act*,⁶ the Governor in Council may create ministries of State where

the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters coming within the responsibility of the Government of Canada warrant the establishment of a special portion of the federal public administration presided over by a minister charged with responsibility for the formulation and development of such policies.⁷

The *Ministries and Ministers of State Act* also permits the Governor in Council to appoint ministers of State. In addition, it makes a distinction between a minister of State who presides over a ministry of State – appointed under section 7 – and a minister of State “other than a minister who presides over a ministry of State”⁸ – appointed under section 11. A minister of State appointed under section 11, who is without an accompanying ministry of State, exists “to assist any minister or ministers having responsibilities for any department or other portion of the federal public administration in the carrying out of those responsibilities.”⁹

As mentioned above, section 4.1(5) of the *Salaries Act* sets out the salary specifically of a minister of State “who presides over a ministry of State.” No provision in the Act addresses the salary of a minister of State who does not preside over a ministry of State. This means that while a minister of State appointed under section 7 must be paid according to the figure set out in the Act (which is identical to the salary that a minister must receive), there is no requirement that a minister of State appointed under section 11 be paid the same amount. Nor is there any stipulation that he or she be paid from the Consolidated Revenue Fund. Instead, ministers of State appointed under section 11 are paid out of the budgets allotted to the departments of the ministers they are appointed to assist.¹⁰

1.2.1 THE NOVEMBER 2015 APPOINTMENTS

On 4 November 2015, the Governor in Council appointed five ministers of State under section 11 of the *Ministries and Ministers of State Act*:

- the Minister of Science (to assist the Minister of Industry);
- the Minister of Small Business and Tourism (to assist the Minister of Industry);
- the Minister of Sport and Persons with Disabilities (to assist the Minister of Canadian Heritage and the Minister of Employment and Social Development);
- the Minister of Status of Women (to assist the Minister of Canadian Heritage);
and
- the Minister of La Francophonie (to assist the Minister of Foreign Affairs).¹¹

Members of the media were quick to note that these five appointees, all women, were ministers of State, rather than “full” ministers.¹² In response, representatives of the Government stressed that every minister – including each minister of State – had “full standing and authority,”¹³ had an “equal voice [and] an equal capacity to perform his or her duties and functions,”¹⁴ and had received “the same salary since day one.”¹⁵

The stated purpose of Bill C-24 is to “formalize what has been the practice of the past year,”¹⁶ both in terms of salary – it places these ministers of State under the aegis of the *Salaries Act*, despite their being appointed under section 11 of the *Ministries and Ministers of State Act* – and in terms of departmental support.

2 DESCRIPTION AND ANALYSIS

2.1 AMENDMENTS TO THE *SALARIES ACT* (CLAUSES 1 TO 3)

Clauses 1 to 3 of Bill C-24 amend the structure and content of the *Salaries Act* to specify a salary and outline support for the new ministerial positions, remove several obsolete ministerial positions, and replace any reference to the Minister of Infrastructure, Communities and Intergovernmental Affairs therein with reference to the Minister of Infrastructure and Communities.

2.1.1 CLAUSE 1

Clause 1 makes a cosmetic amendment to the *Salaries Act*, clarifying that sections 2 to 4.2 fall under “Part 1: Salaries.”

2.1.2 CLAUSE 2

Clause 2 amends section 4.1(3) of the *Salaries Act*, which sets the annual salary for listed ministers, in the following ways:

- Reference to the following ministers is removed:
 - the Minister of Western Economic Diversification;
 - the Member of the Queen’s Privy Council for Canada appointed by Commission under the Great Seal to be the Minister for the purposes of the *Atlantic Canada Opportunities Agency Act*;
 - the Minister of the Economic Development Agency of Canada for the Regions of Quebec;
 - the Minister of the Federal Economic Development Initiative for Northern Ontario;
 - the Minister of the Federal Economic Development Agency for Southern Ontario; and
 - the Minister of the Canadian Northern Economic Development Agency.
- A reference to the Minister of Infrastructure, Communities and Intergovernmental Affairs is replaced with a reference to the Minister of Infrastructure and Communities.
- Reference to the following ministers is added:
 - the Minister of La Francophonie;
 - the Minister of Science;
 - the Minister of Small Business and Tourism;
 - the Minister of Sport and Persons with Disabilities;
 - the Minister of Status of Women; and
 - “three additional ministers appointed by commission under the Great Seal.”

2.1.3 CLAUSE 3

Clause 3 amends the *Salaries Act* by adding section 5 under the heading “Part 2: Support for Ministers Referred to in Paragraphs 4.1(3)(z.4) to (z.9)” (these are the five named ministers and three additional unnamed ministers described above). The section contains the following subsections:

- subsection 5(1), which permits the Governor in Council to designate a department¹⁷ to support a minister listed in the paragraphs mentioned above in carrying out his or her responsibilities;
- subsection 5(2), which allows a listed minister to use his or her designated department’s services and facilities and delegate to it his or her powers, duties and functions;
- subsection 5(3), which permits the Governor in Council, in designating a department to assist a listed minister, to specify for which of that minister’s particular responsibilities the department will offer support;
- subsection 5(4), which clarifies that, if a listed minister has a designated department in relation to some of his or her powers and responsibilities, he or she can rely on that specific department for the execution or delegation of only those responsibilities;
- subsection 5(5), which states that the minister identified in the *Financial Administration Act* as the “appropriate Minister”¹⁸ for a given department can delegate any of his or her powers, duties or functions (as described in sections 33, 34, 155(1), 155(4), 155.1 and 155.2 of the Act)¹⁹ to a minister to whom the department has been designated;
- subsection 5(6), which states that if the Minister of Public Works and Government Services delegates any of his or her powers, duties or functions to the “appropriate Minister” for a department as per section 8(1) of the *Department of Public Works and Government Services Act*,²⁰ that appropriate minister can sub-delegate those powers, duties or functions in turn to any minister for whom the department is designated; and
- subsection 5(7), which provides clarification that the definitions of both “appropriate Minister” and “department” are provided in the *Financial Administration Act*.

