

Title: Tuesday, April 12, 2005 **Private Bills Committee**

Date: 05/04/12

Time: 8:33 a.m.

[Dr. Brown in the chair]

The Chair: Ladies and gentlemen, I think we'll get started. Some of us have other obligations this morning.

I would just begin by welcoming everyone here this morning, this second meeting of the Standing Committee on Private Bills. This morning we have two of the bills to deal with, but before doing that, I want to deal with some preliminary matters. Just to make sure that everyone has got before them the notices of the revised schedule of hearings of the committee. You should also have the minutes of the last meeting of March 22 and a transcript of that proceeding.

So with that, we'll move to the agenda. Could I have a motion to approve the agenda as circulated? I don't know who had their hand up first, Mr. Johnson or Mr. Lindsay. All in favour? That's carried.

Now moving on to the approval of the minutes of the last meeting. Does everyone have the minutes before them? Could I have a motion to approve the minutes as circulated? Mr. Johnson. Mr. Agnihotri. All in favour? Anyone opposed? That's carried.

Mr. VanderBurg: Mr. Chairman, who does the minutes? On my spelling it's e-r. VanderBurg.

The Chair: Okay. Thank you.

Now, on the agenda Mr. Mitzel is the presenter of Pr. 3, which is the Medicine Hat Community Foundation Amendment Act. He has requested that we make a slight alteration in the agenda and have that proceed first in order that he can make another engagement. I'd ask for the concurrence of the committee on that. Are we all agreed that we can proceed with Pr. 3 first?

Hon. Members: Agreed.

The Chair: Anyone opposed? Okay.

With that said, then we'll move on. If we could call the petitioners for the Medicine Hat Community Foundation Amendment Act.

[Mr. Sauvé and Mr. Christie were sworn in]

The Chair: Ladies and gentlemen, if we could proceed now. First of all, perhaps we could go around the table and introduce ourselves, and then I'm going to have Mr. Mitzel speak to the introduction of the bill.

[The following members introduced themselves: Mr. Agnihotri, Dr. Brown, Ms DeLong, Mr. Eggen, Mr. Elsalhy, Mr. Groeneveld, Mr. Johnson, Mr. Johnston, Mr. Liepert, Mr. Lindsay, Mr. Lukaszuk, Mr. Mitzel, Dr. Morton, Mr. Oberle, Mr. Tougas, and Mr. VanderBurg]

Ms Marston: Florence Marston, assistant to this committee.

Ms Dean: Shannon Dean, Parliamentary Counsel.

The Chair: Mr. Mitzel, do you want to introduce the petitioners?

Mr. Mitzel: Yes. Thank you, Mr. Chairman. It's my pleasure to introduce the two gentlemen seated at the end of the table here: Mr. Walter Sauvé, who is the treasurer of the Medicine Hat Community Foundation, and Mr. Mike Christie, who is the executive director of the Medicine Hat Community Foundation.

Mr. Chairman, it's my pleasure to have the opportunity to sponsor this bill. Really, what this bill is, is a change of name, changing it

from the Medicine Hat Community Foundation to the Community Foundation of Medicine Hat and Southeastern Alberta. What this change does is more accurately reflect the regional area covered by the services offered by the foundation and the nomination of citizens from the area to the board of directors. The purpose of the amendment is also, then, to amend general and particular guidelines for more efficient administration of the donations received.

With the indulgence of the board here, I would ask Mr. Christie or Mr. Sauvé to add to this if they wish.

The Chair: Mr. Christie, would you like to lead us through the bill changes?

8:40

Mr. Christie: Thank you, sir. The strategic aim of the Medicine Hat Community Foundation has always been to properly serve all of the people of southeastern Alberta. So one of the main changes is, as Mr. Mitzel pointed out, to change the name so that those folks who live in our area and do not actually reside in the city of Medicine Hat feel that this foundation and all of the volunteers involved with it truly reflect the whole of our regional area. So as we go through each of the elements within this amendment act, that is the reason behind most of them. There are one or two small sort of housekeeping things, but most of it is a desire and a strategic aim by the board of directors to be more inclusive in the entire services we offer.

