

Title: Tuesday, June 21, 2005 Members' Services Committee

Date: 05/06/21

Time: 11:02 a.m.

[Mr. Kowalski in the chair]

The Chair: Good morning. It is 11 o'clock, and I do appreciate you coming on this day of June 21. I'm not sure if this is the longest day of the year – the days are actually starting to get shorter herein – but it's a wonderful day, and I appreciate you coming. I said that we would try and find a more civilized hour than the 8 o'clock one we had several months ago, so I hope 11 o'clock will find everybody awake and attentive and enthusiastic. This is all very good.

I'll call the meeting to order. We have an agenda, and you can see of course that the second item is the approval of the agenda, the third one is the approval of the minutes, the fourth one is the business arising from the minutes, and it's broken down into

- (a) Benefits package for constituency office staff
- (b) Constituency office budgets
- (c) Temporary residence claims
- (d) Extraordinary temporary residence allowance claims

There will be a note provided to all members when we come to (c) and (d) with respect to just some additional information that we have.

- (e) Mileage and gasoline reimbursement rates
- (f) Health benefit plan participation for Members
- (g) Furniture purchase update
- (h) Caucus budgets

Then 5, New Business, a review if we want to have a discussion on risk management fund coverage for members of the Assembly.

I would ask that at conclusion of this particular agenda we set aside 30 minutes for an in-camera discussion. There are just a couple of ideas I would like to share with everybody and just toss them back and forth. If we could do that, that would really be helpful.

I'll ask now if there are additional items that members would like to raise and place on the agenda. Mr. Backs.

Mr. Backs: Yes. Thank you. I'd like to put a motion forward regarding the allowance for the fourth party in the Legislature.

The Chair: Okay. Might we just deal with that under (h), the caucus budgets?

Mr. Backs: Okay. Sure.

The Chair: Would there be additional items?

Mr. Martin: I'll have a motion.

The Chair: We'll do that under (h) as well. That's fine. Thank you very much then. That's what we'll proceed with.

Could we have, then, an approval of the agenda? Mrs. Jablonski. In committee there's no need for a seconder, so all agreed?

Hon. Members: Agreed.

The Chair: Item 3, the approval of the minutes of the March 16, 2005, committee meeting. They're self-explanatory highlighted the way they are, very, very to the point. Would there be any business arising out of these minutes?

Mr. McFarland has a motion. All agreed?

Hon. Members: Agreed.

The Chair: Okay. Thank you.

Business Arising from the Minutes, number 4. These are essentially items that we talked about at the previous meeting. We said that we'd come back with updates and the like.

The first one deals with the benefits package for constituency office staff, in the binder under section 4. I'm going to ask Cheryl Scarlett to come forward and join us. This is something that we talked about before. What we've got is a document in the binder that you do have. Essentially, the issue was to review the compensation levels for constituency assistants as per the direction of the Members' Services Committee. The background, the considerations, and the other considerations are there in the briefing notes that you have. So we come down to basically some recommendations.

Recommendation 1: "Implementation of a Constituency Assistant Compensation Plan, while still maintaining and providing Members with flexibility to address individual constituency employee needs." We've identified some parameters associated with that.

Recommendation 2, dealing with benefits and entitlements: "It is recommended that all employees paid on a salaried (monthly) basis be eligible to receive the same standard benefits and entitlements granted to non-management employees in the LAO," to include – which is identified there.

Essentially, we've outlined three options with respect to this. Option A is to do absolutely nothing, to make no changes whatsoever. The second one is "Implementation of recommendations outlined, with all costs for salary, benefits, and entitlements expensed to the Members' Constituency Allowance." Option C, the one that I will be recommending, the one we shared with you at the last Members' Services meeting, is

implementation of recommendations outlined with the costs for health benefits, pension, general illness leave and [long-term disability] administered outside of the Members' Constituency Allowance budgets.

If approved, it is recommended that the implementation of this option be effective as of April 1, 2006, with the exception of interim costs related to General Illness and Long Term Disability leave expenses.

Now, following that you have documentation which would basically look at three categories for constituency office assistants – level 1, level 2, and level 3 – indicating that the member, depending on who the person is that they have, can determine where they're at. You should also have a document which shows the comparison to public service rates effective April 1, 2004, and a draft of a performance appraisal document that we would use for some degree of consistency, and also associated with that is the current contract that we have, a sample contract that we have.

Now, getting back to the recommendation in terms of implementation, essentially what I'm saying is that within each constituency office budget, the manpower costs that we have, we as members currently pay for the health benefits, the pension benefit, the general illness leave, and the long-term disability on an individual case basis. Each constituency office allocation has those numbers tied in.

Mr. Clerk, it seems to me that you provided me with a basic outline, and Cheryl as well, that this amounts to approximately 10, 12, 14, 15 per cent of the total manpower costs associated with each one. What the recommendation is is that we extrapolate that out and we put it in a single line item. It has several purposes that we would have in it, and we would not reduce the constituency office allocation. So if we took out 12 per cent of the manpower costs, which may be \$6,000 or \$7,000 or \$8,000 for a constituency office, we would leave that \$6,000 or \$7,000 in your budget for other purposes. We would take the costs of that out and pool it into one pool. We would need an additional line of 83 times whatever that it is.

Right now if one of our constituency people becomes ill for two months, three months, four months, we currently have to eat those costs within our constituency office budget if there's a replacement person, and we've had this situation, and even longer periods than that, where a person has a long-term disability or a short-term disability. They have a problem. They're gone. We then have to find the dollars within our constituency office allocation to pay for that, and a lot of members, when this has happened, have told me that they are in deep trouble because there's no way of dealing with it. We think there are some advantages from an administrative point of view.

Perhaps, Cheryl, if you want to add something further to what I've said. We'll just make this presentation and then we'll stop and allow for questions.

11:10

Mrs. Scarlett: Just to add to the clarification on the general illness. If someone has to go off on general illness for a longer period of time, of course you know, then, that you are still maintaining the salary and the benefits. Within the parameters it probably does not give you flexibility to hire a person, so that's why we're looking at taking those costs directly associated with a person on general illness and dealing with them outside those bounds.

The Chair: Mr. Clerk, did you want to add something?

That's the proposal, and we're open to questions and discussion.

Mr. Taylor: So we're looking, then, at a separate line item in the Members' Services budget of about \$800,000 a year, give or take?

The Chair: For that benefit package for constituency office staff. Yes, that's correct.

Mr. Martin: You're saying, then, that \$6,000 to \$8,000 be a contingency fund if something happened.

The Chair: Well, it wouldn't be a contingency fund. It would be part of those costs that we still have to bear. It's like an insurance policy, I guess. If you had 83 poolings, there's less impact on one person that way.

Mr. Martin: Did you not say that it's about \$6,000 to \$8,000, part of our constituency budget?

The Chair: In the neighbourhood of 10, 11, 12, 13 per cent in terms of the benefits. So if you just take that on the basis of the 50 or 55, it would be approximately that.

Mrs. Jablonski.

Mrs. Jablonski: Thank you, Mr. Chair. I would support this C option fully, and that's because I believe that with the shortage of good help nowadays, when you have good help, you need to be able to offer the benefits to keep them with you and doing the best that they can for you. So I'm glad to see that we're looking at putting our constituency assistants on a level playing field with other assistants in the Legislature.

The Chair: And that's one of the underlying objectives of all of this.

Mrs. Jablonski: So I support this fully.

Mr. Backs: Option C would include recommendation 1, the constituency assistant compensation plan, and the third bullet in that

says that the "plan assumes yearly reviews." What form would those yearly reviews take?

The Chair: We've always taken the view that what we do in this particular committee is that after the government of Alberta settles with either the Alberta Union of Provincial Employees or has made its decision in terms of its nonmanagement compensation package, we would adopt whatever the percentage is. As an example, if the AUPE were to settle on 4 per cent per year, that would become the number that we would settle for our manpower costs, but after the fact, not before the fact.

Mr. Backs: If, say, a collective agreement with the AUPE is outstanding after April 1 . . .

The Chair: We wait until it's done and then go retroactively back.

Mr. Backs: Okay.

The Chair: That's the way we've been doing it.
Mr. Knight.

Mr. Knight: Thank you, Chair. I have a couple of questions that come to mind, maybe not really relevant and probably covered under the recommendations where it indicates that there's still flexibility for members addressing their individual constituency needs. One of them, of course, is that currently – and I don't suppose that this changes anything – there is a mechanism to allow for bonuses for your assistants.

The Chair: Yes.

Mr. Knight: We're talking about parity here and kind of getting this thing on an equal basis with other employees. There's quite a difference there between the employees that we would have as Leg. assistants here and constituency assistants with respect to those types of issues, and I'm wondering if there's any way in here that we would be able to deal with that.

The Chair: If you take a look at one of the items in the draft documents that you have attached, there should be a pay grid effective April 1. In terms of looking at the constituency level 1, constituency level 2, constituency level 3, these are getting very, very comparable now – are they not, Cheryl? – with the in-house staff here in Edmonton.

Mrs. Scarlett: Again, this was a comparison done to the public service, the one that says, "Constituency Assistant – Profile Comparison to Public Service." We looked at the duties and levels of responsibility in comparison to the classification system that the public service uses and level of responsibility to level of responsibility matched them up. So what it's saying is that the constituency assistant 3, which we're generically assuming is your full working level person there, compares favourably in terms of level of responsibility to admin support 5 in the public sector. I think that when you look throughout the public sector, you're going to find that your senior positions are very much classified at admin support 5, so that's why we feel that there would be equity.

Mr. Knight: I understand and agree with that. In fact, as it happens in my particular case, we end up smack in the middle of that \$34,000 to \$41,000 range. However, the thing that I'm asking is that on top of that there is an opportunity for us currently to allow for a bonus

in the constituency assistant's pay that's over and above that, and I don't know that there's any mechanism to do that.

The Chair: Yes, there is. That comes from the remaining balance of your constituency budget. You have that flexibility, and you will continue to have that flexibility.

Mr. Knight: Yes. We have that currently.

Perhaps, Mr. Chair, I'm not explaining myself properly. We do not have a mechanism to do that here with the leg. assistants. Many of these things that we're doing are going to make the jobs comparable and their pay scales comparable and so on, but there's no mechanism there for us to trigger bonuses, for instance, for the leg. assistants that work for us here.

The Chair: Yes, there is. Just remember that there is.

Mr. Knight: So there is? That's the question.

The Chair: Absolutely. Each caucus has their own budget. They can do whatever they choose to do within that budget. Absolutely, you have that flexibility. It's been there, and it continues to be there.

Mr. Knight: Thank you. That was the question.

Just a comment, if I may, with respect to the benefit program and the possibility of them being involved in the pension program. The leg. assistant that assumed the responsibilities when I got elected had previously worked for 11 years without ever being involved in any of the benefit program. I found that almost not believable, that somebody would spend that amount of time and have no involvement in that program at all, so I'm really in support of doing this.

The Chair: That may very well be, though, a decision of the employee, him- or herself, not to do that.

Mr. Knight: It wasn't in this case.

The Chair: But that does happen. Some do choose not to. They've had the option to is the important point.

Mr. Taylor.

