

Title: Wednesday, March 16, 2005 Members' Services Committee

Date: 05/03/16

Time: 8:02 a.m.

[Mr. Kowalski in the chair]

The Chair: Well, good morning, ladies and gentlemen. It is 8 o'clock, and we do have a quorum, so I welcome you. I appreciate very much your coming. I gather there's a member or two caught in traffic someplace, but we will proceed.

I'll thank you at the outset for making yourself available at this time on this day. As I've explained to you over the last several weeks, either personally or in a briefing discussion that we did have, there was some immediacy with respect to the budget that we have to look at for Members' Services. But I do promise you this: I will do everything possible to never again in the future have a meeting at 8 o'clock in the morning, and hopefully the meetings will be outside the sitting of the Legislature. But this time because of the requirements of our Standing Orders and the request of the Finance Minister – she wants to have the budget ready, and it's customary that when the provincial government budget is tabled in the Legislature, the budget of the Legislative Assembly is also tabled at the same time. Standing Orders dictate that the first estimate that has to be called is that of Members' Services, so there is a reason for moving, and with the election being held when it was and the fact that the members of the Members' Services Committee were not elected or appointed to this committee until two weeks ago, there wasn't a heck of a lot we could do.

That being said and done, I want to welcome you. With us this morning are some people who assist the committees. To my right is our committee secretary, Corinne Dacyshyn, and to my left is the Clerk of the Legislative Assembly, David McNeil. Also with us in the room, who may or may not participate as we go through as resource people this morning, are Cheryl Scarlett, our director of human resources – Cheryl, just wave – Scott Ellis, our director of finance; Jacqueline Breault, also in the finance area; Rob Reynolds, our Parliamentary Counsel; and Bev Alenius, in my office; Louise Kamuchik, who's our Clerk Assistant; and our Sergeant-at-Arms.

The clock is right, is it, Sergeant-at-Arms?

The Sergeant-at-Arms: Yes, sir.

The Chair: Okay. Very good then.

You have an agenda that was circulated, and the first item on the agenda is the call to order, which we have done. The agenda is in front of us, and if we could ask for the approval of the agenda, or if there are additional items that members want to raise, kindly indicate now.

Mr. Hinman: Will I be able to make a motion or not?

The Chair: Yes. We'll recognize you during the estimate today, Mr. Hinman.

But in terms of the agenda that we have this morning, are there additional items? So we have approval of the agenda then?

Mr. Ducharme: I so move.

The Chair: Okay. So our business essentially this morning is the 2005-2006 Legislative Assembly budget estimates. In briefing material that I had provided to hon. members before, there is a parameter sheet at the beginning of the binder that you have, and perhaps I could just spend a couple of minutes on that, telling you what we have done in terms of building this particular budget.

Essentially, there are very, very few changes compared to the previous year's budget; however, there have been some adjustments. In terms of the operational side of the operation, we've increased everything with respect to operations by 2.1 per cent due to the inflationary factors. We use two references, as we have in the past. We've agreed to the provincial outlook summary 2004, the economic forecast, and the Conference Board of Canada indicator, and that was 2.1 per cent.

The member remuneration adjustment. The directive that the Members' Services Committee has in dealing with this matter is to look at the average weekly earnings index of Alberta workers in the previous calendar year. So by looking at the index of the calendar year 2004, the conclusion that we basically reached is that that member index will come in at 3.4 per cent. We will know in two weeks from now what that final number is, but as of December 31, 2004, and looking at the whole flow sheet from January through to December, it appears that that will be the number. Now, we'll know conclusively because they take several months to do their internal readjustments with respect to that, but it seems that that will be the number.

The caucus adjustments: again the operational factor of 2.1 per cent.

Constituency services element. We talked to you about that before. That basically said that we're going to find a new base, a base at \$70,000, for constituency offices. Then we'll deal with the communications portion of the constituency office and adjust it to reflect the new increase in mail costs. The promotional element of the members' services order basically will reflect the increase in the number of constituents as per Alberta Finance statistics branch and the Chief Electoral Officer as a result of what happened last November. We've added a matrix element, that we've talked about and you've had information about since January of this year that looked at the Electoral Boundaries Commission report and invented this matrix to look at a number of constituencies because of the difficulty.

In terms of salaries for individuals other than Members of the Legislative Assembly our policy is to follow the conclusion of the government in its negotiations with the Alberta Union of Provincial Employees. The government is currently in that negotiation. They will conclude that negotiation, and whatever the number is that they use in the finalization of their negotiation we then apply to the manpower components of the whole operation. That's the LAO branches, that's caucuses, and that's constituency offices as well.

So we've anticipated that there will be a scale in-range adjustment of 4 per cent. That doesn't mean everybody gets 4 per cent. That means that if people are at a certain level in their career and move to the next range, there's an adjustment given to them, so we built in some dollars to deal with that. And we basically looked at a 3.5 per cent anticipated public service market adjustment. We don't know what that final number will be, but we built into all the budgets that 3.5 per cent.

So we've taken those dollars, and then we put them into something that we call the potential fiscal pressure contingency. You'll see in the microsheets that we have that there's \$930,000 set aside for that. That covers, again, the LAO staff, the caucuses' manpower component, and the constituency office component. When we are told what the conclusion is with the government in its negotiations with its unions, we then take the number, apply it, take the money out of that potential fiscal pressure contingency fund, and allocate it back to everybody concerned. So sometime during the fiscal year after April 1 there'll be an adjustment made with respect to that one as well.

Transition allowance. We're continuing with the annual payment of \$4.2 million, the annual contribution, to make sure that there's no liability associated with that and to make sure that that particular allowance is fully funded, and it is. For budgeting purpose it's 85 days sitting in the session. Remember that in Alberta we call a day a whole day. In some other jurisdictions in the country, if they meet in the afternoon and they meet in the evening, they count that as two days, but in Alberta we count an afternoon and an evening session as one day. So there's always some confusion when people say that we sit shorter than others. The fact is that we only count one to count one whole day. Some other jurisdictions count each sitting as a separate entity.

The next item that you'll see in there, the Members' Services Committee decisions, based on the number of constituents – okay, I've already talked about that.

Members are entitled to an RRSP allowance. Members get 50 per cent of the RRSP allowance as determined by Ottawa.

Because of a little disparity that occurred in the negotiation between the government and its unions, there's a special allocation allowance made to people in the public service who work in the Fort McMurray area. The Member of the Legislative Assembly for Fort McMurray brought this to our attention a number of years ago and said that he wanted his office staff there to be on par, so there's an additional \$400 per month given to Fort McMurray.

8:10

We're continuing to have funds to deal with constituency office upgrades. We've had a three-year program, so each year we have to replace photocopy equipment, security systems, furniture, repairs and replacements, and the like. We have budgeted dollars in there, and that, again, is for constituency offices.

A new item in here is that we budgeted for the first time under the Legislative Assembly of Alberta an allocation for furniture for the caucuses. To this point in time it is Infrastructure, the government, that provides that furniture to the caucus offices. As a result of what happened in the last several months, it seems to be that some people have had better furniture and some furniture has fallen apart and the like, so there's need to replace. So what we're going to do, subject to your approval, is initiate a program and start with phase 1 this year on April 1, and I've requested a budget \$204,000 to implement this. We'll deal with it on a per need basis. We'll go around and check out all the offices of MLAs in both the Annex building and the Legislature Building and see who's got the runt of the crop, and we'll start off by dealing with that. I'm not sure, Mrs. Ady, that you're at the top of that list at all.

Mrs. Ady: Well, I should be.

The Chair: We have an insurance policy that we carry for all the risk associated with the operation of the LAO. We buy that insurance policy from Alberta Finance, and we have to pay them a premium. Our premium last year was \$118,680, and this year they're requesting a 14 per cent increase to \$135,000. This covers all insurance and possible claims that we would have under the whole system, everything from a fire in a constituency office or the loss of something through water damage or even an MLA coming under a lawsuit with somebody else and Finance has to get involved; then they would deal with that.

We've also got three select special committees that are going to go this year, apparently, and I've conveyed a message to all proposed chairmen, and I've asked them to come back with some budgets. In the document that you have I'll have to update some of the committee budgets because we've received some information in

the last few days to basically say that they will require more than we have already anticipated in there.

Funding is also continued in here to finish off the five or six major projects that we've been working on for the last four years with respect to the centennial. Those of you that I've had a chance to share with and talk to, I indicated that there are five books under production, and we'll have them published this year. They're really quite outstanding. The plaque series that we'll have in dealing with the history of Alberta will be concluded very, very shortly, so we'll deal with that as well.

Then there are a number of conferences that we'll be hosting here in Alberta this year, hosting because it's our turn and also because it's 2005: the Joint Canadian-American Clerks' Conference, the combined Commonwealth *Hansard* Editors Association conference, and the Assemblée Parlementaire de la Francophonie, which is, I think, quite a feather in the cap for Alberta to have that conference in September of this year, where francophone parliamentarians from around the world will be coming.

Not included in this budget proposal is one additional item that I will be sharing with all members in the next number of days. Because of the excellent co-operation from the minister of lotteries, Mr. Graydon, he will allocate under one of the lottery funds a special funding allocation of \$415,000, that's \$5,000 per member times 83, to purchase and to allow that member to purchase commemoration items for the centennial 2005, be they pins or flags or the like. This will not be part of this budget; this will be an additional item that, again, I will be sharing with you very, very shortly.