So we've asked that the title, obviously, of the act be changed to reflect the name, the name being Community Foundation of Medicine Hat and Southeastern Alberta. The geographical area: it's very common practice with all of the 140-plus community foundations right across Canada to make sure that we accurately reflect the area we are serving. So section 1 of paragraph 3 of the act does that, we hope, by accurately describing the area we're trying to serve, meaning the city and the towns and the municipalities within that area.

We then wish to make it clear that the community foundation is not stopping and changing into something else but continues as an organization but with a different name. So in clause (f) we're really trying to say that by making it clear that the community foundation is continuing under a different name.

Paragraph 4, section 2 really does the same kind of job, which makes it clear that the foundation will be continued under the different name.

One of the housekeeping changes is that the previous description within the act referred to the Insurance Companies Act (Canada), which would be the powers given to the board of directors to invest money. One of the main things the foundation does is invest money, so we're hopefully bringing that up to date by asking that the directors be given the power to invest money just as any other trustee under the Trustee Act.

Then moving through, we've changed things so that we're making them gender neutral.

An important part of the overall strategy is to add a fifth member to our nominating committee. At the present time we have a nominating committee of four people, being the mayor of the city of Medicine Hat, the senior provincial judge resident in Medicine Hat, the president of the Chamber of Commerce, and then the president of the Trades and Labour Council. The slight weakness that we perceived in that is that each of those four gentlemen could reside in the city of Medicine Hat. So in following our strategic aim, we're looking to add a fifth member to that nominating committee who would live outside the city of Medicine Hat. Again, that reflects, as I've said, that regional area and happily provides a fifth member, meaning that if they can't agree, we're not in sort of a deadlock situation.

There's a change just to the wording of the calling of meetings, which really just reflects the continuation of the foundation.

Then one final thing at the end was simply to reflect the fact that the current practice of the foundation is to – the way we get our operating dollars is a small administration charge against each of the funds that we have established, and that in paragraph 9, section 20 is described in a more simple way than perhaps it was previously.

So I think that, probably, with the exception of the last few sections, which simply finishes the job in describing our general geographical area, is the entire content of this amendment that we're requesting.

The Chair: Thank you, Mr. Christie.

Before I invite members of the committee to ask questions, I'll ask if Mr. Sauv  wishes to add anything to what Mr. Christie has said.

Mr. Sauv : Mr. Chairman, no. I believe Mr. Christie has explained it very well, and I really have nothing to add.

The Chair: Thank you.

Members of the committee, questions?

Mr. Mitzel: Just one comment. As with a lot of foundations, when this foundation was incorporated, I think it was such a good thing for the area. Prior to that the people and organizations perhaps didn't have as much of an opportunity to access funds in order to enhance their communities and their way of life, and this gave them another opportunity, another tool to be able to do this. With some extremely generous donations by a couple of local individuals early on, the foundation was able to get started, and this now just more reflects the direction that it's going with the change to the name, the communities that are involved. I think it's a very good thing for the area down there.

The Chair: Mr. Christie, any further comment?

Mr. Christie: I don't think so, sir. No. Thank you.

The Chair: Well, I have a question for you, Mr. Christie, and that is regarding section 20. The new section 20 would allow you to charge "against all trusts on a pro rata basis." I take it that the present section would not allow you to charge administrative expenses against a donor's donation if that particular donation was earmarked for a specific purpose within the foundation. Is that the case presently?

Mr. Christie: Not quite, sir, no. Historically, each of the donations we have received has a small percentage of the interest earned against it allocated for operational expenses. We don't have any circumstances in which that charge is not taken or has not been accepted. The act currently says that if a donor says, "I want you to do all these services for nothing, and I don't want you to take any admin charge," they have the power and right to do so under the current act. So I think all we're saying is that it would be right and fair and in line with everyone else that we are allowed to take that charge. It's three-quarters of a per cent of the interest earned, so it's not huge.

