



Legislative Assembly of Alberta

The 28th Legislature  
Third Session

Special Standing Committee  
on  
Members' Services

Wednesday, February 4, 2015  
2 p.m.

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**Legislative Assembly of Alberta  
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Third Session**

**Special Standing Committee on Members' Services**

Zwozdesky, Hon. Gene, Edmonton-Mill Creek (PC), Chair  
VanderBurg, George, Whitecourt-Ste. Anne (PC), Deputy Chair

Forsyth, Heather, Calgary-Fish Creek (W)  
Fraser, Rick, Calgary-South East (PC)\*  
Fritz, Yvonne, Calgary-Cross (PC)  
Hale, Jason W., Strathmore-Brooks (PC)  
Johnson, Linda, Calgary-Glenmore (PC)  
Lukaszuk, Thomas A., Edmonton-Castle Downs (PC)  
Mason, Brian, Edmonton-Highlands-Norwood (ND)  
McDonald, Everett, Grande Prairie-Smoky (PC)  
Sherman, Dr. Raj, Edmonton-Meadowlark (AL)  
Strankman, Rick, Drumheller-Stettler (W)\*\*

\* substitution for Yvonne Fritz  
\*\* substitution for Heather Forsyth

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2 p.m.

Wednesday, February 4, 2015

[Mr. Zwozdesky in the chair]

**The Chair:** Ladies and gentlemen, it's 2 o'clock, and I'd like to convene this meeting of the Members' Services Committee.

Those of you who are on teleconference: we'll ask you to sign in shortly. We'll start with the signing-in of the voting members who are here present, and then we'll go to others. My name is Gene Zwozdesky, and I'm the chairman. We'll go over to Mr. Lukaszuk.

**Mr. Lukaszuk:** Well, thank you, Mr. Speaker. Thomas Lukaszuk, MLA for Edmonton-Castle Downs.

**Mr. Strankman:** Rick Strankman, MLA, Drumheller-Stettler.

**Mr. VanderBurg:** George VanderBurg, MLA, Whitecourt-St. Anne.

**The Chair:** Let's go to Mr. Fraser.

**Mr. Fraser:** Rick Fraser, MLA, Calgary-South East.

**The Chair:** Substituting for . . .

**Mr. Fraser:** Yvonne Fritz, Calgary-Cross.

**The Chair:** Sorry. Could we just go back to Mr. Strankman? You're substituting for . . .

**Mr. Strankman:** As I understand, Heather Forsyth.

**The Chair:** Okay. Officially.

**Mr. McDonald:** Everett McDonald, Grande Prairie-Smoky.

**Ms L. Johnson:** Linda Johnson, Calgary-Glenmore.

**The Chair:** Thank you.

There are presumably others on teleconference. I understand, Mr. Hale, that you are there. Would you sign in, please?

**Mr. Hale:** Yes. Jason Hale, Strathmore-Brooks.

**The Chair:** Thank you.

Do we also have somebody else subbing in for anyone else? Are there any other MLAs subbing in for anyone else? No.

Okay. We'll start the meeting. We know that we still are anticipating the arrival of Mr. Mason and Dr. Sherman. I would just bring to the committee's attention that one seat on the committee does remain blank, and that is Doug Griffiths, who, as you know, resigned as an MLA. I believe it was last week.

I see Mr. Mason has arrived, and as soon as he gets seated, we'll ask him to sign in officially. The card has been provided, and we invite you to sign in, Mr. Mason.

**Mr. Mason:** You want me to say my name. Is that what you want?

**The Chair:** Please.

**Mr. Mason:** Yes. Brian Mason, MLA for Edmonton-Highlands-Norwood.

**The Chair:** Well done, sir. Thank you.

So the only one that I think we're waiting on yet to hear from is Dr. Sherman. We did not receive indication of him not being present, so we anticipate he'll arrive, and we'll ask him to sign in at that time.

Thank you very much, everyone, for being here. There may be other MLAs who are online, who are on telephones, and if there are, then I will ask them to let us know that they are online just so that we know to anticipate their participation in the discussion. Please remember that only those who are official members of the committee and/or are official substitutes for other committee members are allowed to make motions and/or to vote. Otherwise, all MLAs are invited to participate.

Do we have any other MLAs on the telephone lines at this time? I don't hear any others, but as they come in, *Hansard*, perhaps you could keep us apprised. Thank you very much.

Let us move on, then. Roll call has been done.

A couple of quick housekeeping items from the chair's perspective. Just to let you know, I did manage to visit a few more constituency offices over the past month and a half. That's in keeping with what I promised I would do three years ago, and that takes me up to well over 30-some that I have now visited. I think I'm closing in on 40, and there are a few more to go, obviously. Nonetheless, that has gone very well.

The second item arising out of those meetings is that MLAs and their staff are still very concerned about the rising costs of office rent. That still seems to be the number one issue. We're not here to discuss it right now, but please know that I'm passing that information along to you.

The third housekeeping item. You may recall that at a previous meeting Dr. Sherman had asked for some clarification on why one of our budget items had gone down so significantly, and that was with respect to human resource expenses. I did answer that in writing to him. For the record I also circulated it to all other committee members. That's just a housekeeping item as well. Other than that, I don't have anything else to report under housekeeping, and if something does arise, I'll bring it to your attention.

Shall we move on, then? Yes? Thank you.

Let us go to the agenda. You have in front of you an agenda that was posted yesterday, and it contains the major items that we know we have before us today. After this was posted, I did receive a note from the Wildrose caucus indicating that they might have an item they want added to the agenda. So could I invite Mr. Strankman to please tell us if there's something you want added onto our agenda? Would it be old business, or would it be new business? We'll accommodate accordingly.

**Mr. Strankman:** Well, Mr. Speaker, I'm not exactly understanding it, but we wish to make amendments to the motions.

**The Chair:** Oh. You have some amendments to existing motions that you know are coming forward?

**Mr. Strankman:** To old business, yes. I understand they've been provided. I don't know if you're including that as new business.

**The Chair:** Okay. They are here. There's one motion here with respect to a forthcoming motion on MLA pay, which we can deal with.

**Mr. Strankman:** Yes, sir.

**The Chair:** Okay. Then there are other items here to do with House services under travel and with respect to professional development conferences, right? I'm just reviewing this because it's the first time I've seen it, right this minute, so just give me a second here. Okay. Those are all able to be, I think, included under our general discussion when we come to the budget items or to a motion that might be on the floor which you might wish to amend.

**Mr. Strankman:** Yes, sir. Thank you.

**The Chair:** The last one I see is a transportation order.

**Mr. Strankman:** It's an amendment to a motion.

**The Chair:** On this one I'm not sure. It's an amendment?

Could I get Parliamentary Counsel to – again, I'm at a huge disadvantage because I just saw this for the first time a minute ago. Parliamentary Counsel, can you bring us up to speed?

**Mr. Strankman:** It's my error, sir. It's new business.

**The Chair:** No worries. It's okay. We fly quickly here.

**Mr. Reynolds:** I believe that with the third item you mentioned, the transportation order, Mr. Strankman was saying that there is a motion to amend the order, but that item is not per se on the agenda right now, so that would be added, I believe, Mr. Chair, under new business.

**The Chair:** Agreed, Mr. Strankman?

**Mr. Strankman:** I appreciate your technical advice. Thank you.

**The Chair:** Okay. Has this been circulated anywhere yet other than to me? Okay. Let me just tell you what this is. Mr. Strankman is going to propose a motion that Transportation Order RMSC 1992, c. T-2 be amended in section 8, and that would constitute new business, in my view. It talks about identifying dates, locations, purpose of travel, and total kilometres. We'll deal with that as a new item of business under item 5, and I would propose that we add that in as item 5(b).

Are there any other changes, additions, withdrawals, or what have you from the agenda? Mr. Mason.

**Mr. Mason:** Thank you, Mr. Chairman. I'm looking at the notices of motion that have been provided to us by the government caucus, and I'm wondering where we are dealing with those on this agenda.

