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May 2, 2007

Premier Gordon Campbell, Premier Province of British Columbia PO Box 9041 Victoria, BC, V8W 9E1

Dear Premier Campbell;

The MLA compensation report tabled yesterday recommends a base salary increase of almost 30%, double the amount recommended behind closed doors in 2005. More importantly, the report recommends the return of a defined-benefit pension plan. I submit to you that both these recommendations are wildly out of sync with public expectations and should be shelved.

The Canadian Taxpayers Federation's submission to the MLA Compensation Panel in March 2007 made two key recommendations regarding MLA compensation:

- The existing compensation package remain in place; and
- Any proposed changes to the compensation package be implemented *after* the next election.

Premier Campbell, you commendably campaigned against gold-plated MLA pensions that were out of line with public expectations while you were in opposition. That pension plan was abolished in 1996 and replaced with a sensible and generous group-RRSP provision for MLAs. Need I remind you of the public outrage over a pension plan that had taxpayers contributing \$6.50 for every \$1 contributed by an MLA?

These kinds of arrangements have been rightly falling like dominos across the country as taxpayers demand adequate, yet fair and transparent compensation for their elected representatives. That B.C. would reinstitute such a scheme – albeit more modest under the current proposal – would not only reinforce public cynicism toward government but represent a blight on BC's reputation as a trail blazer of government accountability and reform.

An increase in pay may be acceptable along with modest changes in the indexation formula. But not 29%, and certainly not coupled with the re-introduction of gold-plated pensions and many other absurd recommendations including a provision that would allow defeated or retiring MLAs to continue collecting their full salary up to 15 months after leaving their post. I invite any member of the review panel to find a taxpaying citizen anywhere in Canada that would enjoy such a provision.

British Columbia has a relatively transparent and fair compensation package in place. Each Member elected on May 17, 2005 understood the package when they sought office. If it is decided that changes be made, they should only be made *after* the next election. This eliminates the inherent conflict of legislators voting themselves a pay increase and provides an opportunity for legislators to defend and justify their increases to those that will be paying for it, namely the taxpayers of B.C.

Sincerely,

Maureen Bader B.C. Director Canadian Taxpayers Federation

Cc: Leader of the Official Opposition Carol James