

VOTING ON YOUR OWN SALARY...

Gord Hume...October, 2013

Council members across the country are fearfully getting ready for an annual rite in many towns and cities—voting on their own salaries and benefits as part of the upcoming operating budget.

Everybody hates the process.

There are citizens, some of them calm and sober, who genuinely believe that if you paid a councillor \$1 per year, she or he would be over-paid.

There are many who believe that ‘public service’ should be a noble calling and there shouldn’t be much financial reward because it is a service to the community.

There are probably almost as many skeptics who believe elected people’s muzzles never leave the public trough.

There are others who scornfully think elected people are most likely getting handsome brown paper bags stuffed with cash on a regular basis.

Then there are the pious ones, some of them on Council, who proclaim loudly that getting a larger stipend doesn’t mean you’ll get better people elected. No, it doesn’t—but equally, having the job badly underpaid doesn’t mean you’ll get more noble people running for office either. There is no equation between purity and poverty for elected people.

I have always been rather surprised and bemused by the controversy. I’ve been in business for a lot of years, and have negotiated a lot of salaries, including my own as President of the company. It comes with the job as a leader.

In the large metropolitan areas there is little controversy—the job is full time on Council, elected members probably are in the \$100,000+ range, and Mayors are in the \$150,000+ category.

It is in the small and mid-sized communities where the controversy really reigns. Council jobs are not considered to be full time, although the Mayor’s job may be. Yet a dedicated councillor will often spend 40-50 hours a week on city business, for an often paltry stipend.

Benefits for elected people tend to be pretty decent when they are in office. Once they lose or retire, benefits available are much less certain. Pensions are usually pretty small—a combination of a comparatively short length of service and poor pay.

When a council members leaves office—voluntarily or at the behest of the voting public—the process is swift and brutal. A long-serving mayor or councillor can have only a couple of weeks to recover from the shock of losing an election before having the city clerk scoop up the keys and revoke the parking pass—along with the salary and benefits. Few cities in Canada offer a stipend upon leaving, although many federal and provincial politicians do qualify, often for very lucrative departing gifts from the public.

Councils have tried everything imaginable over the years to avoid the debate on their salaries: community committee to recommend a package; tying compensation to union deals or cost of living in the city; hiring independent HR professionals to review and recommend; doing elaborate charts with other ‘comparator communities’; having monkeys throw darts at a target with numbers written on it...

OK, not the last, although some probably wish it could happen.

Prolonging the debate simply exacerbates the public’s attitude about weak Councils. And the Mayor has to step up and show real leadership on this issue if a significant raise is proposed.

Setting a salary is part of a Council’s responsibility. My own view is that generally in Canada, elected municipal officials are under-paid, some of them extremely so. There has to be a reasonable amount of compensation for working the hours elected people are expected to dedicate. You want good people to run. There has to be a reasonable financial stipend because it is costly to run for office, and you’re constantly dipping into your pocket as an elected official to support a vast array of community organizations and charities.

Nobody in Canadian politics gets rich serving in public office, with the possible exception of the very few corrupt ones who hopefully end up in jail.

The other aspect of this issue is that it really shows how little the public understands or appreciates what Council members do—and that fault lies squarely on the shoulders of the elected people.

But the public is very demanding of having their elected officials available. If it is a part-time job, then it should be part-time hours--but it just doesn’t work that way. That’s why a reasonable stipend should be paid to our elected officials, who should have the courage to stand up and say that and then vote in public on their salary.

It takes courage to make tough decisions. It takes leadership. Oh, wait, that’s why we elect people.