**The Chair:** Thank you very much. I will deal with those right before item 5(a), which is the general budget estimates. The reason for that is because it has financial implications to the overall budget estimates. I will deal with any others that have a financial impact or a potential financial impact, and at that point I'll ask you about yours.

**Mr. Mason:** My what?

**The Chair:** Well, you're listed here on the agenda, item 4(d).

**Mr. Mason:** Right.

**The Chair:** It's a carry-over, Brian.

**Mr. Mason:** Well, that's from ancient history.

**The Chair:** Yeah, I know, but it's been carried forward.

**Mr. Mason:** Okay. So just to be clear, you're going to put it on ahead of 5(a)?

**The Chair:** Ahead of 4(a). My apologies. Sorry.

**Mr. Mason:** Okay. Because it should be dealt with before the budget estimates, right? Okay.

**The Chair:** Exactly. So to restate that in answer to Brian's question and for everyone else, anything that has a single-line type item

reference to our overall budget will be dealt with first before we vote on the overall budget estimate for 2015-16. Is that clear? Okay. I will ask that question when we get to that point, which is coming up quickly. Anyone else on that point?

Seeing none, let us move on, then. Thank you for that, and thank you, Mr. Strankman, for your addition.

I wonder if we could now ask for the last time if there are any other amendments, changes, or alterations of any kind to the proposed agenda as already amended once.

Seeing none, could I get a motion, then, to adopt the agenda as amended? Mr. McDonald so moves. This committee does not require seconds. We'll go straight to the vote unless somebody wishes to discuss it. None? Okay. Those in favour of the motion to accept the agenda as amended please say aye or indicate by a hand wave. Good. Any opposed? I hear no opposition, so let us proceed with that.

The first item, then, is the approval of the minutes from December 22. These have been circulated. I don't think there were any surprises there, so I'll entertain a motion from Ms Johnson. Would you make the motion, please?

**Ms L. Johnson:** So moved, Mr. Chair.

**The Chair:** Ms Johnson has moved the approval of the minutes of the December 22, 2014, meeting of the Members' Services Committee. Does everybody agree with that motion? If you do, please say aye. Those opposed, say no. That's unanimous, and that's carried as well.

**2:10**

Now, let us go on. We are dealing, first and foremost, with old business under item 4. I'm going to now ask, as I just explained in response to Mr. Mason's question, for anyone who has a budget implication item that they want to discuss before we call for the vote for the general Legislative Assembly budget estimates for 2015-16 to please bring that suggestion to our attention now.

I'll start with Mr. VanderBurg.

**Mr. VanderBurg:** Well, I know, as posted on the website, the much anticipated 5 per cent reduction motion is what I'm planning on talking about now. I move that

effective February 1, 2015, a 5 per cent reduction be applied to the amounts set out in the following sections of the *Consolidated Members' Services Committee Orders* with any adjustments necessary to allow for equal monthly payments:

And that would include

(a) Executive Council Salaries Order RMSC 1992, c. E-2, section 1;

and, Mr. Chair,

(b) Members' Allowances Order RMSC 1992, c. M-1, section 1(a), section 3(2), and section 4.

The motion has been widely distributed. I think everybody understands that the intention, the 5 per cent reduction, is in order. It's a difficult budget coming up, and it's a difficult time for Albertans, and I believe that we need to set an example for all Albertans that we're willing to dig into our pockets as well to help balance this budget.

**The Chair:** Thank you very much.

Everyone understands Mr. VanderBurg's motion, I'm sure. It's essentially a 5 per cent cut in pay to MLAs and to Executive Council, or cabinet ministers as they are known. Is there any discussion on the motion?

**Mr. Strankman:** To that, Mr. Speaker, I'd like to move an amendment.

**The Chair:** I see no reason not to accept your request. There's been no discussion here. No one has raised a hand or indicated otherwise. Perhaps we can proceed directly on to your amendment, and then we'll discuss the amendment and vote on it, and then we'll come back to your motion, Mr. VanderBurg. Does everyone agree with that process? Yes? Thank you.

Okay. Let us proceed. Mr. Strankman, the floor is yours.

**Mr. Strankman:** Thank you, Mr. Chair. My amendment would propose striking out "a 5 per cent reduction" and substituting "a 30 per cent reduction in the case of the Executive Council salaries order and an 8 per cent reduction in the case of the members' allowances order."

**The Chair:** I hesitate to interrupt, but there are two things. Number one, has this now been circulated to everybody, the amendment? Could we do that right now? And while we're doing that, could we welcome Dr. Sherman and ask Dr. Sherman to sign in for the time and record of the proceedings?

**Dr. Sherman:** Raj Sherman, MLA for Edmonton-Meadowlark.

**The Chair:** Thank you for joining us, Raj. I'll quickly bring you up to speed. Mr. VanderBurg has moved a motion, which you already have – it was on notice yesterday – and that is basically to introduce a 5 per cent reduction to both the MLA pay category and the category of cabinet ministers, or Executive Council. There was no discussion that anyone wished to pursue yet, so we went directly to an amendment, and Mr. Strankman now has the floor.

I see that that has been distributed. Has it also been provided online to any teleconference folks? Our secretary, Allison Quast, is doing that now, but I think, Mr. Hale, if you listen carefully as Mr. Strankman reads it aloud, you'll get the gist of it while it takes 30 seconds or a minute to arrive in your hands on your computer.

Back to you, Mr. Strankman.

**Mr. Strankman:** Just to be clear, Mr. Chair, you'd like me to repeat my written motion?

**The Chair:** I think, if you don't mind, that if you just repeat it quickly, that would help.

**Mr. Strankman:** Thank you. I'll read it as I believe it's presented to everyone, and I have a copy. I move that

the motion proposed by Mr. VanderBurg be amended by striking out "a 5 per cent reduction" and substituting "a 30 per cent reduction in the case of the Executive Council salaries order and an 8 per cent reduction in the case of the members' allowances order.

That is dated this day, February 4, 2015.

**The Chair:** Okay. Can I assume this has been vetted past Parliamentary Counsel for appropriateness and form? Mr. Reynolds.

**Mr. Reynolds:** Yes.

**The Chair:** Mr. Reynolds has indicated yes.

Let's proceed onward. That is the amendment to Mr. VanderBurg's motion as provided by Mr. Strankman. Is there any discussion on the amendment? Is there any discussion? Yes, there is. Let's go with Mr. Mason, followed by Mr. VanderBurg.

**Mr. Mason:** Well, a 30 per cent reduction in salaries for the Premier and cabinet is indeed, Mr. Speaker, very tempting – I don't think there are any cabinet ministers around the table today; it could pass – but I fail to hear a rationale. I mean, I know that the Wildrose

wants to beat the Tories in the race to the bottom, but 30 per cent may be going even a bit too far for them. I'm just wondering why you want to cut cabinet salaries by 30 per cent.

**The Chair:** Okay. I'm going to do this format. If it's a direct question such as that is, I'm going to go back to the person with the answer, and then we'll continue on with the speaking order. So let's have an answer.

Mr. Strankman, please.

**Mr. Strankman:** If I could. To the hon. member: the intent of this amendment to Mr. VanderBurg's motion is simply to implement the change in MLA cabinet compensation that the Wildrose has continuously advocated for. My notes as of today say that west Texas intermediate crude is at \$48.65 U.S. When the motion was made to extend the 30 per cent and the 8 per cent raise, WTI oil, on March 27 and 28 of '08, was \$107 a barrel. This motion would reduce the extra compensation that members receive – yes, that's correct, sir – but the spirit that this motion was initially made in was to initiate leadership for Albertans. I think that if the oil at today's price is at one-half of what it was when that raise was made, this government should exhibit some form of leadership, real leadership. This motion would reverse that direction, obviously.

