

JANUARY 2012

January 5, 2012, 3:21 pm

#1

From: Michael Duffy

To: Nigel Wright

Subject: More your eyes only

Nigel:

I met James Moore last week on a flight to BC. I did NOT / have not raise(d) the CBC with him; altho he did give me his pitch on why we need a national broadcaster even with the 500 channel universe. My impression: he is using the defence of the cbc, to build support for a future leadership bid, esp among francophone journalists from Quebec. Hard to belief eh??
LOL

2: Andrew Saxton Sr arranged a luncheon with a dozen BC business leaders. Their issues were:

1: Pipelines. Great frustration with the energy companies. Ed Odishaw mentioned 1.5 B a year in foregone tax revenues while we delay. In their view the gas companies are slow and bureaucratic. How can feds help?

2: Big concern about pandering to natives re: Ridley Island and the precedent set at Ridley paying natives a royalty on throughput through the Port.

3: BMO Sr VP says Farm Credit is using lower GOC interest rates to undercut commercial banks in lending to farmers. An unfair advantage. (They suspect the GOC financing agencies EDC, BDC, FCC are holding in "reserves" money that should be going to the government. "Why do they need reserves when they are backed by Canada?"

4: Consensus was our grass roots would be outraged if we back off deficit elimination targets.

5: Strong support for the idea of changing IRBs to allow them to be used for financing SMEs in slow growth areas. Industry gets financing at no costs to the feds.

Duff

January 5, 2012, 4:33 pm

#2

From: Nigel Wright

To: Michael Duffy

Subject: Re: More your eyes only

Mike, thanks for this. I am alert to examples of what you address in #3. Lots of our people oppose any changes, but we are making some incremental improvements. As you know, the Government has signalled an intention to be active on issues related to #1. Nigel

December 2012

December 3, 2012, 4:33 pm

#3

From: Glen McGregor [REDACTED@ottawacitizen.com]

To: Michael Duffy

Subject: Re: Housing allowance and speaking fee

It's not BS, Mike. I just want to make sure my story is accurate. Your primary residence is PEI yet you vote in Kanata, correct? I think a lot of people would be interested to know you can claim extra costs of a "secondary residence" in a city you've been in since 1974. Anything you think I should know about this, please let me know.

December 3, 2012, 6:00 pm

#4

From: Glen McGregor [REDACTED@ottawacitizen.com]

To: Michael Duffy

Subject: Re: Housing allowance and speaking fee

The story runs in tomorrow's paper, will be online tonight but I can make changes for print. I'm not suggesting you did anything wrong voting in Kanata, only that its an indication of where you live.

December 3, 2012, 5:06 pm

#5

From: Michael Duffy

To: Glen McGregor [REDACTED@ottawacitizen.com]

Subject: Re: Housing allowance and speaking fee

Glen:

This all relates to quick access to the Heart Institute. If you are a non-resident, there may be some issues with having PEI pay for some of the heart treatment. I was advised by my PEI cardiologist to do this, to ensure no potential future hassles with health care billing. Anyway, it was all cleared by the Senate at the time.

I don't really expect it to change your story line. I know you too well to expect that.

Mike

Again I am telling you this on background, but I don't want to drag my heart issues into the public forum.

December 4, 2012, 8:51 am

#6

From: Michael Duffy

To: Michael Duffy

Subject: Smear – Background FYI

<http://www.canada.com/business/Senator%2BMike%2BDuffy%2BClaims%2Bliving%2Ballowances%2Bdespite%2Bbeing/7645424/story.html> [Appendix A, Tab 1]

If this comes up, I want you to know the attached story is smear on me from that former Frank employee, Glen MacGregor. (Remember my successful lawsuit against them?) David Tkachuk, the Chairman of the Senate Internal Economy Committee says every out of town Senator does this. The rules have been followed.

If you read the find print, you see that in the story, but most people won't do that.

It is a smear, plain and simple.

Is that defamation? Slander? It certainly implies I've done something wrong.

The rules say an MP or Senator is entitled to stay in a hotel; or rent an apartment; or buy a condo.

Dozens of MPs and Senators own houses or condos. All within the rules.

Why has he singled out me? Payback for the Frank lawsuit, is my bet.

December 4, 2012, 9:03 am

#7

From: Nigel Wright

To: Michael Duffy

Subject: Re: Smear – Background FYI

Mike,

I am told that you have complied with all the applicable rules and that there would be several Senators with similar arrangements. I think that the Standing Committee might review those rules.

This sure seems to be a smear. I don't know whether it is actionable, my guess is that it is not. This reporter is usually careful that way.

Nigel

December 5, 2012, 9:12 pm

#8

From: Martin Perelmutter [redacted]speakers.ca]
To: Michael Duffy
Subject: Ottawa Citizen

Hi Mike:

A reporter from the Ottawa Citizen just called here regarding a story he's doing, and wanted to find out about your speaking fee. He also asked about two other Senators (Jacques Demers and Larry Smith). I haven't called him back yet, and I'm inclined not to. I thought I'd give you a heads-up, and see if you want me to get back to him, or have any guidance as to how you feel I should deal with him.

Thanks!
Martin

December 5, 2012, 4:25 pm

#9

From: Michael Duffy
To: Jacques Demers; Larry Smith
Subject: Fw: Ottawa Citizen

Fyi. I told him to ignore these people. None of their business. Mike

December 5, 2012, 4:41 pm

#10

From: Marjory LeBreton
To: Michael Duffy
Subject: Re: Ottawa Citizen

Good advice – it is none of their GD business. M

January 2013

January 31, 2013, 3:59 pm

#11

From: Glen McGregor [redacted@ottawacitizen.com]

To: Michael Duffy

Subject: PEI health card

Mike,

I understand you recently applied for a Prince Edward Island Health Card. As you likely know, a health card is one of the pieces of documentation that the Senate committee of internal economy is requiring to prove Senator's primary and secondary residences are where they claim to be from.

I'm also told you asked the health minister's if your application could be expedited.

Do you have a PEI health card now?

Can you please call me at 613. [redacted] to discuss?

Thanks,

January 31, 2013 6:14 pm

#12

From: Michael Duffy

To: Marjory LeBrenton

Subject: Re: PEI health card

Fyi. I did not speak to the pei health min. Mike

January 31, 2013 7:16 pm

#13

From: Marjory LeBrenton

To: Michael Duffy

Cc: David Tkachuk

Subject: Re: PEI health card

Thanks Mike. McGregor is going to write what he wants, no matter what one says to him and there is nothing to be gained from trying. Marjory

February 2013

February 1, 2013 2:19 pm

#14

From: Glen McGregor [redacted@ottawacitizen.com]

To: Michael Duffy

Subject: Re: PEI health card

Hey Mike,

Still hoping to hear back from you on this health card issue. Also, I'm told you pay property tax on your PEI place at the non-resident rate. Is that correct?

Thanks,

February 1, 2013 6:00 pm

#15

From: Michael Duffy

To: Carolyn Stewart-Olsen

Subject: Mcgregors latest

First the pei helath min leaks deets of my health card application. (I assume the libs in the senate didn't do this? le I ref this in my confidential note to the auditor?
Now he's been fed info re my pei taxes real estate taxes.

--

His latest follows; [See email #14]

February 1, 2013 5:20 pm

#16

From: Carolyn Stewart-Olsen

To: Michael Duffy

Subject: Re: Mcgregors latest

I doubt the leak came from senate officials or Libs. They have worries too. As far as I know only the auditor has the details of personal info provided. But this is very troubling.

February 2, 2013 11:44 am

#17

From: Carolyn Stewart-Olsen

To: Michael Duffy

Subject: Re: Glen macgregor

Hang in there Mike. I will get your back.

February 4, 2013 5:10 pm

#18

From: Michael Duffy

To: Carolyn Stewart-Olsen

Subject: Fe: PEI health card

[No message. Forwarded on e-mail chain with Glen McGregor. See Email #14]

February 4, 2013 6:15 pm

#19

From: Carolyn Stewart-Olsen

To: Michael Duffy

Subject: Re: PEI health card

I am appalled by their health minister. This is a privacy issue and he should keep his mouth shut.

February 6, 2013 6:30 pm

#20

From: Chris Woodcock

To: Nigel Wright; Joanne McNamara; Ray Novak; Andrew MacDougall

Subject: Duffy Statement

Senator Duffy is going to issue the following statement. Senator LeBreton asked him to put something out in response to the stories. I've given the text my ok.

"As a long-time Prince Edward Islander, I am proud to represent my province and its interests in the Senate of Canada. I also represent taxpayers with care. I have a home in Prince Edward Island and I have provided the Senate Committee on Internal Economy, Budgets and Administration with documentation demonstrating that I am a resident. I look forward to the Committee completing its Senate-wide review."

February 6, 2013 7:31 pm

#21

From: Nigel Wright

To: Chris Woodcock Joanne McNamara; Ray Novak; Andrew MacDougall

Subject: Re: Duffy Statement

Agree. But let this small group be under no illusion. I think that this is going to end badly. That is what Sen. Tkachuk strongly implies. I will try to understand the facts, but David is not an alarmist and is not a poor manager of this process.

February 6, 2013 8:54 pm

#22

From: Michael Duffy

To: Carolyn Stewart-Olsen

Subject: Version #3 – when do you want to release this? -mike

“As a Prince Edward Islander, born and bred, I am proud to represent my province and its interests in the Senate of Canada.

I represent taxpayers with care, and Canadians know I would never do anything to betray the public trust. I have a home in Prince Edward Island as required by law.

Like all other Senators, I have provided the Senate Committee on Internal Economy, Budgets and Administration with documentation demonstrating that I am a resident. I look forward to the Committee completing its Senate-wide review.”

February 6, 2013 9:20 pm

#23

From: Carolyn Stewart-Olsen

To: Michael Duffy

Cc: David Tkachuck

Subject: Re: Version #3 – when do you want to release this? -mike

Mike, seriously do not send this out tonite. We need to talk tomorrow.

February 6, 2013 9:20 pm

#24

From: Marjory LeBreton

To: Michael Duffy

Cc: David Tkachuk; Carolyn Stewart-Olsen

Subject: Re: Version #3 – when do you want to release this? -mike

Mike. Chris Montgomery has been keeping PMO in the loop on this. Will decide first thing in the morning. Marjory

February 7, 2013 5:40 am

#25

From: Chris Woodcock

To: Nigel Wright; Joanne McNamara; Ray Novak; Andrew MacDougall

Subject: Re: Duffy

The statement didn't go out last night. Apparently the Senate is still sending their messages through those vacuum tubes installed in Centre Block.

February 7, 2013 3:59 pm

#26

From: Christopher Montgomery

To: Chris Woodcock; Remi Moreau

Cc: Johanna Quinney

Subject: Duffy

The Steering Committee of Internal Economy has taken the decision to lump Duffy's residency claim in with those of Harb and Brazeau for auditing. This will be indicated by media release before the day is out.

February 7, 2013 5:26 pm

#27

From: Michael Duffy

To: [Solicitor-Client Privilege]

Subject: [Solicitor-Client Privilege]

External Auditors to Review Residency Declarations

OTTAWA (February 7, 2013) – Senator David Tkachuk, Chairman of the Standing Senate Committee on Internal Economy, Budgets and Administration, announced today that the appropriate subcommittees of the Internal Economy Committee have referred the residency declarations and related expenses of the following three Senators to external auditors at Deloitte for review and report: Senator Brazeau, Senator Harb and Senator Duffy.

February 7, 2013 5:47 pm

#28

From: Nigel Wright

To: Chris Woodcock Joanne McNamara; Ray Novak; Andrew MacDougall

Subject: Re: Duffy

Spent the last hour on various phone calls with Mike, David Tkachuk, and Marjory. David still needs to work it out, so it is only a 90% certainty level, but what will likely happen is that at 9:10 Friday the release will go out stating that Harb, Brazeau, and Duffy expense cases are being referred to an external auditor.

Concurrently, a separate release would go out stating something like "with respect to Sen. Duffy, the Chair / Committee has requested external legal advice on the meaning of the terms resident and primary residence."

The purpose of this is to put Mike in a different bucket and to prevent him from going squirrely on a bunch of weekend panel shows. Ray, Mike is very pleased with this, so it will give us a bit of time if David can pull it off. David is making his calls now to the Senate Clerk and the other two committee members, but I think he will get it done. Marjory is fully on board.

February 7, 2013 5:53 pm

#29

From: Ray Novak

To: Nigel Wright; Chris Woodcock Joanne McNamara; Andrew MacDougall

Subject: Re: Duffy

Thanks, this is very helpful context.

I'm hoping Sen.Tkachuk and the others have some sense of what the legal advice may be regarding residency.

Seems incredible this has not been an issue until now.

February 7, 2013 6:27 pm

#30

From: Christopher Montgomery

To: Nigel Wright; Marjory LeBreton

Cc: Sandy Melo

Subject: Duffy Statement

I just got off the phone with Tkachuk. On the advice of the Clerk, they are going to say that the Chair and Deputy Chair of the committee have requested independent legal advice as opposed to referring to the Steering Committee so as to not make it an official process in order to protect Senator Duffy.

They will use the language agreed simply replace "steering committee" with "chair and deputy chair of the committee."

Tkachuk boards his flight in 30 minutes and has asked me to let him know before then if you have any problems with this.

February 7, 2013 6:30 pm

#31

From: Nigel Wright

To: Christopher Montgomery; Marjory LeBreton

Cc: Sandy Melo

Subject: Re: Duffy Statement

This works.

I think they could say "...independent legal advice regarding the definitions of 'resident' and 'primary residence'" or something like that to describe the advice that is being sought. The critical thing is that it have a reference to "with respect to Senator Duffy" in it. Mike is pleased that he is being differentiated in some way. I think it buys a bit of time.

February 7, 2013 6:33 pm

#32

From: Marjory LeBreton

To: Nigel Wright; Christopher Montgomery

Cc: Sandy Melo

Subject: Re: Duffy Statement

I agree with Nigel's comments. I think this will get us to where we want to go.

February 7, 2013 6:40 pm

#33

From: Nigel Wright

To: Ray Novak; Chris Woodcock; Andrew MacDougall; Joanne McNamara

Cc: Sandy Melo

Subject: Re: Duffy Statement

My own view is that one would interpret the constitutional requirement through a purposive approach. Its purpose was to ensure that Senators would represent the provinces from which they were appointed. I believe that Mike's ownership of property there, time spent there, and engagement with the political life of the province would likely meet the constitutional test. As regards Senate expenses, the concept of a primary residence implies the existence of at least one other residence. So Mike could be primarily resident in the NCR for expense rules and still constitutionally resident in PEI. That leaves the very big problem of his having collected \$900 per month. The only plausible ways out of that are (i) it was wrong and he has to be disciplined and/or repay, or (ii) there was ambiguity so it will be clarified and he will not claim the amount going forward. Marjory assures me that no other CPC Senator claims the \$900 per month in similar circumstances. Mike said that no one ever told him he shouldn't be doing it.

February 7, 2013 6:47 pm

#34

From: Nigel Wright

To: Ray Novak; Christopher Montgomery; Joanne McNamara

Subject: Re: Duffy Statement

Apparently David Tkachuk has this worked out.

February 7, 2013 9:15 pm

#35

From: Michael Duffy

To: David Tkachuk

Subject: Depending on what u say in your release...

8 Feb 2013

Statement by Hon. Mike Duffy, Senator Cavendish PEI

"As a Prince Edward Islander, born and bred, I am proud to represent my province and its interests in the Senate of Canada.

I represent taxpayers with care, and Canadians know I would never do anything to betray the public trust. I have a home in Prince Edward Island as required by law. I have retained legal counsel, and will vigorously defend against suggestion that I am not qualified to be a PEI Senator. I will have no further comment until this review is complete."

The relevant legal reference is attached.

February 7, 2013 9:19 pm

#36

From: Nigel Wright

To: Chris Woodcock; Julie Vaux; Andrew MacDougall

Cc: Ray Novak; Joanne McNamara

Subject: Fwd: Depending on what u say in your release...

FYI. This is manageable.

February 7, 2013 9:22 pm

#37

From: Chris Woodcock

To: Nigel Wright

Subject: Re: Fwd: Depending on what u say in your release...

Thanks. Note there's a word missing here ("any" or "the"):
"and will vigorously defend against suggestion"

February 7, 2013 9:24 pm

#38

From: Nigel Wright

To: Chris Woodcock

Subject: Re: Fwd: Depending on what u say in your release...

Thanks Chris. I'm not going to help Mike draft it!!

February 7, 2013 11:13 pm

#39

From: Michael Duffy

To: David Tkachuk; Carolyn Stewart-Olesn

Subject: Before you issue your news release...

7 Feb 2013

David:

After speaking to my lawyer, I now understand that the issue in question is not whether I own property in PEI; but rather whether my principal residence is there, thus entitling me to expenses for my home in Kanata.

If this is indeed the issue, then this is the first time a concern has been raised with me by anyone. I have been claiming these expenses routinely, as I was told I could do at the time of my swearing-in in 2009.

However if there is anything improper about these expense claims, I want to correct it. I have no interest in claiming expenses to which I am not entitled.

Can we discuss this matter before you issue any media release naming me, as I believe we can resolve this expense issue without the need of an audit.

February 7, 2013 11:16 pm

#40

From: Ray Novak

To: Nigel Wright

Subject: Fw: Before you issue your news release...

I presume you are getting these also...

February 7, 2013 11:22 pm

#41

From: Nigel Wright

To: Ray Novak

Subject: Re: Before you issue your news release...

Yes

February 8, 2013, 11:06 am

#42

From: Kim McKerracher [of Nelligan, O'Brien, Payne]

To: David Tkachuk

Cc: Janice Payne; Marjory LeBreton

Subject: Senator Michael Duffy

Dear Senator,

Please see the attached correspondence of today's date from Janice Payne. The original will follow by courier. [**Appendix A, Tab 2**]

February 8, 2013, 12:20 am

#43

From: Marjory LeBreton

To: Kim McKerracher [of Nelligan, O'Brien, Payne]

Cc: David Tkachuk; Janice Payne

Subject: Re: Senator Michael Duffy

Thank you. Marjory LeBreton.

News Release From Standing Senate Committee on Internal Economy, Budgets and Administration

#44

External Auditors to Review Residency Declarations

OTTAWA (February 8, 2013) – Senator David Tkachuk, Chair of the Standing Senate Committee on Internal Economy, Budgets and Administration, announced today that the appropriate subcommittees of the Internal Economy Committee have referred the residency declarations and related expenses of the following three senators to external auditors at Deloitte for review and report: Senator Brazeau, Senator Harb and Senator Duffy.

As well, the Chair and Deputy Chair (Senator Furey) of the committee are seeking legal advice on the question of Senator Duffy's residency. [**Appendix A, Tab 3**]

February 8, 2013, 2:53 pm

#45

From: Michael Duffy

To: Michael Duffy

Subject: David Tkachuk – Expense rules for senators might be rewritten

[News Article

[Senate Announces Outside Audit for 3 Senators: Expense Rules for Senators Might be Rewritten by Leslie MacKinnon, CBC News] [**Appendix A, Tab 4**]

February 8, 2013, 3:02 pm

#46

From: Michael Duffy

To: Michael Duffy

Subject: This prof raised this issue on my apt. Senate brass said ignore him

[News Article

[*The issue Isn't Just About Duffy*, Letters to the Editor (The Guardian), by David Bulger] [**Appendix A, Tab 5**]

February 8, 2013, 6:57 pm

#47

From: Michael Duffy

To: Michael Duffy

Subject: 60 days? David Tkachuk releases his version of Duffy's time on PEI – Outrageous!

[News Article

[*Duffy Housing Flap Raises Questions about Wallin's Eligibility to Sit in Senate*, Global News] [**Appendix A, Tab 6**]

February 8, 2013, 7:04 pm

#48

From: Michael Duffy

To: Michael Duffy

Subject: CP version of intv with David Tkachuk

[News Article

[*Housing Flap plaguing Duffy, Wallin raises Questions about Senate Eligibility*, by Joan Bryden and Steve Rennie, The Canadian Press] [**Appendix A, Tab 7**]

February 8, 2013, 10:29 pm

#49

From: Michael Duffy

To: Bill Curry [The Globe and Mail]; Michael Duffy

Subject: More not for direct attribution

So if david tkachuk says it doesn't matter if pam has a sask health card, what's the issue with me? I have spent countless weekeneds out on the rubber chicken circuit. Does my time on the road detract from my claim to be a pei islander? If I had been told this was a prob I would not have done those events.

--

The rules as I understand them say a public event is public business. What about the libs and their work outside Ottawa?

(I have never had a question from senate finance – or anyone else – about this issue. I have been there for years. Why didn't they raise questions? Why now?

They have never presented me with any document asking for an explanation or raising a concern about my residence.

--

This process is unfair and I intend to challenge the unfair process.

--

My lawyer is janice payne of nelligans in ottawa and we may have a media release on Monday. I will of courst keep u in the loop. Mike

February 10, 2013, 8:01 pm

#50

From: Michael Duffy

To: David Tkachuk; Carolyn Stewart-Olsen

Subject: Note from Mike Duffy re: legal fees

10 Feb 2013

To: Hon. David Tkachuk

From: Hon Mike Duffy

Re: Legal fees

I am writing to inform you that I have engaged the services of Ottawa lawyer Janice Payne to research the precedents and to advise me on the legal aspects of the current audit.

As allowed in the rules; (see below) I request that The Senate agree to cover my legal costs in connection to the current audit and investigation of my residence status.

Yours truly,
Mike Duffy

15. A Senator may charge legal research expenses to the Senator's office budget, but may not charge expenses for legal representation or for settlements or judgments. [2007-06-21]

Legal Assistance and Indemnification
Policy

16. The Internal Economy Committee shall adopt a policy to provide Senators with legal assistance and indemnification in appropriate circumstances. [2007-06-21]

February 11, 2013, 11:33 am

#51

From: Janice Payne

To: Michael Duffy; Jill Anne Joseph

Subject: Re: Senate Policy Instruments relating to Residence and Travel

Dear Ms. Joseph

I am writing to confirm that I am representing Senator Duffy in this matter. I would ask that you provide me a duplicate of the package you are sending to Senator Duffy and would also appreciate knowing who to contact at Deloitte.

Thank you.

February 11, 2013, 12:50 pm

#52

From: Melanie Mercer

To: Janice Payne

Cc: Christine King; Michael Duffy

Subject: NCR expenses guidelines

Hi there,

I came across this document as I was going through our files (attached). It was given to me when I started my position with Senator Duffy, along with some other paperwork, to help me process his travel claims, etc. Being new to the Senate, I had never had to process travel claims, so this was all new to me. Senate Finance offered these documents as a reference to start things off, and I was later given a tutorial with a Senate Finance clerk (Maggie Bourgeau).

I've made a few sidebar notes, which may or may not be useful.

If there is anything else that I can help with, please don't hesitate to ask.

February 11, 2013, 1:46 pm

#53

From: Patrick Rogers

To: Nigel Wright; Ray Novak; Joanne McNamara; Chris Woodcock

Subject: Senate – Residency and Expenses

Here is an update on Senate conversations that I have had.

I am not sure if there have been other discussions but here is what I've got.

1. Senator LeBreton and Liberal Leader Cowan have written to the Senate's Internal Board asking them to recoup expenses determined to be inappropriate regarding second homes. The letter also asks that the process be sped up. This letter has gone and Montgomery says that this is consistent with PM direction on this. I am worried that this letter has pretty much hooped Senator Duffy.
2. Senator LeBreton is prepared to put forward a motion asking the Rules Committee to define residency and draft rules that require Senators to provide proof of residency each session and for the Senate Clerk to release the names of those Senators who fail to do so. Montgomery says that he's confident that they will be able to come up with something about where you pay taxes and that "work is underway" but I am concerned that there is a let the sinners hang mentality at the moment.
3. On Brazaeu, the Senator is prepared to table a two part motion that will force him on a leave of absence and cut him off expenses. However, also included in this is that the Senator's absence be considered under rule 15-1(3)a. In English, it means his absence will be considered "Senate Business". This means he will avoid being fine \$250 a day for each absence. Montgomery tells me that this is also written into an automatic forced leave of absence if he had been tried under an indictable offence but it's worth flagging in our own homemade motion we are keeping the taps on.

February 11, 2013, 1:51 pm

#54

From: Nigel Wright

To: Patrick Rogers; Ray Novak; Joanne McNamara; Chris Woodcock

Subject: Re: Senate – Residency and Expenses

I met with Duff today. He will repay, with a couple of conditions, including that admitting to a primary residence in Ottawa does not disqualify him from representing PEI in the Senate. I am meeting Sen. Tkachuk tomorrow. Can the leadership PLEASE coordinate every move with us before taking ANY steps?

February 11, 2013, 1:58 pm

#55

From: Patrick Rogers

To: Nigel Wright; Ray Novak; Joanne McNamara; Chris Woodcock

Subject: Re: Senate – Residency and Expenses

Coordination is the least we can ask for. I am touching base with everyone in the office.

February 11, 2013, 3:44 pm

#56

From: Lucille Pronovost

To: Janice Payne; Michael Duffy;

Cc: Jill Anne Joseph

Subject: Re: Senate Policy Instruments relating to Residence and Travel

Dear Mrs. Payne,

Melanie Mercer, Executive Assistant picked up both your's and Senator Duffy's copies earlier this afternoon. The contact at Deloitte is Mr. Gary Timm, his telephone number is (613) 751-5378 and his e-mail address: gtimm@deloitte.ca

Thank you.

February 11, 2013, 4:21 pm

#57

From: Michael Duffy

To: Nigel Wright; Chris Rootham; Janice Payne

Subject: Fw: SENATE: Letter from Senate Leadership to CIBA / SÉNAT: Lettre des leaders du Sénat au Comité de la régie interne

[Attached letter to Senator Tkachuk and Senator Furey.] [Appendix A, Tab 9]

February 11, 2013, 5:05 pm

#58

From: Michael Duffy

To: Nigel Wright

Subject: Duff at 613- [REDACTED]

What does Marjory's letter mean for our talks?

February 11, 2013, 5:21 pm

#59

From: Nigel Wright

To: Patrick Rogers

Cc: Ray Novak; Joanne McNamara

Subject: Fw: Duff at 613- [REDACTED]

Patrick,

Please convey my thanks to Sen. LeBreton's office for making this more difficult.

Nigel

February 11, 2013, 5:23 pm

#60

From: Nigel Wright

To: Michael Duffy

Subject: Re: Duff at 613- [REDACTED]

I had no foreknowledge of it. When I learned of it I asked for all unilateral action from that office to cease before being cleared with me. I was not pleased. On its face, it does not make our task more complicated I think, although the "with interest" is new to me.

February 11, 2013, 5:23 pm

#61

From: Ray Novak

To: Nigel Wright; Patrick Rogers

Cc: Joanne McNamara

Subject: Re: Duff at 613- [REDACTED]

Why on earth did their letter to the committee have to be public? It's as though there is a deliberate strategy to feed every media cycle with this.

February 11, 2013, 5:25 pm

#62

From: Nigel Wright

To: Ray Novak; Patrick Rogers

Cc: Joanne McNamara

Subject: Re: Duff at 613- [REDACTED]

Exactly. And why share the credit with Cowan? And why do it without knowing the consequences of the statement. Will all of Sen. Wallin's expenses be found to be improper technically but morally acceptable?

To repeat Patrick, no further action from that office at all without pre-clearance with us.

February 11, 2013, 5:27 pm

#63

From: Patrick Rogers

To: Nigel Wright; Ray Novak

Cc: Joanne McNamara

Subject: Re: Duff at 613- [REDACTED]

Joanne and I are calling Sandy now.

February 11, 2013, 5:54 pm

#64

From: Christopher Montgomery

To: Marjory LeBreton

Cc: Sandy Melo

Subject: Duffy

I gather he is upset about the letter. Not sure to what degree but I got a call from Patrick Rogers so I imagine he is making the rounds again tonight.

February 11, 2013, 6:26 pm

#65

From: Sandy Melo

To: Marjory LeBreton; Christopher Montgomery

Subject: Re: Duffy

I just got a call from Joanne McNamara. She and Nigel are asking for a heads up BEFORE letters are sent to media and not at the same time. Obviously now because issues are so sensitive.

February 11, 2013, 6:28 pm

#66

From: Christopher Montgomery

To: Marjory LeBreton; Sandy Melo

Subject: Re: Duffy

I'll go back and look but I swear I told Remi in issues that we were releasing it to the media.

February 11, 2013, 6:27 pm

#67

From: Joanne McNamara

To: Patrick Rogers; Nigel Wright; Ray Novak

Subject: Re: Duff at 613- [REDACTED]

Sandy sends apologies.

She thought this was done.

She now clearly understands and will comply on future actions being considered.

February 11, 2013, 7:06 pm

#68

From: Michael Duffy

To: Nigel Wright

Subject: My lawyer writes ...

Possible bullet points for discussion with Nigel

- Your lawyers say that there is no doubt that you meet the constitutional qualifications to be senator of PEI. You own property worth over \$4K and you are resident in PEI for at least some of the time; there is no requirement that you be resident year round or that your primary residence be in PEI. Your lawyers are satisfied that there is no risk here.
- The only issue is whether your primary residence is in PEI for purposes of claiming expenses for your residence in the NCR.
- In support of that, you spent significant \$ to convert your seasonal residence to a year round residence following your appointment, your cars are registered in PEI, you carry a PEI driver's license, and you spent about 100 days in PEI last year separate and apart from your time on the road and the time you had to be in Ottawa for senate business. No one raised a concern about your expense claims until now.
- While we don't have complete documents for past policies (we do need to get these), we do have a copy of the Guidelines in effect in June of 2010 dealing with Senator's Living Expenses in the NCR (provided to us today) which state that in order to claim living expenses in the NCR a senator had to file with the Clerk and keep up to date a declaration designating "a primary residence in the province or territory represented by the senator." It wasn't stated that this had to be your only primary residence for all purposes and the implication is that you might properly have more than one, that this spoke to your primary residence in PEI.
- If this matter does proceed, we need to get complete policy documents for the entire time since your appointment but our initial impression is that Senate policy was not clear.
- At all times you believed you were properly claiming expenses given the investment you made to make your PEI residence a year round residence following your appointment and the amount of time you spent in the province.
- The Senate revised its policy language effective June 2012 and arguably added a clearer definition of "primary residence" that does not appear in the 2010 document and may well have been new in 2012.
- If it would settle the matter you would repay back to June of 2012 and not claim expenses going forward unless the policy is further revised to make it clear that you can claim expenses or your personal circumstances change so that it is clear that PEI is your primary residence.
- You would need assurance that you will be removed from the audit, your legal expenses will be reimbursed pursuant to Senate policy and a mutually acceptable media release will be issued confirming that you have repaid arrears owing since the travel policy was clarified in 2012 and are not claiming expenses going forward
- As an alternative, you would agree to repay any arrears found by Deloitte to be owing
- A third alternative would be to pay all of the arrears with the coverage of legal fees by the Senate and a mutually acceptable media released confirming that you have repaid all arrears although you believed at the time and maintain that the expense claims were proper.

February 11, 2013, 8:33 pm

#69

From: Nigel Wright

To: Ray Novak

Subject: Fw: My lawyer writes ...

See the "third alternative" right at the very end.

February 11, 2013, 8:33 pm

#70

From: Nigel Wright

To: Michael Duffy

Subject: Re: My lawyer writes ...

Mike,

I will meet with Sen. Tkachuk on Tuesday and understand more about their process and the instructions that have been given to their outside advisors.

Nigel

February 11, 2013, 8:38 pm

#71

From: Michael Duffy

To: Nigel Wright

Subject: Re: My lawyer writes ...

I wud like to see the language of the rules before 2010. My lawyer says it is very vague. And it changed again in 2012. Why is marj agreeing to anything with cowan. The more this goes on the more I am punished financially. U know about the elxn for caucus chair tomorrow.

Don plett will beat rose mar poirier because the rank and. File are pissed at Marjory about a lot of issues. Fyi. Mike

February 11, 2013, 8:40 pm

#72

From: Ray Novak

To: Nigel Wright

Subject: Re: My lawyer writes ...

I'm unsure of the Senate's approach to legal fees, but from an issues management perspective that would certainly staunch the bleeding. I assume the Libs would demand same treatment for Harb.

February 11, 2013, 8:41 pm

#73

From: Nigel Wright

To: Ray Novak

Subject: Re: My lawyer writes ...

Mike (or his lawyer) has a theory that he is covered under some Senate policy. I doubt it, but will not challenge that until we have more agreement on the main issue.

February 11, 2013, 8:51 pm

#74

From: Nigel Wright

To: Patrick Rogers; Ray Novak; Joanne McNamara; Chris Woodcock

Subject: Re: Senate – Residency and Expenses

#1. Sen. Duffy feels hooped.

#2. Nothing without our prior approval. We will not set anything in motion without knowing where we want it to end up and how we will make that happen.

