

Title: Wednesday, July 18, 2007 Government Services Committee

Date: 07/18/07

Time: 10:06 a.m.

[Mr. Cenaiko in the chair]

The Chair: Good morning, ladies and gentlemen. I'd like to call the meeting to order and welcome all of you here to our second meeting of the Standing Committee on Government Services, reviewing Bills 1 and 2. I want to remind committee members and presenters that they don't have to touch their microphones as they are being operated remotely by our *Hansard* staff that's here this morning. As well, when asked, the committee members and officials from the Department of Justice, the Auditor General and his staff, and LAO support staff are to introduce themselves for the record when we start the presentations. Just a reminder that members' meeting materials have been available online for printing and viewing since Friday, July 13, and that members are welcome to bring their LAO laptops to meetings and access the documents electronically during the proceedings. So we'll move forward, and we'll do introductions before we move on.

[The following committee members introduced themselves: Mr. Amery, Dr. Brown, Mr. Cenaiko, Mr. Coutts, and Mr. Marz]

[The following departmental support staff introduced themselves: Ms Barnsley, Ms Dafoe, and Ms Neatby]

[The following staff of the office of the Ethics Commissioner introduced themselves: Mr. Hamilton and Ms South]

Ms Rempel: Jody Rempel, committee clerk.

Mr. Cheffins: Craig Cheffins, Calgary-Elbow.

Mr. Reynolds: Rob Reynolds, Parliamentary Counsel.

Ms Sorensen: Rhonda Sorensen, manager of communications services.

Dr. Massolin: Philip Massolin, committee research co-ordinator.

Mrs. Kamuchik: Louise Kamuchik, Clerk Assistant, director of House services.

The Chair: Thank you very much. Again, good morning to all of you.

Number 2, we'll move to the approval of the agenda. If we can have a motion that the agenda for today's meeting, July 18, of the Standing Committee on Government Services be adopted as circulated. Moe and Neil. All those in favour? Opposed? Carried.

We'll move on to number 3, Review and Approval of Minutes from the June 27, 2007, Meeting. Any questions regarding the minutes? No questions. Can I get a motion?

Mr. Marz: Mr. Chair, I wasn't at the first meeting, but I do have a question relating to the communications plan, so it's probably more appropriate that I bring it up at that time.

The Chair: Thank you very much. Yeah, we'll look at some of the issues related to the communications at point 6.

Mr. Marz: Okay.

Dr. Brown: Mr. Chairman, I don't seem to have a copy of the transcript. I just wonder if that was circulated with the materials.

The Chair: Yes. Apparently it was, Neil.

Jody is going to pass out copies of the minutes. If you can review them.

While we're reviewing the minutes, I just want to welcome Craig Cheffins. The new MLA for Calgary-Elbow is here today. He's technically substituting for Mo Elsalhy, the co-chair, but there was a timing error. Craig is here as an observer and can ask questions of the committee and/or of the presenters, but because of the lateness in the substitution request, he can't vote at this meeting. In future meetings he will be able to. Welcome, Craig, to your first Standing Committee on Government Services.

So if we can get a motion to approve the adoption of the minutes from June 27.

Mr. Coutts: So moved, Mr. Chairman.

The Chair: Okay. All in favour? Any objections? The motion is carried.

Now we'll move on to 4, which is the Technical Briefing from the Department of Justice Officials. Thank you very much for being here. We have an hour, so at the 45-minute mark, at approximately 11 o'clock, I'll give you sort of a heads-up that you have 15 minutes left.

Ms Barnsley: Good morning. For the record my name is Alice Barnsley and to my right is Joan Neatby. At the foot of the table is Sarah Dafoe.

Mr. Chair, committee members, thank you for inviting us here today to speak about bills 1 and 2. It's our intention to present on Bill 1 first, followed by Bill 2. We have been allotted one hour and intend to spend about 40 minutes on Bill 1 and then the last 20 minutes on Bill 2. Consistent with the invitation to provide a technical briefing on the bills, we will be presenting a PowerPoint presentation reviewing the mechanics of the bills, outlining what they say and how they operate. Following each presentation we'd be happy to answer your questions about the bills, about the mechanics of the bills or other factual questions in terms of background to the bills, how other jurisdictions have dealt with particular issues, or about legislation of this sort, generally. If the information necessary to answer your questions isn't something we have at our fingertips, we'll be happy to work with the committee's researcher towards getting that information to you. Having said that, we're not in a position to debate or defend the policies reflected in the bill, and we're not in a position to provide legal advice or opinion to the committee. So with that introduction I propose to move on to discuss Bill 1.

We've provided some documentation to the committee. The first is this document entitled Bill 1: The Lobbyists Act Background. It sets out some history to the bill, a summary of the bill, and some information about the rationale behind the three key components to the bill. The second document we've provided is entitled A Guide to Bill 1: The Lobbyists Act. It provides a fairly detailed review of the bill on a concept-by-concept basis as opposed to being a section-by-section review. My presentation this morning is to a large extent a summary of that document. Finally, I believe you all have copies of the PowerPoint presentations for this morning.

10:15

To move on, then, to the substance of Bill 1. It has three key components. First, it establishes a lobbyists registry; secondly, it imposes a prohibition against lobbying and providing paid advice to government on the same issue at the same time; and thirdly, it mandates the publication of information respecting payments made

by government. I'm going to speak about each of those elements of the act in turn, but first I'd like to just touch on the concept of a prescribed provincial entity. This is a phrase that's used throughout the bill, and you'll hear me using it during my presentation this morning.

The essence of the phrase is this. The provincial entities to which the bill applies will be set out, will be listed in regulation, and the regulation-making power is set up in such a way that there could be different lists for the purposes of each provision in the bill where this phrase is used. So when a provision in the bill refers to a prescribed provincial entity, it's simply referring to those provincial entities that have been listed by regulation for the purposes of that particular provision. The bill defines for us the group or body of provincial entities from which the prescribed provincial entities can be selected. Those are anything that meets the definition of a provincial agency as defined in the Financial Administration Act, any body or entity that appears in the list of government entities in the most recent government estimates, or any body or entity that appears in the most recent government of Alberta annual report.

Turning, then, to the first key component of the bill. It establishes a lobbyists registry. The gist of the registry is that returns respecting lobbyists and their lobbying activities must be filed with a public registry. This really leads to two questions: who are lobbyists, and what is a lobbying activity? As to who is a lobbyist, the bill defines two types of lobbyists: consultant lobbyists and organization lobbyists. The distinction between these two impacts the information that's going to be contained in returns filed with the registry and the types of activities that amount to lobbying.

A consultant lobbyist is someone who lobbies for a third-party client for a payment. An organization lobbyist, on the other hand, is someone who lobbies for an organization with whom they have a pre-existing association and by whom they are paid. That might be, for example, an employee who lobbies on behalf of their employer or a paid corporate director who lobbies for that corporation. It's not necessary for organization lobbyists that their lobbying activities be part of their formal job description or formal duties or be responsive to a specific request from the organization to lobby. It is sufficient that they are paid by that organization and that they lobby on its behalf. The category of organization lobbyists also include sole proprietors who lobby on behalf of their business and partners who lobby on behalf of their partnerships.

There are a few details that I'd like to just stress at this point. First, lobbyists receive a payment. Therefore, an unpaid volunteer is not a lobbyist. Additionally, the bill does not draw a distinction between the for-profit and the not-for-profit sectors. Instead, the question is whether the individual at issue is one who is paid, not whether the organization or client on whose behalf they lobby is one which seeks to make a profit. Finally, the bill does not provide any exemption for professionals, so lawyers, accountants, doctors are all lobbyists when they otherwise meet the definition of lobbyist under the bill.

In addition to defining these two categories of lobbyists, the bill also identifies certain persons who when they are acting in their official capacity are not lobbyists even though they might otherwise meet the definition of organization lobbyist or consultant lobbyist. There are two different lists in the bill. The first is for people who are within the Alberta government, and the second is for people who are affiliated with other governments. Both of these lists can be added to by way of regulation.

Persons within the Alberta government who are not lobbyists when acting in their official capacity are MLAs, cabinet members and staff, officers/employees of the Legislative Assembly Office, Alberta public servants, and employees, officers, directors, and

members of prescribed provincial entities. Persons affiliated with other governments who are not lobbyists when they are acting in their official capacity include Members of Parliament and their staff, Members of the Legislative Assemblies of other provinces or territories and their staff, public servants of the federal government or other provinces or territories, officers and employees of municipalities, persons affiliated with councils under the Metis Settlements Act or bands under the Indian Act, foreign diplomats, and officials of UN agencies and other international organizations. All of these are people who when acting in their official capacity are not lobbyists even though they might otherwise meet the definition of lobbyist set out in the bill.

Having spoken about who is and is not a lobbyist, the next question to consider is: what sorts of activities would in fact amount to lobbying? There are basically three components that make up lobbying. It involves communicating with the public office holder in an attempt to influence that person with respect to certain matters listed in the bill.

If lobbying involves communicating with the public office holder, who then is a public office holder? This phrase is defined to include MLAs and staff, employees of government departments, people appointed by the Lieutenant Governor in Council or a cabinet member, and employees, officers, directors, and members of prescribed provincial entities. The bill also sets out some exceptions to that definition, which include provincial court judges, masters of the Court of Queen's Bench, justices of the peace, officers of the Legislature, and members of bodies acting in a judicial capacity. So those are people who are not public office holders.

The second component to lobbying is that it attempts to influence, and it's irrelevant whether that attempt to influence has been successful or not. All that's necessary is that the attempt is made.

The third component to lobbying is that the attempt to influence relates to certain matters that are listed in the bill. These are the development of legislation; the introduction, amendment, passage, or defeat of a bill or resolution before the Legislative Assembly; the development or enactment of a regulation or order in council; the development, establishment, amendment, or termination of any program, policy, directive, or guideline; the awarding of a grant or financial benefit; or the decision to privatize the delivery of goods or services. So if a person communicates with a public office holder in an attempt to influence that person on any of these listed matters, then that person is lobbying.

In addition, the bill lists two more matters that are lobbying for consultant lobbyists only that are not lobbying for organization lobbyists. The first of these is communicating with a public office holder to influence the awarding of a contract. To put this into a government procurement context, for example, if an in-house salesman approaches a public office holder to try to sell his company's products to the government, he is not lobbying because he's an organization lobbyist, and for an organization lobbyist influencing the awarding of a contract is not lobbying. If, on the other hand, a company hires a third-party consultant to approach government on its behalf to try and sell its products, then that person is a consultant lobbyist. They are attempting to influence the awarding of a contract, and therefore they are lobbying.

The second matter that is lobbying only for a consultant lobbyist is arranging a meeting between a public office holder and another individual. Now, this type of lobbying does not follow the same pattern as the other lobbying activities I've spoken about until this point in that it doesn't necessarily involve communicating with the public office holder. It doesn't necessarily involve trying to influence them in any matter. Simply arranging the meeting between a public office holder and another individual is lobbying for a consultant lobbyist.

In addition to defining what is lobbying, the bill also outlines some activities that do not amount to lobbying. The first is making a submission to a public office holder regarding the enforcement, interpretation, or application of legislation or regulations or the implementation or administration of a program or policy. You note that the bill draws a distinction between communications that seek to change the content of a legislative or policy document – for example, amending or passing legislation – versus those which only relate to how an existing document is being applied, such as the enforcement or interpretation of legislation. That is not lobbying.