Mr. Taylor: Yes. Just so I'm sure that I'm clear in my own mind that I'm reading this correctly, we would be looking at a situation whereby the individual member in his constituency office would still have a fair amount of, I guess, autonomy to set pay rates and to grant merit increases. Would there be an automatic cost-of-living adjustment based on, Mr. Chairman, what you said earlier about following the lead of collective agreements reached with AUPE and non-union support staff? So that kicks in automatically?

The Chair: Yes, it does. Remember that when we did the budget earlier this year we had that one line called contingency? That would be exactly what that would be for. We've basically earmarked those dollars, parked them on the basis of the resolution of the AUPE. That hasn't been concluded yet. Is that correct?

Dr. McNeil: It's a tentative agreement, but it hasn't been ratified as far as I know.

The Chair: Once it's ratified, then we will kick back, and you will get memos from us.

Mr. Taylor: Okay. Thank you.

Mrs. Ady: I am in agreement with is. I think that we give these people an awful lot of responsibility and things. My question is: will it be retroactive? For those that have been there for 11 years with no benefit package at all, is there any way to structure the time served?

The Chair: Well, hold on. I'm not going to get caught in that argument because they've had the privilege and the right to do that. If they have chosen not to, we can't go back 11 years, I don't think.

Mrs. Ady: You're saying that we could have always opted to have given them those benefits?

The Chair: Some people have chosen not to. Just because we think that they made an erroneous decision, I don't think we should manage their lives when they have had the right to.

Mrs. Ady: So this would begin at this point in time, and it would be for all, and there would be similar package?

The Chair: Yes, on April 1, 2006, for the extrapolation of the dollars out of constituency office budget. In terms of what all constituency assistants can have, for the new MLAs who were elected in 2004, part of the briefing that they had was the sample constituency office assistant levels. For members that were there before, we talked about it. The newer members have all been up to date with respect to this. For members who've been elected for the second time, we're now trying to get them up to date.

11:20

Mr. McFarland: With respect to Mr. Knight's comment and specifically on the pension, although I understand that it was up to individuals, I still believe that there may have not been totally clear communication on the options available for opting in or out. In fact, did not the pension component for constituency assistants just come into effect a couple of years ago?

The Chair: There was a revision made a couple of years ago to be eligible after two years. Is this correct? Cheryl, you can perhaps help here.

Mrs. Scarlett: Some of the definitions and parameters of the value of the pension plan have changed. However, the option for the member to offer a pension to employees has been in the contract since 1989.

Mr. McFarland: Respectfully – and I understand, Cheryl, and I've had a discussion on this – I don't think it was totally clear. I see Mr. Knight kind of looking at me as well.

The Chair: Okay. Look, let's be really, really careful here. When a new member is elected, there's a tremendous orientation program afforded to them. Some members attend; some do not. Secondly, we have twice a year orientation meetings for all constituency office assistants. Some members encourage their assistants to come to these orientations. They're usually one or two days. Some do not. The material is there. I can't force anybody to drink if they don't want to drink, but I will not accept the argument that the information is not there because we have gone overboard to make the information available to everybody. Not only that, Cheryl Scarlett I think would review every contract that there is that comes across her desk.

Mr. Hinman: I have to agree with what Mr. Kowalski is saying. They went through it, and Cheryl was excellent in helping me. You

know, I had the discussion with my employees. The forms were there, and if they just ticked it off – I mean, it's on the forms whether you want in or not. Maybe in the past it wasn't, but I can vouch for this last time that it was there and that they had the discussion.

The Chair: It has been there in the past too.

Mr. Hinman: One of mine chose not to take it, so in 10 years from now . . .

The Chair: I had a constituency assistant that worked for me for 20 years, and she refused to participate in the pension plan. She said: what for? Twenty years thereafter the question was: whoa, too bad I didn't do that. But it was there.

Mr. Knight.

Mr. Knight: Thank you, Chair. Actually, Mrs. Scarlett said a very appropriate comment with respect to this issue, and that is that since 1989 a member has been able to offer – a member has been able to offer – his assistant. I think that there are cases – and, as a matter of fact, I know that there's a case – where the offer was never made. Under those circumstances I believe that there should perhaps be an opportunity for a buy-in to the system or something if it's appropriate and if the staff members feel like they'd want to do that. You know, when you get to 15 and 20 years of service, it's a lot of time spent on behalf of the public. I think they should have an opportunity.

The Chair: I couldn't agree with you more. If you take a look at that sample current contract, which is in that section, I can only tell you how I as a Member of the Legislative Assembly have done this. I would sit down with my employee. This is a contract. We would go through the contract together. You see on page 3 of the contract where it says: initials, member, employee. Then under Optional Health Benefits it says: initials, member, employee. Then it says Pension, and then it says initials. "The Employee shall participate in the Public Service Pension Plan." "The Employee shall not be eligible to participate in the Public Service Pension Plan." That becomes a negotiating item between the member and the staff person they want. Now, if you want us to eliminate the member, then I'll have my director of administration do the negotiations to make sure and insist that everybody does have that. This is the contract we've had for years and years and years.

Mr. McFarland: I don't want to prolong it. I just want to explain how this might have happened in a couple of instances. I believe it was on the classification portion, on whether your constituency assistant was deemed to be full-time or full part-time. If they were in somebody's mind deemed to be full part-time, they were ineligible. But, in fact, from the constituent point of view they were full-time, and unfortunately it was never clarified. I know of one anyway.

Mr. Shariff: I just wanted to put on record that whenever I've had these contracts done, Mrs. Scarlett's office has been tremendously helpful. My employee, the last one, chose not to participate in the pension plan. It was her decision not to, but the offer was there. I don't know if it would benefit us to go retroactive on anything, but I think we can help correct from here on and deal with, you know, April 1, 2006, onwards.

The Chair: Cheryl, is there a provision under the laws, the acts, the rules for an employee to retroactively purchase past pensionable service?

Mrs. Scarlett: It would be something that we would have to further look into. In the past, because the contract specifically indicated whether it was something that was part of the terms of reference, it's either you're in or you're not in. If it was designated that there was no pension offered, then it is deemed that that was not part of the employment contract. Thus, normally there is no option to purchase retroactivity.

There perhaps are other situations in the public sector that would be different than ours where there are some options for retroactivity. I'd have to get more details on that. I do know that in calculating the amount of the retropay, it is based on the current salary, not the past salaries, and the employee would be paying both portions of it. It can get quite costly. When employees have looked at that option in other scenarios, it's one that they've had to consider very seriously in terms of whether it was something they wished to pursue.

Mr. Taylor: If we pass this, is my understanding correct, then, that participation in the pension plan and in the full benefit plan will be automatic and compulsory for monthly or salaried? They'll still have the opt-out provision?

The Chair: It's a contract that the member would sign with their employee. That would be still optional.

Mr. Martin: Well, I would say that whether we look at the retroactivity of people that thought they were in or not, it seems to me that's a separate item. If people want to look at that, perhaps it could be brought back. I don't think it applies particularly to this motion, so I guess I'd say that if somebody wanted to make a motion to relook at it, they could do that. If not, I'd like to move on and vote on this.

The Chair: Well, we will look to see what the possibility is of retroactive purchase. I do know from a personal perspective that the price will become horrendous.

Mr. Martin: I do too.

The Chair: It's based on the current salaries. If you went back 15 years or 10 years, you're paying current rates retroactively with interest and everything else, and it would probably be determined to be quite uneconomic.

Would there be additional comment with respect to the recommendation here provided this morning? Mr. Ducharme.

Mr. Ducharme: Thank you, Mr. Chairman. I just basically want to say thank you for the work in terms of getting this up. I believe that the parity between our leg. assistants and our constituency assistants has to be comparative, and I think it's time that we move forward. I'd like to make a motion at this time that

we approve option C for implementation on April 1, 2006.

The Chair: You have heard the motion. Discussion on the motion? I think Mr. Backs, Mrs. Jablonski, and then Mr. McFarland. We're on the motion now.

Mr. Backs: Yeah, we're speaking here to retroactivity, and in looking at the whole package, it begins April 1, 2006. Is there any room or ability to move that forward to an earlier date?

The Chair: Well, it's only the basis of the costing mechanism. We would need whatever that number is times 83, and we don't have that in our budget. If you made a decision to do that today, then presumably if the Legislative Assembly were to sit this fall, we

would have to come forward with a special warrant – is that what they're called today? – a supplementary estimate to cover this. But that's not Mr. Ducharme's motion. It was to be effective – go ahead, Denis.

11:30

Mr. Ducharme: Just to answer Mr. Backs' question, if we have the funding out of our existing budget, we could implement it as of this year – could we not? – but it would come out of our constituency allowance.

The Chair: It would, but you wouldn't have those replacement costs. Under this proposal you would still retain that amount in your constituency office budget.

Mr. Ducharme: But if I'm able to manage my budget accordingly, I could pay for it effective now.

The Chair: Yes. But I'm not sure we'd want to have 83 administrative packages here.

I'm sorry. We do have a list here. Mrs. Jablonski and Mr. McFarland.

Mrs. Jablonski: Thank you. I put my hand up actually just to second the motion, but I would like to point out to Mr. Backs that according to option C, although the main plan is not effective until April 1, 2006, your general illness and long-term disability would be effective immediately.

Mr. McFarland: A clarification only on the motion. Am I to assume that whether your constituency assistant is a level 1, 2, or 3, it's still up to the MLA to determine at what point this person is at, or is it an automatic procedure here that increases regardless of performance and all that kind of thing? Do you know what I'm asking? Are these automatically built in?

The Chair: No. The increase goes to you as the member, for your budget. You determine the transfer down. Now, we may come to the point that you're talking about, but we haven't arrived there yet.

Mr. McFarland: Okay. Thanks.

The Chair: The question having been called, then, on the motion put forward by Mr. Ducharme, all those in favour, please signify. Opposed? Okay. Thank you very much. So we'll work on this, and when we come back, in the budget presentation in the fall we'll have the numbers identified very clearly as to what that is.

So (b), Constituency Office Budgets. When we did the item this spring, we basically talked about a number of things. First of all, we had the adjustments that were put in, and I said that we would work through the year to look at the calculations that are being used by a number of urban members with respect to their urban rents and the cost of operation. We're only three months into the current year, April, May, and June. I'm not sure that we have the definitive amount. There are still some MLAs that are sorting out contracts and constituency offices and the like.

From that perspective, we'll be in a much better position when we come back in the fall to basically deal with that kind of recommendation with respect to adjustments, but I will be bringing back recommendations with respect to the overall constituency office budget. What we just did in (a) above automatically will provide some dollars for an increase already.

The second one: when we have the manpower component as a result of the AUPE negotiations with the government and the

nonmanagement one, we'll get a number for that, too, and we'll build that one in.

What I have this morning and would just like to bring you up to date with is the subject of satellite constituency offices. In some constituencies because of the enormous size of the constituency, members have said, "Well, I'm going to need one or two." So we've looked at what provisions could be provided by the Legislative Assembly office and what would be expected to be paid by the member via the members' services allowance.