I'd like to note that under the Legislative Assembly Act the Leader of Her Majesty's Loyal Opposition is compensated at the same level as a minister with a portfolio. So the changes proposed in my amendment to Mr. VanderBurg's motion would also result in a reduction of pay to the Leader of the Official Opposition, 30 per cent, or in this case approximately \$20,000 a year. Again, I wish to reiterate that I believe that this is the kind of leadership that Albertans, not necessarily the government, sir, but Albertans, wish to see.

The second part of this motion would reduce the compensation levels of private members – and that would include myself – by 8 per cent. So I, too, am taking leadership, that was initiated way back in 2008, when the oil price was double what it is today.

**Mr. Mason:** Mr. Chairman, I guess, having heard the rationale, it strikes me that what the hon. member is proposing is that our compensation should be determined by the Saudi oil minister, because if it's based on oil prices, then it doesn't matter what we do. That doesn't make any sense to me at all.

**Mr. Strankman:** Well, if I might . . .

**The Chair:** Just let him finish.

**Mr. Mason:** So, just to conclude, I don't think I can support this particular motion, as I say, as tempting as it is to cut the cabinet's salaries, because I don't think there's a solid rationale. It certainly just does not make sense to me.

Thank you.

**The Chair:** Back to you, Mr. Strankman, for clarification.

**Mr. Strankman:** Well, I think it's reasonable knowledge that in the province a lot of the revenues are generated by oil field activity and the actions thereof and the royalties related to that, so I was simply using that as a singular example.

**The Chair:** Okay. Thank you.

**Mr. VanderBurg:** Well, I think the work that this committee does is very serious work, and it's not about grabbing headlines and, you know, pitting one party against another. I think this motion is intended to do that. This is pure politics, this motion. I think that

we're stooping to the bottom of the barrel when we start playing games like this, and I don't appreciate it, and I will not support it.

**The Chair:** Thank you.

Any other discussion on the amendment? Dr. Sherman, followed by Mr. Mason.

2:20

**Dr. Sherman:** Thank you, Mr. Speaker. Well, the rationale of the amendment goes to the core, the heart of the problem in Alberta that we face as a government. Essentially, the delivery of public services is tied to the price of a barrel of oil today or tomorrow. Really, the greater issue here is the principle. The principle is that MLAs are in a conflict of interest in setting their own salary, be it up or down.

Number two. In fact, the motion before us and the amendment are both politicization of MLA pay for political purposes. You know, Liberals have always said that our real bosses are the electorate. Muriel Abdurahman, who was an MLA that sat with you, Mr. Speaker, in '93, when you were with the Liberal caucus, offered a private member's bill saying that it should be an assembly with leaders of citizens working with a judge, working with the Speaker of the House, who should set our pay. We should not be having this discussion nor voting on it.

However, having said that, the rules of this committee are that we must vote for it or against it. I personally prefer to abstain from the vote. I think, Mr. Speaker, you have your current rules. I will be taking a convenient comfort break when the vote happens. Hearing both the conservative political parties, they're both politicizing this, and really we're in a conflict of interest in setting our pay, whether it be up or down.

Thank you.

**The Chair:** Thank you. Just to clarify, if you're in the room, you must vote, so we'll leave that decision up to you.

Is there any other discussion or clarification, Mr. Strankman, that you wish to offer?

**Mr. Strankman:** I think I've made my point to the best of my ability.

**The Chair:** Okay. Thank you.

Let me go to the telephones. Is there anyone on the telephones who wishes to chime in?

I hear no one. So are you ready for the – oh, I'm sorry. Mr. Mason, you were next.

**Mr. Mason:** Oh, I think Dr. Sherman made my point. I find it hard to listen to Mr. VanderBurg characterizing the Wildrose motion as playing politics without smiling because I think both parties are doing exactly that.

**The Chair:** Thank you.

Are there any others who wish to chime in on the amendment specifically? Going once, going twice.

Are you ready for the vote on the amendment, then? Those in favour of the amendment as proposed by MLA Strankman should now say aye. Those opposed should now say no. I believe the noes have it, so that amendment is defeated.

We're back to the main motion now. Is there any additional discussion on the main motion, provided by Mr. VanderBurg? Is there anyone else who wishes to discuss that? Thank you. Let's go to Mr. Mason.

**Mr. Mason:** Well, thank you very much, Mr. Speaker. I and my caucus have deliberated at some length on this in the few days that have been available to us to do that. I want to suggest from the

beginning that what Mr. VanderBurg said at the start of his comments, when he introduced this motion, is that we need to set an example for other Albertans, and that's exactly what the problem is as far as we're concerned.

This government is intent on once again solving an economic crisis and a financial crisis of its own making on the backs of ordinary Albertans. This pattern has been repeated over and over and over again. This government has repeatedly failed to diversify Alberta's economy. It keeps talking about it every time we get into this situation. Every time the price of oil goes down, this government talks about the need for diversifying the economy. Then the price of oil comes back up, and they forget all about what they were saying.

The same thing applies to the revenues of this province. Mr. Speaker, I have probably made 20 speeches since I have been here about the dangers of relying so heavily on oil and gas royalty revenue to fund our program expenditures. Back in 2011, under then Premier Stelmach, a blue-chip panel on the economy of the province was put in place – I think they did some interesting work; I don't agree with all of it, but a lot of that work was very good – and one of the major points that they made at the time was that we are too dependent on royalty revenue, which is highly volatile, to pay for our program expenditures and that the government needs to take steps to diversify its revenue sources.

They identified at that time that for our program spending 30 per cent of the money was coming from royalty revenue, and – guess what? – they identified the fact that all Albertans except this government seem to understand, and that is that the price of oil goes up and it comes down. It goes up and it comes down, and every time this government has been caught by surprise. Every time there's a crisis in the budget, there's a crisis in the economy – it's not diversified – we don't have enough money, and guess who has to pay the price? Well, it's the people that depend on government services or the people that work for the government.

This is intended, I would say, not to set an example but to insulate MLAs and to insulate the government from the criticism that will certainly be made when they're asking public employees to take reductions in their wages. They haven't done so, so they have learned from that mistake. Once again, as we go down that road, they're going to make sure that they're protected against that criticism by so-called leading by example.

Now, how did we get into this position? Of course, my speeches have referenced this many times in the House. When Stockwell Day was the Finance minister, he brought in the flat tax, which was a dramatic cut in the revenues to this province but an even bigger cut to very wealthy individuals' taxes. At the same time middle-class Albertans, in the range of \$50,000 to \$70,000 a year, actually saw an increase in their taxes. Steve West, in his budget documents in 2001, estimated that the flat tax would cost Alberta – yes, it's on this, Mr. Speaker – \$1.5 billion a year.

Then, of course, Steve West, when he was the Treasurer and I was newly elected – Mr. Speaker, I went to a luncheon at the Edmonton chamber of commerce to hear Steve West talk, and he talked about the plan to reduce the corporate income tax rate on profitable corporations from 15 and a half per cent down to 8 per cent over a period of years. Now, the government has moved down more slowly than they expected, and they've stopped, apparently, at 10 per cent, still a one-third cut in corporation tax. Now, Steve West's budget documents in 2001 estimated that there would be about a \$77 million a year drop in that.

If I add it up, Mr. Speaker, between 2001 and today the flat tax, according to the government's own figures, has cost us \$19.5 billion in lost revenue, and the corporate income tax has cost us \$10 billion over the same period of time for a total of \$29.5 billion less

in revenue – stable revenue, not royalty revenue, that's volatile, but stable revenue – in that time. So now when the price of oil drops, we're laying off janitors, we're laying off teachers, we're laying off nurses, and we do it over and over again. The members of this committee, the members of the Conservative caucus, and the Conservative government are to blame for what is to come in this province. No one could have stopped the fall in the price of oil, but only the government could have prepared for this, and they failed to do so over and over and over again.