Other communications that are not lobbying include submissions in response to a request initiated by a public office holder for advice or comment on a particular matter, submissions to an MLA by one of their constituents unless it concerns a private bill that would be passed for the special benefit of that constituent, submissions to a committee of the Legislative Assembly when a matter of public record or to a body with jurisdiction under legislation when a matter of public record. Those are all matters that are not lobbying.

10:25

I've just reviewed who is a lobbyist under the bill and what sorts of activities do and do not amount to lobbying. The relevance of these points is that returns respecting lobbyists and their lobbying activities must be filed with the registry. The obligation to file returns falls on the designated filer, and the designated filer is the most senior paid officer in an organization or the lobbyist him- or herself. For organization lobbyists the designated filer typically would be the most senior paid officer of that organization. For a consultant lobbyist who works in a firm of lobbyists, then it would be the most senior paid officer of that firm. But for a consultant lobbyist who is self-employed, then it would be lobbyist him- or herself who is the designated filer and who must file returns.

The bill contains lists of the information that has to be included in the returns. Schedule 1 lists the information to be provided regarding consultant lobbyists, and schedule 2 lists the information regarding organization lobbyists. Included on those lists are information about the lobbyist and their organization or client and information about the subject matter of the lobbying activities, including identifying the relevant legislative proposal, regulation, policy, program, et cetera, to which the lobbying activities relate. If the lobbyist is a former public office holder, then the return must indicate the nature and the term of the office held.

Now, I spoke a moment ago about the concept of a public office holder; however, in this context the phrase "former public office holder" is much more narrowly defined. It includes only a former cabinet member or former member of their staff; a former deputy minister, former assistant deputy minister, or their equivalents; and the former holder of a prescribed position with a provincial entity.

Additionally, the return must give the name of any government or government agency that funds the organization or client and the amount of that funding and the name of anyone that contributed \$1,000 or more towards the lobbying activities. Returns will also include the name of the department or provincial entity that employs the public office holder to be lobbied but will not name the particular public office holder. They would identify whether an MLA, cabinet member, or member of their staff will be lobbied but, again, would not name the particular individuals. They'd indicate the techniques of communication to be used, and for consultant lobbyists they would indicate whether the lobbyist is being paid a contingency fee. So that's the information that the returns must contain.

When must the returns be filed? For consultant lobbyists a return must be filed within 10 days of entering into a new undertaking to lobby – that is, a new agreement to lobby on behalf of a client – and

there would be one return filed per undertaking. For example, if a consultant lobbyist had 10 different clients on whose behalf it was lobbying, then they would have 10 different returns filed with the registry, one with respect to each lobbying undertaking. For organization clients, on the other hand, there would be one return filed per organization. The first return would be filed with the registry within two months of a person within the organization becoming an organization lobbyist; that is, coming within the definition of organization lobbyist. Subsequent returns would then be provided to the registry at least every seven months.

In addition to these routine filings, when information on a return changes or when new information becomes available that should have been included in an existing return, then that information must be provided to the registry. Additionally, the registry must be notified when a consultant lobbyist terminates a lobbying undertaking or when a person identified in a return as being an organization lobbyist ceases to hold that role. That information must be provided to the registry.

With respect to fees the bill allows that by way of regulation. Fees for filing returns might be imposed. That regulation-making power permits some variation in fees depending on certain factors, including the manner of filing the return. That might mean, for example, whether the return was filed electronically or in a paper format, the timing of the filing – for example, whether it was filed on time or late – and also the category of lobbyist involved, whether it's an organization lobbyist or a consultant lobbyist. But, as I said, these are matters are left to be set out in detail in the regulations.

The registry itself is going to contain all of the information included in the filed returns, and it will be publicly accessible. It would be overseen by the Ethics Commissioner and the registrar, the registrar being an individual within the office of the Ethics Commissioner who is appointed to that role by the Ethics Commissioner.

The bill sets out a number of powers and duties for the Ethics Commissioner and the registrar. The Ethics Commissioner can issue advisory opinions and interpretative bulletins regarding the interpretation, application, and enforcement of the bill or regulations. The registrar can verify information provided in returns, can refuse to accept returns if they are noncompliant, can request clarification of returns, can impose administrative penalties, and can also conduct investigations.

As to the registrar's investigative powers the registrar must conduct an investigation if he or she believes it to be necessary to ensure compliance with the bill. There are some exceptions to that requirement if the matter is minor or trivial, if it's better dealt with under other legislation, if an investigation would not be useful because of the passage of time since the incident in question, or if there's another valid reason. Similarly, if an investigation has been started, it may be discontinued for these same reasons. Further, if an investigation is under way, it must be suspended if the registrar discovers that the matter is already under investigation by another body, and that suspension lasts until the other investigation and any related charges have been resolved.

The registrar has a number of powers to enable him or her to gather the information they need during an investigation. He or she may summon witnesses, compel the production of documents, administer oaths, and accept information that may not be admissible as evidence in a court of law.

In the course of an investigation the registrar may not make any adverse findings against a person without, first, giving them notice of the allegations against them, and secondly, giving them a reasonable opportunity to present their views on the matter.

Once the investigation is complete, the Ethics Commissioner must prepare a report of his findings and reasons, and that report will be

submitted to the Speaker and then laid before the Legislative Assembly at the next opportunity.

In terms of enforcement the bill provides for two enforcement mechanisms which act as alternatives to each other. These are administrative penalties and the offence provisions.

With respect to administrative penalties when the registrar believes that the act or regulations have been contravened, he or she may impose an administrative penalty by way of a written notice served on the individual in question either personally or by mail. That notice would set out the amount of the penalty, which can be as high as \$25,000. The individual then has 30 days to pay, failing which the notice of administrative penalty can be enforced as if it were a judgment of the Court of Queen's Bench. The person served with a notice of administrative penalty has a right of appeal, and when that right is exercised, the appeal suspends the registrar's ability to enforce the notice of administrative penalty.

When a person pays an administrative penalty, they cannot be charged with an offence under the bill relating to the same fact situation. It's because of this that I said earlier that administrative penalties operate as an alternative to the offence provisions. Only one or the other can be used with respect to any particular contravention of the bill. There is a two-year limitation period for imposing an administrative penalty.

Finally, some of the details of administrative penalties are left to be worked out in the regulations, matters such as the form and content of notices, the specific amounts of administrative penalties or the manner to determine those amounts in any particular case, the nature of the appeal body, and the procedures on appeal.

The other enforcement option is the use of offence provisions. A failure to comply with certain provisions of the bill is an offence. These include sections 4 and 5, which require the filing of returns respecting consultant and organization lobbyists; section 10, which requires the filing of additional returns and information; and section 6, which prohibits lobbying and providing paid advice to government on the same subject matter at the same time. I will be speaking in a bit more detail about that prohibition in just a couple of minutes. There are two additional offences under the bill. These are violating a prohibition against lobbying or filing returns and providing false or misleading information to the registrar.

10:35

In terms of penalties upon conviction for a first offence there can be a fine of up to \$50,000. On a second or subsequent offence the fine can be up to \$200,000. Additionally, when a person has been convicted of an offence under the bill, the Ethics Commissioner can at his or her discretion, based on an assessment of the public interest, impose a prohibition against lobbying or filing returns. That prohibition can last for up to two years, and when a prohibition is imposed, then information about that prohibition has to be entered into the public registry. Additionally, the Ethics Commissioner has the option of publicizing information about the conviction, including the nature of the offence, the name of the offender, and the penalty that has been imposed.

The second key element of the bill is the prohibition against a dual role. The bill imposes a prohibition against lobbying on a subject matter and holding a contract for providing paid advice to government or a prescribed provincial entity on the same subject matter at the same time. Note that the prohibition only applies when a person both lobbies and provides advice on the same matter. There's no prohibition against lobbying on one subject matter and providing paid advice on another subject matter. Additionally, the prohibition is against holding both roles simultaneously. There's no prohibition against moving sequentially from one role to the other.

This prohibition applies to both individuals and their associates. Put another way, not only is it prohibited for one person to have both roles simultaneously, but it's also prohibited for people who are associated with one another to hold these two roles. For example, if one spouse provides paid advice, then the other spouse cannot lobby on that same subject matter at the same time. The same would be true of corporations and their directors or employees and employers. The bill sets out a list of relationships in which people are deemed to be associated for the purposes of this prohibition.

There's some relationship between the returns that are filed in the registry and this prohibition. In addition to the list of information I gave you earlier that was to be included in returns, returns must also include a declaration that the lobbyists addressed in the return are not in violation of this prohibition and a statement as to whether the lobbyists addressed in the returns or their associates hold any contract for providing paid advice and if so with which department or provincial entity.

Enforcement of this prohibition is the same as enforcement of the other prohibitions under the act. Through the offence provisions there could be a fine of up to \$50,000 on a first conviction, \$200,000 on a second or subsequent conviction, and there's the possibility of a prohibition against lobbying for up to two years. Alternatively, there could be an administrative penalty imposed of up to \$25,000.

The third and final element of the bill is that it mandates the publication of information relating to government payments. The Treasury Board must publish information relating to payments made by departments, and prescribed provincial entities must publish information relating to the payments they make. To clarify, the bill is referring here to payments very generally. This is not limited to payments relating to paid advice or payments to lobbyists or to people who have hired lobbyists. It's payments in a general sense. The regulations are going to set out the specific information which will be published and also which provincial entities this requirement will apply to.

That concludes my PowerPoint presentation. As I said earlier, if you have any questions respecting Bill 1, we'd be happy to field those.

The Chair: I have the start of a speakers list, with Richard Marz.

Mr. Marz: Thank you, Mr. Chairman, and thanks very much for the presentation. You didn't specifically mention, that I heard, school boards and RHAs and how they would be viewed by this legislation, whether they would be lobbyists or not. I'd like a comment on that. I know that it provides by regulation for adding to the list of what could be and what's not. I notice that municipalities are specifically in, and school boards and RHAs aren't.

The other question that I have is on the penalties, both administrative penalties and penalties on conviction. I assume that those numbers are comparable to other jurisdictions. If you could comment on that, where you got those numbers from. And on first conviction – you always anticipate with a new law that once it's passed, a number of people won't be aware of it. How much discretion will the courts provide on a first conviction if there is ignorance of the law?

Maybe if you could comment on those items.

Ms Barnsley: Joan, would you like to comment on the school boards?

Ms Neatby: Certainly. You're correct; as the act is drafted, school boards may be designated as prescribed provincial entities, or they may not be. That detail is left to the regulations. There needs to be

criteria for the regulatory policy to be developed. One option would be to amend the act to specifically place school boards in the same position as municipalities and others in section 3(1). Another option would be to do that through regulation. The approach to categorizing school boards varies between jurisdictions, so there is a difference in approach as to how they are treated in jurisdictions that have lobbyist legislation.

Ms Barnsley: In terms of your second question about the penalties this bill is unique in using the tool of administrative penalties for its enforcement, so there's no comparison to be made with other jurisdictions in that regard. In terms of the fines upon conviction the fines in this bill are the highest amongst any provincial legislation. The federal legislation does provide for the possibility of imprisonment for up to two years upon a conviction, so that is a distinction there.

Mr. Marz: Just expanding on the school boards a little bit more, does the department anticipate a difference between private schools and public schools as far as what would be a lobbyist and what wouldn't be, and then the same for colleges, private colleges versus provincially funded ones?