We've provided to the members increases in their budgets as of April 1. What we think we should do is that if a member wanted to have a satellite office, we would provide a minimal amount of materials to that member for this secondary office. In the document it says:

Provided by the Legislative Assembly Office

- Standard furniture configuration that includes: one (1) Member's desk and ergonomic chair; one (1) staff desk with computer table and ergonomic chair; one (1) locking 2- or 4-drawer filing cabinet; two (2) occasional chairs
- Single-line telephone service that includes: one (1) single telephone line; associated long-distance tolls; call display; voice mail; one (1) telephone handset
- Office security system to the standard set by the Office of the Sergeant-at-Arms.

We're working on the assumption that the MLA would still have their primary office. This would be a satellite thing that they may use one day a week or a day and a half a week, so we're not talking about full configuration. Then the member would have to pay through their members' services allowance or constituency office the office rent and associated costs: the utilities, parking, sign rental, staffing costs, connectivity charges, IT equipment package, office equipment package to be set out by the LAO.

Mrs. Ady: First of all, you know, you can walk across my constituency in 15 minutes, so there is a distance issue here which I can't speak to because I'm not driving. Did we, though, in fact, in the last look at things create additional monies in those constituency offices that are large in order to cover off some of these costs there? It's already been done?

The Chair: Yeah. We had that matrix component.

Mrs. Ady: Okay.

The Chair: That's why the bulk of these things are already covered in there.

Mrs. Ady: So you're basically just kind of listing what a satellite office would look like.

The Chair: Yeah. Minimum, bare bones.

Mrs. Ady: But they already have that opportunity in there to do these things, correct? Okay. Thanks.

The Chair: This is a new experience. We've never done this before, so we would be going through this and seeing how it would work out. Would there be general agreement then? Okay.

Item (c) is Temporary Residence Claims. Now, we went through this, as indicated before, to look at the temporary residence, dollars that are available. Currently members can claim when they are in session for \$1,300 a month and outside of session \$130 per day. Then we also have the special temporary residence allowance for 10 days anywhere in the province that members can go. As a result of

the reviews that we made, at this point in time, based on the information and the numbers we have, I'm not recommending any adjustment on the basis of the \$1,300 per month for your temporary residence when the House is sitting, not recommending any adjustment to the current rate of \$130 per day for nonsessional days, but I am recommending that the special temporary residence anywhere in the province of Alberta, currently at \$130 per day, be increased to \$150 per day.

You do have opportunities, if you're renting on a monthly basis, to get reduced rates. But if you go as an itinerant, if you have to go to Calgary or something for two days in July or August – and this applies to all members, this 10 days. All 83 members are eligible for this, the modest adjustment from \$130 to \$150 a day based on the market rates.

Comments? Do we have a motion? Mr. Martin.

Mr. Martin: No, I just had a question. We started the other on April 1 next year. When would we see this start?

The Chair: I would assume that probably we could do this starting effective July 1 of this year.

Mr. Shariff and then Mr. Backs.

Mr. Shariff: You've answered my question.

Mr. Backs: Together with the \$150 is the 10 days regarding the special temporary residence. What's the rationale behind that 10-day limit?

The Chair: Well, that all members of the Assembly would be required during the 365 days to visit various parts of Alberta. Originally, this was five days. If you had to go to a meeting in Calgary, if you had to go to a meeting in Lethbridge, if you're going to some other part of Alberta to do something, if you went to Fort McMurray to do something, if you had a meeting here or there, it was originally five days. Then over time it was increased to 10 days. The rationale was to allow members to travel about the province of Alberta and be compensated for those things that related to their duties. That was the rationale.

Mr. Backs: Given the size of Alberta and the necessity, if you go to Fort McMurray or even to Calgary, for that matter, an evening meeting in Grande Prairie and such, it seems a very limited number of days.

The Chair: Again, that's part of the evolution of it all. It went from five to 10, and that's where we're at today. If it's not enough, then that's . . .

Mr. Backs: Could an increase be included in the motion? Would that be open?

The Chair: Absolutely. It's up to the members.

Mr. Backs: I'd so move – you know, I'd just throw out a number – that

15 days at \$150 a day be the new formula for travel and special temporary residence of this nature.

11:40

The Chair: That's the motion we have then. We have a motion on the floor, moved by Mr. Backs, that this basically be 15 days at \$150 a day. Any discussion on the motion?

Mr. McFarland: I don't know how to say it other than that I'm not in favour of this. I look after my own constituency, and basically it's telling somebody else that is not a representative of our constituency that they can come visit and get their accommodation paid for. I don't expect to go somewhere else, to somebody else's constituency, and get paid to stay overnight. I think it's been demonstrated that in the past that there were accommodations made to move it from five to 10.

I think we tend to forget that it's still a privilege to be an MLA, and I don't think we have to be paid to go somewhere else to learn about Alberta. We do it out of our own pocket.

The Chair: Mr. Ducharme.

Mr. Ducharme: Thank you, Chair. I also am not in agreement in terms of extending the number of days. In the eight-plus years that I've served here, I've never been in a situation where I've had to use those 10 days. Most times, you know, you may have two or three days where you may have to attend to another major city to attend a different forum, but I certainly don't see at this time a need to increase it to 15 days. I am in favour of seeing an increase to \$150 because there are many times that you are not able to get accommodations for less money than that.

The Chair: On the motion, which is to go to 15 days at \$150 a day, we'll see how that one plays out, and then we'll see if there's a second motion required.

Mrs. Ady: I'd have to agree too. I mean, in the last five years I think – well, I haven't used it at all, to be frank. I did encounter a difficulty in Fort McMurray where I ended up subsidizing my hotel bill because it was above and beyond what was covered. So I would agree that I haven't seen a necessary reason for increasing it to 15 days at this point.

Mr. Hinman: I guess, to me, I see the difference, though, of a party with 62 members versus one of 16 having to go around and represent and listen to the people of Alberta. I get lots of invitations to go places and already spent three days at other places, and I think that 15 is reasonable for those parties with less people that have to go around and represent and listen to Albertans throughout our great province.

The Chair: Additional comment?

Mr. Backs, we'll invite you to close the debate.

Mr. Backs: You know, I think it's incumbent upon the committee to support this because although government members may be able to have those costs covered through other means, either through the minister doing ministerial visits or whatever, when you look at the opposition, the opposition has to fulfill their critic duties for each department, their requests from members of the public to come and speak to them, to see them, to do all the things that critics have to do. In order to effectively carry out those duties, you cannot just do them by telephone, and you have to try and get out to the various parts of this province and see Albertans. To restrict that would be restricting the role of the opposition in our democracy, and I would ask the committee to support this.

The Chair: Shall I call the question? The motion is by Mr. Backs to move this to 15 days at \$150 a day. All those in favour, please signify. One, two, three. All those opposed, please signify. One, two, three, four, five. So that was defeated.

Is anybody prepared to deal with a motion that then, I guess, would keep it at 10 days but have the increase to \$150 per day?

Mr. Shiraz Shariff so moved. Discussion? All those in favour? Okay. So that will remain a \$20 increase to \$150 per day as of July 1, 2005.

Now, we have a little item that arose out of a decision that we made at the last Members' Services meeting. I'm going to have Corinne and the Clerk just circulate this information, and then I'm going to have the Clerk add some comment with respect to this. This arises out of a discussion that we had earlier in March, at the March one, and it has to do with the clarification that we made with respect to temporary residences while in or near the city of Edmonton for those members who reside more than 100 kilometres from the Legislature Building and those members who could also have the potential to claim for 14 hours or more a day in terms of work.

The previous order that we had clearly identified a number of constituencies. It seems that based on the changes to the electoral boundaries we approved an amendment to the order at the last meeting, March 16, whereby no constituencies are named, and that amendment was retroactive to November 22, 2004, the date of the provincial election. We allowed certain things to happen: if the member's permanent residence is located 100 kilometres or more by primary highway and if the member is less than 100 kilometres but providing they've been here for 14 or more hours a day.

The issue that has come to our attention is that the requirement for a member's permanent residence to be 100 kilometres or more from the Legislature Building is not consistent with the practices of other Canadian jurisdictions. In addition to that, the 100 kilometres required combined with the 14-hour stipulation may work an unfairness on members in terms of it being more restrictive than the previous rules.

Mr. Clerk, would you like to add something to this? This has popped out as a result of our discussions last time.

Dr. McNeil: One of the things that we considered in terms of the 100 kilometres – I mean, if you're driving 100 kilometres on the highway, you can do that in an hour, but if you're driving, you know, from here, it's probably going to take you half an hour just to get outside the city. We thought a reasonable driving time in this instance should be an hour, which we would equate to about 60 kilometres in terms of driving inside and outside the city. Based on what other jurisdictions are doing, we're of the view that this particular order is too restrictive at the present time. The 100 kilometres and 14 hours a day is excessive from a health and safety perspective.

The Chair: So the recommendation is to go to 60 kilometres and 12 or more hours.

Mr. Shariff: Would this, then, apply just during session or outside session as well?

Dr. McNeil: Outside session as well.

The Chair: The chances of it being applied outside session would be very, very limited, I would think. If there was to be a claim, it would mostly be during the session, when we're sitting till – we don't have a termination hour, which is part of the problem for some people.

Mr. Shariff: Should we not, then, include a statement there saying: during session?

The Chair: Well, there may be other situations. The number of these applications is going to be very, very limited. I don't know off the top of my head how many there would be, but I would suspect that there would be very, very few in a given year.

Mr. McFarland: I have mixed feelings, Mr. Chair, on this particular issue because it seems to address a limited number and yet doesn't take into consideration those that reside more than 100 kilometres. Some reside far more than 100. My observation is that if you're going to reduce it from 100 to 60, maybe you create a second category. It all comes down to the \$1,300 per month.

The Chair: They would not be getting it.

Mr. McFarland: They would not be getting it?

The Chair: No.

Mr. McFarland: Then what is the financial implication?

The Chair: At the moment I cannot tell you. It probably wouldn't be very much. You're covered. There are a couple of constituencies around the city of Edmonton that this would apply to.

Mr. McFarland: I understand.

The Chair: In the previous order we had the constituency identified. We took out the identification of the constituency, so these guys fell off. They had it before, and then they fell off because of the constituency identification.

Mr. McFarland: I may be wrong, but I don't know that these that were listed fell off. They weren't in before, necessarily. But it does come down to reimbursement, does it not?

The Chair: Yes, it does. They have to claim.

11:50

Dr. McNeil: So this is, essentially, as we propose: if they live more than 60 kilometres away and they're spending more than 12 hours including driving time, then they can stay overnight. That's what it means. They can claim that. There are two or three constituencies that might fall within this parameter now. We haven't named them. We've just put the distance in.

Mr. McFarland: Would it be unreasonable to suggest that rather than changing the 100 to 60, perhaps the change could be made if the reimbursement was based on \$75 for those that fall within the 100 and the 60? No?

Dr. McNeil: No. It still costs them the same amount to stay overnight. Regardless of whether they're 60 kilometres or 100 kilometres, if they have to stay in Edmonton overnight, then it costs them the \$130, which is the same number . . .

Mr. McFarland: Well, I've got lots of school kids that ride a bus far more than an hour a day, so I don't have a lot of sympathy for this.

The Chair: Well, this is not necessarily an hour a day.