#3. This is how I read the Senate rules about indictable offences, and this makes sense to me. You cannot put someone on a leave of absence that permits them to show up once or twice a session to avoid being kicked out, yet fine them for the days they don't show up. I think that even the media and the NPD will get that.

February 11, 2013, 10:47 pm

#75

From: Michael Duffy

To: David Tkachuk

Subject: Policy docs

David:

I would like to get this issue settled ASAP. But I can't frame a response if we don't have the rules.

We don't have anything but the policy in effect in June of 2010, and the change in 2012.

We don't have what was in place before June of 2010 nor do we know what if anything may have changed from June 2010 until June 2012. What language was in use in 2009 when I was sworn in?

Is your complaint about ALL housing claims since 2009? If yes, then I have to see what policy was in place at that time? How and when did it change? This is basic stuff, and your staff have not provided it.

How can I settle this when my lawyer can't get the policies since 2009?

If we don't have this info by noon, I intend to raise this outrage at caucus.

Mike

February 12, 2013, 6:14 am

#76

From: David Tkachuk

To: Michael Duffy

Subject: Re: Policy docs

A package is being prepared. You asked for these documents on the weekend. I forwarded info yesterday AM. To clerk. Mike have a look at the declaration you signed when you got appointed and after the 2011 election. I am leaving for Ottawa this morning. Not sure if I will make caucus. David

February 12, 2013, 7:33 am

#77

From: Michael Duffy
To: David Tkachuk
Subject: Re: Policy docs

David. They sent me a package. But they did not include policy before 2010. If the rules were vague before 2010 I don't want to repay back to 2009.

February 12, 2013, 5:12 pm

#78

From: Michael Duffy
To: Nigel Wright
Subject: Update?

Anything to follow up? I am about to leave for the west end. will be home all evening. 613-

February 12, 2013, 9:50 pm

#79

From: Nigel Wright
To: Michael Duffy
Subject: Re: Update?

I called you earlier Mike and missed you at home. At this point I need to plough through my files and reading in order to get out of here in the next few hours. I could speak with you on the margins of Caucus tomorrow.

February 13, 2013, 1:21 am

#80

From: Michael Duffy
To: Nigel Wright
Subject: Re: Update?

Thanks so much. See u then. Mike

February 13, 2013

#81

Faxed Letter

To: Michael Duffy
From: Michel Patrice (Deputy Law Clerk and Parliamentary Counsel)

[Response to email regarding Senator Duffy's legal fees] [Appendix A, Tab 9]

February 13, 2013, 6:03 pm

#82

From: Christopher Montgomery

To: Nigel Wright

Cc: Marjory LeBreton; Sandy Melo; Patrick Rogers

Subject: Residency

Nigel,

I have attached an amended note that I wrote for Minister LeBreton last week on a possible path forward. I continue to believe that this is an appropriate way forward that protects those Senators caught up in the current debate and that would provide certainty moving forward.

First, an Order of Reference would be sent to the Rules committee instructing them to define residency for the purposes of s. 31 of the Constitution Act, 1867. This is the exclusive right of the Senate itself. This would address the primary concern of the media and public in this matter.

Second, the committee would report back to the Senate with a recommendation that a Senator must file taxes in the province from which they were appointed in order to qualify as a Senator and provide an accountability mechanism. The committee would also recommend a three month "coming into force provision" in order to allow Senators time to comply. We have three Conservative Senators (Duffy, Patterson and Wallin) that filed their 2011 return in another jurisdiction. Those Senators would have to be informed very clearly that their 2012 taxes must be filed in the jurisdiction they represent. I understand Duffy has already indicated that he intends to do this. As we happen to be in tax filing season in just over two weeks, this timeline happens to fit nicely. Provided the three Senators adhere to this one requirement, they could be assured that they will not be at risk of losing their seats.

I have attached a draft motion. I will want to ask a couple questions of the Law Clerk and minor amendments may be made as a result. But, the intent would remain. The reporting date could also be easily changed. Our Caucus was agreeable to this approach but had concerns over timing which we can address with them, I am sure. The Liberals also agree with the order.

February 13, 2013, 6:10 pm

#83

From: Nigel Wright

To: Christopher Montgomery

Cc: Marjory LeBreton; Sandy Melo; Patrick Rogers

Subject: Re: Residency

It has the benefit, Chris, of being a bright-line test, in the sense of being very easy to understand, easy to comply with, and easy to verify. So the only question is whether it would pass in the court of public opinion. I think it would because most Senators also have other attributes of residence, but mostly because subjecting oneself to the taxation of a jurisdiction makes one care about its public policy, which relates to the representational objective of s. 31 of the Constitution Act. I am comfortable with it. I will raise it at our Department Heads meeting on Thursday to see if anyone spots a serious flaw that none of us sees.

February 14, 2013 1:03 pm

#84

From: Christopher Montgomery

To: Nigel Wright

Cc: Marjory LeBreton; Sandy Melo; Patrick Rogers

Subject: Re: Residency

Had a good chat with Ben this morning. I'm sure he filed you in. We will not give notice today in order that we can speak to Caucus about it when we return on the 26th and give notice then. Tkachuk is also nervous about proceeding right now and feels he can be in a position to address the current situation by the time we return on Tuesday.

February 14, 2013 1:08 pm

#85

From: Nigel Wright

To: Christopher Montgomery

Cc: Marjory LeBreton; Sandy Melo; Patrick Rogers

Subject: Re: Residency

Thanks Chris. As I considered this idea further over night, I did conclude that we needed to understand more about residency definitions for income tax purposes, which is why I asked for the meeting with Ben on this. I have not yet spoken with Ben, but I will.

February 14, 2013 1:23 pm

#86

From: Marjory LeBreton

To: Nigel Wright

Cc: Christopher Montgomery; Sandy Melo; Patrick Rogers

Subject: Re: Residency

Hi Nigel – I was persuaded by David Tkachuk and Chris that this rule change can easily be dealt with when we return on the 26th when we have had a chance to brief our Caucus. We could put the motion down on Tuesday and deal with it at Rules on Wednesday. I do believe making this change would clarify and simplify the rules and get us away from other impossible residency issues like how many days spent in one place or another. It is clear, clear and solves a host of problems and the timing is perfect – just in time for the filing of 2012 Income Taxes. Marjory

February 14, 2013, 2:12 pm

#87

From: Christine King [Assistant to Janice Payne]

To: Gary Timm [Deloitte]

Subject: Deloitte Audit of Expenses Claimed by Senator Michael Duffy (Our File No.: 16138-2)

Dear Mr. Timm,
Please find attached, in PDF format, a letter addressed to you from Janice Payne dated February 14, 2013 with respect to the above-noted matter.
[Letter attached] **[Appendix A, Tab 10]**

February 14, 2013, 8:40 pm

#88

From: Michael Duffy

To: Nigel Wright

Subject: Rubber chicken – 2011 will be higher

I asked David where he got 62 days. He said it was a quick guess based on a quick look at the data. This not a guess. I would have been on PEI if not on the chicken run.

====

2009

81 days on PEI

87 events off-island

(168)

2010

128 days on PEI

40 events off Island

(168)

2011-2012 to come Friday pm.

md

February 14, 2013, 9:04 pm

#89

From: Nigel Wright

To: Michael Duffy

Subject: Re: Rubber chicken – 2011 will be higher

Mike,

Thanks. When you have got it pulled together, I would appreciate seeing the back-up work sheets.

Nigel

February 14, 2013 9:27 pm

#90

From: Nigel Wright

To: Marjory LeBreton

Cc: Christopher Montomgery; Sandy Melo; Patrick Rogers

Subject: Re: Residency

Senator,

What I did want Ben Perrin to assess is whether there is jurisprudence or interpretation bulletins governing what is required for a taxpayer to claim to reside in a province for the purposes of the Income Tax Act. I would love to pay Alberta income taxes, but I cannot simply claim to reside there. We need to be sure that all of our Senators will truly be on the right side of this bright line test.

Nigel

February 14, 2013 9:53 pm

#91

From: Marjory LeBreton

To: Nigel Wright

Cc: Christopher Montogery; Sandy Melo; Patrick Rogers

Subject: Re: Residency

I agree. We have to ensure that their signed declaration confirming the address of their property/residence in their home province/territory and the filing of their 2012 income tax meets the requirements of the Income Tax Act. I am not aware of any special instructions or bulletins but we will check with the Clerk's office to determine what procedures are following. There can be no wiggle room here. Marjory

February 14, 2013 10:09 pm

#92

From: Nigel Wright

To: Benjamin Perrin

Subject: Fw: Residency

FYI

February 15, 2013 7:39 am

#93

From: Benjamin Perrin

To: Nigel Wright

Subject: Re: Residency

Hi Nigel,

From my research into that taxation question, the residency requirement is comprehensively addressed in the following CRA bulletin (which includes the test applying to provincial residence):

Canada Revenue Agency, "Income Tax Act: Determination of an Individual's Residence Status" (IT-221R3 (Consolidated)), online: [URL provided]

I shared this with Chris when we met yesterday morning. It is fairly comprehensive, but not necessarily a bright line.

I also suggested we should consider the potential for an extraordinary circumstances exception if, in an anomalous year, for serious medical like needing ongoing chemotherapy or family reasons (eg), a person (ordinarily resident outside of Ontario) is found by CRA to be resident in Ontario. The Senate Committee on Internal Economy (or whatever its full title is) would have to hear such a case. I am just concerned that there could be a scenario where CRA finds someone, in one year, to be an Ontarian who we'd consider really should not be disqualified as a result. At its core this concern arises because the purposes of section 23 of the Constitution Act, 1867 are not precisely aligned with the purposes of the Income Tax Act. However, I appreciate the need for clear rules which is why I'm suggesting only a very narrow, one-year, exemption from the CRA residence determination be possible for "exceptional circumstances" and that be determined by Committee on a case specific basis.

I hope this is helpful.

February 15, 2013 11:01 am

#94

From: Internal-Regie [ciba@sen.parl.gc.ca]

To: Janice Payne

Cc: Marjory LeBreton; Lucie Lavoie; Michel Patrice

Subject: Letter from Senator Tkachuk dated February 14, 2013

Good Morning,

I was asked to forward this attached letter to you. The original letter has been sent by regular mail.

[Letter attached] [**Appendix A, Tab 11**]

February 15, 2013 4:30 pm

#95

From: Michael Duffy

To: Nigel Wright

Subject: PEI Residency ruling

Nigel:

A friendly lawyer from Truro NS just called and told me about a case he had in PEI which could be helpful.

On PEI Supreme Court judges handle small claims cases.

On March 1st, 2012; Mr Justice Benjamin Taylor of the PEI Supreme Court ruled that merely owning a summer cottage in PEI gave the person Island residence.

The decision wasn't written, but delivered orally.

The Court number is: S1-SC 30067

Plaintiff Bodrog Vs Magner

(He says you can get a cd of the transcript for \$30.00)

In essence the case involved a contract dispute between a guy in Poland and a guy who lived in Halifax over work performed in Ontario.

The plaintiff had run out of time in Ontario and NS, but when he learned that the NS man's wife had inherited a summer cottage in Victoria PEI, they went to court in PEI which has a longer statute of limitations on small claims.

In the event, Justice Taylor ruled that under PEI law, owning a summer cottage which was only occupied for a few weeks a year constituted making the plaintiff a PEI resident.

I hope this is helpful to your lawyers.

Mike

February 15, 2013 6:35 pm

#96

From: Nigel Wright

To: Michael Duffy

Subject: Re: PEI Residency ruling

Mike, I will forward this to our inhouse counsel. Nigel

February 15, 2013 6:58 pm

#97

From: Chris Woodcock

To: Nigel Wright

Subject: Fw: Senator Duffy

Duffy is the one troubled Senator I have not spoken to. Does what Drew is describing sound like what you have arranged? I am happy to follow up and discourage any other media if not.

February 15, 2013 7:01 pm

#98

From: Nigel Wright

To: Chris Woodcock

Subject: Re: Senator Duffy

I have arranged no comms by him at all. Please do follow up with him – I haven't spoken to him in two days (although have exchanged the odd email), so he might be feeling lonely and isolated again.

February 15, 2013 7:10 pm

#99

From: Chris Woodcock

To: Nigel Wright

Subject: Re: Senator Duffy

I thought that might be the case. Following up.

February 15, 2013 8:26 pm

#100

From: Nigel Wright

To: Benjamin Perrin

Subject: Re: Residency

I am gravely concerned that Sen. Duffy would be considered a resident of Ontario under this ITB. Possibly Sen. Patterson in BC too. If this were adopted as the Senate's view about whether the constitutional qualification were met, the consequences are obvious.

February 15, 2013 8:41 pm

#101

From: Benjamin Perrin

To: Nigel Wright

Subject: Re: Residency

Privileged

This is concerning. The question asked was a tax law questions. We can try to come up with a more flexible alternative, if desired, on the main question of what the residency qualification means for Senators in the Constitution. The starting point would be that there are different purposes animating the ITA vs the constitutional residency qualification for Senators. Let me know if we want to explore other options re residency test. I'm not saying they would be easy or good.

February 15, 2013 8:45 pm

#102

From: Nigel Wright
To: Benjamin Perrin
Cc: Patrick Rogers; Chris Woodcock
Subject: Re: Residency

That was precisely my mandate to Sen. LeBreton. That office's response was to apply income tax residency as the test for constitutional residency. My read of the interpretation bulletin suggests to me that the idea will not work since a prime objective is not to disqualify our sitting Senators.

I would if you and Patrick could work to suggest an approach to Chris Montgomery. My earlier suggestion was that the Senate Rules committee (dominated by us) make a residency determination for any Senator who asks for one to be made. It can suggest certain documentary tests (driver's licence, health card, and also indicate qualitative criteria that serve the constitution's purpose of ensuring that Senators have sufficient engagement with the provinces they represent to be able to represent them effectively in the Senate.

February 15, 2013 9:04 pm

#103

From: Patrick Rogers
To: Nigel Wright; Benjamin Perrin
Cc: Chris Woodcock
Subject: Re: Residency

Ben,
I am happy to discuss a legal way forward and how to push it through the Senate, whenever you are available.
Patrick

February 15, 2013 9:11 pm

#104

From: Benjamin Perrin
To: Nigel Wright; Patrick Rogers
Cc: Chris Woodcock
Subject: Re: Residency

Privileged.
This will take some thinking, I will get on it. I will try to formulate an approach and reply to this chain with it.

February 16, 2013 12:09 am

#105

From: Benjamin Perrin
To: Nigel Wright
Cc: Chris Woodcock; Patrick Rogers
Subject: Re: Residency

Privileged.
Attached is a pragmatic draft proposal for your consideration. It is defensible and should enable desired outcomes, subject to cooperation by adjudicating committee members. I spoke with Patrick earlier tonight for more context and to brainstorm in developing this document, but he's not seen this in detail yet.
I would be pleased to hear your views.

February 16, 2013 4:43 pm

#106

From: Nigel Wright
To: Benjamin Perrin
Cc: Chris Woodcock; Patrick Rogers
Subject: Re: Residency

Ben,

This is very much what I am looking for. I have suggested a couple of changes in the attached version. What I have not done in the attached version is deal with the concept of “and historically” and “including historically”. In my view, this whole concept is better addressed through words like “over a period of time” or “over the years since appointment”. I do not think that we could defend an interpretation that a solely historical attachment can underpin continuing qualification under the representational principle. Perhaps you could consider that.

When we feel we have a final draft, I would like this discussed pleased with Chris Montgomery. Getting something like agreed to by leadership, or perhaps adopted by the Committee on rules and procedures, is all that stands in the way of Sen. Duffy paying back his \$32,000 and closing out this situation. I think it is also necessary to end speculation about the qualification to serve of Sens. Wallin and Patterson, although both might have other ongoing issues..

Nigel

[Draft proposal attached] [**Appendix A, Tab 12**]

February 16, 2013 5:02 pm

#107

From: Benjamin Perrin
To: Nigel Wright
Cc: Chris Woodcock; Patrick Rogers
Subject: Re: Residency

Thanks, Nigel. I am glad it is along the lines of what you had in mind. I will finalize it and circulate it back to you for a final check. I can then meet with Chris M. (perhaps with Patrick) on Monday morning to walk through it.

February 16, 2013 9:25 pm

#108

From: Benjamin Perrin
To: Nigel Wright
Cc: Chris Woodcock; Patrick Rogers
Subject: Re: Residency

A clean copy and track changes version of the revised memo is attached.

If you approve it, I can meet with Chris M to discuss it. If you have anything specific beyond this document’s contents that you’d like me to convey in that meeting, please let me know.

Thanks

February 16, 2013 9:43 pm

#109

From: Nigel Wright

To: Benjamin Perrin

Cc: Chris Woodcock; Patrick Rogers

Subject: Re: Residency

Thank you Ben. I do not have any further comments. As for the meeting on Monday, I would appreciate it if Patrick could go. You could walk Chris (and perhaps Sandy Melo) through the reasons why the ITA test does not work and why this is a better approach. Patrick can focus on detailing a plan for them to actually have the appropriate Senate committee adopt this set of principles and, either systematically or upon request of Senators who wish to have their constitutional residency, determine the residency for qualification purposes of Senators. The committee should start with those whose residency has been impugned. It should proceed by way of in camera interviews with such Senators. The determination and brief reasons will have to be public. Speed, at least for Duffy, is of the essence.

Patrick, we are going to need to manage the briefing of the Conservative Senators (including, hopefully Chair) of the Committee. If the Rules and Procedures committee doesn't have the right membership, then the Senate by motion should constitute a special committee that will have the right Senators on board. We cannot rely on the Senate Leader's office to get this right.

We'll have to do this in a way that does not lead to the Chinese water torture of new facts in the public domain, that the PM does not want.

I am open to other suggestions, of course.

February 16, 2013 9:50 pm

#110

From: Patrick Rogers

To: Benjamin Perrin; Nigel Wright

Cc: Chris Woodcock;

Subject: Re: Residency

The chair of the rules committee is David Smith.

Because the actions of committees are dictated by the Senate, I think we can slam it through despite a Liberal chair in a way that you would approve of. We'll draw something up.

Patrick

February 16, 2013 10:34 pm

#111

From: Benjamin Perrin

To: Patrick Rogers; Nigel Wright

Cc: Chris Woodcock;

Subject: Re: Residency

I will book the meeting. When you say reasons, do you mean both the legal reasons as well as the practical/political ones? Not sure how much you want the letter emphasized with them.

February 17, 2013 12:07 pm

#112

From: Nigel Wright

To: Patrick Rogers; Benjamin Perrin

Cc: Chris Woodcock;

Subject: Re: Residency

Practical / political ones. The others are well laid out in the document. Thx.

February 18, 2013 7:32 am

#113

From: Nigel Wright
To: Patrick Rogers; Benjamin Perrin
Cc: Chris Woodcock;
Subject: Re: Residency

I think we should lay out the approach in a brief memo to the PM. It would outline the approach we intend to take at Senate committee to settle residency questions, and would append Ben's guidelines as akin to what the committee would adopt.

February 18, 2013 7:54 am

#114

From: Benjamin Perrin
To: Patrick Rogers; Nigel Wright
Cc: Chris Woodcock;
Subject: Re: Residency

Nigel: I assume we should defer the meeting with Chris M and Sandra that I'd set for this morning to await the return?
Patrick: let me know if there's anything else you'd need from me to draft the memo.

February 18, 2013 7:55 am

#115

From: Nigel Wright
To: Patrick Rogers; Benjamin Perrin
Cc: Chris Woodcock;
Subject: Re: Residency

No, I think we should move ahead with that meeting to brief them, but not have anything go to Senators other than MLB and nothing to the Committee until we have a return.

February 18, 2013 7:56 am

#116

From: Benjamin Perrin
To: Patrick Rogers; Nigel Wright
Cc: Chris Woodcock;
Subject: Re: Residency

Ok

February 18, 2013 8:00 am

#117

From: Nigel Wright
To: Patrick Rogers; Benjamin Perrin
Cc: Chris Woodcock;
Subject: Re: Residency

Because I want them off the track they are on.

February 18, 2013 8:01 am

#118

From: Benjamin Perrin

To: Patrick Rogers; Nigel Wright

Cc: Chris Woodcock;

Subject: Re: Residency

Gotcha. Will do.

February 18, 2013 11:25 am

#119

From: Patrick Rogers

To: Nigel Wright; Benjamin Perrin

Cc: Chris Woodcock;

Subject: Re: Residency

Nigel,

Ben and I have made clear to Chris Montgomery (Sandy did not attend) that the Income Tax Act change will not work.

I also stressed that this must be done quickly and without the normal time consuming Senate niceties.

Based on Montgomery's response it is clear to me that Ben and I should brief Senator LeBeton directly. Chris simply does not believe in our goal of circling the wagons. Because of this lack of buy in, it was impossible to discuss meaningfully the parliamentary strategy. I will work with Ben to get something for the Prime Minister tonight,

Patrick

February 18, 2013 1:02 pm

#120

From: Nigel Wright

To: Patrick Rogers; Benjamin Perrin

Cc: Chris Woodcock;

Subject: Re: Residency

Sen. LeBreton agrees that Chris might not be fully on board. I think she now understands that this is the approach to take (unless the PM disagrees, but I am sure that his comment will be more about how long it will take and whether we get things fixed in one fell swoop or whether we continue to dribble out Senate news over weeks and months so that the story never dries).

I told Sen. LeBreton that Ben and Patrick would be over to gather any comments she has on the guidelines. I asked her to think about whether Rules and Procedures or a specially constituted committee should be the venue. Honestly, she needs firm direction on how to get it done, and we cannot assume that the office can execute, partly because she and the whole office are curiously hands-off when it comes to how the Senate Clerk, committees and subcommittees go about their business. I got no satisfaction from my discussion with her that she will actually take charge, call in all the people on our side how have to make it happen and give them clear marching orders. The discussion was all a bit of a haze, with a blurring together of expenses matters being considered by the Internal Economy subcommittee with the constitutional residency issues.

The bottom line is that I will look to you Patrick, involving Ben, me, and Joanne as much as necessary, to coordinate this and make it happen. I am completely willing to expend some time, because getting confirmation of qualification residency is all that is needed to close out the Duffy situation and likely the Patterson situation and to stop our public agony on those. Ben can brief whomever on the Senate side on the guidelines and coordinate input that is worthy of being accepted.

Sen. Tkachuk's subcommittee is interviewing Zimmer and Patterson today or tomorrow. Why? I think that they both have qualification residency issues, so I am concerned that the interview is about more than just expenses. I get the impression that Sen. Tkachuk is too led around by the Clerk and by counsel, so I am dubious that he will get the residency thing resolved definitively, correctly, and quickly. If you want to set up a call with me and him, please feel free. Chris Montgomery is going to a meeting of that subcommittee today – please quiz him on what is going on there and where people's heads are at. If they continue to blend separate issues together (like qualification residence vs primary residence), then we're in a morass.

In the meantime, Sen. LeBreton is expecting a meeting with Ben and Patrick. She agrees with everything at one level, but I'm not sure how well it is internalized.

Nigel

February 18, 2013 1:30 pm

#121

From: Patrick Rogers
To: Nigel Wright; Benjamin Perrin
Cc: Chris Woodcock;
Subject: Re: Residency

I have a call in to Sandy to line up with the meeting with Senator LeBreton.
In writing the memo to the PM on the change I will highlight some of the timing issues and outline different scenarios for our plan to pass.
I will speak to Montgomery later in the day to get a heads up on Tkachuk's sub-committee.
Following that conversation we'll likely have to speak to Tkachuk as well.

February 18, 2013 1:48 pm

#122

From: Patrick Rogers
To: Nigel Wright; Benjamin Perrin
Cc: Chris Woodcock;
Subject: Re: Residency

One of the major stumbling blocks that I can predict is Senate Caucus on Tuesday. The closed door nature of it is completely at odds with our goals here.
We should think about who we want to present the plan and who we want in the room to ensure that Senators have answers and we have the necessary feedback.
Patrick

February 18, 2013 1:59 pm

#123

From: Nigel Wright
To: Patrick Rogers; Benjamin Perrin
Cc: Chris Woodcock;
Subject: Re: Residency

Maybe we should present the plan.

February 18, 2013 2:55 pm

#124

Memo: "2012 02 18 Senate Residency Issue.doc"

From: Patrick Rogers; Ben Perrin
To: Prime Minister
Cc: Nigel Wright; Joanne McNamara; Ray Novak; Chris Woodcock
Re: Senate Residency Issue

[Copy of Memo attached] [**Appendix A, Tab 13**]

February 18, 2013 4:32 pm

#125

From: Patrick Rogers
To: Nigel Wright; Benjamin Perrin
Cc: Chris Woodcock;
Subject: Re: Residency

Nigel,

Sandy has informed me that the Senator is unavailable today.

The Senator would like to let us know that she has assurance from the Clerk and the Law Clerk that the only way to challenge the residency of a Senator is for another Senator to do so in the Chamber.

Since this would be the case even after the motion that we have discussed, the Senator feels that there is no need to have a motion. She feels that the assurances of these people that Senator Duffy cannot be removed should be enough for Senator Duffy.

Senator LeBreton plans to call you tomorrow morning to discuss this further.

I will add that Sandy made reference to the fact that the audit will be made available to the committee early next week and then the Senate by Wednesday. She also talked matter of factly about sending the issue of Primary and Secondary residence to the Rules committee to tighten the regulations. I warned her that off the top of my head, it doesn't sound like a good idea.

Ben and I wrote a note for tonight but have pulled it to see what the outcome of the conversation with the Senator is. If we decided to follow the Senator's advice and do nothing, the memo becomes moot.

The ever changing advice and equally changing messengers is exasperating the difficulties in communicating with this office. Today alone, we have heard separate things from all three major actors in the office. If you agree to speak to the Senator tomorrow, I recommend that we all attend and come to ground on some of these major decision points, including the roll out of the audit and any future references to the Rules Committee.

Patrick

February 18, 2013 5:33 pm

#126

From: Nigel Wright
To: Patrick Rogers; Benjamin Perrin
Cc: Chris Woodcock;
Subject: Re: Residency

Thanks. I have just received this now and obviously we have discussed it. I will circle back after my convo with Sen. LeBreton tomorrow.

February 19, 2013 10:22 am

#127

From: Ray Novak

To: Patrick Rogers; Benjamin Perrin; Nigel Wright; Joanne McNamara; Chris Woodcock

Cc: Myles Atwood

Subject: Return on Senate Residency note

PM return on this note reads:

“I feel very strongly on Option 1. Had I known we were going down this road I would have shut it down long before this memo.”

On page 3 he has checked option 1 and written:

“As long as they maintain a residency in their province, as per tradition, we will deem that as sufficient for this purpose (as opposed to expenses), i.e. the property requirement = residence. Also, as a practical matter, all the Senators in question spend more than a trivial amount of time in their province. This issue is about \$’s, not this.”

February 19, 2013 10:55 am

#128

From: Benjamin Perrin

To: Ray Novak; Patrick Rogers; Nigel Wright; Joanne McNamara; Chris Woodcock

Cc: Myles Atwood

Subject: Re: Return on Senate Residency note

SOLICITOR-CLIENT PRIVILEGE

Very clear direction. Who will communicate it to Sen. LeBreton / her office?

For your information only, on the implications of the test set down by the PM:

If any Senator formally challenges another Senator’s constitutional residency requirement, the PM has set out a bright line test: if a Senator satisfies subsection 23(3) of the Constitution Act, 1867 (see below), then he or she would be deemed to have satisfied the residency requirement in subsection 23(5).

I point out for your information only that this approach may appear to run counter to the basic interpretative principle of a presumption against redundancy – deeming through interpretation one qualification to satisfy another distinct qualification makes the latter redundant.

Here is a brief description of the principle against redundancy from *Tower v. M.N.R.* (F.C.A.) 2003 FCA 307, [2004] 1 F.C.R. 183 at paras. 15-16 – it applies to constitutional interpretation also:

“The governing principle has been described in *Ruth Sullivan, Sullivan and Driedger on the Construction of Statutes*, 4th ed. (Markham: Butterworths, 2002), at page 158: ‘It is presumed that the legislature avoids superfluous or meaningless words, that it does not pointlessly repeat itself or speak in vain. Every word in a statute is presumed to make sense and to have a specific role to play in advancing the legislative purpose.’ The same principle is expressed as follows by Iacobucci J. in *Communities Economic Development Fund v. Canadian Pickles Corp.*, [1991] 3 S.C.R. 388, at page 408: ‘It is a principle of statutory interpretation that every word of a statute must be given meaning: ‘A construction which would leave without effect any part of the language of a statute will normally be rejected’ (Maxwell on the Interpretation of Statutes (12th ed. 1969), at p. 36).”

[Includes excerpt from Constitution Act, 1867, s. 23(3) and 23(5)]

February 19, 2013 11:00 am

#129

From: Nigel Wright

To: Ray Novak; Patrick Rogers; Benjamin Perrin; Joanne McNamara; Chris Woodcock

Cc: Myles Atwood

Subject: Re: Return on Senate Residency note

I will advise Sen. LeBreton that we will not take any steps in the Senate to address residency for 23(5) purposes unless anyone challenges the qualification of any of our Senators, in which case we will defend (and defeat any motion regarding) any Senator who owns property in the correct province and division.

I will advise Sen. Duffy that we will defeat any challenge to his residency for 23(5) purposes, and advise him to settle that expenses matter promptly.

I will not communicate the PM's view that ownership of property equates to residence for 23(5) purposes as it is not necessary to do so at this time.

I do think that we will need responsive lines averring that Sens. Duffy, Wallin, and Patterson are residents of the PTs they represent without getting into constitutional exegesis. We would point to their property ownership and deep, continuing ties.

Nigel

February 19, 2013 1:04 pm

#130

From: Chris Woodcock

To: Ray Novak; Patrick Rogers; Benjamin Perrin; Joanne McNamara; Nigel Wright

Cc: Myles Atwood

Subject: Re: Return on Senate Residency note

Proposed Lines:

- * We have committed to ensuring that all expenses are appropriate, that the rules governing expenses are appropriate and to reporting back to the public on these matters.

- * All Conservative senators meet the Constitutional qualifications to sit in the Senate.

- * Senators Patterson, Wallin and Dufy own property in the provinces and territory they represent and maintain deep, continuing ties to those regions. All three Senators spend considerable time in their home provinces and territory,

- * The best way to assure representation in the Senate is to have Senators selected through democratic elections.

On Specifics:

- * Senator Patterson is a former Premier who has served the people of the Northwest Territories and Nunavut for 34 years. He owns property and maintains a residence in Iqaluit, Nunavut.

- * Senator Wallin was born and raised in Saskatchewan and owns a residence in the Town of Wadena.

- * Senator Duffy was born and raised on Prince Edward Island and owns a home in Cavendish. He maintains a winter residence in Charlottetown during the winter months.

February 19, 2013 1:17 pm

#131

From: Chris Woodcock

To: Ray Novak; Patrick Rogers; Benjamin Perrin; Joanne McNamara; Nigel Wright

Cc: Myles Atwood

Subject: Re: Return on Senate Residency note

Describing Duffy's arrangements in Charlottetown as a "residence" may be too cute. I'll cross that line out. For info, he has said to reporters that he lives in Charlottetown in the winter when his place in Cavendish is snowed in.

February 19, 2013 1:19 pm

#132

From: Nigel Wright

To: Ray Novak; Patrick Rogers; Benjamin Perrin; Joanne McNamara; Chris Woodcock

Cc: Myles Atwood

Subject: Re: Return on Senate Residency note

Some suggested changes in the last two lines.

[Made edits in original email. The suggested changed lines are as follows]

* Senator Duffy was born and raised on Prince Edward Island and owns a home in Cavendish.

* All three are tireless representatives for their provinces / territory and always spend considerable time there.

February 19, 2013 1:21 pm

#133

From: Nigel Wright

To: Ray Novak; Patrick Rogers; Benjamin Perrin; Joanne McNamara; Chris Woodcock

Cc: Myles Atwood

Subject: Re: Return on Senate Residency note

He told me in the last couple of weeks that he stays in a hotel in the winter because if he has a heart attack he wouldn't be able to get to a hospital quickly enough from Cavendish, particularly after snow. It was his wife's rule. He says that he will produce hotel receipts (he says he pays for the hotel out of his own pocket and does not claim reimbursement).

February 19, 2013 4:23 pm

#134

From: Nigel Wright
To: Marjory LeBreton
Subject: Your letter

Thanks Marjory,

I had seen the email that Mike sent to David T. I will be calling Mike today or tomorrow to move to the final step of resolution. FYI only, I offered to him (with Irving's prior approval) to have the Party pay his legals if they are reasonable. I will let you know as soon as I have anything definitive.