Now they want us to take a pay cut in order to set an example for people that earn a fraction of what we earn. Well, my instinct is to naturally vote against this, but I also have been around a while, and I know how this government works, and I know what they're capable of, especially in an election, in trying to make the victim or the person that's trying to do good or do right the target. So in order to ensure that the NDP's opposing an MLA pay cut does not become an election issue, we're going to vote in favour. But it is not because we believe that we want to set an example for people that earn far less than we do. It is precisely because we don't want that to be the issue.

We don't want MLA pay to be the issue in this election like it was in the last election because it distorts the real issues. It allows the government to escape from talking about why they can't get the health care system right, why they can't get the education system right, why we have some of the lowest royalties in the world, why wealthy people get off scot-free and the rest of us pay the price for the government's neglect and squandering of wealth when times are good.

2:30

Mr. Speaker, having said all that, I will be voting in favour of this motion very reluctantly and not for the reasons that the government has brought it forward.

**The Chair:** Thank you.

Are there any others who wish to talk to Mr. VanderBurg's motion?

**Dr. Sherman:** Mr. Speaker, I'd like to ditto much of what Mr. Mason has said. In fact, look at the numbers. It was a \$1.5 billion savings, the flat tax. The savings were really to the top few per cent in our society. Our population has gone up from 2.5 to 4 million, so more people are working and the incomes are higher. I would say that it's actually even more than \$19.5 billion.

**Mr. Mason:** Twenty-nine and a half, including corporate.

**Dr. Sherman:** Or 29 and a half. Sorry.

Now, Mr. Speaker, this motion really is a prelude to public service cuts. It's a movie that I saw as a layperson before I ran for public office. You know, their government got rid of the pension plan, the public sector took wage rollbacks and staff rollbacks, and then the elected members put in a three-month transitional allowance per year served, and some left with a million-dollar and then some transitional allowance. It became an election issue, the no-pay committee. Now here we are again on the cusp of an election.

You know, I took the liberty of going through every budget for the last 10 years, money coming in and money going out, and I have a little presentation called: where did our money go? When oil last fell in the early '80s, when I came here, there was \$12.6 billion in the bank, the roads and hospitals and schools were good, well staffed, and, heck, we were the province of champions. Now oil has fallen. We're in debt. Our roads are broken. Our hospitals and schools are rundown. Albertans are not receiving the services that

they deserve, and after a quarter century of back-breaking work there's only \$17 billion in the trust fund, which is a fraction of what it is in 1984 dollars.

We examined the economic policy of the government. So how did Premier Klein get the province out of debt? We know that he cut and slashed and burned – we know that – and downloaded responsibilities. We saw prior to 2001 – they said: paid in full. We examined his economic policy and that of Premier Getty and Premier Lougheed. Alberta had a progressive income tax, which was 44 per cent of the federal tax brackets. Granted, the basic personal exemption has gone up. The tax at the low end was 7.48 per cent and 12.76 at the high end. Corporate tax used to be 15.5 per cent. In 2001 it got cut to 10 per cent. Corporations invested in Alberta at 15.5 per cent income taxes. Small-business tax was at 6 per cent. It's at 3, and that's okay because small and medium-sized businesses usually carry the economy when the big corporations choose not to invest. There were health premiums. Mr. Speaker, it's my understanding that there was an 8 per cent surtax on the top 1 per cent. Premier Klein never talked about it. That's how he got the province out of debt.

This 5 per cent pay cut is a symbolic measure to ask the public sector to make more sacrifices at the time that they're being asked to do more with less in what is still an ever-expanding and growing province. Real leadership – and Mr. Mason, I want to thank you for the last election. It's tough talking about taxes heading into an election. You talked about it. The Liberals talked about it. Yes, we're all in this together, and being in this together, whether it's corporations and the wealthiest amongst us – they didn't get wealthy without a good public sector helping them become wealthy. It's important that the government – not only a symbolic \$600,000 cut to MLA salary, I think there has to be a modest tax increase in the corporations and the wealthiest amongst us. So the intent of this motion is really to prepare society for service cuts, fewer services, and lower salaries for the public sector.

Now, again, we come down to the principle of voting or not voting for this. I've reiterated, and I'll be very short: MLAs are in a conflict of interest. You should not be voting on your salary, up or down. As Mr. Mason says, because of politics he's forced to agree with the government because he doesn't want to make this an election issue. I believe, moving forward, I will not be seeking re-election, so it doesn't affect my salary.

**Mr. Mason:** So you can stay?

**Dr. Sherman:** No, I won't be staying.

I would advise the members of the Assembly and those who get re-elected: please, if you really want to create a better province and ensure trust with the politicians and elected people with the electorate, who are ever so cynical, stop this politicization of MLA pay. If we all are truly in it together, put MLA salaries in the hands of the citizens, who are our bosses, and after the election please consider adopting the Liberal policy.

Mr. Speaker, I've had my last say on this topic, and I'm glad – gosh, I have to have another comfort break – not to vote on this again. Thank you.

**The Chair:** Thank you.

Let us move to MLA Strankman, and then we'll go to the telephones.

**Mr. Strankman:** Thanks, Mr. Speaker. There have been some eloquent presentations here, and I've been listening intently to all of it, trying to make some advancements also in this province going forward. Dr. Sherman, the Member for Edmonton-Meadowlark, makes valid points there, that it truly is a conflict of interest, but we

are stuck with the rules that we have in front of us today, and we have to work with that.

An interesting quote that I'd like to bring forward is the quote recently quoted by the *Fitzhugh* paper – I believe it's of Hinton, Alberta – where the Finance minister of this province said that yes, "when times are good we [do] spend like drunken sailors." I think that was unfortunate of Mr. Campbell to make that statement, that the government does not necessarily recognize the leadership that they should evoke.

A long time ago a former Premier of this province said that in also striving for change, if Albertans haven't suffered enough, it's their God-given right to suffer some more. If we're going to be deemed to repeat ourselves, then possibly the gentleman, whoever it was, that coined the licence plate about the boom and the bust and not frittering it away needs to recycle that bumper sticker.

I think that it's important that Albertans recognize that this is cyclical and that we have to make some changes, so any motion or any vote that I make today will be grudgingly to try and reduce the pain for Albertans.

**The Chair:** Thank you.

Let me go to the telephones. Is there anyone on the telephone who wishes to chime in? If so, please identify yourself and proceed. I hear no one from the telephones' end. Is there anyone else here in person who wishes to chime in on Mr. VanderBurg's motion?

Seeing none, are you ready for the question, then? Okay. Let us proceed. Those in favour of the motion as moved by MLA VanderBurg should now say aye. Those opposed should now say no. I hear no noes, so that would be a unanimous vote. So ordered and so carried.

Now, before we move on to the overall budget estimates for the Legislative Assembly, I believe, Mr. Strankman, you have another motion that you wish to provide. This will be motion 2. I don't know that it's – it's not an amendment, is it?

**Mr. Mason:** Mr. Speaker, aren't there two amendments to the executive salaries amendment order that we also have to deal with, or is that included in this?

**The Chair:** Oh, I'm sorry. That was circulated to everybody, the consequence of Mr. VanderBurg's motion?

**Mr. Mason:** Yeah. There are two motions to actually amend the standing orders.

**The Chair:** It was worded as one. He provided it as one.

**Mr. Mason:** Oh, it's all inclusive? Okay. That's fine.

**The Chair:** But you did raise an interesting point, and that is that the consequential changes, or amendments, if you will, to our pay scales, including everyone that is listed, are provided before you. If anyone doesn't have a copy, I'd be happy to try and get Ms Quast to provide you with one. It's before you. Okay. Thank you for that clarification, Mr. Mason.

Let us move on, then, to Mr. Strankman. You have another motion to present. We'll turn the floor over to you.

2:40

**Mr. Strankman:** I believe, Mr. Speaker, we should wait while it's circulated.

**The Chair:** Is the motion being circulated now? It's labelled in the top left corner as Notice of Motion 02, and it has some financial implications potentially on the 2015-16 estimates. Can we flip it to those on the telephone as well, Ms Quast?