The Chair: So presently if a donor said that they wanted it used exclusively for purchasing park benches or library books, you would have to comply with that. You wouldn't be allowed to take administrative expenses.

Mr. Christie: Yes, sir, and in effect that might mean that it would be difficult for us to accept that gift. In other words, we might have to make a decision that in this case the donor could not be offered the services of the foundation.

The Chair: Any further questions?

Ms Dean: If committee members don't have any other questions, I just wanted to put on the record a little housekeeping matter. I've just requested the foundation to provide a certified copy or an original copy of the minutes of the meeting of the board that recommended and approved the form of the bill that's been presented to the committee. I understand that we will receive that prior to the committee's deliberations on April 26.

Thank you.

Mr. Christie: We'll courier it this week.

The Chair: It's my understanding that we have not received any notice from anyone objecting to the bill. We have in fact received assurances from the Department of Advanced Education on this one.

Ms Dean: Not on this one, no.

The Chair: Not on this one. Okay.

So we have not received any notice of anyone that has objected to the bill as proposed.

Thank you both, gentlemen, for coming this morning.

Mr. Christie: Thank you, sir.

Mr. Sauv : Thank you.

8:50

Mr. Liepert: Before the next group comes in – and I'm not sure where Shannon went – I've got some concern that we don't yet have receipt of any comments, it appears, on either of these bills from the Advanced Education department.

The Chair: Yeah, we do. We definitely do on the other one. It should be in your package, I think.

An Hon. Member: It came yesterday.

Mr. Liepert: It came yesterday? Okay. Well, all right then. Oh, here it is. This is probably it. I do have it. Thank you.

The Chair: I'd just remind the committee members that we're not going to be deliberating on these matters today, so if you have any concerns or questions, they still could be raised at a subsequent date.

[Ms Susan Boccock, Mr. Robert Lee, Mr. Verlyn Olson, and Bishop Raymond Schultz were sworn in; Dr. Roger Epp was affirmed]

The Chair: Good morning and welcome to the Standing Committee on Private Bills. Perhaps for the benefit of our visitors we could go around the table once more and simply introduce ourselves.

[The following members introduced themselves: Mr. Agnihotri, Dr. Brown, Ms DeLong, Mr. Eggen, Mr. Elsalhy, Mr. Groeneveld, Mr. Johnson, Mr. Liepert, Mr. Lindsay, Mr. Lukaszuk, Dr. Morton, Mr. Oberle, Mr. Tougas, and Mr. VanderBurg]

Ms Marston: Florence Marston, assistant to this committee.

Ms Dean: Shannon Dean, Parliamentary Counsel.

The Chair: Mr. Johnson, perhaps you could introduce the petitioners and the other guests.

Mr. Johnson: Right. We have before us Bill Pr. 2, the Camrose Lutheran College Corporation Act. This bill will update the incorporating statute of the Camrose Lutheran College Corporation to reflect the fact that the corporation no longer owns and operates the college given its recent agreement with the University of Alberta, which resulted in the merger of the University of Alberta and Augustana University College.

It's my pleasure to introduce to you Bishop Raymond Schultz of the Evangelical Lutheran Church in Canada from Winnipeg; Mr. Verlyn Olson, who is also a member of the board; and Dr. Roger Epp, who is the acting dean at the Augustana Faculty of the University of Alberta. I see we have Mr. Robert Lee and Ms Susan Bockock from Advanced Education with us as well. So welcome to all of you.

The Chair: We've received notification from the Department of Advanced Education that they have no objections to the bill in its present form. We also received correspondence from the University of Alberta to the same effect, that they are in agreement with it. We did receive a copy of the master agreement, although I don't think it's necessary for the purposes of this meeting to have that circulated.

Perhaps now I'll just call upon the petitioners. Which one of you would like to proceed?

Mr. Olson: I'll lead off.

The Chair: Mr. Olson.

Mr. Olson: Yes. Thank you. Maybe before I start, though, I'd like to also recognize another of our board members who is with us today, Mr. Luther Haave, and also Ms Dana Andreassen, the transition co-ordinator from the Augustana Faculty. She's been a big help as we move through this process.

