



Legislative Assembly of Alberta

The 30th Legislature
Third Session

Standing Committee
on
Alberta's Economic Future

Lobbyists Act Review

Wednesday, March 2, 2022
9 a.m.

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**Legislative Assembly of Alberta
The 30th Legislature
Third Session**

Standing Committee on Alberta's Economic Future

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Standing Committee on Alberta's Economic Future

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Evan Bahry, Executive Director
Tim Boston, Board Chair

Suncor.....EF-444
Craig Tomalty, Director, Legal Affairs

Alberta Chambers of CommerceEF-446\
Ken Kobly, President and Chief Executive Officer

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[Mr. Rowswell in the chair]

The Acting Chair: Okay. I'd like to call the meeting to order. Welcome to members and staff attending this meeting of the Standing Committee on Alberta's Economic Future.

My name is Garth Rowswell. I'm the MLA for Vermilion-Lloydminster-Wainwright and the acting chair for this committee. I'd ask members and those joining the committee at the table to introduce themselves for the record, starting to my right with the deputy chair.

Ms Goehring: Good morning. I'm MLA Nicole Goehring. I'd like to welcome all of our presenters today, and I look forward to today's discussion.

Mr. Turton: Good morning. Searle Turton, MLA for Spruce Grove-Stony Plain.

Mr. Walker: Good morning. Jordan Walker, MLA, Sherwood Park.

Mr. Amery: Good morning. Mickey Amery, MLA, Calgary-Cross.

Ms Sweet: Good morning. MLA Heather Sweet, Edmonton-Manning.

Mr. Koenig: Good morning. I'm Trafton Koenig with the Parliamentary Counsel office.

Ms Robert: Good morning. Nancy Robert, clerk of *Journals* and committees.

Mr. Roth: Good morning. Aaron Roth, committee clerk.

The Acting Chair: And online, we'll have you guys introduce yourselves. MLA Frey.

Mrs. Frey: Good morning. Michaela Frey, MLA, Brooks-Medicine Hat.

Mr. Bilous: Good morning. Deron Bilous, MLA, Edmonton-Beverly-Clareview.

Ms Lovely: Good morning, everyone. Jackie Lovely, MLA for the Camrose constituency.

Member Irwin: Janis Irwin, Edmonton-Highlands-Norwood.

Mr. Barnes: Drew Barnes, Cypress-Medicine Hat. Good morning.

Ms Rosin: Good morning. Miranda Rosin, MLA for Banff-Kananaskis.

The Acting Chair: Okay. Thank you very much.

I'd like to note for the record the following substitutions. I am acting chair, Mr. Turton is substituting for Mr. Neudorf, Mr. Amery is substituting for Mr. van Dijken, and Ms Lovely is substituting for MLA Armstrong-Homeniuk.

A few housekeeping items to address before we turn to the business at hand. Please note that the microphones are operated by *Hansard* staff. Committee proceedings are live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and the transcript of the meeting can be accessed via the Legislative Assembly website.

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Next is the approval of the agenda. Can I get someone to move that? MLA Goehring. All in favour? Online, in favour? Okay. Anyone against? That's passed.

Approval of the minutes. We have the minutes from the February 23 meeting of the committee. Are there any errors or omissions to note? Anybody? No? Okay.

If not, could we get a motion to pass that? MLA Turton. All in favour everywhere, say aye. Anyone opposed anywhere, say nay. Okay. We're good there.

Okay. The oral presentations in relation to the Lobbyists Act review: we have the Independent Power Producers. I think I saw them. Oh, there they are. Okay. All right. Members, our first presentation today will be from Mr. Evan Bahry, executive director, and Mr. Tim Boston, chair, of the Independent Power Producers Society of Alberta.

Mr. Bahry and Mr. Boston, you have 15 minutes to make your presentation. Please proceed.

Independent Power Producers Society of Alberta

Mr. Bahry: Very good. Thank you very much for the opportunity, everyone. We appreciate at the outset that there are pretty significant global issues going on in the world these days. We're here today and just want to speak a bit about the Lobbyists Act. Obviously, we do appreciate the opportunity to present to you on this topic today. Just to give you a sense of who we are, we thought we'd begin with a bit of an overview of our organization.

If you can switch to the next slide. Thank you. We're a not-for-profit association representing Alberta's power producers. We have about a hundred members, representing, again, most of the supply in the province. Our members operate gas, wind, solar, hydro generation. They compete to serve Alberta's power consumers.

We also host an annual conference in Banff. Our event attracts generators, power consumers, government agencies, wire companies, and supporting industries. We cover many issues and topics in the conference, from affordability, reliability to emissions reductions. Every year we've invited the Minister of Energy to open our conference. We've had a broad cross-section of politicians over the years. Last year we had a great session featuring Brad Wall and Thomas Mulcair.

If I could just ask you to switch the slides. Our recommendation does pertain to our conference. Our sole recommendation for your consideration is that complimentary registration and accommodation provided to public office holders who speak at conferences should not be construed as a gift. We did run afoul of the office of the Ethics Commissioner for one of our conferences a couple of years ago. Our event occurred before the last provincial election. We invited representatives from the Alberta Party, the Liberal Party, the NDP, and the UCP to speak. As with all other speakers that we've invited over the last 27 years, we offered to provide for these speakers' registration and for their accommodation. We do that for all of our speakers. One MLA noted that this would constitute a gift.

We then consulted with the office a couple of months before the event. We rescinded the offer to provide for registration and accommodation to these public office holders. Speakers would then have to speak for the duration of their time at the conference and then leave. So you kind of hop in for half an hour, and you leave the venue. Regrettably, we incurred a fine because of this episode.

