

[Chairman: Mr. Amerongen]

[9 a.m.]

MR. CHAIRMAN: Should we come to order? We have regrets from Ian Reid, who has a conflict. Jim Gurnett is in his constituency for a meeting of the Northern Alberta Development Council, so he won't be able to be here this morning. Michael Clegg is next door with the Private Bills Committee, where he's pretty heavily involved, and I've heard that Alan Hyland is in Ottawa. I think all of us are here who intend to be here, except that there may be a staff representative from the NDP caucus.

The first item is the approval of the minutes of March 20. If you've had a chance to look at them, are any corrections necessary?

MR. PENGELLY: Mr. Chairman, I move that the minutes for our last meeting be approved as circulated.

MR. CHAIRMAN: March 20?

MR. PENGELLY: Yes.

MR. CHAIRMAN: Is it agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Anyone contrary? Okay.

Business Arising from the Minutes. Michael Clegg was going to be here for the first item, and he suggested we put this over till the end in case he might be able to make it from Private Bills, which I'm not very confident of, to deal with that item.

The next item is Employment Contracts Order, and you may remember our discussion at a previous meeting, where we're trying to do everything to reinforce the reality of constituency office staff being on contract. The existing order, which has been in effect until now -- I think it was the first order passed by the committee in 1983 -- refers only to employment contracts. So if you look at item 3(b), there's a revision of that. Michael Clegg wasn't aware of exactly why we wanted to add this thing, so after we discussed it, he changed his mind. The pink one you have now is the latest. It was handed out this morning and is three-hole punched. Did everyone get one? We've broadened the wording a little in (a) and (b), but the important thing is (c). As you'll

notice, (a) uses the word "employment" and (b) uses the word "employs", but that word does not appear in (c). That means that any caucus or any member who wants to engage an independent contractor still comes under the protection of the order. Are there any questions about that?

As you can see from paragraph 2, the effect of this order would be that this one would take the place of the previous one, the previous one being repealed.

MRS. CRIPPS: I so move.

MR. CHAIRMAN: Is there any discussion? All those in favour?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Opposed? Carried.

Next is Dissolution of a Legislature. I haven't finished that. There's some information from Ontario that I want to check. I have some rather interesting reading in that regard if you're interested. The Ontario equivalent of the Members' Services Committee puts up its minutes in bound volumes, if you please, and I have them, covering a two year period, with a list of their decisions arranged by topics. If any of you would like to share those, look at them, and see what they do there, just let me know and I'll have them brought to your offices.

Legislature Building Cafeteria. There was some concern expressed about the food and so on there. The Clerk is very knowledgeable in this field, so I wrote suggesting that perhaps the Clerk might be included in their considerations of the cafeteria, but that wasn't very welcome. The reply that came back, which you have in your books, is: if the Clerk has anything to say to us, let us know what it is.

Next, I thought it might be useful if we saw the contract, and then we would know how long it would be in effect, when we might have a chance to express some views with regard to renewal of the contract, and so on. As you can see from your support material, the minister replied none of your damn business, which is actually a little strange. It's the way things are in Alberta, but there's no question that in any mature parliament, the parliamentary restaurant would be a valid topic for a members' services committee or its

equivalent. Anyway, those are just report items; I'm not going to start agitating about it. We can see what the situation is, and if anybody doesn't like it, they can raise it.

The next topic is 3(e). You may recall that the question there is whether fees that are paid to members, particularly in regard to attending committee meetings outside sittings of the House, should be included in their pensionable earnings. If so, that would require that each time one of those fees is paid, the pension contribution of the member would have to be deducted from it. I believe it was the intention of the government members of the committee that they were going to take that under consideration with their colleagues and report back. Is there any report?

MRS. EMBURY: No, Mr. Chairman, there isn't a clear-cut possibility to make, because the discussion that ensued on that topic raised all kinds of other questions. We were thinking that even though the report from the Parliamentary Counsel, which deals particularly with insurance policies -- it seemed to me from our discussion last time that we also got into the pension issue and thought we should probably have a little deeper review ourselves of the whole pension issue. I guess it is really the M.L.A. Pension Act that needs to be . . .

MR. CHAIRMAN: If we were to deal with this in this committee, it would mean that we would be deciding, and hopefully we'd be deciding the wishes of at least the majority of members. As was mentioned last time, it would be quite impractical to try to set up a system where those deductions would be made for some members and not for others. At the moment, as I understand it, none of these fees is being included in pensionable earnings. If you want to consider it any further, I suggest one of two things: either that we carry it forward to the next meeting or that we drop it until somebody wants to raise it.

