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Policy Begins Today*

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Part One: AIMS Director of Research recommends eliminating MLA pensions

The culture of entitlement surrounding MLA pensions in Nova Scotia – and other provinces – has been a key focus for AIMS in recent weeks.

AIMS Director of Research Don McIver is recommending the elimination of MLA pensions in Nova Scotia, or at least, replacing them with fixed-contribution plans or an RRSP allowance. AIMS issued a [press release](#) on the topic and generated important discussion in the province. AIMS' recommendations were mentioned in the [Chronicle Herald](#) as well as on [News 95.7](#).

In addition, McIver wrote an op-ed entitled [MLA Platinum Pensions: Till the end of time?](#), which appeared in the Chronicle Herald.

The discussion surrounding MLA pension entitlement resurfaced in an AIMS commentary McIver wrote recently, which was featured in our last Beacon. The commentary is titled [Till the End of Time: How long should we maintain our MLAs in the style to which they have grown accustomed?](#) In this commentary, McIver says the panel should have looked beyond the narrow mandate of pensions alone, and considered the total remuneration of members, including their per diems and perks. "They should have taken note of the level of responsibility—recognizing our small population—as well as our ability to pay," says McIver. On average, Nova Scotians receive significantly lower incomes than in wealthier provinces. "If we receive Nova Scotia wages, so should our legislators."

The current MLA pension plan entitles members with as little as five years service, including those who are retiring or defeated, to collect a pension as early as age 45. A government minister with just 15 years service could draw more than \$100,000 each year for the rest of his or her life. If they are still serving at age 71 they could collect that pension while receiving their paycheque.

Most Nova Scotians do not have a pension plan.

"In a world of gold-plated public pension plans," says McIver, "Nova Scotia's Member's Plan is diamond studded."

As we at AIMS do our best to shed light on this issue, Atlantic Canadian governments have recently shown interest in the review of MLA pensions. The New Brunswick government commissioned [report by the MLA Pensions Review Panel](#) in March of this year. An appointed Nova Scotia government panel delivered their [review on Nova Scotia MLA pensions](#) yesterday.



Part Two: Stéphane Dion – The future of Canada’s political system



The Atlantic Institute for Market Studies was pleased to welcome Stéphane Dion, Member of Parliament for Saint-Laurent-Cartierville to the Halifax Club yesterday for an AIMS Luncheon Briefing. Dion delivered an interesting speech to a filled room, and generated thoughtful questions from the audience.

AIMS formatted his talk into a commentary.

In this commentary, Stéphane Dion, Member of Parliament for Saint-Laurent-Cartierville, discusses three major topics concerning the future of Canada’s political system: the realignment of federal political parties, the possibility of an elected Senate, and the re-balancing of demographic representation in the House of Commons.

Regarding the House of Commons and the possible re-balancing of the seats, Dion suggests that the government should bring the House of Commons more in line with representation by population, but while maintaining the 308 seats, as opposed to adding more, as the Conservatives have suggested.

Dion comes out strongly against the idea of an elected senate in discussing Bill C-7, the Conservative government’s senate reform bill. In a decentralized federation like Canada, it is important that there are federal institutions that can work quickly to draft legislation and make decisions for the common good, without the kind of structural impediments and ritual rivalries such as in the US, where they have an elected senate.

In *[The future of Canada’s political system](#)*, Dion praises the role of “parties of the centre”, while conceding his own biases given his belief that his party is that party in Canada. Nevertheless, he argues that centrist parties are generally freer from dogmatism and can borrow bold policy ideas from the left and the right.

[Click here](#) to read the full commentary.



Part Three: OF INTEREST: Goodbye forced funding of union advertising

In this commentary, originally published by the Frontier Centre for Public Policy (FCPP), FCPP President Peter Holle makes the argument for eliminating provisions that allow unions to pay for political advertising campaigns from compulsory union dues. There is an inherent conflict of interest whereby: "Public sector unions benefit from high taxes that can be used to fund unionized public services. In turn, monolithic unionized bargaining units generate rich union dues revenues."

Goodbye forced funding of union advertising argues that Canadian labour laws that force individuals to join unions and pay mandatory dues and then permit those funds to be spent on activities not related to collective bargaining are antiquated and should be scrapped.

[Click here](#) to read the full commentary.

Part Four: Spending on Public Health Programs: Yet another national divide?