Dr. McNeil: Our concern is for members who are here for long hours and then have to make a decision as to whether or not they're going to drive home or whether they're going to stay overnight. I

guess what we're trying to do here is make it easier for them to do that.

The Chair: Mr. Martin.

Mr. Martin: Yes. Just a clarification: this is a temporary residence that we're talking about?

The Chair: Yes, it is.

Mr. Martin: Is this still the same basis for claiming as, say, Barry would? What's the rule there when they're in session? That's the one that created, you'll recall, a lot of problems because people were claiming during the session, and they lived closer. Does this impact that at all or not? You're not talking about the session times.

The Chair: No. I know exactly what you're talking about. At one time it basically said that if you were outside the city limits of Edmonton, you could claim, so you had people living in Sherwood Park and St. Albert who claimed.

Mr. Martin: And Stony Plain.

The Chair: And Stony Plain. And, yes, there was a big issue with respect to that. That's when the Members' Services Committee brought in the 100-kilometre rule.

All we're saying now is that in looking at this – and there was also a time when the Legislature didn't often sit in the evenings. If we're sitting in February, March, and April, and somebody is sitting there until 11 o'clock or 11:30, and there's a storm out there, I'm not encouraging them to go driving down the highway. I don't encourage anybody to go driving down the highway at that time. But if you're a member, and you're committed to being in the House, all we're saying is that on those occasions if you are at 60 or more kilometres and you've been there more than 12 hours in a day, you can claim. That's all we're saying.

Mr. Martin: Again, just to get some handle on it. Theoretically, if that happened, there still would be the 10 days.

The Chair: No. The 10 days is outside of the capital.

Mr. Martin: How many constituencies? We had a number before. Do we know what the number is?

The Chair: Depending upon the configuration of where the current member sits, we might have Fort Saskatchewan-Vegreville, where the member is approximately 72 kilometres outside of the city. That's where his residence is: outside of the city. We may have a situation in Stony Plain where the member is 70 kilometres outside the city. Now, again, that may be more than 70 kilometres because you have to get to the city limit, and the city keeps changing in size and everything else. So two or three is what we're down to, but it appears that we have ruled them out of even having this option on the basis of what we did this spring.

Mr. Taylor: On those special occasions when they've worked more than 12 hours, and they're more than 60 kilometres from the Legislature to get home, and they decide to stay in the city overnight, is there a requirement that they provide some kind of receipt as evidence that they've stayed? There is the option, the possibility for abuse here.

The Chair: As there is the option for abuse from members claiming the \$1,300. It doesn't mean that somebody who comes up from Calgary is going to be spending 12 or 13 hours a day in the Legislature. Some will come up and, in fact, go the other way. Fly up, spend an hour, and fly back. That's a bigger abuse than this ever would be.

Mr. Taylor: Yeah. Okay.

The Chair: We're on a trust factor here.

Mr. Taylor: Fair enough.

The Chair: We're on a trust factor. All the administration for dealing with a couple of items.

Mrs. Ady: Well, I was going to say that I drove in from Stony Plain last week at about midnight, and I thought about that at that time. I thought, "I'm really tired." If I had to head out from here to Stony Plain at midnight and be back for a 7 o'clock meeting, I think there is a safety issue there.

The Chair: Okay, but let's be very careful here. It's not Stony Plain. The permanent residence of the member is under the rule. So if the member lived in Stony Plain, he would not be eligible for this. If there was a member who lived in Stony Plain, they would not be eligible for this.

Mr. Martin: It's the residence to the Legislature.

The Chair: That's right. It's the residences beyond Stony Plain.

Mrs. Ady: Okay. I see.

The Chair: It's not the constituency. You just happen to be at the other end. If an MLA in the future were to come from the Edmonton side of Stony Plain, they wouldn't be eligible.

Could we have a motion, please? The recommendation is to amend the distance required to 60 kilometres and the time requirement to 12 hours a day.

Mr. Knight: I so move.

The Chair: All those in favour? Opposed? Thank you. I appreciate that. That was an item that fell out of what we had before.

Hon. members, I do have some food available for 12:30. Might I recommend that we just continue to blaze on and in about 30 minutes see where we're at?

The next item is Mileage and Gasoline Reimbursement Rates. You have a page in there. We've done a review based on the costs of operation, the remuneration that one would get. The public service rate in the province of Alberta was recently adjusted upwards to 42 cents a kilometre. When we did the Members' Services rate, we tried to tie it to the public service rate with a differential recognizing that members have access to a gasoline credit card. We looked at the Canadian income tax guidelines with respect to this, and there's information there and the like.

We've fallen behind because we have not looked at any adjustment in this. You can see the documentation in there. You can see the differentials. You can see the breakdown in terms of how these things are all worked out. As a result of trying to stay fairly close to what the public service was, there's now a differential of 9 cents per kilometre, which appears to have been the historic differential. If we

move this from 30 cents per kilometre to 33 cents per kilometre, we'll stay within that differential of 9 cents. That's what the recommendation is, to be effective July 1, 2005. No increase in the number of kilometres or anything else. It's just to bring that to where it should be. Comment?

If we had a motion, we could proceed. Mr. Shariff? Okay. There is now a motion. The motion is

to increase the members' mileage rate to 33 cents per kilometre effective July 1, 2005.

All in favour? Opposed? It's carried then. Thank you.

The next item has to do with Health Benefit Plan Participation for Members, and you've got an information item in there. We dealt with a number of items, and we're up to date in terms of the eligibility for coverage. You've got the information in there. You can see what we did for the retired members' extended benefit option in point number 2. You can see the information that we have into the Choice plan. That's all there. That's all members are eligible for. Everything's in place, and we're currently up to date.

However, we did have a situation that did arise. This is actually not a new situation, but it is a continuing situation. Members currently have access to life insurance. All of us can choose to buy the life insurance that we want. There's a basic benefit package that is provided with some assistance from the LAO, and then members have a chance to remain in the group and pay for it. It includes the core life insurance, the enhanced life insurance, the dependant life insurance, but essentially it's the enhanced life insurance because you are within a group. There are differential payments and rates for nonsmokers and smokers and differential rates for males and females. When we're here as an existing member, we have access to the whole package. However, when we leave, that life insurance that we had two days ago now is based only on the basic MLA salary.

12:00

You may have arrived at a certain age – age 60, age 65, or something like that – and you could conceivably go up to a million and a half dollars in insurance that you can purchase. Essentially, we as members pay for the bulk of it. Then we leave, and all of a sudden we're not in a plan, we're not in a group, and the insurance now becomes totally prohibitive.

What we're basically suggesting – this is no cost to the LAO – is that the administrative guidelines for calculating the value of life insurance be amended pursuant to an option that says, "The value of life insurance will be calculated based on the 'total eligible recurring salary' formula in place at the time of termination," and this will go back to the election of November 2004. There is no additional cost to the LAO because the member pays for this. The only thing that's happening in here is the member would be part of a group and then be able to participate as part of a group, and it would be based on the total earnings of the member.

The request here is to amplify this. A large number of members don't understand this, including probably current members. I go back to the comment that despite the fact that members will go through and purchase their insurance, I daresay that if I were to ask most members what they think their life insurance eligibility would be for the day they leave this thing, they would be quite surprised to hear it isn't what they currently have today. So that's what it is, and there's the recommendation.

Mr. Taylor: Are we talking about creating the possibility to continue our current level of coverage once we're no longer an MLA, but we assume, then, the full cost of that?

The Chair: Yes. Well, we have that option right now, but it's just based essentially on the minimum salary. You can buy additional coverage even where you're at.

Mr. Taylor: Okay. So you're saying that if I have four times coverage today and if I were to stop being an MLA tomorrow, I would bounce back to one times coverage. This would give me the flexibility to elect the option of continuing four times coverage, although I would bear the cost of it.

The Chair: Yes. That's exactly right.

Mr. Taylor: Is there any benefit to me in terms of reduced premium costs, that this would be then part of a group plan?

The Chair: Well, I guess in a group plan there would be a certain rate, and as an individual there would be a different rate.

Mr. Taylor: In a private sector situation when your employment terminates, you may have the option to stay with the provider of the group insurance coverage, but it's going to cost you considerably more than it did under the group rate. You know, if this is not what we're planning here, I think that's a fair plan.

The Chair: That basically is what we're recommending, recognizing as well that there's going to be a point in time when even if the member has access to the group plan, he or she will not be able to afford to pay for the insurance. When you're 74, I don't know how much money life insurance costs, but I would suspect that it's a heck of a lot more prohibitive than when you're 44.

Mr. Taylor: I just wanted to make sure that that was being taken into consideration.

The Chair: Yeah. It'll go up. There's no subsidy.

Mr. Martin: It ends at age 70, right?

The Chair: Is that correct? It will end at age 70?

Mrs. Scarlett: When a former member retires, they're eligible to now stay on our plan to age 70. There are some provisos with respect to the different levels of life insurance. The core will continue until age 70.

The Chair: The core will, yes.

Mrs. Scarlett: With the enhanced there are some restrictions after age 65 just based on industry standards.

The Chair: Yeah, the cost is the thing. The core one, you say, terminates at age 70?

Mrs. Scarlett: For a member who has retired. There are two differences here. For current members we maintain life insurance core coverage for the member if they are a current member even past age 70. For members who have retired and choose to stay on our benefit plans, they can now stay on them until age 70, and for life insurance we're talking about core coverage.

Mr. Ducharme: Mr. Chairman, I'm not overly concerned in regard to up to age 70. Many of us retire from this position as an MLA not only at the age of 65. There are some that may retire at age 52, 53,

55. Then what happens is that the costs are so prohibitive in terms of being able to increase your life insurance that there has to be a provision. I've heard from one member that had retired last year. When they soon found out that it was on the basic amount, it was just cost prohibitive in terms of being able to get the insurance coverage that they felt was necessary to protect their family should they die. I think it's a fair way in terms of being able to protect our families as we move on, so I certainly support this.

The Chair: I'm not going to participate in the debate but just make a comment. Mr. Ducharme said something that I would like you all to consider and reconsider in terms of what he said. He said that he wasn't that concerned at his age.

The fact of the matter is that the average age of members of this Legislature is one of the oldest that we've ever had. There has been an increase in the average age in all of the last number of Legislatures. Our average age is just a few months shy of 55. We have more members over age 65 than I can recall in a great number of years. The median age is nearly 55.

This is a continuing trend. I can't say that it's a continuing trend across Canada, but it's certainly a continuing trend in Alberta, that the members who are coming here are either basically retired, semiretired, have outside income. We're not getting the mosaic that you would see if members are compensated for participation in a normal democracy. This is now getting to be a very different makeup of people, and I think that's a real concern for the future.

Mr. Ducharme: Mr. Chairman, I didn't mean that as a slam in terms of older MLAs. I just wanted to refer to it in the context that many of us at the younger age – that is where we need the protection for our families; whereas, as you get up in age, the need for as much life insurance may not be as great.

The Chair: Then again that's quite subjective.

Mr. Martin: You may need a contingency fund for by-elections.

Mr. Ducharme: Yeah. And all kinds of other things.