I guess the issue was that because we extended the offer, that courtesy was considered at that point offering a gift. Now, that's something we extended to all of our speakers. It's in the invite letter as a matter of course. Because we rescinded the offer immediately afterwards, no one was actually provided complimentary registration or accommodations. However, because we didn't disclose the offer initially, we drew a fine.

We'd just ask you to consider this recommendation. We have a couple of reasons for that, if we could, on the next slide. In our view, we believe that complimentary registration and accommodation shouldn't be considered a gift given that we provide this to all of our speakers. We believe that asking public office holders to pay for accommodation and registration is an unnecessary cost placed on taxpayers and ratepayers, especially when the host organization would cover that for the speakers anyway. Finally and ultimately, our concern is that this becomes a deterrent to the participation of public office holders in future events.

If we could just advance to the next slide. From our perspective, conferences are important opportunities for MLAs and agency officials to explain their policies, rules, and guidelines to their stakeholders and also to hear input from these various constituencies. This occurs, of course, formally via the program and also informally in discussions with delegates in the hallways.

Again, we close with the view that our recommendation would extend the same courtesy to public office holders that we do for all of our other conference speakers. It's a simple recommendation that we invite you to consider. Happy to take any questions on that from you if you have any.

The Acting Chair: Okay. We've got it open for questions. We'll just alternate back and forth until we run out. We'll allocate about 20 minutes, but we don't necessarily need to use it if we run out of questions.

Does anyone have a question at this point? MLA Irwin, go ahead.

9:10

Member Irwin: Yes. Thank you. Thank you for the presentation, and thanks for being here today. Oh, my goodness. I can see myself on the screen. Sorry about that. I need better lighting.

I just wanted to ask a little bit more about – you know, you mentioned the fine that you received, and you explained that providing accommodations to public office holders allowed them to attend the entire event and not just for their jobs, their speaking role. Can you just maybe expand a little bit more on the value that you see of having folks like us, public office holders, attend the entire event?

Mr. Bahry: Yeah. Conferences are two-way learning opportunities. The delegates, obviously, get to hear from a policy-maker on their views on a topic. Given the fact that over the course of two days the office holder can appreciate and understand larger issues that the industry is grappling with – electricity, as you may appreciate, is complicated – like, I guess, any industry's conference, a technical conference, would be, it gives the chance for office holders to hear over the course of a day and a half other topics of interest. Our conference speaks about emissions policy, market design issues, what's happening in other jurisdictions. We had speakers from the California system operator and the Texas system operator talking about good reliability and the storms and weather events they went through last year. It's a chance, I think, for office holders to immerse themselves in some of the matters being grappled with in an industry that they're responsible for.

Tim wants to jump in.

Mr. Boston: Yeah. Thank you for the question. It's interesting. This is kind of a unique organization. We represent the generators in the province from all different types of fuel sources, but the conference really touches on everything electricity. If you talk to a few of the companies, mine included, you'll find that we don't always agree with each other. In fact, we rarely ever do, so you get very different views. We've actually set up panels to get into the debate on all different sides of things to educate not only everyone in the room but all of us, and those communications and discussions are really robust, and they actually would help, I believe, legislators to have a broader understanding of all the different pinch points in the industry.

When I say, "All parts of the industry," I also mean that consumer groups come in and participate on panels. You've got the system operator, the AESO, who comes in and participates. The Alberta Utilities Commission either speaks or is in the room as well. It really is the penultimate conference for electricity policy discussion, and for any of you who have spent any time at all looking at electricity policy, it is a very complicated mess of acts and influences, so we think it would be a real benefit.

The board made a sincere discussion around the issues, and, no, we've got to invite one from every single party, because this isn't a partisan issue. This is about how we serve Albertans and how that works, and we wanted to hear from everybody, but we also wanted everyone to have somebody in the room to hear those discussions, to understand that there's never a silver bullet or a clear path. There are many different views, but we think it's important for legislators like yourselves to hear as much of that as you can and also to recognize that there are very divergent views in the industry and that there are other people you can reach out to and talk to.

The Acting Chair: A follow-up, MLA Irwin?

Member Irwin: Yeah. Sure. Why not? I mean, you also, I think, appreciate that context, too. We've been talking, obviously, a lot about electricity these days, and I have much to learn, so I appreciate that.

Just on the point that you made in the written submission that, you know, if we are being asked to pay as public office holders, it's not us paying, that it's actually the taxpayer paying, can you just perhaps expand a little bit on that recommendation, that it should be on the host and not Alberta taxpayers?

Mr. Bahry: Yeah. Absolutely. In fact, you know, we make the point – I think we're almost unique in this. The conference we hold every year is in Banff. We've been there for 27 years, and Banff is obviously a phenomenal selling point when we have speakers from out of town. But we provide accommodations to our out-of-town speakers. We also provide \$2,000 for those who have to travel in to Banff. We do accommodation, registration, and travel for out-of-town speakers. This is something where, because of the location of the venue and because we want to operate, you know, a classy conference, I would think this should be par for the course of any conference, to comp speakers for their registration, at minimum. Given the proximity of Banff and the distance, frankly, of Banff from Edmonton, our conference has been held in March, which often is when the House is in session, so MLAs travel down there to speak, and they have to finish their remarks or get back up into session, as often has occurred. That's a big commitment, so we want to make sure we don't create a barrier to participation of our speakers. Again, it would be a cost borne by us as a host, just as a gesture of goodwill or appreciation for the speakers who made the effort to attend. Again I'll make the point that – we made it already – that's for all of our

speakers. It's not a unique point of differentiation for public office holders; it's for anyone coming from out of town to speak at our event. We provide registration, accommodation, and, for some, travel.

