



Legislative Assembly of Alberta

The 27th Legislature
Second Session

Standing Committee
on
Community Services

Bill 202, Municipal Government (Municipal Auditor General)
Amendment Act, 2009

Tuesday, November 24, 2009
12:10 p.m.

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Standing Committee on Community Services

Doerksen, Arno, Strathmore-Brooks (PC), Chair
Hehr, Kent, Calgary-Buffalo (AL), Deputy Chair

Benito, Carl, Edmonton-Mill Woods (PC)
Bhardwaj, Naresh, Edmonton-Ellerslie (PC)
Chase, Harry B., Calgary-Varsity (AL)
Johnson, Jeff, Athabasca-Redwater (PC)
Johnston, Art, Calgary-Hays (PC)
Lukaszuk, Thomas A., Edmonton-Castle Downs (PC)
Notley, Rachel, Edmonton-Strathcona (ND)
Rodney, Dave, Calgary-Lougheed (PC)
Sarich, Janice, Edmonton-Decore (PC)

Bill 202 Sponsor

Johnston, Art, Calgary-Hays (PC)

Support Staff

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Louise J. Kamuchik	Clerk Assistant/Director of House Services
Micheline S. Gravel	Clerk of <i>Journals</i> /Table Research
Robert H. Reynolds, QC	Senior Parliamentary Counsel
Shannon Dean	Senior Parliamentary Counsel
Corinne Dacyshyn	Committee Clerk
Erin Norton	Committee Clerk
Jody Rempel	Committee Clerk
Karen Sawchuk	Committee Clerk
Rhonda Sorensen	Manager of Communications Services
Melanie Friesacher	Communications Consultant
Tracey Sales	Communications Consultant
Philip Massolin	Committee Research Co-ordinator
Stephanie LeBlanc	Legal Research Officer
Diana Staley	Research Officer
Rachel Stein	Research Officer
Liz Sim	Managing Editor of <i>Alberta Hansard</i>

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Tuesday, November 24, 2009

[Mr. Doerksen in the chair]

The Chair: Good afternoon, ladies and gentlemen, and welcome to this midday meeting of the Standing Committee on Community Services. I appreciate committee members attending and staff supporting this meeting this afternoon.

To begin with, I'd ask people seated at the table to introduce themselves, and then we'll proceed with the meeting agenda, please.

Mr. Hehr: Kent Hehr, MLA, Calgary-Buffalo.

Mr. Chase: Harry Chase, Calgary-Varsity. I just want to note to the chair and my fellow committee members that I'm pleased that this meeting could be accommodated at noon.

Mrs. Sarich: Good afternoon. Janice Sarich, MLA for Edmonton-Decore and parliamentary assistant to the Minister of Education.

Mr. Rodney: Good afternoon. Dave Rodney, Calgary-Lougheed. And, Mr. Chase, you're welcome.

Dr. Massolin: Good afternoon. Philip Massolin, committee research co-ordinator, Legislative Assembly Office.

Mr. Lukaszuk: Thomas Lukaszuk, Edmonton-Castle Downs.

Mr. Bhardwaj: Naresh Bhardwaj, Edmonton-Ellerslie.

Mr. Johnston: Art Johnston, Calgary-Hays.

Mr. Johnson: Jeff Johnson, Athabasca-Redwater.

Ms Rempel: Jody Rempel, committee clerk, Legislative Assembly Office.

The Chair: And I'm Arno Doerksen, MLA for Strathmore-Brooks.

Just a few housekeeping rules. As is standard procedure for these meetings *Hansard* will operate our microphones again. I'd ask you to keep any hand-held devices like cellphones or BlackBerrys off of the table if you have them because they interfere with our system.

To begin with, we have an agenda that's been circulated. Could I have a motion to approve the agenda as distributed? Mr. Hehr. Thank you. All in favour? Thank you. That's carried.

Secondly, we need to approve the minutes of our previous meeting, which was the morning of November 3, 2009. Are there any errors or omissions noted in those minutes as circulated? If not, a motion to approve the minutes? Mr. Bhardwaj. Thank you. All in favour, please indicate. That's carried as well. Thank you.

Well, as you know, the purpose of this meeting is to discuss our deliberations on Bill 202. In addition to the research compiled by the committee research staff, we have now received briefings on Bill 202 from both the sponsor of the bill and from Alberta Municipal Affairs. We've also received over 100 written submissions and 17 presentations on Bill 202.

At this point I would like to open the floor to committee members to discuss the information we've received and to determine how we wish to proceed on this bill. Mr. Lukaszuk, please.

