

**LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
6TH COUNCIL, 37TH SESSION**

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CANADA'S HIGHEST PAID POLITICIAN

Number 10

Prime Minister's Job Means \$10,000 Raise for Trudeau

By The Canadian Press
Justice Minister Pierre Elliott Trudeau steps up to the highest political salary in the land when he becomes prime minister of Canada later this month.

Mr. Trudeau's total income from the office will be \$45,000 a year—up \$10,000 from his income as justice minister. But like everyone else, he won't enjoy it all. Deductions, including income tax, a \$5,000-a-year assessment for his official residence at 24 Sussex Dr. in Ottawa and \$2,000 for car expenses will cut his take-home pay to about \$20,000.

Nearest provincial premier's salary is that of Premier Daniel Johnson of Quebec, whose \$40,000-a-year official income is \$6,000 above the average remuneration for premiers, and more than \$23,000 above that of Premier Alex Campbell of Prince Edward Island, whose income of \$16,750 a year is the lowest in Canada.

These figures represent total income including expense allowances.

Quebec also leads the provinces in remuneration paid to members of the legislature. It is the only province whose legislators receive an amount equal to members of the federal Parliament—\$18,000 a year, of which \$6,000 is expense allowance.

LOWEST PAID
Prince Edward Island legislators, like their premier, are the lowest paid in the country. They receive a straight salary of \$4,000 a year, with no additional allowance for expenses.

In Alberta, a bill to increase legislators' salaries has been

passed and is expected to get royal assent in early May. The Saskatchewan government received a report Monday calling for an increase in legislative salaries.

Here are the provincial salaries for premiers, cabinet ministers, speakers, members and the leader of the opposition (the figures include any expense allowances):

Newfoundland—increases for Newfoundland legislators were voted last spring and the previous incomes are included in brackets: Premier \$20,500 (\$16,499.99); ministers \$19,500 (\$15,499.99); Speaker \$14,000 (\$9,999.99); members \$8,500 (\$6,499.99); Opposition leader \$13,500 (\$9,499.99).

Prince Edward Island—premier \$16,750, up from \$12,249 last year; minister \$10,800, up about \$100 from last year; Speaker \$6,400, up from \$5,600 last year; members \$4,000; Opposition leader \$6,500.

Nova Scotia—premier \$20,000; ministers \$18,000; Speaker \$9,750; members \$6,000; Opposition leader \$13,200. Last increase was in 1966.

New Brunswick—premier \$27,500; ministers \$19,500; Speaker \$12,500; members \$7,500; Opposition leader \$23,500. Last increase was in 1966.

Quebec—premier \$40,000; ministers \$33,000; Speaker \$31,000; members \$18,000; Opposition leader \$33,000. Last increase 1965.

Ontario—premier \$30,000; ministers with portfolios \$24,000; ministers without portfolios \$14,500; Speaker \$25,500; mem-

bers \$12,000; Opposition leader \$24,000. Expense allowance is reduced by \$1,000 in all categories for members living within Metropolitan Toronto. Last increase 1965.

Manitoba—premier \$23,800; ministers \$22,800; Speaker \$19,000; members \$7,200; Opposition leader \$22,800. Last increase 1966.

Saskatchewan (the recommended new rates shown in brackets)—premier \$19,000 (\$30,000); \$16,000 (\$26,000); Speaker \$9,000 (\$14,000); members \$6,000 (\$10,000); Opposition leader \$18,000 (\$26,000).

Alberta (the planned increased rates shown in brackets)—premier \$22,400 (\$25,200); ministers \$16,900 (\$22,200); Speaker \$9,000 (\$12,000); members \$5,400 (\$7,200); Opposition leader \$11,400 (\$10,500). The Opposition leaders' salary now includes an allowance for paying office staff which would not be included in the proposed salary.

An additional allowance would be made for that purpose.

British Columbia—premier \$36,500; ministers \$7,500 plus varying expenses (Attorney-General Robert Bonner, for example, gets a total of \$5,550 travel expenses in addition to his minister's salary); Speaker, about \$15,500; members about \$8,000; Opposition leader about \$15,500. Last increase 1965.