The Acting Chair: Okay. Thank you.

The next questioner will be MLA Rosin.

Ms Rosin: Thank you, Chair, and thank you for presenting today. I just do have a question about the need for this, I suppose. I am the MLA for Banff. You are correct; it is a phenomenal venue to host the world's best conferences at, and we have been very fortunate to host many conferences over the years. It's been a bit difficult, with COVID, to see a lot of that business dry up, but traditionally you're correct that we do host a lot of conferences.

I've spoken at many of those conferences, and I have been offered to stay for the duration of the conference several times, whether that's for the weekend or just for a day, sometimes even just for an afternoon for certain panelists or speakers. Traditionally I've never had a problem getting that approved by the Ethics Commissioner. I understand it would be considered a gift, but typically, whether it's a conference or another event at which we can prove that there is a responsibility and a benefit for the local politician or the local candidate, if it's another party, to be there, that there is a clear and concrete benefit to the community and to the stakeholder and to the office that we hold, there tends to not be a problem with getting that approved by the Ethics Commissioner.

I'm wondering – and I understand you've had a fine in the past – if due processes are followed, is there really a need to eliminate the designation of conferences being titled as gifts? From what I've seen, I've never had problems with getting those approved or with being able to justify the need for myself to attend a conference that I'm speaking at.

Mr. Bahry: Well, I couldn't quite hear all of what you said, but I think you mentioned about the local MLA. When we invite for our conference, we invite the Minister of Energy at the time to speak, and that will likely not and has not been the local MLA, so that MLA is required to travel. In fact, I believe the associate minister, who spoke last year, stayed in Canmore and then drove in, to do the keynote, to Banff. Thank goodness the weather was fine, but we could have had an issue with the MLA physically not being able to attend the opening remarks for that slot. I mean, imagine the MLA makes an effort to try and get to the conference in Banff and physically can't get there because of snow and stayed in Canmore. It didn't happen, but it sure could.

That may be one point of distinction, but I know our experience was that because we offered the complimentary registration and complimentary accommodation for the stay, that was deemed to be a gift under the law. That's why, I guess, we're here today, to recommend that that be reconsidered in the context of a conference.

The Acting Chair: A follow-up, MLA?

Ms Rosin: Sorry. Can I just follow up?

The Acting Chair: Yeah. Go ahead.

Ms Rosin: I want to make sure that you guys can hear me. I've got my AirPods in, and I don't know what buttons are where, and I might have pushed them at some point, which may inhibit your ability to hear me fully.

I just kind of wanted to clarify that my question, I suppose, is around the nature of the gift. I understand – sorry; my dogs are also barking in the background; I've got a beagle who is the nosiest – that they're currently classified as gifts. I was just trying to clarify

that when I've been offered the ability to stay for a conference after speaking, whether that's for a day or a weekend, I've never had a problem with getting that gift approved by the Ethics Commissioner because typically we've been able to quite easily justify that our presence at that conference provides a benefit to our communities and to our office and to our role. So even though it is considered a gift, I've never found that that designation has inhibited my ability to stay at a conference when I've been offered. I just want to clarify that you do think this has been a problem, where whether it's politicians or ministers or even candidates are unable to attend because of that gift designation, because I've just personally never had difficulty with getting permission or getting approval.

9:20

Mr. Boston: It's great that you haven't. We have. We were, as we always are, very careful not to cross into partisan politics. It's not our role as an industry association, and that's why we invited all of the parties even if they didn't have seats, but the lobbyist registrar was very clear. They constitute a gift, probably because it was over the \$400 annual limit, although there's probably a way to try to stagger it over all the members and claim it's not. I didn't want to get into those kinds of machinations.

But the fact is – and maybe it's a different rule from the lobbyist registry now for local – that we did have a conversation with the lobbyist registrar, opened up our kimono, told them what we had, what we were doing and why, and they chose to fine us anyway because even offering a gift puts you in contravention of the Lobbyists Act as it exists today. It was just before that conference when the changes came in, so because of that, we were caught unawares. It's our fault for not following that stuff closely enough, but we haven't reached out again to do that, and I think some of the debates on electricity policy may be weaker for it because there is a lot to learn there.

I've been in this industry since 2000, working at that time for a local company here. It's one of the most complicated industries in the world, with many different moving pieces, and we just feel that the Legislature would benefit from Energy critics, Energy ministers having access to those rooms, hearing those discussions, because, as I've said, the policy issues aren't simple. They are very complex, there are many different sides to it that we need to look at, and we think it'd be beneficial, but today, based on the law as it's written, we don't feel we can actually offer that invitation because of the way the law is written today.

Mr. Bahry: And just as a follow-up, we've been concerned about a deterring effect, our inability to have MLAs, ministers, or public office holders attend our conference if they have to pay their own way. We would lose the benefit of having agencies attend, politicians attend if they feel that these expenses would be scrutinized and become a deterrent. That is ultimately, I guess, our concern. We're happy to extend accommodation registration as a host of an event to any of our speakers, and that's just asking for a kind of consistency, equal treatment with other speakers. This is less than equal treatment if you're asking someone to speak and get out there themselves, pay for their own room, and pay for registration, beyond the half an hour speaking allotment that they would be allowed to have.

The Acting Chair: Okay. Thank you. Just for going forward, we prefer not to refer to a specific decision that the Ethics Commissioner talked about.

Mr. Boston: Oh. Okay.

The Acting Chair: Okay. Just for everyone's sake going forward. Okay. MLA Sweet, you're on tap.

