



Legislative Assembly of Alberta

The 27th Legislature
Second Session

Standing Committee
on
Private Bills

Tuesday, April 14, 2009
8:37 a.m.

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Standing Committee on Private Bills

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[Dr. Brown in the chair]

The Chair: Good morning, everyone, and welcome to this morning's meeting of the Standing Committee on Private Bills. I understand that we have in teleconference with us Ms Calahasen. Are you there?

Ms Calahasen: Yes, I am.

The Chair: Good. We'll just go around the room and introduce the individuals present, starting at the far end.

Mr. Quest: Good morning. Dave Quest, MLA, Strathcona.

Dr. Taft: Kevin Taft, MLA, Edmonton-Riverview.

Mr. Rodney: Good morning and Merry Christmas. Dave Rodney, Calgary-Lougheed.

Mr. Dallas: Good morning. Cal Dallas, Red Deer-South.

Mr. Amery: Moe Amery, Calgary-East.

Mr. Doerksen: Arno Doerksen, Strathmore-Brooks.

Mr. Jacobs: Broyce Jacobs, Cardston-Taber-Warner.

Mr. Bhardwaj: Good morning. Naresh Bhardwaj, Edmonton-Ellerslie.

Mr. Boutilier: Guy Boutilier, Fort McMurray-Wood Buffalo.

Ms Marston: Florence Marston, assistant to the committee.

The Chair: Neil Brown. I'm chair of the committee and MLA for Calgary-Nose Hill.

Ms Dean: Shannon Dean, Senior Parliamentary Counsel and counsel to this committee.

Mr. Anderson: Rob Anderson, Airdrie-Chestermere.

Mr. Allred: Ken Allred, St. Albert.

Mrs. Forsyth: Hi. I'm Heather Forsyth, Calgary-Fish Creek.

Mr. Olson: Good morning. Verlyn Olson, Wetaskiwin-Camrose.

Mrs. McQueen: Good morning. Diana McQueen, Drayton Valley-Calmar.

Mrs. Sarich: Good morning. Janice Sarich, Edmonton-Decore.

Mr. Sandhu: Good morning. Peter Sandhu, Edmonton-Manning.

The Chair: Okay. Thank you.

The first order of business this morning is the approval of the agenda as circulated. Could I have a motion to approve the agenda?

Mr. Allred: So moved.

The Chair: All in favour? Anyone opposed? It's carried.

The minutes of the last meeting, April 7, 2009, have been circulated. Anyone have any comments or errors or omissions to bring to the attention of the committee?

Mr. Allred: Mr. Chair, I was late, and I don't see my name listed as coming in at 8:30. Maybe it is. I don't see it, though. I did arrive at 8:30. Am I in there somewhere? I can't see it.

Ms Marston: You're first after deputy chair.

Mr. Allred: Okay. I'll take your word for it.

The Chair: Yeah. You are there.

Mr. Allred: Oh, right. Okay.

The Chair: Anything further regarding the minutes? Then could I have a motion to approve? Mrs. Sarich. All in favour? Anyone opposed? That's carried.

Members, the purpose of our meeting today is to review and deliberate upon the three private bills that we've had before us and which we had presentations on at the last meeting of our committee: Bill Pr. 1, the Beverly Anne Cormier Adoption Termination Act; Bill Pr. 2, the Caritas Health Group Statutes Amendment Act, 2009; and Bill Pr. 3, Les Filles de la Sagesse Act Repeal Act. You have before you some additional materials from last Thursday, and I believe you all have them in hand, as we ascertained before the commencement of the meeting. You should have Parliamentary Counsel's supplementary report and a memo from the petitioner's counsel.

Our purpose today is to review each of these bills in turn and to make recommendations to the Legislature on their progress. We can either recommend that the bill proceed, that it not proceed, or that it proceed with amendments. After we've made those decisions, I would then report on behalf of the committee to the Legislature, and thereafter, depending upon the decision of the committee, it would either proceed or not proceed in a much similar fashion to any ordinary bill before the House. Are there any questions, before we begin, on the procedures? Good.

Bill Pr. 1, Beverly Anne Cormier Adoption Termination Act

The Chair: I'll open the floor to discussion.

Mrs. Forsyth: Actually, Mr. Chair, I was going to recommend that we proceed with Bill Pr. 1. Is that what you say?

The Chair: Yes.

