

## Remuneration and Benefits

The following information is based on provisions of the *Legislative Assembly Act* and Members' Services Committee orders and is meant to aid understanding of those provisions. For authoritative and comprehensive guidance please refer to relevant portions of the act or Members' Services orders.

### Remuneration

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#### I. MLA Indemnity and Expense Allowance

Members receive an annual MLA indemnity plus a tax-free expense allowance equivalent to 50 per cent of the indemnity for expenses incidental to their duties. Current amounts are indicated in section 2 of the Schedule of Indemnities and Allowances on the following pages. The MLA indemnity and expense allowance is paid monthly and commences on the date the Member is elected and continues through the day preceding the next polling day.

Human Resource Services issues monthly cheques, deducting for income tax, Canada pension plan and the various benefit plans that Members select. No deduction is made for employment insurance since Members do not qualify for that benefit.

A Member may miss 10 sitting days in a session without penalty. For each day beyond that, \$100 is deducted from the indemnity and \$50 from the expense allowance. Attendance at a legislative committee meeting counts as attendance at session for that day. No deductions will be made for absences due to illness or injury, bereavement or public or official business. In these cases, the Member advises the Speaker in writing of the reason for the absence.

### **Additional Indemnities**

Further indemnities are paid to Members holding offices in addition to that of MLA. Current amounts are indicated under paragraph 2 below. These are also paid on a monthly basis.

In addition, an RRSP allowance is provided to Members once per fiscal year. This allowance is equivalent to 50 per cent of the maximum RRSP limit as established by the *Income Tax Act* (Canada).

## **2. Schedule of Indemnities and Allowances**

### **Effective April 1, 2007**

In accordance with a decision of the Special Standing Committee on Members' Services on October 5, 1998, components of Member remuneration are to be adjusted on April 1 of each year by the same percentage increase or decrease as in the average weekly earnings for Alberta as reported by Statistics Canada's survey of employment payroll and hours for the immediately preceding calendar year. This schedule is also available for viewing on the website at [www.assembly.ab.ca](http://www.assembly.ab.ca).

### **MLA Indemnity and Allowance**

MLA indemnity	\$49,836
MLA tax-free allowance	24,918
Total	74,754

### **Additional Indemnity, Office Other than MLA**

Premier	\$77,784
Speaker	61,140
Minister	
with portfolio	61,140
without portfolio	27,156
Leader of the Official Opposition	61,140

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Deputy Speaker and Chair of Committees	30,588
Deputy Chair of Committees	15,288
Leader, recognized opposition party	27,156

### Special Members' Allowances

Official Opposition House Leader	\$13,008
Third-party House leader	10,404
Chief government whip	10,404
Assistant government whip	7,788
Chief opposition whip	7,788
Assistant opposition whip	6,492
Third-party whip	6,492

### RRSP Allowance

Fifty per cent of the maximum RRSP limit as established by the *Income Tax Act* (Canada).

### Adjustment of Indemnities, Allowances and Deductions

The Members' Services Committee has the authority to set indemnities, allowances and deductions.

### 3. Automobiles

The Speaker and Deputy Speaker have the use of an automobile on the same basis as members of the Executive Council.

The Deputy Chair of Committees and leaders of recognized opposition parties as defined in section 42(1) of the *Legislative Assembly Act* have the use of an automobile on the same basis as deputy ministers.

Automobile use includes reimbursement for fuel and other

items related to the operation, maintenance and repair of the automobile.

#### **4. Committee Allowance**

Every Member who serves on a committee of the Assembly when the Assembly is not in session may claim an allowance for that service. The amount is based on the length of the committee meeting, which includes travel time to and from each meeting. However, under section 36(2) of the *Legislative Assembly Act* no Member is entitled to be paid in respect of service on more than one committee on the same day.

##### **Category A Committees**

- Special Standing Committee on Members' Services
- Standing Committee on the Alberta Heritage Savings Trust Fund
- Standing Committee on Legislative Offices
- Standing Committee on Private Bills
- Standing Committee on Public Accounts
- Select special committees established by motion of the Assembly

##### **Category B Committee**

- Standing Committee on Privileges and Elections, Standing Orders and Printing

##### **Committee Members' Allowance (for Category A or B Committees)**

<b>Meeting Length</b>	<b>Per-meeting Claim</b>
Up to 4 hours	\$130.00
Four to 8 hours	214.50
More than 8 hours	337.70

##### **Committee Chair's Allowance**

Committee chairs receive both a chair's and a Member's allowance.