We seem to be on the same page regarding the Senate's way forward. I do not actually understand why the Senate subcommittee asked for the four indicators from someone like Sen. Patterson, who clearly does not maintain his primary residence in the NCR. I have never heard that he charged for inappropriate expenses, which is the subcommittee's mandate, or so I thought. They should not put themselves in the position of opinion about where he lives unless that is necessary to determine the validity of any of his expense claims. Is there someone I can go to for clarification of that?

I would expect that Sen. Wallin would be given the opportunity to address any unusual expenses through repayment if that is appropriate, as she has already done with some inadvertently claimed. I know the PM's stated view on the stop-overs on the way to and from home, which I could express to you verbally if you have not heard it directly.

We need to ensure that further statements by our Senators on this, particularly David, are coordinated with PM, as words like "unusual" have caused problems.

I do appreciate how you are managing this.

Nigel

February 19, 2013 4:27 pm

#135

From: Nigel Wright
To: David van Hemmen
Subject: pls schedule a call w Sen. Duffy, thx

February 19, 2013 5:00 pm

#136

From: Michael Duffy
To: Chris Woodcock
Subject: Your fax number pls. Mike

February 19, 2013 5:07 pm

#137

From: Chris Woodcock
To: Michael Duffy
Subject: Re: Your fax number pls. Mike

613-9 [REDACTED]

February 19, 2013 5:38 pm

#138

From: Marjory LeBeton

To: Nigel Wright

Subject: Re: Your letter

Thanks Nigel. I agree with you that not enough thought was given to the Internal Economy directive putting down the four markers and when I asked on what basis was this decision made, I was told that the Law Clerk advised that these would be the normal pieces of identification one would provide to establish residency. In all my years in the Senate, I have never seen rules or guidelines that were so specific. The Committee obviously did not factor in what they hoped to achieve at the end of the process and unusual cases like Senator Patterson clearly were not considered. In his case, the flights back and forth to BC (his home) raised a red flag because Nunavut is his region. As far as I know, there are no unusual issues with his normal Senate related expenses. We worked all this out when he was appointed because of the uniqueness of the North and I am confident that we will resolve his issues. He has an Ont driver's license because he keeps a car in Ottawa. This makes sense and should have no bearing whatsoever on his status as a Senator. I will seek clarification for you, going back to the arrangements made when he was appointed.

With regard to Senator Wallin, this is a separate audit going back to last Fall, as you know! At the end of the day, she likely will be required to write a cheque to the Rec Gen for claims that are deemed to be unrelated to Senate business. That will be for her to work out directly with the auditor and Senate Administration. On the issue of stop-overs, we will speak personally but I am sure you, the PM and I are all on the same page.

On the Communications front, I have spoken to David so many times that I've lost count but will do so again tomorrow. I am surprised at how undisciplined he is and while he has had communications problems in the past, he has had some real challenges with this issue. He is a good guy and a team player and I will ask him to take Carolyn's advice if for some reason it is necessary for him to comment as the Chair of Int Economy. Carolyn S-O who, I must tell you, has been really solid as she works to get some message control is heading up a three person Committee to coordinate talking points and general messaging coming out of the Internal Economy Committee. Judith Seidman and Joan Fraser are the other two assisting her. My office will work very closely with PMO and Carolyn as we go forward. We are making progress! Thanks again, Marjoy

February 19, 2013 5:48 pm

#139

From: Nigel Wright

To: Ray Novak; Patrick Rogers; Chris Woodcock

Subject: Fw: Your letter

Sen. Stewart-Olsen is, apparently, managing Senate communications! So, Chris and Patrick, we have to factor her into the team we are managing there.

February 20, 2013 7:44 am

#140

From: Chris Woodcock

To: Michael Duffy

Subject: Re: Your fax number pls. Mike

I haven't received a fax from you.

February 20, 2013 7:02 am

#141

From: Michael Duffy

To: Chris Woodcock; Nigel Wright

Subject: Re: Your fax number pls. Mike

I was going to send u letter from my heart doc. My lawyer also wants the letter of instructions to delitte outlining the scope of their work re me. Nigel says his analysis is I am in violation of the housing allowance policy she also wants that analysis.

February 20, 2013 7:07 am

#142

From: Nigel Wright

To: Chris Woodcock; Michael Duffy

Subject: Re: Your fax number pls. Mike

Mike,

I didn't say that, and if you continue to misquote me, then we will be speaking only through lawyers going forward. I said that if you continue on the path you want to take, I expect that Deloitte will conclude that your primary residence is in Kanata. I have said that to you several times. It is based on what you have told me, as I have seen no documentation from you.

February 20, 2013 12:51 pm

#143

From: Christine King [Legal Assistant to Janice Payne]

To: Benjamin Perrin

Cc: Janice Payne

Subject: Senator Michael Duffy

Mr. Perrin,

Attached please find a letter addressed to you from Janice Payne with respect to our client, Senator Michael Duffy.

[Letter dated February 20, 2013 attached] [**Appendix A, Tab 14**]

February 20, 2013 12:58 pm

#144

From: Christine King [Legal Assistant to Janice Payne]

To: David Tkachuk

Cc: Janice Payne

Subject: Senator Michael Duffy

Senator Tkachuk,

Attached please find a letter addressed to you from Janice Payne with respect to our client, Senator Michael Duffy.

[Letter dated February 20, 2013 attached] [**Appendix A, Tab 15**]

February 20, 2013 12:59 pm

#145

From: Melanie Mercer

To: Michael Duffy

Subject: Sen. Tkachuk

Hi Mike,

Sen. Tkachuk just called and asked that you phone him back at home. He suggested using a land line to call him. His number is: 3061 [REDACTED]

February 20, 2013 1:39 pm

#146

From: Chris Woodcock

To: Nigel Wright; Andrew MacDougall; Stephen Lecce, Patrick Rogers

Subject: Duffy Scenario

Nigel,

We have put together the following scenario for Senator Duffy to repay the allowance. I would like the Senator's views on how the examples of his accomplishments for the community should be populated.

Chris

Scenario for Repayment

Senator Duffy would issue a written statement to PEI media and the national press gallery on Friday. Senator Duffy would hold a brief media availability in PEI. The Senator's office will send an advisory to media an hour before hand, to limit intervention from the Ottawa bureaus and or Opposition mobilization. Moreover, the Senator will be staffed by the MRO to help facilitate the availability and end it after a handful of questions.

Follow-up media calls would be answered by the Senator's office coordinated by PMO.

The purpose is to put an end to the ongoing questions about his expenses. A proactive repayment would allow Senator Duffy to say he is doing the right thing without being found guilty of breaking the rules by Deloitte. The Senate Committee would halt the audit provided that he acknowledges an error or wrongdoing. Questions about Duffy, Wallin and Patterson's residency and eligibility to sit in the Senate will be resolved by the Committee next week.

The matters concerning Senator Wallin and Senator Patterson remain outstanding. Senator Wallin's expenses are complicated and are unlikely to be resolved before Parliament resumes on Monday. On the other hand, Senator Patterson does not appear to have violated Senate rules, but will be repaying a BC tax credit. We are in a position to resolve Senator Patterson on Friday at the same time as Senator Duffy, leaving both residency issues for the Committee.

Statement

Four years ago, I was given the opportunity to sit in the Senate as a voice for Prince Edward Islanders in Ottawa. I jumped at the chance. I was born here, I was raised here, and my heart is here. I also started my career here, and took my Island sensibilities along when I was covering politics in Ottawa.

Being a Senator has allowed me to do a lot of good for PEI communities. When I'm home on the Island, I'm often out (list announcements and accomplishments for various PEI communities)

[Continue below]

February 20, 2013 1:39 pm

#147

From: Chris Woodcock

To: Nigel Wright; Andrew MacDougall; Stephen Lecce, Patrick Rogers

Subject: Duffy Scenario

[continued from above]

Like all Members of Parliament and Senators, my responsibilities require me to spend a substantial part of my time in Ottawa, voting, doing committee work and representing Islanders at every opportunity. I also spend many days and nights travelling across Canada on Senate and public business. In addition to our residence in Cavendish, my wife and I own a house in Ottawa.

As a representative for the province, I have always taken care to conduct my affairs in a manner that Islanders can be proud of and to hold myself to a higher standard. I want there to be no doubt that I'm serving Islanders first, so I will be repaying in full the housing allowance associated with my house in Ottawa.

If it is necessary to admit an error or wrongdoing I would revise the last paragraph to say:

As a representative for the province, I have always taken care to conduct my affairs in a manner that Islanders can be proud of and to hold myself to a higher standard. Because it is my home, I had always considered Cavendish to be my primary residence. There has been an historical lack of clarity in the rules and forms. I had thought I was doing the right thing, but I was mistaken. The allowance associated with my house in Ottawa will be repaid, and the allowance for the Ottawa home will no longer be claimed going forward. I want there to be no doubt that I'm serving Islanders first.

February 20, 2013 2:10 pm

#148

From: Christine King

To: Benjamin Perin

Cc: Janice Payne

Subject: Senator Michael Duffy

Mr. Perrin,

Attached please find a letter addressed to you from Janice Payne with respect to our client, Senator Michael Duffy.

February 20, 2013 2:35 pm

#149

From: Benjamin Perrin

To: Nigel Wright

Subject: Fw: Senator Michael Duffy

Privileged

I can reply and see if she wants to speak. I would just listen and then report back. Do you agree?

February 20, 2013 2:45 pm

#150

From: Nigel Wright

To: Benjamin Perrin

Subject: RE: Senator Michael Duffy

Yes, you should. You should get an update first. That can come from Chris W & Patrick R, or from me if they are not available. Nigel

February 20, 2013 3:27 pm

#151

From: Nigel Wright

To: Chris Woodcock; Andrew MacDougall; Stephen Lecce, Patrick Rogers; Benjamin Perrin

Subject: RE: Duffy Scenario

Adding Ben.

1. We should suggest to Mike that he would acknowledge an error and put it down to ambiguities in the rules and forms. Never mention 'wrongdoing' to Mike. I also believe that Mike was doing what people told him he should do, without thinking about it too much.
2. We have now been advised by our boss that, no, a committee will not resolve any questions about anyone's eligibility to sit in the Senate. I don't think we can say to Mike or anyone else when the Wallin matter about expenses (not residency) will be settled. What I have said to Mike, and others can, but I don't see a need to put in writing, is that we believe he meets all residency requirements relating to his ability to sit as a Senator from PEI, that only the Senate and no one else (no court, not the Committee on Internal Economy) can make a determination on that, and that we will defend his Constitutional residency qualification categorically and never acquiesce to the contrary suggestion. It would be nice to resolve Sen. Patterson on Friday too – but that is about expenses.
3. After the first sentence in the third paragraph of the statement, there should be a line inserted that Mike spends dozens or scores of days and nights each year on the travelling around Canada on Senate and public business.
4. I think that the second iteration of the final paragraph is the one to suggest to him. It is not wrongdoing. It is: "There has been an historical lack of clarity in the rules and forms. I had thought I was doing the right thing, but I was mistaken. So I will be repaying..., etc." I think he should also say that "The allowance for the Ottawa home will no longer be claimed going forward". I have phrased that in the passive voice, so he doesn't have to say "I will no longer claim". (The way it works is that one fills out a form designating the primary residence in the province one represents (the form does not have words suggesting that the primary residence can be outside of that province). Once you fill out that form and submit it, you get an allowance for the NCR home. Mike says this is a trap. Perhaps it is. But DeBané managed not to get the allowance for his Ottawa home, which is his true primary residence, even though he is a QC Senator.)
5. I think you need to give Mike a few Q&As. So, is Ottawa your primary residence? A: I have a residence in PEI and one in Ottawa. The housing allowance will no longer be claimed for the Ottawa home? Does this mean that you are not a resident of PEI and unable to represent it in the Senate? A: Not at all. I am a resident of PEI. Also having a home in Ottawa does not contradict that – most Parliamentarians have a place in the National Capital as well as in the province they represent. Why have you done this now and not let Deloitte finish its work? Is there something you don't want them to discover? A: The only thing Deloitte was looking at for me was the housing allowance – I have now said there was a mistake on that. Why did it take you so long to admit to the mistake? A: Listen, people were suggesting that I am not a resident of PEI. I knew that was ludicrous. It took a few days to sort out what the real issue really was. Others? This is about making Mike feel comfortable that he will not be stepping off a ledge if he repays.

Nigel

February 20, 2013 3:39 pm

#152

From: Nigel Wright

To: Sandy Melo

Subject: RE: Duffy

I did speak with Dave, thanks. We agreed on a path forward. PMO is engaging with Duffy this afternoon and Dave will be, or will already have, called him too.

February 20, 2013 5:26 pm

#153

From: Chris Woodcock

To: Nigel Wright; Andrew MacDougall; Stephen Lecce, Patrick Rogers; Benjamin Perrin

Subject: RE: Duffy Scenario

I have revised the statement to reflect your comments. I will also have a full Q&A prepared for Mike's use.

Statement

Four years ago, I was given the opportunity to sit in the Senate as a voice for Prince Edward Islanders in Ottawa. I jumped at the chance. I was born here, I was raised here, and my heart is here. I also started my career here, and took my Island sensibilities along when I was covering politics in Ottawa.

Being a Senator has allowed me to do a lot of good for PEI communities. When I'm home on the Island, I'm often out (list announcements and accomplishments for various PEI communities)

Like all Members of Parliament and Senators, my responsibilities require me to spend a substantial part of my time in Ottawa, voting, doing committee work and representing Islanders at every opportunity. I also spend many days and nights travelling across Canada on Senate and public business. In addition to our residence in Cavendish, my wife and I own a house in Ottawa.

As a representative for the province, I have always taken care to conduct my affairs in a manner that Islanders can be proud of and to hold myself to a higher standard. Because it is my home, I had always considered Cavendish to be my primary residence. There has been an historical lack of clarity in the rules and forms. I had thought I was doing the right thing, but I was mistaken. The allowance associated with my house in Ottawa will be repaid, and the allowance for the Ottawa home will no longer be claimed going forward. I want there to be no doubt that I'm serving Islanders first.

February 20, 2013 7:37 pm

#154

From: Nigel Wright

To: Chris Woodcock; Andrew MacDougall; Stephen Lecce, Patrick Rogers; Benjamin Perrin

Subject: RE: Duffy Scenario

I am fine with this Chris.

I have spoken again with Sen. Duffy. Tomorrow morning I shall receive by courier redacted copies of his diaries and other info to back up his claim to have "PEI" (as opposed to his home in Cavendish) as his primary residence. Our team will have to look at that to see if there is anything in it that we would not want his lawyer to send to the Senate steering committee. Maybe it will persuade us to let him take his chances with Deloitte's findings. If not, then I have told him I will be back on his case about repayment. I have told him that we have comms and issues management materials in preparation.

February 20, 2013 9:57 pm

#155

From: Michael Duffy

To: Janice Payne; Chris Rootham

Subject: Wednesday Evening

Janice: 20 Feb 2013

Before we chat Thursday, an update on today.

Mary and I copied and redacted my 4 years of diaries; added a summary of my days in PEI, and pics of the cottage under construction etc. and sent it to Nigel by Purolator. We were having freezing rain. But barring a storm delay, he should have it Thursday morning. Nigel called last night. I have more details below, but there are two deadlines:

1: He said he had heard that Deloitte might make a ruling on me next week, based on what they had seen from The Senate, without hearing from us.

2: He said that the steering committee of Internal Economy was preparing to issue their own report early next week on the issue of "residency." I.e.: They would trump Deloitte by saying that their analysis of my health card etc. showed I was in violation if the rules and I wasn't eligible to sit as a Senator from PEI.

During the day I had several calls.

Sen. Vern White, former Ottawa Police Chief called, and said he wanted to chat. I said I was on deadline. Too busy.

David Tkachuk called to say that if I would write a letter saying I had made an error, and offering to re-pay, the committee would agree to pull my case from Deloitte. I told him I had not made a final decision, but as they had sent me to Deloitte over my string objections, they would have to wear it.

I'm sure he reported this to Nigel.

Then my old personal friend Angelo Persichilli, who is expecting an appointment called, urging the same thing. You will be all alone. Your party against you, the Libs against you, the media against you. I said; I admire Harper, but I have to able to look myself in the mirror, etc.

Then Nigel called tonight. I told him what I had sent. He was expansive, saying we (PMO) had been working on lines and a scenario for me, that would cover all of my concerns, including cash for the repayment.

He then mentioned days on PEI, and I read him the totals from my document. I said any busy MP or Senator would be pressed to have more days in their ridings. ("I'll look at your diaries with care when they arrive. Maybe you're right. But my sense is Deloitte will find against you", I then said; if that happens, I'll call my bank. I did NOT say I would re-pay.

Somewhere in the midst of this he said the steering committee of Internal Economy was preparing to issue their own report on the issue of "residency."

I.e.: They would trumped Deloitte by saying that their analysis if my file showed I was in violation if the rules and I wasn't eligible to sit as a Senator from PEI.

I asked, where does this committee get the power to pronounce on these things? Sounds to me like they are way out of their depth. No one gave them authority to make these findings on their own. He said David Tkachuk, and Carolyn Stewart Olsen were the majority on the steering committee and they wanted to do this.

I said nothing.

[Continued below]

February 20, 2013 9:57 pm

#156

From: Michael Duffy

To: Janice Payne; Chris Rootham

Subject: Wednesday Evening

[Continued from above]

So that's the hammer. He didn't make a threat, he said he was trying to protect me from this rogue subcommittee. But the treat seems obvious. You take the dive or this sub-committee will throw you out on the residency issue before you've had any kind of hearing.

--

He also said you had not seen the diaries, and seemed to imply that he was thus in a better position than you to determine whether or not I was entitled to the housing allowance.

February 20, 2013 11:13 pm

#157

From: Janice Payne

To: Michael Duffy; Chris Rootham

Cc: Christine King

Subject: RE: Wednesday Evening

Mike, I am flabbergasted by this.

Nigel's lawyer who described himself as being with the PMO called me around 3 p.m. today. At his initiative, we agreed that we were speaking without prejudice, which means neither of us can use what we said against the other, as is usual in these discussions.

He started by saying that he understood things had become somewhat tense between you and Nigel, that this was unfortunate, not what they wanted, they are committed to you, you have been playing a significant role, you are a huge asset, etc. I responded in kind by added that you were feeling abandoned and that you felt that they were changing strategies, etc. I repeated more than once that capitulating now in advance of Deloitte could be highly damaging and just add to the media frenzy.

He told me that there was no written analysis that Nigel or the office had done in terms of your position. But based on the facts as they have described to Nigel, they worry that there could be a problem with the housing allowance.

They don't have the Deloitte terms of reference and recommend I press the Senate for those. He said that Chris Woodcock of his office and Patrick Rogers are communications specialists, very talented, and happy to work with you to develop various strategies around communication should you decide to pay now or later. He says that we should be ready with a choice of strategies.

He asked if I would be prepared to listen to his views on the matter. I said sure, go ahead.

He thought we should try to assess the risk re Deloitte audit and if there is a risk it could go sideways, we should get out in front of that risk, pay the \$ as a good faith gesture, put up with a bit of hardship but at the end of the day it would be less hardship than the public embarrassment of an unfavourable opinion by Deloitte.

He said our notion of waiting for the audit and saying you will pay if it goes against you won't gain you any points because that will be your legal obligation. He started to heat up his tone a bit at this point, encouraging us to move fast.

[Continued below]

February 20, 2013 11:13 pm

#158

From: Janice Payne
To: Michael Duffy; Chris Rootham
Cc: Christine King
Subject: RE: Wednesday Evening

[Continued from above]

I did ask about whether they had an opinion on your qualifications to sit as a senator. He would not tell me but he did say there was no issue as far as they are concerned. He said he would find out what more he could say.

We ended the call. The tone was cordial.

He called back in less than 5 minutes and told me that I could tell you that it is their view that you satisfy the constitutional requirements, that only the Senate as a whole could decide otherwise and the party will support you fully on that issue. He would not give me this (or anything) in writing but knows I will tell you. We both agreed to keep in touch as needed. I think it critical that you hold all this information in confidence. At a minimum it should not be circulated in writing to anyone.

On reviewing your points below I suggest:

1. I write to Deloitte insisting on a reply to my letter of last week, which among other things, made it clear that we expect to be interviewed;
2. I could write to or call Benjamin and ask him to advise in specific terms what could be done in terms of payment of fees, payment of cash, protection on media releases, development in advance of a strategy, should you decide now rather than going through the audit, so that you can make an informed decision. Or you could ask Nigel to give you these specifics.

We remain utterly convinced that you are constitutionally qualified to sit as a Senator. If action is taken, it could be legally contested. We do not agree that the subcommittee has the power to remove you on any ground.

CHRIS, WOULD YOU PLEASE TAKE A LOOK AT THE ABOVE POINT IN THE MORNING AND CONFIRM?

Senator T's letter of Feb 14th makes it very clear in writing that you will have a chance to be heard by both the relevant Senate Committee and Deloitte. I don't believe that the subcommittee will take the action Nigel threatens.

February 21, 2013 12:08 pm

#159

From: Janice Payne
To: Benjamin Perrin
Cc: Christine King
Subject: Further to our discussion yesterday...

You mentioned support developing media lines/releases for various options.

Nigel spoke to our client last night and also said he would be sending some media lines. When I last spoke to my client this morning he didn't yet have them.

We would like to see these as soon as they are available so that we can review options with our client.

When they are sent, please provide me with a copy.

February 21, 2013 12:12 pm

#160

From: Benjamin Perrin

To: Niel Wright; Patrick Rogers; Chris Woodcock

Subject: Sen Duffy

Privileged

Fyi – sounds like they will consider it. I'd like to share the draft products with her once they go to the Senator if you're okay with that. Let me know.

February 21, 2013 12:17 pm

#161

From: Nigel Wright

To: Benjamin Perrin; Patrick Rogers; Chris Woodcock; Stephen Lecce

Subject: RE: Sen Duffy

Adding Stephen. I think that we should provide these to Mike, but in the context of a phone call where the team sends them (including Q&A and statement) to Mike directly and then walks him through them over the phone. I don't like the optics of our sending lines to his lawyer. We could walk him through the support we would provide.

February 21, 2013 12:17 pm

#162

From: Nigel Wright

To: Benjamin Perrin; Patrick Rogers; Chris Woodcock; Stephen Lecce

Subject: RE: Sen Duffy

BTW, if he asks, I have not yet received his Purolator package.

February 21, 2013 12:20 pm

#163

From: Benjamin Perrin

To: Nigel Wright; Patrick Rogers; Chris Woodcock; Stephen Lecce

Subject: Re: Sen Duffy

Great. I will not reply to her.

February 21, 2013 12:45 pm

#164

From: Chris Woodcock

To: Benjamin Perrin; Nigel Wright; Patrick Rogers; Stephen Lecce

Subject: Re: Sen Duffy

Here is the Q&A. Patrick, Stephen and I will call Senator Duffy shortly. Nigel I had put together several more questions, but pared it back to your core questions with some revisions and a couple of additions.

Q1: Is Ottawa your primary residence?

A: I have a residence in PEI and one in Ottawa.

Q2: The housing allowance will no longer be claimed for the Ottawa home? Does this mean that you are not a resident of PEI and unable to represent it in the Senate?

A: Not at all. I own a residence in PEI. I was born and raised there. And I will continue to represent PEI in Senate. Most Parliamentarians have a place in the National Capital as well as in the province they represent. Some stay in hotels, some rent, some own.

Q3: You seemed confident earlier this week that Deloitte would clear you. What changed your mind?

A: I took a few days to sort out what the issue really was. I want there to be no doubt that I'm serving Islanders first. There has been an historical lack of clarity in the rules and forms. I had thought I was doing the right thing, but I was mistaken and I'm making it right.

Q4: Why have you done this now and not let Deloitte finish its work? Is there something you don't want them to discover?

A: The only thing Deloitte was looking at for me was the housing allowance – I have now said there was a mistake on that.

Q5: Why did it take so long to admit to the mistake?

A: Listen, people were suggesting that I am not a resident of PEI. I knew that was ludicrous. It took some time to sort out what the real issue really was.

Q6: If you live in PEI, why don't you have a health card?

A: A health card doesn't define my ability to represent PEI in the Senate.

Q7: You said you rent a place in Charlottetown, where is your apartment?

A: I stay in Charlottetown during the winter months when my residence in Cavendish is inaccessible. I'm not going to get into the details.

Q8: Will you commit to being more transparent and accountable moving forward?

A: As a representative for the province, I have always taken care to conduct my affairs in a manner that Islanders can be proud of and to hold myself to a higher standard.

February 21, 2013 12:50 pm

#165

From: Nigel Wright

To: Benjamin Perrin; Chris Woodcock; Patrick Rogers; Stephen Lecce

Subject: Re: Sen Duffy

Roger.

February 21, 2013 1:18 pm

#166

From: Christine King [Legal Assistant to Janice Payne]
To: Gary Timm [Deloitte]
Cc: Janice Payne
Subject: Senator Michael Duffy

Mr. Timm,
See attached letter addressed to you from Janice Payne with respect to our client, Senator Michael Duffy.
[Letter dated February 21, 2013 attached] **[Appendix A, Tab 16]**

February 21, 2013 1:48 pm

#167

From: Chris Woodcock
To: Michael Duffy
Subject: Quick Call

Do you have a few minutes to go over some possible comms products on the phone?

February 21, 2013 1:38 pm

#168

From: Michael Duffy
To: Chris Woodcock
Subject: Re: Quick Call

In a meeting with chg town airport authority. Can u send by email and I will respond a bit later? Mike

February 21, 2013 2:44 pm

#169

From: Chris Woodcock
To: Michael Duffy
Subject: Re: Quick Call

Would like to discuss at a high level then send you a statement and Q&A for your review, it that works.

February 21, 2013 1:46 pm

#170

From: Michael Duffy
To: Chris Woodcock
Subject: Re: Quick Call

Ok. I am waiting. M

February 21, 2013 2:46 pm

#171

From: Chris Woodcock
To: Michael Duffy
Subject: Re: Quick Call

Does 2pm work?

February 21, 2013 1:52 pm

#172

From: Michael Duffy
To: Chris Woodcock
Subject: Re: Quick Call

New number 902- [REDACTED]

February 21, 2013 1:56 pm

#173

From: Chris Woodcock

To: Michael Duffy

Subject: Re: Quick Call

Statement

Four years ago, I was given the opportunity to sit in the Senate as a voice for Prince Edward Islanders in Ottawa. I jumped at the chance. I was born here, I was raised here, and my heart is here. I also started my career here, and took my Island sensibilities along when I was covering politics in Ottawa.

Being a Senator has allowed me to do a lot of good for PEI communities. When I'm home on the Island, I'm often out (list announcements and accomplishments for various PEI communities)

Like all Members of Parliament and Senators, my responsibilities require me to spend a substantial part of my time in Ottawa, voting, doing committee work and representing Islanders at every opportunity. I also spend many days and nights travelling across Canada on Senate and public business. In addition to our residence in Cavendish, my wife and I own a house in Ottawa. As a representative for the province, I have always taken care to conduct my affairs in a manner that Islanders can be proud of and to hold myself to a higher standard. Because it is my home, I had always considered Cavendish to be my primary residence. There has been an historical lack of clarity in the rules and forms. I had thought I was doing the right thing, but I was mistaken. The allowance associated with my house in Ottawa will be repaid, and the allowance for the Ottawa home will no longer be claimed going forward. I want there to be no doubt that I'm serving Islanders first.

Q&A

Q1: Is Ottawa your primary residence?

A: I have a residence in PEI and one in Ottawa.

Q2: The housing allowance will no longer be claimed for the Ottawa home? Does this mean that you are not a resident of PEI and unable to represent it in the Senate?

A: Not at all. I own a residence in PEI. I was born and raised there. And I will continue to represent PEI in Senate. Most Parliamentarians have a place in the National Capital as well as in the province they represent. Some stay in hotels, some rent, some own.

Q3: You seemed confident earlier this week that Deloitte would clear you. What changed your mind?

A: I took a few days to sort out what the issue really was. I want there to be no doubt that I'm serving Islanders first. There has been an historical lack of clarity in the rules and forms. I had thought I was doing the right thing, but I was mistaken and I'm making it right.

Q4: Why have you done this now and not let Deloitte finish its work? Is there something you don't want them to discover?

A: The only thing Deloitte was looking at for me was the housing allowance – I have now said there was a mistake on that.

Q5: Why did it take so long to admit to the mistake?

A: Listen, people were suggesting that I am not a resident of PEI. I knew that was ludicrous. It took some time to sort out what the real issue really was.

Q6: If you live in PEI, why don't you have a health card?

A: A health card doesn't define my ability to represent PEI in the Senate.

Q7: You said you rent a place in Charlottetown, where is your apartment?

A: I stay in Charlottetown during the winter months when my residence in Cavendish is inaccessible. I'm not going to get into the details.

Q8: Will you commit to being more transparent and accountable moving forward?

A: As a representative for the province, I have always taken care to conduct my affairs in a manner that Islanders can be proud of and to hold myself to a higher standard.

February 21, 2013 5:32 pm

#174

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers; Stephen Lecce

Subject: Revised Duffy Statement

Here is a revised statement from Duffy. He asked for language that is down-home Mike Duffy, so I've tried to oblige. He also asked that he be allowed to insert PEI-isms. I'm interested in your views on this before I send it to the Senator.

Revised – Statement from Senator Mike Duffy

(Senator to insert pro-PEI language) Like many Prince Edward Islanders, my work takes me across the country. As a Senator, I'm required to spend a substantial part of my time working in Ottawa. I also spend many days and nights travelling across Canada on Senate and public business.

While my job may be in Ottawa, my heart is in PEI. When I'm back home, I live at my residence in Cavendish for three seasons. In the dead of winter, I stay in Charlottetown. My wife and I also own a home in Ottawa.

I have an Ontario Health Card because I have health issues, and I need to see doctors in Ottawa when I'm required to be in Ottawa. This does not define my ability to represent Prince Edward Island in the Senate.

The recent controversy surrounding my housing allowance claim has become a distraction and I want to put it behind me. The fact is that the Senate rules and forms dealing with the Housing Allowance aren't clear. I filled out the form and thought I was doing the right thing, but I have taken some time to review the details and I have realized that I was mistaken. I have always conducted my affairs in a way that Prince Edward Islanders can be proud of, and I intend to continue to hold myself to a higher standard. The allowance associated with my house in Ottawa will be repaid, (and the allowance for the Ottawa home will no longer be claimed going forward). I want there to be no doubt that I'm serving Islanders first.

February 21, 2013 7:18 pm

#175

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers; Stephen Lecce

Subject: Re: Revised Duffy Statement

I am OK with this.

February 21, 2013 8:18 pm

#176

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers; Stephen Lecce; Benjamin Perrin

Subject: Re: Revised Duffy Statement

Mike is going to do this (although I don't consider that final, final until I see an email from his lawyer summarising our conversations, which apparently has been drafted.) He is ready to do it on Friday, but thinks that we want him to do CTV, and CTV will not have a camera on PEI on Friday – so Stephen please reach out to him to let him know that Friday without CTV is preferable to Sunday or Monday with CTV.

Stephen, also, we should have you or Andrew reach out to any Conservative pundits who will be on Sunday panel shows to make sure they saw the “senior government sources” line. I have to weigh on Sen. Tkachuk, and I will call Sen. S-O too, to insist that Mike's “may have made a mistake” will be accepted as sufficient to call off Deloitte.

February 21, 2013 8:28 pm

#177

From: Stephen Lecce

To: Nigel Wright; Chris Woodcock; Patrick Rogers; Benjamin Perrin; Andrew MacDougall

Subject: Re: Revised Duffy Statement

Will do. Adding Andrew.

I can get a CTV camera to PEI in a few hours (from Moncton). We can likely make this work all on Friday.

February 21, 2013 8:32 pm

#178

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers; Benjamin Perrin; Andrew MacDougall; Stephen Lecce

Subject: Re: Revised Duffy Statement

He's open to that – giving them a heads-up – but I simply said that Stephen or Chris would deal on all that kind of stuff because I won't get into those details.

February 21, 2013 9:04 pm

#179

From: Janice Payne

To: Benjamin Perrin

Cc: Christine King

Subject: Senator Duffy

I understand that there are some discussions between our clients.

Assuming we can work out the communication, we will need agreement on the following before we can proceed:

1. The Internal Economy Committee will confirm that Senator Duffy has been withdrawn from the Deloitte review and it will assure him that his expenses are fully in order to date and will not be the subject of any further activity or review by the Committee, the Senate, or any other party. If any member of the Committee makes any statement, it will ensure that such statement is consistent with the agreed media lines.
2. There will also be a written acknowledgement that Senator Duffy meets and has always met all requirements necessary to sit as the Senator from PEI.
3. As his apparent ineligibility for the housing allowance stems from his time on the road on behalf of the party, there will be an arrangement to keep him whole on the repayment. His legal fees will also be reimbursed.
4. If the Senate rules or travel policy are rewritten to permit Senator Duffy to claim a housing allowance in the future he will be free to do so at that point in time.
5. The PMO will take all reasonable efforts to ensure that members of the Conservative caucus, if they speak on this matter, do so in a fashion that is consistent with the agreed media lines.