The Chair: But the fact of the matter is that these are important considerations for a Members' Services Committee to make.

Mr. Shariff: Just a clarification. I think this is included. All the benefits that are listed on this chart, we would be able to pay our own way up to age 70 according to the proposal. Is that correct? That's dental, health care.

The Chair: We currently have that now.

Mr. Shariff: Okay. Except now we are increasing the life insurance component as well.

The Chair: Yes. But you're paying for it.

Mr. Shariff: Yeah. We'll pay for it.

The Chair: So there's a recommendation here. If I had a motion, that would really help, and then we could bring it to a head. Mrs. Ady. All those in favour then? Opposed? So in essence we've got it as recommended. I just want to offer this as well to the members who left last November, willingly or unwillingly. Okay? Thank you very much.

Now the furniture purchase update. We indicated that you were very helpful in providing us with a budget to basically deal with a caucus offices furniture update. This is one of those things that certain people like to purchase. I'm going to ask the Clerk just to describe where we're at with respect to the caucus offices furniture project.

Dr. McNeil: Yes. After the meeting we had a walk through the caucus offices with somebody from Infrastructure and Scott Ellis and Dan Dunlop just to assess the current situation. With that information the individual from Infrastructure, Linda Friske-Smith, came back with a proposal, which is on the back of the sheet, basically two options for a member's office setup: one with soft seating, a couch and a side chair, and the other option with a round table and table seating. So now they're prepared to provide us with additional information in terms of colours and styles and so on following from that basic design.

12:10

What they're suggesting is that the initial estimate of the cost was about \$15,800 per office. In terms of the furniture standard, the standard that's proposed to apply to members is that same standard that applies to deputy ministers' offices. Members would have the option as to which layout they wanted and a choice of colours within a certain range of colours. We don't want to have every colour in the rainbow because we want to have some flexibility over time to move this furniture around and be able to use it after an election, move it from office to office, and so on. That's one of the objectives in terms of having standard seating and a standard furniture package for members' offices.

The Chair: We're following through. Again, remember that the long-term objective here is that we don't have a situation where after there's an election in the province of Alberta, whoever the Speaker is is then inundated with petitions from various caucuses saying: "Well, we gained these members. We lost these members. We need this. We don't like that. Somebody stole this couch" – sorry, "borrowed" this couch – "from my office. I lost that chair. The wheel fell off." You bring your own hammer in here, do your own marshalling and reconstruction of walls, so we're trying to stabilize this so it becomes an easy policy thing. We're ready to proceed on this, and it'll be very nice, and everything will be fine.

Mr. Taylor: I don't suppose anybody has ever considered that, you know, once the offices are re-equipped with new furniture, the furniture belongs to that office regardless of who the occupant is in perpetuity or until the furniture wears out.

The Chair: Oh, yes. We try that every time.

Mr. Taylor: Oh, we try that every time.

The Chair: We try that every time. But, you see, if there are new people who are elected, they have no idea what the history is. I mean, there's a new excitement, a giddiness, and a: "Who sat in that chair? I don't want to sit in that." I mean, whatever. Oh, yes. Absolutely. We've tried.

Mr. Taylor: With apologies, never having been a deputy minister, I'm not exactly sure what the Clerk means. I wonder if he can put some flesh on the bones when he says that this furniture is up to the standards in a deputy minister's office. Those must be pretty good standards at \$9,500 for a desk and workstation.

The Chair: We view Members of the Legislative Assembly to be very important people.

Mr. Taylor: Are we that important?

The Chair: Yes. You are more important. If you're not important, well, then you can identify what . . .

Mr. Taylor: This is solid wood furniture, is it?

Dr. McNeil: Yes, it is solid wood furniture.

Mr. Taylor: Okay. Estimated to last for how many years, assuming that the new crop of MLAs, you know, finds that it's still in their offices?

The Chair: The chairs in the Legislative Assembly we replace approximately every 20 years. I don't know. The furniture will probably last until the next Members' Services Committee comes along and says that this desk isn't big enough, or it's too small, or the colours don't match anymore, or whatever.

Dr. McNeil: The target would be, with appropriate maintenance, 15 to 20 years.

Mr. Taylor: Fifteen to 20 years.

Dr. McNeil: You know, we want to buy reasonable quality materials so that it does last, so that we're not having to replace it every five years or so.

The Chair: It's not really dissimilar to what we have in the new package for our constituency offices, is it?

Dr. McNeil: It's a little better.

The Chair: That stuff in our constituency offices is great.

Mr. Taylor: Oh, yeah.

This is probably not, from what I understand, the appropriate time or place to get into a discussion about this, but as a question for information I would ask about, I guess, where in the budget – the LAO budget, the Members' Services budget, whichever budget – the expense item for providing furniture for the caucus staff, the support staff lives. We're talking here only about MLA offices, correct?

The Chair: You mean caucus staff?

Mr. Taylor: Caucus staff.

The Chair: Well, that's based on the whole of – it's the same line.

Dr. McNeil: Yeah. The program is designed to deal with both members and staff. We have, I believe, in discussion with the chiefs of staff, dealt with the issue of staff furniture at least on a medium-term basis. You haven't seen that yet, but we have solutions in place for that.

Mr. Taylor: Okay. But that's separate from what we're looking at here, right?

Dr. McNeil: Yeah.

The Chair: But it does come under the same House services budget.

Dr. McNeil: This budget would be applied to those issues as well once we've dealt with the immediate needs of members. We said we'd come back with a standard for members' offices that you would see.

Mr. Taylor: Thank you.

Mrs. Ady: I have three questions. By approving this particular . . .

The Chair: No. We've already approved it. We're just giving you an update.

Mrs. Ady: An update. Okay. With this update, does this mean that we're going to do all 83 MLA offices?

The Chair: No. The ones that are required. Some are in great shape.

Mrs. Ady: Some are in great shape. By whose standards?

The Chair: Well, again, it's a subjective standard. This is part of the problem, Cindy. You know, people come here and say, "I was a mayor of this town, and boy, I mean, I had an office that's four times bigger than the Premier's office." Well, that's not the standard we apply.

Mrs. Ady: Right. If this is the standard for the offices, what about the waiting areas outside of the offices?

The Chair: Well, we have all that identified in terms of square footage spaces in terms of all the caucus maps that are available. They're applied quite equitably.

Mrs. Ady: You're saying that we're also looking at that?

Dr. McNeil: This program is to deal with caucus offices generally.

Mrs. Ady: Okay.

Dr. McNeil: We've identified the areas of greatest need. The biggest need appeared to be soft seating in members' offices. That's where the biggest priority was.

Mrs. Ady: Well, I guess the issue I'm raising is that, you know, outside our offices we have waiting areas where people come, and we got to choose between having four different coloured couches in there or holes. Those were kind of our two choices out of the basement, so I'm wondering if, in fact, they're looking at that.

The Chair: Again, we had that part of the inventory because of what your predecessors chose at the time to be the colour du jour.

Mrs. Ady: Yeah.

The Chair: The stuff lasts more than four years, so we still have to deal with it, to answer the question about what's the time frame for this.

Mrs. Ady: Okay.

The Chair: And we've got 82 people with their own identification of what they think the colour combination should be and the chairs should be and everything else.

Mrs. Ady: No. I'm saying that these don't match. We just live with mismatching or holes, and I think that's a minimum standard.

The Chair: Well, I appreciate that, but somebody else thought they did. Somebody else thought they did.

Dr. McNeil: This program is designed to deal with the caucus office furniture as a whole.

Mrs. Ady: Right. That's the answer I was looking for.

Dr. McNeil: This specific outline is for MLA offices because we said we'd come back with what we were proposing for MLA offices.

Mr. Shariff: I'm just curious to know: have we identified which offices will be impacted by this? I don't know if somebody has visited my office and what the assessment is.

The Chair: Yes. We're going on a walkabout to try and prioritize this.

Dr. McNeil: We have done so.

The Chair: They're bribed along the way with chocolates and flowers, hard-luck stories.

Mr. Taylor: Well, again, I'm coming back to what happens outside our offices as MLAs, in the caucus office generally. I guess I'm just curious as to sort of timelines for dealing with the caucus staff offices and waiting areas and that sort of thing. Are we looking here at a situation where the MLAs' offices take total precedence, or are we doing both simultaneously? I'm just curious.

Dr. McNeil: We're advancing on the staff offices prior to the MLA offices, in general, in terms of the immediate needs.

Mr. Taylor: All right.

The Chair: Okay. So that's just an update, okay? We've already got the budget.

Now, listen. Lunch is ready, but can we just introduce item (h)?

Let me just say one thing: if decisions are made here to dramatically increase caucus budgets, you know, we've only got so much money in the furniture purchase department. Please be wary of that. Caucus budgets: we indicated before that we would come back with this at a certain date, and we have the dollars in place for the caucus budgets for 2005-2006. We can then come back to this and entertain a discussion on it.

Do you want to just break for lunch and see if you can find any synergy among yourselves before we come to (h)? Okay. Let's break for, say, 25 minutes or something, come back at a quarter to 1. We aren't offering that much of a lunch. It shouldn't take that long.

[The committee adjourned from 12:20 p.m. to 12:45 p.m.]

The Chair: Hon. members, if we could reconvene. It's that time.

We were down to item (h). In terms of caucus budgets, we said before, when we met here in March, that we could come back to this at any time, and we can come back to this at any time. I understand that there have been some discussions among various members in recent weeks and recent months with respect to this matter. The budget we have for this year is in place. Things seem to be moving right along. So it's open for discussion.

Mr. Martin: Are we talking all generally, or are we going through each caucus? How would you want to handle that?

The Chair: Well, the caucus provision is that it's based on so many dollars per member plus allowances to the opposition parties. I don't know how else you would want to deal with it unless somebody wants a further explanation, further update, or anything else. If there's a request to be made for adjustments, then that's something that has to be put on the table, and we have to then deal with it on that basis.

Mrs. Jablonski: Mr. Chair, just a point of clarification. On the first page, independent members' services, it shows the estimates, and they declined from \$57,000 to \$47,000 to \$29,000. I just don't understand why there's a difference in each year.

Mr. Martin: Full-year expenditure.

The Chair: Well, that's right. We had a partial year last year. We had no independent member to November whatever day it was. There was an election, and that would kick in for the remaining part. Then the forecast and the estimate are the difference between what was there in the budget and what was actually expended. On the basis of this year it's \$57,000 per member.

Mrs. Jablonski: Thanks very much.

Mr. Martin: Well, rather than go through the procedure that we did last time – and I won't make the same speech that I did last time – I think there has to be a review of all the caucus budgets in view of the responsibilities, but I don't think there's much point in dealing with it specifically here today. I have a motion I'd like to bring forward.

The Chair: Well, then, because it is on here, perhaps we could work on it on this basis. If the members want a review of all the caucus budgets, use the opportunity we have this afternoon to provide some suggestions or some inputs. We'll go, we'll review them all, and we'll come back with a proposal in the fall, but I'd like to have some guidelines from the members with respect to this, as to what you would like to see reviewed. Would that be helpful?

Okay. Please proceed, Mr. Martin.

Mr. Martin: Well, do we do this in order of the particular budgets?