Aside from the prime minister's \$45,000 a year, other federal salaries are: Ministers with portfolio \$35,000; ministers without portfolio \$27,500; Speaker \$31,000; Opposition leader \$35,000.

REPORT OF THE COMMITTEE

which considered

ALLOWANCES AND SALARIES

paid to

Members of the Legislative Assembly

The Speaker

The Deputy Speaker

The Leader of the Opposition

Members of the Executive Council

President of the Executive Council

and

The provisions of The Members of the
Legislative Assembly Superannuation Act

Regina,
Saskatchewan

April 5, 1968.

On February 26, 1968, the Saskatchewan

Legislative Assembly adopted the following motion:

" That this Assembly is of the opinion that the recommendation contained in the Culliton Report of 1962 for a periodic review of allowances paid to Members of the Legislative Assembly, the Speaker, the Deputy Speaker and the Leader of the Opposition under authority of The Legislative Assembly Act, and the salaries paid to the President and Members of the Executive Council, should be acted upon forthwith by the establishment of a similar committee to review the said allowances and salaries and in addition to review the provisions of The Members of the Legislative Assembly Superannuation Act, the recommendations of the said committee to be laid before this Assembly. "

Order-in-Council No. 410, dated February

27, 1968, provided as follows:

APPROVED and ORDERED

O.C. 410/68.

Lieutenant Governor

R E G I N A, TUESDAY, February 27, 1968.

The Executive Council has had under consideration a report from the President of the Executive Council, dated February 26, 1968, stating that on Thursday, February 22, 1968, the Legislative Assembly agreed to the following resolution:

"That this Assembly is of the opinion that the recommendation contained in the Culliton Report of 1962 for a periodic review of allowances paid to Members of the Legislative Assembly, the Speaker, the Deputy Speaker and the Leader of the Opposition under authority of The Legislative Assembly Act, and the salaries paid to the President and Members of the Executive Council, should be acted upon forthwith by the establishment of a similar committee to review the said allowances and salaries and in addition to review the provisions of

"The Members of the Legislative Assembly Superannuation Act, the recommendations of the said committee to be laid before this Assembly. "

The Minister further states that it is deemed desirable and in the public interest to appoint a committee for such purpose.

Upon consideration of the foregoing report and on the recommendation of the President of the Executive Council, the Executive Council advises that His Honour's Order do issue, under The Legislative Assembly Act and The Statutes Act:

- (a) appointing the following as the members of a committee:

Hon. Edward Milton Culliton, Chief Justice of Saskatchewan, Regina,

Dr. Lloyd Barber, Dean of Commerce, University of Saskatchewan, Saskatoon

Dr. Carlyle King, Dean of Academic Service, University of Saskatchewan, Saskatoon

William Leonard, Regina.

- (b) designating Chief Justice Culliton as Chairman of the committee;
- (c) authorizing the committee to examine all matters pertaining to allowances paid to the Members of the Legislative Assembly, to the Speaker, to the Deputy Speaker and to the Leader of the Opposition under authority of

" The Legislative Assembly Act and salaries paid to the President and members of the Executive Council;

(d) directing the committee to submit recommendations to the President of the Executive Council for laying before the Legislative Assembly "

The primary duty of Members of the Legislative Assembly and Members of the Executive Council is to conduct the public affairs of the province for and in the best interest of the people of Saskatchewan. That duty entails a continually increasing responsibility in an ever-widening field of government activities. These activities affect directly and indirectly the life of every Saskatchewan citizen. The management of the social, economic and financial affairs of the Province is not only the largest, but the most important, undertaking in Saskatchewan. It is against this background that the members of this committee must consider all matters relating to allowances, salaries and pensions paid to those who serve in public office.

It cannot be disputed that good government in all its aspects can only be achieved if the public succeeds in attracting citizens of ability and integrity to enter public life and to accept the onerous duty of administering the public business. Men and women who respond to this call do so at real personal sacrifice through the disruption of their normal

occupations and home lives. Such sacrifice is inevitable, but they should not be expected, at the same time, to make a commensurate financial sacrifice. If the public feels, as it should, that the responsibility of administering public business should be delegated to people of sincerity, integrity and ability, it must also expect to provide them with fair, just and proper remuneration. The failure to do so simply means that those who now serve are not being justly treated and that many who could and would make a worthwhile contribution to the public life of the province will be discouraged from so doing. The Committee is not unaware of the reaction of a segment of the public when any increase is made in the remuneration of our elected representatives, but is convinced that this should in no way deter it from making recommendations which it believes to be just, reasonable and necessary.

