

**Activity Report. Federation Council Visit to Canada  
on Setting and Managing Senators' and MPs' Office Budgets  
May 16 - 20, 2005**

**PPF MISSION FRAMEWORK  
AND STRATEGY**

**INTENDED OUTCOMES:**

**500. Strengthened internal management practices and accountability of the Federal Assembly (FC and State Duma)**

**RELEVANT OUTPUTS:**

*500. Existing mechanisms improved and/or new mechanisms introduced to improve internal planning and financial management in the FA. Wherever possible, policies should be gender-sensitive.*

**MAY 2005 ACTIVITY CONTRIBUTING TO RESULTS:**

*One-week Federation Council visit to Ottawa to study in detail Canadian Parliament's practices in setting and managing Senators' and MPs' office budgets and providing centralized services to parliamentarians.*

**CONTRIBUTION OF ACTIVITY TO CIDA PRIORITIES:**

*The activity contributed to CIDA's priority of promoting democratic development by strengthening the efficiency and responsiveness in the functioning of Russian government institutions.*

**PROGRESS TO DATE**

**CONTRIBUTION OF LATEST ACTIVITY TO RESULTS:**

In April 2005, the Federation Council and the State Duma passed amendments to the federal law "On the status of the members of the Federation Council and the State Duma" officially introducing parliamentarians' office budgets to the Federal Assembly. The fact that there is now a federal legislative basis on parliamentarians' budgets paves the way for improving further the recently introduced system for providing budgets for Senators' work in the regions and expanding it to include Senators' offices in Moscow as well as for introducing MPs' office budgets in the State Duma.

In-depth knowledge of the Canadian Parliament's practices in setting and managing Senators' and MPs' office budgets and providing centralized services to parliamentarians gained during the May 2005 visit will be used by the FC Commission on Internal Economy and the FC Administration in the process of developing detailed standards on the operation of the Senators' budget system in the FC, including standards on several types of centralized services to parliamentarians, which were also introduced by the new legislation.

The delegation was also familiarised with the Committee budget process in the Canadian Parliament and is planning to use Canadian parliament's experience in preparing annual committee expense reports in the FC.

**RESULTS ACHIEVED BY LATEST ACTIVITY:**

*Output indicator 500. Improvements to the office budget system developed and/or introduced; Number of documents on the issue produced.*

**(1) In April 2005, the Federation Council and the State Duma passed amendments to the federal law "On the status of the members of the Federation Council and the State Duma" officially introducing parliamentarians' office budgets to the Federal Assembly.**

Using Canadian experience gained under CRPP, the Federation Council initially introduced budgets for Senators' work in the regions with an internal regulation passed in January 2004<sup>1</sup>. At the same time, the fact that there is now a federal legislative basis on parliamentarians' budgets paves the way for improving further the recently introduced system and expanding it to include Senators' offices in Moscow as well as for introducing MPs' office budgets in the State Duma.

(2) Knowledge gained as a result of the May 2005 visit will be used in developing specific standards on setting and managing Senators' budgets and providing centralized support services to parliamentarians in the Federation Council. With the federal legislative basis on parliamentarians' budgets now in place the FC Commission on Internal Economy has been tasked with developing detailed standards on implementing the new system in the FC. As the law amendments passed by the FA in April 2005 introduced also several changes related to the provision of centralized support services to parliamentarians the Commission would need to develop specific standards in this regard as well<sup>2</sup>. Thus, the FC delegation held meetings with parliamentarians, parliamentary staff and PC experts to study in detail Canadian Parliament's experience in setting and managing Senators' and MPs' office budgets and providing centralized services to parliamentarians including most recent developments in this regard. The delegation was also provided with a number of relevant documents.

*Output indicator 500. Number of FC Senators and staff familiarized with Canadian Parliament's experience in planning and funding committee work; Statements by FC leadership and Senators supporting reform of planning and funding of the work of Committees and Commissions;*

**(1) The FC is planning to use Canadian parliament's experience in preparing annual committee expense reports.** The delegation was briefed on the committee budget process in the Canadian parliament and was provided with a copy of the most recent Annual Report on Committees Activities and Expenditures produced by the House of Commons. Senator Sergey Petrov, Deputy Chair of the FC Budget Committee and Member of the Commission on Internal Economy, stated that the FC is interested to use the Canadian reporting model to produce a similar document for its own reporting needs. The Centre undertook to provide further assistance in this regard.

#### **VALUE-ADDED OF PC TEAM IN ACHIEVING RESULTS:**

Resorting to expertise accumulated during many years of working experience at senior positions in the Canadian Government and Canadian Parliament's Administration, Program Director Amelita Armit and ASP Senior Advisor John McCrea provided, at the onset of the visit, overviews on the Canadian parliamentary system and on financial management in the Canadian Parliament. The information that was provided prepared delegation members for more focused and in-dept discussions with parliamentarians and parliamentary staff allowing for available time to be used in the most efficient way.

#### **Glossary of terms:**

**ASP:** Accountability Strengthening Program  
**CRPP:** Canada-Russia Parliamentary Program  
**FA:** Federal Assembly  
**FC:** Federation Council  
**PC:** Parliamentary Centre

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<sup>1</sup> Under the new mechanism Senators are free, within the framework of certain rules and limitations, to spend funds provided to them in a way that best suits their varying needs with regards to work in the specific regions they represent. At the same time the implementation of the new mechanism in 2004 has revealed that resources available to Senators are now used in a more cost-efficient way.

<sup>2</sup> Changes introduced were related to Senators' use of transportation, communication services and housing as well as to hiring Senators' assistants.