Mrs. Forsyth: The reason I do, Mr. Chair, is that from the previous meeting, the questions, the committee seemed like they were not opposed to this particular Pr. 1. So I'll move that the committee accept Pr. 1.

The Chair: That it proceed as it is?

Mrs. Forsyth: Correct.

The Chair: Okay. Any other comments? Discussion?

Mr. Quest: Do we need a seconder for this?

The Chair: No, we don't need seconders.
No further discussion? I'll ask the question. All in favour?

Hon. Members: Agreed.

The Chair: Anyone opposed? Okay. That's carried.

Bill Pr. 2, Caritas Health Group Statutes Amendment Act, 2009

The Chair: I'm going to move on now to Bill Pr. 2 and invite some discussion on this. I want to refer first of all to Parliamentary Counsel's supplementary report. Perhaps, Ms Dean, you could summarize for us the concerns that you raised previously and also in your supplementary report.

Ms Dean: Thank you, Mr. Chair. I'll first refer committee members to a memo from me dated April 9, which was posted on the committee's site. It attaches an amendment that deals with one of the issues raised at the hearing, that being public filings for this particular entity. You will recall that the petitioner seemed to be in agreement with this in principle. So I consulted with counsel for the petitioners, and the amendment that was prepared has been approved by them. You should have a copy of that before you. It simply states:

- (1) The corporation shall, once in each calendar year, file with the Registrar of Corporations . . .
 - (a) the annual financial statements and auditor's report [as well as]
 - (b) a list of the directors and officers of the corporation, with their addresses and occupations.

There's also a provision that would require the bylaws and any amendments to the bylaws to be filed with the registrar.

That was the first issue that came up at the hearing. I did consult with the counsel that advises the registrar of corporations, and you will have before you indication by letter from Barrister and Solicitor Jean-Paul Sharpe with Alberta Justice that the wording of this amendment would allow for the filing of documents in the corporate registry.

Moving on to the second issue, there was some discussion with respect to whether TILMA had any impact on section 2(2) of the Caritas Health Group Act. In a nutshell, I do not believe it does. Simply, TILMA deals with corporations that are registered through public acts, not private acts. It enhances the ability of those organizations to extraprovincially register, but again this is a private act corporation.

8:45

The Chair: On that issue, Ms Dean, before you move on. You've made a recommendation there that the provision be removed, and I gather that there is a precedent under a previous similar bill, relating to one of the Roman Catholic hospitals, that we've already dealt with.

Ms Dean: That's correct, Mr. Chair. In 2006 the Mary Immaculate hospital of Mundare came before this committee, and they were looking for repeal and replacement. At that time there was a provision that looks exactly the same as what's in section 2(2) of the Caritas Health Group Act, and it was identified as being problematic. Frankly, I mean, it doesn't have a huge impact, but it's just, in my view, not the greatest drafting in the world. So it was recommended that this be struck, and that was the committee's recommendation as well.

Another option for the committee to consider is making it clear in the wording of this provision that the laws of the jurisdictions

referenced in the provision would apply to the organization. That's another alternative for your consideration.

The Chair: Okay. Do you want to go on with the next issue?

Ms Dean: Finally, the issue of directors' and officers' liability generated considerable discussion at last week's hearing. I do want to point out that what I've identified in the scope of my report is how this issue is handled in statutes. That's my limitation with respect to what I'm providing to the committee at this point in time. To summarize, there are provisions, for example, in the School Act which render trustees liable in certain instances. There are provisions in the legislation governing regional health authorities and postsecondary institutions that codify what we call the duty of good faith for board members. In my view, this would already exist at common law with respect to directors and officers that would be involved with the Caritas Health Group. Again, I go back to the Societies Act, where there is no blanket exemption from liability for directors and officers.

I think the key thing I want to point out to the committee is that although it has been stated by the petitioners' counsel that they're not seeking anything new, what they are doing is amalgamating a group of organizations. The Caritas Health Group right now has that blanket liability exemption; however, those other organizations do not have that in their statutes right now. So there is an impact.

That concludes my comments unless there are any questions.

The Chair: Maybe we ought to proceed one issue at a time. Let's deal first of all with the issue about the public filings. We'll open the floor to discussion on that issue.