So there in a nutshell, ladies and gentlemen, are the parameters that we used for this.

Then if you flip over your binder, you will see the next sheet, which is the macro item that breaks down everything with respect to this, the actual budget that will be filed with the Legislative Assembly of Alberta, and a copy of the budget from last year. This is the budget. There are in fact only six lines in the budget. But you've got a document because this is the committee that deals with this. This is the micro approach to it. But in the actual document that goes to the Legislative Assembly, that the men and women of the Legislative Assembly will deal with, there are basically only six lines. Those six lines showed, number one, Legislative Assembly Office, the administration point; number two was MLA administration; number three was government members' services, the government members' caucus; the Official Opposition caucus; number five was the New Democratic opposition caucus; and last year we had the Electoral Boundaries Commission, an item in there as well.

In the document that you have in front of you, you have the overall parameters. The bottom line is \$41,807,000. There'll have to be a slight adjustment to that as a result of input that I've just received from some committee chairmen, but the staff component is the same as it has been for the last half a dozen or more years. It remains exactly the same.

Then following through in the binder, we have the microsheets for each one of these. As an example, on the first line you've got financial management and administration services and the request for 2005-2006 for \$800,000. You see the estimates from the previous year. And you can go all the way down on all of these lines coming to it. Perhaps it would be useful just to spend a few minutes going through each of these and then stop and come back. Or how would you like to deal with this?

Mr. Shariff: Mr. Chairman, I just want to first appreciate the orientation session we had. We went through items line by line, so maybe a summary format would be preferable right now.

The Chair: We'll go very, very quickly through the summary. If you look at tab 1, the financial management and administrative services, there was a differential, or a variance, of \$41,000. You see it broken down in there in the human resource expenses, the operational expenses, and the bottom line. Again, there are 10 staff associated with financial management. You can see the numbers in tab 1 – it's relatively straightforward – with the two items that we used in terms of adjustment.

The next one is the human resource services component. Once again, the bottom line in that one is \$834,000, the 2004-2005 estimate is \$801,000, seven staff components associated with that, and relatively straightforward.

The next one is the Speaker's office, which always causes the greatest amount of consternation for members because they also want to spend more time here than on anything else. But you'll see that there are three staff in the Speaker's office, and there's an adjustment factor of \$6,000 from one budget to the next, including if there is going to be a 3.4 per cent adjustment to the Speaker, that adjustment will come out of this office. You can see the other dollars in there to amount to a grand adjustment of \$6,000.

The next one is the Legislature Library. The library is a very unique library, and it does a tremendous amount of positive, good work in terms of storing historic documents associated with Alberta and its history, doing research, and making itself available to all members. It has also been fundamental to the production of the five books that I have talked about. The people inside the library basically have done all of the work, and I just really applaud what they've done, and you'll be absolutely impressed, I think, with the quality of material that we're coming down with. If members need to access information, get information, they just contact the library and get it. As an example, they can provide you with a DVD within hours of the first part of the production of the day, from the opening prayer to the call of Orders of the Day. If you want to just check to see how you looked for your own self-improvement, you can certainly do so, and it's good stuff.

The next one is the House services. This is the area that basically provides all the support services to the Legislature and its committees: legal and procedural support, security, ceremonial and visitor services. All the people that we have greeting people as they come to the Legislative Assembly are associated with this plus all the security people as well. I think, to the Sergeant-at-Arms, we're now dealing with – what? – 135,000 visitors to the Legislative Assembly on an annual basis, approximately?

The Sergeant-at-Arms: One hundred forty-three thousand.

The Chair: So it's a very, very busy place. As of April 1, as soon as spring seems to hit here, those tour buses just start. Well, you'll see them anyway as soon as they start coming here and the number of people that come.

One of our expenditures in there is that during the wintertime, particularly in December when we have all the choirs come in for that 30-day period prior to Christmas, we offer them all a cup of hot chocolate and a little chocolate assorted. That expense comes out of here and the like. Again, 42.6 people and a budget of \$5,447,000. You can see the variances associated with that. The one hosting conference is also budgeted in that one as well.

8:20

The next one, information technology services. This is an area that 10 years ago we really didn't have, but with the technology that we do have and the need to deal in this area and members' desire in this area and members in almost no-holds-barred on quest for new technology, this is an area that we find that just continues to grow

and grow and grow and grow. To maximize co-ordination of this, there is within each of the caucuses some people who are appointed to a committee to look at the high-tech area and constantly deal with the upgrading of equipment. Our policy is that we essentially upgrade the equipment every two years. It was three years at one point in time; now it's two years. There are 11 people that deal with this and help all of you with respect to that.

The next one, the House committees. To this point in time the Private Bills Committee chairman has indicated to me that they're happy, that they're okay with the number that we put in there, the \$13,000. The Standing Committee on Leg. Offices agrees to its \$76,000. The Standing Committee on the Alberta Heritage Savings Trust Fund agrees to its \$88,000. The Committee on Public Accounts agrees to its \$21,000. Privileges and Elections is really not required, and committees, general, that's not an issue.

If you go down to the Health Information Act Review Committee – I've received no feedback yet from the proposed chairman. The Select Special Conflicts of Interest Act Review Committee: we had suggested perhaps \$63,000 at one time, and the chairman has come back to me and basically says that they need a budget of \$147,000. So based on that – there is a committee; it's a committee of the Legislative Assembly; they have a plan that they're going to do it – I think we have to have a number of \$147,000 to deal with that one in the budget. I've not heard from the other two, but I anticipate to in the next day or two, and we'll see what they have to say.

The next item, tab 8, is the MLA administration budget. Now, on that particular budget you'll see an adjustment on the bottom line that will go from \$18,826,000 to \$20,430,000. If you look at page 1 of 1, even though the first two pages associated with that tab will show you the variances and where the changes come from, I'd indicated a little earlier that if you look under human resource expenses, pay and benefits to MLAs, the current estimate is \$7,701,000; the estimate for April 1, 2005-2006, is \$7,720,000. And I said that there would be an adjustment of 3.4 per cent to MLA stipends. Well, if you look at that difference, that's only \$19,000. Obviously, that's not going to work.

The reason is that this year in the current budget that we had, in anticipation of the election we had to do a calculation in the budget last year saying how many members would not be here, how many members would be new members, how many members would be returning members. We particularly had to put the RRSP allocation in there, recognizing that our motion said that every member would be eligible for the RRSP in a given year. When the election was held in November, it meant that not only were the current members elected after April 1 eligible for the RRSP payment, but the ones elected on November 22 were also eligible for that. So we had to carry it in the 2004-2005 estimate, but we don't have to carry it this year. That almost equates to the 3.4 per cent. That's why there's barely any difference in that particular line.

The one item in there that shows up with the biggest amount is the constituency office element, where we basically moved and changed the base from \$57,000 a year to \$70,000 a year and the matrix adjustment. That accounts for the differences in that particular area.

Tab 9 is government members' services. Our policy is that in terms of building caucus budgets, the caucus budget would be based on the number of members there are in each caucus plus in the case of two caucuses there would be an allowance for the leader. So in the government caucus there are 37 private members. That includes all of the members of the government caucus except the members of Executive Council and the Speaker, so the other 37 are counted. The number last year was 55. During the year we allocated that human resources fiscal pressure contingency of \$1,000, to make it \$56,000;

2.1 per cent of \$56,000 amounts, rounded off, to \$1,000; and that's how we arrived at the \$57,000. So 37 times \$57,000 gives you \$2,109,000. That's the proposed budget.

The next one, for the Official Opposition, is based on 16 private members. Even though there is a leader's allowance, the leader is counted in the count of 16 – 16 times \$57,000 – to give you \$912,000.

There's a leader's office allowance. Traditionally it's been based on the average ministerial office, so we go through whatever there is in the budget in the current year and look at all of the lines that say ministerial offices, and we then divide and get the average. The average currently is \$358,000. The range in the current budget for ministerial offices goes from \$287,000 to \$494,000, but the average is \$358,000. As a result of rounding and a whole series of other things that have developed over the years, the leader's office allowance is higher than the average. It's at \$385,000 in the current year. Add the 2.1 per cent adjustment to it, and you get \$394,000. I just come to you with that and present it in that manner.

The Official Opposition also has an allocation for a Calgary caucus office. The current year is \$61,000. The 2.1 per cent added to that gives you \$62,000. That's the proposal at the moment.

The New Democratic opposition office. They have four members, so it's four times \$57,000, to \$228,000. By tradition we've also said that the leader of the third party would get an allowance equal to half of what the Leader of the Official Opposition would get, so \$197,000 is half of the previous number, and you get \$425,000.

We have now with us a member of the Alberta Alliance, one member in that particular caucus and no policy of dealing with anything beyond that. So we've got in this particular budget 1 times \$57,000 for \$57,000.

We have no vacancies, but we always carry that line in terms of what will happen as well.

There is the overview. If there are questions on it, I'll be happy to stop and go back to it, and then we'll proceed.

Well, then, hon. members, in terms of the first eight tabs, are there any questions with respect to that or matters that we need to have clarified before we go on? I suspect that most of the discussion will circle around the next three items, tabs 10, 11, 12.

Would it be possible to get a motion of approval for this budget at this point in time?

Mr. Shariff: I move.

Mr. Martin: That's for the first eight items then?

The Chair: Yes.

Discussion? Agreed?

Hon. Members: Agreed.

The Chair: Opposed? Okay. So we've agreed to those first eight items then.

