
SECTION 9

HONORARIA

9.01 HONORARIA

AUTHORITY: EXECUTIVE COUNCIL

ADMINISTRATION: DEPARTMENT OF FINANCE
TREASURY BOARD SECRETARIAT

EFFECTIVE DATE: JUNE 2024

9.01 HONORARIA

(1) PURPOSE

The primary purpose of the Honoria Policy is to provide direction and procedures on the establishment of standardized rates of compensation for members appointed to various Provincial Government corporations, agencies, boards and commissions.

This policy also includes a listing of agencies, boards and commissions categorized as Schedule A-1, A, B and C, and D (Attachment 9.01-I of the Manual).

(2) APPLICATION

The application of this policy is referenced to the schedules of the *Financial Administration Act* (FAA) and applies as follows:

- Schedule “A” - Departments except the Legislative Assembly
- Schedule “B” - Crown corporations
- Schedule “C” - Education Authorities
- Schedule “D” - Commissions

except to the extent that their enabling legislation may incorporate alternate requirements such as Ministerial or Board Authority.

While this policy **does not apply** to the Legislative Assembly or Reporting Entities subject to alternate legislation, **the spirit and intent** of the policy should serve as a **guideline** for these entities in developing their own policies.

(3) DEFINITIONS

For the purpose of this policy and its implementation, the following definitions will apply:

- (a) **“advisory”** agency, board or commission is one where the provision of information will assist in the development of policy or in the ongoing delivery of programs.
- (b) **“boards”** means Provincial Crown corporations, boards, commissions and agencies, as well as committees established by the Provincial Government.
- (c) **“chair”** means the person appointed to hold that position by the appointing authority, or such other person designated by statute or named by the members to act as chair in the absence of the chair.
- (d) **“operational”** agency, board or commission means one where the direct provision of goods and/or services is necessary in order to implement approved government policy and programs.
- (e) **“per diem”** means rate of compensation paid to a person for attending a meeting of a commission, board or agency to which they have been appointed or any other

meeting where the person's attendance and participation is required in their capacity as chair or member of the commission, board or agency. A person who is a chair, vice-chair, secretary-treasurer, director or member of a commission, board or agency may claim and be paid only one "per diem" per board, per day regardless of the duration of the meeting or the number of meetings attended in any one day.

- (f) **"regulatory"** classification of an agency, board or commission means the control of public or private sector operations is authorized by legislation, the exercising of a license review function, or the exercising of an appeal function with respect to both government and third-party decisions.

(4) **POLICY STATEMENT**

- (a) Executive Council has the authority and responsibility for the establishment of the Honoraria Policy for all Provincial Government boards. More specifically, Executive Council has the authority and responsibility to determine the rates of compensation, to classify the various boards within a standardized rate structure, and to maintain the rate structure based on the recommendations of Treasury Board.
- (b) The standard rates are set out in Section 6 below, with exceptions noted in Attachment 9.01-I of the Manual.
- (c) Executive Council, on the recommendation of Treasury Board, will annually review a standard honoraria rate structure for each of the Categories A-1, A, B, and C, as well as the level of compensation paid to the chairpersons in Category A-1, and changes to the status of the Boards.
- (d) The rate of compensation paid to the vice-chair of a board will be equal to that of other members, except when the vice-chair is required to act as the chair in their absence, in which case, the vice-chair would be compensated in an amount not in excess of the compensation rate for the chair on a pro rata basis.
- (e) Each Minister responsible for a board is requested to review situations where board members are receiving an annual stipend, with a view to determining if any ongoing administrative responsibilities now carried out by chair or board members, can be carried out by staff of the organization.
- (f) An employee of the Province of Prince Edward Island who is appointed to a commission, board or agency, and who is representing the Government of Prince Edward Island, shall not be paid an honorarium under this Policy.
- (g) An element of public service is implied in any appointment to an agency, board or commission. As a result, any remuneration paid is not necessarily expected to fully compensate appointees for lost income from other endeavors.

- (h) Expenses (e.g., travel, meals) incurred by members when on the business of the commission, board or agency, will be reimbursed in accordance with Section 17 - Travel Policies of the Manual.
- (i) Responsibility for overall co-ordination of the Honoraria Policy, as set out in the following section on administrative procedures, rests with Treasury Board.
- (j) A submission to Treasury Board is required for category classification requests for all Agencies, Boards and Commissions including those for which there is no financial impact.
- (k) Treasury Board's responsibility is to recommend the classification to Executive Council as the classification and authority to create an agency, board or commission rests with Executive Council.

(5) PROCEDURES

- (a) The rates for new boards/agencies that require the approval of Lieutenant-Governor-in-Council are normally set by Executive Council when the boards/agencies are established. The rates for other boards/agencies are recommended by Treasury Board and approved by Executive Council. In specific circumstances, the rates may be determined by other procedures (e.g., Physician Services Agreement).
- (b) Executive Council will issue Order(s)-in-Council confirming the Treasury Board honoraria and expense policy only when the statutory authority under which the board is paid requires that the remuneration paid to the chairpersons or members be set by the Lieutenant-Governor in Council.
- (c) Departments should annually review the appropriateness of the honoraria categories of Boards in relation to their responsibilities. In addition, the review should evaluate the significance, effectiveness, and any overlaps in the mandates of their Boards. If a Department believes that a particular Board is not correctly categorized or should be disbanded, a request should be submitted to the Cabinet Committee on Policy and Priorities.
- (d) Attachment 9.01-I of the Manual is a list of all active agencies, boards and commissions, the Department responsible, board classification and notes whether Engage PEI is involved in the recruitment and appointment process. The attachment will be updated periodically to reflect changes to the listing for the creation and disbandment of ABCs, department name changes and classification changes. Executive Council will notify Treasury Board Secretariat when changes occur, and the master list on the Government website will subsequently be updated.

(6) CATEGORIES OF AGENCIES, BOARDS AND COMMISSIONS

Executive Council, at its meeting of April 5, 2016, confirmed the following honoraria rate structure, effective April 1, 2016:

Category	Policy Rates	Description
A-1	Chairperson - as per Attachment 9.01-I Members - \$142/diem	Category A boards where the Chairperson receives either annual salary or stipend as approved under the Senior Compensation Plan or by Executive Council.
A	Chairperson - \$200/diem Members - \$142/diem	Boards requiring a high level of responsibility and decision making authority. Regulatory: Board is required to adjudicate, judge, or arbitrate. Operational: Board provides direct operational/managerial functions for a specified entity.
B	Chairperson - \$161/diem Members - \$109/diem	Boards requiring a moderate level of responsibility and decision-making authority. Boards are intended to assist the Minister in the administration of the respective Acts. Regulatory: Board has appeal and/or licensing function. Operational: Board provides general supervisory role or performs a combination of advisory and moderate operational duties.
C	Chairperson - \$113/diem Members - \$73/diem	Boards with a lower level of direct decision making authority. Boards perform advisory function to Ministers.
D	Chairperson - N/A Members - N/A	Boards for which its members receive no remuneration from the Province.

(7) INTERPRETATION

In cases where an interpretation is required, such should be referred to the Secretary to Treasury Board or their delegated officer who will make the interpretation or refer the matter to Treasury Board, if a Treasury Board decision is deemed necessary.