In approaching its task, the Committee has reviewed the salaries paid to the Premier and Ministers in other provinces as well as the indemnities paid to members of other provincial Legislatures. A summary of this information is to be found in Table I attached to this report. The Committee points out that in making comparison between provinces one should not lose sight of the special provision of a per diem allowance made in some provinces for members of the Legislature. Moreover, in some of the provinces the indemnity as set forth in the Table has been established for some time and it may reasonably be anticipated that changes will take place before there is any further adjustment in the Province of Saskatchewan.

In Table II is set forth the salaries paid to some of the senior civil servants in five Canadian provinces. From this Table, it is evident that the salaries of many of these officials exceed the salaries paid to the Premier and the Ministers in the respective Governments. It is probably only in Government that this somewhat anomalous position is found.

In Table III is set forth the increases required to give members and ministers the increase in remuneration comparable to increases granted to civil servants since 1962.

While members of the Committee have some knowledge of the salaries which prevail in business and industry for officials and executive officers, there is no official evidence of these facts. The Committee reviewed the salaries paid in the University, to members of the Judiciary and to those appointed to Government Boards and Commissions. It is apparent to the Committee that the salaries paid to the Premier and members of the Executive Council are, on any proper basis of comparison, substantially lower than the salaries paid in the various fields to which reference has been made.

In reviewing salaries and indemnities, the Committee is satisfied that it is both improper and unfair to consider the expense allowance granted to members of the Legislature as part of their remuneration. A member of the Legislature is required to reside temporarily in the City of Regina during the session of the Legislature. In addition, he must at all times be aware of the needs and requirements of his constituency. This requires constant travel throughout his constituency and to the seat of

Government. There are also innumerable calls upon his time, necessitating travel not only in his constituency but throughout the province. All of these matters entail a very heavy expense.

This problem could be met in a number of ways. If the income tax laws permitted expenses so incurred by members of the Legislature to be charged as a disbursement against income, such expenses could then be considered in establishing the amount of the annual indemnity. If this were permissible, it is evident that provision for payment of the expenses would require a greater amount by way of remuneration than is required by way of special allowances. For example, if a member's income was such that he was liable to an income tax rate of 40 per cent, it would require a payment of \$5,000.00 to enable him to pay expenses of \$3,000.00, as the remaining \$2,000.00 would have to be paid as a tax. Thus it is in the financial interest of the province to provide for the special allowance.

In some provinces, as shown in the attached table, a per diem allowance is made for at least part of the member's expenses. When this is done, the expenses so paid do not show as part of the remuneration. As the Committee has already stated, the varying manner in which expenses are paid by the different provinces makes accurate comparisons difficult without a detailed analysis of the operation of the statutory provisions in each province. In the Committee's opinion the

method adopted in this province of a special allowance is the most economical to the province and completely eliminates administrative and accounting problems that arise under any other system. The Committee is convinced that the determination of a reasonable expense allowance for members of the Legislature is a separate and distinct problem and that payments in respect thereof are in no way related to the question of remuneration.

The latest review of this kind was made by a special committee in 1962. It must be pointed out that the recommendations then made were not fully implemented. The Committee refers to this fact only to suggest that in considering the recommendations hereinafter made, one might properly keep that fact in mind.

As already stated, the Committee, in arriving at its conclusions, has reviewed the situation prevailing in other provinces, the increase in civil service salaries since the date of the last review, the salaries of senior civil servants and the salaries paid to men and women in comparable positions in private and public life. The Committee, too, is cognizant of the fact that the recommendations it now makes will not likely be reviewed for a further period of years. For this reason the Committee ought to determine not only what is fair and reasonable remuneration today, but what remuneration will be fair and reasonable over the next few years. In considering this

aspect of the matter, the Committee believes, unless something unforeseen occurs that the level of wages and income will continue to increase. While the rate of that increase cannot be forecast with accuracy, the Committee in assessing the same must be guided by the experience of the past. Thus, taking into consideration all factors to which reference has been made, the Committee recommends that the indemnities and salaries be adjusted to the following levels:

Members of the Legislative Assembly	\$ 7,000.00
Speaker's Allowance	4,000.00
Deputy Speaker's Allowance	3,000.00
Leader of the Opposition	16,000.00
Members of the Executive Council	16,000.00
President of the Executive Council	20,000.00

The Committee further recommends that the expense allowance for the members of the Legislative Assembly be set at \$3,000.00. The Committee appreciates that the members of the Legislative Assembly representing the constituencies of Athabasca, Cumberland, and Meadow Lake incur greater expenses than others in discharging their responsibilities because their constituencies contain many isolated communities. For that reason, the Committee recommends that members representing these constituencies receive an additional \$500.00 in the expense allowance. In making this recommendation, the Committee recommends that Sub-section (1) of Section 56 of The Legislative Assembly Act, which provides for a mileage payment to members, be repealed.

The Committee also recommends that the per diem allowance for members attending intersession committee meetings provided for in Section 58 be fixed at \$35.00.

The Committee has made a full review of the provisions of The Members of the Legislative Assembly Superannuation Act and is of the opinion that improvements can be made therein without any appreciable increase in cost to the Province. Under the legislation, ~~eligibility is based upon a member having contributed or having elected to contribute in respect of ten regular sessions of the Legislative Assembly.~~ This provision undoubtedly contemplated that a Legislature would continue for its full legal life of five years, thus establishing eligibility on the basis of attendance at sessions during the life of two Legislatures. With the development of the practice of an election every four years, eligibility requires membership in three Legislatures. Therefore, to meet the practicalities of this problem, the Committee recommends that eligibility be based upon contributions in respect of eight regular sessions.

Under the Act, subject to certain exceptions, a member may contribute in respect of his service in the House of Commons. In the Committee's opinion, these exceptions should be eliminated so ^{that} a member may contribute for service in the House of Commons as for service in the Legislative Assembly.

The Committee also recommends that the maximum pension be set at \$6,000.00, and that the basis of computation be one-fortieth rather than one-fiftieth. The Committee further recommends that a person, otherwise eligible for a pension, be paid that pension, in the event of disability, before attaining the age of ~~55 years.~~ ~~The Committee also recommends that the Act~~ be brought up to date by providing for the election therein provided ^{to} be made in 1968.

In reviewing the question of pensions, the Committee has given consideration to the advisability of establishing a Premier's pension. This is a matter which has originated solely with the Committee and the Committee accepts sole responsibility both for its consideration of the question and its recommendations relative thereto.

It has long been an established principle in Canada and in every free country throughout the world that an independent judiciary is the foundation of the proper administration of justice. The primary basis of this independence is the financial security for members of the judiciary. To assure this the public through its respective governments has never hesitated to provide adequate salaries and adequate pensions. In the Committee's view the Premier of the Province, who must accept the ultimate responsibility for decisions and policies in the most important field of public activity, should be accorded the same security.

He, too, should be able to deal with the problems confronting the Government with the same sense of independence and security as a member of the judiciary.

~~The Committee is also convinced that the public has a lasting obligation to any person to whom it has entrusted the highest office within its power. It is indeed a reflection on our system that anyone who has occupied the position of Premier should on return to private life find himself or herself in impecunious circumstances.~~

The views which your Committee expresses in this respect have been recognized in the Federal field. There is now legislation by the Parliament of Canada providing a pension for any person who has occupied the position of Prime Minister. The Committee believes that similar provision should be made for a Premier in the Province of Saskatchewan. The Committee, therefore, recommends that legislation be enacted to provide:

- (a) That there shall be paid to every person who has held the office of Premier for two years an annual allowance, commencing on the day he ceases to hold that office or attains the age of 60 years, whichever is the later, equal to 2/3 of the annual salary payable under the appropriate legislation to the Premier on that day and as may be changed from time to time thereafter, such allowance to continue during his natural life.