Then the government members' services budget. I guess we'll ask the Deputy Chair, the government whip, if he wants to see modifications to that, an argument for that or in agreement with it.

Mr. Ducharme: I'm fine with that amount, Mr. Chairman.

The Chair: Well, then, if we had a motion to that effect, that might help, and then we can finish that one too.

Mr. Ducharme: I so move.

The Chair: A seconder for this? All in agreement, please say aye.

Hon. Members: Aye.

The Chair: Opposed? So that's covered as well.

The Official Opposition budget. Mr. Taylor or Mr. Backs, would you like to speak to this?

Mr. Taylor: Mr. Chairman, I think on the face of it we're happy with the budget for the Official Opposition services. We're aware that the New Democrats, the third party, are going to make a proposal to increase, I believe, their leader's official allowance. I would simply point out at this time that there is a long-standing parliamentary tradition that the Leader of the Official Opposition has an office allowance. There is really no tradition that I am aware of beyond this House to create an opposition allowance or a leader's allowance for the third party, certainly no tradition that I'm aware of to create an allowance for the leader of the third party that is equal to or really anywhere close to that of the Leader of the Official Opposition.

I realize that I'm really arguing the next point at this stage, but depending on the outcome of that argument, I think I'd like to revisit this.

The Chair: Okay. But at the moment it's okay.

Mr. Taylor: It looks good.

The Chair: All right. Well, if it's okay, then let's move to the next one and see if in fact there is a motion.

8:30

Mr. Martin: Yes, there is. We have copies to hand out, and then I'll make a motion.

The Chair: Please proceed, sir.

Mr. Martin: Thank you. As you can see, my motion is that the summary of budget estimates for 2005-2006 for the New Democrat opposition services be amended to reflect the addition of \$197,000 to the leader's office allowance, for a revised leader's office allowance total of \$394,000.

Could I finish?

The Chair: Absolutely.

Mr. Martin: Well, the point I'd like to make is that there has been the tradition of a third party – and I can come back to that – having a leader's allowance. The point that I would make is that we are a recognized political party. You have to have at least 5 per cent of the vote – we got over 10 per cent – and you have to have four elected members. We have those qualifications.

The point that I'd make would be a simple one. We're not arguing that the Leader of the Opposition shouldn't have an allowance. They have to represent the whole province, and we as a recognized political party also have to represent the whole province. We have to get around, and it should not be the fact that the Liberal's advantage – of course, they should have an advantage, and they do in terms of the numbers and members they elected, which increases their budget significantly. The point that we're making is that if there are recognized parties in the Legislature, there should be a leader's allowance that's equal to all recognized parties, and that is generally true throughout Canada.

The other point that I would make is the fact that there is a leader's allowance. It's half. There's always been a leader's allowance for a recognized political party. Just as the Liberals would have an advantage with a bigger budget – and I don't argue that – so they should because they've elected more members. The fact is that as an official party our leader has to get around the province the same as the Leader of the Opposition and, therefore, should be treated equally. We think that as a result of that, if the figure is that a leader's allowance to cover the province is \$394,000 for the Liberals, we have exactly the same responsibilities and it should be fair to us as a recognized third party. So that's the position we're taking. That's why we're asking for the extra \$197,000.

The Chair: So you would move this?

Mr. Martin: Yes.

The Chair: Would there be a seconder for this motion? We could have a little more discussion if there was a seconder, whether or not you agree to it in the end. Mrs. Ady, you would second this so we can have a discussion with respect to this then?

Mrs. Ady: Sure.

The Chair: Anybody want to add anything?

Mr. Backs: The position of the Official Opposition leader's office I think takes in much more than just travelling around the province and politicking. I'm new to this House, and I've been looking at the operation of this House and the business of doing the very important function of criticizing, I guess, or trying to deal with government bills to make them better. There's been a great deal of work on the part of all the Liberal opposition, and for that matter I've seen the Alliance there working very diligently as well. Part of that comes out of the leader's budget. That's the Leader of the Official Opposition, not for the Alliance, of course, but for the Liberal opposition. What I've seen is that there's very little attendance after question period for bills on the part of the New Democratic opposition. You know, a fair day's pay for a fair day's work is kind of a decent sort of way to look at this, and I don't see any reason, given what I've looked at in the last couple of weeks and a quick look at *Hansard* and given the way it's operated in the last few years, for looking at this particular motion.

Thank you, Mr. Chairman.

The Chair: Okay. We have a motion. We'll have a discussion.

Mr. Hinman, you appreciate that you're here as a guest of the committee. You may make a comment, but you can't offer a motion or vote. But if you want to make a comment, we'll accept it.

Mr. Hinman: I'm aware of that and appreciate that.

I guess the comment that I would like to make at this point is that I would like to ask the Liberal caucus how much questioning could they be performing in question period and doing those things if their research money was taken away. I think there have been a lot of precedents in the past showing the importance of third and fourth parties in the House. Basically, they're already at a disadvantage: short of numbers and allowed no funding. We have to work four times harder or 16 times harder to get the same amount of work done. I think that democracy being what it is, we should allow more voices on the table and not be exclusive.

It amazes me that the further up the ladder one is, the less one thinks that there needs to be any steps below them on the ladder. I think that diversity of thought is good, and it would serve the interests of all Albertans to see funding to parties and individuals, if you want to call it that – it's almost like the king has new clothes here. You don't recognize someone without these certain criteria which has been set here, but Albertans have recognized the Alberta Alliance Party with a 9 per cent vote.

The Chair: We're not talking about the Alliance budget here now. Let's focus on what we're talking about.

Mr. Hinman: The New Democrats have been recognized and have met the criteria to be an official party and have been recognized by 10 per cent of Albertans, and I would think that this Members' Services Committee should recognize them as well. I mean, the king is naked, and I think we should put on some real clothes and recognize things rather than saying: well, the criteria says that he isn't.

The Chair: Mr. Knight, then Mr. Taylor.

Mr. Knight: Well, thank you, Mr. Chair. Certainly, it would be my opinion that Albertans have asked for and want an effective opposition. I believe that is being currently achieved without an additional third-party leader's allowance, and I don't particularly see the need to move in that direction.

The Chair: Mr. Taylor.

Mr. Taylor: Thank you, Mr. Chair. I don't dispute that the New Democrats have achieved with the help of the voters this time around official party status, which they did not have last time. I know that the Alberta Alliance does not have official party status at this point. That may happen in the future, and I wish Mr. Hinman every success in having that happen next time around or the time after that.

There have been times in the past when the New Democrats have been the Official Opposition in Alberta and the Liberals have been the third party. This time around it's the other way around. We're the Official Opposition; the New Democrats are the third party. I think the argument in favour of leaving things as they are now is inherent right there in the term that we use to describe the second party in this or any other Legislature, "the Official Opposition."

There comes with that an obligation, I think, a responsibility, a duty, to hold the government to account on behalf of the people of Alberta, at least the people of Alberta who didn't vote for the government. The expectation is on the Official Opposition to do that across the board on all issues with all members of the government no matter how many members of the Official Opposition party there are. So that, I think, is where the budget for the Leader of the Official Opposition comes into play.

I would note that the leader of the third party had an office allowance in the last session of the Legislature, when the third party did not have official party status. The fact that the party status has changed from unofficial to officially recognized as a caucus within this Legislature does not change the fact that the third party is the third party and not the Official Opposition. So I would suggest that we continue with the leader's office allowance the way it is, and the New Democrats, I think, will find that they're capable of doing a little bit more than they were last time because they've increase the number of private members that they have and their allowance has

gone up accordingly there. I think that this is something that is not broken and does not need to be fixed.

8:40

The Chair: Additional comments? If not, I'll recognize Mr. Martin to close the debate on this motion. Additional comments from other members?

Mr. Martin.

Mr. Martin: Thank you, Mr. Chairman. I didn't realize we'd get into politics right away, Mr. Backs, but we can talk about effectiveness in the Legislature if you want to go that route. That is irrelevant, the bills and all the rest of it, and we'll see at the end of it who does the job, as we have in the past.

The point that I'm making is that we all agree we want effective opposition. I mean, I know the government would rather it be less so, but I think that we at least in theory agree that that's a good thing in our British parliamentary democracy.

We're not asking to cut the Liberals back, and why they would be concerned about adding to us when their budget is not being cut, I don't know. I'd have to ask them why it is that they're worried about us having, you know, a party status the same as they have for a leader's thing when we're not asking to cut back their budget. Why is that impacting them? Why does that make them less effective? Surely it doesn't.

All we're saying is that there is a precedent. There has been a precedent in the past. Sure, I recognize that the Official Opposition has more members and, in that regard, perhaps more responsibility, but they also have a much bigger budget because of the numbers they have. They have a million three. We're not asking to penalize them. We're not asking them to take \$197,000 from their budget to put in our budget. That's not what we're asking, and why they're concerned about this I have no idea.

The point that I'd make is that there is a precedent here. We think we'd all be better served if this leader's budget was there for recognized political parties, and I ask for your support in this regard. Thank you.

The Chair: Hon. members, we have a motion, then, before the committee that reads that

the budget estimates for the New Democratic opposition be amended to reflect the addition of \$197,000 to the leader's office allowance, for a revised leader's office allowance total of \$394,000.

Would those in favour please raise a hand. Those opposed, please raise a hand. The motion is defeated.

Mr. Martin: I have another motion, Mr. Chairman.

The Chair: On the same budget item?

Mr. Martin: Yes.