**Ms Quast:** Yeah.

**The Chair:** Thank you. That's being done as we speak.

As it's being circulated, Mr. Strankman, why don't you go ahead and read it into the record, please.

**Mr. Strankman:** Thank you, Mr. Speaker. Under this motion, sections

- A. The 2015-2016 estimates of the Legislative Assembly of Alberta be reduced for House services under travel by an amount equivalent to 50 per cent of the amount of that estimate that is allocated to MLA travel for professional development conferences.
- B. The 2015-2016 estimates of the Legislative Assembly of Alberta be reduced for legislative committees under travel by an amount equivalent to 50 per cent of the amount of that estimate that is allocated to MLA travel for professional development conferences.
- C. The estimates of the Legislative Assembly of Alberta presented to the committee for the 2016-2017 and 2017-2018 fiscal years for MLA travel for professional development conferences shall not exceed the amounts reflected in parts A and B.

**The Chair:** Thank you. I did note that you altered a couple of words there, but I think we'll go with the written version. I think we've got the gist of the motion, but we'll go with what's actually in writing.

**Mr. Strankman:** I would accept that, sir.

**The Chair:** Okay. Thank you very much.

Let's open the floor to discussion. The motion has been moved by Mr. Strankman. Let us start with the telephones and see if there's anybody on the telephones who wishes to speak to this item first.

Hearing no one on the telephones, let's go to those who are here in person. Does anybody wish to speak to this motion as provided by Mr. Strankman? I see no hands going up. Mr. Mason, did you want to speak?

**Mr. Mason:** Can Mr. Strankman give us an idea how much this is going to save?

**Mr. Strankman:** I believe it's in the order of some \$50,000.

**The Chair:** Thank you.

Are there others who wish to comment, speak, or ask a question in relation to the motion before us?

**Mr. Strankman:** Well, Mr. Speaker, if I could just add that the intent of this motion is simply to reduce the number of dollars the taxpayers are spending for MLAs to travel to conferences and other such events. In a time when Albertans are being warned to tighten their belts, I'm just trying to exude some leadership here by members doing the same.

**The Chair:** Thank you.

**Mr. VanderBurg:** Mr. Chairman, at one of our previous meetings you talked about the conferences and the participation through the Speaker's office, and I think that – and I have to be corrected if I'm wrong – I understood that we were on the road to exactly that, of reducing the attendance at conferences but by no means reneging on commitments that had been made in the past for attendance. Could you clarify that? I just need a refresher of the conference discussion that we had.



**The Chair:** Your understanding is exactly correct, and it is on record in previous *Hansard* discussions at this table. I did indicate that I would be scaling back the number of MLAs going to these professional development conferences, and I say that with some regret because I have never yet heard an MLA in my 22 years complain about going out there and learning how to be a better MLA.

However, given the fiscal framework before us and the fiscal climate and all those other items pertaining to our revenue shortfalls and so on, I have already scaled those back, and I will not be sending as many MLAs to these professional development conferences for the 2015-16 year. To put it in a nutshell, whereas we might have been able to send two, three, and sometimes even four MLAs to some of the conferences, we'll be scaling that back by anywhere from 25 to 50 per cent going forward, and that still will protect, if you will, the spots that we have for some of these important conferences so that we don't drop to the bottom of the invitation list. They are highly revered conferences for professional development of MLAs. A variety of topics are covered. I say that with no pleasure whatsoever, but I do recognize the fiscal reality. So your understanding is exactly correct, Mr. VanderBurg.

Are there others?

**Mr. VanderBurg:** You know, Mr. Chairman, further to that, with regard to travel and conferences the Premier and the Treasurer have made it very, very clear to cabinet to roll that expense back in their budgets as well. You'll see that come the budget presentation, I believe, in the Legislature this spring, and we'll be judged by that.

**The Chair:** Thank you. That has been noted by LAO staff as well, and this item has not gone unnoted in our discussions with the Speaker's office, myself chairing.

Are there other comments here?

**Dr. Sherman:** Mr. Speaker, whether you're a teacher or a nurse or a doctor or an engineer, funding professional development is key to making sure that people have their competencies. Many people who get elected really had no education in politics before they got elected. We learn a lot from our peers within our caucuses and based on the deliberations we have in the Legislative Assembly and in committee. I think this is a very drastic measure. If you have made adjustments to the budget, I think that's very reasonable. It's important for all MLAs in all caucuses to be able to liaise and become better MLAs and talk to members from other parties and from other provinces. It's for that reason that I will be voting against this motion. It's the principle. For us to set a principle that we're willing to be substandard, subpar MLAs: that's not a message that we should be sending the public. In fact, we should be investing in the professional development of all Albertans, including those who serve our province and serve democracy.

Thank you.

**The Chair:** Thank you.

I've already addressed item (c) on the three-part motion that Mr. Strankman has provided. Are there any other comments with regard to (a) and (b)? Let's start there.

If not, are you ready for the question? Anybody on the telephones?

**Mr. Strankman:** If I could.

**The Chair:** Mr. Strankman first, and then the telephones, and then the vote or whatever.

**Mr. Strankman:** If I could, Mr. Speaker, it also does smack of the same principle that Dr. Sherman talked about before, where it is

somewhat a conflict of interest for us to be voting on this. I know that in my unpublic life as a farmer I paid for all my professional development by myself. I did not rely on a government agency to provide that funding for me, so I have a somewhat different view of that, and I think that that's part of the spirit of my motion here, that self-education would be self-initiated.

**The Chair:** Is there anyone on the telephone who wishes to chime in?

Hearing none, let's go to Dr. Sherman.

**Dr. Sherman:** Mr. Speaker, this isn't an issue of salary; it's an issue of having the competencies to do your job. That's why we'll be voting on this. Therein lies the difference between the Wildrose and the progressive parties. We believe education for everyone in our society is of the utmost importance.

Thank you.

**The Chair:** Thank you.

Is there anyone else who wishes to add a comment or ask a question in relation to Mr. Strankman's – Mr. Mason. Thank you.

**Mr. Mason:** Well, thank you very much. I think I probably should speak for myself on this matter, then, but I am pleased to see that recent events have not weakened the ideological bond between the PCs and the Wildrose. They continue to be as strong as ever.

Having said that, I tend to agree that some professional development is important. I also think that MLAs – and I will talk about government MLAs as well as opposition MLAs, but primarily opposition MLAs – are probably one of the best investments that the citizens can make in terms of saving money. If it weren't for opposition MLAs, we wouldn't know about the airplanes, the sky palace, and many other examples of waste that have existed, so there's an important role.

I know it's a balance. I know that there's the yin and the yang and there's the government and there's the opposition and they play their roles, but MLAs themselves, in my view, do make a real contribution, including a contribution to making sure that public money is well spent. Consider, you know, the Public Accounts Committee. It's the only committee in our whole system that's chaired by an opposition member. It recognizes the important role of the opposition in keeping the spending of the government under control. It doesn't matter whether you're on the left or on the right or in the middle. All of us have made contributions to making sure that taxpayers' money is spent as efficiently as possible.

2:50

In the time that I've been here, which is nearly 15 years now, I've been on two – I remember one in particular in Quebec City, spending time learning about Canadian federalism and how other provinces operated and having a wonderful chat with Claude Ryan, who was a former leader of the federalist forces in Quebec and leader of the Liberal Party, and just how interesting that was to have that opportunity to talk to him, to hear about some of his experiences and some of his views on things. I think that it helped me become a better MLA, and I think it can help others as well.

So when we're in these difficult financial situations, as I said, it's good to remember how we got here but also to remember that MLAs themselves are the first defence against overspending by the government. It's no accident that in British parliamentary history the first thing that the Commons insisted on was the ability to approve taxes and the ability to approve government expenditures. That's a fundamental role of MLAs whether they're private members on the government side or opposition members. It's a

critical role. I think we weaken that at the expense of being as good MLAs as we can.