The Chair: No. We're just having a whole caucus discussion, so whichever way you want to do it.

Mr. Martin: So then I don't need to bring through the motion. This would be done.

The Chair: Yeah.

Mr. Martin: Okay.

Well, the case that we make in terms of our own budget – and I won't go through all the figures again unless people have a request – is that achieving official party status we thought meant something in terms of being a recognized political party. The point that I made before is that as a party of four – and this is the first time we've had the third party that's an official party since I believe '89; that was probably the last time – we do have the responsibility of trying to represent the whole province in terms of the leader's budget and that sort of thing.

We were trying to look at some semblance of the leader's budget. We said at the time that we would like, you know, the same as the Official Opposition, or failing that, the previous estimate I made was what it was like in 1986, when it was reversed: there were 16 of us and four Liberals. They had at that time 73 per cent of the Liberals' budget minus the Calgary office. We didn't request that. So we think that there's a case to be made. We've had to do some severe cuts at our office, which are not helpful in terms of being opposition. We think we have a very important role to play as the third party, as I say, as a recognized party in terms of the function of the Legislature and our role across the province.

So I'd leave it there for now unless there are some questions, Mr. Chairman.

The Chair: Well, I guess there are two segments to these caucus budgets, and use this opportunity today to provide some suggestions or some input as to where we want to go with this in terms of the preparation of next year's budget.

One aspect of the caucus budgets is the per member allowance. Basically, it's \$57,000 per member. You can make comment or provide suggestions with respect to that. The second thing, then, deals with the leader's office allowance for, in this case, two different caucuses: the Official Opposition and the third party.

If there are suggestions that the independent member wants to make, we can hear that as well. Essentially, we zeroed in on it in the per member allocation. Fair, unfair, needs to be looked at, needs to be improved: that's the basis. The other one is the special allowance. There are two segments to it.

Mr. Ducharme, if you have any suggestions, please throw them in, and we'll be happy to look at them all.

Mr. Ducharme: Thanks, Chair. I certainly support your recommendation in terms of going back to review not only the private member's allowance per member but also to look at what's happening in other provinces in relation to all the various parties. I'd certainly, you know, like to support that review so that we can have a good discussion. The last time that we met in terms of budget was shortly after the election, not a lot of time in terms of preparation. Maybe by you having the review, once that review is done, we can all take those back to our respective caucuses and have that discussion for the next Members' Services meeting.

The Chair: Mr. Hinman.

Mr. Hinman: Yes. I'd like to speak, as we did previously, on the fourth-party funding and even the Official Opposition and the third party in that one thing that we're hearing more and more about is proportional representation. It is very difficult to make those adjustments in our legislative system on the first past the gate and the different ways. One way, I think, that would really help democracy here in Alberta and for people being able to be heard is to recognize proportionally, I guess, the amount of votes that are coming in for the different parties.

I would ask that we'd go back. I mean, it's been discussed many times in previous Members' Services about the fourth party and about the importance of opposition parties and the funding. We talked earlier today, you know, about being able to go even 10 days. Well, the government sits on committees. They go around and they don't need the 10 days because they're already sitting on committees doing that. The Official Opposition gets some extra funding because of it, but for the third and the fourth parties, like I say, 10 days. I've already used up three of those days. It's very difficult to represent those people that are throughout the province when this legislation

doesn't even recognize the people that have been elected there and the numbers that are there. I think that we need to address that.

Like I say, if you go back to what Rob Renner and other ones spoke about in earlier Members' Services, they talked about setting up a formula so that someone doesn't have to go and debate and argue this every time. It just seems to me that we should be looking at a better formula for representing those second, third, and fourth parties in the House and helping the people of Alberta to get their voice heard. It's very difficult to go around when people want to be part of it, yet they can't because they're not strong enough in one area. I would ask that we would look at a formula that would go through the second, third, and fourth, realizing that the formula that's been talked about is 50 per cent and then 25 per cent.

As the NDP are pointing out, it's very difficult to run on a diminishing basis when the job is increased, to try and cover all of those bases. I find it very difficult myself, like I say, to do all those things. The extra allowances that would be for research and those things for smaller parties I think would be very beneficial for the people of Alberta. So I'd hope that they would look at addressing that and, if nothing else, at least go with the 50 per cent and 25 per cent for the third and fourth parties. It would be of benefit, I believe, to all Albertans.

12:55

Mr. Backs: I have a motion to present on the fourth-party issue a little later as maybe a separate item.

To speak to the issue of a review, I think it's a timely and a good idea. Certain aspects, such as the demand in our labour market and how that's affecting the ability of caucuses to attract and maintain and retain qualified staff – some of the services that caucuses contract from time to time seem to be going up at a rate that's higher than the average inflation rate. I think these are some key factors to look at in trying to, you know, maintain a proper and effective opposition. I think that in terms of a review those things should be looked at.

The Chair: Additional comment?

Did you say that you had a motion as well that you wanted to present?

Mr. Backs: Yeah. Could I distribute it?

The Chair: Go ahead.

Well, I guess we're going to have a motion, Mr. Knight, so we'll wait for the motion first.

Mr. Backs: The motion is that

in the 26th Legislature of the province of Alberta from June 22, 2005, forward an annual allowance be provided for the Member of the Legislative Assembly for Cardston-Taber-Warner in the annual amount of 25 per cent of the leader's allowance for the Leader of the Official Opposition in the Legislature. This is in recognition of that member's status as the legislative representative for a registered party in the province of Alberta.

You know, we spoke to this issue somewhat before, but I think it needs to be revisited. There is a history in this province of recognizing those members that are elected and do represent recognized parties. For example, Grant Notley I think, when he was a single, sole member, was given an allowance some quarter of a century ago of over \$100,000 in total. Gordon Kesler, when he was the member for the Western Canada Concept, albeit for a very short time, was given an annualized allowance of something similar to that amount.

I think that we must recognize that there's a certain necessity to be fair in this matter and to ensure that those voters who chose to

vote for that party are represented fairly and are adequately financed, as little as that amount might turn out to be, at least adequately financed by that percentage in order for them to be somewhat better represented in their wishes in their vote in the last election.

The Chair: We do have a motion. Mrs. Jablonski, Mr. Shariff, and Mrs. Ady.

Mrs. Jablonski: Thank you, Mr. Chair. Just a question of clarification: if the Member for Cardston-Taber-Warner were the leader of his party, then what would apply here? Would his amount right now be different if he were the leader? I'm just wondering if it would be the same amount then.

Mr. Backs: I think there's a tradition in times in our parliamentary democracy when sometimes the leaders are, in fact, outside of the Legislature or there is an interim period when that party or any party might be seeking a leader, yet they still maintain their allowances as determined by, you know, their respective legislative committees.

Mrs. Jablonski: So whether or not he was the leader of the party, that doesn't make any difference for this motion?

Mr. Backs: I don't think that motion speaks to that.

Mrs. Jablonski: Thank you.

Mr. Shariff: I just wanted to have a clarification from Mr. Backs. There was a suggestion earlier on that the chair would take recommendations around the table and come back with a recommendation at a later date. Are you expecting us to vote on this, or is this just for information that should be considered and brought back for discussion and a vote at a later date?

Mr. Backs: I would expect, seeing that this is actually dated and rather specific, that this would be voted on.

Mrs. Ady: I believe Shiraz just made my point. If we're looking at a review, to entertain a one-off motion – I would think that it would be better if we did it in the context of a review as opposed to voting on the motion today, but it's just a suggestion.

Mr. Taylor: I would argue that we go ahead and pass this motion, I suppose, essentially on an interim basis subject to the outcome of the review. The review is going to take some time. I don't know when we anticipate meeting again. We have talked about the possibility of the fall. In the meantime, the Member for Cardston-Taber-Warner has to keep his office going, has to keep his position going as an elected representative of a registered party in the province of Alberta. He is trying to do everything that he is trying to do on \$57,000, which is what, of course, he is worth in terms of private member's allowance as an individual private member. The way his budget sits now, it does not recognize the fact that he is, in fact, a representative of a registered party, not one that has achieved recognized official status in the Legislature, I will grant you.

But I think there's merit in voting on this particular motion now and, if that motion passes, then to start forwarding the allowance, at least on an interim basis, pending the outcome of the review.

The Chair: Mr. Knight.

Mr. Knight: Thank you, Mr. Chair. The comment that I have to make with respect to the issue of registered parties and whether they are or are not represented in the number of people that cast votes for

registered parties: I think you'd have to probably agree that somewhere around I think it's better than 5 per cent of the votes cast in Alberta were cast for registered parties in the province who actually elected no one.

But if we want to follow the logic, does that mean that we are now going to start looking at supporting registered parties in the province and that the only difference we make between whether we do it or whether we don't is whether or not they've elected one individual or nobody? They're still Albertans casting a ballot, and I think that if they're not supported in the province to the position where they are recognized in the Legislature, then I just feel like I can't support the motion.

Mr. Taylor: Well, Mr. Chairman, then we come back to the issues inherent in the first past the post system. I would simply remind the member that Rome wasn't built in a day. Today we're not going to solve every problem inherent in the way we do things today, but this represents, I think, a start that recognizes that, in fact, in one constituency in the province of Alberta enough registered Alberta electors chose to vote for the Member for Cardston-Taber-Warner that that registered party now has a member sitting in the Legislative Assembly of the province of Alberta.

Mr. Hinman: I guess I'd just like to make a few comments. One, I think that there's a significant difference between having someone in the House and not. That's a major post to get by, and there have been many – as you said, 10 parties – that have tried and haven't succeeded. I can't believe that we're going to say that we're democratic here, yet we want to freeze out someone who has gotten into the House. I think that's more from fear than it is from worrying about helping Albertans and to make it better.

In the past the precedent has been set. Your own party at those times spoke of funding other parties, and now that they're here, you're reneging on it. I think that it's critical when people get in. I am an elected representative, and I do represent all of Alberta that way. To say, "Oh, just worry about your constituency" or something else – it's a much bigger picture than that.

As I say, whether the NDs or the Liberals were in opposition, this is one of the unique places where we're not allowed to be on any of the committees. We don't get paid to go around. We don't get paid to do those things, whereas the government benefits a great deal. It has been spoken of several times. I know we represent the people of Alberta. Yes, you do represent some of the people of Alberta, but don't freeze the rest out and say that no one else needs to be represented because, myself personally, I think it'll come back to bite you, taking that attitude. Those are my thoughts on it.

1:05

The Chair: Mrs. Jablonski, followed by Mr. Ducharme.

Mrs. Jablonski: Thank you, Mr. Chair. This would be part of the review that we would be considering for the future, would it not? Not exactly these numbers but whether or not there should be more money going to the fourth party will be part of the review.

I just don't feel that there's enough information in this motion for me to make a decision. If I were to say yes to this today, I don't know what that would mean tomorrow, what precedents it might set or might not set, or if the review were to come up with a different number, what problems that would cause. So right at this moment in time I don't believe there's enough information for me to make a decision on this motion.

The Chair: Mr. Ducharme.

