

1969 Bill 93

Second Session, 16th Legislature, 18 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 93

**An Act respecting Pensions for Members of the
Legislative Assembly**

HON. MR. AALBORG

First Reading

Second Reading

Third Reading

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An Act respecting Pensions for Members of the
Legislative Assembly

(Assented to _____, 1969)

HER MAJESTY, by and with the advice and consent of
the Legislative Assembly of the Province of Alberta,
enacts as follows:

1. This Act may be cited as *The M.L.A. Pension Act*.
2. In this Act,
 - (a) "Board" means the Public Service Pension Board;
 - (b) "service" means
 - (i) service as a member of the Legislative Assembly, including any service as a member of the Executive Council or as the Speaker or the Deputy Speaker or the Leader of Her Majesty's loyal opposition of the Legislative Assembly, or
 - (ii) any service as defined in section 2, clause (f) of *The Public Service Pension Act*, other than service as a teacher in the employ of a school board as defined in *The Teachers' Retirement Fund Act, 1965*.

PART 1

MEMBERS OF THE ASSEMBLY

3. (1) Each member of the Legislative Assembly may contribute to the General Revenue Fund at the rate of 5 per cent of the allowance payable to him
 - (a) in the case of the Speaker, under section 35, sub-section (1) of *The Legislative Assembly Act*,

Explanatory Notes

1. This Bill will re-enact in a separate Act the provisions of The Public Service Pension Act which provide for pensions for M.L.A.'s and Executive Council Members.

2. Interpretation.

3. Contributions by M.L.A.'s. Present section 37.

- (b) in the case of the Deputy Speaker, under section 35, subsection (2) of *The Legislative Assembly Act*,
- (c) in the case of the Leader of Her Majesty's loyal opposition, under section 52, subsection (6) of *The Legislative Assembly Act*, and
- (d) in the case of all other members, under section 52, subsections (1) and (6a) of *The Legislative Assembly Act*.

(2) The contributions shall be made at such times and in such manner as the Lieutenant Governor in Council may determine and upon payment into the General Revenue Fund shall be accounted for as part of the General Revenue Fund.

(3) A member of the Legislative Assembly who was a member on the first day of March, 1963, may pay into the General Revenue Fund, in such manner and upon such terms as the Board directs, an amount equal to the contributions that could have been made by him in respect of all his service before that date had this Act been applicable to members of the Legislative Assembly during the period of that service, together with the interest that would have been accumulated thereon to the date of completion of such payment in full.

(4) No contributions shall be made by a member of the Legislative Assembly after he has contributed in respect of a total period of 35 years.

(5) The Board shall keep a separate account of the contributions made by each member of the Legislative Assembly under this section and shall credit interest to the account of each member at the rate and in the manner prescribed in section 12.

4. (1) The pensionable service of a member of the Legislative Assembly shall be any term or terms of his service for which he has made contributions under section 3 and section 6, but shall not exceed 35 years.

(2) Pensionable service may include any service recognized as pensionable service under section 14 of *The Public Service Pension Act*, other than service as a teacher in the employ of a school board as defined in *The Teachers' Retirement Fund Act, 1965*.

(3) After a total period of pensionable service of at least 10 years, whether continuous or not, a person who ceases to be a member of the Legislative Assembly is then entitled to receive

- (a) if his age is then 60 years or more, a normal pension in an annual amount equal to 2 per cent of the average annual allowance payable to him under

4. Pensionable service of M.L.A.'s. Present section 38.

The Legislative Assembly Act for the three consecutive years of his service during which that allowance was the highest, multiplied by the total number of years of his pensionable service computed to the nearest complete month thereof, or by 35, whichever number is the less, or

- (b) if his age is less than 60 years, a pension that is the actuarial equivalent at his age on ceasing to be a member of the Legislative Assembly of the pension that would be payable to him under clause (a) were his age then 60 years, as determined by the actuarial tables that are approved by the Board for that purpose.