I don't think I'll support this motion.

**The Chair:** Thank you.

I think that brings the speakers list to an end as far as I have. Are you ready for the question, then, on the Wildrose motion 2 provided by Mr. Strankman? Yes? All right. Those who are in favour of the motion 2 as enunciated and provided to us by Mr. Strankman should now say aye. Those opposed should now say no. Accordingly, the noes have it. That motion is defeated.

Now, are there any other motions that anyone wishes to present that are going to impact our Legislative Assembly budget estimates for 2015-16 before we vote on the overarching motion? None?

Then, respecting the fact that the bottom line will be slightly different as a result of Mr. VanderBurg's successful motion minutes ago, can I call the question on the overall Legislative Assembly budget estimates for 2015-16? Are you in agreement to call the question? Yes? Okay. Thank you.

The total revised budget, then, for 2015-16 for the Legislative Assembly and all parts related to it will be \$68,199,000, and that reflects a reduction of approximately 2 per cent from the outgoing year's budget of 2014-15.

**Mr. Mason:** So this is an omnibus motion that covers the whole budget in one. Is that correct?

**The Chair:** That is correct. This would cover everything. We've already had two previous meetings in December with all the details, but if there are some questions, we have expertise here to perhaps address it.

**Mr. Mason:** Not to be too self-serving, but I have to ask about our budget. I have the documents from the first meeting in which it was indicated verbally by yourself that there would be some reduction. Is there, in fact, new documentation reflecting a new budget, or is it the same?

**The Chair:** I'll get Dr. McNeil to . . .

**Dr. McNeil:** There's no change in the opposition budget.

**Mr. Mason:** Thank you.

**The Chair:** All we've dealt with, Brian, since the last meeting is basically MLA salary stuff. Everything else there is all staffing.

**Mr. Mason:** Well, I was thinking that we could get a share of what the Wildrose used to get.

**The Chair:** Are we ready for the question, then?

**Dr. Sherman:** Mr. Speaker, just a simple question to you and the Clerk. Does this satisfy that you have the funding and resources to be able to serve the elected members of the province of Alberta? If you feel this budget is sufficient to serve Albertans and to serve the elected members, I'd like to hear from you.

**The Chair:** Well, my short answer would be yes. I think it is adequate enough to carry on the fine tradition of the Assembly and all the people who serve it, including the MLAs, the staff, and others who are here, be they in Edmonton at our main headquarters office, so to speak, of the LAO or if they're working out in the constituency offices.

**Dr. McNeil:** I would reinforce that. I think the budget is a reasonable budget in terms of being able to, you know, continue to

provide the services that we provide to members and their staff in the caucuses and in the constituency offices and through the offices of the Legislative Assembly Office.

**Dr. Sherman:** Thank you.

**The Chair:** Okay. Thank you.

Those who are in favour of the estimates for the Legislative Assembly Office budget as provided for 2015-16 should now say aye. Those opposed should now say no. I hear none. That's unanimous and carried.  
I think we're okay, Rob?

**Mr. Reynolds:** Yes.

**The Chair:** It was just a question of whether somebody wished to move the actual motion for the budget, but I think everyone is satisfied with the process where I've just asked for a vote. Anyone opposed? None. Thank you. Then that is carried and so ordered.

Let us move on to item 5(b). Before we do, I want to – 4(b). My apologies. I keep getting the 4 and the 5 mixed up today.

I want to just invite others who are present here from the staff to sign in quickly while we get ourselves ready for the next few items. Your name and your position, please.

Let's start with Dr. McNeil.

**Dr. McNeil:** David McNeil, Clerk of the Assembly.

**Mrs. Alenius:** Bev Alenius, chief of staff, Speaker's office.

**Mrs. Scarlett:** Cheryl Scarlett, director of human resources; information, technology, and broadcast services.

**Mr. Ellis:** Scott Ellis, director of financial management and administrative services.

**Ms Breault:** Jacqueline Breault, manager of corporate services.

**Mr. Joy:** Darren Joy, manager of financial services.

**Mr. Reynolds:** Rob Reynolds, Law Clerk and director of interparliamentary relations.

**Ms Quast:** Allison Quast, executive assistant to the Clerk.

**The Chair:** Thank you.

Moving on to item 4(b). I received a note from MLA Mike Allen earlier today and I had a conversation with MLA Scott yesterday regarding this request for a discussion on rural versus urban designation for the two constituencies up in the Fort McMurray area. They have now discussed it, and to summarize it all, they feel that the current classification is manageable for the time being and therefore it would be appropriate to withdraw their request. So that being the case, item 4(b) can be officially withdrawn, and it will not be carried forward.

Let us move on to item 4(c). There was a request put before the committee at least one or two meetings ago from MLA Pastoor with respect to the retirement investment option. This does not separately impact the 2015-16 budget that we just voted on. It's really a matter dealing with the '14-15 budget, the year that we're currently in.

I wonder if I could ask Mrs. Scarlett to provide us with an overview in a nutshell of what this request was. The floor is yours.

**Mrs. Scarlett:** Okay. There was an information item that was in your package at previous meetings, so I'd like to just go over that

summary. As a background, pursuant to a decision in 2012 of this committee members are eligible to receive a retirement investment option. The components of that payment are twofold. Once in a fiscal year every person who is a member and has served a minimum of three months in that fiscal year shall receive a retirement investment amount equal to 13 per cent of the member's indemnity and allowance.

Part 2 indicates that in addition to the amount provided above, the member who has served a minimum of three months in that fiscal year may make a contribution to their RRSP up to 3.65 per cent and that the Legislative Assembly Office shall contribute an amount to the member's RRSP that is equal to that amount, up to 3.65 per cent.

**3:00**

The issue that has been brought forward is that members over the age of 71 are unable to contribute to RRSPs pursuant to the existing federal income tax rules and thus are not eligible for the full value of the benefit offered to all members. In essence, the current age limit for contribution to an RRSP account is December 31 of the year that a person turns 71; thus, members over 71 don't have that option to contribute and are not able to then receive the employer's matching contribution, up to 3.65 per cent. Based on previous years in part 1 every member has received the 13 per cent, which on the old remuneration was \$17,420. Part 2 was a matching amount, up to \$4,891, and that is the issue.

At the time that this was brought in, the consideration of someone over the age of 71 was not dealt with. Therefore, for your consideration it's recommended that the current order be amended by adding a third clause providing a payment from the LAO in the amount of 3.65 per cent of the member's indemnity to all members who are unable to contribute to an RRSP due to the age restrictions pursuant to the Income Tax Act. Should those provisions of the act change, then of course this clause would need to be reviewed at that time.

**The Chair:** Thank you. A good summary and a good overview.

Most of this is to avoid – I don't know how to explain it – age discrimination, I guess. Is there anyone with any other comment regarding the recommendation that has been worded for us by Mrs. Scarlett?

If not, then we will proceed with a vote on that. Do you want to just reread the recommendation coming from the LAO here?

**Mrs. Scarlett:**

If a Member is unable to make a contribution to a RRSP account in a fiscal year under subsection (2) because he or she has reached the maximum age at which contributions can be made under the Income Tax Act (Canada), the Member shall, if he or she has served a minimum of three months in that fiscal year, receive an amount equal to 3.65 per cent of his or her indemnity allowance in addition to the amount provided under subsection (1).

**The Chair:** Thank you.

So we will need a voting member to move the official amendment to the members' allowances amendment order.

Before we do that, Rob Reynolds, please.

**Mr. Reynolds:** Just one other thing, Mr. Chair. The order, if this is accepted, would be deemed to come into force on April 1, 2014.

**The Chair:** Right. It's already been budgeted for, so to speak. There are only one or two members that are affected by this, but at least it would take us out of the age discrimination category for this particular issue.

Could I get a member to move it? Ms Johnson moves that the members' allowances amendment order put into effect what Mrs. Scarlett has just enunciated. Is there any other discussion on the motion as provided by Ms Johnson?