Ms Sweet: Thank you, Mr. Chair, and thank you for the presentation. I do have a question about – and I'm not sure if you'll be able to answer it or not – a crossjurisdictional analysis. If you're inviting other people from other jurisdictions, have you had the same sort of issues when it's come to being able to provide those gifts – hotel rooms, compensation for payment – with other ethics commissioners or other areas where we would be able to compare sort of what other jurisdictions are doing in this kind of scenario in comparison to how Alberta is responding?

Mr. Bahry: I don't know. We are a registered lobbyist, and that makes it different, I suppose. We're registered only in Alberta, so because of that, I think we could invite any speaker from other jurisdictions to attend and it wouldn't be offside with, say, an Ontario politician or a federal government politician because we don't lobby in those jurisdictions. I guess the wrinkle is that we're a registered lobbyist within Alberta, and we invited Alberta MLAs and office holders to attend. I think that would be the one kind of hiccup on that, but we're free to invite anyone and free to comp them: fly them out, put up their registration and their accommodation. We just can't do that for an Alberta MLA of interest.

The Acting Chair: Do you have a follow-up?
MLA Walker.

Mr. Walker: Sure. You know what? Thank you, guys, for your attendance today and for this presentation. Going back, actually, to Member Irwin's earlier line of questioning, which was really enlightening, I want to follow up. Just to clarify on that, Chair, is the offer to extend complimentary registration and accommodation to public office holders limited only to public office holders? Can other people be invited specifically with those sorts of accommodations from your group, or is it only public? Oh, go ahead.

Mr. Bahry: You're absolutely right. Any speaker from out of town on any topic, whether it's the head of the California system operator or whether it's speakers out of Ontario speaking about the Canadian Nuclear Association, in many cases, for those speakers, we will offer to comp their registration, we'll offer to comp accommodation, and for some we'll offer 2,000 bucks towards a flight. We want to make sure they attend.

Mr. Walker: May I have a follow-up, Chair?

The Acting Chair: Go ahead. Yeah.

Mr. Walker: Thank you. From a comparative perspective, if you guys are able to speak to this, in western Canada or across our country do you know if these sorts of practices that we're discussing here with this line of questioning – do other provinces, your industry partners in other jurisdictions, engage in similar practices here?

Mr. Bahry: I don't know. I guess we could have asked, but we haven't thought of it. Unless you have a sense.

Mr. Boston: It's a little more difficult because Alberta is a unique market, and because we have many, many participants in this marketplace, you don't see the same size or interest. Just on the retail side, there are 33 retailers in this province offering 90 different products. You've got, I think, somewhere around 90 different generators nowadays. You've got seven, eight, nine wire service providers. It's a very complex industry.

In B.C. you've got B.C. Hydro and little Fortis, so you don't have that same kind of hit. You would in Ontario with APPrO, which is the Association of Power Producers of Ontario. We could check with

them and get back to you on that. We'll send it to the committee chair. I know I've been to a few APPrO conferences. They had politicians from all ends attend. But, again, we've taken the approach that if you're speaking, we will cover those costs because it's a barrier to participate.

Mr. Bahry: Their conference is held in Toronto, just down the road from Queen's Park, so it's a bit different than what we're doing here in Alberta in Banff.

Mr. Walker: Well, thank you for that.
Thank you, Chair.

The Acting Chair: Okay. MLA Frey. You have about two minutes left if you want to ask your question.

Mrs. Frey: I'm not on the list, Chair.

The Acting Chair: You're not on the list? Okay.
Any other questions from anyone? Okay.

Well, thank you, Mr. Bahry, and thank you, Mr. Boston, for your time today. We'll go on to the next presentations. Thank you very much.

Mr. Bahry: Thank you very much.

Mr. Boston: Thank you very much.

The Acting Chair: Okay. I'd now like to welcome Mr. Craig Tomalty, director of legal affairs and compliance and ethics at Suncor, to make his presentation. You will have 15 minutes. Please proceed.

Suncor

Mr. Tomalty: Thank you, Mr. Chair, and thanks to the members of the committee for the invitation today. I won't take up all of your time today. I know there's a lot on the agenda.

Two points that we'd like to just kind of briefly address with the committee today and about how we think at Suncor that the lobbying registration or the lobbying act could be improved. The first one kind of centres on the notion that the act in its present form is a little bit too simplistic in terms of – it notionally assumes that there is one corporation and that all of the in-house lobbyists are employed by that, the registrant parent corporation. It doesn't really reflect modern-day corporate life where in a large organization you may have dozens if not hundreds of subsidiaries and employees employed by different subsidiaries underneath the parent company.

The way the act reads, if you were to take a very literal interpretation of it, you may have to, you know, take what might be – like, in our case at Suncor we have one registration in the registry now publicly, which is our parent company. It details all of the lobbying activities that Suncor is engaging the provincial government on. We don't limit it, or we don't take an overly technical view of it such that we would want to break that registration up based on which entities in Suncor and the Suncor corporate family own the assets or which entities our corporate or in-house lobbyists may be employed by.

9:30

We think there's an opportunity to kind of make the legislation a little bit more simple and reflect that. What we would suggest is that the parent corporation, the parent company in any larger organization be the registrant and that one registration then detail all of the lobbying activities on behalf of the corporation, because we think that better reflects the way companies work.

If you were to ask me, you know, I would say that I work for Suncor Energy. Now, I'd have to think a little bit and maybe go and look at my pay slip or my T4 to think about what specific Suncor legal entity I'm employed by, and I'd have to also think a little bit about: if I was engaging the government, what legal entity is that Suncor asset or project or business situated in?