I'm not sure how much context I should give you. I could probably take a lot of your time this morning telling you the history of the institution, but I'll maybe just say a few words to give you a bit of a picture. Our university started as a small college, a residential college. It was started in 1910 by Norwegian Lutheran pioneers needing some place to send their kids to finish high school. It evolved through a number of stages over the years to become a junior college. In the late 1950s it started offering university courses affiliated with the University of Alberta and by the mid-1980s was a degree-granting institution which was overseen by the Private Colleges Accreditation Board.

As time went by, into the late 1990s we were a private college with no capital funding and not full operational funding as other public universities would get. We were really struggling, and it was because of that that our board decided that we should maybe look for some options. That's how we found our way to the merger with the University of Alberta. That happened July 1 of 2004. So we're just finishing our first academic year now as a faculty of the University of Alberta.

The corporation that owned the university prior to July 1, 2004, was the Camrose Lutheran College Corporation, which was incorporated by a private act of the Legislature many, many years

ago. It's gone through several transformations, the most recent one being in 1991, I believe. The Evangelical Lutheran Church in Canada, of which Bishop Schultz is the bishop, is the church organization with which we're affiliated. It has about 600 congregations across the country.

Our act says now that the members of our corporation are these 600 or so member congregations. It is a very unwieldy structure. It's difficult to make decisions, difficult to act quickly. They only meet every two years in a convention. There's a church convention every two years, and the constitution says that the corporation will meet at the same time as the church convention every two years. So we're kind of like a two-headed monster. It's got the same membership, and there's a church convention, and then all of a sudden we stop for an hour or so and we become the corporation and we have a corporation meeting, and then we go back to the church convention. We have a board that manages the operations of the corporation, and the act now says that the membership of the board is between 10 and 20 members. Presently we have, I believe, 12 members although one has just resigned. But they come from as far away as Thunder Bay all the way out into B.C., and so, obviously, it costs some money to operate a board like that. The corporation was given the legislative power to own and operate a university back in 1991.

9:00

So we've made our way through the merger, not without some difficulty within the church. As you might imagine, there was some emotional discussion about that merger, but that's done. As I've said, we are now a faculty of the University of Alberta. But what's left is the housecleaning, and that's really what this is because it occurs to us that some things should be done to clean up the legislation.

We don't own a university anymore. We have transferred the assets of our university operations to the University of Alberta with the help and co-operation of the government of Alberta. So we basically have more or less an empty box left. It doesn't make sense for us to have expensive meetings at church conventions every two years to elect so many board members, so we've looked for ways of streamlining the process, and that's really what you have before you today, the legislation that will hopefully do that.

One of the significant changes is to take the membership of this corporation from the 600 or so congregations and instead make it the Evangelical Lutheran Church in Canada, our sister corporation, if I can describe it that way. The other thing is to reduce the number of board members to five and also, of course, to take out the powers and the legislation to own and operate a university.

Now, you might ask: well, why even continue with the corporation? Why not just close it down? There are a number of reasons for us to maintain an existence. I think one, of course, is that we are a party to a major agreement, this agreement with the University of Alberta and the Alberta government, and if we cease to exist, then there's no entity with legal status to monitor and enforce, if necessary, the agreement or to have it enforced against it. So it's in the interest of all of the parties to that agreement that we maintain an existence.

Also, we feel as though there is still a role to play for this corporation and a major role. One of the big items of discussion in the course of our merger negotiations was our absolute intent to maintain the traditions, the Scandinavian Lutheran traditions, of the place. We feel as though that goes to the heart of what this place is. I can remember in one of the bear-pit sessions we had in the community one of our former professors saying that it made a lot of sense to do what we're doing here because this church-based

organization that our corporation is will no longer have to concern itself with buying basketballs and buses and fixing roofs and stuff. That will be taken on by the University of Alberta. What we can be left with, then, is the faith-based focus of our church.