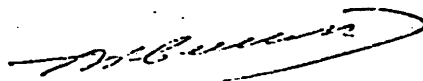
- (b) There shall be paid to the widow of the person described in Paragraph (a) an annual allowance equal to 1/3 of the allowance that that person was receiving pursuant to Paragraph (a) at the time of his death or would have been eligible to receive if immediately before the time of his death he had ceased to hold the office of Premier and had attained the age of 60 years, such allowance to continue during her natural life or until her remarriage.
- (c) Any right to an allowance under Paragraph (a) shall cease if the person referred to therein is appointed to the Senate of Canada or is appointed a judge pursuant to the Judge's Act (Canada).
- (d) The allowance provided for in Paragraph (a) shall not be paid while the person referred to therein is a member of the Legislative Assembly or the House of Commons.

The Committee believes that the recommendations in this report are fair and reasonable and necessary of implementation. It is convinced that early consideration and action by the Legislative Assembly on these recommendations are in the best interest of the people of Saskatchewan. The Committee realizes the difficult and embarrassing task that confronts elected representatives in considering their own remunerations. It is the Committee's hope that

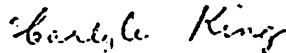
this independent review will do much to resolve this aspect of the problem in the Legislative Assembly's deliberations.

Members of the Committee appreciate the confidence placed in them in requesting them to make this review and these recommendations. The recommendations which the Committee have made are valid in the light of present day conditions. It is evident, however, that ever-changing conditions will necessarily affect the views which have been expressed. The Committee, therefore, respectfully suggests that periodic reviews of this kind are both advisable and necessary.

Respectfully submitted,



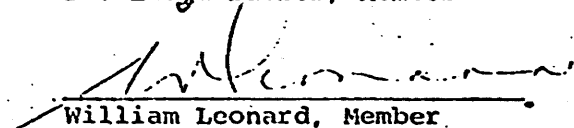
E. M. Culliton, Chairman



Dr. Carlyle King, Member



Dr. Lloyd Barber, Member



William Leonard, Member

TABLE 1

Statement Showing Salary, Indemnity and Allowances Paid to Members of the
Legislative Assemblies of the Provinces

<u>Province</u>	<u>Premier's Salary (excluding sessional indemnity)</u>	<u>Premier's Allowances</u>	<u>Minister's Salary (excluding sessional indemnity)</u>	<u>Minister's Allowances</u>	<u>Sessional Indemnity to all M.L.A.'s</u>	<u>Subsistence & Travelling Allowances for M.L.A.'s</u>	<u>Additional Allowance for Speaker</u>	<u>Additional Allowance for Deputy Speaker</u>	<u>Additional Allowance for Leader of Opposition</u>
Alberta	\$16,000	Car	\$ 12,500	Car	\$ 5,400	\$15 per day for outside M.L.A.'s	\$ 3,600	\$ 1,800	\$ 6,000
British Columbia	20,000	Travel Expenses plus \$15 per day	17,500	Travel Exp. plus \$15 per day	6,500	\$25 per day plus 25¢ per mile for outside MLA's	7,500	2,500	7,500
Saskatchewan	13,000	Car & Expenses	10,000	Car and Expenses	4,000	\$2,000 Expense Allowance 5¢ per mile to and from session	3,000	2,000	12,000
Manitoba	18,000	\$3,000 plus car, less \$20 per month	15,000	\$3,000 plus car, less \$20 per month	7,200	\$20 per day plus 10¢ per mile for outside M.L.A.'s	3,600	1,000	15,000
Ontario	16,000	\$ 2,000 plus expenses	12,000	\$ 2,000 plus expenses	11,000 in Toronto & 12,000 outside Toronto	10¢ per mile to and from Session	5,000	-	14,000
Quebec	16,000	\$6,000	12,000	\$3,000	\$18,000	-	13,000	6,000	15,000
New Brunswick	20,000	\$18 per day & travelling expenses	12,000	\$15 per day & travelling expenses	7,500	\$.20 per mile for one return trip to Session	5,000	1,500	8,000 plus office expenses
Nova Scotia	9,000	\$5,000	8,000	\$4,000	6,000	-	3,750	1,500	7,200
P.E.I.	9,000	Car & Expenses	6,000	Car & Expenses	4,000	-	1,500	900	2,500
Newfoundland	12,000	Car & Expenses	11,000	\$1,000	8,500	-	7,000	4,500	5,000