Ms Neatby: You raise an interesting point, and when the departments involved in developing regulatory policy look at that, I'll raise that with them so that they can consider that issue.

Ms Barnsley: Just to come back to the third element of your question, in terms of people who are unaware of the law and whether the courts would take that into account, ignorance of the law is not generally something the courts will consider. There are some transition provisions built into the legislation to give people some chance to bring themselves into compliance. For example, on the prohibition against holding a dual role, people have 90 days after the act comes into force to bring themselves into compliance with that prohibition. As I indicated earlier, the Ethics Commissioner will be able to issue interpretation bulletins and advisory opinions, and that might be an educational tool to assist people. It's also expected that there would probably be some sort of educational material produced by the office of the Ethics Commissioner to help educate people in terms of what their obligations under the legislation would be.

Mr. Marz: Thank you very much.

The Chair: I'd like to welcome the leader of the third party. Brian, thank you very much for coming this morning, and you're next on the list.

Mr. Mason: Thanks very much, Mr. Chairman. I had a question about the definition of a public office holder. Your last bullet on that slide indicates that members of bodies acting in an adjudicative capacity are not considered public office holders. I'd just like some clarification about what kind of bodies those would be. Would it be the Municipal Government Board? Would it be the EUB? What kind of bodies would fall in there?

Ms Barnsley: That is exactly the sort of thing that would be there. For example, the EUB, a body that's set up under legislation and acts in an adjudicative capacity: when it's doing that, it's not a public office holder, and therefore when people are making submissions to that body, they're not lobbying at that point.

Mr. Mason: Okay. Are there limitations in the legislation for the EUB or other bodies that prevent lobbying outside of the formal

presentation at a public meeting; in other words, lobbying but not, you know, appearing at a hearing?

10:45

Ms Barnsley: The restriction is bodies when they are acting in an adjudicative capacity. When they are not acting in an adjudicative capacity, then they would be public office holders the same way public servants might or other Lieutenant Governor in Council appointees might.

Mr. Mason: So if somebody, say from an energy firm, attempted to influence the chairman of the EUB or any other member of that body or a similar body on a matter that might or might not appear in a hearing but not at the hearing, then that falls within the definition of a public office holder?

Ms Barnsley: If they are attempting to influence one of those matters listed in the bill as being the matters to which lobbying relates, then yes.

Mr. Mason: Okay.

The Chair: Brian, I think we'll have to be careful about referencing certain organizations.

Mr. Mason: I was using it only as an example, Mr. Chairman. I apologize.

The Chair: We're reviewing the clauses of the legislation and not organizations.

Mr. Mason: I appreciate that.

I had another question with respect to investigations. It says that an investigation by the registrar must be suspended if an investigation is under way by another body, and I'm wondering how tightly that's worded. A couple of questions. What if another investigation by another body is begun after the registrar starts his investigation, and what if another body has begun an investigation but that investigation or that body is not particularly relevant or appropriate? Then does that automatically force the registrar to suspend his investigation?

Ms Barnsley: I'll just refer you to the provision of the bill. It's section 15(8), and it reads that

the Registrar shall immediately suspend an investigation under this section if the Registrar discovers that the subject-matter of the investigation is also the subject-matter of an investigation to determine whether an offence under this Act or any other enactment of Alberta or under an Act of Parliament has been committed or that a charge has been laid with respect to that subject-matter.

To answer the first part of your question, it would be as soon as he discovers that this other investigation is ongoing that the investigation under this bill would be suspended, and it would only be these particular types of other investigations; namely, an investigation determined there was an offence under this act, an offence under another enactment of Alberta or under an act of Parliament.

Mr. Mason: Just to be clear, if the registrar has initiated an investigation and subsequent to that another investigation is started, then the registrar must suspend his investigation.

Ms Barnsley: Once he discovers that the other investigation has started, then he must suspend his.

Mr. Mason: Okay. Thank you.

The Chair: Thank you, Brian.
Moe Amery.

Mr. Amery: Thank you, Mr. Chairman. My question is again on who a public office holder is. In our daily work and daily business we get a lot of requests from organizations in our constituencies applying for government programs like CFEP and CIP and all those things, whether it is for projects that are done here in the cities, in the province or outside, especially when it comes to the Wild Rose Foundation. It has an international branch. They ask us to write a letter of support for that project. In the past some accusations have been made that some MLAs did the letter of support in return for support on the campaigns, something like that. Is that considered lobbying or influence by the MLA or the person who writes the letter?

Ms Barnsley: Your question would be really if an MLA is writing a letter in support.

Mr. Amery: Right. In support of the project of that group.

Ms Barnsley: Is the MLA lobbying? Is that your question?

Mr. Amery: Yeah. Lobbying or influencing.

Ms Barnsley: The MLA would not be lobbying because they are listed on the list of people who when acting in their official capacity are not lobbyists. So as long as the letter of support or what have you is being written in their official capacity as an MLA, then that would not be lobbying.

Mr. Amery: Okay. My other question, which is brief: the timing of returns. The last bullet here says, "Subsequent returns at least every 7 months." What is the significance of seven months versus six months or one year?

Ms Barnsley: I'll refer you to the particular provision of the bill. It's section 5(1)(b), and it requires as subsequent returns are filed "within 30 days after the expiration of each 6-month period after the date of filing the previous return."

Mr. Amery: Okay. It's clear now. Thank you.

The Chair: I'd just like to follow up on Moe's question. We talked about the volunteer organizations. So if it's a volunteer that is lobbying, volunteers that are unpaid, they're not lobbying.

Ms Barnsley: That is correct.

The Chair: But if they, for example, are a member of the board of directors for that not-for-profit organization that may be getting a stipend, are they lobbying?

Ms Barnsley: If they are receiving a stipend, then they may well be a lobbyist.

The Chair: Okay.

Dr. Brown: I'm just going to mention, Mr. Chairman, that Mr. Amery's comments regarding the content of what the MLAs would do are really the subject matter of the other bill that is before the

committee, which is Bill 2, the Conflicts of Interest Amendment Act, 2007. There are specific exemptions in that other bill which deal with the ability of an MLA to represent not only their constituents but also other Albertans. So I think we can appropriately address some of those concerns when we get to the other bill.

The Chair: Thank you very much, Dr. Brown.

Mr. Cheffins: Just a follow-up on your point, Mr. Chairman. Doesn't it say something about: and associates? So if a board member with a not-for-profit organization was not lobbying, because they're not paid, but one of their associates is the executive director of that association, are they then including the executive director may actually be a board member as well? Would that then be lobbying?

Ms Barnsley: The concept of associates and people associated to one another is really only relevant in the context of the prohibition against holding a dual role. So in terms of who is and is not a lobbyist, it's just looking exclusively at that person and their personal activities.

Mr. Cheffins: Okay. Thank you.

The Chair: Again, if they were getting paid as the executive director, then they would have to register as a lobbyist.

Ms Barnsley: Correct.

The Chair: Okay. I think that's it for questions.

We'll move on to Bill 2. We've got about 20 minutes for the presentation and Q and As, just to let you know.

Ms Dafoe: All right. Thanks very much. My name is Sarah Dafoe, and I am here to present some information about some of the key amendments to Bill 2, which is the Conflicts of Interest Amendment Act, 2007. I understand that each of you has been given or has access to a document entitled A Guide to Bill 2, which provides further details about the bill that I'll be discussing.

10:55

As Alice indicated earlier, following my presentation I'll be happy to take any questions that you might have about the mechanics of the bill, how it works. However, I'm not in a position to debate or defend policies reflected in the bill or to provide legal advice or opinions to the committee.

Bill 2 primarily amends the Conflicts of Interest Act, which is the act that sets out rules to ensure that MLAs don't pursue their private interests at the expense of the public interests. The act has rules regarding participating in decision-making, accepting gifts, contracting with the government, that sort of thing, and it also requires all MLAs to disclose their financial interests to the Ethics Commissioner on an annual basis.

As you may know, in 2005 an all-party committee was established to review the provisions of the Conflicts of Interest Act. The committee conducted a fairly extensive consultation, advertising for input in all the local newspapers and directly mailing a number of discussion guides to known stakeholders. There wasn't a huge response, unfortunately. Notwithstanding that, the committee had a number of extensive and great discussions, and they issued their final report in May of 2006. I believe you all also have access to that final report.

In light of the time, I propose to discuss three of the key amendments to Bill 2 here today. Of course, at the end I'll be happy to answer questions on any of the amendments in the bill.

The three key amendments first of all relate to changes to the cooling-off periods. There are updated rules for former ministers, there are new rules for former political staff members, and there are new rules for deputy ministers and senior officials. I'll also touch on some of the updated conflicts rules applicable to all MLAs and also review some of the revisions to the gifts rules.

With respect to former ministers the act already has cooling-off rules in place for former ministers that restrict the activities of those former ministers for a period of six months after they leave their ministerial posts. Bill 2 extends that period to 12 months. That means that for 12 months a former minister is restricted in his ability to contract with the government and solicit contracts for himself, is restricted in what outside employment he or she can accept, and is prohibited from switching sides; that is, if you worked on a particular transaction as a minister, then you can't work on the same transaction for another party once you leave government.

Bill 2 also imposes a new restriction on former ministers which is basically a prohibition on lobbying the government on behalf of a third party during the 12-month cooling-off period. So this will stop a former minister from making representations to any part of the government or any provincial agency as defined regardless of whether the former minister had direct dealings with that body during their time as minister.

Finally, the bill will also require a former minister to get approval from the Ethics Commissioner for each and every exception to the cooling-off rules. Where formerly some exceptions were automatic, now the Ethics Commissioner has to provide a blessing.

Bill 2 also imposes cooling-off rules on a new category of people known as former political staff members. So putting postemployment rules in place in legislation for these positions is something new for the government. Where primarily they would have been dealt with in individual employment contracts before now, however, now there are rules in legislation. The bill defines a former political staff member as a chief of staff, a deputy chief of staff, the director of the Premier's southern office, and executive assistants to ministers. Any person who holds one of these positions will be subject to a six-month cooling-off period, and during the cooling-off period they'll be subject to the same rules as for a minister. So, again, they're restricted in their ability to contract with the government or solicit the government for contracts for themselves, they're limited in what outside employment they can accept, they're prohibited from switching sides on a transaction, and they'll be prohibited from lobbying the government on behalf of a third party.

Now, there is one exception for former political staff members to the general employment restriction that would allow a former political staff member to work with the government or a provincial agency after leaving their political staff position. This will allow, for example, an EA to a minister to move into a government job as long as the position is filled in accordance with the Public Service Act. That's the act that sets out rules about competitions and filling positions.

Activities of former political staff members will be overseen by the Ethics Commissioner in the same way that he oversees the actions of members and former ministers, so they will be able to get advice and instructions and, where appropriate, exceptions from the rules from the Ethics Commissioner. The Ethics Commissioner will be able to conduct an investigation of an alleged breach by a former political staff member. If a former political staff member is found to have breached the legislation, the cooling-off provisions, they are subject to a fine of up to \$50,000.

Bill 2 also amends the Public Service Act. It sets up a six-month cooling-off period for deputy ministers and senior officials. It doesn't set out the specific cooling-off rules but authorizes a

regulation to be established under the Public Service Act to do the following: to identify which senior officials would be subject to the cooling-off rules – deputy ministers are automatic – what the cooling-off rules will be; if, when, and how the rules could be waived or modified; and who will conduct investigations and what the parameters of the investigation will be. As with former political staff members, if a breach is found, the senior official or deputy minister could be subject to a fine of up to \$50,000.