We've had conversations with the registrar's office on this very point. If you were to take a very literal interpretation of the act in its present form, Suncor and other large companies might have to take that one, easy-to-read kind of intuitive registration and break it up into multiple registrations based on where the assets and operations are, where the in-house lobbyists are employed, and try to match those up. I tried to do it just on paper, and I kind of lost count as to how many registrations Suncor would have to file if we were to comply with it very literally.

Now, the suggestion that we're making in terms of having the parent corporation being the registrant and having that registration kind of cover the corporate family's lobbying activities – you know, the change that we're suggesting wouldn't cascade into practical impacts because there is not a single company that does their registrations in a strict, literal reading in the way the act contemplates it. Everybody does it, I would say, in a way that fits the spirit and intent and the purpose of the legislation, which is – in our case you can go and look at Suncor's lobbying registration and understand pretty quickly and intuitively the topics that Suncor is engaging the government on.

We think that if you took a very literal interpretation, if we were to comply with that, we would end up with a multitude of registrations and it would run contrary to really what the goal of the act is, which is to promote that transparency to let Albertans understand how organizations are engaging with the government and on what topics and the like. If the legislation was to be changed and just updated to kind of reflect, I'll call it, modern corporate life and big company, big organization corporate life, that may have many, many subsidiaries and the like, we think that would be an enhancement to the legislation as it sits in its present form.

The second topic I just want to briefly touch on is kind of what we're seeing in terms of trends in Canadian lobbying legislation, you know, both the federal government rules and B.C. a couple of years ago. B.C. more recently, a few years back, moved to a system where engagements or lobbying efforts with senior government officials are called out and the subject of periodic filings, that, I would say, more granularly would give people an indication of how organizations are interacting with the government, especially at senior levels. That's the way the feds do it. That's the way it's now done in B.C., for at least the past two years.

In Alberta we don't have that. We have a situation in Alberta at least where, you know, if Suncor or any large organization, any organization were to engage the government on a new topic, a different topic, you have to update your registration within 30 days, and then there's an overall obligation every six months that you have to review your registration in its entirety and update as needed. We think that if the Alberta legislation was changed to align a little more closely with the federal and B.C. acts on that point and call out and require that senior-level lobby engagements with the government are to be the subject of a separate report, that would bring these jurisdictions better in to line.

It's something that – for example, in our case we do that anyways. We track all of that, and it wouldn't be a big lift to do that. I think the net result of it would be, you know, just, I'll say, enhanced transparency. We think that it better fits kind of the purpose of the legislation, which is to make it easier for folks to understand how organizations are engaging the government.

Any questions or comments? I didn't want to take up a whole lot of your time. Those are the two areas that we think the government

should consider, especially on the first point; the parent corporation, just making the registration requirements a little more simple. I think that's the big one, but I'm happy to address any questions that people might have.

The Acting Chair: MLA Walker, go ahead.

Mr. Walker: Thank you, Chair, and thank you for your presentation. I appreciate it. Suncor is a really important economic stakeholder in my own riding, as you know, with a refinery there. Thanks.

Your submission actually went against the trend of most stakeholder submissions, with a recommendation to add additional filing requirements. I am just curious here why your submission asked for what some might consider more red tape rather than less.

Thank you.

Mr. Tomalty: I appreciate the question. I think when we look at it – and I guess maybe we're in the situation. Since we're active and do business in multiple jurisdictions, we're already subject to the federal and B.C. requirements, so for us, for example, like, to take what we do in those other jurisdictions and apply it here in Alberta, it would be an easy lift. You know, we just think it would kind of harmonize a little bit around how lobbying registrations are done in Canada, and from an effort and time and burden standpoint we think it would be minimal since, like I say, we do it anyways. We keep track of all of these engagements. Yeah. I know it may seem counterintuitive that we would suggest that, but we kind of throw that out as food for thought for the committee, as something to consider.

Mr. Walker: Thank you.

The Acting Chair: MLA Sweet.

Ms Sweet: Thank you, Mr. Chair, and thank you for the presentation. I actually would like to expand on your comments around the work that you're doing federally and in B.C. and how you see that aligning with the practices in Alberta. Can you maybe walk me through the best practice that you're seeing either in the federal context or the B.C. context that we can maybe be looking at adopting here in Alberta? Like, what would that look like for you?

Mr. Tomalty: Sure. I think that, you know, like, when you look at it federally and in B.C., they're very similar in terms of the requirements. The moniker they use is that any time that you go and lobby a designated public office holder, which are typically the very seniormost assistant deputy ministers or that upper echelon of provincial employees and elected officials, when you're engaging with those types of folks, you have to then go and file a specific report, identify the date, who was there, kind of: what was the general subject matter that was being discussed, and what was the subject matter of the lobbying engagement?

They tend to be quite short and sweet little reports that are filed, but it's one that we think enhances that transparency. If you really want to put your finger on the pulse of, you know, "How is an organization engaging with the government?" there's probably no better way than when you start looking at those reports and seeing the frequency and the volume at those senior levels, where decision-makers tend to be. Again, I think it just goes to that transparency notion. We think that it enhances the ability of Albertans to determine, to assess, and understand how organizations are dealing with the government.

Ms Sweet: Can I have a follow-up, Chair?

The Acting Chair: Yeah. Go ahead.

Ms Sweet: Thank you. Just, I guess, for a follow-up, then, when we're talking about the duplication and repeating processes, can you speak a little bit more about: how often is that happening, and is there a way that we could change that? If we're talking about the B.C., federal model, obviously, you're saying that you're already tracking it, but do you see that as a duplication, then, within the system that already exists? Is there a way to sort of minimize some of that duplication?