TABLE 2

SENIOR SALARIES

Department	Position	Sask.	B.C.	Alberta	Manitoba	N.B.	Consultants Standard	Proposals Discretionary	Sept. / to
Agriculture	Deputy	\$16,550	\$19,000	\$18,240 - \$20,220 (3 steps)	\$19,000	\$16,500	\$14,880 -	\$18,780	\$ 22,080
Attorney General	Deputy	19,500	20,000	18,240 - 20,220	19,000	18,500	14,880 -	18,780	22,080
Co-operation	Deputy	12,500					11,280 -	13,980	16,080
Education	Deputy	16,300	20,000	18,240 - 20,220	23,000	16,500	14,880 -	18,780	22,080
Highways	Deputy	17,500	20,000	18,240 - 20,220	19,000	17,000	14,880 -	18,780	22,080
Industry & Commerce	Deputy	13,000	20,000	18,240 - 20,220	19,000	18,000	11,280 -	13,980	16,080
Labour	Deputy	12,500	19,000	18,240 - 20,220	19,000	16,500	11,280 -	13,980	16,080
Mineral Resources	Deputy	16,500	19,000	18,240 - 20,220	19,000		14,880 -	18,780	22,080
Municipal Affairs	Deputy	14,750	19,000	18,240 - 20,220	19,000	17,000	13,080 -	16,080	18,780
Natural Resources	Deputy	18,000	19,000 (Rec. & Cons.) 20,000 (Forestry)	18,240 - 20,220	19,000 (Tourism & Rec.)	16,500	14,880 -	18,780	22,080
Provincial Auditor	Prov. Aud.	14,500			19,000 (Comp. Gen.)	16,500	13,980 -	17,280	20,280
Provincial Secretary	Deputy	12,900	19,000	18,240 - 20,220	17,000	16,500	10,380 -	13,080	14,380
Public Service Comm.	Chairman	16,600	19,000	17,340 - 19,200	19,000	16,500	13,980 -	17,280	20,280
Public Health	Deputy	24,800	20,000	18,240 - 20,220	19,000 + 3,000 (San)	22,000	18,780 -	24,480	29,280
Public Works	Deputy	14,500	19,000	18,240 - 20,220	19,000		13,080 -	16,080	18,780
Welfare	Deputy	15,000	20,000	18,240 - 20,220	19,000	16,500	14,880 -	18,780	22,080
Treasury	Deputy	17,000	20,000	18,240 - 20,220	19,500	18,000	14,880 -	18,780	22,080

Table 3

INCREASES REQUIRED TO GIVE MEMBERS AND MINISTERS
REMUNERATION INCREASES COMPARABLE TO CIVIL SERVICE INCREASES

Present Remuneration Rates

<u>Category</u>	<u>Date of Last Revision</u>	<u>Rate</u>
Premier	April 1, 1962	\$ 13,000
Ministers	April 1, 1962	10,000
Speaker	April 1, 1963	3,000
Members	April 1, 1962	4,000

Table Indicating Comparable Growth

<u>Year</u>	<u>S.G.E.A. Increase</u>	<u>Members</u>	<u>Premier</u>	<u>Ministers</u>	<u>Speaker</u>
Last Revision		\$4,000	\$ 13,000	\$ 10,000	\$ 3,000
Oct. 1962	2.75	4,110	13,357	10,275	-
1963	2.5	4,212	13,690	10,531	3,075
1964	3.0	4,338	14,100	10,846	3,167
1965	4.3	4,524	14,706	11,312	3,303
1966	5.0	4,750	15,441	11,877	3,468
1967	6.0	5,035	16,367	12,589	3,676
1968	5.0	5,286	17,185	13,218	3,859

1967-68 Level if Comparable Growth Had Occurred

<u>Category</u>	<u>Allowance</u>	<u>Indemnity</u>
Premier	\$ 16,367	\$ 5,035
Ministers	12,589	3,035
Speaker	3,676	5,035
Deputy Speaker	2,449	5,035
Members		5,035

1968-69 Level if Comparable Growth Had Occurred

<u>Category</u>	<u>Allowance</u>	<u>Indemnity</u>
Premier	\$ 17,185	\$ 5,286
Ministers	13,218	5,286
Speaker	3,859	5,286
Deputy Speaker	2,571	5,286
Members		5,286