I am available to discuss in the morning.

February 21, 2013 9:27 pm

#180

From: Benjamin Perrin

To: Nigel Wright

Subject: Fw: Senator Duffy

Privileged.

This is quite the list of demands below. How would you like me to respond?

I recall on point 2 that this would come from Senator Lebreton, if at all.

February 21, 2013 9:49 pm

#181

From: Nigel Wright

To: Benjamin Perrin; Chris Woodcock; Patrick Rogers; Stephen Lecce

Subject: Re: Senator Duffy

All of this assumes Sen. Duffy makes a statement and keeps his communications within the bounds that have been discussed with him. Ben, subject to your views or those of others, I think you could offer the responses below – verbally by phone as that is presumably the best way to avoid misunderstandings. Nigel

1. The Internal Economy Committee will confirm that Senator Duffy has been withdrawn from the Deloitte review [this is what will happen because the only subject matter that Deloitte is reviewing with respect to Sen. Duffy will have become moot, and that understanding is a commitment I will receive from Sens. LeBreton, Tkachuk, and Stewart-Olsen] and it will assure him that his expenses are fully in order to date and will not be the subject of any further activity or review by the Committee, the Senate, or any other party [I think we can say that the Steering Committee will determine that the secondary residence issue will be closed by the act of repaying what has previously been received and not receiving any further payments unless Sen. Duffy's living arrangements change in a way that permit him to receive the payments. I do not think it could say anything about any other expenses as no one has ever raised an issue with respect to them. Only the Senate Committee could make such a commitment, and they cannot reasonably do that]. If any member of the Committee makes any statement, it will ensure that such statement is consistent with the agreed media lines [this is precisely the position we will take with Sen. LeBreton and the Conservative Senators on the Steering Committee as the media lines will be accurate and we only want these Senators providing accurate comments].
2. There will also be a written acknowledgement that Senator Duffy meets and has always met all requirements necessary to sit as the Senator from PEI. [I have been specific with Sen. Duffy that a "senior government source" will make a statement on the day of his statement to the effect that there is no doubt he is qualified to sit as a Senator from PEI. The PM will also give this answer if asked, as will other authorized spokespeople for the Government. That is because it is true. There will not be a written acknowledgement.]
3. As his apparent ineligibility for the housing allowance stems from his time on the road on behalf of the party, there will be an arrangement to keep him whole on the repayment. His legal fees will also be reimbursed. [I do not know the amount of the legal fees and their reasonableness, so that has to be disclosed forthwith. Without acknowledging the accuracy of the premise of this item, the Party is open to keeping Sen. Duffy whole since it is clear that any overpayments were innocently received. I have a call into the Party to confirm this as I think that the Senator has a right to have it confirmed.]
4. If the Senate rules or travel policy are rewritten to permit Senator Duffy to claim a housing allowance in the future he will be free to do so at that point in time. [The Senator should be free to receive any future allowance or reimbursement to which he is clearly entitled by the rules of the Senate. Where there is any possible ambiguity, he should seek advice in advance from the relevant Senate authorities.]
5. The PMO will take all reasonable efforts to ensure that members of the Conservative caucus, if they speak on this matter, do so in a fashion that is consistent with the agreed media lines. [Agree, this is our view since the agreed media lines are accurate and we do not wish people to make inaccurate statements.]

February 21, 2013 10:01 PM

#182

From: Benjamin Perrin
To: Janice Payne
Subject: Re: Senator Duffy

Would you like to speak now?

February 21, 2013 10:01 PM

#183

From: Janice Payne
To: Benjamin Perrin
Subject: Re: Senator Duffy

I can't Ben. Sorry. Happy to do so very early tomorrow. I have a 10 am commitment. Any time before then as early as you like.

February 22, 2013 5:14 AM

#184

From: Benjamin Perrin
To: Janice Payne
Subject: Re: Senator Duffy

I can speak at 7 am. Does that work?

February 22, 2013 7:34 AM

#185

From: Janice Payne
To: Benjamin Perrin
Subject: Re: Senator Duffy

Sorry Ben. I am seeing this now. Anytime now is good. 613-8[REDACTED]

February 22, 2013 7:46 AM

#186

From: Benjamin Perrin
To: Janice Payne
Subject: Re: Senator Duffy

I just tried calling. Please let me know when you are free for a quick follow-up conversation.

February 22, 2013 7:47 AM

#187

From: Garry Timm [Deloitte]
To: Janice Payne
Subject: Senator Michael Duffy

Good Morning Ms. Payne,
Please find enclosed a letter regarding the above noted matter.
Please contact me should you have any questions or require clarification.
[Attached letter dated February 21, 2013] [Appendix A, Tab 17]

February 22, 2013 8:09 AM

#188

From: Benjamin Perrin

To: Nigel Wright; Chris Woodcock; Patrick Rogers; Stephen Lecce

Subject: Re: Senator Duffy

Privileged

Hi Nigel,

I have just spoken with Janice and conveyed all of the points below. After a little back and forth, she was generally satisfied with the responses I think.

Point 3 requires follow-up from her and us. She will provide info on her rate and hours for legal fees. Below you spoke of further communications with the party.

I noted this is all conditional on agreement on the statement and communications bounds being respected by the Senator. She said they would be replying with some proposed changes shortly.

Please let me know if you have any questions or concerns. I will forward her legal fees info once it is received.

Regards,

Ben

February 22, 2013 8:12 AM

#189

From: Nigel Wright

To: Benjamin Perrin; Chris Woodcock; Patrick Rogers; Stephen Lecce; David van Hemmen

Subject: Re: Senator Duffy

Good, thanks Ben. I will try to speak with Sen. Gerstein this morning. N

February 22, 2013 11:39 AM

#190

From: Nigel Wright

To: Benjamin Perrin; Chris Woodcock; Patrick Rogers; Stephen Lecce

Subject: Re: Senator Duffy

I now have the go-ahead on point three, with a couple of stipulations:

- I would like to understand if anyone Sen. Duffy ever intends to inform about point 3 (or, for that matter, the entire agreement). I assume that I know the answer, but I would like it to be explicit. For its part, the Party would not inform anyone.
- Related to that, funds disbursed from the Party under point 3 would be paid to Ms Payne's law firm, since a good portion of them are in payment of their fees.
- I would like to cap legal fee reimbursement at \$12,000 (I wouldn't kill it on this basis, but I just want to do this) and we need an accounting of what Sen. Duffy owes the Senate (we do not need the latter before his statement is rolled out).

Ben, please go back to Ms Payne on these points and ascertain where they stand on everything else. I do want to speak to the PM before everything is considered final.

Thanks.

Nigel

February 22, 2013 11:50 AM

#191

From: Benjamin Perrin

To: Nigel Wright; Chris Woodcock; Patrick Rogers; Stephen Lecce

Subject: Re: Senator Duffy

Thanks for this info. I've tried just now to reach her but no answer. Will keep trying.

February 22, 2013 11:54 AM

#192

From: Janice Payne

To: Benjamin Perrin

Subject: Re: Senator Duffy

Hope to be shortly. I will call.

February 22, 2013 12:13 PM

#193

From: Nigel Wright

To: Benjamin Perrin; Chris Woodcock; Patrick Rogers; Stephen Lecce

Subject: Re: Senator Duffy

We are good to go from the PM once Ben has his confirmation from Payne.

February 22, 2013 12:15 PM

#194

From: Benjamin Perrin

To: Nigel Wright; Chris Woodcock; Patrick Rogers; Stephen Lecce

Subject: Re: Senator Duffy

She replied by email saying she is busy and will call me once she is available. Will keep you posted.

February 22, 2013 12:19 PM

#195

From: Benjamin Perrin

To: Janice Payne

Subject: Re: Senator Duffy

We hope to finalize things now so we can proceed. Please let me know when you are free.

February 22, 2013 12:27 PM

#196

From: Janice Payne

To: Benjamin Perrin

Subject: Re: Senator Duffy

I am trying to get off the phone. Hang on.

February 22, 2013

#197

Letter [Appendix A, Tab 18]

From: Michel Patrice

To: Janice Payne

Cc: David Tkachuk

Subject: The Honourable Senator Michael Duffy, Your File No. 16138-2

I am writing to you on behalf of Senator David Tkachuk following your letter dated February 20, 2013, in which you ask for a copy of the instructions given to Deloitte with respect to Senator Duffy.

Your request will be brought to the attention of the Audit Subcommittee at its next meeting for consideration.

Should you have any questions, do not hesitate to contact me at 613- [REDACTED]

February 22, 2013 12:40 PM

#198

From: Michael Duffy

To: Ray Novak

Subject: Checking In

Ray. I am cooked. I did nothing wrong. Someone misled the pm on my time in pei and the strategy of waiting this out was wrong. They told me to say it is oin deloitte's hands etc. I did that for a week. Now they want me to abandon that and make a voluntaru restitution. This is nuts and and is very hard for me to swallow. I swing between the team player mode and do anything for pmsh and it is time for me to say phack it. Let deloitte decide. If I leave it to them I have an avenue of appeal to the courts. If I take a dive for my leader when I am innocent the I am totally at the mercy of the media the opposition etc. Mike

February 22, 2013 12:45 PM

#199

From: Nigel Wright

To: Ray Novak

Subject: Fw: Senator Duffy

FYI – scroll down a bit to see the state of play. We are ready to move when we hear back from his lawyer.

February 22, 2013 12:50 PM

#200

From: Benjamin Perrin

To: Nigel Wright; Chris Woodcock; Patrick Rogers; Stephen Lecce

Subject: Re: Senator Duffy

Privileged

Janice and I spoke. She wants an hour or so to finalize this understanding with the Senator. I think we will be good.

One issue: she wanted it all in writing. I explained that was not happening. We aren't selling a car or settling a lawsuit here. She seemed to get it eventually.

I will report back once we have her final confirmation.

February 22, 2013 12:57 PM

#201

From: Stephen Lecce
To: Benjamin Perrin; Chris Woodcock; Patrick Rogers; Nigel Wright
Cc: Andrew MacDougall
Subject: Re: Senator Duffy

I just note that in order to get into the regional broadcasts tonight (6PM AST) – we will need to give a heads-up to media ASAP, as the time zone works against us.
It will take about 2-3 hours for CTV to get to PEI.

February 22, 2013 1:01 PM

#202

From: Benjamin Perrin
To: Janice Payne
Subject: Urgent: Senator Duffy

I understand from our communications people that for this to happen today, which is imperative, we need the greenlight from you imminently.

February 22, 2013 1:04 PM

#203

From: Benjamin Perrin
To: Janice Payne
Subject: Re: Urgent: Senator Duffy

My cell is 613- [REDACTED] if you need to reach me.

February 22, 2013 1:04 PM

#204

From: Nigel Wright
To: Benjamin Perrin; Chris Woodcock; Patrick Rogers; Stephen Lecce; David van Hemmen
Subject: Re: Senator Duffy

I told Mike last night – not in writing. He can have my word if he wants that.

February 22, 2013 1:06 PM

#205

From: Nigel Wright
To: Stephen Lecce; Benjamin Perrin; Chris Woodcock; Patrick Rogers; David van Hemmen
Cc: Andrew MacDougall
Subject: Re: Senator Duffy

David, I will want to speak with Tkachuk and Marjory as soon as I can when this starts to roll – don't mind stepping out of CETA but not out of Wynne.

February 22, 2013 1:07 PM

#206

From: David van Hemmen
To: Stephen Lecce; Benjamin Perrin; Chris Woodcock; Patrick Rogers; Nigel Wright
Cc: Andrew MacDougall
Subject: Re: Senator Duffy

Sure thing. Ben and Stephen, please let me know.

February 22, 2013 1:09 PM

#207

From: Ray Novak
To: Michael Duffy
Subject: Re: Checking in

As I think you've discussed with Nigel, we can put a com strategy around repayment that I think will work. Best to seize the initiative and not wait for audit.

February 22, 2013 2:02 PM

#208

From: Nigel Wright
To: Stephen Lecce; Benjamin Perrin; Chris Woodcock; Patrick Rogers; David van Hemmen
Cc: Andrew MacDougall
Subject: Re: Senator Duffy

Could the government lines (that Sen. Tkachuk has agreed to stick to) be sent to Sen. Tkachuk now?

Also David, remind me that Sen. Duffy still has to send the letter to the Steering Cttee, mimicking his public lines, saying ambiguity in the rules, might have made a mistake, desires to repay, needs to know the amount. Perhaps Chris your folks could do a draft of that.

February 22, 2013 2:10 PM

#209

From: Nigel Wright
To: Stephen Lecce; Benjamin Perrin; Chris Woodcock; Patrick Rogers; David van Hemmen
Cc: Andrew MacDougall
Subject: Re: Senator Duffy

And to Sen. LeBreton too.

February 22, 2013 2:10 PM

#210

From: Chris Woodcock
To: Stephen Lecce; Benjamin Perrin; Nigel Wright; Patrick Rogers; David van Hemmen
Cc: Andrew MacDougall
Subject: Re: Senator Duffy

We will prep a draft of this letter. Here are the lines I will send to Senator Tkachuk:

- We have committed to ensuring that all expenses are appropriate, that the rules governing expenses are appropriate and to reporting back to the public on these matters.
- Senator Duffy has taken steps to correct an error in how the forms were filled out.
- He maintains a residence in Prince Edward Island and has deep ties to the province.
- The Committee considers all issues relating to Senator Duffy now resolved.

February 22, 2013 2:11 PM

#211

From: Benjamin Perrin
To: Janice Payne
Subject: Re: Urgent: Senator Duffy

I am following up.

February 22, 2013 2:16 PM

#212

From: Janice Payne
To: Benjamin Perrin
Cc: Christine King
Subject: Re: Urgent: Senator Duffy

I am calling in five minutes. Attached are revised media lines. Critical that these are okay.
Please confirm.

[Revised Media Lines attached] [**Appendix A, Tab 19**]

February 22, 2013 2:23 PM

#213

From: Benjamin Perrin
To: Nigel Wright; David van Hemmen; Stephen Lecce; Andrew MacDougall; Patrick Rogers; Chris Woodcock
Subject: Fw: Urgent: Senator Duffy

Privileged

See attached. Please confirm that their final version (attached) is okay. I expect her to call any minute.

February 22, 2013 2:27 PM

#214

From: Chris Woodcock
To: Nigel Wright; David van Hemmen; Stephen Lecce; Andrew MacDougall; Patrick Rogers; Benjamin Perrin
Subject: Re: Urgent: Senator Duffy

This line in the statement is new to me. I am unaware of any plan to have the Rules Committee study expenses.

“Until the Rules Committee clarifies the regulations, the allowance for the Ottawa home will no longer be claimed.”

This has also been written into the Q&A:

Q: You have 2 houses but you will not claim a housing allowance?

A: That’s correct. I will not claim an allowance for our house in Ottawa until after the rules have been clarified by the Senate, and it is clear that I am in compliance with whatever the new regulations are.

Suggested fixes

Delete the whole line “Until the Rules Committee clarifies the regulations, the allowance for the Ottawa home will no longer be claimed.”

Q: You have 2 houses but you will not claim a housing allowance?

A: That’s correct. I will not claim an allowance for our house in Ottawa unless the rules of the Senate were to change, making it clear that I am in compliance with whatever the new regulations are.

February 22, 2013 2:41 PM

#215

From: Benjamin Perrin

To: Nigel Wright; David van Hemmen; Stephen Lecce; Andrew MacDougall; Patrick Rogers; Chris Woodcock

Subject: Re: Urgent: Senator Duffy

Privileged

I agree and have sent this back to them. I am pressing them hard to finalize this.

February 22, 2013 2:49 PM

#216

From: Benjamin Perrin

To: Nigel Wright; David van Hemmen; Stephen Lecce; Andrew MacDougall; Patrick Rogers; Chris Woodcock

Subject: Re: Urgent: Senator Duffy

They agree to the changes below. Chris: I need the final version now reflecting those changes.

The only final step before going is me getting our final confirmation on the full details of the arrangement. I expect that in 10 minutes from them.

February 22, 2013 2:51 PM

#217

From: Chris Woodcock

To: Nigel Wright; David van Hemmen; Stephen Lecce; Andrew MacDougall; Patrick Rogers; Benjamin Perrin

Subject: Re: Urgent: Senator Duffy

Attached. Stephen do we still time to make the broadcasts if we do this today?

February 22, 2013 2:55 PM

#218

From: Andrew MacDougall

To: Nigel Wright; David van Hemmen; Stephen Lecce; Chris Woodcock; Patrick Rogers; Benjamin Perrin

Subject: Re: Urgent: Senator Duffy

We should go today.

Even if CTV can't get there

February 22, 2013 2:57 PM

#219

From: Stephen Lecce

To: Nigel Wright; David van Hemmen; Andrew MacDougall; Chris Woodcock; Patrick Rogers; Benjamin Perrin

Subject: Re: Urgent: Senator Duffy

OK. CTV can interview him whenever they can get to PEI or Duffy can get to Halifax and use it at some point this weekend. FYI – Duffy was planning on returning to Ottawa tonight. Today would be CBC PEI and the Guardian. His statement would stand for the rest.

February 22, 2013 3:01 PM

#220

From: Benjamin Perrin

To: Nigel Wright; David van Hemmen; Stephen Lecce; Andrew MacDougall; Patrick Rogers; Chris Woodcock

Subject: Re: Urgent: Senator Duffy

I've spoken to David: Nigel will look at the finalized understanding with his counsel as soon as he is out of the meeting with Wynne (set to end at 3 pm).

Chris: can I get lines that would go to Lebreton, S-O and Th.?

February 22, 2013 3:05 PM

#221

From: Chris Woodcock

To: Nigel Wright; David van Hemmen; Stephen Lecce; Andrew MacDougall; Patrick Rogers; Benjamin Perrin

Subject: Re: Urgent: Senator Duffy

The following lines were sent to Lebreton S-O and Tkachuk on a "confidential until further notice" basis.

Lines until the Committee meets:

- We have committed to ensuring that all expenses are appropriate, that the rules governing expenses are appropriate and to report back to the public on these matters.
- Senator Duffy maintains a residence in Prince Edward Island and has deep ties to the province.
- He has indicated that he will be taking steps to correct an error in how the forms were filled out.

Once the Committee has met to consider the matter (Monday or Tuesday)

- We have committed to ensuring that all expenses are appropriate, that the rules governing expenses are appropriate and to report back to the public on these matters.
- Senator Duffy has taken steps to correct an error in how the forms were filled out.
- He maintains a residence in Prince Edward Island and has deep ties to the province.
- The Committee considers all issues relating to Senator Duffy now resolved.

February 22, 2013 3:07 PM

#222

From: Benjamin Perrin

To: Janice Payne

Cc: Christine King

Subject: Re: Urgent: Senator Duffy

Lines until the Committee meets:

- We have committed to ensuring that all expenses are appropriate, that the rules governing expenses are appropriate and to report back to the public on these matters.
- Senator Duffy maintains a residence in Prince Edward Island and has deep ties to the province.
- He has indicated that he will be taking steps to correct an error in how the forms were filled out
- Once the Committee has met to consider the matter (Monday or Tuesday)
- We have committed to ensuring that all expenses are appropriate, that the rules governing expenses are appropriate and to report back to the public on these matters.
- Senator Duffy has taken steps to correct an error in how the forms were filled out,
- He maintains a residence in Prince Edward Island and has deep ties to the province
- The Committee considers all issues relating to Senator Duffy now resolved.

February 22, 2013 3:15 PM

#223

From: Nigel Wright

To: Benjamin Perrin; David van Hemmen

Subject: Re: Urgent: Senator Duffy

OK to share these lines with her. Important to acknowledge that Duff will say “there might have been an error”. Regarding qualification, there is not and never has been any doubt about the fact that Sen. Duffy is qualified to represent PEI in the Senate.

February 22, 2013 3:26 PM

#224

From: Benjamin Perrin

To: Chris Woodcock; Stephen Lecce; Andrew MacDougall; Nigel Wright; David van Hemmen; Patrick Rogers

Subject: Re: Urgent: Senator Duffy

Privileged

They are good to go now on everything IF these changes are made to the lines from Sens Lebreton, S-O, and Th:

- He has indicated that he will be taking steps to correct *any possible error* in how the forms were filled out.

Then after committee:

- Senator Duffy has taken steps to correct *any possible error* in how the forms were filled out.

If this is okay, then we are good to go to launch the Senator Duffy communications now – using the final version (attached).

Please advise ASAP.

February 22, 2013 3:27 PM

#225

From: Nigel Wright

To: Benjamin Perrin; Chris Woodcock; Stephen Lecce; Andrew MacDougall; David van Hemmen; Patrick Rogers

Subject: Re: Urgent: Senator Duffy

We are OK with this, and we will bring the Senators onsite (anyone disagree based on what they have heard?). We should GO.

February 22, 2013 3:32 PM

#226

From: Chris Woodcock

To: Marjory LeBreton; Carolyn Stewart-Olson; David Tkachuk

Subject: Duffy

Hello Senators,

Below are updated lines on Senator Duffy. Any public comments should reflect these lines precisely. I will provide this group with a heads-up shortly before this becomes public. I will also send these lines in French.

Thank You,

Today

- We have committed to ensuring that all expenses are appropriate, that the rules governing expenses are appropriate and to report back to the public on these matters.
- Senator Duffy maintains a residence in Prince Edward Island and has deep ties to the province.
- He has indicated that he will be taking steps to correct an error in how the forms were filled out

Once the Committee has met

- We have committed to ensuring that all expenses are appropriate, that the rules governing expenses are appropriate and to report back to the public on these matters.
- Senator Duffy has taken steps to correct an error in how the forms were filled out,
- He maintains a residence in Prince Edward Island and has deep ties to the province
- The Committee considers all issues relating to Senator Duffy now resolved.

February 22, 2013 3:36 PM

#227

From: Chris Woodcock
To: Michael Duffy
Cc: Stephen Lecce
Subject: Media Prep

Hi Senator,
We are available to do some Q&A prep before you speak to media today. Can we hold a short phone call?

February 22, 2013 3:38 PM

#228

From: Michael Duffy
To: Chris Woodcock
Subject: Re: Media Prep

613- [REDACTED]

February 22, 2013 4:10 PM

#229

From: Chris Woodcock
To: Michael Duffy
Subject: Re: Media Prep

Here is the statement agreed to:

22 Feb 2012

Statement by the Hon. Mike Duffy, Senator, Cavendish PEI

Four years ago, I was given the opportunity to sit in the Senate as a voice for Prince Edward Islanders in Ottawa. I jumped at the chance. I was born here, I was raised here, I own a house here, I pay property taxes here, and most important, my heart is here.

I also started my career here, and took my Island sensibilities along when I was covering politics in Ottawa.

Being a Senator has allowed me to do a lot of good for PEI communities. And there is a lot more to do be done.

Recently questions have been raised about my eligibility for the housing allowance provided to MPs and Senators.

The Senate rules on housing allowances aren't clear, and the forms are confusing. I filled out the Senate forms in good faith and believed I was in compliance with the rules.

Now it turns out I may have been mistaken.

Rather than let this issue drag on, my wife and I have decided that the allowance associated with my house in Ottawa will be repaid.

I want there to be no doubt that I'm serving Islanders first.

February 22, 2013 4:28 PM

#230

From: Michael Duffy

To: Ray Novak

Subject: Re: Checking in

Ray. I can't admit wrong doing. The Senate has to meet me half way. Mike

February 22, 2013 4:51 PM

#231

From: Chris Woodcock

To: Benjamin Perrin; Stephen Lecce; Andrew MacDougall; Patrick Rogers; Nigel Wright; Ray Novak

Subject: Duffy Transcript

Breaking News Summary

Date / Date : February 22, 2013

Time / Heure : 16h40

Network / Chaîne : CBC-NN

Andrew: A CBC news exclusive, mike duffy says he'll voluntary pay back expenses related to his job as a Senator. The Senator showed up at CBC television studios in Charlottetown just moments ago in a live interview where he said that he was, in fact, going to pay all of this back. He's been investigated by a Senate committee, you will remember for housing expenses, along with a number of other – along with a lot of other Senators, all centred on where he claims his residence to be. In that interview on CBC in Charlottetown he now admits that he may not live in the province 183 days a year and he says he's happy to pay double taxes because he doesn't spend enough time in the province. Here's a portion of that interview...

Interview: Everywhere I go people are talking, well, where do you live, what's that all about, it's become a major distraction so my wife and I discussed it and we decided that in order to turn the page and to put all of this behind us we are going to voluntarily pay back my living expenses related to the house we have in Ottawa.

Reporter: the \$42,000 approximately?

Interview: Whatever it is. The accountants, you know... We're going to pay it back and until the rules are clear and they're not clear now, the forms are not clear, and I hope that the Senate will re-do the forms to make them clearer, I will not claim a housing allowance.

Reporter: Is that an admission that you don't believe that you're a permanent resident of Prince Edward Island?

Interview: No, it has nothing to do with residency in p.E.I., I'm an island resident and I am entitled to be a Senator, I've met all of those requirements and the one is really of accounting, how much time are you here, how much time are you there. The form that you fill in once a year on this matter is vague and I may have made a mistake in filling in that form. And rather than go through months and months and months of an audit, we've got important work to do so my wife and I talked last night and I said, let's just get this off the plate.

Reporter: What mistake might you have made on this form?

[Continued below]

February 22, 2013 4:51 PM

#232

From: Chris Woodcock

To: Benjamin Perrin; Stephen Lecce; Andrew MacDougall; Patrick Rogers; Nigel Wright; Ray Novak

Subject: Duffy Transcript

[Continued from above]

Interview: Well, I wish I had a copy of the form here to show you. It asks for your primary address in the province in which you reside and I put cavendish and it asks for your second residence and I put kanata. The argument among the accountants is that actually I spend more time in kanata than I do in cavendish and, therefore, my primary residence should really be Ottawa, and not cavendish. But the form says the primary residence in the province you represent.

Reporter: Right.

Interview: So there is no space to say well, and there is no formula, and there is no rule that says you have to spend so many days.

Andrew: That's Senator Mike Duffy saying he'll pay back expense money, he was speaking to the CBC in Charlottetown.

February 22, 2013 4:57 PM

#233

From: Andrew MacDougall

To: Michael Duffy

Subject: Re: PEI health card

Senator – just want you to know that we have your back on the residency file. We will defend to the hilt.

February 22, 2013 4:59 PM

#234

From: Stephen Lecce

To: Chris Woodcock; Benjamin Perrin; Andrew MacDougall; Patrick Rogers; Nigel Wright; Ray Novak

Subject: Re: Duffy Transcript

Mike finished CBC PEI, it will likely lead the 6pm broadcast.

He is doing CTV Atlantic at 5:30pm (ET) – will be a live double ender.

We debriefed with the Senator after CBC.

February 22, 2013 5:00 PM

#235

From: Stephen Lecce

To: Chris Woodcock; Benjamin Perrin; Andrew MacDougall; Patrick Rogers; Nigel Wright; Ray Novak

Subject: Re: Duffy Transcript

I should add that Mike does not want to do The Guardian. He gave it some thought and does not believe that he will get a decent hit out of the one (semi-reasonable) reporter in the paper. I am comfortable with him proceeding with CBC and CTY. Print will quote from his statement and network interviews.

February 22, 2013 5:02 PM

#236

From: Nigel Wright

To: Chris Woodcock; Benjamin Perrin; Andrew MacDougall; Patrick Rogers; Stephen Lecce; Ray Novak

Subject: Re: Duffy Transcript

Agree. The semi-reasonable Guardian columnist was the one who staked out the washroom at the airport.

February 22, 2013 5:05 PM

#237

From: Andrew MacDougall

To: Nigel Wright; Chris Woodcock; Benjamin Perrin; Patrick Rogers; Stephen Lecce; Ray Novak

Subject: Re: Duffy Transcript

When is the paper going out?

February 22, 2013 5:09 PM

#238

From: Stephen Lecce

To: Nigel Wright; Chris Woodcock; Benjamin Perrin; Patrick Rogers; Andrew MacDougall; Ray Novak

Subject: Re: Duffy Transcript

Duffy is live on CTV NN.

February 22, 2013 5:22 PM

#239

From: Nigel Wright

To: Stephen Lecce; Chris Woodcock; Benjamin Perrin; Patrick Rogers; Stephen Lecce; Ray Novak; Andrew MacDougall; David van Hemmen

Subject: Re: Duffy Transcript

"I don't think I owe this money."

February 22, 2013 5:26 PM

#240

From: Chris Woodcock

To: Stephen Lecce; Nigel Wright; Benjamin Perrin; Patrick Rogers; Stephen Lecce; Ray Novak; Andrew MacDougall; David van Hemmen

Subject: Re: Duffy Transcript

Here is a draft letter to the Committee from Senator Duffy.

Senator David Tkachuk,
Chair of the Standing Committee on Internal Economy, Budgets and Administration

February 22, 2013

Dear Chairman,

Recently questions have been raised about my eligibility for the secondary housing allowance.

I filled out the Senate forms in good faith and believed I was in compliance with the rules. After reviewing all aspects of this matter, it turns out I may have been mistaken. To ensure that there can be no doubt regarding this matter it is my intent to repay the housing allowance that I have collected to date.

At this time, I ask the Steering Committee to provide me forthwith with the amount that must be repaid in order to settle this matter in full.

Chairman, I believe that the Senate rules and forms on housing allowances are ambiguous. I want to emphasize that it was always my intent to fully comply with the rules.

Sincerely,

Senator Mike Duffy

February 22, 2013 5:28 PM

#241

From: Nigel Wright

To: Stephen Lecce; Chris Woodcock; Benjamin Perrin; Patrick Rogers; Stephen Lecce; Ray Novak; Andrew MacDougall; David van Hemmen

Subject: Re: Duffy Transcript

Good. Maybe just say “provide me ***forthwith*** with the amount that must be repaid”. And please say “Steering Committee”, or whatever it is (Patrick?). I would like to have this resolved at that level (three Senators of which only one is Liberal) because it can be done more quickly and cleanly.

February 22, 2013 5:43 PM

#242

From: Nigel Wright

To: Stephen Lecce; Chris Woodcock; Benjamin Perrin; Patrick Rogers; Stephen Lecce; Ray Novak; Andrew MacDougall; David van Hemmen

Subject: Re: Duffy Transcript

I appreciate the work this team did on this. One down, two to go (and one out).

February 22, 2013 5:44 PM

#243

From: Andrew MacDougall

To: Stephen Lecce; Chris Woodcock; Benjamin Perrin; Patrick Rogers; Stephen Lecce; Ray Novak; Nigel Wright; David van Hemmen

Subject: Re: Duffy Transcript

Yay this is fun.

Duffy just told Tom Clark that he (duffy) is under strict instruction from the Centre to not talk to Global.

Helpful.

February 22, 2013 5:44 PM

#244

From: Nigel Wright

To: Stephen Lecce; Chris Woodcock; Benjamin Perrin; Patrick Rogers; Stephen Lecce; Ray Novak; Andrew MacDougall; David van Hemmen

Subject: Re: Duffy Transcript

Sweet.

February 22, 2013 6:04 PM

#245

From: Nigel Wright

To: Stephen Lecce

Cc: Andrew MacDougall; Chris Woodcock; Patrick Rogers; Ray Novak; David van Hemmen; Benjamin Perrin

Subject: Fw: 'I made a mistake' claiming housing allowance, says embattled senator Duffy (Updated)

Where are the senior government sources on his qualification to sit?

February 22, 2013 6:34 PM

#246

From: Chris Woodcock

To: Michael Duffy

Subject: Draft letter

Hi Senator,
Below is a draft letter to send to the Committee.