MR. KOWALSKI: I prefer our having it on the agenda as an item for the next meeting.

MR. CHAIRMAN: Is that agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Okay.

We have a visitor here. Mrs. Pratt, have you any concerns you want to raise?

MRS. PRATT: No.

MR. CHAIRMAN: Item 4. We always worry about the wishes of our visitors. I was expecting Bill Dryden from the NDP caucus, but I guess he wasn't able to make it.

If there are no concerns, it seems to me it's time to go back to that insurance question, which is item 3(a). They have a long list next door, and I really don't expect that Michael is going to be loose for a while. You have some material on that from Michael. If I can just give you a brief overview, the situation at the present time is that the ministers and the Leader of the Opposition are covered under a long-term disability coverage set up by order in council and funded with 1 percent of the earnings that are included. Persons qualifying would earn 70 percent of the earnings under the long-term disability entitlement. In most cases, except where there has been very long service, that would be greater than the pension earnings. What's more, while you're on long-term disability, the time you spend under that coverage is included in pensionable time. It's as if your employment continued.

The cost is 1 percent of the earnings that are protected by the long-term disability plan, and until some time ago, there was a contributory plan whereby .5 percent was contributed by the ministers and the Leader of the Opposition and the other .5 percent was sort of part of the pay package. It's now being made noncontributory. My understanding is that this \$21,000 to cover long-term disability, which we approved for inclusion in our estimates for the current fiscal year, covers staff; it does not cover members.

MR. KOWALSKI: Mr. Chairman, I appreciate receiving this memo. I think it really clarifies for me something that I always assumed was available to Members of the Legislative Assembly. The review that was done and the information brought to the last committee meeting by Mr. Clegg really puts into perspective what is covered and what is not covered. That attachment, appendix I, point 2, is very useful to all of us.

MR. CHAIRMAN: If I could interrupt for a second, what you're referring to has been

superseded by a later list — your foolscap sheet there. You shouldn't really have any more regard to the old one, because there are some corrections.

MR. KOWALSKI: No, I'm looking at the new one, the one that's included in our documents here. Just reading through this briefly, I think it's an excellent overview of what exists and what does not exist. I think all members somehow believe that there is long-term disability insurance being provided to them at the moment. As I said, I was surprised at the last meeting when I was informed that it was not.

I would like to suggest that the committee make a decision this morning to have long-term disability insurance provided to all members. If a motion in that respect is in order, I would so move.

MR. CHAIRMAN: Would it be the intent of your motion that the coverage be similar to that accorded to cabinet ministers and the Leader of the Opposition?

MR. KOWALSKI: Exactly the same.

MR. CHAIRMAN: As I see it, two things would be necessary. One is an amendment to the order in council which provides this coverage at the present time to ministers and the Leader of the Opposition. The second would be to find the necessary funds. I think you'll see, attached to one of Michael's memos, that the cost will be \$12,560.

MR. KOWALSKI: This is correct. So in respect to the first point in terms of the requirement for the change or the amendment to the OC, if this committee agrees to the motion I've just set before it, it would seem to me to be most in order that a covering memo be sent to the appropriate minister informing him of . . .

MR. CHAIRMAN: I guess it would be the deputy minister of Executive Council.

MR. KOWALSKI: Okay, whatever. Informing him of this decision of the Members' Services Committee and requesting him to initiate the action with respect to that amendment. That would resolve the first one. The second point, in terms of the funding: you mentioned

something a couple of minutes ago with respect to the 1985-86 estimates, saying that some \$21,000 was set aside for employee benefits.

MR. CHAIRMAN: This committee approved that.

MR. KOWALSKI: Okay. On the basis of the 1 percent, that would not include MLAs.

MR. CHAIRMAN: No.

MR. KOWALSKI: Does that mean our staff component is \$2.1 million?

MR. CHAIRMAN: I think that's right. I think it was a guesstimation figure, because that amount could vary. If I'm not mistaken, it can vary with the length of our sessions, for example. Am I right about that?

MR. STEFANIUK: That was an addition. If you're speaking of the amount that was additional, Mr. Chairman, we were advised by Treasury, if you recall, that a change in policy required that departments provide the funding rather than a central agency, which had been the case previously. That figure was arrived at based on the total payroll of what is known as the Legislative Assembly office, which of course includes those offices which are readily identified with the Legislative Assembly plus the caucus offices, contract staff, and so on. That figure is reasonably accurate.