Mr. Tomalty: You know, I think that on the duplication side, like, I'm not sure that it – I don't know that it adds any duplication. If we were to move to a system where in Alberta you had to file a report when you engage with a senior-level provincial employee or an elected official, we don't think it would really, frankly, add a lot of duplication. Really, when you step back and you say, "What's the requirement now?" well, you have to update your registration if you're doing something new, so you have to do that, and then there's this overriding every six-month refresher update. So it would add a little bit to it. I'm not sure.

Like, the overall requirement to keep your registration up to date and reflective of what you're up to and how you're engaging with the government: I'm not sure that there's anything I would specifically note of, well, if you back something out and replace it with that – you know, to me, it's a little bit additive but not to a point where it would cause, I think, significant heartburn or burden or cost or expense to organizations.

9:40

The Acting Chair: Okay. Thank you.

Any other questions? No? Okay. Thank you.

Where are we at here?

Mr. Tomalty: Thanks for your time.

The Acting Chair: Yeah. Thanks for your time. Thanks for coming.

We'll carry on. We're getting screwed up on the script there. Okay. The Alberta Chambers of Commerce. I'd like to welcome Mr. Ken Kobly, president and CEO of the Alberta Chambers of Commerce, to make his presentation.

Mr. Kobly, you'll have 15 minutes. Please proceed.

Alberta Chambers of Commerce

Mr. Kobly: Thanks, Mr. Chair. On behalf of the – sorry; I'm getting some feedback from the room. On behalf of the 116 local chambers of commerce in the province and the 24,000 entrepreneurs and employers they represent, the Alberta Chambers of Commerce thanks the Standing Committee on Alberta's Economic Future for the invitation to present here today to inform its review of the Lobbyists Act.

By way of introduction, the Alberta Chambers of Commerce, or ACC, is a volunteer-led, nonprofit organization, as is each local chamber. ACC represents its local chambers, who, in turn, represent their local business communities. We are fiercely nonpartisan. We do not advocate to the benefit of one individual, specific business; rather, we advocate on behalf of all businesses in the province of Alberta.

We currently have 74 active policies on our policy book from which we draw, and that influences our advocacy efforts. Those policies come from our community chambers and are adopted at our AGM. More than one-third of our local chambers are run by volunteers, and of the 24,000 businesses represented by local chambers, 95 per cent are small and medium sized. We are the voice of Alberta's job creators.

Changes to the Lobbyists Act were introduced in 2018 through Bill 11, Lobbyists Amendment Act, which since being enacted now require ACC and at least nine local chambers to register as lobbyists with the lobbyists registration and submit semiannual updates. Annually for ACC alone, for my office alone, compliance takes our staff at least one and a half to two days per year with the number of policy positions we must update. Collectively we are looking at an estimated 10 to 15 days of staff time across our network dedicated to annual reporting under the current legislative requirements per year.

For the committee's awareness, here are the concerns we raised with government in 2018, prior to the changes being enacted. Reduction of the lobbying time threshold, from 100 to 50 hours, and the inclusion of preparatory time and grassroots communication as lobbying activities would radically change the reporting requirements for many community-serving organizations. In turn, these new requirements would increase administrative burdens on organizations with limited staff resources, including local chambers. Changes to the reporting requirements may force chambers to limit activities which benefit their local community by connecting government with constituents, engaging and conducting communication activities which support an informed and civically engaged public, and diverting limited resources away from activities to support the health and success of communities and enterprises and, in turn, the public interest overall.

In short, we encouraged the government of the day to consider the unintended consequences of adding unnecessary administrative burdens on chambers and other community-serving organizations. Unfortunately, the government at that time proceeded with enacting those changes. In doing so, the change has added reporting requirements to improve transparency and public accountability, which, in fact, duplicated efforts. ACC and its member chambers already post their advocacy priorities, policies developed through transparent and well-communicated governance mechanisms, on their websites. We've been doing so for years, at least 17, which is how many years I've been with the organization, well before we were being required to register as lobbyists.

Changes to the Lobbyists Act also resulted in the diversion of limited resources away from important activities and functions undertaken by chambers to serve not only their business members but their community and Albertans. Chambers organize meetings between members of the business community and public officials to communicate the priorities of job creators. It is core to why we exist, and it is no secret to the public. Often the events chambers organize with government are open to members and nonmembers, contributing to and encouraging civic engagement and a healthy civil society. Chambers organized nearly 50 local candidate forums during the 2019 Alberta elections alone. More recently, through the COVID rapid test program, chambers in Alberta distributed close to 300,000 rapid tests to businesses, members and nonmembers alike, to use in their operations with their staff. These efforts helped employees to work safely and businesses to remain viable while limiting the impacts and spread of COVID. Many chambers report dedicating 10 to 20 hours per week in the distribution of rapid tests.

This pales in comparison to the effort and time committed by staff and volunteers across our network to act as a conduit between business and government on COVID programs and health measures, which brings me to another consequence which wasn't considered in full prior to enacting changes to the legislation: the capability of our network to act as that important conduit of critical information, which depended on regular grassroots communication activities and the supporting infrastructure, an infrastructure built up over decades through grassroots communications, activities that chambers conducted on an ongoing basis such as newsletters and

bulletins with members and community partners prior to the legislative changes.

With limited resources to dedicate to semiannual reporting, we know that many chambers have scaled back their communication activities so as to stay below the Lobbyists Act reporting threshold. We as ACC anticipated that the long-term consequences would lead to diminishment of those activities, particularly in smaller and rural communities. Fewer activities leads to lower engagement, which in turn leads to degrading of an investment in the infrastructure. We don't know to what extent that scale-up would have occurred had more time passed between the legislative changes and COVID, but we're certainly thankful that infrastructure was still robust when the crisis struck.