Senator David Tkachuk
Chair of the Standing Senate Committee on Internal Economy, Budgets and Administration
February 22, 2013

Dear Chairman,
Recently questions have been raised about my eligibility for the secondary housing allowance.
I filled out the Senate forms in good faith and believed I was in compliance with the rules. After reviewing all aspects of this matter, it turns out I may have been mistaken. To ensure that there can be no doubt regarding this matter it is my intent to repay the housing allowance that I have collected to date.
At this time, I ask the Steering Committee to provide me forthwith with the amount that must be repaid in order to settle this matter in full.
Chairman, I believe that the Senate rules and forms on housing allowance are ambiguous. I want to emphasize that it was always my intent to fully comply with the rules.
Sincerely,
Senator Mike Duffy

February 22, 2013 6:37 PM

#247

From: Michael Duffy

To: David Tkachuk; Carolyn Stewart-Olsen

Subject: Hard copy will be faxed Monday. Letter to sen tkachuk

Senator David Tkachuk
Chair of the Standing Senate Committee on Internal Economy, Budgets and Administration
February 22, 2013

Dear Sir;
Recently questions have been raised about my eligibility for the secondary housing allowance.
I filled out the Senate forms in good faith and believed I was in compliance with the rules. After reviewing all aspects of this matter, it turns out I may have been mistaken. To ensure that there can be no doubt regarding this matter it is my intent to repay the housing allowance that I have collected to date.
At this time, I ask the Steering Committee to provide me forthwith with the amount that must be repaid in order to settle this matter in full.
Chairman, I believe that the Senate rules and forms on housing allowance are ambiguous. I want to emphasize that it was always my intent to fully comply with the rules.
Sincerely,
Hon. Mike Duffy

February 22, 2013 6:58 PM

#248

From: Chris Woodcock

To: Nigel Wright

Subject: Fw: Hard copy will be faxed Monday. Letter to sen tkachuk

Fyi

February 22, 2013 7:01 PM

#249

From: Nigel Wright

To: Chris Woodcock

Subject: Re: Hard copy will be faxed Monday. Letter to sen tkachuk

thx

February 25, 2013 6:51 AM

#250

From: Michael Duffy

To: Michael Duffy

Subject: Sen. Mike Duffy's repayment tab could approach \$90,000

[Article: February 25, 2013, *Sen. Mike Duffy's repayment tab could approach \$90,000 Mike Duffy could be on the hook for much more than \$42,000 if he mistakenly claimed living expenses before November 2010*, by Bruce Campion-Smith, Toronto Star] [**Appendix A, Tab 20**]

February 25, 2013 6:58 AM

#251

From: Michael Duffy

To: Michael Duffy

Subject: Mike Duffy's housing allowance sideshow deconstructed

[Article: February 25, 2013, *Mike Duffy's house allowance sideshow deconstructed – 80 days to a non-apology*, by Tim Harper, Toronto Star] [**Appendix A, Tab 21**]

February 26, 2013 11:28 AM

#252

From: David van Hemmen

To: Nigel Wright; Chris Woodcock; Patrick Rogers

Subject: Duffy

Senator Tkachuk just called. He received an email from the Clerk, Gary O'Brien, apologizing and stating that Senator Duffy also charged meals (per diems) and that the actual amount owed will be in the \$80 K range. He apologized for misleading us and has spoken to Chris M as well. Unbelievable.

February 26, 2013 12:52 AM

#253

From: Nigel Wright

To: David van Hemmen; Chris Woodcock; Patrick Rogers

Subject: Re: Duffy

Marjory told me. I am beyond furious. This will all be repaid.

February 26, 2013 7:22 PM

#254

From: Michael Duffy

To: David Tkachuk

Subject: News?

U mentioned I would get an email tonight. Any idea when? Tks. Mike

February 27, 2013 10:57 AM

#255

From: Lucie Lavoie

To: Michael Duffy

Subject: Secondary Housing Allowance - Repayment

Senator,

Please find attached the response letter from Senator David Tkachuk, Chair of the Internal Economy Committee regarding your secondary housing allowance repayment.

The original letter will be sent to you by messenger.

[Letter dated February 27, 2013 attached] [**Appendix A, Tab 22**]

February 27, 2013 11:30 AM

#256

From: Gary Timm [Deloitte]

To: Janice Payne

Subject: Re: Senator Michael Duffy

Good morning Ms. Payne,

I am writing as follow up to our communication to determine whether Senator Duffy will be able to provide the documentation we have requested, and if so, what would be the expected timeframe for the production of the documentation?

February 27, 2013 11:35 AM

#257

From: Janice Payne

To: Benjamin Perrin

Cc: Christine King

Subject: Senator Duffy

Good morning Benjamin,

I am attaching a letter that my client has just received from Senator Tkachuk. Please advise re next steps.

It is our view that Senator Duffy needs confirmation from Senator Tkachuk on behalf of the Internal Economy Committee that payment of this amount will fully resolve any concern about his expenses to date and that he will be withdrawn from the Deloitte audit. He needs this assurance prior to payment.

Coincidentally I have just had an email from Mr. Timm of Deloitte asking when I will be back to him about when Mr. Duffy will be providing a list of material that they have requested.

I am tied up between 12 and 2 but otherwise reachable today.

February 27, 2013 11:35 AM

#258

From: Carolyn Stewart-Olsen

To: Chris Woodcock; Nigel Wright

Subject: Letter to Duffy

Has been prepared and in front of us for review. Simply a total to be replayed. App \$90 thousand.

Also We (steering) are meeting with Marj and Cowan at 12:15today. Re plans for Tkachuk Statement in Senate – in house residency review results on Thursday (if it is ready). Will send a final for your review when we have it. I have asked that all recommendations be reviewed with possible outcomes as the focus – before going public.

February 27, 2013 11:36 AM

#259

From: Nigel Wright
To: Chris Woodcock; Carolyn Stewart-Olsen
Subject: Re: Letter to Duffy

Thank you Senator.

February 27, 2013 11:47 AM

#260

From: Benjamin Perrin
To: Janice Payne
Cc: Christine King
Subject: Re: Senator Duffy

Thanks, Janice. I will review and get back to you.

February 27, 2013 11:47 AM

#261

From: Benjamin Perrin
To: Nigel Wright
Cc: Chris Woodcock; Patrick Rogers
Subject: Fw: Senator Duffy

SOLICITOR-CLIENT PRIVILEGE

How would you like me to respond?

February 27, 2013 2:34 PM

#262

From: Nigel Wright
To: Benjamin Perrin
Cc: Chris Woodcock; Patrick Rogers
Subject: Re: Senator Duffy

Well, there are really two parts to the answer. The first is that your exchange with Janice last week settled the point that his reimbursement of expenses related to claims that Kanata was not his primary residence would settle issues to date relating to his claims that Kanata was not his primary residence. We were unable to offer any assurances about any other past expenses. I think that we should be able to maintain this rather straightforward confirmation. As for it coming from Sen. Tkachuk, or the Committee, which is the second point, I believe that they will be receiving a draft letter from Deloitte very soon regarding Mike. It is my understanding that the letter will take the position that Deloitte's examination of those matters were rendered moot by Sen. Duffy's commitment to repay the related expenses. If the letter comes quite soon, then perhaps Sen. Duffy would wait to see it before submitting his cheque. I think he would be well-advised to make his repayment fairly promptly, but he could seek to ascertain through Chris or Patrick when the Deloitte letter regarding him is expected.

February 27, 2013 5:19 PM

#263

From: Janice Payne
To: Benjamin Perrin
Cc: Christine King
Subject: Re: Senator Duffy

Are you able to update me on my message below?
Senator Duffy has been led to believe that the Committee on Internal Economy is expected to bring down a report on the residency requirements for Senators tomorrow. If so, this strikes us as the ideal time to address bullet #2 re no doubt about the fact that Senator Duffy meets all constitutional requirements to sit as PEI senator.
I look forward to hearing from you shortly.

February 27, 2013 5:22 PM

#264

From: Janice Payne
To: Gary Timm [Deloitte]
Subject: Re: Senator Michael Duffy

I hope to be able to reply by the end of this week.

February 27, 2013 5:42 PM

#265

From: Benjamin Perrin
To: Nigel Wright; Chris Woodcock; Patrick Rogers
Subject: Urgent: Senator Duffy

See below. Patrick can you advise?

February 27, 2013 5:45 PM

#266

From: Nigel Wright
To: Benjamin Perrin; Chris Woodcock; Patrick Rogers
Subject: Re: Urgent: Senator Duffy

The PM was definitive in QP today on qualification.

February 27, 2013 5:49 PM

#267

From: Chris Woodcock
To: Benjamin Perrin; Nigel Wright; Patrick Rogers
Subject: Re: Urgent: Senator Duffy

I've reached out to Tkachuk for an update but haven't heard back yet. Here is the quote:

Rt. Hon. Stephen Harper: Mr. Speaker, all Senators conform to the residency requirement, that's the basis on which they are appointed to the Senate. And those requirements have been clear for 150 years. We recognized, Mr. Speaker, there have to be reforms to the Senate, including limiting Senators' mandates and encouraging an elected Senate. Unfortunately, the NDP consistently oppose reforming the Senate and oppose an elected Senate so that it hopes in the future to appoint its own Senators. I would encourage the NDP to join with us and allow the bill to pass so we can have an elected Senate. (Applause) (voice of translator)

February 27, 2013 6:33 PM

#268

From: Janice Payne
To: Benjamin Perrin
Cc: Christine King
Subject: Re: QP Closed Captioning Transcript – 2013-02-27

Thank you for this. When can I expect a response on the other outstanding matters noted in my email earlier today?

February 27, 2013 6:39 PM

#269

From: Marjory LeBreton
To: David Tkachuk
Cc: Sandy Melo; Christopher Montgomery
Subject: Senate INTERNAL audit

Hi David. The sooner we report on the Internal Audit the better. The CTV news item (2nd on the lineup) and other fishing expeditions by the media are not going to stop until we put an end to this story. We are feeding the narrative – another Senator runs away from answering questions and they show a breathless Patterson trying to explain that he is providing the required documents etc etc to Internal Economy and then cut back to the night before showing Pamela running away from media questions. Interesting that they know everything about Patterson but nothing about the Liberal, even suggesting by the sketch that it was a woman Senator. When the internal audit is tabled in the Senate, the narrative is going to have to separate it from the external audits be conducted by DT. The media don't seem to be able to separate the two.

On the external audit of MD, just to be clear – there was no suggestion that we wanted the audit of MD continued to its conclusion. Somehow or other, that is what Nigel was told. What is there to audit? The monies they were contracted to look into are being repaid. What is clear however, is that it is DT who will have to advise its client, the Senate, of the process to be followed in view of the repayment by MD.

I know this is a difficult issue because we are dealing with moving targets.

Se you at Caucus. thanks David, Marjory

February 27, 2013 6:47 PM

#270

From: Chris Woodcock
To: Nigel Wright; Patrick Rogers; Ray Novak; Benjamin Perrin
Subject: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

I just received this. The second paragraph is clearly problematic.

The PM mentioned to me that this report should say that all Senators are qualified to sit in the Senate on the basis of owning a residence.

At the very least I think the first paragraph should say “This report deals with residency for the purpose of eligibility to claim certain expenses. This matter in no way impacts senators eligibility to represent the region or province they represent in the Senate.”

I will have more comments, but wanted to share with this group.

CW

February 27, 2013 7:15 PM

#271

From: Benjamin Perrin

To: Janice Payne

Subject: Re: QP Closed Captioning Transcript – 2013-02-27

We are looking into it.

February 27, 2013 7:26 PM

#272

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers; Ray Novak; Benjamin Perrin

Subject: RE: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

I have rewritten the report extensively in the attached version. I did not change the Committee's recommendations. CS-O informs me this not final.

February 27, 2013 7:32 PM

#273

From: Benjamin Perrin

To: Janice Payne

Subject: Re: QP Closed Captioning Transcript – 2013-02-27

Privileged

Can you clarify what you are precisely looking for from us at this time? I understand that the process is underway.

February 27, 2013 7:53 PM

#274

From: Janice Payne

To: Benjamin Perrin

Subject: Re: QP Closed Captioning Transcript – 2013-02-27

Essentially we need confirmation expenses are in order, withdrawal from Deloitte and the \$ arrangements.

February 27, 2013 7:53 PM

#275

From: Janice Payne

To: Benjamin Perrin

Subject: Re: QP Closed Captioning Transcript – 2013-02-27

Can we talk in the morning?

February 27, 2013 7:58 PM

#276

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers; Ray Novak; Benjamin Perrin

Subject: RE: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

I have added a number of changes, including a sentence that they might gag on, but which satisfies what the PM has asked for. Am I to understand that Sen. Wallin is the one referred to a Deloitte audit and that Sens. Harb and Duffy are the ones referred to a special subcommittee? If so, what the heck? I thought that there would be a report that Duffy has closed the question with respect to his primary residence by committing to reimburse the expenses that brought him within Internal Economy's jurisdiction?

February 27, 2013 8:07 PM

#277

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers; Ray Novak; Benjamin Perrin

Subject: RE: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

Sure, but does Mike now go to some new special subcommittee? Why doesn't this one just settle him? Also, I didn't try to fix the references to different subcommittees in this report – but a total of three SUBcommittees are mentioned.

February 27, 2013 8:09 PM

#278

From: Benjamin Perrin

To: Nigel Wright; Chris Woodcock; Patrick Rogers

Subject: Fw: QP Closed Captioning Transcript – 2013-02-27

Privileged.
See below.

February 27, 2013 8:10 PM

#279

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers; Ray Novak; Benjamin Perrin

Subject: RE: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

I believe Mike stays with Deloitte until Deloitte determines that this issue was rendered moot by his decision to repay. I am still trying to reach Tkachuk on this question.
I noted the various subcommittees. I don't know which committee is which and intended to ask CS-O to sort that out. The "audit subcommittee" appears midway through the original draft with no introduction.

February 27, 2013 8:14 PM

#280

From: Nigel Wright

To: Benjamin Perrin; Chris Woodcock; Patrick Rogers

Subject: Re: QP Closed Captioning Transcript – 2013-02-27

Ben, I do find this frustrating. There is a letter from the Subcommittee stating precisely what expenses are owed relating to the primary residence claim. Once those are paid, the Subcommittees can scarcely say that it got its amount wrong and needs more. Does Janice truly understand that if Mike has improperly charged for travel on Senate business when no Senate business actually took place that we cannot now say to him that those expenses are in order?

Withdrawal of Deloitte is as we noted earlier – I agree that the Subcommittee has to do its work on that. Chris and Patrick are following the status of that. By "the \$ arrangements", I will arrange for the amount to be wired to Janice Payne in trust. Presumably Mike knows or can find out how to remit the proper amount to the Senate?

February 27, 2013 8:15 PM

#281

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers; Ray Novak; Benjamin Perrin

Subject: RE: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

OK, well we cannot have Duffy referred to a brand new subcommittee.

February 27, 2013 9:17 PM

#282

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers

Subject: RE: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

The subcommittee met tonight. Apparently the Clerk and a staffer who wrote the initial audit succeeded in forcing the committee (on which we have a majority) to decide that the report to be issued tomorrow is just a draft but that the audit will continue. I told CS-O this is out of the question.

Apparently the clerk and staffer threatened legal action if the full original audit/report was not released. Our members felt the staffer would leak the report.

They are meeting again at 8am. Calling Tkachuk now.

February 27, 2013 9:19 PM

#282b

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers;

Subject: RE: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

FHS

February 27, 2013 9:55 PM

#283

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers

Subject: RE: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

Talked to Tkachuk. He is meeting Deloitte tomorrow.

This was indeed a raucous meeting.

He initially described the report we saw as an “interim report.” He didn’t object to any of our changes. He says the ongoing audit would be followup to the recommendations in the report he wants to table tomorrow. This work would include rule changes and procedures, but would not include additional digging into senators.

I objected to the word “interim” and said they need to position this as the Committee’s (only) report on senators’ residency for expense purposes. They need to close the book on individual senators (with the exception of the external audits as already understood). The committee will followup on the recommendations, but this report can’t be step one of many. He has committed to this and to showing me any changes they want to make to the report before it is adopted.

I believe the dispute tonight involved the Senate Administration arguing that LeBreton and Cowan asked for an “audit” and that the report can’t be called a full audit. I think we need more detail on exactly what kind of additional work they are planning.

I am at wits end with the drama and agendas at play in the chamber of sober second thought.

February 27, 2013 9:56 PM

#284

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers;

Subject: RE: Revised Audit Subcommittee report – Primary and Secondary Recommendations3.docx

Thank you Chris.

February 28, 2013 9:22 AM

#285

From: Benjamin Perrin

To: Nigel Wright; Chris Woodcock; Patrick Rogers

Subject: Re: QP Closed Captioning Transcript – 2013-02-27

SOLICITOR-CLIENT PRIVILEGE

Janice and I spoke. She seemed satisfied and will send information for wiring the funds. Patrick/Rogers: she will follow-up with me later today on status re: the Deloitte audit being moot. Would that letter come from Deloitte or Sen. T? Obviously, the preference would be for such a letter to be obtained prior to payment, but if that will happen only after payment, we need to know. At any rate, that was a key point in the understanding we have with Senator Duffy.

February 28, 2013 9:55 AM

#286

From: Nigel Wright

To: Benjamin Perrin; Chris Woodcock; Patrick Rogers

Subject: Re: QP Closed Captioning Transcript – 2013-02-27

I foresee the Deloitte statement being made in the report it provides to the Senate subcommittee and then, on that basis, Sen. Tkachuk on behalf of the Subcommittee would inform Sen. Duffy. That said, we are not in total control of how that Subcommittee does its work, so we should not over-commit on modalities at this stage. As I said before in these email exchanges, if I were Sen. Duffy I would not release my cheque until I had seen something from the Subcommittee on that.

MARCH 2013

March 1, 2013 6:34 AM

#287

From: Carolyn Stewart-Olsen

To: Nigel Wright

Subject: Re Senate Report

Hi Nigel, just a quick note to say that I am always ready to do exactly what is asked but it would have been a great help to know in advance what the strategy was. I can only do so much without background. I think I could have stick handled it better with that knowledge. Prob could have avoided yesterday's fervor. Some personalities take a bit of management. Carolyn

March 1, 2013 6:42 AM

#288

From: Nigel Wright

To: Carolyn Stewart-Olsen

Subject: Re: Re Senate Report

Please stay close to Chris and Patrick, Carolyn.

As for Wednesday night and Thursday, we got a draft report, we asked for necessary changes. You should have been part of those conversations.

As for strategy, I am extremely frustrated that we seem to be unable to get either the subcommittee or Deloitte to the point where it is agreed that the Deloitte examination of Duffy's secondary residence claim is completed by the combination of (i) Deloitte determining the amount of expenses incurred by reason of the claim of secondary residence, and (ii) Mike agreeing to repay that amount. Once we know that repayment will permit the subcommittee and Deloitte to state that that matter is resolved, then the repayment will follow forthwith. Somehow, despite agreement to this in advance from you, Marjory, and David, no one on the Senate side is delivering. Chris and Patrick are our point people on this, please stay close to them and help make this happen. Nigel

March 1, 2013 6:43 AM

#289

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers

Subject: Fw: Re Senate Report

FYI

March 1, 2013 7:17 AM

#290

From: Carolyn Stewart-Olsen
To: Nigel Wright
Subject: Re: Re Senate Report

Confidentially both Marj and David are telling each other the audit will not be pulled. I believe I can work with Dave but he does work Marj up. I am not certain if it is a feeling that they are independent or just not used to working together. I think the only way to do this is to tell Deloitte that we are satisfied with the repayment and end the audit. The now partisan nature of the committee is a problem as is the Clerk who seems to have his own agenda. Mind you it is a good agenda. He wants to clean up the place. In fairness Chris did talk to me about revisions but said he was talking to Dave so I left it. Checked with Dave later to see if they had spoken and was he ok with revisions and he said yes. I don't envy you your job. As I said though, if I had know from the start where we needed to finish it prob could have been managed.

March 1, 2013 7:21 AM

#291

From: Nigel Wright
To: Carolyn Stewart-Olsen
Subject: Re: Re Senate Report

Thanks Carolyn. I agree that the auditor (it's not really an audit) should report. But the report can be – if Kanata were a primary residence, here is how much would be owed. It shouldn't conclude that "Kanata is the primary residence", and it doesn't need to conclude that because Mike has committed to repay the money as if that were the case. I could use your help getting them to understand that and making it happen. N

March 1, 2013 7:21 AM

#292

From: Nigel Wright
To: Chris Woodcock; Patrick Rogers
Subject: Fw: Re Senate Report

FYI. BTW, I will also be asking Irving Gerstein to help get this done.

March 1, 2013 7:25 AM

#293

From: Chris Woodcock
To: Nigel Wright; Patrick Rogers
Subject: Fw: Re Senate Report

Understood thank you.

March 1, 2013 12:40 PM

#294

From: Janice Payne
To: Benjamin Perrin
Cc: Christine King
Subject: Senator Duffy

Please find attached the wire instructions you need.

Ben, I really must have an update today as to how our client will be provided with the confirmation required by the first sentence in bullet #1 in the settlement we reached last week which was, to remind you:

1. Senate representatives M. Lebreton, David Tkachuk and Stewart Olsen will confirm that Senator Duffy has been withdrawn from the Deloitte review and will assure him that his expenses are fully in order to date and will not be the subject of any further activity or review, at their initiative or at the initiative of the Internal Economy Committee, by any other party. If any member of the Committee makes any statement, it will ensure that such statement is consistent with the agreed media lines.

I would also draw your attention to the last item in the attached agreed to media lines (your email at 3:07 Friday last) that speaks to this issue and which has not yet been addressed.

As you know Deloitte is pressing and needs to be told that Senator Duffy is no longer part of their review.

Thank You.

March 1, 2013 12:46 PM

#295

From: Benjamin Perrin
To: Nigel Wright; Ray Novak; Patrick Rogers; Chris Woodcock
Subject: Urgent: Senator Duffy

Privileged

See below. Do we have an update for her on the Deloitte audit?

March 1, 2013 1:10 PM

#296

From: Nigel Wright
To: Benjamin Perrin; Ray Novak; Patrick Rogers; Chris Woodcock
Subject: Urgent: Senator Duffy

It's not your fault Ben, but I am getting frustrated by this, particularly because it is not my role in this office to be micromanaging files.

1. No we do not have an update for her on the Deloitte audit. I am presuming that you verbally led her to understand that this is being worked on. Chris and Patrick and I are trying to make this happen, but it is not easy. Today I asked Sen. Gerstein to actually work through senior contacts at Deloitte and with Sen. LeBreton. I want her to understand, through verbal conversation (because I am frustrated that she continues to quote a paragraph that you will have told her at the time is not the deal – we are not making any representation that expenses writ large are fully in order) that the outcome we are pushing for is for Deloitte to report publicly that IF Kanata were the primary residence then the amount owing would be the \$90 thousand figure and that since Sen. Duffy has committed to repay this amount then Deloitte's work in determining primary residence is no longer needed.

[Continued below]

March 1, 2013 1:10 PM

#297

From: Nigel Wright

To: Benjamin Perrin; Ray Novak; Patrick Rogers; Chris Woodcock

Subject: Urgent: Senator Duffy

[Continued from above]

1. This approach has not changed, but I do not know whether you passed it along to her. If they have an expectation in excess of this, then they should set it aside. The nub of what I said to Mike is that his expenses would have to be repaid, so his choice was between having that plus a finding that they were inappropriate or that without such a finding. This is what we are working towards. Despite pre-clearing that with the relevant Senators, I am no longer 100% sure we can deliver, but if we can't then we and Mike have a bigger problem.
2. The use of the media line about issues having been address depends on the resolution to #1.
3. As to her timing, she can set whatever deadlines she wants, but none has been agreed to by us. Sen. Duffy would make this easier if he did not have outburst in Senate caucus that make Senators oppose anything that helps him save face for expense claims that they see as inappropriate and as putting their own reputations in harm's way. We are working on this matter. We are doing so with more dispatch then Sen. Duffy showed in bringing this to a resolution. I do not gather from the tone of her email that she understands any of this, and it might help if she did.

March 1, 2013 1:36 PM

#298

From: Benjamin Perrin

To: Nigel Wright; Ray Novak; Patrick Rogers; Chris Woodcock

Subject: Re: Urgent: Senator Duffy

Privileged

I share your frustrations here, Nigel. Happy to discuss if you like.

My only communication with her on this specific issue this week has been that I have nothing to report.

This is the first that I have heard on this level of specificity on this point, however: "the outcome we are pushing for is for Deloitte to report publicly that IF Kanata were the primary residence then the amount owing would be the \$90 thousand figure and that since Sen. Duffy has committed to repay this amount then Deloitte's work in determining primary residence is no longer needed." It will come as news to her and I will try to share it as the implementation of our understanding.

She is seeking outcomes that she wants. I have repeatedly and clearly made the point about scope being limited to this specific residency issue only.

I will speak with her per the points below. I assume you would also like me, as you previously indicated, to suggest they not remit payment until the they get an assurance that it would render the audit moot?

However, I think it is fair between us to say that we had expected this aspect to have been resolved already. I understand significant effort has already been expended in that regard. Tuesday was the initial target as I recall. I get why that hasn't occurred so will have to manage expectations with her also.

March 1, 2013 1:39 PM

#299

From: Nigel Wright

To: Benjamin Perrin; Ray Novak; Patrick Rogers; Chris Woodcock

Subject: Re: Urgent: Senator Duffy

I don't care about her expectations. From what I hear her client is making this more difficult.

March 1, 2013 2:12 PM

#300

From: Benjamin Perrin

To: Nigel Wright; Ray Novak; Patrick Rogers; Chris Woodcock

Subject: Re: Urgent: Senator Duffy

SOLICITOR-CLIENT PRIVILEGE

Done.

I have spoken with Janice and conveyed the information below to her (i.e. those aspects that you wanted conveyed, not the insider information).

I reiterated it is not acceptable for her to keep making statements that are broader than what we have as our understanding. She relented on that point.

For now, she has been placated, but I suspect will want more later. I told her we have no timeline for a reply. I told her once we have anything further we see fit to report back to her, we would do it.

If she calls again I will say "no update", until I hear otherwise.

March 1, 2013 2:18 PM

#301

From: Nigel Wright

To: Benjamin Perrin; Ray Novak; Patrick Rogers; Chris Woodcock

Subject: Re: Urgent: Senator Duffy

Thank you very much Ben.

March 3, 2013 9:13 AM

#302

From: Arthur Hamilton [Cassels Brock]

To: Janice Payne

Subject: Senator Duffy [IWOV-Legal.FID1685658]

Good morning Ms. Payne:

I am legal counsel for the Conservative Party. I've been asked to contact you regarding Senator Duffy's current dispute re expenses in the Senate.

I am in Ottawa on Monday for a series of meetings. Would there be a convenient time when we could meet?

Best regards,

March 5, 2013 8:43 AM

#303

From: Gary Timm
To: Janice Payne
Cc: Christine King
Subject: FW: Senator Michael Duffy

Good morning Ms. Payne,
I am following up on the communication below, to determine whether the information requested will be provided and if so, the timeline for the production of the information.

March 5, 2013 8:45 AM

#304

From: Janice Payne
To: Benjamin Perrin; Arthur Hamilton
Cc: Christine King
Subject: Fw: Senator Michael Duffy

I need to reply.....any suggestions?

March 5, 2013 2:34 PM

#305

From: Janice Payne
To: Benjamin Perrin; Arthur Hamilton
Cc: Christine King
Subject: Senator Duffy – request for input please

Senator Tkachuk took the initiative to speak with Senator Duffy today and suggested to him that I write to Deloitte (G Timm) and state the following

As you are no doubt aware, Senator Duffy has decided to resolve this matter by repaying the housing allowance paid to him since his appointment. He does so not because he believes he improperly claimed the allowance but because the rules are not clear and he prefers to make the repayment rather than continue to suffer the considerable distraction that this matter has caused him and his family.

We are making arrangements to provide that payment shortly.

Please confirm that he will be withdrawn from the review you have been asked to undertake as soon as the repayment has been made.

Please also advise whether it is appropriate to send the amount to be repaid to your attention for delivery to the Senate or whether your clients prefer some other arrangement for payment.

Ben and Arthur: Please confirm today that you have no difficulty with this approach. If some other approach or course of action is under consideration, please update me.

March 5, 2013 2:42 PM

#306

From: Benjamin Perrin
To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers
Subject: Fw: Senator Duffy – request for input please

SOLICITOR-CLIENT PRIVILEGE

FYI – see below. I did not reply to her earlier email.

March 5, 2013 2:51 PM

#307

From: Nigel Wright

To: Benjamin Perrin; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: RE: Senator Duffy – request for input please

Patrick,

I would like this checked with Irving. I am happy to do so unless you have an outstanding need to have a further conversation with him. I would support taking the approach below IF I can be satisfied that Deloitte will accept the proposal. I do not trust that Sen. Tkachuk has ascertained that with Deloitte before making the suggestion to Sen. Duffy (although that might be the case, I just don't know).

If we take this route, I would phrase the latter part somewhat differently, to the effect that since the scope of Deloitte's review in respect of Sen. Duffy was limited to his claim of expenses relating to the characterisation of his Kanata address as a secondary residence, and since Sen. Duffy has decided to repay any expenses related to such characterisation for the reasons noted in the earlier part of the letter, then purpose of Deloitte's review has been satisfied. Accordingly, Ms Payne would be seeking confirmation that Deloitte will so report to the subcommittee. I am reluctant to have her ask Deloitte to specify the amount of expenses owing because that would give Deloitte an excuse to ask for documents from Sen. Duffy again. He has a letter from the subcommittee, and if he wants another one, it should come from the subcommittee.

Nigel

March 5, 2013 3:23 PM

#308

From: Patrick Rogers

To: Benjamin Perrin; Ray Novak; Chris Woodcock; Nigel Wright

Subject: RE: Senator Duffy – request for input please

Senator Gerstein is meeting with Deloitte at 4. He now has our questions for Deloitte and will be back to me after the meeting.

March 6, 2013 7:00 AM

#309

From: Google Alerts

To: Michael Duffy

Subject: Google Alert – mike duffy

Petition asks for review of Mike Duffy's residency

The Guardian Charlottetown

A Prince Edward Island man has started a petition asking for a public review of Conservative Senator Mike Duffy's eligibility to present P.E.I. and asking the Ghiz government to publicly declare him a non-resident.

March 6, 2013 10:13 AM

#310

From: Janice Payne

To: Arthur Hamilton

Subject: Fw: Senator Duffy – request for input please

Arthur I heard from no one in reply to this yesterday. I would like to write to Deloitte today and move this forward. Have you been able to speak to Nigel?

March 6, 2013 10:19 AM

#311

From: Patrick Rogers

To: Benjamin Perrin; Ray Novak; Chris Woodcock; Nigel Wright

Subject: RE: Senator Duffy – request for input please

I have now spoken to Senator Gerstein.

Deloitte has reported to him that their mandate on Duffy comes from a sub-committee chaired by Senator Marshall and that the mandate limits Deloitte's ability to pull off what we want.

I do not believe that this office has seen this mandate.

It seems that our goal to have Deloitte write to the committee stating that their work is done with Senator Duffy's repayment may be impossible due to the wording of this mandate.

I will contact Senator Marshall's office to get the mandate if this chain believes it would be useful.

Senator Gerstein confirmed that his channel into Deloitte is open and is happy to continue assisting us.

Patrick

March 6, 2013 10:38 AM

#312

From: Arthur Hamilton

To: Janice Payne

Subject: Re: Senator Duffy – request for input please

Yes – I understood Ben would contact you directly. I'll reach out to him now.

March 6, 2013 11:31 AM

#313

From: Nigel Wright

To: Benjamin Perrin; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: RE: Senator Duffy – request for input please

We might need a meeting between you guys, Beth Marshall and Irving. Also, David Tkachuk says he would be OK with all this, just needs to be kept in the loop. He will back off suggesting to Duffy that he meet with Deloitte right now.

March 6, 2013 1:07 PM

#314

From: Janice Payne

To: Arthur Hamilton

Cc: Christine King

Subject: RE: Senator Duffy – request for input please

Please update me. Surely I should send the note I suggested to Senator Tkachuk.

March 6, 2013 2:42 PM

#315

From: Benjamin Perrin

To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: RE: Senator Duffy – request for input please

SOLICITOR-CLIENT PRIVILEGE

Janice has called me and left a voicemail following-up on her email below, asking if we are okay with the proposed letter below being sent. Please let me know if, and how, you'd like me to respond.

March 6, 2013 2:46 PM

#316

From: Patrick Rogers

To: Nigel Wright; Benjamin Perrin

Cc: Ray Novak; Chris Woodcock

Subject: RE: Senator Duffy – request for input please

I don't believe she should reply until we know that Deloitte will do what we want them to after they receive it. At this time we do not know for sure.

March 6, 2013 2:58 PM

#317

From: Nigel Wright

To: Patrick Rogers; Benjamin Perrin

Cc: Ray Novak; Chris Woodcock

Subject: RE: Senator Duffy – request for input please

I agree. I spoke with Sen. Tkachuk during Caucus. I told him that it is not wise to advise Sen. Duffy to ask Deloitte to withdraw from their review and risk committing them to an answer without all the work having first being done to receive a helpful answer. Sen. Tkachuk said he agreed with this and then asked to be kept in the loop on strategic things like that. Of course, it had all been shared with him, but perhaps had not made an impression. And there are our internal exchanges on having Irving speak with Sen. Marshall, who, we now believe, chairs the subcommittee that gave the mandate to Deloitte regarding Sen. Duffy and would presumably be the source of any authority if felt it needed to interpret whether that mandate can be discharged in the way that we have discussed. I think that Gerstein – Marshall conversation is scheduled for 4 pm today.