MR. KOWALSKI: In terms of dealing with the second item, the availability of the \$12,560.17, which I guess would be required to pay for this long-term disability insurance, I wonder if I might ask you, sir, as the chairman of this committee, to perhaps take a look at the estimates to see whether or not there might be a source of funding for this particular item, recognizing that it was three, four, or five months ago that we undertook a review of the estimates. Things do change in a period of months in terms of continuing anticipated desires to proceed with it. If it is possible to find the \$12,560.17 within it, that it be taken out of the current estimates; if not, presumably we'll just have to initiate a supplementary estimate with the regular ones to cover it.

MR. CHAIRMAN: I have a meeting this

afternoon with the Provincial Treasurer, and I'll raise it with him. We might require a special warrant. I think it's too early in the season to know whether some surpluses might develop in some other estimates.

Well, surprise. I didn't think you were going to make it.

MR. CLEGG: We finished fairly early, Mr. Chairman.

MR. CHAIRMAN: We were discussing a motion by Mr. Kowalski that we ask that the order in council with regard to long-term disability be amended to extend to members. Now we're discussing the possible source of funding.

MRS. EMBURY: Mr. Chairman, I'd like to speak against passing this motion at this time. There are the two considerations. I came prepared today — I think Michael's memo is excellent. It's very succinct and easy to understand, and I appreciate having that information. But I'd rather delay actually initiating the OC until the next meeting. I'd like to have a report on where the money is coming from. While we may definitely agree with the concept, I think you have to be reasonable. We're in the estimate process, and it may not be a large amount of money we're looking at — I noticed there was no consideration given to putting that in next year's estimates.

I'd rather have a reading from the chairman. As he said, he is meeting with the Provincial Treasurer, and there might be some indication from that meeting. So I urge committee members not to pass this motion. Let's look at the final approval of it at the next meeting.

MR. CHAIRMAN: I think the reason why it wasn't included in the estimates is that a number of us had assumed the coverage was there. Otherwise, we would have put it in there. In effect, what we have now is a motion to table. I know some meetings ago someone suggested to me that a motion to table wasn't debatable. But if that suggestion is made again, I'm going to rub their noses in Bourinot.

MR. CLEGG: Mr. Chairman, this may be something which has already been discussed by the committee. Just to clarify the issue as to funding, presently and for this current fiscal

year the cost of long-term disability for both the public service and ministers under the long-term disability regulation is borne by PAO and is not charged to departments. I don't know yet whether it is borne on a funded basis; in other words, whether they put aside X percent a year into a fund. I don't think that's the case. The understanding I have is that if there is a liability to pay for a disabled person, they pay it. This means that if members were included under the order in council with respect to the current fiscal year, '85-86, there would not be any charge to the Legislative Assembly at all. Any cost that might arise would be through PAO.

However, the Provincial Treasurer is initiating a process whereby the cost of this coverage is charged out to departments on a 1 percent of salary basis. So commencing with the fiscal year April 1, 1986, the 1 percent, which is approximately \$12,000, would be charged to the Legislative Assembly office. The Clerk is indicating that that's not his understanding.

MR. STEFANIUK: Mr. Chairman, we have documentation, which arrived in January from PAO and the Provincial Treasurer, which required us to budget for the '85-86 year for the public service. That's why we came back to this committee requesting approval for an additional \$21,500 for the public service. I don't know how long-term disability is presently funded for members of the Executive Council, whether that comes out of some central fund. But where the public service is concerned, in January of this year the change was already initiated for the present fiscal year.

MR. CLEGG: I see. I must have misunderstood what I was told. Because of the time frame, I've only had this conversation with PAO over the telephone. They certainly gave me the impression that the process of charging back to departments wasn't complete and wouldn't be done until the next fiscal year. I must have misunderstood. If that's the case, if there will in fact be a charge-back to this department for this year, that's certainly something we will have to clarify.

MR. CHAIRMAN: We have a motion to defer or table until the next meeting.

MRS. CRIPPS: You didn't make a motion, did you, Sheila?

MRS. EMBURY: I'm sorry, Mr. Chairman.

MR. CHAIRMAN: You didn't make a motion?

MR. KOWALSKI: She spoke against it.

MRS. EMBURY: I spoke against passing this motion. I said that I'd like to have it come back at another meeting, but I didn't say . . .

MR. CHAIRMAN: Right, I construed that as a motion to table.

MRS. EMBURY: Well, I didn't really do that.