The Chair: Okay.

Mr. Martin: I don't have copies of this, but I thought Mr. Taylor made the case for us well when he talked about the precedent back when it was the opposite, when there were 16 New Democrats and four Liberals. If we want to go by precedents, then I will give him that precedent.

My second motion is to adopt the 1986 formula, when the NDP had 16 members and the Liberals four members. At that time, they had 75 per cent of the Official Opposition leader's office allowance. This would make an addition of \$98,000 to our budget, for a revised

leader's total allowance of \$296,000. Mr. Taylor talked about a precedent. That was the precedent back in 1986. I was there.

So to make the motion clear, I'm asking for \$98,000 to our leader's office allowance to bring that up to \$296,000, which again would be based on the precedent of 1986.

Thank you, Mr. Chairman.

The Chair: In essence, you would move a motion that basically says that the New Democratic opposition leader's office allowance would be \$296,000 a year.

Mr. Martin: That's correct, yes.

The Chair: Is there a seconder for this motion?

Mrs. Jablonski: I'll second it.

The Chair: Mrs. Jablonski seconds it.

Is there any discussion on this motion?

Mr. Shariff: Out of curiosity, have there been any other precedents in our history prior to this 1986 scenario?

The Chair: Well, I'm not sure if the word "precedent" is the correct word. There have certainly been events. There have certainly been budgets. From a historical point of view, yes, I guess if it happened before, that would become a precedent today. The Members' Services Committee will determine these things on the basis of an evolutionary side, but I can't give you a number in front of us right now.

Mr. Shariff: So if the 1986 formula was to be applied, how would it impact the Liberal allowance and the ND allowance?

Mr. Martin: Well, if I may, it would not impact the Liberal allowance at all, and it would raise ours by \$98,000.

The Chair: Additional discussion on this motion?

Mr. Hinman: I guess that if we're going to go to the 1986 precedent, we would take into account the fourth party, which was also accounted for in 1986.

The Chair: Well, right now we're on the basis of this motion that basically calls for the leader's allowance for the New Democratic opposition to read \$296,000. That's what the motion is.

Mrs. Jablonski: Mr. Chairman, if we're going to look at this precedent, I'd like to look at the complete precedent because I think that any decision we make right now will . . .

The Chair: What do you mean?

Mrs. Jablonski: Well, if there was a precedent set in 1986, I'd like to know what the entire precedent was because that will help me make a decision at this point in time.

The Chair: Mr. Clerk, unless you have it at your fingertips, I'm not sure that we'll be able to get it within the next number of hours.

Mr. Taylor: I was just going to point out that if 75 per cent is a \$98,000 increase to the leader of the third party's budget, then unless my math is wrong, that brings him up to \$295,000, not \$296,000.

Mr. Martin: I'll have to check. I just got the records. You may be right.

Mr. Horner: Mr. Chairman, just a question for clarification, I guess. In 1986 this was the formula. I'm assuming that in the session afterwards it was not the formula. If memory serves, we've had a number of budgets and elections since that time. I'm wondering: did we ever go back to that type of formula before, or have we evolved to where we are at today through other Members' Services decisions in the past? Have we ever used the formula since 1986?

The Chair: To my knowledge, no. But, Mr. Clerk, do you have some updates?

Dr. McNeil: In '87-88 the approach was changed to set the Official Opposition Leader's allowance at equivalent to what the average cabinet minister's office would be and the other offices as a percentage of that. Since that time a yearly percentage was added to that Official Opposition Leader's allowance to get it up to where it is today. That's why it's different than what the average cabinet minister's office is right now. But the principle was established in '87-88 to set the Official Opposition Leader's allowance. The numbers that I have indicate that the third party percentage in 1986 was two-thirds of the New Democrats' budget.

Mr. Martin: Seventy-three per cent.

The Chair: But in 1986 was there both a caucus allocation plus a leader's allocation or just one number?

Dr. McNeil: No. There were both in 1986.

The Chair: In 1986, not 1987-1988. You indicated that the leader's allowance came in what year? What year did the leader's allowance come?

Dr. McNeil: Well, they called it different then. They called it a leader's allowance in '87-88.

The Chair: Okay. We're into discussion with respect to this. Mr. Horner, was there some additional question?

Mr. Horner: Just further clarification, Mr. Chairman. If I'm to understand this correctly, in 1987 the Members' Services Committee of the day made the decision that for the future we would follow a formula that was based on what the cabinet office was and then the third party would be based on half of that, and we've been following that ever since. Is that correct?

The Chair: Every time there's an election, it's a whole new game.

Mr. Horner: Understood, Mr. Chairman. I'm just trying to get some idea of the history here.

Dr. McNeil: Essentially, that's correct.

Mr. Horner: Thank you.

The Chair: Additional comment? Mr. McFarland.

Mr. McFarland: Just a personal observation. It seems to me that the name of this committee is Members' Services Committee, and it almost sounds a little odd that we'd be getting a line item that would have allowances for a leader. When I look at the government

numbers here, they reflect 37 private members. Correct? And I believe you indicated that did not include funding for executive members?

The Chair: That's right.

8:50

Mr. McFarland: This isn't a snipe at any one of the other parties involved here, but it seems like back at some point in time there was recognition by Members' Services to pacify opposition members and supplement research budgets with an allowance for a leader. If this is truly for members' services, each one of us, regardless of political stripe, has \$57,000 to deal with when it comes to research.

In this day and age everyone might think we're flush with money. I don't think we can forget that this is a service that's provided to members, and what we do choose to do collectively in our own parties with that \$57,000 per member is for us to decide. We've just varied too far, I believe, and been too Cadillac, so to speak, in putting in extra monies because at the end of the day everyone can make a good argument as to why they should have more money. I won't dispute everyone can make the argument, but where is it going to come from? And if one says, "I should have more money, but I don't want to tax the other person," that means Alberta taxpayers are going to pick up any extra money that we're going to allocate. So I'm not in favour of any. If we're going to do any further discussion on revisiting, maybe we'll have a little chat about reducing the leaders' allowances. That's just my personal opinion.

Thank you.

The Chair: Mr. Ducharme.

Mr. Ducharme: Thank you, Mr. Chairman. The comments I make relate to the comment that you had made earlier that when the process had been established, it was an average of the ministerial offices, and I believe you had indicated that was around 340-odd thousand dollars. We're already up to \$394,000 in regards to the Official Opposition, which is an increase over and above the average, which also reflects to the third party.

I guess in the arguments that I can bring forward, we had a reduction in terms of members following this election; therefore, our budget comes down. Their budgets have gone up in terms of the private member's allowance of \$57,000 a member. But when you break it down, the Official Opposition, the extra dollars that are there for the leader's office allowance is basically the same as having another additional seven members, private members, or three and a half going for the third party. I believe in fairness, and I think fairness is being achieved at the figures that are there, sir.

Thank you.

Mrs. Ady: I was going to say: as I look at it, there's a formula in place. It kind of creates an expectation, a level playing field in a sense, and you know what to expect. That's why I like formulas, because I think they create a clear expectation. So I think I would be in favour of staying with the formula we've been using in the last few years.

The Chair: Additional comments?

Mr. Martin, then, can conclude the discussion on this motion.

Mr. Martin: Well, in all due respect, the fact that the opposition parties have leaders' budgets – we are shadowing millions of dollars that cabinet ministers have access to, and if it's not members' services that you get this sort of allowance – surely in fairness in a

democracy you need some ability to shadow the government that's different than a government backbencher's allowance.

The point that I make, the formula – there has been no formula because there's been no registered third party since back in the '80s. This is the first time that we've had a registered political party, and there was a formula before when we had the third party. At that time it was the Liberals, and that's the point that I'm talking about. The precedent – I would say it was a precedent – was there in 1986. It was followed up in the next election. There were 16 and eight but basically the same principles there. There were 16 of us and eight Liberals. Obviously the Liberals had a bigger budget because they had more members.

So that precedent was there when we had registered political parties. We haven't had a third official party since that time, so I would argue that that formula should go back to when we did have a recognized political party.

Thank you, Mr. Chair.

The Chair: For information purposes only, in 1986 the minutes of the meeting of July 29, 1986, read as follows – and this was carried unanimously – that first of all there be an allocation of \$40,000 per member to a particular caucus, so whatever the numbers were. At that time there were 35 government members, so it was 35 times \$40,000; there were 16 members from the New Democratic opposition, so it was 16 times \$40,000; the Liberal opposition there were four members, so it was four times \$40,000; and the Representative opposition had two, so it was two times \$40,000. In addition to that, also carried unanimously was a motion moved by Ms Barrett that the 1986-1987 revised Legislative Assembly estimates be amended to provide opposition caucuses allowances of \$140,000 for the Representative opposition, which had two members; \$220,000 for the Liberal opposition, which had four members; and \$300,000 for the Official Opposition, which had 16 members. That's what was done in 1986 from a factual point of view.

So the committee currently has before it a motion which has been seconded that basically would increase the leader's office allowance of the New Democratic opposition to \$296,000. Would all those . . .

We've already concluded the debate, Mr. McFarland.

Mr. McFarland: May I seek your repetition of the numbers that you gave, Mr. Chairman?

The Chair: Do you mean in the motion or the other factual information?

Mr. McFarland: The information that you gave at the very end. I was trying to jot down . . .

The Chair: The 1986 Members' Services Committee?

Mr. McFarland: Yes. You mentioned a motion by Ms Barrett.