Ben, are you not on any of those emails or PINs? I think it would be helpful for Ms Payne to understand why we see danger in the letter below and some assurance that we continue to try to get this resolved. I do not think you need to take the aggressive tone with her that I asked you to use before, but it is worth noting that Sen. Duffy enraged many Senators yesterday with remarks about his own situation and about PMO's role. Several of those same Senators sit on the subcommittees and committee that will eventually come to a conclusion and make a report on Sen. Duffy. It is not just me who is hearing this; Ray has also got several earfuls on it. Sen. Duffy is making it harder for the subcommittee to accept his change of practice and offer to repay as a full discharge of the matter. That is just friendly advice to his lawyer.

March 6, 2013 3:02 PM

#318

From: Ray Novak
To: Patrick Rogers; Benjamin Perrin; Nigel Wright
Cc: Chris Woodcock
Subject: RE: Senator Duffy – request for input please

Agree. I was pretty frank with Mike this morning about attacking the very people who are trying to help him. Unfortunately he and Vern traded expletives shortly thereafter. (Mike was in a state of over waking up to a lawn-sign in Kanata calling on him to resign, and a likely resolution in the PEI leg asking that he be fired)

March 6, 2013 3:20 PM

#319

From: Benjamin Perrin
To: Patrick Rogers; Nigel Wright; Ray Novak
Cc: Chris Woodcock
Subject: RE: Senator Duffy – request for input please

SOLICITOR-CLIENT PRIVILEGED

Nigel: I have been on some, but not all of the exchanges on this, and have not be part of any of the meetings or consultations with members of the Senate so am very much a messenger here. That is fine, of course, but that is why I am looking for direction on how to reply clearly to her given the sensitivities here.

Based on the below, I will tell Janice:

- 1) It would not be prudent to send the draft letter below at this time.
- 2) Senator Duffy is creating serious difficulties in his dealings with his colleagues and his remarks about our office's role.

I can leave it at that if you like. She will likely ask what they should do about Deloitte's request for documentation. I can refuse to answer if that is what you prefer. Please advise.

March 6, 2013 3:35 PM

#320

From: Nigel Wright
To: Patrick Rogers; Ray Novak; Benjamin Perrin
Cc: Chris Woodcock
Subject: RE: Senator Duffy – request for input please

Please include Ben on internal exchanges on this matter so that I do not have to write multiple emails every time Duffy's lawyer makes contact.

Ben, as noted below, on item #1, please explain why we see danger in the approach she asked about. On item #2, please take the tone I indicated. Regarding what they should do in response to Deloitte's request, you could repeat what you would have told her earlier, which is that the Senators responsible are attempting to engage with Deloitte. I wish we could say more, but it takes an interminable amount of time to make anything happen on the Senate side. You will get a report after the 4 pm meeting, so perhaps you will be able to tell her more then about whether Duffy should respond directly to Deloitte or wait for Deloitte to change its request.

[Continued below]

March 6, 2013 3:35 PM

#321

From: Nigel Wright

To: Patrick Rogers; Ray Novak; Benjamin Perrin

Cc: Chris Woodcock

Subject: RE: Senator Duffy – request for input please

[Continued from above]

A much lower risk approach, if we do not have very good comfort after 4 pm that Deloitte will withdraw its request for data will be for Duffy to write them stating that he believes the requested information to be redundant given that he understands their mandate as regards him to be limited to his claim of primary residence in PEI and the payments that flows directly and specifically from that claim, and given that he has agreed to repay all such amounts and to not make the same claim going forward, and Duffy's view that this comprehensively addresses the scope of Deloitte's enquiry. I don't love that relative to having Deloitte arrive at that conclusion first, but I like it better than Duffy explicitly asking Deloitte to opine on this. I would do it if Ms Payne and Duffy perceive that their refusal to provide the requested data is giving rise to the risk that Deloitte will simply deem them to be non-responsive.

March 6, 2013 4:02 PM

#322

From: Patrick Rogers

To: Nigel Wright; Ray Novak; Benjamin Perrin

Cc: Chris Woodcock

Subject: RE: Senator Duffy – request for input please

I may have been the source of some confusion here.

There is no meeting today between Senators Marshall and Gerstein at 4pm.

Yesterday, Senator Gerstein had a meeting with Deloitte at 4pm.

This morning you asked that Senators Gerstein and Marshall meet but I have been unable to line them up as of yet. I will continue to do so.

I am sorry about the confusion.

Patrick

March 6, 2013 6:03 PM

#323

From: Patrick Rogers

To: Nigel Wright; Ray Novak; Benjamin Perrin

Cc: Chris Woodcock

Subject: RE: Senator Duffy – request for input please

I have now spoken to Senator Marshall.

She and her committee are NOT responsible for the Duffy order to Deloitte.

She claims that Tkacuk's steering committee is.

This obviously calls into question Senator Gerstein's contact but I think Chris and I should work with Tkachuk to get the mandate and share it with Senator Gerstein.

Patrick

March 6, 2013 6:05 PM

#324

From: Nigel Wright
To: Patrick Rogers; Ray Novak; Benjamin Perrin
Cc: Chris Woodcock
Subject: RE: Senator Duffy – request for input please

Thank you.

March 6, 2013 8:42 PM

#325

From: Chris Woodcock
To: Nigel Wright; Patrick Rogers; Ray Novak; Benjamin Perrin
Subject: RE: Senator Duffy – request for input please

Tkachuk has promised to deliver the mandate tomorrow. I will follow up to ensure it is delivered.

March 6, 2013 9:44 PM

#326

From: Nigel Wright
To: Patrick Rogers; Ray Novak; Benjamin Perrin; Chris Woodcock
Subject: RE: Senator Duffy – request for input please

Thx.

March 7, 2013 12:35 PM

#327

From: Janice Payne
To: Benjamin Perrin
Subject: Senator Duffy

I can speak between 3 and 4 today if you have an update for me. If that time is not suitable, please suggest a different time this afternoon. Thank you.

March 7, 2013 12:51 PM

#328

From: Katrina Shave
To: Chris Woodcock
Subject: FW: Statement of work – Sen. Duffy

Hi Chris,
As per request from Sen. Tkachuk.
Best,
[Attached is the mandate provided to Deloitte] [**Appendix A, Tab 23**]

March 7, 2013 12:55 PM

#329

From: Janice Payne
To: Arthur Hamilton
Subject: May we have a short chat today?

March 7, 2013 1:02 PM

#330

From: Benjamin Perrin
To: Janice Payne
Subject: Re: Senator Duffy

Nothing new

March 7, 2013 1:03 PM

#331

From: Janice Payne
To: Benjamin Perrin
Subject: Re: Senator Duffy

Any better idea re timetable? Is the matter being delayed for reasons of strategy? Happy to talk.

March 7, 2013 1:04 PM

#332

From: Chris Woodcock
To: Patrick Rogers; Benjamin Perrin; Nigel Wright
Subject: Fw: Statement of Work – Sen. Duffy

Deloitte mandate is attached.

March 7, 2013 1:07 PM

#333

From: Nigel Wright
To: Patrick Rogers; Benjamin Perrin; Chris Woodcock
Subject: RE: Statement of Work – Sen. Duffy

This is perfect. It completely permits Deloitte and the Subcommittee to say that the task as related to Sen. Duffy is rendered moot by his decision to withdraw his claim of Cavendish as his primary residency and to repay the expenses that had been associated with making that claim.

March 7, 2013 1:07 PM

#334

From: Patrick Rogers
To: Nigel Wright; Benjamin Perrin; Chris Woodcock
Subject: RE: Statement of Work – Sen. Duffy

I will get this to Senator Gerstein.

March 7, 2013 2:21 PM

#335

From: Janice Payne
To: Gary Timm
Subject: Re: Senator Duffy

We are working on this and related matters. I will be back to you as soon as I am able.

March 7, 2013 2:31 PM

#336

From: Patrick Rogers
To: Nigel Wright; Benjamin Perrin; Chris Woodcock
Subject: RE: Statement of Work – Sen. Duffy

Senator Gerstein has this and has committed to getting our views to Deloitte today.

March 7, 2013 3:00 PM

#337

From: Patrick Rogers
To: Nigel Wright; Benjamin Perrin; Chris Woodcock
Subject: RE: Statement of Work – Sen. Duffy

Thank you.

March 8, 2013 10:24 AM

#338

From: Jordan Press [Parliamentary Reporter for Postmedia News]
To: Fred Delorey
Subject: Sen Wallin

Mr. Delorey,
Just writing because wanted to ask the party if there had been any discussions about helping Sen. Wallin repay some of her senate travel claims that involved partisan work. For context, I also wanted to know under what circumstances the party would provide funding to a senator, and how that decision is made. I'd also like to know if similar talks have been held in regard to Sen. Duffy and his pledge to repay about \$90,000 in housing claims.
Deadlines for me is 3:30 p.m.
Cheers.

March 8, 2013 11:09 AM

#339

From: Fred Delorey
To: Chris Woodcock
Subject: Fw: Sen Wallin

Questions from Postmedia below about Sen. Wallin's travel.
I don't have any background on this, do you?

March 8, 2013 12:36 PM

#340

From: Janice Payne
To: Arthur Hamilton
Cc: Christine King; Michael Duffy
Subject: Senator Duffy

I have been trying to reach you without success. It is important that we speak today. Please give me a call at 613-██████ or my cell at 613-██████ Thank you.

March 8, 2013 1:15 PM

#341

From: Benjamin Perrin

To: Nigel Wright; Patrick Rogers; Chris Woodcock

Subject: RE: Statement of Work – Sen. Duffy

Privileged.

Patrick: do we know how Deloitte responded?

March 8, 2013 1:27 PM

#342

From: Patrick Rogers

To: Nigel Wright; Benjamin Perrin; Chris Woodcock

Subject: RE: Statement of Work – Sen. Duffy

No. I will call Senator Gerstein.

March 8, 2013 3:12 PM

#343

From: Patrick Rogers

To: Nigel Wright; Benjamin Perrin; Chris Woodcock

Subject: RE: Statement of Work – Sen. Duffy

Senator Gerstein has just called.

He agrees with our understanding of the situation and his Deloitte contact agrees.

The stage we're at now is waiting for the Senator's contact to get the actual Deloitte auditor on the file to agree.

The Senator will call back once we have Deloitte locked in.

March 8, 2013 3:26 PM

#344

From: Nigel Wright

To: Patrick Rogers; Benjamin Perrin; Chris Woodcock

Subject: RE: Statement of Work – Sen. Duffy

Thank you.

March 8, 2013 4:11 PM

#345

From: Chris Woodcock

To: Nigel Wright

Subject: Fw: Sen Wallin

I assume we would not comment on all of the below?

March 8, 2013 4:21 PM

#346

From: Nigel Wright
To: Chris Woodcock
Subject: Re: Sen Wallin

I don't know whether we should just kill it. The Party will not be paying for any of Sen. Duffy's expense claims re his secondary residence claim. The Party would only cover expenses incurred by Senators for doing Party business. Check that with Dan, of course. I sort of feel we should comment.
FYI only. No such discussions with Wallin. There was discussion re Duffy, but decided no CPC funds to be used.
For you only: I am personally covering Duffy's \$90K.

March 8, 2013 4:27 PM

#347

From: Chris Woodcock
To: Nigel Wright
Subject: Re: Sen Wallin

We could say:
"No. In general, the Party would only cover expenses incurred for party business."

March 8, 2013 5:27 PM

#348

From: Janice Payne
To: Arthur Hamilton
Cc: Christine King
Subject: Thank You

Nigel spoke to MD and was reassuring.
Please give me what update you can on when we can expect to be in funds.
Thank you.
Have a good w/e.

March 8, 2013 11:29 PM

#349

From: Nigel Wright
To: Chris Woodcock
Subject: Re: Sen Wallin

Ok. Just check with Dan Hilton.

March 14, 2013 7:35 AM

#350

From: Janice Payne
To: Benjamin Perrin
Subject: Senator Duffy

Are you able to give me an update?

March 14, 2013 8:04 AM

#351

From: Benjamin Perrin
To: Janice Payne
Subject: Re: Senator Duffy

Privileged
We are making some progress. Please continue to hold tight.

March 19, 2013 10:00 AM

#352

From: Janice Payne
To: Michael Duffy
Cc: Arthur Hamilton
Subject: Re: FYI – The media is asking... I am ignoring

Yes. Stay quiet pls.
Arthur as discussed yesterday please try and update us both on all matters.
With March break over, this is heating up again.

March 20, 2013 12:54 PM

#353

From: Janice Payne
To: Benjamin Perrin; Arthur Hamilton
Cc: Christine King
Subject: Senator Duffy

We negotiated an arrangement on Feb 22 that remains in limbo.
Senator LeBreton advised Senators on March 19 that no one should raise questions about or bring any pressure to bear on Deloitte. Our client is not sure how to read this in light of the commitment we had that he would be withdrawn from the process.
How should we read Sen. LeBreton's comments? Will the commitment and the balance of the arrangement we negotiated for Sen. Duffy be honoured?
We have worked hard to avoid the media and be team players. We have been more than patient. We need some clarity on process.
Sen. LeBreton also said big things are coming. We need to know where our client stands asap.

March 20, 2013 1:02 PM

#354

From: Benjamin Perrin

To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: Fw: Senator Duffy

Privileged

See below. I have no heard about the developments below.

March 20, 2013 1:04 PM

#355

From: Nigel Wright

To: Patrick Rogers; Ray Novak; Chris Woodcock; Benjamin Perrin

Subject: Re: Senator Duffy

I don't believe I know anything about the March 19th reference.

I have been on the phone constantly with Gerstein who has been trying to arrange the necessary commitments from Deloitte but to date he hasn't been able to receive those assurances.

March 20, 2013 1:54 PM

#356

From: Nigel Wright

To: Patrick Rogers; Ray Novak; Chris Woodcock; Benjamin Perrin

Subject: Re: Senator Duffy

I also don't know what Sen. LeBreton said to the Senate caucus yesterday. I am concerned, given the email below, whether caucus confidentiality has been violated.

Ben, you are up to speed with advice being provided about what Deloitte could do in this situation. I am sure that Sen. Duffy has been patient. If so, no one has benefit from that more than Sen. Duffy himself as he has not been the subject of the additional negative media and public comment that he would have been had he not avoided the media. We too have been patient. As we explained before, our job was made more difficult by intemperate things that Sen. Duffy has said to his colleagues, but we continue to believe that there is a way forward here within the spirit of our discussions with Sen. Duffy.

March 20, 2013 4:06 PM

#357

From: Marie France Bonnet

To: Janice Payne

Cc: Michel Patrice; David Tkachuk; Gary O'Brien

Subject: File No. 16138-2

Good afternoon Ms. Payne,

Please find attached Mr. Patrice's response following your letter dated February 20, 2013.

[Letter dated March 20, 2013 attached] [**Appendix A, Tab 24**]

March 20, 2013 4:20 PM

#358

From: Janice Payne
To: Marie France Bonnet
Cc: Michel Patrice; David Tkachuk; Gary O'Brien; Christine King
Subject: Re: File No. 16138-2

Thank you. Please advise when these instructions were provided to Deloitte.
Please also, as requested, confirm that upon payment of the housing allowances previously paid, which he has offered to do notwithstanding he believed that the claims were proper, Senator Duffy will be removed from the Deloitte audit.
Thank You.

March 20, 2013 7:24 PM

#359

From: Chris Woodcock
To: Patrick Rogers; Ray Novak; Nigel Wright; Benjamin Perrin
Subject: Re: Senator Duffy

Senator Tkachuk received an email from Ms. Payne today seeking confirmation that the audit would be called ***off*** upon payment. He is awaiting a suggestion from us on a response.

March 20, 2013 7:34 PM

#360

From: Nigel Wright
To: Patrick Rogers; Ray Novak; Chris Woodcock; Benjamin Perrin
Subject: Re: Senator Duffy

Very dangerous tactic by her. Also, I wonder if she is paying attention, because Ben will have explained to her several times that it is not "the audit being called off", but rather Deloitte not having to come to a conclusion on primary vs secondary residence since Sen. Duffy has taken that issue off the table by conceding it, which is the full sum of what I discussed with Sen. Duffy. I fully expect Deloitte to issue a report – my hope is that it is limited to a dollar amount owing based on the assumption that Kanata is the primary residence, an assumption made valid by Sen. Duffy's decision not to contest that point. I will let someone else suggest the response.

March 20, 2013 7:36 PM

#361

From: Chris Woodcock
To: Patrick Rogers; Ray Novak; Nigel Wright; Benjamin Perrin
Subject: Re: Senator Duffy

I think he should just say he will send her an update when there is an update.

March 20, 2013 7:37 PM

#362

From: Benjamin Perrin
To: Patrick Rogers; Ray Novak; Chris Woodcock; Nigel Wright
Subject: Re: Senator Duffy

I agree. She is just not getting it. Nigel: do you want me to give her the same line or have another discussion with her?

March 20, 2013 7:40 PM

#363

From: Nigel Wright

To: Patrick Rogers; Ray Novak; Chris Woodcock; Benjamin Perrin

Subject: Re: Senator Duffy

I'd be very happy for you to have a discussion with her Ben. Also, I am not sure how to do this, but let her know that if she discusses any understanding with anyone outside of PMO, we will not hesitate to correct any statement that is not 100% accurate.

March 21, 2013 1:23 PM

#364

From: Benjamin Perrin

To: Patrick Rogers; Ray Novak; Chris Woodcock; Nigel Wright

Subject: Re: Senator Duffy

PRIVILEGED

I spoke to her and conveyed all points clearly to her.

March 21, 2013 1:31 PM

#365

From: Janice Payne

To: Arhutr Hamilton

Cc: Michael Duffy; Christine King

Subject: Please call me

Arthur – Ben spoke to me today. He really has no update beyond saying that the matter is still be worked on and that the PMO is committed to the same strategy for Senator Duffy. HE could not tell me about funds and agreed I should ask you about the status of funds. Mike, I will update you in a bit more detail when you call me but that is the essence of it. Please talk to me before speaking to anyone else.

March 21, 2013 1:33 PM

#366

From: Patrick Rogers

To: Benjamin Perrin; Ray Novak; Chris Woodcock; Nigel Wright

Subject: Re: Senator Duffy

Just heard from Gerstein. Here's the latest and most useful information yet from Deloitte

- Any repayments will not change Deloitte's conclusions
- Because they were asked to opine on residency
- However, they can't reach a conclusion on residency because Duffy's lawyer has not provided them anything
- This is despite their attempts use "public information" about Duffy's residence
- Their report will state that Duffy's lawyer did not provide information when requested
- They were asked to complete the work by the end of March and plan to.

March 21, 2013 1:41 PM

#367

From: Benjamin Perrin

To: Patrick Rogers; Ray Novak; Chris Woodcock; Nigel Wright

Subject: Re: Senator Duffy

PRIVILEGED

How should we propose that the Senator engage with Deloitte in light of this? They will be very unhappy to state the obvious since this is completely at odds with what they understood would occur, and as we have clarified with respect to what we were working towards per below.

March 21, 2013 1:41 PM

#368

From: Janice Payne

To: Benjamin Perrin

Cc: Christine King

Subject: Re: Senator Duffy – request for input please

Ben, further to our conversation, given the lack of concrete results thus far and the ultimate objective as you described it to me, I see no reason not to send the message I suggested below to Deloitte. If you disagree, please advise today and explain why not. I need to try and advance this matter for my client.

March 21, 2013 1:44 PM

#369

From: Benjamin Perrin

To: Janice Payne

Cc: Christine King

Subject: Re: Senator Duffy – request for input please

Please hold. I literally just received an email on this issue. We will need to assess it and get back to you tomorrow. Everyone is in Budget Lock-up starting now so we will be unavailable for most of the rest of the afternoon.

March 21, 2013 1:45 PM

#370

From: Janice Payne

To: Benjamin Perrin

Cc: Christine King

Subject: Re: Senator Duffy – request for input please

I will expect to hear from you tomorrow. Please suggest a time and I will make myself available if I can.

March 21, 2013 1:45 PM

#371

From: Benjamin Perrin

To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: FW: Senator Duffy – request for input please

PRIVILEGED

FYI – I asked her to hold so we can assess next steps in light of Patrick’s last email.

Her reference to the “ultimate objective” was the one articulated by Nigel in respect of the Deloitte report earlier.

March 21, 2013 1:46 PM

#372

From: Patrick Rogers

To: Benjamin Perrin; Ray Novak; Chris Woodcock; Nigel Wright

Subject: Re: Senator Duffy

I may be wrong but I would propose that the Senator continue to **not** engage with Deloitte. I believe that we should make arrangements for repayment knowing that Deloitte will not say one way or another on his residency.

If asked following the report why he didn’t participate with Deloitte the Senator can say because he had already made the decision to repay the money and as he said at the time, he looked forward to moving on. It is then up to our esteemed Senators on the committee and our Senate leadership to move on.

March 21, 2013 1:52 PM

#373

From: Benjamin Perrin

To: Patrick Rogers; Ray Novak; Chris Woodcock; Nigel Wright

Subject: Re: Senator Duffy

At a minimum, I think in good faith they need to know the info you found out. We would then need to convince them why they should do nothing. The Senator’s instinct may be to go in and fight this out again with Deloitte. The optics look really bad on it. How about the email she proposed? I think we should reply to her suggestion from Sen Tkachuk with a “no concerns” with it:

From Janice:

Senator Tkachuk took the initiative to speak with Senator Duffy today and suggested to him that I write to Deloitte (G Timm) and state the following

As you are no doubt aware, Senator Duffy has decided to resolve this matter by repaying the housing allowance paid to him since his appointment. He does so not because he believes he improperly claimed the allowance but because the rules are not clear and he prefers to make the repayment rather than continue to suffer the considerable distraction that this matter has caused him and his family.

We are making arrangements to provide that payment shortly.

Please confirm that he will be withdrawn from the review you have been asked to undertake as soon as the repayment has been made.

Please also advise whether it is appropriate to send the amount to be repaid to your attention for delivery to the Senate or whether your clients prefer some other arrangement for payment.

March 21, 2013 2:00 PM

#374

From: Nigel Wright

To: Patrick Rogers; Ray Novak; Chris Woodcock; Benjamin Perrin

Subject: Re: Senator Duffy

I do agree with Patrick's suggestion. We have exhausted our avenues, and I think that is the best we can do. Ben, I would be OK participating in a call to Janice to explain. While I would not encourage them to send the response they drafted because I think 'withdrawn from the review' is an odd request, I would suggest that they send a similar response essentially making the point that we have been making – that since Sen. Duffy has taken off the table the one issue DT was asked to review, they do not see a purpose for that review. They will want to add "or any reason to provide the information requested". We can never suggest that they say this latter bit, because we cannot trust them never to say that PMO told them not to respond to DT's requests for information.

As upset as they might be, I suspect that Sen. Duffy will still want some aspects of the arrangement to remain in effect.

March 21, 2013 2:01 PM

#375

From: Benjamin Perrin

To: Patrick Rogers; Ray Novak; Chris Woodcock; Nigel Wright

Subject: Re: Senator Duffy

Thanks, Nigel. I will ask David to help arrange the call.

March 21, 2013 3:16 PM

#376

From: Gary Timm

To: Janice Payne

Cc: Christine King

Subject: Re: Senator Michael Duffy

Good afternoon Ms. Payne,

Further to the correspondence below, I am writing to determine:

1. Whether the information requested will be provided; and
2. If the information will be provided, approximately, when it will be provided.

Regards,

March 21, 2013 3:20 PM

#377

From: Janice Payne

To: Benjamin Perrin

Cc: Christine King

Subject: Fw: Senator Michael Duffy

I am being pressed by Deloitte. I need to send my draft message but will wait til we speak tomorrow.

March 21, 2013 4:00 PM

#378

From: David van Hemmen

To: Christine King

Cc: Rebecca Lee

Subject: Call with Nigel Wright and Ben Perrin

Dear Mrs. King,

I understand that Mrs. Payne and Mr. Perrin have discussed the need for a call tomorrow regarding Senator Duffy. Nigel Wright, the Chief of Staff to the Prime Minister, and a number of individuals from the Prime Minister's Office would also be on the call, including Ben Perrin. As you can imagine, things are very busy here in Ottawa at the moment. I would like to propose a call at 1:30-1:5- pm EST Friday, March 22. Please let me know if this time will work for Mrs. Payne.

If this time is agreeable, please advise me on what number I can call to connect the relevant parties.

March 21, 2013 6:06 PM

#379

From: Marjory LeBreton

To: Nigel Wright

Subject: Duffy

Hi Nigel. Senator Duffy was whining to me this afternoon in the Senate Chamber saying Carolyn Stewart-Olsen and David Tkachuk are not giving him any assurance that the audit would be withdrawn even though he reminded them that he has a commitment from you and PMO. I said "Mike you have just got to trust us on this and please don't crashing around invoking Nigel's name or that of the PMO. Go through your lawyer and pay the money – I'm sure that everything will be fine." He said he heard Carolyn was going to move a motion to force him to sit as an Independent. I asked where on earth he heard such nonsense and wondered if he lies awake at night dreaming up these things! I assured him that this is not going to happen! Just so you know. Marjory

March 21, 2013 8:12 PM

#380

From: Nigel Wright

To: Marjory LeBreton

Subject: Re: Duffy

Thanks Marjory. As long as you and I stay together on this we can minimise the damage already caused. I am scheduled to speak with Mike's lawyer on Friday. I am surprised at his lack of perspective. Nigel

March 22, 2013 8:32 AM

#381

From: Arthur Hamilton

To: Janice Payne

Subject: Re: Please call me [IWOV-Legal.FID1685658]

Thanks for the note Janice.

I'm finishing a hearing today, down in Kitchener. Can we speak at some point over the weekend, or Monday?

March 22, 2013 10:21 AM

#382

From: Janice Payne

To: David van Hemmen; Christine King; Benjamin Perrin

Subject: Re: Call with Nigel Wright and Ben Perrin

Ben, would it be helpful to have Senator Duffy on this call? Please let me know.

March 22, 2013 10:28 AM

#383

From: Benjamin Perrin

To: David van Hemmen; Christine King; Janice Payne

Subject: Re: Call with Nigel Wright and Ben Perrin

We'd prefer the call just be with you if that's okay.

March 22, 2013 11:01 AM

#384

From: Janice Payne

To: David van Hemmen; Christine King; Benjamin Perrin

Subject: Re: Call with Nigel Wright and Ben Perrin

Sure. Please let me know who will be on the call with you. Thanks.

March 22, 2013 11:19 AM

#385

From: David van Hemmen

To: Janice Payne; Christine King; Benjamin Perrin

Subject: Re: Call with Nigel Wright and Ben Perrin

The participants on our end will be Nigel Wright, Ray Novak and Ben Perrin. I will initiate the call and connect everyone.

March 22, 2013 1:57 PM

#386

From: Nigel Wright

To: Benjamin Perrin; Patrick Rogers; Chris Woodcock; Ray Novak

Subject: letter

March 22, 2013 2:00 PM

#387

From: Benjamin Perrin

To: Nigel Wright; Patrick Rogers; Chris Woodcock; Ray Novak

Subject: Re: letter

Privileged

Patrick we need this attached letter to be updated to date please (ie it is calculated to late February). We would like it for Monday.

March 22, 2013 2:02 PM

#388

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers; Benjamin Perrin; Ray Novak

Subject: Re: letter

Patrick I can call Sen Tkachuk

March 22, 2013 2:04 PM From: Patrick Rogers To: Nigel Wright; Chris Woodcock; Benjamin Perrin; Ray Novak Subject: Re: letter	#389
<p>I'm happy to call with you if you're around.</p>	
March 22, 2013 2:21 PM From: Chris Woodcock To: Nigel Wright; Patrick Rogers; Benjamin Perrin; Ray Novak Subject: Re: letter	#390
<p>The letter has been requested. We should have it today.</p>	
March 22, 2013 3:24 PM From: Katrina Shave To: Chris Woodcock Cc: Robin Hay Subject: Draft letter: repayment of housing allowances	#391
<p>Hi Chris, Please see attached a draft letter for Sen. Duffy prepared by Senate Finance. Please note that there is no change in the amount owed because the interest is calculated annually on March 31. So, there would be a change only if the payment is made after March 31.</p>	
March 22, 2013 3:37 PM From: Chris Woodcock To: Nigel Wright; Ray Novak; Benjamin Perrin; Patrick Rogers Subject: Fw: Draft letter: repayment of housing allowances	#392
<p>Attached is a draft of the letter. Note the indication that interest accrues on the 31st.</p>	
March 22, 2013 3:37 PM From: Benjamin Perrin To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers Subject: Re: Draft letter: repayment of housing allowances	#393
<p>I will let Janice know the number.</p>	
March 22, 2013 3:41 PM From: Benjamin Perrin To: Janice Payne Subject: Follow-up	#394
<p>SOLICITOR-CLIENT PRIVILEGE Dear Janice, The Senator should have a letter indicating the amount as \$90,172.24 (total including interest). This is the amount so long as it is paid <u>before</u> March 31, 2013.</p>	

March 22, 2013 3:52 PM

#395

From: Nigel Wright

To: Benjamin Perrin; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: Re: Draft letter: repayment of housing allowances

Thanks Ben. You could share the draft letter itself, since that will give her comfort.

March 22, 2013 3:54 PM

#396

From: Benjamin Perrin

To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: Re: Draft letter: repayment of housing allowances

Will do, thanks.

March 22, 2013 3:55 PM

#397

From: Benjamin Perrin

To: Janice Payne

Subject: Re: Follow-up

See attached documentation.

[Attached are Letter dated February 27, 2013 and Letter dated March 25, 2013] [**Appendix A, Tab 25**]

March 23, 2013 10:38 AM

#398

From: Janice Payne

To: Benjamin Perrin

Subject: Re: Follow-up

Ben, yesterday we discussed the Senator sending a cheque to Deloitte with a letter explaining our position that the ongoing review should now be moot. I am preparing such a letter. Would it be preferable to send the chq and the letter to the Steering Committee as a reply to this correspondence advising him of the amount owing? Perhaps with a copy to Mr. Timm at Deloitte?

I would appreciate your and Nigel's consideration on this and your further comments.

I expect to have my client's instructions by Monday a.m. and if he is in agreement, I would like to proceed promptly on Monday.

Thank you.

March 23, 2013 11:00 AM

#399

From: Benjamin Perrin

To: Nigel Wright

Subject: Fw: Follow-up

Privileged

See below. I think her proposed approach is consistent with what we discussed. I think we should ask to see a draft of the letter. Please advise.

March 23, 2013 11:36 AM

#400

From: Nigel Wright
To: Benjamin Perrin; Ray Novak
Subject: Re: Follow-up

I think her approach works. I will send my cheque on Monday.

March 23, 2013 12:08 PM

#401

From: Janice Payne
To: Benjamin Perrin
Subject: Re: Follow-up

I would also be grateful for any comment from you/Nigel on the draft letter suggested below: I am enclosing Senator Duffy's personal cheque payable to [?] in the amount of \$90,172.23 in repayment of the housing allowance paid to him to date since his appointment including interest calculated by the Steering Committee of the Standing Committee on Internal Economy, Budgets and Administration.

As Senator Duffy has already publicly declared, while he understood at the time he claimed the allowance that he was entitled to it, he no longer intends to contest the matter and prefers instead to repay any amount that could be found to be owing by him.

He has now done so.

In the circumstances, we suggest that the review that Deloitte has been asked to undertake is now moot. The considerable time necessary for Senator Duffy to compile the extensive information and documentation required of him as well as his participation in the review of that material, to say nothing of the public expense involved in same, is no longer necessary. This matter has been an unfortunate and painful distraction for Senator Duffy. We trust that he will now be able to return to devoting his full energies to his work as the Senator from PEI.

March 23, 2013 12:29 PM

#402

From: Benjamin Perrin
To: Nigel Wright; Ray Novak
Subject: Fw: Follow-up

Privileged

She just sent this over. Let me know if you have any comments.

March 23, 2013 12:31 PM

#403

From: Benjamin Perrin
To: Janice Payne
Subject: Re: Follow-up

Privileged

I've spoken with Nigel. Your proposed approach sounds fine (letter to the Steering Committee with cheque as a reply to the correspondence advising him of the amount owing, with a copy to Deloitte). Monday is fine for the cheque timeline also. I will let you know if we have any comments on the draft letter.

March 23, 2013 12:47 PM

#404

From: Nigel Wright
To: Benjamin Perrin; Ray Novak
Subject: Re: Follow-up

I don't know whether either of you has thoughts, but I think that this is perfectly fine (and I resist making minor suggestions since I would prefer to be able to answer, if necessary, that PMO did not write it).
Nigel

March 23, 2013 12:59 PM

#405

From: Benjamin Perrin
To: Nigel Wright; Ray Novak
Subject: Re: Follow-up

I agree.