So we have been able to work out some very interesting and innovative elements to this new agreement with the co-operation of the University of Alberta and Alberta Learning, which will allow this corporation to support the more faith-based aspects of what might happen on the campus without offending the principles in the Post-secondary Learning Act, you know, being open and inclusive and so on.

Those are the major reasons for maintaining the existence of the corporation. I think that pretty much gives you the context. I can maybe just say that Bishop Schultz obviously will be able to answer questions that you may have relating to the church's motivations, the church's position. If you have questions of a more technical, detailed nature regarding the merger and so on, Dr. Epp may be able to answer some of those questions.

The Chair: Before we proceed to ask the committee for any questions, is there anyone else from Augustana that would like to make any comments?

Well, perhaps I could invite Mr. Robert Lee and Susan Boccock from Advanced Education to come forward if they have any comments regarding the proposed bill.

Mr. Lee: Just as you indicated, the minister has reviewed the draft bill, and we really have no objections to it.

The Chair: Thank you.

Members of the committee, any questions? No questions? Mr. Groeneveld.

Mr. Groeneveld: Thank you, Mr. Chairman. Just a quick thought on what you're doing on this, where you are now affiliated with the University of Alberta, and it appears that you've almost kind of got to the position that the public school is in, but you are a religious entity. Is there going to be a problem from within because of the religious connotation that you hope to keep with the college, as we've run into in the public school system?

Dr. Epp: I can speak to that. We are not only affiliated with the University of Alberta; we are the University of Alberta. We've taken on certain obligations that go with being a public institution, especially around questions of religious practice and when it comes to employment or curriculum or anything like that. At the same time, in the merger agreement we have provided in a couple of tangible ways for an ongoing academic and pastoral presence, as we've said, in the Lutheran tradition. That includes a chaplaincy – and we've done some groundbreaking things within the context of a public institution there – and a centre, which is named in the bill, for the study of religion and public life.

So I think that in some of those tangible ways we have provided an ongoing presence. Some of those elements are part of a culture that doesn't go away quickly either, but we are a public institution and are bound by the Post-secondary Learning Act in those ways as well.

Mr. Groeneveld: Yes. Thank you.

The Chair: Mr. Eggen.

Mr. Eggen: Yeah. I'm not sure who I should direct this question to,

but I was just curious to know how the new relationship and the structure that you've developed with the University of Alberta compares to other faith-based faculties that you have already historically had in the University of Alberta, say St. Stephen's College or St. Joseph's.

Dr. Epp: Our relationship would be different. We are fully a part of the university. We are there as a faculty of the university, in the same way that the Faculty of Arts or the Faculty of Medicine is a part of that university, in the decentralized way that the act provides for. But we are not our own entity. We do not have a president apart from the president of the university or a board apart from the university.

Mr. Eggen: But St. Stephen's and St. Joe's do have those things.

Dr. Epp: And they would.

Mr. Eggen: So can I ask why you didn't perhaps pursue the routes that the other faith-based colleges did to having their relationship with the university. They're still affiliated with the University of Alberta, right?

Dr. Epp: That's right, and I don't pretend to know all the details of those affiliation agreements.

I think Verlyn can maybe speak to this as well from a board perspective. I wasn't in on the very start of those discussions, but I think what we had was a meshing of purposes and interests. If one purpose was to maintain a campus that was facing some difficult financial realities, there was also public policy interest on the part of the university in having a face that was outside of Edmonton, in meeting the needs of the kinds of students that we had attracted for a long time, and in making sure that that option not only continued but was strengthened. So I think that was some of the thinking around this and do that in a way that also, I think, met some of the concerns of the board and the church.

But there was – and maybe the bishop can speak to this as well – I think a bit of a letting go because this is now a public institution but one with a history that carries on in some respects within that institution.