Mr. Lukaszuk: Thank you, Mr. Chairman. Unless other members of the committee wish to discuss, I have a recommendation that I have drafted that I would like to put on the table for discussion and

possible vote at the end. Having heard most of the presentations, read most of the presentations, and in my travels met with municipalities and other stakeholders, I have personally come to the conclusion that most municipalities, particularly the large municipalities of Edmonton and Calgary, definitely have what I would consider to be a near bulletproof accountability process that's internal and that those issues are well addressed by those municipalities.

I have also noted, Mr. Chairman, that there are jurisdictions within the province of Alberta where usually there is a correlation that can be drawn between size and their ability to perform satisfying audits. Where the size of a municipality is smaller, their ability to perform full audits is somewhat limited. I am also convinced of the fact that it is only their ability that's limited. There is no lack of willingness of those municipalities to be transparent and well audited, but they simply don't have the wherewithal to do that.

Based on that, Mr. Chairman, I am not convinced that legislating a new body that would now oversee all municipalities, where it's apparent that problems, if any, occur in just a small portion of them, that legislating a bill and a law and a new office would be the proper approach to what seem to be a few isolated problems. As such, if I could put forward this recommendation and open up discussion on it, that:

the Standing Committee on Community Services recommend to the Assembly that Bill 202, the Municipal Government (Municipal Auditor General) Amendment Act, 2009, not proceed and that the issue be referred to the Minister of Municipal Affairs with the recommendation that the ministry pursue options for improving fiscal accountability and transparency at the municipal level as outlined in the minister's four-point plan at the November 3, 2009, committee meeting.

The Chair: Okay. Thank you, Mr. Lukaszuk.

Mr. Chase: I'd just like to lend my support. I think it's important with all our outreach activities that we take into account what we heard, and we heard that message, Mr. Lukaszuk, very strongly from both the AUMA and the AAMD and C. What you've provided as part of your direction is support for those municipalities who have not done the job to the greatest efficiency but, as you noted, not through their own personal efforts but possibly through resources. So calling upon the Minister of Municipal Affairs to assist in the process as opposed to overseeing it is, I think, the way to go.

Thank you very much.

Mr. Lukaszuk: Thank you, sir.

Mr. Hehr: I, too, would like to speak in favour of the recommendation put forward by Mr. Lukaszuk. When I started out this process, I thought there were possibly some areas where accountability could improve. I think we found out the areas that could be improved, and if the support found within the ministry that goes to those areas can be improved, that is a wise thing. So I think this is a good recommendation, and I would support it.

The Chair: Thank you.

Anyone else? Mr. Johnston, please.

Mr. Johnston: Thank you, Chair. As you're well aware, I was carrying this bill, and I find myself in a position where I'm voting against my own bill. But in light of all the changes and in light of the minister addressing the four areas that were key, that were instrumental in putting this bill forward, that has satisfied me. I was always concerned with the cost, which we had to estimate would be around \$500,000 to three-quarters of a million dollars.

In light of everything that's been brought forward by the minister and by the people, whether by e-mails or whatever sent to the committee, I have changed my mind. I think we can address this now in a different way.

The Chair: Okay. Thank you, Mr. Johnston.
Anyone else wish to speak?

Mr. Bhardwaj: I was just going to say much of the same thing that has already been said.

The Chair: Thank you.

If everyone has spoken, I would call the question. All in favour of the motion that's been presented, please indicate. That's carried unanimously. Thank you.

I would like to also express my thanks to everyone who's had input on this bill and on this review of the bill. I think this has been a very extensive process that we've gone to.

We all know also that the fall session is rapidly drawing to a close. To ensure that our report is tabled in the Assembly before we adjourn, I would like to be ready to present our final report tomorrow, Wednesday. In order to do this without scheduling another committee meeting, I would ask that the committee consider delegating the responsibility for approving the text of the final report to the chair and the deputy chair to expedite the process. I'm looking for a motion in that regard.

Mr. Chase: If I could then move that
the responsibility of summarizing the committee's accomplishments
be directed to the chair and subchair.

12:20

The Chair: Okay. Any further discussion? All in favour of that motion, please indicate. That's carried. Thank you very much.

There's one other item. It's also been the practice of the LAO communications staff to work with the chair and deputy chair of the committee to organize appropriate media releases in conjunction with the tabling of the report in the Assembly. Again, if there are no objections, I would ask for a motion by the committee to authorize this.

Mrs. Sarich: I'll move that.

The Chair: Any further discussion? All in favour, please indicate. That's carried as well.

Now, is there any other business that we need to attend to today?

Mr. Chase: Not business but just bragging on behalf of our committee. Considering how quickly we're reporting our findings back to the House, I think we all deserve congratulations for fiery discussions at times but for coming to a consensus in a very brief time. Compared to those guys who did the milk carton refunds, we rock.

The Chair: And that is for the record.

That being said, I will suggest that the next meeting be at the call of the chair, and I'll adjourn this meeting. Thank you very much for your participation here this afternoon.

[The committee adjourned at 12:21 p.m.]