2.2 TRANSFERRING AUTHORITY TO THE MINISTER OF INFRASTRUCTURE AND COMMUNITIES (CLAUSE 4)

Clause 4 of Bill C-24 transfers the powers, duties or functions of the Minister of Infrastructure, Communities and Intergovernmental Affairs as laid out in any statute, regulation, contract or otherwise to the Minister of Infrastructure and Communities.

2.3 AMENDMENT TO THE *FINANCIAL ADMINISTRATION ACT* (CLAUSE 5)

Clause 5 of Bill C-24 replaces the reference to “the Minister of Infrastructure, Communities and Intergovernmental Affairs” in column II of Schedule I.1 to the *Financial Administration Act* with “the Minister of Infrastructure and Communities.”

2.4 COORDINATING AMENDMENTS (CLAUSE 6)

Clause 6 offers a series of coordinating amendments so that if certain provisions of *An Act to amend certain Acts*²¹ that have not yet come into force do so before, after, or at the same time as Bill C-24, the amendments to the *Salaries Act* in that Act and the bill can coexist without issue.

Section 25 of *An Act to amend certain Acts* amends the *Salaries Act* to provide disability allowances and other benefits to former lieutenant governors. If that provision is in force, the provisions added under clause 3 of Bill C-24 would shift from section 5 to section 7 of the *Salaries Act*. Sections 5 and 6 would then contain the amendments from *An Act to amend certain Acts*.

NOTES

1. [Bill C-24, An Act to amend the Salaries Act and to make a consequential amendment to the Financial Administration Act](#), 1st Session, 42nd Parliament.
2. [Salaries Act](#), R.S.C. 1985, c. S-3.
3. [Financial Administration Act](#), R.S.C. 1985, c. F-11.
4. Note that this figure is for fiscal year 2004–2005. It is adjusted yearly as provided for in section 4.1(4) of the *Salaries Act*.
5. *Salaries Act*, s. 4.1(6).
6. [Ministries and Ministers of State Act](#), R.S.C. 1985, c. M-8.
7. *Ibid.*, s. 2.
8. *Ibid.*, s. 11(1).
9. *Ibid.*
10. According to the supplementary estimates (A) for 2016–2017, for example, the money allotted to each department is specifically intended to cover, among other things,

the payment to each member of the Queen's Privy Council for Canada who is a Minister without Portfolio or a Minister of State who does not preside over a Ministry of State of a salary not to exceed the salary paid to Ministers of State who preside over Ministries of State under the *Salaries Act*, as adjusted pursuant to the *Parliament of Canada Act* and pro rata for any period of less than a year.

(Treasury Board of Canada Secretariat, "Annex – Items for inclusion in the Proposed Schedules to the Appropriation Bill," [Supplementary Estimates \(A\), 2016–17](#), p. A-2.)
11. Respectively, in *Canada Gazette*, Part II, Vol. 149, No. 23, 18 November 2015: *Order Assigning the Honourable Kirsty Duncan to assist the Minister of Industry*, SI/2015-88, p. 2746; *Order Assigning the Honourable Bardish Chagger to assist the Minister of Industry*, SI/2015-89, p. 2747; *Order Assigning the Honourable Carla Qualtrough to assist the Minister of Canadian Heritage and the Minister of Employment and Social Development*, SI/2015-90, p. 2748; *Order Assigning the Honourable Patricia A. Hajdu to assist the Minister of Canadian Heritage*, SI/2015-91, p. 2749; and *Order Assigning the Honourable Marie-Claude Bibeau to assist the Minister of Foreign Affairs*, SI/2015-92, p. 2750.

12. Elizabeth Thompson, "[One third of women in Trudeau's cabinet are actually ministers of state](#)," *iPolitics*, 5 November 2015.
13. Government of Canada, "[Government of Canada to formalize the equal status of ministerial team](#)," News release, 27 September 2016.
14. House of Commons, [Debates](#), 1st Session, 42nd Parliament, 7 October 2016, p. 5634 (Mr. Kevin Lamoureux, Parliamentary Secretary to the Leader of the Government in the House of Commons).
15. Ibid.
16. Government of Canada (2016).
17. Federal government departments are listed in Schedule I of the *Financial Administration Act*.
18. "Appropriate minister" is defined in section 2 of the *Financial Administration Act*.
19. Section 33 of the *Financial Administration Act* relates to ministerial authority for spending on appropriations; section 34 relates to issuing payments relative to federal public administration; section 155 relates to the power to set-off any debts owed to the government; section 155.1 relates to interest on debts or administrative charges; and section 155.2 relates to the authority to declare an amount owed too small to merit collection.
20. [Department of Public Works and Government Services Act](#), S.C. 1996, c. 16, s. 8(1): "The Minister may delegate any of the Minister's powers, duties or functions under this Act to an appropriate minister for any period and under any terms and conditions that the Minister considers suitable."
21. [An Act to amend certain Acts](#) [short title: *Amendments and Corrections Act, 2003*], S.C. 2004, c. 16.