Livio Di Matteo discusses the implementation of public health programs across the country, assessing the regional impacts of these policies.

In 1974, the Lalonde Report titled "A New Perspective on the Health of Canadians" argued that we needed to look beyond traditional health care focused on medicine. If we wished to improve the health of the public, a 'broad determinants of health' approach, focused on things like lifestyle choice and behaviour, needed to be pursued. Nearly forty years later, does the evidence show a major swing towards public health as a priority in government health expenditure?

Di Matteo notes that there has been a rise in public health spending since the early 1990s. There is a large variance in the implementation of these programs from province to province. The question is whether this is a function of resource constraints, or if it reflects regional preferences on the composition of health care programs.

In *Spending on Public Health Programs*, Di Matteo assesses the variance among provinces when it comes to public health programs, and offers readers some food for thought regarding the effectiveness of these programs.

[Click here](#) to read the full commentary.

Part Five: Chasing the Jobs

Bill Black of [New Start Nova Scotia](#) explains how the Nova Scotia government could more wisely spend money on economic development. The provincial government pursues economic development through a number of agencies and departments including the Nova Scotia Business Inc. (NSBI). Black writes that although NSBI has a dedicated staff, it works under a flawed policy context. The problem facing Nova Scotia in the future will be jobs without people, not people without jobs.

With periodic updates, Black assesses the jobs situation in the province. He uses the positive example of the NS government assisting a local paper mill in easing the transition to the private sector, and offers recommendations for the future, stressing the importance of sustainable private-sector jobs. In addition, he highlights the stability our resource sectors brought to the Canadian economy during the global economic downturn. Resource-based industries are economic engines and are our best prospects for rural economic growth.

In [Chasing the Jobs](#), Bill Black offers a comprehensive regional overview of the current economic development policies being pursued by the Nova Scotia government, and suggests a focus on aggressive immigration strategies, a sustainable private-sector, and embracing resource-based industries for future prosperity in Nova Scotia.

[Click here](#) to read the full commentary.



Part Six: Sticky Fingers: How governments cling to transfer payments

In this commentary, AIMS Director of Research Don McIver shows how shared cost programs and federal-provincial transfers serve to increase total government spending levels. The way to prevent this is simple: let the level of government that spends the money, raise the revenue.

Rather than provide tax relief to residents, McIver argues that transfer programs, like equalization, have allowed recipient provinces to bolster their revenues—inflating wage and staffing requirements.

As the deadline for reviewing transfer agreements in 2014 approaches, he maintains in [Sticky Fingers](#) that now is the time to explore radical reforms to the myriad other national policies that stand in the way of regional economic rejuvenation.

[Click here](#) to read the full commentary.



Part Seven: AIMS in the Media

Former Liberal leader Dion says elected senate would be a mistake for country – In a talk delivered to an AIMS Luncheon Briefing, Stéphane Dion expressed that he is against the idea of an elected senate.

Rick's Rant: AIMS recommends MLA pensions be eliminated - A report this week by the Atlantic Institute for Market Studies recommends MLA pensions be eliminated or drastically changed.

Halifax think tank recommends axing pensions for N.S. politicians - The Atlantic Institute for Market Studies is recommending that pensions for members of the Nova Scotia legislature be eliminated or drastically transformed.

After Hydro-Quebec, NB Power returns to its past - In this op-ed, AIMS contributor Gordon L. Weil explains how New Brunswick's provincial power policy is looking inward after Hydro-Quebec, abandoning a past emphasis on power exports and regional cooperation.

MLA Platinum Pensions: Till the end of time? - In this op-ed, AIMS Director of Research Don McIver recommends the elimination of MLA pensions or replacing them with fixed-contribution plans or an RRSP allowance.

Simmer down on shipbuilding - AIMS President and CEO Charles Cirtwill says people's expectations for the shipbuilding contract are overblown. As soon as the announcement was made, those expecting to cash in on the fallout had already spent the actual profits many times over in their imagination.

How Europe plans to save Canada from itself - AIMS Director of Research Don McIver writes about Canada's potential CETA with the EU. Canada will need to negotiate skillfully, but even the peripheral consequences of reaching an agreement may provide some valuable benefits to Canadians.

Expectations for shipbuilding contract overblown: economist - The shipbuilding contract is being painted as a golden goose for Nova Scotia, but AIMS President and CEO Charles Cirtwill says that on its own, the shipbuilding contract won't mean any significant change in several parts of the province.

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