The Chair: Yes. That in addition to the proposal to go \$40,000 per member times the number of people in the caucus, there were allowances provided to the opposition caucuses. It was \$300,000 for the Official Opposition, \$220,000 for the Liberal opposition, and \$140,000 for the Representative opposition office. It was not identified as a leaders' allowance or anything like that. It was just identified in the minutes as in addition to.

Mr. McFarland: Lump sum.

The Chair: Yup. In addition to.

Mr. McFarland: Thank you.

The Chair: Okay. I'm going to call the question. There's no more debate on this because Mr. Martin has closed it. The motion basically is that

the leader's office allowance of the New Democratic opposition be \$296,000.

All those in favour, raise a hand. Those opposed? It's defeated.

So we'll move on, and then we'll come back and get motions with respect to all three of these caucuses because that's how we dealt with the first one, the Liberal one.

Mr. Hinman, you were invited to come and attend this morning to participate and make a submission with respect to what you believe should be a budget for the Alberta Alliance. So the floor is yours, sir.

Mr. Hinman: I'm sorry, being a rookie here, but am I allowed to make a motion?

The Chair: No, you are not, sir. But you certainly are allowed to make a presentation, and members will listen very attentively.

Mr. Backs: Mr. Chairman, I'd like to make a motion.

Be it resolved that Paul Hinman, MLA for Cardston-Taber-Warner, receive \$193,000 for the Alberta Alliance caucus for research and administration for the 2005-2006 fiscal year of the Legislative Assembly of Alberta.

The Chair: And it's being circulated.

Mr. Backs, the motion you are making is that there should be a budget for the Alberta Alliance of \$193,000, or \$193,000 plus the \$57,000 already there?

Mr. Backs: In the same sense, you know, to have proper discussion on this.

The Chair: I appreciate that. I just want to make sure I know what the motion is.

Mr. Backs: That is the motion as distributed by the Member for Cardston-Taber-Warner.

Mr. Hinman: Yes. It's above the \$57,000.

The Chair: I'm sorry. The document that's circulated shows to me a bottom line of – okay: "receive \$193,000 for the Alberta Alliance caucus for research and administration." So the current proposal is \$57,000. That would then read \$193,000?

Mr. Hinman: Plus \$57,000.

The Chair: Well, it doesn't say that in the motion. That's why I wanted clarification of what this motion is.

Mr. Backs: If I could ask the member to . . .

The Chair: Well, the member cannot make a motion; this is the difficulty.

Mr. Hinman: It was above. That was just for caucus funding, not the member's \$57,000. If the member's \$57,000 was included, it would be a total of \$250,000.

Mr. Backs: So it would be a total of \$250,000, as the member has indicated.

The Chair: Okay. Is there a seconder for this motion to get the discussion going? Mr. Horner seconds.

There is a motion now before the floor, Mr. Hinman. Proceed.

9:00

Mr. Hinman: I appreciate getting the floor. If I could just make a short presentation then. Alberta has had a long tradition of provincial governing parties wanting opposition parties to have funding possible to act in the manner that allows the party to truly represent the interests of those who vote for them. As Minister of Municipal Affairs Rob Renner voiced during the Members' Services Committee meeting in 1997, "Regardless of the number of seats that they hold in opposition, there is a cost involved with being the leader of an opposition party."

In 1979 some funding was allocated to the New Democratic Party, which was represented by Grant Notley. He received at the time \$107,000 towards representing his party. Even by-elections like the one that we saw with the Western Canada Concept, when Gordon Kessler gained power, were allotted some funding. Considering that at the time only \$20,000 was given to MLAs for their legislative office funding, this is a great deal more. Like I say, he got an extra \$87,000 at that time. In 1982, when Gordon Kessler was elected in a by-election as a member of the Western Canada Concept, he was budgeted around \$101,000 for his legislative offices.

As a one-member caucus the Alberta Alliance is simply seeking funding for a parliamentary leader so that he can act in the best way as a member of the opposition. Since the inception of the Progressive Conservative government in 1971, there have been many cases of small opposition groups or even single members receiving funding that was above the norm for an MLA's Edmonton office funding.

In 1983 the government of Peter Lougheed had an opposition of two NDP members and two independents. All of these parties were able to agree on some funding for each of these two groups. Neither group would be recognized as Official Opposition parties, yet both were allotted funding over and above their basic funding. In May of 1983, during a divisive debate, the committee agreed to give independents \$100,000 in extra funding to afford research and administration staff.

During the 1983 and '86 decision the leader of the independent coalition and later the Representative Party of Alberta claimed only a small percentage of the popular vote. They were, in fact, 4 per cent and 5 per cent for both of these elections, both of which fall short of the 9 per cent received by the Alliance Party in the last election.

According to Dr. Ian Reid, a former PC MLA from Edson, I think we should allow for eventualities that there might be a party in the Legislature which has obtained, say, 5 per cent and two members. Also, in present circumstances we have to fund offices of the independents, as you have been terming it.

In all arguments from 1979 to present it has not been an issue as to whether the third or fourth party deserves financing but rather a question of how much, at least from the point of view of the government. The standard for allotting funds in previous terms has included the percentage of votes received. Mr. Alan Hyland, former PC MLA for Cypress said: the leader of the minority party I guesstimate at 5 per cent and a vote of two members. He offered that leader \$100,000 in 1983.

The reason for giving independents money at the time was justified by Mr. William Purdy, PC MLA for Stony Plain, who said:

to put it in perspective, they have to hire researchers, they have to hire secretarial staff; we have a pool, they don't. The Alliance does not have a pool of money to draw from and the present funding of \$57,000 does not allow us to hire researchers nor additional administrative staff. We cannot represent those voters who wanted the Alberta Alliance because we at present do not have the finances to present well-researched arguments.

The last time there were four parties in the Legislature was 1986. There were 16 Official Opposition members, New Democrats; four recognized party members, Alberta Liberals; and two fourth party members, Representative Party of Alberta. This situation is almost identical to the current situation. In 1986 the discussion and issue was decided by giving each member, government or opposition, \$40,000 for their Edmonton office. In the case of the fourth party this amount was \$80,000. Then the fourth party received funding of \$140,000 to pay for the leader's office. This total was \$140,000 for a party that was not recognized but had achieved two Members of the Legislative Assembly. All parties at that time agreed to this motion, which was carried unanimously.

According to the *LAO Members' Guide* each caucus traditionally has its own budget and allocates funds for administration, research, secretarial, and other support to members of that caucus. The *Statutes of Alberta* acknowledge, in 42(b), that we receive the first term for recognized status at least 5 per cent of the popular vote during the general election. While not achieving the second part of this status, we have, however, a recognition due to the fact that the party is an official recognized party and it had a backing of 9 per cent of the voters in Alberta during the last election and the only rural opposition member in the Legislature.

According to *Fleming's Canadian Legislatures*, 1997, the budget given to oppositions are funds designed to assist with research and administrative support in order to counterbalance the resources to which government caucuses and cabinet members have access. Without these additional resources we cannot afford the research staff necessary, which also makes up the largest percentage of the caucus budget.

I would be very disappointed if we didn't follow past democratic procedures where we've recognized members in the Legislature. We have given extra funding to those because they don't have the research pool that Mr. McFarland is referring to. The opposition parties have many times brought up the fact that we need electoral reform. I think that it would not look well on their position to basically say: well, we are the opposition, and electoral reform only works when we're up the ladder a little bit further.

It's critical that Albertans are served to the best that can be served here. It's the purpose of the Legislature. It's very difficult as a one-member caucus to even keep up with all of the reading let alone doing the research. We don't have the access that each of the other parties do have, nor the numbers, so to me it would just seem like the democratic and right thing to do for Albertans. The wisest use of tax dollars is to see that those elected representatives can do their best job for the people of Alberta. It would also serve better: the more and diverse the ideas that come forward, perhaps the better the legislation that we can present to Albertans for Albertans.

In closing, I would just appreciate that you would consider this good science on what is good government and realize that the people of Alberta do deserve a voice and some research money.

The Chair: Mr. McFarland.

Mr. McFarland: Thank you. While I appreciate people asking for money, I look at the numbers that have been provided, and it would appear to me that this is totally out of line compared to what some

of us may know, the levels of funding that are paid for researchers, for instance, for receptionists. It takes into account hiring a secretary-receptionist for one person when many of us share one person to do the same function. I'm making an assumption that any party that is currently represented here is allowed to receive monies for office equipment, but again it seems like there's a request here to have additional office equipment for possibly four additional people that are basically supports for one individual MLA. Again, I go back to my own instance where I share one person amongst two MLAs.

I know that there's been a reference made by members this morning about times in the past and the Representative Party. I want you to know that my MLA at that time was in the Representative Party, and he was in many different parties. But, you know, he never had a constituency office at all in the riding, and today I have a constituency office and the riding is 40 per cent bigger than his old riding used to be. So he functioned without one, and it begs the question: what happened to the money that was allocated for constituency support?

9:10

I just throw that in as food for thought because, again, I think we're focusing on leader status and special funding for a leader when, in fact, we're MLAs regardless of party, and the funding that follows, it appears to me, is quite equitable regardless of the amount. Everyone has been treated equitably and equally throughout the reference material that we've been given here from \$40,000 in 1986, I believe it was, Mr. Chairman, to the proposed \$57,000 per member today.

The Chair: Mr. Horner.