Moving away from cooling-off periods I'd like to touch on three specific changes that will affect the actions of all MLAs. First of all, currently a member can't participate in a decision knowing that it might advance the private interests of him- or herself, his spouse, direct associates, or minor child. Bill 2 updates that rule to include adult children. While that doesn't mean that a member has to inquire into the financial interests of his adult children, it does mean that if the member knows of a particular financial interest, the member can't participate in a related decision that could affect that financial interest.

The second expanded rule relates to confidential government information. The act as it is now prohibits a member from using or communicating confidential information in order to further the interests of the member, the member's direct associates, spouse, or minor child. The bill tightens this rule significantly in that it prohibits a member from using confidential government information to further anyone's interests. Confidential information gained by a member in the course of carrying out his duties will be only able to be used for the public good.

The third rule I'd like to point out relates to influencing Crown decisions. This may relate to Mr. Amery's question in the former presentation. Currently a member can't try to influence a Crown decision in order to benefit his or her private interests, the interests of his direct associates, spouse, or minor children. The bill will broaden this rule to prohibit a member from trying to influence a Crown decision to improperly benefit anyone's private interests. This is aimed at ensuring that a member doesn't act improperly to benefit his neighbour, his parent, his sibling, his friend, someone who wouldn't ordinarily be caught by the existing language of the act.

Now, obviously this rule could be interpreted quite broadly, but it has to be weighed against an existing section in the Conflicts of Interest Act, section 5, which recognizes that it's the duty of an MLA to attempt to influence decisions. That's what MLAs do. They do it on behalf of their constituents. They do it on behalf of Albertans. The amendments to this provision attempt to get members to think about the propriety of their actions before they take any steps to consider whether, basically: does it pass the smell test? For example, are you using your influence to get your neighbour a government contract? It might be acceptable to tell your neighbour about the existence of the contract. It might be acceptable to tell your neighbour about the tendering and the RFP process. It likely wouldn't be acceptable to try and lean on the department in question to get them to give your neighbour that contract.

11:05

Now, moving on to the amended gift rules, the general rule, of course, is that members can't accept gifts that are connected with the performance of their office. The exception to that rule is that members can accept incidents of protocol. Something like a token of appreciation given to a member for speaking to a group of businessmen might be an example. The maximum value of acceptable incidents of protocol right now is \$200, but the bill increases that maximum value to \$400.

The other change is to allow MLAs to accept noncash gifts from

their political party, from their constituency association, from a charitable organization. There's no monetary limit on these kinds of noncash gifts. The idea here is that this might allow a member to accept tickets to a charity's gala evening or accept tickets to a fundraising event for a constituency association, that sort of thing.

The last provision I'd like to point out is clarification on the rules regarding noncommercial flights. The general rule again: MLAs can't travel on private aircraft. However, if an MLA is travelling in his or her capacity as an MLA, minister, or Assembly appointee, the MLA can accept a noncommercial flight. Typically this might involve taking a flight to assess a disaster area like a flood or an oil spill, travelling to a remote area that might not otherwise be accessible by commercial aircraft. But one way or the other, the Ethics Commissioner must be informed within seven days of taking this flight, and information about any of these noncommercial flights will be included in the public disclosure statements provided under the act.

That concludes the presentation on Bill 2. I'd be happy to take your questions.

The Chair: Thank you very much.

First up is Richard Marz.

Mr. Marz: Thanks again very much for the presentation. I've got a question on the cooling-off rules for staff. I'm trying to ask this question in a way that I'm not debating the bill, but it's tempting. The executive assistants is an example. If people who are trained in political science, highly trained individuals for a specific function, quit this job, it's just like a welder quitting his job. You want to get a job as another welder or related duties. I'm thinking that it could almost be a deterrent to want to work for government if you have a restriction for six months after you quit that you can't do the type of work you're trained to do in the private sector. It's a huge loss not to get paid for six months and not work at all. I'm just wondering about the rationale for that, and perhaps you can comment on that. I won't go any further than that because I'll probably save that for when the bill is debated in the House.

The expanded rules for MLAs, the interpretation between private and public interest: I'm a bit concerned about that. How do you push something in the public interest without somebody privately benefiting from that? You're pushing for expanded road building, for example, and through the course of your life you know people. You might even have a friend that's in the business. Is that going to be interpreted as a conflict if you happen to have a friend that gets a contract because you were lobbying for more roads in your area? That's a concern to me.

MLAs on private aircraft: how close is the department looking at interpreting that? I've got a neighbour, for example – I'll use myself as an example – who's been bugging me for years to go up on a Sunday afternoon to fly with him. Is that any different than driving in a car with him? Aircraft is a means of transportation, in my mind, and is that any different than me going for a ride with somebody in their boat on the lake or in their automobile?

I'm just wondering why aircraft is being singled out as a mode of travel that MLAs can't travel on. And defining: what constitutes a private aircraft, a certain size of private aircraft? It puzzles me why aircraft is being singled out as a mode of transportation that seems to be taboo for MLAs. In parts of this province, especially in the north, aircraft is probably the most common form of transportation. If you could comment on those, I'd appreciate it.

Ms Dafoe: I'll give it a shot. Your first question was with respect to cooling-off periods specifically for executive assistants. Really,

you know, you've hit the nail on the head. In determining, first of all, whether there should be a cooling-off period applied and how long that cooling-off period should be, there really has to be a balance sought because of course you want to attract people to these positions. Whether it be an elected position or a former political staff position or a deputy minister or a senior official, you want to attract qualified people. You want to get new blood in, that sort of thing.

At the same time, you want to protect the public interest to make sure there isn't this perception that they've taken something from the government, that they're using information that they shouldn't be using, that they're using their influence that they shouldn't be using once they leave the government. You don't want to unduly restrict what people do when they leave. So there are all sorts of factors that have to be considered in trying to come to a balance.

The balance that the committee came to was that they recommended that a cooling-off period was appropriate for certain senior officials. Executive assistants have access to some information that the public might consider information that should be kept private; there should be some restrictions put on their work after they leave the government. But it's all a question of balance. It was debated in the committee. If this committee wants to provide further recommendations on that point, I can assure you that the department would be interested to hear that input.

With respect to your questions on the expanded responsibilities for MLAs, your question, again, was a question of balancing. You're asking, as I understand it: when does something stop being in the public interest and verge too far into a private interest that you're influencing inappropriately? As I mentioned earlier, there's a provision in the act, section 5, which has been amended slightly by Bill 2. I'll read you the amended provision. It says, "A Member does not breach this Act if the activity is one in which Members of the Legislative Assembly normally engage." The restriction talks about: you can't improperly influence or you can't try and improperly provide an advantage to somebody.

Those statements are grey – there's no denying it – but we're trying to legislate morality here, right? You can't be too specific because if someone comes up with another way of, you know, messing around with the public interest, they will do so. So they're left grey. They're left for interpretation. MLAs have to think carefully about what they're doing before they do it, and they have the added benefit of being able to talk to the Ethics Commissioner, get a neutral third-party's view on the issue, get some advice, find out where the line is. Am I crossing the line? Does this just not smell bad?

11:15

With respect to your question on aircraft – what is a private aircraft? – a private aircraft would be something that is not a commercial aircraft, so something where you don't buy a ticket from a company in order to go on that aircraft. It doesn't depend on the size or anything like that. Why was it separated as a means of transportation from riding in a boat or in a car? I'm trying to throw my mind back to the discussions that the all-party committee had on that point. I know that the committee ultimately decided to stick just with aircraft. Dr. Brown, do you have any recollection of the reason why not cars or boats?

Dr. Brown: Mr. Hamilton might be able to assist us in that regard, but my recollection was that it had to do with mobility and the distances involved and whatnot, and generally that was for longer trips.

Mr. Marz: If I could be more specific before the answer. It doesn't happen in my part of the province very often, but I could see it

happening in some of the northern communities where a person would want to show an MLA something. In my case, if a constituent wants to show me something, they'll often say: well, just jump in my pickup and we'll go. I can see in the north, in some isolated communities, they'd say: well, just jump in my plane and we'll go. To me I can't see the difference between that MLA and myself and him having to go through a different set of rules simply because the normal mode of travel would be a light aircraft rather than a car.

Mr. Hamilton: It's been a long time doing this. When I was in the Premier's office, Harry Strom lost and he got a ride from Mannix in the one and only private jet. It flew him down to his constituency, went back to Calgary and picked up Peter Lougheed and brought him to the auditorium. So it's been done a long time. It's not really a clear-cut thing. Sometimes it's kind of abuse, and sometimes it might be helpful. All I can say is that I think that if somebody's going to go on a private jet, they should come and see me or phone me. I'll ask the questions, and if I like it, I will or vice versa.

Mr. Marz: It gets to the same thing. If I want to take a day off and someone says: "Well, why don't you come out to the Shuswap and go skiing with me? Don't bother bringing your boat because mine's out there. We'll use mine, and next time we'll use yours," to me I can't see the difference between accepting a ride in some type of craft and singling it out because one has wings and one doesn't. It's a method to get from point A to point B.

The Chair: Moe, on this point.

Mr. Amery: Thank you, Mr. Chairman. I thought I heard you saying that the Ethics Commissioner must be informed of the flight within seven days from taking that flight, but what I heard Mr. Hamilton now saying is that he should be informed before the flight is taken.

Ms Dafoe: The legislation requires advising the Ethics Commissioner within seven days of taking the flight, so it may be after.

Mr. Amery: Okay. Thanks.

Ms Dafoe: Perhaps I could offer to review the all-party committee transcripts and see if I can provide an explanation at least of the committee's thinking on that point, if it would be helpful.

The Chair: Sure. Then you can forward that to us down the road. That'll be fine.

I just want to touch on one of Richard's questions regarding the expanded rules for all MLAs, and I want to be sure on this. If you were my neighbour and there was a job in Justice for a lawyer and I advised you of that job and then said, "I'll act as a reference for you" – obviously because I know you and you're my neighbour – have I now breached the legislation because I'm trying to get you a job because you're unemployed, there's a job in government, and you're a good lawyer?

Ms Dafoe: Well, let me refer you to the provisions. Section 3 of the act – this will be as amended – says:

A Member breaches this Act if the Member uses the Member's office or powers to influence or to seek to influence a decision to be made by or on behalf of the Crown to further a private interest of the Member, a person directly associated with the Member or the Member's minor child, or to improperly further another person's private interest.

So what we have to look at would be: are you using your office or

powers to influence or seek to influence a decision made by or on behalf of the Crown? Are you using your powers to influence the decision? Again, this might be a question that you would want to raise with the Ethics Commissioner before you do it, but it might be that you're acting as an individual, as a reference; you're not acting as my personal MLA in this matter. Maybe it's okay. On the other hand, is this an improper influence? If you say, "As an MLA I urge you to hire this person because she's fantastic," that might be stepping beyond.

Again, it's always a question of weighing and talking to people, getting advice, trying to determine when you're stepping beyond the bounds of what's proper. What would the public think if they knew that you were putting a reference in for this person? It's not like you're telling the government to hire this person. You're providing a reference.

The Chair: Okay.