Mr. Ducharme: Thanks, Mr. Chair. As I indicated earlier, I certainly welcome your suggestion in terms of a complete review, and rather than going about it in a piecemeal type of situation, I'm sure that a review can be done in quick order for the Members' Services Committee to come back and for us to have those discussions with our caucuses. I'm sure that we can bring some kind of resolution to this. Therefore, I feel that this motion is inappropriate at this time.

Mr. McFarland: If Mr. Martin is happy with having this thing reviewed, I'm happy. Maybe one of the factors that you might consider: if in fact you had an independent sitting as an independent, are you going to provide additional money for that one independent to represent independents throughout the entire province? Maybe we want to take a look at it when you're reviewing, without putting names onto representatives that sit as MLAs.

The Chair: Any additional comment? Mr. Taylor.

Mr. Taylor: Yes. Along those lines, then, as the review is conducted, I would recommend that the review take into consideration that in 1986 two members of the Representative Party were elected to the Legislature, and that caucus at the time was given a budget of \$140,000. My colleague mentioned the hon. Mr. Kesler, who in 1982, I believe, was given an allowance of around \$100,000, elected in a by-election. In fact, we're looking not so much at what kind of precedent we might establish should we vote on this motion today but, in fact, at what kind of precedent has already been established going back well beyond 20 years. I would just advise that we take that into consideration both in the vote today and in the review that will follow.

Mrs. Ady: Not regarding, perhaps, the motion but just in the general discussion of the review – you wanted some suggestions that they can think about – I like the idea of a formula, something that doesn't create a lot of exceptions or every time having to rereview. There's a really balanced thing to a formula, and then all parties, all comers know what to expect and can, you know, count on those types of things. So as you're looking at your review, I really do like a formula because it feels like then it's fair.

The Chair: Mr. Shariff, on the motion now. Okay? Let's deal with this.

Mr. Shariff: Well, no. Mine would fall more along the lines of matters to consider.

The Chair: Okay. Let's deal with the motion, then, first. Mr. Hinman, on the motion.

Mr. Hinman: I guess that maybe it isn't worded as clearly as it always could be, and that's part of the problem of wording motions and things like that, but I think it's fairly clear.

To answer some of the questions, no, I think that this is not addressing independents. It's for an official party. It's not easy to become an official party in Alberta. There are steps to do that just as there are to become an MLA, and I think that it's critical and could easily be passed today in all fairness and on precedents of the past to have funding for the fourth party. It's been addressed in previous members' services committees but never done. To continue to postpone it, if we are going to postpone it, then I would certainly appreciate a date when it is going to be addressed again.

When people say soon, how soon? Soon might be 10 years and there's another ice age or a thousand years. I'd like to know when it would be addressed.

The Chair: Well, okay. There's a lot of cynicism in that last statement. This chair has been very, very open about scheduling meetings as per the needs of the members, so for the member to suggest that there wouldn't be another meeting for 10 years or an ice age I think is rather absurd.

Mr. Hinman: Well, I guess I was referring . . .

The Chair: No, no. Let's just go on.

Who has an additional comment? Mr. Backs, do you want to close the debate then? It's your motion.

Mr. Backs: I could if that's the feeling of the committee.

The sense of this motion is that it speaks to the fact that the fourth party is, in fact, according to the rules not an official party. It speaks to the fact that it is an allowance that would go to the Member for Cardston-Taber-Warner in the same sense that this has been done in the past, where representatives have been elected for parties that did not gain the numbers necessary for official party status.

It speaks to the I think inherent fairness that we all as Albertans look to in trying to see that all the views are properly represented in our Legislature. It also looks to a formula that could be used in a review as something that would be in the more formal, long-term process that could be set up at a later date. In many cases, in many Legislatures, they're all unique in the numbers, in the makeups, in the things that develop. I mean, back in the early '80s the Western Canada Concept, in the election after Gordon Kesler was elected, got 16 or 17 per cent of the popular vote yet had no members, so obviously they were outside of the Legislature and then had no representation. That is something that comes with the first past the post system.

But when we have a member elected, the precedents are actually clear that we do support those members and provide them with, you know, proper funding. To look to get proper funding in the interim period before our review is complete I think is only proper, it's only just, and I think it's something that this committee could support.

With that, I close, Mr. Chairman.

The Chair: Okay. We'll call the question then. There's a motion here put forward by Mr. Backs. Would all hon. members of the committee in favour of the motion signify by raising a hand? One, two, three. Opposed? One, two, three, four, five. So that motion is defeated. Okay.

Let's deal, then, with back to where we were about recommendations or suggestions in terms of a review.

Mr. Shariff: I just wanted to make comments in the same vein as what Cindy had said. As I'm looking at these breakdowns of leader's office allowance and then Calgary caucus office and such, maybe we could look at a flat office allowance for a registered party – that is, an elected person – and then adjust the private member's allowance, which might provide an opportunity for some additional funding for the fourth party or any other party that may have an elected member somewhere down the road.

The Chair: Additional comments?

Mr. Martin: I just thought of something flowing from what Barry had to say. We have not had that experience in Alberta, but we see what's happening federally. There is a growing number that are independents. I'm not talking about party representatives. We may want to see what happens there.

The Chair: Well, what I'd endeavour to do internally is basically bring us up to date with the cross-Canada checkup in terms of what's happening, including the Canadian House of Commons; number two, go back in our history and look at our precedents; then, number three, come back to you with a, quote, proposal. But I'm going to make it very clear: I'm not going to be the enemy in this. If we come up with a proposal, it's not my idea. I'm responding to what you're saying.

So there will be some parameters. Number one, the first part of the proposal will look at the per capita member allowance. All right? So we'll have some ranges with respect to that. That's the bulk of it all.

1:15

Then the second part of it is: what special allowance should be provided to the leader of a recognized party? That should be pretty straightforward. There are two recognized parties in the Assembly, so we deal with that. I do not hear Mr. Martin saying that there's a requirement for the third party to have an office in Calgary. We wouldn't presumably look at that.

The fourth item would then be: how would we deal with an individual member or two members or three members if they did not form a recognized party in the province of Alberta? As I hear it, it's basically saying that there should be something. If we can get to a formula, then a formula becomes very transparent and manageable when things and circumstances change, the same way that we've got formulas that are built in, the way we dealt with a whole series of things today. We've had all the debate on the formula that we use, and it's very easy to apply and administer.

I want to do more than that though. Now, this may really scare you. I'm prepared to do this. I'm going to read a quotation from the consolidated Members' Services Committee handbook. This is the guideline with respect to constituency offices. I quote item 10.

A constituency office may not be used for promoting political party activities, holding party events; conducting election, nomination or leadership campaigns; storing or distributing party material or information; sale of party memberships; or soliciting of financial contributions.

Interestingly enough, we have not written a specific statement with respect to caucus budgets. Number one, we need to. Number two, somebody mentioned services and staff and guidelines with respect to caucuses. These are the only budgets – let's see here: nearly 4 million dollars plus – that have a single line on them. So what are the guidelines used inside of the caucuses for staff? What are the guidelines used for how much a person gets paid and what bonuses there are? When somebody comes and says, "Well, gee, we ran out of money; we don't have enough money," and I look at the end of the fiscal year, March 31 of this year, and I see that there's a return of 12 or 13 or 14 per cent of the budgets back to us, how can somebody make the argument one day that we have no money in our caucus and turn back that kind of a percentage the next day? There's a disconnect there. So in terms of the guidelines and the services I think that has to be part of it as well.

I have to emphasize very, very clearly again what the restrictions are in number 10 because in the past number of months the administrators that we have in the LAO are spending an inordinate amount of time dealing with certain expenditures that I think violate

certainly the constituency office requirement not to be used for promoting political party activities, et cetera. We have no new manpower in the Legislative Assembly of Alberta. We've held that for almost, well, seven years, since I've been the Speaker, and yet we're sending a lot of paper back and forth in dealing with items that are right on the cusp. This does not apply to all three caucuses. It applies to two. One has been quite exemplary in not having this kind of an issue.

So that should be part of the review, and I think that's only fair. The guidelines we'll share with you, and they'll be debated. It's very clear that this is public money to be used for caucus purposes.

Mr. Taylor?

Mr. Taylor: No. That's quite all right.

Mr. McFarland: Mr. Chairman, could I ask: how far back will you go in comparing some of these leader allowances? Are you going back to Social Credit days just for comparison? I think it would be beneficial.

The Chair: If we can find the information. The last 20 years at least. I've been a member for 26 years, so that would probably be the time frame for myself. At least I could relate to it.

Mr. McFarland: You don't think it would be advantageous to know what the previous government might have done?

The Chair: Well, no, I certainly don't. When the Social Credit government left in 1971, hon. members would get \$4,000 a year, and they'd be paid once a year. Mr. Manning would line them all up at Christmastime, and you'd shake his hand, and he'd give you a cheque for \$4,000. I don't think that was a good precedent for the way we want to operate in 2005.

Mr. McFarland: I'm just asking.

The other one, if I might ask you about the rationale and the history of – and I don't mean to be antagonistic – the leader's office allowance. I wouldn't mind knowing what the rationale is for one party to have a southern office.

The Chair: We agreed to that. This committee agreed to it.

Mr. McFarland: Not everyone was here.

The Chair: Well, it was just that. There was a plea made by the members of that particular party that basically said, "Look, we have X number of seats. We need to have a presence in Calgary." The members of the committee heard it, discussed it, debated it, and said sure. That pretty much sums it up. That's the way all things happen, and over the next number of months I would encourage all of you to be very harmonious. Go out for a walk in the park and discuss these things.

Look, we're dealing with a basic fundamental responsibility that we have as members of the Members' Services Committee to represent all Members of the Legislative Assembly. I'm really pleased that partisan bickering didn't appear that obvious at the last meeting nor at this one. This is good because this means that we're dealing with these subject matters the way we're supposed to be dealing with them. This is positive and healthy. I mean, there are no winners or losers. We're all winners or we're all losers. I repeat that. We're either all winners or we're all losers.

Mr. Taylor: May I inquire as to when the review may be ready for our consideration?

The Chair: Well, I'll deal with this. The normal cycle pattern is that in early December we have a proposal for the budget parameters for the following year's budget. We meet, lay it out for you, and then say: okay; let's come back the latter part of January or something to do the final numbers and have it all ready. So I would be looking at having something available to you by December.

Now, if I get something before, I'll give you dribs of paper along the way if you want it or if you have some thoughts. Sure. But don't come and lobby – okay? – and say: hey, look, I need this. I've heard all the arguments. I know all the arguments.

Again I come back to the parameter. If we're going to go to the formula-driven one, which is the best one, first of all is the question of: I'll pay \$57,000. So we deal with that. That covers the bulk of it.

The second thing, then, becomes an issue only of some heartburn about the principle. I have no intention of changing the principle that the Leader of the Official Opposition gets a leader's allowance. Basically, the principle is that it's based on what the average member of Executive Council gets. So that would seem to be applicable unless somebody comes up with a recommendation to change it. There's a principle that the leader of the third party would get a leader's allowance of some proportion to what the Leader of the Official Opposition gets.

Then the request is: what do you do with one member, and how is that any different from what you would do, then, with three members? One, two, or three? If they have official party status in the Legislative Assembly as per our rules – we either change the rules or we deal with one, two, or three. If we have that identified, then we basically have the formula. But it strikes me as well that – I'll throw this out – why should there be an allowance for the Leader of the Official Opposition and not an allowance for the whip of the government caucus? You know, all those things. They apply in other jurisdictions, and when you look at them, you'll see them.