March 23, 2013 1:20 PM

#406

From: Nigel Wright
To: David van Hemmen
Subject: Fw: Follow-up

My cheque is in the correspondence folder. I don't have enough funds in my chequing account, so I have emailed Murray Culligan to ask him to transfer them in from another account. You might call him on Monday morning to assure that he is doing it, as I date my cheque for Monday and I expect them to negotiate it that day. Thanks.
Nigel

March 24, 2013 6:40 PM

#407

From: Janice Payne
To: Benjamin Perrin
Cc: Christine King
Subject: Senator Duffy

Further to our discussion Friday, I can confirm that my client will follow the approach recommended subject to the following.

1. Set out below is a somewhat revised letter that will accompany payment and which has now been approved by my client.
2. Senator Duffy is understandably concerned that this may not resolve matters. He therefore asks for assurance that should any Senator seek his removal, that Gov't leader in the Senate will urge her caucus to vote against such a motion as well as any motion to refer the matter of his housing and expense claims for further investigation or action by Deloitte or any other party. Please confirm that he can count on that support. This is consistent with our previous understanding.

May we speak at 9 a.m. Monday morning or earlier to discuss and to review next steps?

Thank You

[Continued below]

March 24, 2013 6:40 PM

#408

From: Janice Payne
To: Benjamin Perrin
Cc: Christine King
Subject: Senator Duffy

[Continued from above]

24 March 2013 – Letter to Sen. David Tkachuk, Chair Senate BOIE

I am enclosing Senator's Duffy's personal cheque payable to the Receiver General for Canada in the amount of \$90,172.24, in repayment of the housing and living allowance paid to him since his appointment including interest calculated by the Steering Committee of the Standing Committee on Internal Economy, Budgets and Administration.

As Senator Duffy has already publicly declared, he claimed the allowance because he believed that he was entitled to do so. The Senate rules and the handbook he was given at the time of his appointment reinforced that view and certainly lacked clarity.

He is looking forward to the Senate's planned review of the rules for clarity on this issue. However given the distraction and upset of all that has transpired to date, and the time and effort further legal and/or other action would entail, the Senator has decided, not to contest the matter and instead pay the amount stipulated above.

With the delivery of this letter, he has now done so.

In the circumstances, the review that Deloitte has been asked to undertake is now unnecessary. The considerable time required for Senator Duffy to compile the extensive information and documentation required of him by Deloitte as well as his participation in the review of that material, to say nothing of the public expense involved in same, is no longer needed.

This while matter has been extremely upsetting and painful for Senator Duffy and his family. We trust that with this ex gratia payment, he will now be able to return to devoting his full energies to his work as a Senator from PEI.

YVT

Copies to Senators Furey, Stewart-Olsen, O'Brien and G Timm at Deloitte

March 24, 2013 6:51 PM

#409

From: Benjamin Perrin
To: Nigel Wright; Ray Novak
Subject: Fw: Senator Duffy

Privileged

See below. I don't have major concerns with the revised draft letter (though I'd have preferred the initial draft). Let me know if you're okay with it. Also need guidance on how to respond to point 2 below.

March 24, 2013 7:07 PM

#410

From: Nigel Wright
To: Benjamin Perrin; Ray Novak
Subject: Re: Senator Duffy

I agree tat we can live with the draft letter. I don't think that we can give the second part of the undertaking until Patrick or Chris check with Senators LeBreton and Tkachuk. We can give the first part.

March 24, 2013 8:07 PM

#411

From: Benjamin Perrin
To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers
Subject: Re: Senator Duffy

Privileged
Adding Chris and Patrick to follow-up per below.

March 24, 2013 8:21 PM

#412

From: Patrick Rogers
To: Nigel Wright; Ray Novak; Chris Woodcock; Benjamin Perrin
Subject: Re: Senator Duffy

I will speak to Senator LeBreton at the 10 am meeting regarding her giving an assurance to Duffy regarding the housing.
Chris and I can speak to Tkachuk regarding future studies/actions against Duffy.

March 24, 2013 8:25 PM

#413

From: Nigel Wright
To: Patrick Rogers; Ray Novak; Chris Woodcock; Benjamin Perrin
Subject: Re: Senator Duffy

It has to be handled very delicately. We are not asking Senators to absolve him of anything – they would refuse that, quite properly. We are asking them to treat the repayment as the final chapter of the expenses issue relating to his designation of the PEI cottage as his primary residence to this point in time. That is something to which Sens. LeBreton and Tkachuk and Stewart-Olsen already agreed once.

March 25, 2013 7:47 AM

#414

From: Benjamin Perrin
To: Chris Woodcock; Nigel Wright
Cc: Patrick Rogers; Ray Novak
Subject: Re: Senator Duffy

Privileged
Hi Chris and Patrick,
We are on stand by awaiting word on this after your meetings as there is a desire, if we can, to conclude this today. Please let me know once you have info. Thanks so much.

March 25, 2013 12:55 PM

#415

From: David van Hemmen
To: Janice Payne
Cc: Christine King
Subject: Delivery

Dear Ms. Payne,
I have a cheque to deliver to you on behalf of Mr. Wright. I am wondering if either you or Christine is free at 3:45 pm to receive the cheque.
Yours truly,

March 25, 2013 1:00 PM

#416

From: Patrick Rogers
To: Chris Woodcock; Nigel Wright; Benjamin Perrin
Cc: Ray Novak
Subject: Re: Senator Duffy

LeBreton is onside. I am waiting to hear back from Tkachuk.

March 25, 2013 1:07 PM

#417

From: Patrick Rogers
To: Chris Woodcock; Nigel Wright; Benjamin Perrin
Cc: Ray Novak
Subject: Re: Senator Duffy

Tkachuk just called.
He agrees that he will join LeBreton in fending off any attacks of residency.
Agrees that this will be the final chapter for Duffy in committee.
Patrick

March 25, 2013 1:11 PM

#418

From: Janice Payne
To: David van Hemmen
Cc: Christine King
Subject: Re: Delivery

Yes. I did ask that it be certified?

March 25, 2013 1:12 PM

#419

From: David van Hemmen
To: Janice Payne
Cc: Christine King
Subject: Re: Delivery

Is it a bank draft.

March 25, 2013 2:36 PM

#420

From: Janice Payne
To: Benjamin Perrin
Cc: Christine King
Subject: Re: Senator Duffy

I have spoken to my client about your clarification re item 2 below.

Senator Duffy would like some better clarity.

Please call me about this language:

He therefore asks for assurance that should any Senator seek his removal, the Gov't leader in the Senate will urge her caucus to vote against such a motion as well as any motion to refer the matter of his housing and expense claims related to the designation of PEI as his primary residence for further investigation or action by Deloitte, the RCMP or any other party.

March 25, 2013 3:01 PM

#421

From: Benjamin Perrin
To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers
Subject: Re: Senator Duffy

PRIVILEGED

I can reply and say that what we said stands if you would like. I expect that may aggravate them though and lead them to think something is being hidden.

Alternatively, if we don't think a crime has occurred here, we would surely not support a motion referring it to the RCMP. We could add a caveat about "based on the facts as they are presently known".

March 25, 2013 3:06 PM

#422

From: Nigel Wright

To: Benjamin Perrin; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: Re: Senator Duffy

We could have a separate sentence saying that “the facts known to us do not warrant a referral of this matter to the RCMP”. I would support that. I have some vague recollection from law school about it being improper for a lawyer to seek civil advantage in connection with a promise to refer or to not refer a suspected criminal matter to the authorities. It just seems politically indefensible to have an ‘agreement’ not to refer any matter to the RCMP.

March 25, 2013 3:10 PM

#423

From: Patrick Rogers

To: Benjamin Perrin; Ray Novak; Chris Woodcock; Nigel Wright

Subject: Re: Senator Duffy

Can we say that the Senate leadership will urge their colleagues to vote against any motion that attempts to investigate these issues further? But not make reference to any of the bodies?

March 25, 2013 3:21 PM

#424

From: Benjamin Perrin

To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: Re: Senator Duffy

Patrick: we already tried that. The original line referred generally to “any third party”. Now they want the RCMP spell out.

Nigel: I agree that saying “the facts known to us do not warrant a referral of this matter to the RCMP” is the most we should say. I can proceed with that now.

March 25, 2013 3:44 PM

#425

From: Benjamin Perrin

To: Nigel Wright; Ray Novak; Chris Woodcock; Patrick Rogers

Subject: Re: Senator Duffy

PRIVILEGED

I have spoken to her. It took some explaining, but she gets it and agrees with it.

March 25, 2013 3:45 PM

#426

From: Janice Payne

To: Benjamin Perrin

Cc: Christine King

Subject: Re: Senator Duffy

Revised language as per our discussion for your review:

He therefore asks for assurance that should any Senator seek his removal, the Gov’t leader in the Senate will urge her caucus to vote against such a motion as well as any motion to refer the matter of his housing and expense claims up to the present time related to the designation of PEI as his primary residence for further investigation or action by Deloitte, or any other party.

March 25, 2013 3:45 PM

#427

From: Benjamin Perrin

To: Nigel Wright; Ray Novak; Chris Woodcock, Patrick Rogers

Subject: Fw: Senator Duffy

PRIVILEGED

See final below as discussed.

March 25, 2013 3:45 PM

#428

From: Nigel Wright

To: Benjamin PErrin; Ray Novak; Chris Woodcock, Patrick Rogers

Subject: Fw: Senator Duffy

Well done Ben.

March 26, 2013 11:51 AM

#429

From: Christine King

To: Benjamin Perrin

Cc: Janice Payne

Subject: Senator Michael Duffy

Mr. Perrin,

I am writing to advise that we have just sent the cheque to Senator Tkachuk by courier.

March 26, 2013

#430

LETTER

From: Janice Payne

To: David Tkachuk

Cc: George Furey; Carolyn Stewart-Olsen; Gary Timm; Michael Duffy

Subject: Senator Michael Duffy, Our File No. 16138-2

[Letter attached] [**Appendix A, Tab 26**]

March 27, 2013 1:40 PM

#431

From: Michael Duffy

To: David Tkachuk; Katarina Shave

Subject: Fw: Shipment Alert #5606584

March 27, 2013 2:10 PM

#432

From: Katarina Shave

To: Michael Duffy

Subject: Fw: Shipment Alert #5606584

Senator,

Your letter was in the Mail Room in Victoria Building. I went to pick it up in person.

Katarina

APRIL 2013

April 3, 2013 3:41 PM

#433

From: Arthur Hamilton

To: Janice Payne

Subject: Senator Duffy [IWOV-Legal.FID1685658]

Good afternoon Janice:

Please find enclosed my letter of today's date, and please let me know if the courier copy of it does not arrive tomorrow.

Best regards,

[Letter date April 3, 2013 attached] [**Appendix A, Tab 27**]

April 17, 2013 10:32 PM

#434

From: Chris Woodcock

To: Nigel Wright; Joanne McNamara; Ray Novak

Cc: Patrick Rogers

Subject: Fw: Global National

This Duffy piece is completely unnecessary. I've asked Tkachuk to confirm to Global that it is settled on behalf of the Committee.

Senator Expenses/ 18:40-18:42/ 5th story/ Negative
Mike Duffy Clipped

It has been a few weeks since Sen. Duffy said he would pay back the money he expensed for living costs. Global's Mike LeCouteur asked the chairman of the committee for internal economy if he has paid the money back yet and he apparently told him to speak to Mike Duffy himself. Global shows Mike LeCouteur following Mike Duffy from the foyer of the Senate to an elevator and then him basically cornering Sen. Duffy in the elevator demanding to know if the money has in fact been paid back yet.

Transcript:

Mike LC: SENATOR, DUFFY, HOW ARE YOU? I WANTED TO ASK YOU A VERY QUICK QUESTION. YOU WERE SUPPOSED TO PAY THE MONEY BACK. WE WANTED TO KNOW IF THAT HAS HAPPENED YET.

Duffy: I THINK YOU SHOULD SPEAK TO THE CHAIRMAN OF THE INTERNAL EXONOMY.

Mike LC: HE TOLD ME TO SPEAK WITH YOU. HE SAID THAT I SHOULD CONTACT YOUR OFFICE ABOUT THE REPAYMENT BECAUSE HE SAYS THAT YOU WERE THE ONE THAT WAS GOING TO BE DECIDING THAT. HAS THAT HAPPENED YET? YOU HAVE PAID THE MONEY BACK YET?

Duffy: I'M A MAN OF MY WORD.

Mike LC: YOU HAVE PAID IT BACK YET THOUGH? IT'S BEEN TWO MONTHS. YOU HAVE PAID THE MONEY BACK? >>>

Duffy: WOULD YOU MIND LETTING ME OUT OF HERE.

Mike LC: JUST ANSWER MY QUESTION YES OR NO.

Duffy: I'M NOT GOING TO ANSWER YOUR QUESTION. I TOLD YOU I'M A MAN OF MY WORD.

Mike LC: YOU HAVE PAID THE MONEY BACK THOUGH?

Duffy: WHAT IS WRONG WITH YOU.

Mike LC: I WANT YO KNOW IF YOU'VE FADE THE MONEY BACK.

April 18, 2013 4:03 PM

#435

From: Michael Duffy

To: Melanie Mercer

Subject: Tkachuk V 7 – Please print & send down

18 April 2013

Confidential

Hon. David Tkachuk, Chair
Hon. George Furey, Vice-Chair
Board of Internal Economy
The Senate of Canada
OTTAWA

Gentlemen:

Following an informal conversation with Sen. Tkachuk Tuesday evening, I went through my files for January 2012. I discovered that through a clerical error, per diems were inadvertently charged for eleven days when I was not in the National Capital Region.

My regular staff person was away on maternity leave and a temporary worker processed that claim.

This claim was clearly not appropriate, and I will reimburse The Senate without hesitation.

If you feel it helpful, I will be happy to appear before your committee or sub-committee or auditors from Deloitte, to respond to questions on this issue.

[Letter dated April 18, 2013 attached] [**Appendix A, Tab 28**]

April 18, 2013 6:40 PM

#436

From: Marieke Walsh

To: Michael Duffy

Subject: Interview Request – The West Block with Tom Clark

Hi Senator Duffy,

Are you available for an interview on the show this Sunday? We can pre-tape tomorrow, Saturday or go live-to-tape on Sunday morning.

I look forward to hearing from your. Cheers,

April 18, 2013 6:44 PM

#437

From: Simon Fecteau Labbé

To: [Not identified]

Subject: Sen. Duffy admits he hasn't paid money back

Sen. Duffy admits he hasn't paid money back

By Laura Stone and Mike Le Couteur Global News

April 18, 2013 5:59 pm

Conservative Senator Mike Duffy has not paid back the tens of thousands of dollars in housing expenses he said he'd return almost two months ago.

And now, he says he isn't sure he's "required" to.

A day after dodging questions from Global News, Duffy said he is waiting for an audit to come out before repaying the money.

"We haven't heard from Deloitte. But I said I'm a man of my word, and if repayment is required, it'll be repaid," Duffy said outside the Senate Thursday.

"I didn't say I made a mistake. I said I may have made a mistake," he said.

"Words are important."

In February, Duffy said he would pay back several years' worth of housing allowances he admits he may have mistakenly collected, blaming "confusing" forms.

"Rather than let this issue drag on, my wife and I have decided that the allowance associated with my house in Ottawa will be repaid," he said on a network television interview.

He alluded again to paperwork confusion Thursday.

"I think everyone agrees there's confusion, and I'll be waiting to hear what Deloitte has to say about the forms and about what the Senate should do to make it clearer for everybody," he said.

"I followed the forms as I thought they should have been filled out, and if I was wrong and made a mistake I'll repay it. And if I wasn't wrong, I assume that'll be reported as well."

The journalist-turned-senator came under fire last year for claiming \$33,000 in housing allowances since 2010 after he reported his primary residence was his cottage in Cavendish, PEI – the province he represents in the Red Chamber.

But Duffy has lived in the Ottawa suburb of Kanata for years, even before his appointment to the Senate.

Senators are required to keep a home in the province they represent. If a senator's primary residence is more than 100 kilometres away from the National Capital Region, he or she is eligible for an allowance to offset the costs of keeping a second home.

To prove where they live senators are required to fill out a declaration including the address of their primary residence. The declaration also asks for details about a senator's secondary residence.

Duffy is one of four senators whose expenses are being scrutinized by an ongoing external audit. The Senate had yet to set a date for the audit's release.

- With files from Rebecca Lindell

April 18, 2013 7:02 PM

#438

From: Chris Woodcock

To: Michael Duffy

Subject: Fw: Sen. Duffy admits he hasn't paid money back

Are they misinterpreting your quote?

April 18, 2013 7:10 PM

#439

From: Chris Woodcock

To: Nigel Wright

Subject: Fwd: Sen. Duffy admits he hasn't paid money back

I think he may be denying repayment in hopes of getting some money back at the end of this process. Otherwise I cannot explain this.

April 18, 2013 7:13 PM

#440

From: Nigel Wright

To: Chris Woodcock

Subject: RE: Sen. Duffy admits he hasn't paid money back

Yes, I have no explanation. It will be odd when it becomes known that he paid the money back in March. It will anger me so much if he tries to get some back. We'll just unleash Tkachuk who will call him a thief.

April 18, 2013 7:18 PM

#441

From: Michael Duffy

To: Chris Woodcock

Subject: RE: Sen. Duffy admits he hasn't paid money back

They are twisting. As usual. I didn't confirm or deny.
Mike

April 18, 2013 7:20 PM

#442

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers

Subject: Fwd: Sen. Duffy admits he hasn't paid money back

FYI. I'd like to suggest that he contacts Global to correct this, but he can't exactly dial this back to neutral without confirming he repaid.

April 18, 2013 7:20 PM

#443

From: Michael Duffy

To: Marieke Walsh

Subject: Re: Interview request – The West Block with Tom Clark

No. Wait for deloitte's report. Mike

April 18, 2013 7:23 PM

#444

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers

Subject: Re: Sen. Duffy admits he hasn't paid money back

I would say he can do that. Maybe he would say he misunderstood the question, or was simply declining to comment on the amount of the repayment until he has seen the final report?

April 18, 2013 7:27 PM

#445

From: Michael Duffy
To: David Tkachuk
Subject: Things

David. I did not say yes or no on repayment. I simply told global to wait for deloitte's. When they tried to put words in my mouth I demurred. I sent that letter u wanted this pm. Ran inot marj after your meeting and told her the same thing re global.

Marj thinks we shud not act on the pei health card until after deloitte's is finished.

-

Mac harb told me he has hired former supreme court judge Michel bastarash to review the rules on residency and per diems. Mike

April 18, 2013 7:28 PM

#446

From: Patrick Rogers
To: Nigel Wright; Chris Woodcock
Subject: Re: Sen. Duffy admits he hasn't paid money back

I agree but can it be 'until the committee completes its work' instead of the 'final report' because he did commit to pay preemptively.

April 18, 2013 7:32 PM

#447

From: Marjory LeBreton
To: Michael Duffy
Subject: Re: Interview request – The West Block with Tom Clark

Good idea. Mike – I know this is difficult but as discussed, please keep repeating that you are a man of your word and you are waiting the report on the outside auditor. Better still, try and avoid taking calls or answering e-mails from the media. Marjory

April 18, 2013 7:57 PM

#448

From: Marjory LeBreton
To: Chris Woodcock
Cc: Nigel Wright
Subject: Fwd: Interview request – The West Block with Tom Clark

Chris. FYI. He dropped into my office late this afternoon. He was all worked about the media, rumours about the money owed, the actions of Internal Economy – you name it. I assured him that all of us are working on a plan to manage this once we have the audits and have prepared the report to be tabled in the Senate. I told him once again that he must trust us on this and not complicate the issue by talking to the media. When he left, he seemed to understand. The Global story quoting him is not good but he did get around to saying he was waiting for the audit. Marjory

April 18, 2013 7:59 PM

#449

From: Nigel Wright

To: Marjory LeBreton

Cc: Chris Woodcock; Patrick Rogers

Subject: Re: Interview request – The West Block with Tom Clark

Thank you Senator. We agree with you that he should repeat that he is a man of his word if he gets ambushed and, better yet, not get ambushed. I am adding Patrick.

April 19, 2013 10:41 AM

#450

From: Michael Duffy

To: Michael Duffy

Subject: Jordan Press called my office again today going to write MD is a liar

I have never met Jordan Press myself. What about having someone – say Stephen Lecce call Jordan with these lines as background? –Duff

19 April 2013

Proposed Media Lines for Jordan Press

Senator Duffy is s a man of his word.

Sen. Duffy repeated that mantra at the beginning of the Global interview yesterday. They based their claims on a later portion which dealt with “what if’s”.

When was the last time, Postmedia had to follow Global News?

Have you considered why CBC and CTV and the Globe aren’t running this?

They know Sen. Duffy personally, and can read his shorthand, and I suspect they don’t want to look foolish when the Deloitte audit comes out in a few weeks.

April 19, 2013 11:44 AM

#451

From: Chris Woodcock

To: Michael Duffy; Stephen Lecce; Nigel Wright; Patrick Rogers

Subject :Re: Jordan Press called my office again today going to write MD is a liar

Adding others. I would suggest the following:

“Senator Duffy clearly said to Global that he is a man of his word. They based last night’s story on his response to “what if” questions later in the interview. The Senate is working to ensure that expenses are appropriate, that the rules are appropriate and that this is reported back to the public. We won’t have anything to add until the audit from Deloitte is released.”

April 19, 2013 11:48 AM

#452

From: Nigel Wright

To: Michael Duffy; Stephen Lecce; Chris Woodcock; Patrick Rogers

Subject :Re: Jordan Press called my office again today going to write MD is a liar

Sure, although it is the time to transition to “until the committee reports” rather than Deloitte report? I’m easy.

April 19, 2013 11:51 AM

#453

From: Chris Woodcock

To: Michael Duffy; Stephen Lecce; Nigel Wright; Patrick Rogers

Subject :Re: Jordan Press called my office again today going to write MD is a liar

Fixed:

“Senator Duffy clearly said to Global that he is a man of his word. They based last night’s story on his response to “what if” questions later in the interview. The Senate is working to ensure that expenses are appropriate, that the rules are appropriate and that this is reported back to the public. We won’t have anything to add until the committee reports.”

April 19, 2013 2:20 PM

#454

From: Gary O’Brien

To: Sandy Melo

Cc: Christopher Montgomery; David Tkachuk; Blair Armitage; Karen Schwinghammer

Subject : Draft Press Release

Sen. Tkachuk has asked that I forward this to you regarding a possible media release this afternoon. Thanks

April 19, 2013 2:32 PM

#455

From: Christopher Montgomery

To: Gary O’Brien

Cc: Christopher Montgomery; David Tkachuk; Blair Armitage; Karen Schwinghammer; Sandy Melo

Subject : Re: Draft Press Release

I just spoke to Tkachuk on the phone. He’s in a bit of a panic fearing that the Liberals will leak that Duffy has repaid money. Therefore, he would like us to consider allowing him to release the attached.

To my mind, nothing has changed at this point. We have seen no interest on this story today. I do know though the Liberals are concerned by some of Duffy’s comments.

I understand that Tkachuk has told the Clerk that the release can go out on my say so if that is the decision between now and Tuesday. (I gather he is out of reach on Monday for medical reasons.)

April 19, 2013 3:01 PM

#456

From: Marjory LeBreton

To: Chris Montgomery

Cc: Chris Woodcock; Sandy Melo; Johanna Quinney

Subject : Re: Draft Press Release

There has been zero interest in this today – the media are totally fixated on the situation in Boston, Mss. Sen Cowan called me to express his concern. I told him that I believed Global assumed Sen Duffy had not paid back the money. I suggested we revisit this issue early in the week and he agreed. Let’s monitor this closely over weekend. Marjory

April 19, 2013 3:01 PM

#457

From: Chris Montgomery
To: Marjory LeBreton
Cc: Chris Woodcock; Sandy Melo; Johanna Quinney
Subject : Re: Draft Press Release

Agreed. will inform Tkachuk. Many thanks!

April 19, 2013 4:58 PM

#458

From: Chris Woodcock
To: Nigel Wright; Stephen Lecce; Patrick Rogers; Carl Vallée
Subject : Urgent - Duffy

Jordan Press has somehow confirmed that Duffy has repaid. I think we need to confirm to other media that are asking so we can end this confusing story. Global is running a story and CTV likely is too. Nigel are you ok with this?

April 19, 2013 5:01 PM

#459

From: Chris Montgomery
To: Marjory LeBreton
Cc: Chris Woodcock; Sandy Melo; Johanna Quinney
Subject : Re: Draft Press Release

Tkachuk has called again with the same question. He says Fife called him, off the record, to seek confirmation that Duffy has paid back the money. Fife claimed he has a source who says he did and Fife gave Tkachuk the figure to the dollar. Tkachuk says he said nothing other than to tell Fife to talk to Duffy.

The Cheadle story and PVL's comments in QP are also problematic.

April 19, 2013 5:04 PM

#460

From: Nigel Wright
To: Chris Woodcock; Stephen Lecce; Patrick Rogers; Carl Vallée
Subject : Re: Urgent - Duffy

Yes. What a schmozzle.

April 19, 2013 5:13 PM

#461

From: Stephen Lecce
To: Chris Woodcock; Nigel Wright; Patrick Rogers; Carl Vallée
Subject : Re: Urgent - Duffy

Statement for Senator Duffy:

In February I committed to repaying the allowance associated with my house in Ottawa. I have always said that I am a man of my word. In keeping with the commitment I made to Canadians, I can confirm that I have repaid these expenses.

I will not be commenting on this further until the audit is completed.

Sen. Tkachuk will confirm the total repaid was \$90,172.24

April 19, 2013 5:14 PM

#462

From: Marjory LeBreton

To: Chris Montgomery

Cc: Chris Woodcock; Sandy Melo; Johanna Quinney

Subject : Re: Draft Press Release

Who knew the exact \$ figure? I don't believe this was known to many people. I did not know it until I read the draft press release from the Clerk. I have warned David many times that one has to be extremely careful about information given as "background" to Fife. Marjory

April 19, 2013 5:14 PM

#463

From: Chris Woodcock

To: Stephen Lecce; Nigel Wright; Patrick Rogers; Carl Vallée

Subject : Re: Urgent - Duffy

Duffy will issue this so that he isn't being contradicted by Tkachuk. Tkachuk will confirm

April 19, 2013 5:16 PM

#464

From: Chris Woodcock

To: Marjory LeBreton; Chris Montgomery

Cc: Sandy Melo; Johanna Quinney

Subject : Re: Draft Press Release

Only the people in the room yesterday. We will need to confirm the amount, that it was repaid in March, and nothing else. Chris/Johanna can you please action Tkachuk?

April 20, 2013 11:01 AM

#465

From: Janice Payne

To: Gary Timm

Subject : Senator Michael Duffy

As you know, we represent Senator Duffy.

I am attaching for your information a copy of a letter that he provided to Senator Tkachuk on April 18th, 2013.

[Attached is letter dated April 18, 2013] [**Appendix A, Tab 29**]

April 20, 2013 12:47 PM

#466

From: Gary Timm
To: Jill Anne Joseph
Cc: Guillaume Vadeboncouer
Subject : Senator D

Good afternoon Jill Anne,

I received an email this morning from counsel for Senator D, wherein counsel provided a copy of a letter, dated April 18, 2013, from Senator Duffy to Senator Tkachuk regarding an "informal conversation" they had on the evening of Tuesday April 16, 2013. In the letter, Senator Duffy states:

"If you feel it helpful, I will be happy to appear before your committee or sub-committee or auditors from Deloitte, to respond to questions on this, or questions about my residency in PEI."

Given this communication, we believe that we should be meeting with Senator Duffy and also be requesting that he provide the documentation requested previously to be consistent with the other Senators under review. We could undertake this meeting as soon as Senator Duffy is available; however, it would have an impact on our report timing.

We look to your and the Senate Sub-committee's direction.

April 20, 2013 12:57 PM

#467

From: Jill Anne Joseph
To: Gary Timm
Cc: Guillaume Vadeboncouer; Gary O'Brien
Subject : Re: Senator D

Good afternoon Gary,

Thank you for this information. I will consult with the Clerk of the Senate, Gary O'Brien, who in turn will consult with the Chair of the Internal Economy, Senator Tkachuk, on this matter. I agree that a meeting and the provision of requested documentation will further assist your review of Senator Duffy's claims and will provide more consistency with the other Senators under review. As the reports stand alone, a short delay for this one may be acceptable.

Regards

April 22, 2013 11:25 AM

#468

From: Gary O'Brien
To: David Tkachuk
Cc: Jill Anne Joseph
Subject : Confidential

Hi Senator – as per Deloitte's email to Jill Anne, do you advise or encourage that Senator Duffy meet with Deloitte and provide the documentation requested? Thanks

April 22, 2013 3:22 PM

#469

From: Carolyn Stewart-Olse9
To: Chris Woodcock
Subject : Duffy

Is asking to meet with Senate audit committee or the auditors themselves. Do you know why he wants to escalate?

April 22, 2013 3:29 PM

#470

From: Chris Woodcock
To: Nigel Wright; Patrick Rogers
Subject : Fw: Duffy

Fyi

April 22, 2013 3:30 PM

#471

From: Nigel Wright
To: Chris Woodcock; Patrick Rogers
Subject : Re: Duffy

Never heard of this. Is bad.

April 23, 2013 2:23 PM

#472

From: Christopher Montgomery
To: Nigel Wright; Patrick Rogers; Chris Woodcock
Cc: Sandy Melo
Subject : FW: Confidential. Tkachuk/Duffy

Confidential FYI. Our office is shortly arranging for another meeting with the group.

April 23, 2013 2:46 PM

#473

From: Nigel Wright
To: Christopher Montgomery; Patrick Rogers; Chris Woodcock
Cc: Sandy Melo
Subject : RE: Confidential. Tkachuk/Duffy

I think it makes no sense for Sen. Duffy to meet with Deloitte. If I were him I would not suggest a meeting with the Committee either. Chris, could someone from your office speak with Sen. Duffy every two days so we are kept abreast of his developing thoughts on things like this?

Perhaps one way for Deloitte to respond would be to welcome the offer to meet but stipulate that Sen. Duffy would first provide all of the information that had been requested, so that a review of that could provide the basis for the meeting.

April 23, 2013 5:43 PM

#474

From: Christopher Montgomery

To: Nigel Wright; Patrick Rogers; Chris Woodcock; Marjory LeBreton; Sandy Melo

Subject : RE: Confidential. Tkachuk/Duffy

Looping in the Minister...

I am told that Steering decided today to send a letter to Duffy indicating that the audit has concluded and he will therefore not have an opportunity to meet with the auditors.

I am also told that there may be a delay in Steering receiving the audits of one day due to translation issues but that the timeline of releasing the audits that we discussed last week remain intact.

April 23, 2013 6:04 PM

#475

From: Marjory LeBreton

To: Nigel Wright; Patrick Rogers; Chris Woodcock; Chris Montgomery; Sandy Melo

Subject : RE: Confidential. Tkachuk/Duffy

Thanks. This course of action makes sense. My only concern is Sen Duffy. Even though he claims he is careful in what he says and does, the evidence is the opposite! We have to be very careful what we say to him. Marjory

April 23, 2013 6:23 PM

#476

From: Nigel Wright

To: Marjory LeBreton; Patrick Rogers; Chris Woodcock; Chris Montgomery; Sandy Melo

Subject : RE: Confidential. Tkachuk/Duffy

I agree too that Steering should say what they propose.

April 24, 2013 4:25 PM

#477

From: Internal-Regie

To: Michael Duffy

Cc: George Furey, Carolyn Stewart-Olsen; David Tkachuk; Gary O'Brien

Subject: Senator Duffy - Deloitte

Dear Senator Duffy:

I was informed by the Clerk of the Senate on Saturday, April 18, that Deloitte was in receipt of a letter from your lawyer, signed by you to me, explaining errors in your claim of January 2012. In the letter, you offered to meet with the Subcommittee (Steering) or auditors from Deloitte, if I felt it would be helpful. My office received the original letter on April 22, 2013. At the outset of Deloitte's investigation into your claims, you and your lawyer were asked to provide additional documents and to meet with Deloitte. Despite repeated attempts, it is our understanding that no additional documents were provided to Deloitte nor did you or your lawyer meet with them.

We are now entering the reporting phase of the investigations and your offer to meet with Deloitte stands to delay the process. Steering has determined that there should be no further delays and is of the opinion that your concerns should have been addressed to Deloitte before the preparation of the report.

Sincerely,

David Tkachuk

[Letter dated April 24, 2013 attached] [**Appendix A, Tab 30**]

April 25, 2013 12:03 PM

#478

From: Jill Anne Joseph

To: Michael Duffy

Cc: Melanie Mercer; Kim Grandmaison

Subject: Deloitte report

Dear Senator Duffy,

Please be advised that the Standing Committee on Internal Economy, Budgets and Administration will announce today that the reports it has requested on residential expenses will be received by the full committee May 9. The Committee will consider possible recommendations and report to the Senate as quickly as possible.