Mr. Amery: But if providing that reference is going to further the interest of the person that you are writing the reference letter for – for instance, we get lawyers, since he's talking about a good neighbour lawyer, who ask us to write letters recommending them for a QC. [interjection] They do. That will further their interest, and my understanding is that if a lawyer has a QC behind his name, that's probably \$100 more an hour. That's what I heard. I don't know if that's true or not. Is that considered influencing?

Ms Dafoe: I have to be careful in trying to address this, first of all, because I may come to you in a few years and ask you to write a letter for me.

The Chair: Just say no.

Ms Dafoe: Realistically, I think one would have to look at the information bulletins provided by the Ethics Commissioner on this issue, talk to the Ethics Commissioner about these issues, and get that neutral third-party input on it. I'm not sure that you can give a yes or no answer that would apply to every situation. I think it does depend on, maybe, who you're dealing with, what the facts are of the situation, and that sort of thing. I think that's the benefit of this legislation, giving all members the ability to talk to the Ethics Commissioner about those grey areas.

The Chair: Next on the speakers list I've got Dave Coutts, Brian Mason, then Craig.

Mr. Coutts: Thank you very much, Mr. Chairman. The discussion around this topic is an interesting one. When we talk about grey areas, I can see where the Ethics Commissioner and his office are going to get a number of calls to get clarifications, so he's going to be a lot busier person.

I need some further explanation of the phrase "further interest of adult child." I'm looking at the expanded rules for all MLAs. There are decisions made in caucus and in government from time to time that do affect MLAs' children who are now in the workforce, such as registered nurses, LPNs, teachers, and that type of thing. I notice in your comments that an MLA does not breach the act – this was a quote that you made out of the act. I believe it was that an MLA does not breach the act if it's an activity that they would be normally engaged in. So in a caucus discussion around furthering the interest of someone in a profession that your child might be a member of, would you have to then declare that and remove yourself? I just need a clarification on that.

11:25

Ms Dafoe: Sure. We're talking, first of all, about private interests of an adult child, and the term "private interest" is defined in a kind of backwards way in the act. The act says what a private interest does not include. It does not include

- (i) an interest in a matter
 - (A) that is of general application,
 - (B) that affects a person as one of a broad class of the public, or
 - (C) that concerns the remuneration and benefits of a Member.

It also doesn't affect

- (ii) an interest that is trivial;
- (iii) an interest of a Member relating to publicly-traded securities in the Member's blind trust.

So I think what you'd be talking about is an interest in a matter that's of general application. It's of broad application to a group of people. Likely, that wouldn't be a matter where you would have to recuse yourself.

One of the benefits of having members come from all sorts of different backgrounds is that they can bring their experience, their expertise, their knowledge in those areas to help inform caucus discussions and discussions in the Legislative Assembly. This act isn't trying to say that if you know anything about anything, you're out. It also isn't trying to say that if you have a tenuous connection that, you know, might be affected by a decision, you have to call yourself out. It's trying to address specific situations where there's more or less a cause and effect.

Mr. Coutts: Mr. Chairman, I want to thank the presenter for that clarification.

The Chair: Thank you, David.
Brian.

Mr. Mason: Thanks very much. I appreciate the presentation. I have a couple of questions. With respect to rules for senior officials most of that is going to be set out in regulation, which is a little different than how other categories of persons is handled. So my first question is why that approach around senior officials is being dealt with primarily by regulation.

The second question has to do with the decisions that could further the interests of adult children. You said that only if the member knows and that there's no requirement to probe into your adult child's affairs, which is reasonable, I guess. But I'm wondering about the whole potential for wilful blindness in this respect and whether or not the test is going to be whether or not a member should reasonably have known about the interests of their adult child. So if you could answer that question, I'd appreciate it.

The third question has to do with the whole question of acting to further the interests of people who make political donations to your campaign or to your political party, just how that has bearing on the appropriateness of actions of MLAs.

Ms Dafoe: All right. Your first question related to the fact that the rules for cooling-off periods for deputy ministers and senior officials is in regulations. Why was it done that way? The all-party committee that reviewed this legislation recommended that the government look into creating cooling-off periods for certain senior officials. The recommendation was a fairly broadly based recommendation, leaving details to be kind of sorted out by the government.

There's a kind of separation between those that are covered by the Conflicts of Interest Act. We have political people, so you have the

former ministers. You have people who have a sort of involvement in day-to-day political dealings: the chief of staff, the deputy chief of staff, and executive assistants. With deputy ministers and senior officials, theirs is a less political role. They are already subject to rules and regulations governing their behaviour. Sometimes they may have individual employment contracts; sometimes they may not. There's a range of employment standards in place for deputy ministers and other officials that would be considered to be senior officials. So, first of all, it's going to take a little bit more time to figure out what rules they're already subject to, who should be subject to these rules, and that sort of thing.

Again, the same questions that have been applied to former ministers and former political staff members will be asked, whether they should be applied to these deputy ministers and senior officials. There's a feeling that it wasn't appropriate to do this in the Conflicts of Interest Act because that deals with political officials. So it's going to have to be related to the Public Service Act, and allowing it to be put in regulations will help sort of define it within the parameters of the Public Service Act itself.

Mr. Mason: Just on that point. It's not just a question of how much political influence a former senior official may have. It's also a question of what knowledge they may have that may be of use to a private employer that that private employer perhaps shouldn't have because it may affect, you know, their competitors and so on.

Ms Dafoe: Right. Again, I would say that in developing the regulation, the same kinds of restrictions will be considered for deputy ministers and senior officials. It's something that will be reviewed to determine what are the most important parameters for those cooling-off rules.

The Chair: On this point, Dr. Brown.

Dr. Brown: Well, just to add to what Ms Dafoe has said, it's not only a question of finding some sort of a balance between, you know, attracting people to public service and the fact that they're governed by different legislation. I think that in a broader sense there was a concern with the fact that we're dealing here with an employment contract, an employer/employee situation, whereas the elected officials presumably know what they're getting into when they allow their names to stand for office. It's a different approach with respect to those that are actually employees.

I think the sensitivity there was with respect to the fact that if we're going to impose the legislation, we have to be sensitive to the fact that there is this broad range of employees out there already that have certain provisions in their employment contracts and that we have to recognize that when we are moving forward in terms of the regulations. That's why it wasn't possible to take everybody as a large group, from deputy ministers, assistant deputy ministers on down the chain, and try to put them all under one rubric because we couldn't find something that fit all of those employment categories. There are EAs and political staff in the Premier's office and whatnot that, again, are under a different sort of regimen in terms of their employment.

I hope that's helpful.

11:35

The Chair: Thank you, Dr. Brown.

Brian, do you have another question?

Mr. Mason: No. But I had two that are as yet unanswered.

The Chair: Okay. Go ahead.

Ms Dafoe: Your second question, as I recall, was the question about wilful blindness: will the act open up the opportunity for someone to be wilfully blind to the interests of their adult children? The provision of the act, section 2, as amended will say:

A Member breaches this Act if the Member takes part in a decision in the course of carrying out the Member's office or powers knowing that the decision might further a private interest of the Member, a person directly associated with the Member or the Member's minor or adult child.

The keywords here are: knowing that the decision might further a private interest of the member's adult child. Your question with respect to wilful blindness, I guess, would come down to a question of proof and evidence. If someone believes that the member knew about this interest, registers a complaint or notifies the Ethics Commissioner and asks the Ethics Commissioner to investigate, that's the sort of thing that the Ethics Commissioner would consider: did you really know, or did you really not know? It would come down to evidence.

Mr. Mason: Or should you have known?

Ms Dafoe: Well, the act requires you to know.

Mr. Mason: So if my son owns a cement company, for example, and I use my influence to get that cement company a government contract and then claim that I didn't know that my son owned the cement company and there's no proof that I did, where are we?

The Chair: Well, I think, Brian, using your influence to get your son to pour your neighbour's driveway is where you're using your position, right? As an MLA, using your son to pour your neighbour's driveway at a deal, for example. I mean, that's what you can't do.

Mr. Mason: But I'm trying to relate it to government. If as an MLA I try to get my son or get that particular company a contract with the government and I should have known that my son has an interest in that company but I claim I don't and nobody can prove I did, where are we?

The Chair: That's a difficult question. As I think someone mentioned earlier, I mean, if your son or your daughter is a nurse and working in a hospital here in Edmonton or Calgary or wherever and if you're debating the issues at Public Accounts, for example, regarding the budget for that health region, I mean, you in fact . . .

Mr. Mason: But that's a thing of general application.

The Chair: Part of what's behind this legislation as well, I think, is that there had been issues related to MLAs hiring their children to run their constituency offices. I think that's one of the reasons that this is before us now. I think that that was debated. Again, this is probably more a question for the Ethics Commissioner, who we're going to be hearing from shortly, and I'm sure he'll provide us with some very good information as it relates to the interpretation of the act. So we'll move on if that's okay with you, Brian.

Mr. Mason: All right.

Ms Dafoe: Could I just ask you to clarify your third question relating to political donations?

Mr. Mason: Well, suppose that I have a campaign donor that also wants a government contract and suppose that I try and get that

campaign donor a contract with the government. Is that considered a conflict?

Ms Dafoe: Well, the legislation has been expanded to prohibit a member from using his office or powers to improperly further any other person's private interests. So if you're trying to do a tit-for-tat thing with your campaign donor, I would say that, yes, that would be a violation.

Mr. Mason: Okay. Thank you.

The Chair: Okay. Next on the list – and we'll have to move on – is Craig.

Mr. Hamilton: Mr. Chairman, I didn't think we were going to be here this long.

The Chair: Oh. You have to be going?

Mr. Hamilton: Can I be excused?

Mr. Cheffins: My question was just in general. I don't know if it's an appropriate question to ask, whether or not there was feedback from the Ethics Commissioner in terms of just how onerous this was going to be, if there had been any discussion around that at all. I don't know if this is an appropriate forum for that question or not, Mr. Chairman.

Mr. Hamilton: Karen will be here. The brains will still be here.

The Chair: Well, if you'd like to provide your presentation right now, Mr. Hamilton, that would be great if you can, or if Karen could, that would be great as well.

Mr. Hamilton: We are pleased for the work that has been done by you and us, and it's a good document. We have a few minor things, but it is in place. By the time this is on to working it, I will be gone. My term is over next spring. I think that when you do go through a process like this, we think we know everything we could've got and we've got it there. Then when you're working through it, working out there, you have to go back and visit it again. I think that's just going to help. But we got the wheels on the road, and I thank the committee.

Mr. Cheffins: That sort of answers my question. I just want to know in general whether or not the committee is on track. You'd say yes?

Mr. Hamilton: Yes.

The Chair: I apologize, Mr. Hamilton. We've sort of passed the agenda schedule that we wanted to keep, but regarding your presentation and Karen's presentation, would you like to . . .

Mr. Hamilton: You just got it.

The Chair: That was it? Well, then, I think it was very good. I think the issue will be that the Ethics Commissioner's office will obviously have a much more important role to play in the future regarding both these acts. As well, obviously, they'll probably need additional staff because I think you're going to be questioned a lot more so than you have been in the past.

I'll just ask if there are any questions from members of the committee for Mr. Hamilton, and then we can break for 10 minutes here. Dr. Brown.

Dr. Brown: Yes. Mr. Hamilton, I'm just wondering. You mentioned that there were a couple of areas, I believe, that you might have done differently from what the bill did, reading between the lines. I wonder if you could just explain or tell the committee whether or not there are any specific recommendations that your office might have with respect to the contents of the bill and whether there's any specific thing that we could do to improve the legislation.