Mr. Horner: Thank you, Mr. Chairman. I guess following along on my colleague's comments, I find it difficult to be able to support this motion given the two motions previous to this committee and the dollar values. It would be very difficult in my mind to justify tacking \$193,000 on for one individual MLA to provide the types of things that I see on this budget.

Second to that and again further to my colleague's comments, in addition to the \$57,000 that is allocated to the MLA as a caucus member of the Alberta Alliance, there is still considerable support to MLAs through the LAO, through the budgets that we do on the constituency side. So I have a very difficult time supporting this motion, Mr. Chairman.

Mr. Martin: I'm not going to quibble about the figures. Maybe there's a better number, Mr. Hinman, that might be more acceptable. But having been involved before – I was elected with Grant Notley – as one person, it does become very difficult. The point I would make is that maybe the \$57,000 is not enough, and if we're uncomfortable with the bigger amount, perhaps there is a compromise amount that we could look at that would be helpful, and I'd be prepared to bring that through as a motion if this is defeated.

Mr. Taylor: How about an amendment?

The Chair: Amendments are always in order. But, first of all, are there any additional comments other than Mr. Hinman? Okay, Mr. Hinman and then Mr. Taylor.

Mr. Taylor: Yes, I just wanted to say, Mr. Chairman, that right off the top of my head I don't have the perfect, magic compromise number to suggest here. I think what Mr. Hinman has proposed here via Mr. Backs's motion is too rich.

Having said that, 9 per cent of the voters of Alberta did vote for the Alberta Alliance. Mr. Hinman is the only opposition member elected from rural Alberta. He has not only his own constituency, but quite frankly I think he has a province-wide constituency to argue to argue for. Fifty-seven thousand dollars is not going to do it. Again, we go back to 1986, and although we've already dealt with whether that should be treated as the precedent year or not, we do have to note that the fourth party was given extra money in addition to that per-member allowance. I think the principle of what is being talked about here is right, and I'd be interested in hearing any amendments to the motion.

The Chair: I've got Mr. Hinman and Mr. Ducharme. Mr. Hinman, you want to get back in?

Mr. Hinman: If I could, please. As I quoted earlier, there were three different times when it was recognized by former PCs that there should be funding for an additional caucus. The formula that I guess I failed to put in here – I can't believe I would have missed that, and I don't have the numbers here. On the earlier argument that the precedent, to my understanding, was that the first Official Opposition would receive its amount of equivalent to a cabinet minister, the second one would get half of that, and the third opposition party would get one quarter of that. Although it seemed low to me, I can see that it's definitely a huge mountain I'm climbing, and perhaps that would be able to achieve unanimous consent: one quarter of the funding that the Official Opposition party receives.

The Chair: Mr. Ducharme.

Mr. Ducharme: Thank you, Mr. Chairman. First of all, I'm looking at the proposed budget document that was handed out, and I just want clarification. Is this for the Alberta Alliance Party or for the Alberta "Allaince" party? The title on the budget shows it as the "Allaince" caucus budget.

The other question I'd have is going back in terms of past history. From 1993 to this point in time, I'm aware of two members that were elected from a different political party and then sat as independents, one being Mr. Masyk and the other being Mr. Paul Langevin. Did those individuals at that time receive any consideration for extra dollars for sitting as an independent?

The Chair: There was also Ms Paul, and I do not believe that any received any additional dollars.

Mr. Shariff: Also, as an additional question on the same line. My understanding is that Gary Masyk joined the Alliance and sat in his final days as an Alliance member. Was there any consideration given to him as a representative of the Alliance Party?

The Chair: No.

Mr. Backs: Excuse me, Mr. Chairman. Was there any request by Mr. Masyk to have extra consideration?

The Chair: Yes, there was, but we never got around to dealing with it because the events just transpired so quickly that we were into an election almost.

Mr. Backs: So it was never actually dealt with?

The Chair: No, the committee never dealt with it.
Mrs. Jablonski.

Mrs. Jablonski: Mr. Chairman, thank you. Looking at the budget that's presented to me, I see four support staff for one member. I see that as being too top-heavy, and I could not support this budget.

The Chair: Well, look, we've got a motion here in front of us.

Mr. Backs: Mr. Chairman, I guess I was the mover, and I sort of get the last say on this, right?

The Chair: Yes, you do.

Mr. Backs: I think that, you know, it's incumbent upon this committee to recognize the fact that the Alliance Party did get a fair share of votes in Alberta and had candidates in every riding, and Mr. Hinman does represent a certain body of opinion in our province. The idea that opposition parties are able to be funded somewhat to speak to that I think is important in our parliamentary democracy.

With respect to Mr. McFarland, the executive committee isn't funded in our system, as I understand it – and correct me if I'm wrong – because they are, in fact, the cabinet and they get their compensation through their role as executive committee members. If we were to restrict the monies to nonexecutive committee members, we would not be paying the Speaker, we would not be paying the Deputy Speaker, we would not be paying the heads of committees, and all the rest of it.

There are strong arguments to deal with the functions of our Legislature, I believe, in order to make it operate in a very effective manner. I think that there is a logical consequence here. You know, the New Democrat opposition has a half, to have the next party have a quarter would be logical, and I would entertain a friendly amendment if somebody were so to move.

Mr. Taylor: I would move that amendment.

The Chair: Mr. Taylor, okay. So a seconder for that amendment? Mr. Martin.

In essence, what we've got here, then, is a motion moved by Mr. Backs, seconded by Mr. Horner, that basically says that the allowance for the Alberta Alliance be \$193,000, but it has subsequently been amended so that it would read that an allowance, a special allowance, for the Alberta Alliance be at 25 per cent of what the allowance would be for the Leader of the Official Opposition. Is this correct?

Mr. Taylor: This is correct.

The Chair: In essence, we would have the motion amended.

Now, on the amendment?

9:20

Mr. McFarland: Mr. Chairman, I'm going to look at page 1 on our first tab on the Legislative Assembly budget, where we've got government members' services, and we've adjusted it, I believe, by 2.1 per cent over last year. To the amendment, I find it kind of intriguing. If we want to provide one-quarter of the official leader's allowance, then perhaps, given that we're already dealing with \$2.1 million, and not having to go back and readdress the budget that was approved by a previous motion, please explain to me, if we're going to increase the Alliance by one-quarter of the leader's: how much are the NDs and Liberals prepared to reduce their leaders' allowance so that at the end of the day we come in at \$2.109 million? Because I'm all in favour of that.

The Chair: Okay. We have an amendment here that basically says – the rest is all administrative, Mr. McFarland.

Mr. McFarland: Did we not approve the budget?

The Chair: Well, yes, but we still haven't got motions on the last three, and then we'll have one major motion for everything. Okay.

There is an amendment. In essence, the amendment would say that there would be an allowance given to the Alberta Alliance equal to 25 per cent of the leader's allowance for the Leader of the Official Opposition. Is this correct? It would be my understanding.

Additional comment with respect to this amendment?

Mr. Hinman: I guess I'm just amazed at the short-sightedness of some of the members in their discussion here. I'm a penny-pincher probably of the highest degree of anybody in here, and I don't believe in wasting taxpayers' money. It's a high priority of mine to reduce government, to reduce taxes, and as I said earlier, it's a benefit to Alberta taxpayers to have extra people in here. Albertans did vote that way, Mr. McFarland.

Mr. McFarland: I represent all of them in my riding.

Mr. Hinman: And mine too, as well.

The Chair: Well, let's do it through the chair.

Let's remember we do have an amendment motion. Please proceed.

Mr. Hinman: This government being so concerned about the people in my riding, I have three buddy MLAs, but unfortunately on the reverse side I have 82 other ridings that I'm buddy to as well, and it does put a huge task on me. I just can't believe that we give the committee – and I've forgotten which one it was – at the flip of a hand an extra \$80,000 with no discussion to ask why they needed it. I don't think I'm making a ridiculous argument here for the people of Alberta, and it will just, I think, reflect in the next election, the way you people continue to treat other MLAs. We'll see how it goes.

The Chair: We have an amendment before the committee.

Mr. Shariff: I just want to get a clarification. In the event we pass this motion to give 25 per cent of what the Official Opposition receives, we haven't voted on the Official Opposition budget, so when we revisit that Official Opposition budget, and if this committee chooses to reduce that allowance, will that be reflected accordingly? That's the point I just want to make, that whatever we approve is on a percentage basis as opposed to a dollar amount.

The Chair: If I understand the amendment correctly, it would be based on a percentage of the Leader of the Official Opposition's budget. We would deal with the amendment, and then we would deal with the motion. So if you wanted to give the 25 per cent, you'd vote in favour of the amendment, basically, and defeat the motion. Then we would go back and clean up the other two motions with the Official Opposition and the third party. Okay?

Mrs. Jablonski: Mr. Chairman, I think that the amendment for \$100,000 is still . . .

The Chair: It's not \$100,000; it's 25 per cent. Okay?

Mrs. Jablonski: I'm sorry. Thank you for that correction. I still believe that for one private member, who's already receiving \$57,000 to support him in the Legislature as well as his constituency's funding, which is equal to every other private member, that is way out of proportion. I might be willing to look at something like 25 per cent of the . . .

The Chair: Well, I'm sorry. We have an amendment. Okay?

Mrs. Jablonski: I'm sorry. Thank you.

The Chair: If you want to move another amendment, we'll deal with it, but right now we've got an amendment. Let's focus on the amendment.

Mr. Taylor, on the amendment.

Mr. Taylor: Yes. If it would please the chair, I can change the amendment from 25 per cent to \$98,500, which is the hard dollar amount.