After relying on that infrastructure engagement over the past two years, going forward, do we want to risk chambers and organizations reducing investments and communication activities and the supporting infrastructure because they don't have the resources to report to the lobbyist registrar? Do we believe the public interest is better served having chambers and other community-based organizations like us spend our limited resources updating an online registry of advocacy priorities, which in our case is already online and widely accessible to the public?

Chambers have been a recognized and vital conduit for connecting to businesses and members of the community with officials of all orders of government, elected and nonelected. In this region, before it was called Alberta, the ACC was incorporated in 1938, and many local chambers have been operating for well over a century. Our research shows that a significant majority among members of the public understand the important role and positive contributions local chambers make in their community. According to results of our most recent survey on provincial priorities, conducted through a statistically relevant poll in August 2021, 67 per cent of the public identify local chambers of commerce as an advocate on behalf of local businesses, and 73 per cent among those were aware of the local chamber in their community; 59 per cent of the public overall believe they make a positive impact in their community.

Given this high level of awareness of what chambers are and what they do and the unintended consequences of the trade-offs additional reporting requires, it is our view that the reporting required of chambers under the current Lobbyists Act does not serve the public interest. It does not improve transparency or accountability. It is simply unnecessary red tape that diverts limited resources from vitally important community-building activities and initiatives.

With our concerns about the current requirements in mind, we would ask the members of the standing committee to consider, through their review, to increase the lobbying time threshold from 50 hours to 100 hours, as it was prior to the 2018 amendments, and to exclude inclusion of preparatory time and grassroots communication as lobbying activities. Alternatively, that chambers of commerce be specifically exempt from the requirements to register as lobbyist organizations given our well-understood mandate and unique historical role as the conduit between job creators and government, also given the fact that we do not advocate on behalf of one particular business.

I thank you for listening to my prepared comments and would welcome any questions.

9:50

The Acting Chair: Okay. Thank you very much.

Are there any questions? Online?

Mr. Bilous: I have a question, Chair.

The Acting Chair: Sure. Go ahead, MLA Bilous.

Mr. Bilous: Thank you, and thanks, Ken, for your presentation to us today. We do value your thoughts and perspective. I was hoping that you could just talk a little bit about the consensus among the 121 chambers that you represent regarding your recommendations.

Mr. Kobly: As far as the recommendations from the lobbying, I think chambers around the province are concurrent that red tape, where it is unnecessary, which is where it is duplicative, where it doesn't add to the awareness of the general public, that there is no need for those particular regulations to be in place. I go back to my comment that all of our policies are sitting on our website, totally open, and they have been for well over 17 years. So I'm not sure whether this supplementary information, if you will, that's collected by the lobbyist registrar is in fact adding to, you know, additional awareness by members of the community.

Mr. Bilous: In your speaking notes – if I can, Chair, just a quick follow-up.

The Acting Chair: Yeah.

Mr. Bilous: In your presentation, Ken, you talked about wanting to go from the 50 hours back up to the hundred hours. Is that also shared by all of your member chambers?

Mr. Kobly: Again, our chambers are committed to red tape reduction, so if there is a way of, I guess, relieving some of the folks who, in fact, have to report, that would be welcome by any community chamber.

Mr. Bilous: Okay.

Mr. Chair, I'm happy to go to the government caucus. And I have one more question.

The Acting Chair: Okay. We'll go to MLA Amery, and we'll come back to you, then.

Mr. Amery: Thank you very much, Chair. Good morning, and thank you for your presentation. Now, you mentioned earlier in your presentation that the chambers do not favour any one particular sector or organization, and you went into some detail about the type of work that the chambers do and the representation of the 121 community chambers that you represent. I'm wondering if you can discuss in a little bit more detail and walk this committee through what type of safeguards, if you will, your organization has in place to ensure that this standard is maintained. You know, the chambers, at least in my view, represent a vast number of sectors and organizations. I just want to make sure, if I fully understand that correctly, what type of mechanisms your organization has to ensure that it doesn't advocate in favour of one particular sector or organization more vigorously than another, for example.

Mr. Kobly: Yeah. Thank you for the question. I think for guidance on that you would go back to our policy process. Our policy process, which we're in the midst of right now annually, has policies which come forward from the community chambers. Those community chambers submit them. They go to our annual general meeting for discussion and debate. That sets our policy book. So before the Alberta Chambers of Commerce can advocate on behalf of any particular issue, it has to be approved by a majority of community chambers in the annual general meeting. Those policies are based on – when they are written, they're not written for a particular business. They are written for an issue that is of concern, I guess, to all community chambers. And the guidance that we take

from that is that we do not advocate on anything that we do not have a policy on that has been approved by our community chambers.

As you can imagine, when you have a federation of 116 community chambers, there will be some chambers that will not agree with some of the policies, and then it's fair game. They can advocate on a different basis than what the Alberta Chambers of Commerce's actual adopted policy is. We do not operate – we do not control our community chambers on how they advocate or on whether they take the same stance as what is an adopted policy.

I hope that answered your question.

The Acting Chair: Back to MLA Bilous.

Mr. Bilous: Yeah. Thank you, Chair. Ken, I was hoping that you could just comment briefly on some lobbyist legislation in other jurisdictions or chambers' positions in other jurisdictions. I mean, have you talked to any of your colleagues? Does your ask fall in line with best practices elsewhere?

Mr. Kobly: Thank you, MLA Bilous. I haven't reviewed the legislation in the other provinces lately, but they're sort of all over the map. I think the majority of them are sitting at probably about a hundred hours, some of them are sitting at 50, and there are some provinces where the chambers don't have to register at all.

