

Frequently Asked Questions – Employee Compensation Disclosure

1. Why does the Government of Newfoundland and Labrador disclose public service compensation?

The Government of Newfoundland and Labrador has committed to restoring openness, transparency and accountability in the information provided to the public. This includes implementing the *Public Sector Compensation Transparency Act (PSCTA)* which is focused on providing the public an annual listing of all employees in departments and public bodies (e.g. agencies, boards, commissions, health care bodies, educational bodies and Crown corporations) who receive total compensation of more than \$100,000 a year.

Disclosing compensation information of public sector employees promotes transparency and accountability and provides taxpayers with information about how government spends public funds.

2. To whom does the legislation apply?

This legislation applies to employees of the Government of Newfoundland and Labrador and other public bodies who receive compensation (salary/wages, overtime pay, severance and other earnings) for performance of their employment duties, including:

- Departments or branches of the executive government
- Crown corporations
- Health care bodies
- Educational bodies
- Agencies, boards and commissions

A complete listing of all public bodies covered by the *Public Sector Compensation Transparency Act* can be found online at:

<http://www.assembly.nl.ca/Legislation/sr/regulations/rc160081.htm>.

3. What information will be included in the disclosure list?

Information on the list will include:

- Name of the employee,
- Official job title,
- Name of the department or public body in which they are employed,

- Total compensation paid, with a breakdown of:
 - Base Salary
 - Overtime
 - Severance, where applicable
 - Shift premiums
 - Retroactive pay
 - Bonuses
 - Other Compensation

The following is not included on the compensation disclosure list:

- Paid Leave (for unused leave paid upon end of employment)
- Pay in lieu of notice upon termination

4. Why include names?

The Provincial Government's policy decision was that to promote true transparency in compensation, the disclosure of names was required. This is consistent with all Canadian provinces that disclose compensation information, as all also disclose names subject to exceptions.

5. What exactly is included in the compensation?

Total compensation paid will be reported, with a breakdown of:

- Base Salary
- Overtime
- Severance, where applicable
- Shift premiums
- Retroactive pay
- Bonuses
- Other Compensation (i.e. housing, car or living allowances – items included in total compensation not otherwise broken out)

6. Why are amounts related to paid leave payouts or pay in lieu of notice not included in the disclosure list for identified employees?

For reasons of personal privacy of the employees included on the list, the Act provides that amounts related to payments for paid leave and pay in lieu of notice will not be included in the disclosure information.

7. Is there a particular amount that has been prescribed as the threshold for inclusion on the list?

Yes. The threshold has been set at total compensation over \$100,000. Any employee who meets the threshold on December 31 of the previous calendar year will be included on the list.

8. Does the threshold include all types of compensation (e.g. severance or overtime)?

The threshold is based on the total compensation paid to an employee. For those employees who meet the threshold, the following information will be broken out:

- a) base salary
- b) overtime pay
- c) bonuses
- d) shift premium
- e) retroactive salary
- f) severance payments
- g) other compensation

9. Will the salaries of those public sector employees who started working in the public sector, or retired during the year, be included on the list?

Yes. Any employee whose total compensation, as defined above, was more than \$100,000 on December 31 of the previous calendar year will be included regardless of whether they worked for the full year or a portion of the year.

10. What happens when an employee moves from one public body to another? Who reports that employee on their list?

Each department or public body can only report the total compensation paid to the employee based on information in that entity's payroll system as of December 31 of the previous calendar year.

Where the employee moves to a public body with a different payroll system during the calendar year, the employee's total compensation for the year will be split between two employers and two payroll systems. That employee's total compensation will be evaluated separately by each body for inclusion under the Act, based upon the total compensation paid by that

public body to the employee. The payroll information about that employee will not be aggregated across multiple payroll systems or employers.

For example, if an employee changes positions, but remains within the same payroll system, the information on that system, as of December 31, will be used to determine eligibility. If the employee changes positions during the year, and information is contained on two separate public payroll systems, each employer will separately evaluate the information in its payroll system about the employee for that year to determine eligibility.

11. Who reports the total compensation paid to an employee seconded to a public body?

The total compensation paid to a seconded employee is generally reported by the department or public body that pays the employee on December 31 of the previous calendar year, where the employee meets the threshold.

12. Why are elected officials not included in the disclosure?

Salaries and other payments to Members of the House of Assembly are already subject to disclosure by the House of Assembly through its website. As a result the Act does not include the House of Assembly, or its Statutory Offices, in the scope of disclosure.

13. Why are fee-for-service doctors, contractors, or board appointees not included? They are also paid from the public purse.

This is an employee compensation disclosure list, based on the definition of “employee” set out in the Act. Physicians, other fee-for-service contractors and board members are not employees of government or its various agencies, boards, commissions and crown corporations. Further, fee-for-service doctors and contractors bill for their services and are not on payroll.

14. Is there any way information can be exempted from being publicly released?

In instances where disclosure of this information ‘could reasonably be expected to threaten the safety or mental or physical health of the employee’, the individual can apply to their Deputy Minister or head of the public body for exclusion.

A form and guidelines have been developed to support this process for employees.

http://www.exec.gov.nl.ca/exec/hrs/compensation_disclosure.html

15. How often and where will information be released?

Information will be updated annually, by 30 June on the Provincial Government's web page dedicated to compensation disclosure information. It is expected that information from all public bodies will be posted on this site. Public bodies will also be encouraged to post the information on their own websites if available.

Information will also be posted in an accessible format (.csv) on the Open Data website: <http://opendata.gov.nl.ca/>.

16. How is the information being gathered?

Information is generated directly from the payroll systems of core Government as well as public sector bodies.

17. Do other jurisdictions publish similar compensation lists?

Yes. Many Canadian jurisdictions release employee compensation lists to varying degrees, such as British Columbia, Alberta, Ontario, Saskatchewan, Manitoba, New Brunswick and Nova Scotia.

18. Who do I contact for more information?

For more information about compensation disclosure, please contact the Human Resource Secretariat at HRSinfo@gov.nl.ca

19. Does the Act apply to individuals who are contracted to perform services on behalf of a public body?

This is an employee compensation disclosure list, based on the definition of "employee" set out in the Act. Individuals under contracts of employment will be captured. Organizations that are contracted to provide services to government public bodies, and individuals who are the employees of those organizations, will not be captured as they would not be on the payroll system of Government or the public body.