The Chair: It's \$97,500.

Mr. Taylor: Ninety seven thousand five hundred dollars in that we deal with hard dollar figures here most of the time. The intent is the same.

The Chair: Anything further on this amendment?

Okay. We all know what the intent is. Basically, the best way to deal with it would be with a formula rather than a dollar figure because we've already got the Leader of the Official Opposition's so that it would be an average of something.

So the amendment is: are the members in favour of providing an allocation to the Alberta Alliance equal to 25 per cent of the allowance provided to the Leader of the Official Opposition.

All in favour, please raise a hand. Opposed? That is defeated.

We've defeated the amendment to the motion. We still have a motion, and the motion is that

the Alberta Alliance be provided with a figure of \$193,000 in addition to the private members' allowance of \$57,000.

It's been seconded. So all in favour of that motion? Opposed? That's defeated as well.

We've arrived at a situation where we've gone through these three particular files, and we have to go back now as a result of the request made by Mr. Taylor to basically delay dealing with the Official Opposition budget until we dealt with the other ones. So we're now in a position to go back to deal with that one.

Mr. Martin: Mr. Chairman, there seems to be a fair amount of confusion about the various budgets of the various caucuses, and I think perhaps this part of it has been rushed, that we need some sober second thought. I'd like to be able to go back to my people, and I'm sure that other people would, too, and I would move that we postpone voting on this until our next meeting a week from now.

The Chair: Well, you can put that motion forward if you wish.

Mr. Martin: I wish to do that.

The Chair: But there is a time frame factor for us.

Mr. Horner: Well, Mr Chairman, I guess I would speak against that because we do have . . .

The Chair: First of all, if you want to present that motion that we would delay it for a week, is there a seconder for the motion? No seconder, Mr. Martin.

Mr. Martin: Typical, typical.

The Chair: Okay. Mr. Horner, do you have something additional to say?

Mr. Horner: Not now.

The Chair: Okay.

Then we've dealt with the first nine tabs, as I understand. Mr. Ducharme, we didn't have a motion, though, with respect to the government caucus. We basically said there was agreement, or did we have a motion?

Mrs. Dacyshyn: Yes.

The Chair: Oh, we did. Sorry. Okay.

Mr. Taylor and Mr. Backs, then, for the Official Opposition, do you want to move a motion for the budget?

Mr. Taylor: Move acceptance of this budget for the Official Opposition.

The Chair: Secunder?

Mr. Backs: Seconded.

The Chair: Discussion? All in favour? Opposed? Carried.

New Democratic opposition budget. Mr. Martin, do you want to move a motion?

Mr. Martin: No, I don't want to move that.

The Chair: Okay. Anybody want to move a motion? Mr. McFarland. Seconded by Mrs. Jablonski. Any discussion? All in favour, please identify. Opposed? It's carried at \$425,000.

The Alberta Alliance members' services allocation of \$57,000: does somebody want to move that? Mrs. Ady. Seconded? Mr. Horner. Discussion? Those in favour, please indicate. One, two, three, four, five, six. Okay. Opposed? So that's carried as well.

Okay. What I would encourage hon. members to do over the next ensuing months is, perhaps, that a representative of each of the various caucuses just somehow get together and have a cup of coffee with respect to the caucus allocations that we might want to look at into the future. This will serve us at the moment as to where we're at. That's not out of the ordinary in terms of what happened previously, but because of the time frame this year we do have some difficulties.

Now, I need your assistance, hon. members, with respect to a number of members' services orders. Have they been circulated, Corinne? Where's my list? Can I just very, very briefly deal with them for you? You should all have them. We need to have these administrative matters dealt with as part of what we're dealing with.

If you have these, first of all, the transportation amendment order. As a result of the election, constituency names were changed, but in our document that we have in this Members' Services booklet here, we have constituencies identified by the old names. So we have to change them to match the new ones. No money is required with respect to this. This is an administrative order that would be required.

I would appreciate a motion to the approval of that. Mr. McFarland. Seconded, Mr. Horner. Discussion? All in favour? Oh, I don't have enough yet. Okay. Opposed? Okay. That's carried.

9:30

The second one is the Members' Services order which would give to effect that change to reflect the new rate for mail from 98 cents to \$1 to reflect the new rate, 50 cents per mailing times two. Funding has been included in this. So could I have a motion, please, to this effect? Mrs. Jablonski, seconded by Mr. Ducharme. Any discussion on this matter? Those agreed, please identify. Those opposed? Okay. It's carried.

The third one is to give to effect the funding required to deal with the Members' Services allocation on the formula that we provided, to move in the current fiscal year the base from \$56,915 to \$20,000 for office operations and then to put in – we've already dealt with the matter for next year, but this is to give effect for everything that's happened since November 22, 2004, including the matrix in there.

I need a motion.

Mr. McFarland: Mr. Chairman, may I ask a question?

The Chair: After we get the motion.

We've got Mr. Ducharme moving it. Second it, Mr. McFarland?

Mr. McFarland: No.

The Chair: Okay. Mrs. Jablonski seconded it, so we have a motion. Yes, you can have a discussion now.

Mr. McFarland: Would I be in a conflict myself, Mr. Chairman, being one of the recipients of the highest amount?

The Chair: We haven't made the decision yet.

Mr. McFarland: I want to know if I'm in a conflict by voting for it.

The Chair: How are you in a conflict more than any other member?

Mr. McFarland: Right. Well, some scribe is going to make a big deal out of it.

The Chair: Well, not unless you do. Nobody else will. No.

Mr. McFarland: Okay. Thank you.

The Chair: Who else is going to make it, if you don't make it? The largest numbers were Dunvegan-Central Peace in the north and Cardston-Taber-Warner in the south, the two extremes.

We've got a motion. Is there any other discussion on this matter?

Mr. Backs: Would this be the area to speak to the matrix?

The Chair: Yeah. Well, we've dealt with the matrix before. Yes, correct. Go ahead, Mr. Backs.

Mr. Backs: I don't want to delay the budget discussions, and it might be a lengthy discussion. There might be a better time for it at the next meeting, to look at it for next year.

The Chair: I'd like all members to know that there are several things that we would like to do in the next year with the Members'

Services Committee. First of all, we've dealt with this matrix, and we've dealt with the constituency office allocations, basically as a direct result out of the Electoral Boundaries Commission report. But I do know in talking to colleagues that the reality of the world is: even though we have built into this new formula \$50,000 for staffing and \$20,000 as a base for the real estate plus the utilities, that in some quarters of Alberta the rates for rents and those other services are escalating, in Calgary in particular. So what I intend on doing after April 1, when we get everything set up for the next year, is asking all members to basically give us the hard fact numbers, and we will do a review of it. We will bring back the review to this committee, and in fact we'll probably have a recommendation coming forth from the Speaker in this regard, that we have to look at the escalation of costs in various urban ridings throughout the province of Alberta to deal with this matrix. That's something that we would do in preparation for the next year's budget.

In addition to that, as well, I've also indicated in the past that I would want to look at the manpower component in all of the constituency offices. The new members will have received some documentation in the briefing packages they had with respect to the benefit package for constituency office assistants. In the fiscal year after April 1, 2005, we will bring back to this committee a refined proposal with respect to how we can categorize constituency office assistants and deal with them and their benefit package as well. I'm going to give you that as an undertaking to do, and we would build it in for the next year's budget.

At the moment we have this particular motion, which has been seconded. All those in favour, please say aye.

Hon. Members: Aye.

The Chair: Opposed. No. Okay. That's carried as well.

The next item is a direct result of a review of the consolidated Members' Services, and it has to do with a lot of members and the confusion over taxis and parking at airports and the utilization of a vehicle, a car, when you have to go elsewhere. So what we're basically doing is saying in here that if you need to have parking at an airport and the like, regardless of where it is in Alberta, we'll provide a provision for you to claim for those parking things up to \$900 per year per member. This should cover it.

The second thing is that there are some members, when they do have to travel, that have to rent a car, and there's a provision in here to allow them to rent a car. No additional funding is required to effect this change. It's an internal thing that we think would help us from an administrative point of view.

A mover and a seconder. Mr. Horner and Mrs. Ady. Discussion? All those in favour, please say aye. Okay. That's carried.

The next one. Again, this is simply a change from an administrative point of view. In our Members' Services orders we have constituencies identified for those who can claim for the members' allowance with respect to overnight accommodation. Nothing has changed in the policy. We've just eliminated the names of the constituencies and simply highlighted the distance factor that we've always had and we've always followed before. It just cleans up the administrative orders. No change in anything. No money required.

Motion? Mrs. Jablonski. Seconder, Mrs. Ady. Any questions? Mr. McFarland.

Mr. McFarland: Yes. In the proposed wording change is there a provision now for somebody who comes up, say, to the city of Edmonton, but they actually live further than the 100? They're going to be able to get the living allowance?

The Chair: Always have been.

Mr. McFarland: Always have been.

The Chair: Yeah. We just eliminated the names of the constituencies – that's all – because the constituencies changed.

Mr. McFarland: The constituencies as changed then. If, in fact, the person who is now the MLA is 20 kilometres out of the city of Edmonton . . .

The Chair: They won't be eligible unless they work more than 14 hours per day. They never were.

Mrs. Jablonski: Just a clarification on this 100 kilometres. That would be from the Legislature to the home?

The Chair: Yes. The Legislature to the home. There's no change in anything with respect to this.