Mr. Allred: Just on the public filings. At the last meeting I raised the issue that it would seem to be more logical, since this is a statutory corporation, that the filings be with the Alberta Legislature. I was given the comment that with the Alberta Legislature filings you can never find anything. Well, that disturbs me. I guess I'm disturbed by a number of things with regard to some of the filings we do in that we need to get with the times and computerize some of these things and make it so that you can find things that are filed with the Alberta Legislature, whether it's tablings or whether it's petitions or whatever. So I just make that comment. I recognize that we don't have time to change the way the Legislature does things at this point in time, but I just make the comment that it seems more logical to file something of this nature with the Alberta Legislature since this is not a corporation.

Dr. Taft: Actually, my understanding of the comment wasn't that things just kind of disappear in the bowels of the Legislature when they're filed there. Rather, it's that the general public wanting information is more apt to go to the corporate registry offices than to come to the Legislature Library. I think it's just a matter of making the filing fit with what the public is likely to expect. So I think this is a good idea. There's a draft amendment here. Certainly, if somebody moves acceptance of that, I'll support it.

Ms Calahasen: Well, I just like the idea that, you know, they file once in a calendar year. If you're in agreement with that, I don't have a problem with that.

Mrs. Sarich: I just would like to ask a question for clarification. The amendment says:

- (1) The corporation shall, once in each calendar year, file with the Registrar of Corporations the following:
 - (a) the annual financial statements and auditor's report.

Is there an assumption that the auditor's report is external to the entity? There could be a reference to internal. I'd like that clarified because the internal audit function and the external auditor are different. I know what it means by auditor's report, but I'm just wondering whether or not the external-internal has to be clarified.

Ms Dean: In my experience when the term "auditor's report" is used in a statute, it typically refers to an external auditor. That would be a general assumption.

The Chair: Mr. Doerksen, are you prepared to make a motion, then?

Mr. Doerksen: I would be prepared to move that we incorporate the requirement for public filings.

The Chair: You're moving the motion of the draft on the white sheet as circulated by Parliamentary Counsel? Maybe you could read the motion, Mr. Doerksen, into the record.

Mr. Doerksen: I move that Bill Pr. 2, the Caritas Health Group Statutes Amendment Act, 2009, proceed in the Assembly with the following amendment added after section 9.

- (1) The corporation shall, once in each calendar year, file with the Registrar of Corporations the following:
 - (a) the annual financial statements and auditor's report;
 - (b) a list of the directors and officers of the corporation, with their addresses and occupations.
- (2) The corporation shall file with the Registrar of Corporations a copy of the by-laws of the corporation and of any amendments or additions to the by-laws.

The Chair: Thank you.

Discussion on the wording of the amendment as proposed? Are we all agreed, then, with respect to the motion put by Mr. Doerksen?

Hon. Members: Agreed.

The Chair: Anyone opposed? That's carried unanimously.

Okay. The second issue is regarding the provision in section 2(2) of the original act, and that is the extraprovincial powers provision. We'll open the floor to comments or a motion. Mr. Doerksen.

Mr. Doerksen: Thank you, Mr. Chairman. I have a question with regard to the comments that were made about this section. To me it makes some sense that an organization like Caritas health would have some activities outside the province in terms of staffing and that kind of thing. Then I understood from legal counsel that while the wording was maybe not the greatest, the concept was also not threatening in any way. Is there better wording that could accommodate something like this? I would anticipate an organization like this, having interprovincial activity and requiring additional activity, whether it was legal or otherwise, to grant itself access to that kind of activity. To me it would make sense that we accommodate that at the outset.

8:55

Ms Dean: It may be appropriate for the committee to entertain an amendment to the effect whereby the provision would have the words "subject to the laws of those jurisdictions" at the very end of that section. If I could read how it would look if it were to be amended.

The corporation shall not be restricted to conducting its activities within the Province of Alberta, but is hereby empowered to conduct such activities as its members and directors consider in their opinion

incidental, beneficial or conducive to the corporation's objects, outside of the Province of Alberta and outside of Canada, subject to the laws of those jurisdictions.

Ms Calahasen: Mr. Chair, a question to our Parliamentary Counsel. If the extraprovincial question comes in, would we not have any jurisdiction whatsoever in saying what laws apply in those jurisdictions?

Ms Dean: We don't have any jurisdiction to say what laws apply in another jurisdiction. I think the discussion from last week's hearing is that the provision doesn't state that; it just empowers the corporation to conduct activities outside of the province. I think that there's an underlying presumption that they're going to be adhering to the laws of those jurisdictions. What Mr. Doerksen is proposing is that we just make that wording clear in the statute.

Ms Calahasen: I'm just wondering: if we make that wording clearer, it doesn't make any difference, does it? We don't have any jurisdiction in those other areas. So by us saying that, does it make any difference?