Mr. Hamilton: No, we don't think so. Well, only for the airplanes. We would ask you to have the person getting on that plane to phone or come and see me: where are they going and how are they getting there and why? If a member does it without coming, then we've got to get after him.

Mr. Marz: Just on that point, Mr. Hamilton, an example. My neighbour phones up and says: "There's a fly-in breakfast at such-and-such a place. Would you like to go along on some Sunday morning?" You say: yeah. According to the guidelines private flights are generally out, not allowed. In some communities, as I said before, especially in northern communities, that's the normal mode of travel.

11:45

Mr. Hamilton: Yeah. I think you should be able to do that. You're not doing it as an MLA or the government. You're going flying with a friend.

Mr. Marz: That would have to be reportable, though.

Mr. Hamilton: Yeah.

Mr. Marz: I guess that you have to start thinking about this all the time, and your mind becomes so preoccupied with some of these rules. I mean, a lot of people wouldn't think about that: oh, yeah, I flew with my neighbour someplace. It becomes so common in some areas that they'd be reporting it all the time. I can't see that as any different, flying to a fly-in breakfast with somebody, than spending a weekend at the lake in their cottage if you're invited to do that and going on their boat with them.

Mr. Hamilton: And do you talk to people who had to walk there and drive their cars there and tell them that you're doing that?

Mr. Marz: Walk where?

Mr. Hamilton: Well, wherever.

Mr. Marz: You don't have to report that sort of thing.

Mr. Hamilton: No.

Mr. Marz: Why would you have to report one mode of transportation to get from A to B? I just don't understand why aircraft are being singled out. It's a mode of transportation, a modern mode of transportation. Why should it be any different? If you were living on the coast, you'd be running up and down from point to point in a boat probably more often than you would in an aircraft. Would that be reportable? I don't know why we're singling that out.

The Chair: Okay. We'll move on.

Mr. Amery: On the same point, Mr. Hamilton, does the same thing apply to an emergency on a weekend, and you cannot be reached?

Mr. Hamilton: Sure. You can do it.

Mr. Amery: You can do it? You can fly and report it after?

Mr. Hamilton: Sure. Yeah. But tell us and why, and then we say okay.

Mr. Amery: Okay. If in your opinion it's not appropriate that the MLA took that flight, what is the penalty? Is there a penalty if an MLA took a flight that in the opinion of the Ethics Commissioner is not appropriate?

Ms Dafoe: I suppose it would be possible for the Ethics Commissioner to sort of conduct an investigation and make a report to the Leg. Assembly on that point. I mean, ultimately information about that flight is going to be released as part of the public disclosure statement, so that information will be made public. The MLA in question may have to deal with the fallout at that point.

Mr. Mason: Just on that point. If you took a flight, then you phone the Ethics Commissioner and the Ethics Commissioner says it's not okay, wouldn't the matter be solved simply by paying the person the value of the flight? Wouldn't you just deal with it that way?

Ms South: Apparently that is one of the reasons why this issue has arisen. Transport Canada has issues about paying people when they're noncommercial. If it's a private aircraft, you can't pay for the flight. The reimbursement issue has become one of the factors for why this is in the legislation.

The Chair: Okay. Well, if there are no more questions, I'd like to thank individuals from the Department of Justice that are in attendance today for providing us with a technical briefing on bills 1 and 2, those being Alice Barnsley, Joan Neatby, and Sarah Dafoe. Again, thank you for joining us this morning. As well, thank you to Mr. Don Hamilton, the Ethics Commissioner, and Karen South, the senior administrator for the office of the Ethics Commissioner, who again provided us with a great deal of information and some knowledge regarding both bills as we move forward.

Before moving on to the next agenda item, I think it might be a great opportunity for you to take a quick break, so a 10-minute recess to prepare for a working lunch. When we reconvene, we'll move on to the next agenda item. But it is a working lunch, just to let you know.

Thank you very much.

[The committee adjourned from 11:50 a.m. to 12:16 p.m.]

The Chair: Okay. We've got our committee back. Ladies and gentlemen, we'll move forward on 6, Communications Plan. We have three items on the agenda there. There's a document included in your package regarding a rough time frame for the completion of the various stages of the committee's review process, and that's included, as I say, with the briefing notes. I've also asked you to all put aside time this fall on specific dates for potential committee activities. While some of the dates may be adjusted in response to the input we receive from various stakeholders, I think this timeline provides a reasonable estimate for the committee's progress over the

next few months. We don't need a motion on this. This is strictly for information purposes only, but really we are pressed for time in the fact that we just have September and October and then have to be ready and have a draft report and a report recommended by this committee that has to go before the Legislature, obviously, the first week of November. So we want to ensure that we do have the time that's going to be available to us. Any questions regarding that?

In working with the Clerk's office, I looked at when the CPC committee meetings were as well as holidays and tried to work around those just to make sure that we don't conflict with some of the other Public Accounts meetings which are going to be held in September and October as well here on the fourth floor. We tried to manage our way through the loops here. So a number of us are going to have a lot more meetings than we normally do when we're not in session. We'll try to keep our schedule as tight as we can with the time frame given the fact that we, as I say, only have three months from now to have it ready, and really August is going to be a month when everybody will be gone, so September and October will be critical months.

Dr. Brown.

Dr. Brown: Yeah. Mr. Chairman, I just noticed that on the timeline there's no direct reference to sending out to the stakeholders. I know that one of the purposes of the meeting, which was stated in our agenda today, was presumably the approval of the stakeholders list which is being drafted and perhaps some comments and additions thereto. I would suggest that part of the requirement for the time period at the end of July is to send out to all the stakeholders. I know that, as Ms Dafoe had mentioned earlier, there was such a solicitation done for the select committee's work previously, so I would assume that that is part of your deadline requirement for the end of July.

The Chair: Yes. In fact, we're going to be talking about that as we move forward. Actually, we can discuss the stakeholder list now if you'd like to, Neil, in that committee members have received copies of the stakeholder list for bills 1 and 2 in the information that was provided. I believe Philip has a few comments to make about the stakeholders list.

Dr. Massolin: Yes, I do. Thank you very much, Mr. Chair. I just wanted to give the committee a little bit of background with regard to the method of drafting the stakeholder lists for Bill 1 and Bill 2. The first thing to know – and I'm sure you're all very aware of it but just to point it out – is that the two lists of stakeholders are very, very similar to one another, and that is because of the similarity of the topic areas.

With respect to the research method as to how the list was derived, first of all we read through the bills, we read through press clipings, and we considered the previous stakeholder lists, specifically this select committee. We also consulted with Parliamentary Counsel. After doing that, we decided to present the two stakeholder lists in the following way; that is, to group the stakeholders according to a core group and a noncore group. Within each of those two basic divisions we have the subcategories just for organizational purposes, for convenience.

Just to point out a couple of other particulars. The criteria for the core grouping are as follows. For the academics and the academic organizations we decided to draw the line at Alberta-based organizations or individuals with a few exceptions. One notable exception is Dr. Allan Tupper, who is now teaching at the University of British Columbia. The policy institutes are Alberta-based policy institutes.

The lobbyists themselves are lobbyists who are Alberta based. That's the line we drew.

You should also know about the lobbyist list, the appendix to the stakeholder list for Bill 1. That was derived in part from a database for the federal lobbyist registry and in part from the list from the special committee. You should also note that that list contains examples of consultants and organization lobbyists.

I think that's all I have to say about the stakeholders lists. Are there any questions about the criteria or the methods?

The Chair: No. I don't believe there are, so I'll tell you what. I'd like to get a motion that

the stakeholder list for Bill 1 be approved as circulated, including the core stakeholders and the following supplementary stakeholders, which Philip just discussed. Can I get a motion from the floor?

Mr. Amery: So moved.

The Chair: All in favour? Opposed? Carried.

We'll do the same for the stakeholder list for Bill 2. We need, again, a motion that

the stakeholder list for Bill 2 be used as circulated, including the core stakeholders and the following supplementary stakeholders.

Again, this is the stakeholder list that will go out. Can I get a motion for that?

Mr. Coutts: So moved, Mr. Chairman.

The Chair: All in favour? Opposed? Carried.

We have that done, so I just want to go back. We'll just finish up on the draft from our previous meeting and on the agenda item. It's the communications initiatives regarding a draft news release that was distributed to committee members at the beginning of today's session. With the committee's approval this release can be distributed to media outlets by the communications branch of the Clerk's office. Are there any questions about the news release itself? I think it's very self-explanatory, and I think it looks very good. So if there are no questions on that, then I'll ask for a motion that

the draft news release inviting public input on Bill 1, the Lobbyists Act, and Bill 2, the Conflicts of Interest Amendment Act, 2007, be approved as circulated.

Mr. Amery: I so move.

The Chair: All in favour? Opposed? Carried.

12:25

Mr. Marz: Under communications, Mr. Chair, if I may. On the timelines I see that we have deadlines for written submissions. A decision hasn't been made yet to have public hearings, even though oral presentations are on that timeline in mid-September. September 27 and 28 have been designated dates for potential public hearings.

A concern I have, Mr. Chairman, dates back to the minutes from this morning when I asked for a chance to discuss the motion not to undertake paid advertising. I guess my point is that these committees are a chance for Albertans to partake in the legislative process in a way that they've never had before, and advertising in the weeklies and dailies is still the accepted mode of getting legal notification to the public. I think it would be an error to not advertise in the weeklies and the dailies to let them know what this committee is doing and give them opportunity through that process. I've been on enough committees to know that not everybody reads those, but it does allow the committee after the fact to produce the ads and say, "Yes, we did advertise," and it seems to be the end of

the situation. I don't know how the committee could explain to the public that we're seeking public input but not taking advantage of the dailies and the weeklies to advertise.

If it's in order, Mr. Chairman, I would move that the motion of the Standing Committee on Government Services that the committee not undertake paid advertising for public input on Bill 1 and Bill 2 in daily or weekly newspapers passed at the June 27, 2007, committee meeting be rescinded.

The Chair: There's a motion on the floor.

Dr. Brown: Well, this is a bit of an unusual situation. At the last meeting, Mr. Chairman, we had six members present. Three of them are not present today, half the people here, and four out of the seven people who participated in today's meeting were not present at the last one. Given the fact that we're allowed substitutions, I would suggest that the composition of the committee may vary considerably, as it already has, from one meeting to another. If we were to revisit these matters every time the committee convenes, it could well be reversed the next time we meet too if the original people that voted on the original proposal were present at that time. Now, that's the first point I would make.

The second point I'd like to make – and I think Ms Dafoe made it quite eloquently in the preface to her presentation when she talked about the circumstances of this committee meeting. I'm repeating myself somewhat for the benefit of the people that weren't here last time. This committee is in a somewhat unique position because of the fact that we already have had an extensive public consultation regarding the content of these two bills, Bill 1 and Bill 2. We went through an advertising process, which was exactly as Mr. Marz has indicated, which was an advertisement in all of the weeklies in the province of Alberta as well as the daily papers. I think Ms Dafoe indicated that it was some 570 stakeholders identified the last time to which a discussion guide was sent, a very extensive discussion guide which indicated all of the various issues in some depth and asked for public input. Having done that, I think we received a grand total of approximately 20 submissions in writing, which were taken into consideration by the all-party committee. We also had the benefit of some very extensive briefing submissions by people from the Justice department. We had the benefit of Parliamentary Counsel's input, the benefit of the Ethics Commissioner's input.