This is something that I'm going to ask the Members' Services Committee to review during this year. There's a reason why we had the 100 kilometres in there, but I am quite concerned about members sitting until 10, 10:30, 11, 12 o'clock at night, then getting in their cars and travelling for an hour and a half to be back here the next morning at 7 o'clock. I know how we arrived at this, and we can go through that and the history on a later day, but there's some common sense that has to apply to this as well.

Mr. Backs: I think it's reasonable to revisit that, Mr. Chairman. You know, I have a 27-kilometre round trip within Edmonton to my place. I apologize for being late this morning with the snow. I expect Mr. Horner had the same problem.

The Chair: Yeah, he did. That's what I'm, I guess, getting to. The fact is there has to be some intelligence associated with this.

Right now we've got a motion seconded. Those in favour, please say aye.

Hon. Members: Aye.

The Chair: Opposed? Okay. That's carried as well.

The last one is another extension of an administrative policy that we wanted to proceed with before. Basically, what it is is that as a result of a review that we have made in terms of what's happening in the private sector and these plans, a Member of the Legislative Assembly would after a certain age not be eligible to participate either as an extension of a benefit they had or participate in a group and pay for everything beyond the age of 65. As a review that was made, the industry standard for termination of most benefit plans is now 70 years of age. This simply reflects what is happening, and it simply means that if you are a Member of the Legislative Assembly, you can participate after you have left to the age of 70 providing that it's not more than five years since you have left.

An example. Well, there were more than two members, but there were two in particular that this will be a benefit to, Mr. Bonner and Dr. Massey, who are in that age group and will be able to go to age 70 by participating in the plan that we have.

A mover for this? Mrs. Ady. Seconded? Nobody wants to second this? Oh, okay, Mr. Ducharme. Discussion?

9:40

Mrs. Jablonski: My only question is that after the age of 65, the person who is on the benefit pays for the entire plan themselves, is that correct?

The Chair: If it's more than five years since they've left. Yes.

Mrs. Jablonski: Okay. I'm wondering why if the person is paying for the entire plan themselves and it's not a cost to the government . . .

The Chair: None of this is government.

Mrs. Jablonski: . . . we couldn't extend it beyond the age of 70 years.

The Chair: That's a valid question. The difficulty is that most people cannot access life insurance after the age of 70, so we have a group plan that people can basically buy insurance from, but once you hit age 70, it's almost impossible to buy any kind of life insurance. But I'm very, very happy to have a bigger review of this later because there are some things that we should look at.

Mrs. Ady: Well, I would support a further review. You know, maybe there's a way we could take the life insurance component out of that plan after age 70 or something. So I'd support a later review.

The Chair: Dan?

Mr. Backs: Yeah, Mr. Chairman. I'd support a review as well. There are plans in this province that allow for self-payment that take out the life insurance or extended disability or other portions of the plan and allow you to pay for the health and dental and other factors. I think to look at just five years past would have some merit.

The Chair: I appreciate that, and I know that our director of human resources has been working on this file.

We've got a motion, a seconder. All those in favour of this at the moment? Opposed? So that's carried as well.

So we've got that one, and we've got the necessary motions, Madam Secretary and Mr. Clerk, for the budget and everything else.

Look, I really appreciate your co-operation with respect to this, and I look forward to having a number of very fruitful discussions in Members' Services Committee as we go through the year, but I think we'll try not to have it during the session because I know you're all very busy.

Mr. Taylor.

Mr. Taylor: Yes. Just one question, and this is just a dumb rookie question, I'm afraid. Could you please point out for me where the budget item for furniture in Legislature offices is contained in the budget?

The Chair: Mr. Clerk, we're going to put that under House services, I believe.

Dr. McNeil: No. It'll be under MLA administration.

The Chair: So that's tab 8.

Dr. McNeil: Am I right there, Scott?

Mr. Ellis: Yes.

The Chair: Well, Scott, we talked about \$215,000, and at tab 8 we show constituency office. We don't say caucus upgrade for the offices.

Dr. McNeil: It's included in the office equipment rental/purchase.

The Chair: Where's that?

Mr. Ellis: The third line.

The Chair: But that's only \$80,000. We're talking about a budget of \$210,000.

Dr. McNeil: There's a reduction because we finished the constituency office upgrade.

The Chair: Oh. Okay. That's where it would be, sir, then, because we've completed the constituency office one.

Mr. Taylor: Okay. So it's in that \$601,000 figure. Is that correct?

Dr. McNeil: Correct.

The Chair: Yeah, office equipment, \$601,000.

Mr. Taylor: So when we take away the \$214,000 or \$215,000, whatever it is, what's the remainder of that line item 4?

The Chair: Mr. Clerk or Scott, on the specifics on the line item under tab 8 for office equipment rental and purchase which shows \$521,000 this year going to \$601,000.

Dr. McNeil: It's photocopier rental, about \$200,000; fax machines, \$60,000; security systems, \$30,000; shredders and the MLA office furniture upgrade of \$204,000.

The Chair: There's another sheet which breaks it all down.

Mr. Taylor: The \$204,000 is intended to equip how many offices?

The Chair: Well, probably 16 or 17. I mean, in your caucus we know that there's an issue there – okay? – but you also got some furniture. So it's not an all 16 have to be redone immediately kind of thing unless the furniture is in such dire straits. When we did the constituency office, we used a budget of how much? About \$12,000, \$13,000, \$14,000 per office?

Dr. McNeil: Twelve thousand.

The Chair: Twelve thousand per office. So we're looking at that.

Mr. Taylor: And you're using that as the basis for the caucus offices?

The Chair: Roughly. It's good stuff. I don't know what your constituency office is like, but the stuff is really good. So that's kind of the standard.

Mr. Taylor: No. The constituency office is very nice; there's no question about it. And the constituency office is also about three offices worth. When you come right down to it, there's a meeting area and some furniture for a meeting area and for the MLA's office and for the reception area and the office assistant's area out front.

I just would like it on the record if I could, Mr. Chairman, that in the Liberal caucus we are not looking for, you know, gold-plated desks or anything like that. We're looking for standard government issue, and don't be wasteful with the money. We need furniture

that's ergonomic, chairs that we won't fall out of, but we don't need anything too highfalutin.

The Chair: Let me put it on the record. We are the most parsimonious group to be found anywhere, and there will be no gold-plated thing. But by the same token, when the furniture gets delivered, I do not expect, then, letters from the Liberal caucus saying: boy, this is pretty junky stuff.

Mr. Taylor: Duly noted.

The Chair: We will be parsimonious about all this. Additional items? Yes, Mr. McFarland.

Mr. McFarland: Thank you for your indulgence, and pardon me if my memory has lapsed. When do we deal with gasoline, mileage? The price of gas has gone up crazy since we last established kilometre charges.

The Chair: We could have done it this morning, but it was not an issue that anyone brought to my attention that needed to be revisited at this moment.

Mr. McFarland: Well, I thought I had mentioned it in the second-last meeting before the election. I should have written it down. I thought I had verbally identified it as something that was amendable.

The Chair: All Members of the Legislative Assembly receive a gas credit card plus a mileage allowance based on 30 cents per kilometre. The price of gas in 2005 is really not much different than it was in 2000 on a per-litre basis. It hasn't really moved very much in the last four or five years.

Mr. McFarland: Really.

The Chair: Really. Despite the fact that oil is where it is, the price of gas at the pump is not dramatically different than it was in the last number of years. But all of those reviews are all timely because it's been five years since we've done it. So I intend, in addition to the other stuff we talked about, on doing a review on the overnight accommodation item – that hasn't been looked at in five years – the mileage, the gasoline thing as well. There is also utilization for members: they can go around the province of Alberta I believe up to five – is it 10 nights per year? Then you go outside the city.

I get a lot of complaints from members saying that when they have to go to Calgary, they cannot get a hotel room for a hundred bucks a night in Calgary, not to be found anywhere. So we have to look at that. Those things we can. They're not major, major items. They're the things that we can accommodate and deal with, but we'll look at them all.

Mr. McFarland: I appreciate that. Would you like me to put something in a memo?

The Chair: You have already. This is all *Hansard*, so it's on the record.

Mr. McFarland: The last pretty minor thing, but I think it's worth the morale-building for leg. assistants. Has there been or will there be any discussion on simple recognition for long-service awards?

The Chair: For which people?

Mr. McFarland: For leg. assistants.

The Chair: Well, leg. assistants will fall under your caucus, so that's your responsibility within the caucus. I know that for your constituency office people we have a recognition event once a year.

Mr. McFarland: I recognize that one.

The Chair: But in your caucuses that's your business.

Mr. McFarland: I thought it was a standard – it was just a feel-good thing to recognize people that have been around for a long time.

The Chair: Your caucus can deal with that in any way, manner, shape, or form. I have no idea what you pay caucus members, your caucus employees. I have no idea what the benefits are. Do you want to tell us?

Okay. Any other matters?

Mr. Backs: Just for the record – I guess he's stepped out – I'd like to welcome Ray Martin back from his convalescence from his accident.

The Chair: Thank you very much, ladies and gentlemen.
I think we've got everything done.

Mrs. Dacyshyn: Yes.

The Chair: Got all the administrative stuff done?

Mrs. Dacyshyn: Yes.

The Chair: Mr. Reynolds, we're okay?

Mr. Taylor: Did we pass the budget?

The Chair: We did. Yeah, we did.

[The committee adjourned at 9:50 a.m.]