

Transparency lacking on Saanich council wages

Most taxpayers believe that a municipal council's salary structure should be transparent, accountable and reasonable, with no hidden benefits or convoluted formulas.

The 2016 year's pay rate for mayor and council of Saanich District will be decided during budget time, early in the new year and likely see modest increases of 1.5 to two per cent increase.

But very few taxpayers know that Saanich's councilors current income of \$37,625 and of the mayor's \$95,702 current or future salary are also treated as **an one-third tax-free expense allowance by Revenue Canada with no receipts necessary**. Municipal politicians are also reimbursed for out-of-pocket expenses incurred on Saanich business.

"The one-third tax free allowance doesn't save the taxpayer any money," says Grumpy Taxpayer\$ member Colin Nielsen. "But it does show an inherent sense of entitlement and that's not something we should tolerate in politicians." Unlike other municipalities, Saanich does not disclose to the public the one-third tax free allowance on its financial statements.

The City of Victoria voted to end the tax-free allowance and go with a single salary after a public uproar in 2013 and the earlier

recommendations of a citizen's committee reviewing council remuneration.

The larger issue: Twelve jurisdictions in the region, along with the CRD, have not gone to a single salary. The tax-free expense allowance also applies to any wages municipal politicians receive for sitting on committees, boards, commissions and authorities. As of January 2016, CRD directors' stipend will increase about 100%, a third in the form of a tax-free allowance. \$

Background Info: [Council Remuneration and Expenses Policy, presentation to Saanich District council by Colin Nielsen.](#)

ALMOST HALF OF ISLANDERS NOT WORKING

Nearly half the population of Vancouver Island doesn't need or want jobs, according to the **Vancouver Island Economic Alliance** in its recent study "[State of the Island Economic Report.](#)"

The report found that the employment rate on the Island is at just 54 per cent, the lowest of any seven major regions in B.C. - Northeastern B.C has 70%, Cariboo 67%, and the Lower Mainland 61%. The labour-force participation rate describes a more refined measurement, but also shows the lowest rate in B.C.

The figures suggest a growing number of retirees and a shrinking labour force that resulted in the labour force on the Island peaking in 2008. The working and non-working population is roughly split 50-50, but the trend line is for retirees to take over the Island. Typically retirees are on fixed-income and are more sensitive to excessive tax increases. \$

[I'm mad as hell and I'm not going to take it any more >>](#)

Whistleblowers Wanted

Fed up with what's going on at your city hall? Convinced there's millions to be saved by running fewer than 13 municipalities? Had your limit with the Capital Regional District? Send us your confidential tips to expose municipal government waste or make suggestions for tax savings. Grumpy Taxpayer\$ will look into it...

FOR THE MUNICIPAL RECORD

This is of interest in the Victoria region, considering our housing costs are among the highest in Canada. For now mortgage rates may be close to historical lows, but interest rates are broadly predicted to increase in 2016. Alarmingly, almost **40 per cent of Canadian homeowners say they have found themselves short of money** to cover their monthly expenses at least once in the past year, turning to debt, cashing in savings or borrowing from family to pay the bills, according to a survey by [Manulife Bank of Canada...](#) **Colwood city council** has appointed a new chief administrative officer, its fifth in four years. **Ian Howat** took over Dec. 7 as the municipal executive linking municipal politicians to the public service....**Saanich** has hired a chief administrative officer almost a year after its former CAO Paul Murray left with a quickly arranged settlement that cost taxpayers \$476,000. **CAO Paul Thorkelsson** will start his duties Jan.4 with a salary of about \$200,000....

CRD LEADERSHIP CHANGES

Barb Desjardins, the mayor of Esquimalt, was elected the new chair of the Capital Regional District, but it took two ballots. Incumbent Oak Bay Mayor **Nils Jensen** and Desjardins finished the first ballot tied at 12 votes each. Jensen also stood for the position of deputy chair but was also defeated, this time by incumbent **Dave Howe**, southern Gulf Islands director. Desjardins told the

Times Colonist the CRD continues to suffer from poor public perception, adding, "We are certainly doing good jobs in certain places, but there are some key areas where we continue to be seen as not being conscious of the taxpayers' dollar and that is either through indecision or potential lack of focus, direction forward and decision-making." Howe was acclaimed as chair of the Victoria Hospital District Board.

WHAT'S COMING UP

OPEN BOARD MEETING - Join us **Tuesday, Jan. 19 from 12 to 2 pm** for lunch and meeting at location TBA. Sponsors and supporters are welcome to sit in, but please RSVP to grumpytaxpayers@telus.net ...**\$5,000 START-UP FUND** -

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Sincerely,

The Grumpy Taxpayer\$ Team

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