Did you verbally indicate that, Ms Johnson?

**Ms L. Johnson:** Yes. I so move.

**The Chair:** Thank you, Ms Johnson.

Any other discussion? Are you ready for the question? Anybody on the telephone lines?

Hearing no one, those in favour of the motion provided by Ms Johnson should say aye. Those opposed should say no. Accordingly, that is so ordered and carried.

**Ms Quast:** There's an order that comes up.

**The Chair:** Yes. There's an order that is coming out to you in print just to put that into effect.

I think we can move on to item 4(d). Am I correct? Everybody okay? Anybody wanting a comfort break yet? I think we can march right along. Let us go on to item 4(d). You may recall a few meetings ago that Mr. Mason had mentioned this item of the cost of meals in certain parts of the province being different than elsewhere. I'll ask him to explain it once more, and then we'll figure out what to do with it.

Mr. Mason.

**Mr. Mason:** Thanks, Mr. Speaker. I had indicated, it seems like at least a year ago, when I brought this up that the per diem really didn't cover the cost of meals on the road. I've just come back from a swing through southern Alberta, and I can attest to you that I spent every day considerably in excess of the amount, not eating at fancy restaurants. I mean, even the breakfasts, you couldn't even get – could maybe the administration tell me what the breakfast per diem amount is?

**An Hon. Member:** Nine dollars and 20 cents.

**Mr. Mason:** Nine dollars and 20 cents. So if you want to eat at McDonald's for breakfast every day, I suppose that's all right. I remember that the government – Mr. Young, was he the House leader or the whip for the government at one point? He was there at the time, and he indicated that, in fact, this is similar to what takes place in the public service but that they're also allowed to submit receipts in lieu of the per diem if the receipts are appropriate. So that's what I would propose to do, not to tinker with the per diem unless the administration has some specific recommendations for changes but just to say "the per diem" or "receipts."

**The Chair:** Thank you, Mr. Mason.

Are there any others who wish to chime in on this subject? Anyone on the telephone lines who wishes to chime in? Anyone here in person who wishes to chime in? Going once, going twice, three times.

**Dr. Sherman:** Mr. Speaker, I've been personally happy and overly fed on the little per diem that we get. Again, this is a benefit to the MLAs. I won't be voting on a personal financial benefit to myself or the MLAs.

Thank you.

**The Chair:** Thank you, and you will exit the room accordingly, I assume. Okay. Thank you.

I see Dr. Sherman exiting. Anyone else?

If not, are you ready for the question? There is no motion yet that's been provided, is there, Mr. Mason?

**Mr. Mason:** That was the sketch of a motion. If you'd like me to make a specific motion, I will. I don't know if the administration has any . . .

**The Chair:** Well, we'll need a motion.

I was thinking: in concept, are we in agreement with pursuing this further? If we are, then we'll get Mr. Ellis to comment on it.

**Mr. Ellis:** We've taken the liberty of drafting a motion that we feel is reasonable given the current economic environment. The motion in essence says that members can claim the per diem amount and under certain circumstances to the maximum of 10 times per year would be allowed to claim actual expenses where the actual expenses exceeded the per diem amount.

**The Chair:** Mr. Ellis, I wonder, while you're just explaining it – I don't know if you've worked together with Mr. Mason or not or if you've just independently drawn this up, but regardless let's circulate it to everyone so that you'll know what it is all about in some greater detail. Since it's Mr. Mason's lead on it, we'll ask him to look at it and see if he's prepared to move it or someone else is while Mr. Ellis continues on with his explanation.

**Mr. Ellis:** Basically, what we feel is that this proposed change here, which would allow the 10 claims of actual expenses in a fiscal year, would be something that we would not have to increase our budget for and that it would stay within the current budget, that we have. Therefore, there would be no budget impact by proceeding with this motion. It's meant as a suggestion to the member, and we have not had a discussion in regard to the motion.

**The Chair:** Thank you.

Can I flip it back to you, Mr. Mason?

**Mr. Mason:** Well, I'm a little surprised that this wasn't discussed with me since it was sort of my issue. I mean, I think it's kind of bureaucratic. It's kind of cheap. I would prefer just – you see, everybody's expenses now go online. Everybody is accountable for their own expenses. All your receipts go up for all the world to see. I think the public and certain taxpayer groups are excellent people to hold people accountable if they go over the top. I just want to be clear. We certainly can't expense alcohol at all – I just want to make sure that everybody understands that – and we don't. We're not allowed to. We're not currently allowed to, and I'm not proposing that that should change.

I mean, I had a four-day trip to southern Alberta. There were 12 meals in that. I'm going to Red Deer next week. I would just prefer to allow the MLAs to submit reasonable receipts, publicly disclose them, and make them accountable for what they have spent.

3:10

**The Chair:** Thank you, Mr. Mason.

Ms Johnson.

**Ms L. Johnson:** Thank you, Mr. Chair. I was doing some research on this in anticipation and have some information from the chartered professional accountants' association and their guidelines on meal allowances. A reasonable guide that they use is: breakfast is \$20, lunch is \$25, and dinner is \$45. I'm not recommending that we go to that amount because of the impact on our budget, but it puts the matter into discussion if that helps us find a solution. To put on the record for *Hansard* our current allowance per diem: breakfast is \$9.20, lunch is \$11.60, and dinner is \$20.75. Whether

they're reasonable dollars or not, those are decisions that we have to make as to where we choose to eat.

**The Chair:** Okay. Well, I don't know how you wish to proceed with this. There's a draft motion that has been provided by staff here in an attempt to be helpful, to speed this issue along. Of course, we'll need someone to move it or to move something else if you want to proceed further with it.

Otherwise, let's hear from Dr. McNeil.

**Dr. McNeil:** I guess the difference between this proposed order and Mr. Mason's proposal – if you wanted to adopt Mr. Mason's proposal, all you would have to do is remove the "but" and then only claim the actual cost of not more than 10 meals in a fiscal year or amend that to a different number. The basic structure is there in terms of Mr. Mason's proposal. The only difference is that in terms of putting it together, we suggested a constraint. It's up to the members to decide whether that's a reasonable constraint or whether it should not be one.

**The Chair:** Or not at all.

**Dr. McNeil:** But that structure is there for implementing Mr. Mason's proposal.

**The Chair:** Again, those of you who've been to these meetings over the last 15, 16, 17 that we've had know that we struggle when we come to the room and try to phrase a motion here. So thank you to the staff for providing something here. It may not be exactly what Mr. Mason had in mind, but if given what Dr. McNeil has just said, Brian, you're willing to do something with this, then I'll be prepared to proceed to the next step, and that is to rediscuss it or just straightaway vote on it. It's your call.

**Mr. Mason:** Well, thank you very much. I appreciate that from the Clerk. That's helpful. So I will move that we approve the motion to revised Members' Services Committee Orders Members' Allowances Amendment Order XX/15 – is that what it is? – except the line that says, "but may only claim the actual cost of not more than 10 meals in a fiscal year." If people find that a bit rich, they could reamend it to a bigger number.

**The Chair:** I'm going to interpret your motion to move the revised Members' Services Committee orders draft that has been provided to the committee with the proviso that the line that reads "but may only claim the actual cost of not more than 10 meals in a fiscal year" be removed.

Right?

**Mr. Mason:** Yes. That's correct.

**The Chair:** Okay. Thank you.

Is there any other discussion on this, then?

If not, let me go to the telephones.

I hear nobody on the telephones. Those in favour of this motion as provided by Mr. Mason should now say aye. Those opposed, say no. Accordingly, the noes have it. That motion is defeated.

Let us move on, then, to some new business, MLA medical plans. This is something that, I believe, Mr. VanderBurg had put onto the agenda, so I'm going to get Mr. VanderBurg to comment on item 5(a), MLA medical plans.

Mr. VanderBurg, are you ready?