I'll put it all together. It won't be a long hundred-page thing or anything like that. All righty?

I mean, if I could come back to you in two weeks from now saying, "Let's just adjust the \$57,000 to \$70,000," and say that that would be my recommendation so that we'd have that one out of the way, then I've only got three more to go. Okay?

Thank you very much. We've got all that.

Now, number 5, New Business, the risk management fund coverage for Members of the Legislative Assembly of Alberta, a report from Cambridge Strategies Inc., 2001, referred to this committee on March 3, 2005. Okay, hon. members; we have a report that has been referred to this committee as a result of a motion in the Legislative Assembly of Alberta, passed on March 8, 2005. I don't know how much background you want me to give to you with respect to this. Or do you just want to go right into having a discussion on this? Perhaps it might be helpful if I spend a couple of minutes on some of the background with respect to this.

We have had in play support for Members of the Legislative Assembly should they have a legal action against them. We've had it in play since I can remember. There is nothing new in this. If you are a member of Executive Council and a cabinet minister, there is provision in legislation in the province of Alberta to deal with any suits against a minister. As an example, when I was minister of the environment I think at one period in time I had 25 court cases. They were served against the minister of the environment as the leader of that particular department. I mean, I didn't even have a clue what

these were doing. There were something like 25 or 30 lawyers always in court doing whatever it was.

1:25

As Members of the Legislative Assembly we have in place a situation where we buy insurance coverage from an agency of the Alberta Treasury department called risk management. It's a department. We buy insurance coverage on behalf of all members, that includes all of the above. Should there be a flood in your constituency office, should there be a fire in your constituency office, should there be a break-in, if you lose something as a result of that, you put in a claim to the Legislative Assembly. We go to risk management, and they adjudicate it. If they say, "Okay; there's something to be paid," they cut us a cheque. We go back. We replenish whatever it is you've lost in your office. We pay for that.

The same thing if a member in carrying out his or her duties is sued. In essence, we have a policy that allows members to basically talk about whether or not they want to access this. This has been clearly known. I've been a Member of the Alberta Legislative Assembly since 1979, and I knew that it existed in 1979, and I knew that it existed in 1980 and in 1981 and in 1982 and all the way we go.

This particular Members' Services Committee in 2000, as a result of an issue that had developed, clarified and worked again at the policy that we would use with respect to how we would access the risk management should it come about. On February 3 – and it's included in our consolidated Members' Services Committee handbook – the committee endorsed recommendations as they related to the administration of members' general liability insurance coverage. The recommendations endorsed were, one, that there would be in the *Members' Guide* specific information as it relates to members' general liability coverage. We go through it every time there has been a meeting of review for members, at least going right back to the time I was elected in 1979.

We have a brochure which outlines members' insurance coverage available to all members at all times and provided to them on a regular basis.

Then we have a process. If a member were to find today, this afternoon, that somebody would serve them or give them notice that they were going to be sued, we have a process that the member should follow.

Point 1: "When a Member becomes aware that he/she may be subject to legal action they will notify the Speaker in writing."

Point 2: "The notification will provide as much detail as possible related to the claim."

Point 3: "Upon receipt of such notification the Speaker will meet with the Member and [will] consult with appropriate resources, including Officers of the Legislature, regarding the claim." Three steps so far.

Point 4: "After reviewing the advice obtained by the Speaker during this consultative process, the Member will determine if a request for coverage should be forwarded to the RMI Division of Alberta Treasury." Then "RMI [the risk management] will then evaluate the claim and determine whether coverage is applicable. If coverage is applicable RMI will manage the claim from that point."

Now, we've had this in place. In the last five years that I have been the Speaker, probably no more than the number of members equal to the number of fingers that I have, five, have come to see me and said that they have had something, and that includes members, well, of two different caucuses. The member sat down, discussed with me the nature of what it is that was happening to them. We've had a discussion. In a couple of cases I said: okay; if you want to go

forward, you put all of this in writing. I got it in writing I think on only one occasion – only one occasion – and then I circulated it essentially to the legal officers that we have in the Legislative Assembly and also have gone outside to talk to other people about what the process will be and have provided advice.

In the case of these five individuals, in the last five years I believe that one went on to see risk management as the insurer. I have no idea what transpired after that. I choose not to know what transpired after that because I treat this exactly the same way I would treat the coverage that we have for insurance for any Member of the Legislative Assembly for health purposes. We provide you all with health care coverage. If you have a heart problem, you go and see the doctor. You work it out with the doctor. You'll be covered. But I don't need to know that you've got a health problem, that you've got whatever the heck it is.

In another case just recently a member came and had a discussion. We provided him a written response, and then he wrote back to me a day or two later and said that he was not going to be accessing this process and not going on.

Now, why are we dealing with the report then? We're dealing with the report because a number of years ago we had an individual who was a Minister of Finance in the province of Alberta. The Minister of Finance within his department has something called risk management, and the member in question found himself with a lawsuit before him. He was accused of making a comment on the basis of something. It's subjective whether or not it had to do with his official duties as a Member of the Legislative Assembly. That becomes a debatable point, so politics come into this. Then you have a further subjective conclusion that: well, okay, did the Minister of Finance and the comments that were made have anything to do with his portfolio responsibilities? That becomes debatable in that.

The fact of the matter is that the member in question did not follow the process that I've just outlined. There was never any consultation with the Speaker. There was never any notification in writing. There was never any evaluation. What happened was that risk management got involved, so you've got a great big political issue saying, "Well, here's a minister of the Crown. Why would he have made those statements anyway? What had they to do with his portfolio that he had? How did it ever get to risk management?" So the big politics of the day were: here's the Minister of Finance, he made these comments, and now he's had his own department involved in this. Eight hundred thousand dollars later we have a great big public outcry about: how did this ever come about? Why was so much money wasted? You saw lawyers making hundreds of thousands of dollars in legal fees.

I can tell you what would've happened if the member would've come to see me, what I would've said to him. I'd have told him to apologize, get down on his knees, and solve this thing with a \$25,000 contribution to some charity on behalf of the person in question. He didn't do it.

As a result of all of that, you have all the politics that come into play. The government is on the defensive. The government then, of course, hires a couple of consultants, a lawyer in the city of Edmonton and the former editor of the *Edmonton Journal*, I think, to write a report, Cambridge Strategies Inc. The report is written.

It should be very clear if you look at the number of people who were consulted during this – you can see this in the report – that not one Speaker or former Speaker or one Deputy Speaker or former Deputy Speaker were ever interviewed. I probably would've declined an interview if I had been asked for an interview, but anyway we weren't. You've got all the other people who were listed

as well. You've got members in here stating: well, I never knew of the existence of this. Well, okay, that's very well; maybe they didn't know for whatever reasons.

But they wrote a report, and they admit on page 5 that although we may appear to exceed the limits of the review by presuming a duty to ensure the scope of democratic representation remains as broad as possible, we are persuaded that the purpose of risk management coverage as it applies to MLAs is to enable them to engage fully in their democratic duties and responsibilities.

Yeah. Everybody agrees with that.

Then they go through their report, and then they give you some recommendations. The recommendations are:

3.1 Educating MLAs about Risk

- All MLAs should be offered a thorough grounding in defamation law upon election, with a refresher course at the beginning of every session.

Okay. I'll come back to that in just a second.

3.2 Enabling MLAs to Minimize Risk

Then they make some suggestions in here: should "have access to legal advice." Well, okay. Then saying that we should even "establish a list of legal counsel" nominated by each political party with a seat in the Legislative Assembly of Alberta. On the other hand, the overriding theme through all of this is to be nonpartisan and to be nonpolitical. Then, they've got "3.3 Indemnification for MLAs" and "3.4 Ensuring Full and Free Democratic Discourse" and "3.5 Privileges, Roles and Responsibilities of MLAs" and case management.

1:35

This report's been around for a number of years. We have a process that has worked really, really, really well. There are a series of recommendations in here. Basically, what the report is saying is that the coverage be provided to MLAs by the Legislative Assembly Office rather than risk management and insurance, which means that instead of us buying the risk management from Treasury or Finance, we supply it ourselves. I have a real problem with that because I have no idea how that would improve anything. From my perspective, we've never had a problem with this. It's working very, very well, and it works very, very cleanly. If people would follow the policy, we'd have no problems.

Another item basically points out that although the coverage decisions are supposed to be nonpartisan, members can actually challenge on the floor of the Assembly whether or not coverage should be provided to a particular MLA. Well, I can't think of anything more political. That would be akin almost, from a philosophical point of view, to if a person had to go for heart surgery and somebody objected to the health care system providing them heart surgery, because that's what we buy as an insurance premium, we should debate that in the Legislative Assembly. I have no idea how that's supposed to work, and it doesn't tell me how that would improve anything.

Some of the items in here: "to vet." They basically say that we should have a battery of lawyers so that each one of you before you utter something, you should have it vetted. Well, I don't know how that operates when you're there in the Legislative Assembly in a debate. Do you stop and say: well, the points I want to make now I have to send to a lawyer to have vetted before I would make these points? Or: the question that I want to raise, would I have to do it inside or outside? I have a concern.

And something about an appeal body.

Clearly, if a Member of the Legislative Assembly finds himself challenged by something – and there have been very, very few cases in our history, and the report outlines and identifies that. What we've got here is a situation where one member did not follow the

policy that was in place. It became a great big political issue. It turned into being political, and there was a lot of political damage. The opposition parties gained dramatically as a result of the damage caused by the member of the government, the minister, and so we got a report. If it happens again, the same kind of process, we'll endure it the same way.

I don't know if we can improve the system we have. In my humble opinion, if the member would have followed the process, we wouldn't have had this issue. But he chose not to, so that's ego. That's my two bits at the moment on this.

We've got it here. It's been given to us by the Legislative Assembly. It was a hot potato. It's come to Members' Services. My question is: what do you want to do with it? We can have an opening discussion today; come back to it later.

Mr. Knight: Would the chair entertain a motion with respect to this report at this time?

The Chair: I always entertain a motion.

Mr. Knight: Mr. Chair, I would move that the Members' Services Committee receive the report for information and reinforce to all members of the Legislature the due process that we have in place to deal with risk management.

The Chair: That's a debatable motion, so anybody who wants to make a comment can proceed.

Shall I call the question then?

An Hon. Member: Question.

The Chair: Well, there's a motion put forward that the Members' Services Committee receive the report for information and reinforce to all members the due process that currently is in place. All in favour? Opposed? Strikes me that it was carried unanimously. Thank you very much.

Well, if I were to ask you for 20, 30 minutes for just private discussion in camera, would you accept that?

Hon. Members: Yes.

The Chair: Okay. Then we'll have to thank everybody else.

The decisions we made today basically were that the transportation order to go from 30 to 33 cents would be effective July 1 as per our agreement, that the extraordinary temporary to \$150 per day goes July 1 as well, and that the constituency office benefit package be implemented April 1, 2005.

[The committee met in camera at 1:40 p.m.]