Chairs of all category A committees receive an additional

allowance of \$454.80 per month.

The chair of the Standing Committee on Privileges, Elections, Standing Orders and Printing (category B) receives the applicable committee Members' allowance, listed above, plus an additional allowance per meeting as outlined below:

<b>Meeting Length</b>	<b>Per-meeting Claim</b>
Up to 4 hours	\$ 45.60
Four to 8 hours	84.70
More than 8 hours	136.50

#### **Committee Allowance Claims**

To claim the committee allowances, Members complete a Members' allowance claim form, available from the committee clerk. Members are encouraged to complete and return these to the Committee Clerk at the end of the meeting or as soon as possible thereafter to ensure prompt processing by Human Resource Services.

The Financial Management and Administrative Services Branch processes claims for meals, travel and living expenses.

For information on how to claim for these expenses, see section 15, Committee Expenses.

#### **5. Parliamentary Meetings Allowance**

Members may claim for reasonable travel, accommodation and subsistence expenses while travelling to, attending and returning from functions sponsored by the Commonwealth Parliamentary Association or other parliamentary organizations. Claims for these expenses are made through the Financial Management and Administrative Services Branch.

#### **6. Service on Government Boards, Commissions, Committees**

### **and Agencies**

Unless otherwise ordered by the Lieutenant Governor in Council, Members who

- serve on a board, commission, committee or other body to which they are appointed by the Lieutenant Governor in Council, by a minister of the Crown or by regulation or
- attend a function as representatives of the government of Alberta or of a minister of the Crown

are entitled to reimbursement for reasonable living and travel expenses incurred in the course thereof. Members should submit claims for such expenses directly to the appropriate government body or ministry, not to the Financial Management and Administrative Services Branch.

The terms of an appointment to a board, commission, committee or other body as described above may include remuneration for such service. If the Member is eligible for remuneration, the appropriate ministry will co-ordinate payments through the Human Resources Branch of the Legislative Assembly Office.

### **7. Transition Allowance**

Members are entitled to a transition allowance when they leave office. A transition allowance shall be paid to

- a) every Member who resigns their seat as a Member and
- b) every person who was a Member at the time of dissolution and
  - i) does not stand as a candidate for re-election in or
  - ii) is defeated in the election immediately following dissolution.

When a person who is a Member dies, there shall be paid an

amount equivalent to the amount of the transition allowance that the deceased person would have been entitled to on the date of death.

For service commencing on or after March 20, 1989, the amount of the transition allowance to be paid shall be determined by the formula

$$A \times B \times 3$$

- where A means
- (i) the average monthly salary\* based on the three calendar years in which the person received their highest salary or
  - (ii) if the Member served less than three calendar years, the average monthly salary for the person's term of service; and

B is the number of years the person served as a Member during the period commencing March 20, 1989.

For service prior to March 20, 1989, the amount of the transition allowance to be paid shall be determined by multiplying the highest rate of the Member's monthly indemnity and expense allowances by one month for every year of service prior to March 20, 1989.

Notwithstanding any other provisions of this section, for the purpose of calculating the amount of a transition allowance, no person shall be credited for any years of service as a Member for which that person has previously received a payment under this section or the predecessor sections.

\* Average monthly salary includes the MLA indemnity and tax-free allowance, RRSP allowance, remuneration for offices other than MLA, special Members' allowance and remuneration for Legislature and government committees.

A person who is eligible to receive a transition allowance may elect to be paid the amount of that allowance over a period of years.

## **Benefits**

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### **8. Automatic Deductions**

Premiums for benefits are deducted automatically from the monthly MLA indemnity and expense allowance processed by the Human Resource Services Branch. Members forward requests for changes to benefit coverage or existing options to Human Resource Services.

### **9. Members' Choice**

Members' Choice is a combined benefits plan available to all Members. This flexible benefits plan offers Members an opportunity to review and change coverage levels every two years. Members should refer to the Members' Choice Dental and Health Benefits brochure for detailed information.

#### **9.1 Alberta Health Care**

Coverage under the Alberta health care insurance plan is available to Members who are not already covered through another plan. Monthly premiums are cost shared by the Member and the Legislative Assembly.