My point is that we have been through what is being proposed already in the case of these two bills. The result was this report, which was a unanimous, all-party committee report that came out and was the result of the very extensive request for consultations. I won't say that there was a lot of input because there certainly wasn't.

The issue came up at the last meeting as to whether or not we were prepared to authorize a budget. I forget the exact numbers, but it was in the area of \$35,000 or \$40,000, as I recall, to do a full advertising in all of those papers which I mentioned. As I stated at the last meeting and as I will restate, I think that we have to be good stewards of the public purse. To expend money when we've already done so to me is an exercise in futility to some extent. I believe that if we proceed with the very extensive list of stakeholders, if we also do a press release and, hopefully, do get some publicity around it – perhaps we might want to ask the chair if he'd be prepared to go down and appear on the *Rutherford Show* or get some other publicity. That wouldn't be a bad thing either. But I think that there are other ways to promote the work and the activities of the committee than doing an extensive advertisement, which, as I stated previously, did not engender a great deal of return. I think it would be a much more profitable way for the committee to pursue.

While we may want to at some point advertise – and this certainly

hasn't been foreclosed – the fact that we are going to hold a hearing or a public presentation, I don't have any problem with that. But to simply go about and do a blanket advertising of the fact that the committee is undergoing its work and that we want to receive and solicit input into the deliberations of the committee I don't think would be a good use of taxpayer money. So I'm opposed to the motion to rescind the previous well-considered motion not to advertise and solicit input on the deliberations, as I said, because of the fact that we've already sought public input on these very issues.

The Chair: Thank you, Dr. Brown.

Richard Marz and then Brian.

Mr. Marz: Thank you, Mr. Chair, and thank you, Dr. Brown, for that background. The committee he talks about, which is the select all-party committee that prepared the report to review this, is different. Their mandate is different. It's a different committee than the Standing Committee on Government Services to review the legislation and allow for written submissions and/or public consultation on the legislation itself. That's what this committee is doing. It's reviewing the legislation, not bringing forth a report making a recommendation to legislate. So it's two different things.

The reason I brought forth the motion to rescind is that the motion precluded any advertising for submissions to this committee, advertising for written submissions and/or public hearings or oral presentations, and that rescinding it would open the door for us to allow advertising for specifically getting people in the know, that we are now reviewing the legislation, that we do now welcome public input into the legislative process by written submissions and/or public hearings on this issue. So that's my argument in support of this motion.

12:35

The Chair: Brian and then David and then Moe.

Mr. Mason: Thanks very much, Mr. Chairman. Well, you know, I think that Dr. Brown has put forward some very persuasive arguments in a number of areas with respect to this question, but what I'm thinking, and the thing that's kind of decisive for me, is how we want to start out in this committee, in this new type of system that we have established. I think it's important that people know what we're doing, that we're doing something differently, and that they have the opportunity, whether or not they take advantage of it, to make their presentation to this committee.

I accept the argument that the function of this committee is rather different than the original select committee, which was gathering input prior to the drafting of legislation. Our role is to take drafted legislation that has been before the House and examine it and make sure that the public has an opportunity. My experience when you do advertise for committees around legislation – and I'm drawing on my experience in municipal government – is that very few people actually do so, but I think it's very important that they be given the opportunity. The other concern I have is that I don't want to establish a precedent where the people who are entitled to make representations on legislation are predetermined by the committee, so only people that the committee has established as stakeholders are really in a position to come forward. I think that's a rather partial democracy.

I think it's important that we at least try this, and based on our experience, we can make a decision about, you know, the cost-effectiveness of making those kinds of expenditures in the future. I think we should start out on the right foot with respect to this and make sure that the people of Alberta know at least that they have an opportunity to be heard with respect to this legislation.

The Chair: Thank you, Brian.
David Coutts.

Mr. Coutts: Thank you very much, Mr. Chairman. I'm going to give you a couple of questions at the end of my comments. The questions are going to be around you as chair in consultation with the other committee chairs. Right next door to us we have another committee going on, on sustainability, and they are reviewing bills as well. I'll be wondering if there's been any discussion between the chairs on a couple of things.

I'm a firm believer that when the consultation goes out with an initiative, as was done, certainly, with the Conflicts of Interest Act, that people had input. From that consultation with the stakeholders and members of the public we formulated a report. That report then came and went through a process which led to the ultimate legislation, which we have to deal with now, and we're dealing with that in a public way. This is in *Hansard*. It's here for all Albertans to read and to know what is being said about the legislation. The briefings that we got today on both these pieces of legislation are there for Albertans to look at.

For those ordinary Albertans that maybe do not know what's going on, if they happen to stumble across it and particularly if conflicts of interest is something that they really want to know whether or not the government and the Legislature is acting accordingly and putting in the proper provisions and whether they agree with those provisions, I think they have an opportunity to take a look at this legislation, both these pieces of legislation, and provide their comment on. So I believe that the opportunity should be given to not just stakeholders but also to Albertans.

I applaud the press releases, but I'm not confident that the press releases will give people the impression that they have the opportunity to come forward with a written submission even though it does say that in it. This is a new committee. This is a new structure. I believe that if we go out and sort of limit that – well, it's been said: limit democracy by not advertising – people will say that they were somewhat shortchanged and will come back after us.

I need to know if the other committees might participate in sort of a blanket advertisement, like both committees or however many committees are out there now do one advertisement for all of the bills. I think we're all on pretty well the same timelines here. We all have the same schedules, and we all have the same restrictions on our time. So that would be, I think, a consideration. We could save a huge amount of money if we could do all of the committees that are presently working.

The next question is: have you and the other committee chairs talked about actual public presentations in front of the committees?

The Chair: Thank you, David. The budget for communications is one budget for the four committees. It's my understanding that one of the other committees, which has legislation that the Assembly has directed, maybe as of yesterday has agreed to a communication plan which will be informing the public through a news release as well as a paid advertisement. The two other standing committees I don't believe have legislation at this point in time, but they are working on some government reports, I believe. I'm not totally aware of what the contents of the work that they are doing will be. But the other committee that met yesterday, I believe, has provided for a media awareness project.

We have met as chairs, and I think we were, through some very good discussion, concerned as well regarding the issues that you raised as well as Mr. Mason and Mr. Marz with relation to the public and notifying the public and/or ensuring that the public has the opportunity to be aware of the legislation as well as an opportunity

for input. Knowing Dr. Brown's work on the select committee last year and the follow-up work, I understand his point of view, but I think we'll continue on.

Mr. Coutts: I just want to go on the record, then, as saying that I would support this motion if we were to co-ordinate the advertising with the other committee, if it's possible.

The Chair: Okay. Well, we'll discuss that after. There's a motion on the floor right now. We'll get through the motion, and then we'll look at the next motion if there is one.

Moe.

Mr. Amery: Thank you, Mr. Chairman. Actually, Mr. Coutts asked my question. My question was in regard to if there was any consultation between you and the other committee chairmen about advertising, that if they were advertising and we're not, there is a concern. I would be concerned that we will be seen as not so transparent and not sending the information to the public that is needed.

My other concern, though, as Dr. Brown mentioned, is that we made a decision in the last meeting, and now it's going to be rescinded in this meeting. I'm afraid of setting a precedent, so in the next meeting another decision that we took today will be rescinded. We'll be setting a precedent, so every meeting we will rescind a vote that we took in the previous meeting.

12:45

The Chair: Well, hopefully, that won't happen.

Mr. Amery: Okay. But it could.

The Chair: I just want to make you aware, though, that there were discussions by myself and other chairs. There was concern related to ensuring that the public was well notified and/or had knowledge regarding the opportunity, and within the last two weeks I've asked Rhonda in communications to do some work for us whether we need it or not. But there's a motion on the floor, so I would call the question.

Dr. Brown: I have some comments before you call the question, if I could. With respect to the idea of piggybacking onto the other committee, I want to make it clear that I have no objection in principle to the idea of advertising. I just think it would be not profitable for us to do so in view of the fact that we've already sought extensive public consultation on these issues, and if there is an opportunity for us to piggyback on another advertisement without incurring further cost to the taxpayer, then I'm all in favour of it.

Just another comment, if I could, with respect to the scope of this. I agree with the fact that the mandate of this committee is different in that the previous committee gathered extensive input on a whole range of issues relating to the Conflicts of Interest Act and made specific recommendations with respect to the lobbyist registry. I would respectfully submit that the mandate of this committee is much narrower because of the fact that this legislation has now been referred to us after second reading. Second reading is approval of the bill in principle. What we're seeking right now is really input with respect to the contents of the bill in a technical sense and not a major rewrite of the bill but to make amendments to make the bill better. The bill has proceeded through approval in principle, so what we're seeking probably has a narrower scope of interest with respect to those persons who are possible stakeholders than the broader public consultation, where we're looking at the whole issue of ethics in government and so on.

But, as I said, Mr. Chairman, I certainly have no objection to the fact that we could advertise and request input to the contents of the bill if it could be done as Mr. Coutts has indicated, if it could be done in a piggyback on another committee's work.

The Chair: Well, maybe we'll hear from Rhonda regarding that. I think there might be an issue regarding the – well, I'll let Rhonda answer that. I'm just concerned about submissions for Bill 1 and Bill 2 going to the appropriate committee clerk versus responses to bills 1, 2, 31, and 41 getting mixed up with submissions between the clerks' offices. So that might be some difficulty. But, Rhonda, can you provide us with some information on that?

Ms Sorensen: Yes. Thank you, Mr. Chair. I do apologize. I wasn't at the first meeting. I did kind of want to clarify that the plan that was presented there was not an actual strategic recommendation based on the committee's objectives. It was simply kind of: here are things we've done for other committees. I do understand what Dr. Brown is saying. In fact, we did do quite an extensive consultation on the Conflicts of Interest Act, but I guess that if you're looking for a return on investment, you also have to factor in due diligence and whether or not you are informing the public. But that's not really the issue here.

In terms of what we're talking about now, piggybacking, we would not be able to do it with the Community Services committee, which Mr. Marz chairs, simply because the ads are already in the process of being sent to the publications. They were approved two days ago. The news release went out yesterday, and the ads are already being placed. So we would have to pull them, redesign them, and replace them at probably an additional fee. There might be opportunity with other committees. Resource and Environment, I believe, is meeting right now. They've given no direction in terms of what they're doing, so I'm not certain what opportunities might be there. We would have to wait until the end of the day to see what's there.

The Chair: Okay. Thank you, Rhonda, for that. We'll maybe come back to you in minute here.

Okay. We have a motion on the floor to rescind a motion, a motion by Mr. Marz that

the motion of the Standing Committee on Government Services that the committee not undertake paid advertising for public input on bills 1 and 2 in daily or weekly newspapers, passed at the June 27, 2007, committee meeting, be rescinded.

Those in favour of the motion? Opposed? That's carried.

Now, obviously, we'll be looking for a motion, then, regarding paid advertising, so we'll need a motion on the floor. Rhonda, do you have something you can hand out to us regarding what an ad could look like and/or the costs associated with an ad?

Ms Sorensen: Yes. Jody has the ads. I've put together costs but without knowing what you might want to do in terms of: do you want to do all dailies plus all weeklies? Just dailies? Just weeklies? We can break down costs depending on what the wish of the committee is in terms of getting those advertisements out if they choose to do so.

The Chair: Can you give us breakdown of the costs?