You will be receiving Deloitte's final report relating to your own expenses some time on Monday, April 29. I will try to determine a more precise time and your office may let me know where you wish to have it delivered, or if you prefer to pick it up in my office, 146-N. Thank you, Senator.

April 25, 2013 3:11 PM

#479

From: Communications

To: SEN GLOBAL

Subject: NR/SEN INTERNAL ECONOMY (CIBA) CTTE: Residential Expenses Audits ***
COMM/SEN RÉGIE INTERNE (CIBA) CMTÉ : Vérifications des frais relatifs aux résidences

Standing Senate Committee on Internal Economy, Budgets and Administration

Timeline: Residential Expenses Audit

OTTAWA (April 25, 2013) – Today, the Standing Committee on Internal Economy, Budgets and Administration released a provisional date for receiving the requested external audits of senator's residential expenses.

Barring unforeseen delays, the committee chair, Senator Tkachuk, announced that the reports on residential expenses will be received by the full committee May 9, 2013. The committee will consider possible recommendations and report to the Senate as quickly as possible.

April 28, 2013 2:39 PM

#480

From: Nigel Wright

To: Marjory LeBreton

Subject: Sen. Duffy

Marjorie,

I spoke with Goldy Hyder last evening because Mike Duffy had called Goldy to retain him in connection with what might happen over the next few weeks. We can count on Goldy's good judgement, which aligns with how we see things unfolding. We cannot count on Mike to follow Goldy's advice, but I am hopeful that getting the same advice from an independent source could keep Mike on an even keel.

Nigel

April 28, 2013 4:33 PM

#481

From: Marjory LeBreton

To: Nigel Wright

Subject: Re: Sen. Duffy

Thanks Nigel. I cannot think of a better person to advise Mike. Now let's hope he listens. Just to assure you, I will double my efforts to ensure that there is no reference to the legitimacy of Senate seats in the report to be tabled as a result of the audits. It has never been Internal Economy's mandate to adjudicate on such issues. They are only responsible for expenditures as they relate to Senate business and for the payment of expenses while on travel status in the national Capitol. Finally, a lovely day. I worked in my garden for the first time this year! Marjory

April 29, 2013 11:20 PM

#482

From: Goldy Hyder

To: Nigel Wright

Subject: Follow up

Nigel,

Checking to see if you still use this email.

Just got off the phone with him. I believe we'll be fine on the specific issue we discussed. Have got him focused on closing this chapter and focusing on future (doesn't mean media will).

Plan is to draft a statement in response to the report then leave for constituency.

There are three related issues I will need to discuss with you so we get on same page. Let me know when you want to speak in coming days.

April 30, 2013 6:36 AM

#483

From: Nigel Wright

To: Patrick Rogers

Subject: Fw: Follow up

The "specific issue" was Mike not looking for any kind of repayment.

April 30, 2013 6:36 AM

#484

From: Nigel Wright

To: Goldy Hyder; Patrick Rogers

Subject: Fw: Follow up

Thanks Goldy,

I am copying Patrick Rogers of our office, whom I would ask to call you on the related issues.

MAY 2013

May 1, 2013 11:45 PM

#485

From: Goldy Hyder

To: Nigel Wright

Subject: Draft Statement

Am meeting him Thursday at 10am to present this first draft to him as he is leaving for PEI Thursday and away until Sunday. Any thoughts you have on this are welcome and between us. I expect it will be tweaked here and there and a better concluding line likely about getting back to work or something to that effect – I just wanted you to see the content, direction and tone.

CAVENDISH, PEI – Senator Mike issued the following statement, regarding the Deloitte audit of the expenses of a number of senators released today.

“In recent months, I have heard and understood the concerns from people across Canada about expense controversies among some senators, including me. When questions like these arise, involving those entrusted with the wise use of tax dollars, Canadians deserve nothing but the highest standards of transparency and clarity in response. These questions go beyond mere rules and administration, and strike at the high standards of integrity Canadians expect of Parliament.

“The Deloitte audit of expenses claimed by me and other senators has been a fair, impartial effort by a credible third party to deliver that level of transparency and clarity. This audit has indicated that rules and definitions with regard to residency and housing allowances, set by the authorities in the Senate, are ambiguous and prone to misinterpretation. In this respect, the audit is consistent with the position I have maintained since this conversation first arose.

“But while the rules themselves may be unclear, my duty as a senator and as a custodian of Canadian tax dollars is not. The Deloitte audit revealed a small number of expenses, totaling just over \$1000, for which my claims were deemed inappropriate, and which I would rightly be expected to repay. But I believe it is incumbent upon me as a parliamentarian to put any and all questions about my expenses to rest. To that end, prior to the release of this audit I paid back just over \$90,000 in housing expenses I claimed due to effectively having to maintain two residences; one in Ottawa and one on Prince Edward Island. I will not be seeking any portion of this requirement to be returned, even if the Deloitte audit would suggest these expenses were claimed in good faith due to ambiguity in the rules.

“I can only effectively represent the interests and values of the people of Prince Edward Island if I have earned their trust and respect. I am honoured and humbled to serve the people of my home province, and with the actions I have taken, I feel confident I can look them in the eyes and assure them I am doing so with integrity. With these matters now dealt with, my focus going forward will remain as it has been: to bring Prince Edward Island’s perspectives to Ottawa, and to be the most effective representative I can be on their behalf.

“As a former journalist, I know if questions like these had arisen while I was on the parliamentary beat, my colleagues and I would have justifiably pursued answers to them with the same vigour we seem among media today. While I respect their continued interest in this issue, I have responded to these questions with the actions I have outlined, and will be declining any further media requests.

May 2, 2013 6:49 AM

#486

From: Nigel Wright
To: Goldy Hyder
Subject: Re: Draft Statement

I think it is fine Goldy. He might also be able to say that the \$1000 (I had heard it was about \$1500) in expenses were claimed “inadvertently” or through administrative inattention, or something like that – because the optics of claiming while on a Caribbean cruise aren’t great.

May 2, 2013 7:54 AM

#487

From: Goldy Hyder
To: Nigel Wright
Subject: Re: Draft Statement

Ok.

May 2, 2013 2:16 PM

#488

From: Carolyn Stewart-Olsen
To: Chris Woodcock
Subject: Audit

Liberals putting pressure to send them out to RCMP. May be a fight if we can’t diffuse. Will update you as I know. I said no. They will brief Justin next week apparently.

May 2, 2013 2:32 PM

#489

From: Chris Woodcock
To: Nigel Wright; Patrick Rogers
Subject: Fwd: Audit

FYI.

May 2, 2013 2:44 PM

#490

From: Nigel Wright
To: Chris Woodcock; Patrick Rogers
Subject: Re: Audit

By fight, I assume she means that the Conservative Senators will vote that down, and quickly (not after weeks of debate).

May 2, 2013 2:46 PM

#491

From: Chris Woodcock
To: Nigel Wright;
Cc: Patrick Rogers
Subject: Re: Audit

Yes, that is what she told me this morning. She just added that Beth Marshall expects the libs or ndp to refer instead. This is obviously out of our hands.

May 3, 2013 2:42 AM

#492

From: Goldy Hyder

To: Nigel Wright

Subject: Fw: Follow up

Latest draft statement – comment welcome. Plan is to release after the report is released and the Senate leadership has responded with its own statement about eliminating the ambiguities.

He will be in PEI going about his business as Senator. No news conference but also no back door exits with hand in camera's face. His response to any and all questions is to refer back to the statement and that as far as he is concerned the matter is closed. We have advised any engagement or taking bait on questions – just stick to statement script.

He'll be in PEI a lot between now and Fall session of Senate.

May 3, 2013 11:44 AM

#493

From: Nigel Wright

To: Goldy Hyder

Cc: Patrick Rogers

Subject: Fw: Follow up

Goldy,

Thank you. This is good, and addresses the issue that I had with the earlier draft. I have no suggestions to make.

Nigel

May 7, 2013 6:44 AM

#494

From: Chris Woodcock

To: Michael Duffy

Subject: CTV Story

Hi Senator,

We're using the following holding line following CTV's story on the audits. Senate leadership and the Committee members all have it and won't be doing interviews.

- Chris

"These are complex issues. The audits are being reviewed by the responsible subcommittees and will be released as expeditiously as possible along with the committee's recommendations."

May 8, 2013 12:09 PM

#495

From: Patrick Rogers
To: Carolyn Stewart-Olsen
Subject: Meeting

Senator,
I am available to meet as soon as you are.
Patrick

May 8, 2013 12:12 PM

#496

From: Carolyn Stewart-Olsen
To: Patrick Rogers
Subject: Re: Meeting

Sorry in meeting now with Marj and Cowan then Caucus. Will come out as soon as I can.
Where are you?

May 8, 2013 12:13 PM

#497

From: Patrick Rogers
To: Carolyn Stewart-Olsen
Subject: Re: Meeting

I'm in Langevin now but I am an email away from meeting you anywhere you'd like.

May 8, 2013 12:24 PM

#498

From: Carolyn Stewart-Olsen
To: Patrick Rogers
Subject: Re: Meeting

K will be in touch soon as I can. We have a steering meeting at 2 so we have time. Will get to you before and take the changes forward.

May 8, 2013 12:59 PM

#499

From: Patrick Rogers
To: Carolyn Stewart-Olsen
Subject: Re: Meeting

Where should we meet?

May 8, 2013 1:09 PM

#500

From: Carolyn Stewart-Olsen
To: Patrick Rogers
Cc: Barb Lory-Leroux
Subject: Re: Meeting

My office? Barb can you him number??? At 13:45??

May 8, 2013 1:12 PM

#501

From: Patrick Rogers
To: Carolyn Stewart-Olsen
Cc: Barb Lory-Leroux
Subject: Re: Meeting

I will be there.

May 8, 2013 1:53:35 PM

#502

From: Patrick Rogers
To: Chris Woodcock; Nigel Wright; David van Hemmen
Subject: Report on Duffy

The meeting is about to begin at 2pm.
I just met with CSO. I gave her our changes. She agreed with them 100%.
I reinforced with her that the implementing of all of the changes to the report was the fulfillment of her commitment to Nigel and our building. She indicated she understood this.

May 8, 2013 1:54:39 PM

#503

From: Nigel Wright
To: Chris Woodcock; Patrick Rogers; David van Hemmen
Subject: Re: Report on Duffy

Thank you Patrick. Sorry I didn't execute anything at caucus today. I am sure that she blamed someone else for the inflammatory language.

May 8, 2013 1:56:50 PM

#504

From: Patrick Rogers
To: Chris Woodcock; Nigel Wright; David van Hemmen
Subject: Re: Report on Duffy

You are correct. It was all Tkachuk's fault.

May 8, 2013 1:58 PM

#505

From: Chris Woodcock
To: Patrick Rogers; Nigel Wright; David van Hemmen
Subject: Re: Report on Duffy

She tried that on me earlier! "Dave really wants this..."

May 8, 2013 2:34 PM

#506

From: Carolyn Stewart-Olsen
To: Patrick Rogers
Subject: Re: Meeting

So I was too optimistic. Montgomery says we as Senators should not compromise ourselves.

May 8, 2013 2:35 PM

#507

From: Patrick Rogers
To: Carolyn Stewart-Olsen
Subject: Re: Meeting

This is the direction. You're not compromising yourself. You're fulfilling the commitments that were made.

May 8, 2013 2:35 PM

#508

From: Patrick Rogers
To: Nigel Wright; Chris Woodcock
Subject: Fw: Meeting

Here is the latest from the committee. This is unbelievable.

May 8, 2013 2:37 PM

#509

From: Chris Woodcock
To: Patrick Rogers; Nigel Wright
Subject: Fw: Meeting

What!!!

May 8, 2013 2:37 PM

#510

From: Patrick Rogers
To: Carolyn Stewart-Olsen
Subject: Re: Meeting

Further, the changes are changes that you had beforehand.

May 8, 2013 2:41 PM

#511

From: Carolyn Stewart-Olsen
To: Patrick Rogers
Subject: Re: Meeting

I am fight my way. No fun.

May 8, 2013 2:47 PM

#512

From: Patrick Rogers
To: Nigel Wright; Chris Woodcock
Subject: Re: Meeting

Latest.

May 8, 2013 3:00 PM

#513

From: Nigel Wright

To: Patrick Rogers; Chris Woodcock

Subject: Re: Meeting

Do I need to call Marjory? They think they are hurting Duffy, but they will end up hurting the Prime Minister.

May 8, 2013 3:04 PM

#514

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers

Subject: Re: Meeting

I can stop by her office as soon as I'm done with the pm post-QP. If Chris is operating on the Minister's instructions, she needs to know. If he is not, she definitely needs to know.

May 8, 2013 3:06 PM

#515

From: Christopher Montgomery

To: Carolyn Stewart-Olsen

Subject:

Talked to the boss. Says the report has to be consistent with the other two, that you need a claim to the money and that those paragraphs are crucial to the end.

May 8, 2013 3:08 PM

#516

From: Carolyn Stewart-Olsen

To: Patrick Rogers

Subject: Fw:

See below [referring to email #512]

May 8, 2013 3:15 PM

#517

From: Patrick Rogers

To: Nigel Wright

Subject: Fw:

I think you should call LeBreton.

May 8, 2013 3:29 PM

#518

From: Patrick Rogers
To: Nigel Wright
Subject: Re:

I am in a meeting with

Montgomery,
LeBreton
Sandy
CSO

This is epic. Montgomery is the problem.

May 8, 2013 3:30 PM

#519

From: Patrick Rogers
To: David van Hemmen
Subject: Fw:

May 8, 2013 3:40 PM

#520

From: Nigel Wright
To: Patrick Rogers; Chris Woodcock
Subject: Re:

Should I come over?

May 8, 2013 3:41 PM

#521

From: Chris Woodcock
To: Nigel Wright; Patrick Rogers
Subject: Re:

We're done. Patrick made it happen.

May 8, 2013 3:42 PM

#522

From: Nigel Wright
To: Patrick Rogers; Chris Woodcock
Subject: Re:

Nice work guys. Thank you very much.

May 8, 2013 6:06 PM

#523

From: Chris Woodcock
To: Christopher Montgomery
Subject: Any signs of products for tomorrow?

May 8, 2013 6:08 PM

#524

From: Christopher Montgomery

To: Chris Woodcock

Subject: Re: Any signs of products for tomorrow?

Johanna is flipping you something momentarily.

May 8, 2013 6:09 PM

#525

From: Chris Woodcock

To: Christopher Montgomery

Subject: Re: Any signs of products for tomorrow?

Thx. Is this for Min Lebreton's comments outside the senate?

May 8, 2013 6:10 PM

#526

From: Christopher Montgomery

To: Chris Woodcock

Subject: Re: Any signs of products for tomorrow?

Yes and for your use. I gather CSO has abandoned everything else.

May 8, 2013 6:11 PM

#527

From: Chris Woodcock

To: Christopher Montgomery

Subject: Re: Any signs of products for tomorrow?

Is there still a background/summary document coming? That's a key part of the rollout tomorrow. I'd write it myself, but don't have access to the reports.

May 8, 2013 6:18 PM

#528

From: Christopher Montgomery

To: Chris Woodcock

Cc: Johanna Quinney

Subject: Re: Any signs of products for tomorrow?

My understanding is not but we can push her. In fairness to her, we don't know where the Liberals are at the moment and the committee cannot issue anything publicly unless both sides sign off. Tkachuk could on his own but...

I'll ask her to work pull something together in any event.

May 8, 2013 6:19 PM

#529

From: Chris Woodcock

To: Christopher Montgomery

Cc: Johanna Quinney

Subject: Re: Any signs of products for tomorrow?

Ok. Have you seen Tkachuk's proposed statement for the Senate?

May 8, 2013 6:19 PM

#530

From: Christopher Montgomery

To: Chris Woodcock

Cc: Johanna Quinney

Subject: Re: Any signs of products for tomorrow?

No. will ask for that now.

May 8, 2013 6:19 PM

#531

From: Johanna Quinney

To: Christopher Montgomery; Chris Woodcock

Subject: Re: Any signs of products for tomorrow?

DRAFT – May 9, 2013

- We are committed to ensuring that all expenses are appropriate, that the rules governing these expenses are appropriate and to report back to the public on these matters. Today this promise has been met by the committee.
- The audits indicate that the rules governing expenses were unclear and Internal Economy has taken significant steps to strengthen these rules.
- Senator Duffy respects taxpayers and did the right thing by repaying money to ensure that his expenses are appropriate.
- The committee will now recover the living expenses claimed by Senators Harb and Brazeau.
- The auditors made it clear there is no need for these matters to be referred to a third party.
- We committed to tightening the rules in an effort to make the Senate more accountable and today the committee has fulfilled this obligation.

May 8, 2013 7:08 PM

#532

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers; Andrew MacDougall

Subject: Fw: Any signs of products for tomorrow?

I think this statement captures the key message for tomorrow. This would be Senator LeBreton's statement outside the Senate, followed by a short Q&A. Let me know if you have any comments or changes. I have a statement from Duffy I am also reviewing.

DRAFT – May 9, 2013

- We are committed to ensuring that all expenses are appropriate, that the rules governing these expenses are appropriate and to report back to the public on these matters. Today this promise has been met by the committee.
- Today we received the report of the Senate Committee on Internal Economy on travel and expense policies as well as the reports on expenses claimed by Senator Harb, Senator Brazeau and Senator Duffy. The independent audits conducted by Deloitte are included in these reports.
- Deloitte found that the Senate's rules governing expenses were unclear. In response to this finding, the Senate adopted today a number of meaningful changes that will improve internal controls over the claiming of expenses and ensure that these costs are accounted for in a manner that provides Canadian taxpayers with the transparency and accountability they deserve. We did so against the objections of Liberal Senators who wanted to protect the current rules.
- Senator Duffy approached the Committee a few number of months ago in order to voluntarily repay all of his expenses. This repayment has been accepted and the Senate considers the matter closed.
- In the remaining two cases, the Committee has found that Senator Harb and Senator Brazeau claimed expenses to which they were not entitled. The Senate will take the necessary steps to immediately recover these funds on behalf of taxpayers.
- I would be happy to take your questions.

Q. There is a quarter of a million dollars in questions: why aren't you calling in the RCMP?

A. We asked an independent auditor to look at these claims. The audits found that the Senate's rules weren't clear and we are fixing those rules. We will be taking the necessary action to recover the money from Senators Harb and Brazeau.

Q. What steps will the Senate take to recover the money?

A. The last time a Liberal Senator had issues with expenses, the Senate garnished his salary. That would be one of the options in this case if it came to that.

Q. Why would you let the Senate investigate itself?

A. The Committee looked to Deloitte to provide expert, independent findings on this matter. Deloitte found that the rules are unclear and we are fixing those rules in response.

Q. When can we expect Senator Wallin's audit to be made available to the public?

A. That's something that is being looked at by the Committee. I'm not going to speculate.

Q. Is this just a whitewash to protect Senator Duffy?

A. Senator Duffy approached the Committee a few months ago in order to voluntarily repay all of his expenses. This repayment has been accepted and the Senate considers the matter closed. Deloitte found that the rules are unclear, and we are fixing those rules.

May 8, 2013 7:11 PM

#533

From: Nigel Wright

To: Chris Woodcock; Patrick Rogers; Andrew MacDougall

Subject: Re: Any signs of products for tomorrow?

I think that this is really quite good.

May 8, 2013 7:59 PM

#534

From: Chris Woodcock

To: Christopher Montgomery; Johanna Quinney

Subject: Re: Any signs of products for tomorrow?

What do you think about this version:

[Version of Draft from May 8, 2013 7:08 PM above]

May 8, 2013 8:35 PM

#535

From: Chris Woodcock

To: Nigel Wright; Patrick Rogers

Subject: Duffy Statement

Here is the statement Duffy wants to issue tomorrow. I'm fine with everything but the fourth and fifth paragraphs which proclaim his innocence. I'm worried that this implausible statement will prompt some kind of retaliation from CSO or Tkachuk. Nigel am I able to say that this goes against the deal we have had to date? The best possible reaction from Senator Duffy tomorrow would be to remind people that he voluntarily repaid and say nice things about transparency.

Statement by Senator Mike Duffy

CAVENDISH, PEI – In recent months, I have heard and understood the concerns of Canadians about Senator's expenses. When questions like these arise, involving those entrusted with the wise use of tax dollars, Canadians deserve nothing but the highest standards of transparency and clarity in response. These questions go beyond mere rules and administration, and strike at the high standards of integrity Canadians expect of Parliament. The Deloitte audit of expenses claimed by me and other senators has been a fair, impartial effort by a credible third party to deliver that level of transparency and clarity. This audit has indicated that there is a 'lack of clarity' in the Senate rules and definitions with regard to residency and housing allowances. In this respect, the audit is consistent with the position I have maintained since this controversy first arose.

But while the rules themselves may be unclear, my duty as a senator and as a custodian of Canadian tax dollars is absolutely clear. The Deloitte audit revealed a single claim, totaling \$1050.60, which I erroneously claimed due to an administrative oversight. I should have noticed the error at the time, but did not. That claim was repaid in March, prior to the completion of the Deloitte audit, as part of a total reimbursement of just over \$90,000. This covered all of the expenses I was paid as a result of having to maintain two residences; one on Prince Edward Island, another in Ottawa. I will not be seeking the return of any portion of this reimbursement even though these expenses were claimed in good faith.

When I discussed these issues with my wife in February, we came to the conclusion that repaying the \$90 thousand was the right thing to do, regardless of the outcome of the audit that was to come. It was the right decision then, and it is the right decision now. I can only effectively represent the interests and values of the people of Prince Edward Island if I have earned their trust and respect. I am honoured to serve the people of my home province, and with the actions I have taken, I feel confident I can look them in the eyes and assure them I am doing so with integrity. With these matters now dealt with, my focus going forward will remain: to be the most effective representative I can be for the benefit of Islanders.

I am pleased the Senate has decided in light of Deloitte's findings, to now clarify the rules and definitions with respect to residency and housing allowances. This is a positive outcome emerging from a regrettable set of circumstances, and I am pleased that a new set of Senate rules will be in place for the benefit of Canadian taxpayers.

As a former journalist, I understand and respect the media's interest in this issue. I have responded to these matters with my actions, as outlined above. I am declining any further media requests.

Contact: Mélanie Mercer (613-)

May 8, 2013 8:42 PM

#536

From: Nigel Wright
To: Chris Woodcock; Patrick Rogers
Subject: RE: Duffy Statement

Ooops Chris. This is the statement that I saw from Goldy last weekend and I told him I thought it was fine (it reflects a couple of changes I asked for). I wanted him to make clear that the egregious claim of the \$1050 was made erroneously. Otherwise, it was potentially a fraud (claiming per diems while on a cruise) – as it turns out it was an administrative error. I do think that he made the other claims in good faith, believing it to be the standard practice. Good faith is the opposite of fraud, but it is not the opposite of mistake. I would not mind if you were able to add “albeit mistakenly” or something like that after the good faith words.

May 8, 2013 8:43 PM

#537

From: Michael Duffy
To: Chris Woodcock
Subject: Confidential draft statement for Thursday May 9th E&F

Confidential draft statement for Thursday May 9th E&F

May 8, 2013 8:44 PM

#538

From: Chris Woodcock
To: Nigel Wright; Patrick Rogers
Subject: RE: Duffy Statement

I wasn't sure and am glad I asked. I will suggest that change to him.

May 8, 2013 8:46 PM

#539

From: Chris Woodcock
To: Michael Duffy
Subject: Re: Confidential draft statement for Thursday May 9th E&F

Thanks for sharing this with me. I have only one suggestion, involving the addition of “albeit mistakenly” at the end of this line:

I will not be seeking the return of any portion of this reimbursement even though these expenses were claimed in good faith, albeit mistakenly.”

I think everything is in good shape for tomorrow.

May 8, 2013 8:57 PM

#540

From: Michael Duffy
To: Chris Woodcock
Subject: Re: Confidential draft statement for Thursday May 9th E&F

The media scrummed me outside the. Boie tonight. I hope I was positive enuf.
Mike

May 8, 2013 8:57 PM

#541

From: Chris Woodcock

To: Michael Duffy

Subject: Re: Confidential draft statement for Thursday May 9th E&F

Did it go ok at the Committee?

May 8, 2013 8:59 PM

#542

From: Michael Duffy

To: Chris Woodcock

Subject: Re: Confidential draft statement for Thursday May 9th E&F

Yes. Clear the libs are after me. I am back at 830a.,
Mike

May 8, 2013 9:18 PM

#543

From: Chris Woodcock

To: Michael Duffy

Subject: Re: Confidential draft statement for Thursday May 9th E&F

They most certainly are. Done soon.

May 8, 2013 10:34 PM

#544

From: Christopher Montgomery

To: Chris Woodcock

Cc: Johanna Quinney

Subject: Re: Any signs of products for tomorrow?

Just got off the phone with Tkachuk. He said it was tough slog but went fine. They got through Harb and Brazeau and although there was no vote the report was “unanimous”. Both will be adopted tomorrow after they go through the Duffy report.

Tkachuk, based on conversations with Furey, believes the Liberals will abstain from voting on the reports (how that jives with their support tonight?) And that Cowan will say tomorrow that the committee has done what was asked of it and did a good job but that they should be referred to independent outside body without using the words police or rcmp.

To that, we can respond that the issues were referred to an outside authority – the reputable firm of Deloitte – and that we have their reports and have responded accordingly.

May 9, 2013 10:38 AM

#545

From: Marjory LeBreton

To: Nigel Wright

Subject: Duffy

Hi Nigel – Is there any way we can get Duffy to stay away and most importantly avoid any media contact. By his appearance at Internal Economy he has really complicated our day!
Thanks Marjory

May 9, 2013 10:54 AM

#546

From: Nigel Wright
To: Marjory LeBreton
Subject: Re: Duffy

We are on it.

May 9, 2013 10:57 AM

#547

From: Nigel Wright
To: Patrick Rogers; Chris woodcock
Subject: Re: Duffy

I am unable to follow up on this right now. Goldy might be able to.

May 9, 2013 10:59 AM

#548

From: Patrick Rogers
To: Nigel Wright; Chris woodcock
Subject: Re: Duffy

I will call Goldy.

May 9, 2013 11:16 AM

#549

From: Chris Woodcock
To: Nigel Wright; Nigel Wright
Subject: Re: Duffy

I spoke to Duffy. He won't do any media and will stay away from the Chamber today.

May 9, 2013 2:20 PM

#550

From: Chris Woodcock
To: Michael Duffy
Subject: Re: Senate audit and per diems

I'd issue

May 14, 2013 10:45 AM

#551

From: Andrew MacDougall
To: Jeremy Hunt; Carl Vallée
Cc: Nigel Wright
Subject: Heads up CTV

Hey guys –

Heads up – Fife has asked me if Nigel co-signed a loan to help Duffy pay off debts to Senate. I've spoken with Nigel: line I'll be delivering is:

Mr. Duffy had paid back the expenses in question – and no taxpayer resources were used.

We reiterate our call on Liberal Senator Mac Harb to repay the 51k he owes.

(Fife knows Party didn't pay Duffy sums. I am neither confirming, nor denying any Nigel involvement).

Carl – would recommend we sidestep CTV if there's any indication they'll ask on this topic.

Andrew

May 14, 2013 10:51 AM

#552

From: Carl Vallée
To: Jeremy Hunt; Andrew MacDougall
Cc: Nigel Wright
Subject: Re: Heads up CTV

Would the PM know the actual answer to the question? Just in case he asks us.

May 14, 2013 10:54 AM

#553

From: Nigel Wright
To: Jeremy Hunt; Andrew MacDougall; Carl Vallée
Subject: Re: Heads up CTV

The PM knows, in broad terms only, that I personally assisted Duffy when I was getting him to agree to repay the expenses. On the specific matter, I did not co-sign a loan.

May 14, 2013 11:26 PM [10:26 PM Ottawa Time]

#554

From: Chris Woodcock
To: Michael Duffy
Subject: Emails?

Can you get me any emails you sent on February 20 and the few days after that have anything to do with the fife story? Need to figure out the extent of info available and have some ability to fact check.

May 14, 2013 10:29 PM

#555

From: Michael Duffy
To: Chris Woodcock
Subject: Re: Emails?

will look. have u heard anything more from him? mike

May 14, 2013 10:30 PM

#556

From: Chris Woodcock

To: Michael Duffy

Subject: Re: Emails?

Have you seen the story? Someone is showing Fife your emails.

@natnewswatch: Duffy made secret deal with Harper's chief of staff during audit

<http://t.co/ohQuKc4Mfj> #cdnpoli

May 14, 2013 10:30 PM

#557

From: Chris Woodcock

To: Michael Duffy

Subject: Re: Emails?

Can we start with this email please

"In a Feb. 20 email, Duffy said Wright worked out a "scenario" where all of his claimed living expenses would be covered, including "cash for the repayment.""

May 14, 2013 10:47 PM

#558

From: Michael Duffy

To: Chris Woodcock

Subject: Feb 20th memo

Janice: 20 Feb 2013

Before we chat Thursday, an update on today.

Mary and I copied and redacted my 4 years of diaries; added a summary of my days in PEI, and pics of the cottage under construction etc. and sent it to Nigel by Purolator.

We were having freezing rain. But barring a storm delay, he should have it Thursday morning. Nigel called last night. I have more details below, but there are two headlines:

1: He said he had heard that Deloitte might make a ruling on me next week, based on what they had seen from The Senate, without hearing from us.

2: He said the steering committee of Internal Economy was preparing to issue their own report early next week of the issue of "residency." I.e.: They would trump Deloitte by saying that their analysis of my health card etc. showed I was in violation if the rules and I wasn't eligible to sit as a Senator from PEI.

During the day I had several calls.

Sen. Vern White, former Ottawa Police Chief called, and said he wanted to chat. I said I was on deadline. Too busy.

David Tkachuk called to say that if I would write a letter saying I had made an error, and offering to re-pay, the committee would agree to pull my case from Deloitte. . I told him I had not made a final decision, but as they had sent me to Deloitte over my string objections, they would have to wear it.

I'm sure he reported this to Nigel.

Then my old personal friend Angelo Persichilli, who is expecting an appointment called, urging the same thing. You will be all alone. Your party against you, the Libs against you, the media against you. I said; I admire Harper, but I have to able to look myself in the mirror, etc.

[Continued below]

May 14, 2013 10:47 PM

#559

From: Michael Duffy

To: Chris Woodcock

Subject: Feb 20th memo

[Continued from above]

Then Nigel called tonight. I told him what I had sent. He was expansive, saying we (PMO) had been working on lines and a scenario for me, that would cover all of my concerns, including case for the repayment.

He then mentioned days on PEI, and I read him the totals from my document. I said any busy MP or Senator would be pressed to have more days in their ridings. ("I'll look at your diaries with care when they arrive. Maybe you're right. But my sense is Deloitte will find against you", I then said; if that happens, I'll call my bank. I did NOT say I would re-pay.

Somewhere in the midst of this he said the steering committee of Internal Economy was preparing to issue their own report on the issue of "residency."

Ie: They would trumped Deloitte by saying that their analysis if my file showed I was in violation if the rules and I wasn't eligible to sit as a Senator from PEI.

I asked, where does this committee get the power to pronounce on these things? Sounds to me like they are way out of their depth. No one gave them authority to make these findings on their own. He said David Tkachuk, and Carolyn Stewart Olsen were the majority on the steering committee and they wanted to do this.

I said nothing.

So that's the hammer. He didn't make a threat, he said he was trying to protect me from this rogue subcommittee. But the treat seems obvious. You take the dive or this sub-committee will throw you out on the residency issue before you've had any kind of hearing.

--

He also said you had not seen the diaries, and seemed to imply that he was thus in a better position than you to determine whether or not I was entitled to the housing allowance.

May 14, 2013 11:20 PM

#560

From: Chris Woodcock

To: Michael Duffy

Subject: Re: Feb 20th memo

The story has two other quotes from sources:

1. "Sources told (Fife) that the deal involved Duffy reimbursing taxpayers in return for financial help and a promise from the government to go easy on him.

Would any of your emails suggest that the letter is true (going easy)?

2. "Meanwhile, Duffy refused to co-operate with the auditors. In one email he wrote: "I stayed silent on the orders of the PMO."

Can I get that email please? What was the context?

May 14, 2013 11:27 PM

#561

From: Chris Woodcock

To: Michael Duffy

Subject: Re: Feb 20th memo

In terms of the Globe, you should stick to the same answer you gave Fife: that you repaid, but no taxpayer money was involved.

May 16, 2013 6:33 AM

#562

From: Simon Fecteau Labbé

To: [undisclosed]

Subject: Nigel Wright wrote personal cheque for \$90K to repay Mike Duffy's expenses

[News Article, *Nigel Wright wrote Personal Cheque for \$90K to repay Mike Duffy's expenses*, CTV News, May 15, 2013] [**Appendix A, Tab 31**]