5. (1) After a total period of pensionable service of one year or more but less than 10 years, a person who ceases to be a member of the Legislative Assembly shall be paid the amount standing to his credit in the General Revenue Fund, including the accrued interest credited on his contributions.

(2) After a total period of pensionable service of less than one year, a person who ceases to be a member of the Legislative Assembly shall be paid the total amount of the contributions he has made under this Act, without interest thereon.

(3) If a member of the Legislative Assembly dies while he is a member section 13 applies.

6. If a person has formerly been a member of the Legislative Assembly and after a lapse of time again becomes a member,

- (a) the payment of any pension theretofore received by him pursuant to section 4 in respect of his prior service shall be suspended until he again ceases to be a member, at which time, if he has made contributions pursuant to section 3 in respect of his further service, he shall be entitled to receive an additional pension in an amount calculated on the basis of his subsequent period of service, or
- (b) he may pay into the General Revenue Fund, in such manner and on such terms as the Board may direct,
 - (i) any sum that was paid to him pursuant to section 5 upon the termination of his prior service, together with interest on that sum from the date a refund of contributions was made to the date of completion of payment in full, or
 - (ii) an amount equal to the contributions that he could have made during his prior service had this Act been then applicable to him, together

5. Refund of contributions. Present section 39.

6. Interrupted service. Present section 39a.

with the interest that would have accumulated thereon to the date of completion of payment in full.

PART 2

MEMBERS OF THE EXECUTIVE COUNCIL

7. (1) Each member of the Executive Council may contribute to the General Revenue Fund at the rate of 5 per cent of the annual compensation payable to him under section 52, subsection (5) of *The Legislative Assembly Act*.

(2) The contributions shall be made at such times and in such manner as the Lieutenant Governor in Council may determine and upon payment into the General Revenue Fund shall be accounted for as part of the General Revenue Fund.

(3) A member of the Executive Council who served as a Minister without portfolio before becoming the head of a Department, may pay into the General Revenue Fund, in such manner and upon such terms as the Board directs, an amount equal to the contributions that could have been made by him during his period of service as a Minister without portfolio had section 52, subsection (5) of *The Legislative Assembly Act* applied to him during that period, together with the interest that would have been accumulated thereon to the date of completion of payment in full.

(4) The Board shall keep a separate account of the contributions made by each member of the Executive Council under this section and shall credit interest to the account of each member at the rate and in the manner prescribed in section 12.

8. (1) The pensionable service of a member of the Executive Council shall be any term or terms of his service for which he has made contributions under section 7 and section 10.

(2) After a total period of pensionable service of at least five years, whether continuous or not, a person who ceases to be a member of the Executive Council is then entitled to receive

(a) if his age is then 60 years or more, a normal pension in an annual amount equal to 2 per cent of his average annual income under section 52, subsection (5) of *The Legislative Assembly Act* for the three consecutive years of his service during which that income was the highest multiplied by the total

7. Contributions by members of the Executive Council. Present section 40.

8. Pensionable service of Executive Council members. Present section 41.

number of years of his pensionable service computed to the nearest complete month thereof or, at his option, an alternative pension as prescribed by section 20 of *The Public Service Pension Act*, or

- (b) if his age is then less than 60 years, a pension that is the actuarial equivalent at his age on ceasing to be a member of the Executive Council of the pension that would be payable to him under clause (a) were his age then 60 years, as determined by the actuarial tables that are approved by the Board for that purpose.

9. (1) After a total period of pensionable service of one year or more but less than five years, a person who ceases to be a member of the Executive Council shall be paid the amount standing to his credit in the General Revenue Fund, including the accrued interest credited on his contributions.

(2) After a total period of pensionable service of less than one year, a person who ceases to be a member of the Executive Council shall be paid the total amount of the contributions he has made under this Act, without interest thereon.