Ms Sorensen: Yeah. If you were to do dailies, if you chose to just do Edmonton and Calgary, the four papers there, it would be a cost of \$12,053, and you'd be hitting approximately 900,000 people. For an additional \$3,500 you could add in the other dailies in Alberta,

which include the *Red Deer Advocate*, *Medicine Hat News*, *Lethbridge Herald*, *Fort McMurray Today*, and *Grande Prairie News*, adding an additional 64,500 people to the distribution list, so in total a daily campaign would cost \$15,624, reaching an estimated population of 1,000,020 people.

Did you want the weeklies as well?

The Chair: Can I get some input from the members?

Mr. Mason: Well, just a question. If we don't do the weeklies, is there a significant portion of the province that doesn't get a notification? I'm concerned about, you know, the smaller centres. The rural areas may not even be aware.

Ms Sorensen: There are certainly issues that you need to take into consideration. The weeklies do hit some of the areas that the dailies don't, although the dailies do give a fairly good coverage of the province. The benefit of weeklies sometimes is that they do have a longer shelf life. The people within the constituencies, in the communities, generally read those papers cover to cover, and they're sitting around the homes for an entire week, whereas the dailies: you get them; you see them, or you may not see them. I mean, in an ideal world to hit the entire province and saturate it thoroughly, you do both the dailies and weeklies. However, I think you're still doing a very good coverage with simply the dailies. You may not reach all the smaller populations.

Mr. Mason: Could you remind me of the two cost figures of that?

Ms Sorensen: For the weeklies?

Mr. Mason: For the dailies and then for the dailies and the weeklies.

Ms Sorensen: Okay. For the dailies, if you were to just do Edmonton, Calgary, it's \$12,053. If you do all the other dailies as well, it's \$3,570 for a total of \$15,624, and that's based on this advertisement, so that size.

Mr. Mason: And if you add the weeklies?

Ms Sorensen: If you add the weeklies, you're going into 95 additional publications reaching an additional 684,000 people for a cost of \$41,532.

Mr. Mason: Okay. I guess, Mr. Chairman, the advertising for all of these standing committees is handled by the Clerk's department. Is that correct? Am I right?

The Chair: By the LAO. Yes.

Mr. Mason: Yeah. It seems to me that what we should sort of strive to do is work out a fairly standardized template for an advertising campaign by all committees. When specific committees have some legislation or some other issue that they wish to have a public hearing on, they just submit that information and the LAO looks after the advertising in a standardized way so that we're not trying to recreate the wheel every time we do it and try and reach an agreement with the other committees on the template. Then, you know, you can evaluate how it's worked after a year or so.

The Chair: I like to, Brian, just bring to your attention that the ad that you see before you, the draft, is, again, sort of a template of what the Standing Committee on Community Services has used, so it will all be similar in visual nature. They all will look the same

other than the contents. The questions are a little different because the bills are different.

12:55

Mr. Mason: And by template, Mr. Chairman, I also mean the standard advertising. Where we advertise and so on is also part of the template.

The Chair: Well, we can do that, depending on the issue, I guess. Depending on the legislation taken forward, some may need more; some may need less. But, again, that's up to this committee to make that decision. We will be seeking a motion regarding the draft news release that you have in your package as well, that will be going out. If we don't decide, for example, to go to the weeklies – it takes the bill from \$15,000 to \$41,000 – there is a draft news release that will be going out to every agency out there, so they, again, have that opportunity to put that into their weekly newspapers as well.

Mr. Mason: The difficulty, of course, is that just because you put out a news release doesn't mean that it's going to be picked up. You know, our caucus has put out much more interesting – no offence – releases than this one, and we got no coverage.

The Chair: Well, your news releases are very interesting, Brian.

We'll get back. Prior to making a motion, we have to decide, then, if we want to do all of Calgary and Edmonton dailies, all provincial dailies, all provincial weeklies, all provincial dailies and weeklies. So we need a motion.

Dr. Brown: Cost of the total.

The Chair: Well, the cost for Calgary and Edmonton and the provincial dailies is \$15,000. Is that right, Rhonda?

Ms Sorensen: Yes, \$15,624 for all Alberta dailies.

The Chair: All the dailies. If you add all the dailies and the weeklies, it's \$41,000.

Ms Sorensen: No. The entire campaign for all weeklies and all dailies is \$57,156.

The Chair: Okay.

Mr. Coutts: Mr. Chairman, I'd like to know where the \$20,000 figure came from, then. I mean, if I would have had this information, I might have rethought my vote from before. But on the original motion setting a maximum of \$20,000, I'm just wondering where that information came from.

Dr. Brown: That motion never passed.

Mr. Coutts: Oh, okay. All right. I was confused, and I apologize for that.

The Chair: We have to make a decision on where we want the publications to be: Calgary, Edmonton, and the dailies, which is \$15,000; or Calgary, Edmonton, the dailies, and the weeklies, and all provincial dailies, which is \$55,000. Can I get a motion from the committee?

Mr. Marz: If I may, Mr. Chair. We don't necessarily have to do the same type of advertising in this committee as Community Services. It is two different issues. In Community Services one bill is in

second reading and one bill is in first reading, and they engage Albertans in totally different ways and at different levels of interest. Perhaps all the provincial dailies would be adequate for this because it's a totally different subject matter and in a different stage of development in the Legislature. That would just be my observation. We may get adequate coverage with all the provincial dailies. That would also include the small city dailies, right?

The Chair: Yes.

Mr. Marz: I would be willing to move that we put forward a motion that we entertain advertising in all the daily provincial papers.

The Chair: Okay. Something to the effect, then, that Mr. Marz makes a motion that

the Standing Committee on Government Services undertakes paid advertising for public input on Bill 1 and Bill 2 in all provincial dailies and approves the ad as submitted and circulated.

Ms Sorensen: I just want to point one thing out on the ad before that motion carries: the deadline for submissions. We put in the same deadline as for Community Services. I want to make sure that that's okay with the committee or if you want a different deadline.

Mr. Marz: That was August 24.

The Chair: I think that's fine. That's five weeks. Because of the fall and because of our timelines, I think that's fine.

Mr. Marz: We have the same deadlines for reporting.

The Chair: Okay. So there's a motion on the floor by Mr. Marz. All those in favour? Opposed? Carried.

Mr. Mason: Mr. Chairman, I'd like to propose something as well, and I'll just get your comment before I make a motion. I would propose that the committee ask you as the chairman to get in contact with the chairmen of the other standing committees and if they're agreeable work with the LAO to develop a fairly consistent template for advertising so that the committees that were considering bills or matters that needed advertising could pool their resources, and the LAO could look after this so that we would standardize it a bit and share the costs. Does that sound like a reasonable thing to do?

The Chair: I think it's very good. Actually, I'll ask Rhonda and Jody to see if we can organize that prior to the 24th. If we can try to get a date, we can have a meeting, maybe something that Rhonda or I can report back at the next meeting just to ensure that the LAO is – I mean, this is all new for us and new for the LAO. But I think you make a very good point, Mr. Mason, that developing a template that all four committees can use just makes sense.

Even the appearance of this ad going into the paper, obviously, will attract the attention of members of the public, but as well once they see this down the road in a year from now or six months from now again, it sort of highlights an opportunity from the Legislative Assembly of Alberta for public input. So I think it's very good. I'll ask Rhonda and Jody to work on that for our next meeting.

Okay. There's a draft letter to stakeholders. That's sort of the last page of your tab 6, I believe. It's really the letter to stakeholders that's been prepared at the direction of the committee. These letters to stakeholders can be mailed out shortly as per our motion earlier that Philip helped us on. So I need a motion that the stakeholder letter discussed at the July 18, 2007, meeting of the Standing

Committee on Government Services be adopted as circulated or as revised. Any questions regarding that letter? I think it's very good.

Dr. Brown: It's fine. Both bills have received second reading by the Legislative Assembly. I just wonder whether in the second sentence there you might clarify that for the purposes of the general public so that they know what second reading means in terms of approval of the principles.

The Chair: Okay. So if we're in agreement with that, then we'll just say that

the stakeholder letter be adopted as revised.

All those in favour? Approved.

Okay. Under 7, Other Business, I believe we were handed out – or is it in the package? – what the website is going to look like. Have you each had an opportunity to take a look at that? If you have any comments and/or concerns regarding it, Rhonda would be more than happy to answer any questions you have.

Rhonda, do you want to just briefly . . .

1:05

Ms Sorensen: Yeah. Very similar to the advertisements and the news releases, we're trying to create a consistent flow here with all the committees. Each of the committees has its own site. This particular one is for Government Services. It outlines the basic principles of the bills, meeting dates, all sorts of information that we can change or update at any time. We're just looking for an acceptance to let us put it up before we send out any advertising or news release because it all refers back to the website.

The Chair: Thank you very much, Rhonda.

Mr. Marz: Any changes that any member wants have got to go through the chair of the committee, right?

Ms Sorensen: That is up to the committee. Yeah.

The Chair: This is changes to the website?

Mr. Marz: Yeah, I think it should.

The Chair: Yeah, probably it should be approved.

Mr. Marz: I don't think any individual member should be able to just put on whatever we want.

The Chair: No, no. I don't think so because then they'll have your birthday on it.

Mr. Mason: We could put some good stuff up there.

The Chair: Or Brian will be advertising on it. That's right.

Okay. That's a good point. Any changes to that we should probably bring back because obviously it will affect the websites for the other committees as well.

Thank you very much, Rhonda.

Just one last area, and this is more for the members. If you require some research to be done, Philip is available to provide that for you. Philip, have you got anything to add?

Dr. Massolin: Yeah, just one thing in specific. I know that it might be a little bit late in the day given the fact that we've already had the technical briefing from the Department of Justice, but I was wondering if the committee would like me to do cross-jurisdictional analyses for Bill 1 and Bill 2?

Mr. Amery: That would be helpful.

Mr. Coutts: What does that mean?

Dr. Massolin: It means assessing the legislation on lobbyists acts in other jurisdictions.

Dr. Brown: Well, Mr. Chairman, I think that material would be quite easily accessible, and I have a number of binders from the technical briefings that we had for the work. The select committee on conflicts of interest did do a comparison with respect to the other jurisdictions on all of those issues, including the lobbyist registry, and also with respect to, as I recall, the cooling-off periods for other jurisdictions and whatnot. If that's what Philip is referring to, I think the material is already available.

Mr. Marz: If that could be made available to all of these committee members.

Dr. Brown: Sure.

Dr. Massolin: Yes. In talking to Parliamentary Counsel, that's my impression of it as well, exactly what you said, Dr. Brown.

Dr. Brown: I think it would be useful. As I said, it's easily accessible, and perhaps Philip can collate that and provide it to the committee.

The Chair: Philip, any problem with that?

Dr. Massolin: No problem.

The Chair: Okay. To finish off here, any other items for discussion from any of the members? We've covered the staff issues.

If not, we'll move on to 8. The next meeting is scheduled for September 13 at 10 a.m. Then, as the month of August flows by, I think Jody will be able to provide us again with confirming some of those future dates into September and October. Obviously, we have to be ready for session the first week of November. I know that Brian wishes it was tomorrow, but it's not.

Mr. Mason: This is fun too.

The Chair: This is fun.

If there are no other questions, we'll see you September 13 if not before. Again, thank you very much.

I need a motion to adjourn. David Coutts. Those all in favour? Opposed? None. Carried.

Thank you very much.

[The committee adjourned at 1:10 p.m.]