Mr. Bilous: Okay. Thank you.

The Acting Chair: Yeah. You bet. Thanks.

Any other questions from anyone?

Okay. Well, thank you, Mr. Kobly, for your time today, and we'll let you get back to what you're doing.

Mr. Kobly: Thank you.

The Acting Chair: Thank you very much.

Okay. The next steps in the Lobbyists Act review. Hon. members, the committee has now received the crossjurisdictional research it has requested. It has been posted to the committee's internal website. It has now received written submissions and has heard oral presentations in relation to the review of the Lobbyists Act. The next step of the review, committee, will be to commence deliberations and the drafting of a report to the Legislative Assembly. In preparation for this work it is common for committees conducting these types of reviews to request a document summarizing the issues, recommendations, and proposals identified through the public and stakeholder written submissions and oral presentations to assist the committee with its deliberations.

I'd like now to open the floor to any comments or questions about the next steps in our review, and I think Ms Robert is available to answer any questions that there may be. MLA Walker.

Mr. Walker: Yeah, Chair. I'd like to move a motion.

The Acting Chair: Okay.

Mr. Walker: Great. I would propose a motion requesting that the LAO compile a list of recommendations made by the Ethics Commissioner and lobbyist registrar and stakeholders for submission to the Standing Committee on Alberta's Economic Future.

Going back to your previous comments, Chair, I think it's important. If we have this list of information, all the great stuff we've learned from these presentations compiled in a list, I think it will assist in our deliberations and ensure we reach prudent outcomes.

Thank you.

The Acting Chair: Do we have a copy of that one?

Okay, MLA Walker. It's up on the screen. Does that meet with what you're trying to say?

Mr. Walker: Yes. I'm satisfied with that, Chair. That captures my will.

The Acting Chair: He's just adding some more here.

Mr. Walker: That's even better. Wow. You're reading my mind.

The Acting Chair: Okay. Any discussion on that? Oh, go ahead. Yeah.

Ms Goehring: No. I was going to ask her for feedback.

Ms Robert: Thank you, Mr. Chair. The only question I have is that a lot of the written submissions that came in were from members of the public, and I'm not certain if that is captured in your motion. Maybe that's what the wish of the committee is, and that's totally fine. I just wanted to bring it to your attention.

Thank you.

Mr. Walker: That is a great point of discussion. I think I would be curious to hear from other members. That might be good to capture. Does anyone, any other committee member, Chair, through you, have any comments on this? We want to make sure . . .

The Acting Chair: Any problem with that?

10:00

Ms Sweet: Mr. Chair?

The Acting Chair: Go ahead. Yup. MLA Sweet.

Ms Sweet: Yeah. I think it would be appropriate to make sure that we have it reflected in there that the public submissions are also summarized. I think we may not have had organizations present to us in person, but they have submitted, from my understanding. So we need to make sure that their submissions are also reflected, please.

Mr. Walker: I'm agreeable to that, Chair. I think that's a great suggestion.

The Acting Chair: MLA Sweet, is that the amendment that you'd like to have put in there?

Ms Sweet: I don't know if I'm being picky, but the way that I read that would then be, "Recommendations from the Ethics Commissioner and lobbyist registrar and public submissions," but now we have February 23 and March 2. Public submissions were not submitted for February 23, so we have to make sure that the public submissions are reflected. I think it would be, "The standing committee direct research services to compile a summary of public submissions," period, and, "Recommendations from the Ethics Commissioner and lobbyist registrar to present stakeholders," something along those lines. Or we could have two separate motions.

The Acting Chair: Okay. So withdraw and create a new motion: that would be a possible way to do it, right?

Ms Sweet: I think that would be up to Mr. Walker.

The Acting Chair: Yeah. MLA Walker, the suggestion is that we withdraw it and then make a new motion with all of this in there.

Mr. Walker: Okay. I mean, if that is . . .

The Acting Chair: If that's okay.

Mr. Walker: Yeah. We've been down these rabbit holes before, and we can get out of them. So if that's agreeable and that's how it works, we can . . .

The Acting Chair: Okay. I need unanimous consent for that. So is there anyone that objects to that online or in the room?

Okay. All right. So then we'll rewrite it here.

Ms Robert: We have a suggested revision that might work.

The Acting Chair: You have a suggestion. Okay. Very good. That's why you're here.

Okay. Everyone have a look at that and see if there are any questions.

Mr. Walker: I'm feeling a bit picky, but let me read it.

Ms Sweet: Yeah. Perfect.

The Acting Chair: Very good.

Mr. Walker: You know what? I think we're good.

The Acting Chair: Okay. I'll need you to read that into the record.

Mr. Walker: Sure. Just hold on. Moved by Mr. Walker that

the Standing Committee on Alberta's Economic Future direct research services to prepare a summary document of issues and proposals identified through written submissions and oral presentations to the committee in relation to its review of the Lobbyists Act.

That is the motion I'm proposing.

Ms Sweet: Very well done.

Mr. Walker: Thank you.

The Acting Chair: Okay. All in favour in the room, say aye. Anyone in the room say nay if they're against it. Online, anyone that's for it, say aye. Anyone that's against it, say nay.

That's carried.

Thank you.

Other business. Is there any other business that members wish to discuss today?

Okay. The date of the next meeting will be at the call of the chair.

If there's nothing else for the committee's consideration, I'll call for a motion to adjourn. MLA Sweet. All in favour? Opposed anywhere?

Thank you, everyone. Talk to you next time.

[The committee adjourned at 10:06 a.m.]