#### **9.2 Prescription Drugs and Extended Medical Benefits**

Members' Choice provides comprehensive coverage for prescription drugs and extended medical benefits for Members and eligible dependants. The plan provides reimbursement for a portion of the costs for a wide range of services, including

- hospital,
- ambulance,
- emergency dental care,

- prescription drugs,
- paramedical practitioners,
- eye exams and vision care,
- chartered psychologist,
- home nursing care, and
- emergency medical services when travelling outside Canada.

The benefit year is July 1 to June 30, and the claims are administered through Alberta Blue Cross.

### **9.3 Dental Benefits**

Members' Choice dental coverage provides for partial reimbursement of costs of dental services for Members and eligible dependants. Members may select either core or enhanced coverage.

#### **Core Coverage**

The core plan provides

- 80 per cent reimbursement for basic dental services,
- 50 per cent reimbursement for major dental services, and
- 50 per cent reimbursement for orthodontic services.

The combined maximum is \$1,750 per benefit year for basic and major services and a lifetime maximum of \$2,000 per insured for orthodontic services.

The Legislative Assembly pays 100 per cent of the monthly premiums for core coverage.

#### **Enhanced Coverage**

The enhanced plan provides

- 100 per cent reimbursement for basic dental services,
- 80 per cent reimbursement for major dental services, and
- 60 per cent reimbursement for orthodontic services.

There is no ceiling on the benefit amount.

Both the Legislative Assembly and the Member contribute to the premium costs for enhanced coverage.

The benefit year for dental coverage is July 1 to June 30, and the claims administrator is Alberta Blue Cross.

## **9.4 Group Life Insurance**

### **Accidental Death and Dismemberment**

The benefit payable is equal to the Member's amount of core life insurance to a maximum of \$400,000. Coverage is automatic under Members' Choice, and Members pay no premiums.

### **Core Life Insurance**

Members may select coverage based on either one or three times their total eligible recurring annual salary\* to a maximum of \$400,000. Both the Legislative Assembly and the Member contribute to premium costs.

### **Enhanced Life Insurance**

Coverage is based on one, two, three or four times the total eligible recurring annual salary\* to a maximum of \$600,000 and is subject to evidence of insurability. This is in addition to the core life insurance coverage. Premiums are based on age, gender and smoker status and are paid entirely by the Member.

### **Dependant Life Insurance**

The coverage is \$15,000 for a spouse and \$7,500 for each child. The Member pays the entire monthly premium. All claims are administered by The Great-West Life Assurance Company.

\* Total eligible recurring annual salary includes the MLA indemnity and tax-free allowance, RRSP allowance, remuneration for offices other than MLA, special Members' allowances and remuneration for chairs of Legislature and government committees.

## **10. Long-term Disability Insurance Plan**

The long-term disability income continuance plan (LTDI) provides partial income for a Member who becomes mentally or physically disabled during their term and, as a result, must resign their seat.

The disability benefit is 70 per cent of the total eligible recurring annual salary.\* There is no minimum service requirement for this benefit. The LTDI benefit continues until such time as the individual is deemed fit to return to gainful employment or reaches age 65.

## **11. Extended Benefits Option**

The extended benefits option (EBO) provides Members with continued benefit coverage when they resign, choose not to run for re-election or are defeated. Coverage may be extended for benefits listed under the Members' Choice plan.

Coverage for a former Member, if commenced, will continue up to the following, whichever occurs first, and may not thereafter be recommenced:

- the date that the former Member attains the age of 70,
- the death of the former Member, or
- the date the former Member gives written notice to discontinue the coverage.

Premiums are paid by the former Member and the Legislative Assembly in the same proportions as for current Members for the first five years of coverage or until the former Member reaches the age of 70 years, whichever occurs first.

\* Total eligible recurring annual salary includes the MLA indemnity and tax-free allowance, RRSP allowance, remuneration for offices other than MLA, special Members' allowances and remuneration for chairs of Legislature and government committees.

If a former Member continues coverage beyond the five years, the premiums are to be paid entirely by the former Member.

Former Members can extend only that part of the coverage in place when they ceased to be Members. However, they may discontinue that coverage in whole or in part at any time. Once the extended coverage has been terminated, it may not be recommenced.