The Chair: Well, I think it probably is an advisory thing. Anybody reading it who's internal to the organization, at least, would have their ears attuned to the fact that they can't do anything outside of the province without – I mean, you're right. That's the legal . . .

Ms Calahasen: I mean, it's moot, isn't it?

The Chair: It is, really. But, as I said, it's advisory, at least, to someone that reads the act.

Mr. Olson, you had a comment?

Mr. Olson: I was going to support Mr. Doerksen's position on this. In fact, I'll make a motion that we add that wording. I think it's just a clarification.

The Chair: Right. Would you like to read the amendment into the record as you're proposing it, Mr. Olson?

Mr. Olson: Thank you, Mr. Chair. My motion would be that section 2(2) is amended by adding "subject to the laws of those jurisdictions" after the word "Canada."

The Chair: Discussion on the motion as put by Mr. Olson? Any further discussion?

Then can I hear how many members are agreed with the motion as put, please?

Hon. Members: Agreed.

The Chair: Anyone opposed? That's carried unanimously. Thank you.

Now we move on to the third issue that's been raised by Parliamentary Counsel, which is the exemption from liability for directors and officers as provided under section 8 of the act. I will open the floor to discussions at this point. Mrs. McQueen.

Mrs. McQueen: Thank you, Chair. I'll start off the discussion, certainly. I'll start it in the frame of the last meeting. Although they're not asking for anything new, as has been raised by Parliamentary Counsel as well, that it's within the Caritas act, there is in the other ones. I would say that it would be a fairly normal

experience for myself in bringing together school board jurisdictions and children's services jurisdictions, when I sat on those boards, that we would take the best of those in the bylaws or any parts of those and would bring them into the new ones. I would certainly support, as I said last week, what they're asking for on this because in past history, working in board development as well and working with different jurisdictions, that would be quite normal, for different groups to say that they would want to pick the best of what they already have in the group that is coming together.

The Chair: Further discussion?

Mrs. McQueen: I'd be prepared to actually make that in a motion. Or maybe we don't need a motion. No? Okay.

The Chair: Well, let's find out where people are coming from here first.

Ms Sarich.

Mrs. Sarich: Thank you, Mr. Chairman. I was just wondering if we could get a further clarification. I know you've said some things from the Parliamentary Counsel perspective. Great. I'm just wondering about the blanket exemption. What do some of the entities have now, and what are some of the considerations that we'd have to weigh in this particular area? If you could just provide further clarification for us, just stepping through the information that you provided.

The Chair: Well, I think Ms Dean has laid out on page 4 of the supplementary report what the status quo is for a number of other organizations, including the Societies Act, School Act, Regional Health Authorities Act, Post-secondary Learning Act, Alcohol and Drug Abuse Act, so we have some precedents there.

Now Ms Forsyth and then Mr. Allred, please.

Mrs. Forsyth: Well, thank you, Chair. I've been reading what Parliamentary Counsel has given us, and then I was reading the background information relating to issues raised by the Private Bills Committee at the hearing, which is, I believe, from the solicitor that's representing the Caritas group. I've read this over and over and over again, and I'm still confused about the liability issue. It said, "In conclusion, I reiterate my recommendation that an amendment to section 8 of the 1992 Act be included in Bill PR2 that would remove the reference to directors and officers." This would be consistent with the 2000 recommendation that Shannon pointed out previously on another bill that we dealt with.

When I'm reading from the solicitor, I don't get the feeling that they want us to do that. Maybe I'm not reading it correctly, but in my mind it would be paramount that we follow precedents that have been set previously because, as we all know, being in government, if you have an exemption for one group, then you have another group coming after and after. Obviously, if this was recommended in 2006 and we haven't heard from the group, it's something that is working for them. In my mind, it would be paramount, with what's going on at this particular time, that directors and officers have the best possible legislation, if I can use that word, to protect them. Can I get a clarification?

The Chair: Well, I'm just going to quote from Ms Dean's report here because I think, if you look at page 5, the consequences of not having a blanket exemption there, that there are certain issues which mitigate, you know, the removal of that. I mean, there is available, as Ms Dean has pointed out, a due diligence defence, which allows

directors "to discharge the liability imposed by providing proof that they fulfilled their duty of good faith, namely, that they exercised the degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances." Then, as counsel for the petitioner had stated before the committee, there's also a directors and officers liability insurance, which they do have. So there are other things that would mitigate against any personal liability.