(3) If a member of the Executive Council dies during his term of service on the Executive Council section 13 applies.

10. If a person has formerly been a member of the Executive Council and after a lapse of time again becomes a member

- (a) the payment of any pension theretofore received by him pursuant to section 8 in respect of his prior service shall be suspended until he again ceases to be a member, at which time, if he has made contributions pursuant to section 7 in respect of his further service, he shall be entitled to receive an additional pension in an amount calculated on the basis of his subsequent period of service, or
- (b) he may pay into the General Revenue Fund in such manner and on such terms as the Board may direct
 - (i) any sum that was paid to him pursuant to section 9 upon the termination of his prior service, together with interest on that sum from the date a refund of contributions was made to the date of completion of payment in full, or
 - (ii) an amount equal to the contributions that he could have made during his prior service had this Act been then applicable to him, together with the interest that would have accumulated thereon to the date of completion of such payment in full.

9. Refund of contributions. Present section 42.

10. Interruption of service. Present section 43.

PART 3

GENERAL

11. Subject to the modifications and exceptions set out in this Act, *The Public Service Pension Act* applies *mutatis mutandis* to

- (a) persons who were members of the Legislative Assembly on the first day of March, 1963, and
- (b) persons who became members of the Legislative Assembly after the first day of March, 1963.

12. (1) Interest at the rate of 4 per cent per annum, or at such other rate as the Board may from time to time fix,

- (a) shall be credited by the Board to each member's account on the last day of June and December in each year, and
- (b) shall be computed on the amounts standing to the credit of the accounts on the next preceding first day of January and July respectively.

(2) The interest shall continue to be credited to a member's account until the end of the calendar month immediately preceding

- (a) the date when payment is made in full to the member pursuant to section 5 or 9, or
- (b) the date of death of a member whose beneficiary is entitled to benefits pursuant to section 13.

13. (1) Where a person dies while a member of the Executive Council or the Legislative Assembly, the amount standing to the credit of his account in the records of the Board shall be paid to his beneficiary.

(2) The amount payable under this section may be paid in a lump sum or in such instalments as the Board may direct.

(3) Where the beneficiary of a deceased member is

- (a) his widow, or
- (b) his or her dependent child under the age of 21 years, or
- (c) her dependent widower,

the beneficiary is also entitled to receive a further sum equal to the amount standing to the credit of the account of the deceased.

(4) Where the pensionable service of a member, at the date of his death has been not less than 10 years, or in the

11. Application of The Public Service Pension Act. Present section 36 (1).

12. Interest on accounts. Present section 7.

13. Death of members. Present section 25.

case of a member of the Executive Council not less than five years, and where the beneficiary is his widow or her dependent widower, the beneficiary may elect to be paid in lieu of the payments under subsection (3)

- (a) a pension of the same amount as would have been payable if the member immediately before his death had retired under section 11, subsection (1), clause (b) of *The Public Service Pension Act* and had been entitled to exercise and had exercised the option given of receiving a pension during the joint lives of himself and his wife and during the life of the survivor, or
- (b) a pension payable for life or for a term of years certain, whichever is the longer, that is an actuarial value equivalent to that of the pension provided for under clause (a).

14. If the persons to whom this Act applies become participants under the *Canada Pension Plan*, the Lieutenant Governor in Council may by regulation alter

- (a) the rate of contributions,
- (b) the service to be recognized as pensionable service, and
- (c) the amounts of the pension payable under this Act, in respect of any periods of service during which those persons are participants under the *Canada Pension Plan* and in conformity with any agreement between the Government of Canada and Alberta, and such regulation shall be of the same force and effect as if it were enacted as part of this Act.

15. *The Public Service Pension Act* is amended by striking out Part 2 and by renumbering Part 3 as Part 2.

16. This Act comes into force on the day upon which it is assented to.

14. Canada Pension Plan. Present section 43a.

15. chapter 264 of the Revised Statutes amended.