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On February 7, 2013, the Audit Subcommittee met to review various matters. Recent media reports with respect to Senator Michael Duffy's living allowances in the National Capital Region (NCR) were a matter of discussion. The



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On February 22, 2013, Senator Duffy wrote
to **Senator Tkachuk** in his capacity as **Chairman** of the **Ontario** **Energy** **Committee**



1. The Commission is satisfied that the information provided by Deloitte is accurate and reliable.

2. The Commission is satisfied that the information provided by Deloitte is accurate and reliable.

3. The Commission is satisfied that the information provided by Deloitte is accurate and reliable.

Deloitte was able to confirm within 94 percent accuracy and another 3 percent likelihood Senator Duffy's whereabouts during the period of review, i.e., Ottawa versus his declared primary residence, PEI. This information is fundamental to our determination regarding Senator Duffy's eligibility to claim expenses.

Deloitte was able to confirm within 94 percent accuracy and another three percent likelihood Senator Duffy's location during the period of review, i.e., Ottawa versus his declared primary residence, PEI. Three percent of the time, his location was unknown. This information is fundamental to our determination regarding Senator Duffy's eligibility to claim expenses.

Deloitte noted that, prior to the adoption of the *Senators' Travel Policy* on June 5, 2012, a definition of primary residence did not appear in Senate policy instruments. Deloitte further noted that, "The regulations and guidelines applicable during the period of our review do not include criteria for determining primary residence." Given this, Deloitte reported that they were unable "to assess the status of the primary residence declared by Senator Duffy against existing regulations and guidelines." However, they did conclude that "all of the trips between Ottawa/Gatineau and PEI claimed by Senator Duffy occurred."

Deloitte noted that, prior to the adoption of the *Senators' Travel Policy* on June 5, 2012, a definition of primary residence did not appear in Senate policy instruments. Deloitte further noted that, "The regulations and guidelines applicable during the period of our review do not include criteria for determining primary residence." Given this, Deloitte reported that they were unable "to assess the status of the primary residence declared by Senator Duffy against existing regulations and guidelines." However, they did conclude that "all of the trips between Ottawa/Gatineau and PEI claimed by Senator Duffy occurred."

Your Committee acknowledges Deloitte's finding that criteria for determining primary residence are lacking. This is being addressed by your Committee. However, the



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senators who do not have their home within 100 kilometres of Parliament Hill and who would not be in Ottawa if it were not for the fact that they are Senators who must attend Senate business, may be reimbursed additional expenses incurred for accommodations while in Ottawa to attend Senate business. The Declaration of Primary and Secondary Residence form that accompanies the police instrument, in use since 1998, requires Senators to affirm whether their *primary* residence is “within 100 kilometres from Parliament Hill” or is “more than 100 kilometres from Parliament Hill.” To claim living expenses in the NCR, any residence owned or rented by a Senator must be a *secondary* residence, for use by the Senator while in the NCR for Senate business. Your Subcommittee considers this language to be unambiguous and, plainly, if a Senator resides primarily in the NCR, he or she should not be claiming living expenses for the NCR.

Deloitte’s report has informed our determination of the appropriateness of the living expense claims filed by Senator Duffy. Senator Duffy was found to have spent approximately 30 percent or 164 of the 549 days in the period of review at his declared primary residence. Additionally, Senator Duffy’s travel patterns were consistently Ottawa-PEI-Ottawa, demonstrating that Ottawa was his primary or default location. Further, your Subcommittee was aware that Senator Duffy registered his Ottawa address for sever

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It is therefore the conclusion of this Subcommittee that, based on the evidence presented in the examination report, while recognizing that Senator Duffy owns a residence in PEI and spends considerable time there, in particular during the summer months, his continued presence at his Ottawa residence over the years does not support such a declaration and is contrary to the plain meaning of the word “primary” and to the purpose and intent of the provision of living allowance in the NCR.

Your Committee therefore recommends:

1. That the living expenses claimed by Senator Duffy dating back to the time of his appointment **was** properly reimbursed by him; and
2. That living and travel expense claims submitted for reimbursement by Senator Duffy be monitored from the date of the adoption of this report for a period not less than one year.

Respectfully submitted,

Le président,

DAVID TKACHUK
Chair

Your Committee therefore recommends:

1. That the living expenses claimed by Senator Duffy dating back to the time of his appointment **have been** properly reimbursed by him; and
2. That living and travel expense claims submitted for reimbursement by Senator Duffy be monitored from the date of the adoption of this report for a period not less than one year.

Respectfully submitted,

Le président,

DAVID TKACHUK
Chair