Correct me if I'm wrong – we've got a number of counsel at the table here – but my recollection is that traditionally personal liability is found in a corporate setting only where a director and officer is acting outside of the scope of their duties to the corporation. Providing that one is acting in good faith in the best interests of the corporation, then it is the corporation which bears the responsibility for the actions taken and not the individual personally.

That's just a little bit of background. I don't want to articulate an argument in favour of or against the proposals that are made because we've obviously got different opinions around the table.

Dr. Taft.

9:05

Dr. Taft: Yeah. I would like to speak in favour of the changes proposed by Parliamentary Counsel. A handful of points. I think the likelihood of this ever being required is very remote. It seems to me, when I read their counsel's memo, that their biggest fear is that the provincial government is going to pull the plug entirely financially on Caritas. I don't think that that's a reasonable likelihood. I'm not a lawyer at all – there are a few lawyers around here – but I think also that the courts are very unlikely to rule against directors unless they've done something truly egregious, in which case maybe they should be found liable.

I also found it, frankly, a little bit misleading in the memo from the counsel for the petitioner, paragraph 1. I'll just quote: "We emphasize that the Petitioner is not seeking anything new here." Well, in fact, for most of those organizations this is something new. The only one that has this protection right now is the Caritas organization. All the others do not have this protection. So (a) I found that a bit misleading if not disingenuous on the part of their counsel, and (b) if it's been fine for eight of nine or however many it is over the years, then it should be good for all nine as far as I'm concerned. I don't buy their argument, and I found it a little bit misleading.

I think it's important that we make this bill consistent with other legislation. I think that all of us have been around here long enough to know that as legislation starts to get quirkier and quirkier, it's harder and harder to manage, so let's make it consistent. I would prefer to see this provision of this bill amended.

Mrs. Forsyth: Well, Mr. Chair, I agree with Dr. Taft, actually. They came here before us asking through the private bill process – I have a great deal of faith in Parliamentary Counsel when they speak about making it consistent with other legislation, and in 2006, as I indicated earlier, we did that. I think it's wise to do that. I'm still trying to figure out the argument from the solicitor from the Caritas group. When you're talking about your protection, I would assume that you would want as much protection – I know that you can buy additional director insurance and, you know, when I look at some of these poor community leagues or our own boards, for example what's been happening in Calgary, how important it is to have that. But a lot of these people can't even afford as a small group to pay for some of this director insurance, so I would support the amendment from Parliamentary Counsel also.

The Chair: Mr. Dallas.

Mr. Dallas: Thank you, Mr. Chair. I'll speak to supporting the amendment as proposed by Parliamentary Counsel. I concur that the utilization of director and officer liability insurance is a prudent course of action for this organization, and while the scale is large, I believe that that would be available.

The discussion around directors acting in good faith inside the scope of their duties, I think, is adequate in this case. I believe that the idea that there is a boundary there is perhaps appropriate in the course of decision-making that provides discipline to directors in terms of ensuring that their due diligence is complete and a constant reminder of those responsibilities. So I think it is appropriate to amend this, align with the 2006 decision, and put this entity within the same bounds as others that are registered in the same manner.

The Chair: Other discussion? Ms McQueen.

Mrs. McQueen: Thank you. Just a question for Parliamentary Counsel: in 2006, when that decision was brought forward with regard to the other entity, was the same issue brought forward about Caritas having this clause?

Ms Dean: Well, Caritas wasn't the petitioner, but to be honest with you, the personalities and the parties were the same. It was the same counsel, and it was Mary Immaculate hospital, which is one of the amalgamating corporations named in this bill.

Mrs. McQueen: Right.

Ms Dean: At the end of the day, I mean, the committee recommended that amendment, and they were consulted on it.

The Chair: So we would in effect be reversing for that particular entity the decision that we made before.

Mrs. McQueen: Yeah. I understand that, but my question was: was the same discussion brought forward about the rights that Caritas had at that point in time? Was that brought forward in the argument? What was, I guess, the difference between the two that are brought forward today?

Ms Dean: Well, again, the Caritas legislation wasn't before the committee. It was the Mary Immaculate Hospital of Mundare Act that was before the committee, and they were seeking a repeal and a replacement. What they were trying to do was bring forward the wording in the Caritas Health Group Act on this issue into that bill.

Mrs. McQueen: That was the question.

Ms Dean: The committee didn't support that.