9:10

Bishop Schultz: The Lutheran church created a number of schools across Canada. Part of it was, obviously, a sectarian interest in using those schools in order to continue to propagate the theology and way of life that the people practised. But one of the other features about the Lutheran church is that it always has had a very strong orientation to its relationship to civil society as well. That was part of what was the strength of that school and was also contained in its original model, to lead and to serve. Part of what made the school the kind of desirable entity that the university would want to include as one of its faculties was part of its background. So maintaining this relationship was important, I think, both for them as well as for us.

In terms of religious life encroaching on civil life, another aspect of the Lutheran church that's important here is that it has always committed itself to ecumenical and interfaith equality. So retaining the involvement of this corporation in this way is part of a way to guarantee that there will always be fairness and equality in the way people are treated, which may not be the case under other circumstances.

Mr. Eggen: Excellent. Thanks.

The Chair: Other questions?

Mr. Oberle: I take it that your arrangement with the University of Alberta is a satisfactory one to you and one that you see as enduring, and given that you would see this act as enduring, you wouldn't be looking to change it every couple of years. I wonder if you wouldn't consider an amendment to paragraph (5)(d) relating to the membership of the nominating committee in that "the Member of the Legislative Assembly of Alberta for the constituency in which the City of Camrose is then located." That could be worded to reflect the possibility at some point in the future that the city of Camrose might be split in a riding redistribution. Maybe instead of the city of Camrose you could put the constituency in which the Camrose campus is located or something like that.

Mr. Olson: Well, actually, we've been having some discussion about that whole subsection because it's been pointed out to us that there is a bit of an inconsistency in that in, I think, 6(2) it says that the bishop shall appoint, and then later on in that section it says that there will be this nominating committee. And the question is: okay, well, who has the hammer?

We would be very open to some clarification that would make it clear that it is the bishop who appoints and that this nominating committee really only recommends to the bishop. Now, it could be anything from just deleting the whole section on the nominating committee to in 6(2) saying, "appointed by the Bishop," you know, words to the effect that it would be based on some recommendation.

We thought it was important to make a statement that the board be a group of people who are chosen with representation of the Camrose community and the Lutheran church in mind kind of as our priorities. Again, we're open to some clarification of the wording to deal with your issue too. I guess that we need to decide amongst ourselves how strongly we feel about even having that subsection in there on the nominating committee.

Mr. Oberle: It's not a huge issue. I just pose it to Mr. Johnson as a friendly suggestion, although I'm sure he doesn't want to contemplate the possibility of his constituency being split.

Bishop Schultz: I think that if the section were to stay in, your observation is a very practical one. I think we'd be guided by whatever you think is a reasonable response in that case.

The Chair: Well, perhaps one way that we might be able to deal with it, as suggested by our Parliamentary Counsel, would be for the petitioners to meet with Parliamentary Counsel and to make,

perhaps, some recommendations regarding an amendment before the matter is deliberated on. We can as a committee recommend that the bill proceed with changes to the Assembly, and if that's agreeable, I would entertain a motion from someone on the committee to that effect, that such a meeting take place.

Bishop Schultz: Yes, certainly.

The Chair: Mr. Oberle, would you like to make that motion?

Mr. Oberle: What you've just said.

The Chair: The motion being that the petitioners would meet with Parliamentary Counsel to make a proposed amendment and do so, presumably, in the next two weeks, before we deliberate on the matter.

Mr. Oberle: Yeah. Prior to the 26th.

The Chair: A seconder for that motion? Mr. Groeneveld. All in favour? Anyone opposed? The motion is carried.

Thank you all for appearing today. I appreciate it. Sorry. Our Parliamentary Counsel has a few comments before we disband.

Ms Dean: Just a couple of housekeeping items. I've asked for certified copies of the resolutions in connection with this merger and also in connection with the board approving the proposed bill, and I understand that the committee can expect to receive them before they deliberate on April 26.

Thank you.

The Chair: Thank you again.

Does anyone else have any other business to bring before the committee?

I think that sort of concludes our proposed business for today. If there is no other business, then we will entertain a motion to adjourn.

Mr. Liepert: I so move.

The Chair: All in favour? Any opposed? Carried. Thank you.

[The committee adjourned at 9:19 a.m.]