**Mr. VanderBurg:** Well, I am, Mr. Chair, and I don't propose that we come to a conclusion today. I need some extra help from your department. Again, carrying on with the discussion we had earlier

of a retirement investment option, I believe that in our medical plan we age discriminate.

I'm 58 right now. If I decide that I want to or if the election comes about in the near future and I don't get re-elected, I can carry on with the medical plan for five years, co-operatively paid for through the Legislature. I pay a portion; the Legislature pays a portion. After that period, until the age of 75, I can pay my own way and continue to get the benefits. What happens if I'm one of the lucky MLAs around here and live to the age of 76 – not many of us do – and can't get coverage? I think that we've discriminated again here. It was probably not thought of in the past, but I think we have a little age discrimination within our own rules. If the member is willing to pay the full cost of it themselves and is lucky enough to live past the age of 75, I think they need coverage.

I'd like administration to explore the feasibility, if there are any costs, if there's a willingness from our carrier to carry on the benefits past 75, and any other implications there may be to carrying on the benefit till death. I'd like to know about it. I need some more information before I bring a motion forward to this group to see if we should extend the benefit or not.

I've drafted something, and maybe it might work. I move that the Legislative Assembly Office administration explore the feasibility and the costs of extending the existing age limits of various elements of the extended benefits program for former members and report back to the committee at its next meeting on the steps required to implement changes in these limits.

Further, Mr. Chair, it's all about fairness, and I don't think we should age discriminate. If our carrier is willing to carry members past the age of 75 and if that member is willing to pay the full cost of it, I don't see any downside for the taxpayers of this province.

**The Chair:** Okay. I think I heard you say that the essence of your motion is to refer it to the LAO administrative group, some of whom are here, and have them explore it further and come back with the feasibility of doing it. The understanding is that MLAs, who would then be former MLAs, would cover the cost for it. Is that what I heard you say?

**Mr. VanderBurg:** Exactly.

**The Chair:** Thank you. I just wanted to cover that.

**Mr. VanderBurg:** Yeah. But I'd like to take care of it at the next meeting.

**The Chair:** Understood. Good.

So the motion is before us. Any discussion, quickly?

**Mr. Mason:** I'm not sure I heard anything about identifying the costs of that. I'm assuming that when you get past 75, the costs from the carrier go up dramatically. I guess I would like to see in that report coming back some evaluation of what the costs would be for that.

**The Chair:** I'm sure that would happen, that we'd get a thorough briefing on it, but let's go to Mr. VanderBurg.

**Mr. VanderBurg:** Again, Mr. Mason, the existing process is that the former member would pay the full cost, and that would be my intent. For any extended years past the age of 75 the member would pay the full cost as well.

**Mr. Mason:** Right now we pay the fixed amount. If you're a retired MLA, retired MLAs pay both the employee cost and the employer's share, right? But it's a fixed amount; it's a set amount. Are you suggesting that at 75, then, it would escalate according to the costs

that the provider was charging, or are you saying that it would continue at the same fixed cost?

**Mr. VanderBurg:** I'm not saying anything other than that I'd like to see if our carrier is willing to have that discussion to carry on past the age of 75 and what that would cost. I'm in exploration mode right now.

**The Chair:** Cheryl Scarlett, I believe this is your area. Are you clear on what the request is, or do you need any further clarification? If you're okay, I'll call the question.

**Mrs. Scarlett:** I'm okay. The questions being asked are good questions, so we will investigate thoroughly.

3:20

**The Chair:** Good. Thank you.

Any other discussion? Is there anyone on the telephones who wishes to chime in?

I hear no one. I don't see any hands here either. Those in favour of Mr. VanderBurg's motion as has been phrased and clarified should now say aye. Those opposed should say no. Accordingly, that is so ordered and carried. We'll ask the LAO administration to do a little more digging into that and see where the insurance carrier sits and address all the other issues that have been raised.

Is there any other new business? Mr. Strankman, I believe you have an item of new business that you wish to provide. This would be Motion 3. Let's have that distributed, and while it's being distributed, I wonder if I could turn the floor over to Mr. Strankman to read it into the record, and then we'll come back for the discussion.

Mr. Strankman, the floor is yours.

**Mr. Strankman:** Thank you, Mr. Chair. This motion would describe that Transportation Order RMSC 1992, c. T-2, be amended in section 8 by renumbering section 8 as section 8(1) and by adding the following after subsection (1):

(2) Any form approved under subsection (1) shall require the member to identify the dates, locations, and purpose of the travel and the total kilometres travelled for each trip in addition to the total amount of the claim.

**The Chair:** Thank you.

Let us open the floor to some discussion. Let's start with the telephones again. Is there anyone on the telephones who wishes to chime in on this motion provided by Mr. Strankman?

I hear no one there. Is there anyone here who wishes to chime in, or, Mr. Strankman, would you like to expound a little bit further on why you're bringing this forward or words to that effect?

**Mr. Strankman:** Thanks again, Mr. Chair. If you'll bear with me, I wish to read into the record that the purpose of this motion is to align the process for MLAs claiming mileage with what we're asking other members in the public sector to do. The mileage offered for conducting official members' business is clearly quite generous. For urban MLAs 35,000 kilometres a year can be claimed for general travel at a rate of 43 and a half cents per kilometre, including a gas card. For rural members the total number of kilometres that can be claimed in a year is 80,000 at a rate of 43 and a half cents per kilometre, again including the gas card.

What I'm proposing in this motion is that if MLAs wish to claim mileage for general travel, then members should submit an itemization of their travel. It's no different than what we would expect of our staff or any other public servant. Right now a member can just submit a flat number of kilometres at the end of the month and be compensated for it. If a member of my staff wants to claim

mileage, they have to itemize where they travelled, the purpose, and the distance between points A and B. If our staff can do it, then we should be able to do it as well.

It's not meant to restrict a member's ability to conduct their business; instead, it's meant to align the mileage process for members with what we'd expect from any other government employee. Along with holding ourselves to the same standards as others in the public sector claiming mileage, I believe it would go a long way to increasing accountability of members making these claims. Instead of just claiming the maximum allowable number of kilometres, members would have to submit a reasonable justification.

I know that there's a member of the party that uses an app on his cellphone. It's called mileage bug. It makes recording this extremely simple, and then it could be itemized in the application process for the claim. That would then be posted and would allow all Albertans to verify the mileage claimed.

**The Chair:** I'm not familiar with that app, but perhaps others are. It sounds interesting.

Are there any other people who wish to chime in for the discussion on this new business item? Anyone on the telephones?

I hear none, and I see none. Are you ready for the question, then? I sense you are, so let us proceed. Those in favour of Motion 3 as enunciated and provided to us by Mr. Strankman should now say aye. Those opposed should say no. Accordingly, that motion is defeated.

Is there any other new business to be brought forward to the committee at this time? Is there any other business anybody on the

telephones wishes to bring forward? Anyone on the telephones? No? I hear none. Okay.

Well, we have the net effect of a productive day. This was our third day on the budget estimates. The previous two, held in December, gave a lot of information, and for anyone who's listening, watching, or otherwise participating, I encourage you to read *Hansard* for any details with respect to the trimmings and cuts that we have made to the Legislative Assembly Office budget estimates for the 2015-16 year, that commences, as you know, April 1 of this year.

That being the case, we'll look for a motion of adjournment. Please know that I will be happy to collect any new items that people might want for subsequent meetings, and I will let you know of the next meeting of this committee accordingly.

Could I have a motion to adjourn?

**Dr. Sherman:** Mr. Speaker, I make the motion to adjourn.

**The Chair:** I think we should record Dr. Sherman as having moved a motion to adjourn at whatever the clock reads, 3:26 or 3:27, somewhere in there. Those in favour of the motion provided by Dr. Sherman should now say aye. Those opposed should say no. Accordingly, the meeting is adjourned at this hour.

Thank you all very much for your attendance, your participation, and careful preparation for the meeting.

[The committee adjourned at 3:26 p.m.]