MR. KOWALSKI: In terms of the meeting that you're going to be having soon with the Provincial Treasurer, I certainly encourage you to raise this issue. It strikes me that there's one additional item we have to look at in terms of the consistency in principle. We have already looked at what remuneration might be covered under pensionable service for Members of the Legislative Assembly. In addition to the basic salary, we've already brought in the provision whereby fees received by members for participation on boards, agencies, and commissions are eligible for pensionable service. That arrived in the Legislative Assembly Act in 1983. That is a principle that currently exists, and I wonder why such a principle would not also be applicable for coverage under long-term disability insurance, for the sake of consistency. In terms of the identification on the graph we have here, I note that for three positions — Speaker, Deputy Speaker, Deputy Chairman — there's provision for both salary and indemnity allowance. A number of other members in the Legislative Assembly receive fees for participation on boards, agencies, and commissions, and it would seem to me that for consistency of principle that also should be eligible for coverage under long-term disability.

MR. CHAIRMAN: So what is your wish?

MR. KOWALSKI: Maybe I should wait and see what the resolution of this motion is, but I would like to see that covered as well.

MR. CHAIRMAN: Okay. I'm sure everybody would agree that we could add that to your motion.

MR. KOWALSKI: Yes.

MR. CHAIRMAN: Would you like to restate the motion with that included?

MR. KOWALSKI: Perhaps Miss Conroy might give me the benefit of the words we used in advocating the motion.

MISS CONROY: Okay. Mr. Kowalski moved that the committee make a decision this morning to provide long-term disability insurance coverage for all members.

MR. KOWALSKI: The addition to the motion would be: and that the basis for calculating eligibility be the same as that used in calculating eligibility under the pension plan provision.

MR. CHAIRMAN: Is there any further discussion of that motion?

MRS. EMBURY: Mr. Chairman, I think it just gives a little further credence to my argument about not passing this motion. Now that we have this excellent summary here and the costs we could look at, it is obviously going to change that. I don't know if it would be substantial or not when we talk about 1 percent. I would still like to vote against this motion and have the motion defeated. Then we can consider the whole issue at our next meeting, when we have the up-to-date facts and figures before us.

MRS. CRIPPS: I'd like to speak in favour of the motion, because I believe that we need to give the Speaker direction in his discussions with the Provincial Treasurer — later today or tomorrow?

MR. CHAIRMAN: Today.

MRS. CRIPPS: Later today. We're into the estimates now and have the opportunity to bring in amended estimates if necessary, so I speak in favour of it.

MR. CHAIRMAN: Is there any other discussion? Could I see the hands of those in

favour of Ken's motion? Those opposed? The motion is carried.

Actually, it's not going to be catastrophically irreversible anyway, because the whole initiative really doesn't depend on us. We would still have to have the approval of Executive Council and find the money.

Michael is here. Are there any questions that anyone would like to ask him about insurance, pension, disability, and so on? Is there anything explanatory that you'd like to add, Michael? We've passed out your memos of yesterday and the day before.

MR. CLEGG: I don't think so, Mr. Chairman.

MRS. CRIPPS: Memos of yesterday and the day before? I only got one.

MR. CHAIRMAN: Oh, sorry. That's the one. The other one was to prime me for what to say to you.

I think we've reached Other Business. Is there any other business that anyone would like to raise?

MRS. CRIPPS: In this room and in a lot of rooms we have delegations and serve coffee. Quite frankly, I detest cold coffee, and I know other people do too. I hope something can be done to provide a hot plate, so we do not have to drink tepid coffee.

MR. CHAIRMAN: Okay.

MRS. CRIPPS: There's this room, 512, the Carillon Room, and any other room where meetings are traditionally held.

MR. CHAIRMAN: Committee meetings.

MRS. CRIPPS: Something should be done so you don't sit there with tepid coffee. I think it's just disgraceful to serve that kind of coffee to delegations we have in. The least we can do is have it hot.

MR. CHAIRMAN: Of course, we wouldn't have anything to say about caucus committees, only House committees.

MRS. CRIPPS: I'm talking about having the service available so we can keep it hot.

MR. CHAIRMAN: Can we look into that and see if we can get a remedy? Is there any other business? I have a couple of items that I just want to report on briefly. They deal with security, and if you agree, I would like to go off the record.

MR. KOWALSKI: By all means.

MR. CHAIRMAN: Can we shut off the machine.

[The recorder was turned off from 9:32 a.m. to 9:44 a.m.]

MR. CHAIRMAN: If there is no other business, is there a motion for adjournment?

MR. KOWALSKI: Yes.

MR. CHAIRMAN: Agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Thank you very much.

[The committee adjourned at 9:45 a.m.]