Mrs. McQueen: Okay. That's what I was asking you.

Ms Dean: I mean, I can't recall specifically if Caritas Health Group was named in the discussion.

Mrs. McQueen: But the intent of what is in the Caritas act . . .

Ms Dean: Well, the wording is exactly the same.

Mrs. McQueen: Okay. Thank you.

The Chair: Mr. Allred and then Mr. Olson.

Mr. Allred: Thank you, Mr. Chair. Do we have any information on the incidence of actions against directors and officers? Personally I've been involved in a lot of different organizations, and I've never heard of one.

The Chair: Well, as I said, I mean, it would be rather rare because you'd have to be operating outside of the scope of your duties to the corporation to be found personally liable as a director.

Mr. Allred: I guess that's really where my comments are coming from. How many spare tires do we need if we have this protection in the statute absolving directors and officers of any liability? We have the common law due diligence argument, and as far as I know, most organizations, even if they have the protection of the statute, obtain directors and officers insurance as well. So we've really got three levels of protection. I wonder if that isn't perhaps a little bit of overkill.

Mr. Olson: I was just curious to know what the discussion would have been back in 1992 when the Caritas group got this section 8. I mean, that's the source of our problem here, it seems, so I was just kind of curious to know what the thinking was at that time.

The Chair: Ms Dean, do you want to tread into those shark-infested waters?

Ms Dean: Mr. Olson, that predates my tenure at this organization, and there were different persons who worked in the office of Parliamentary Counsel at that time.

Mrs. Forsyth: Well, just to my colleague, I think that if we go back to the initial discussion about this, what Parliamentary Counsel brought forward to us is that these amendments came forward because you could google and nothing came up on Caritas. That's why we wanted to have the ability for, first of all, a must file. Some of these liability issues will come up after that. So, Mr. Chair, if there's no further discussion, I'd like to make a motion.

Ms Calahasen: Mr. Chair, I'd like to make a comment.

The Chair: Yes. If you hang on, we have Mr. Allred, Mr. Olson, Mr. Boutilier, Mr. Doerksen, and then Ms Calahasen.

Ms Calahasen: Thank you.

Mr. Allred: I'm done.

The Chair: You're okay?

Mr. Allred: Yeah. I'm finished.

Mr. Olson: I'm done.

The Chair: Mr. Boutilier.

Mr. Boutilier: Yes. Thank you. I wish any contractor who is providing health care services in any province, including the province of Alberta, the very best. Ultimately, the Caritas group is a contractor providing a health care service to the province of Alberta. For doing that, I only ask members to pause for a moment and think about where we have special statutes for contractors in the province of Alberta.

9:15

At this particular point I think there are a lot of questions to be asked. I recall in the discussion last week where the solicitor for the Caritas group had indicated that they're on somewhat of a timeline deadline. If I recall correctly, it was the issue, which I applaud, of: why have seven or eight auditors doing things because of the duplication of costs? Having said that, though, you know, one could draw the conclusion: does that mean that with one auditor the auditor isn't going to look at all of the material and the data that is in all of these individual entities as they stand? This raises another concern of mine based on the rationale that was provided by their counsel.

So I have really at this point some serious concern about the issue of us dealing specifically under statute with a contractor. Who knows what health care will look like in the years to come? Having said that, I only say that I pause in terms of this entire discussion today relative to where we are on this slope.

Thank you.

Mr. Doerksen: I'm comfortable that we remove the provisions to directors and officers and await the proposed amendment that I understand is for this.

The Chair: Okay. We'll come to Ms Forsyth. You're prepared to make a motion, I think, right after Ms Calahasen.

Ms Calahasen, please.

Ms Calahasen: Thank you very much. First of all, I support Ms McQueen's position. I think that taking the best of whatever you can from the various acts is a really good idea because that's what you do when you're trying to formulate something that's going to be workable.

One of the other areas is on the directors issue. When we asked them last time, they received no stipend whatsoever, unlike some of the ones that we have listed. Our RHA members certainly receive stipends. AADAC members receive stipends. I'm just thinking that what they're saying is that they receive absolutely no dollars, that they are real, true volunteers. I really think that if we can give them that exemption, I certainly would support that.

The Chair: Thank you.

Further discussion? Mr. Quest, please.

Mr. Quest: Okay. Mr. Chair, I'll be brief. I just would support counsel's amendment also. I don't think that we can really start creating exemptions for volunteer boards. We've got thousands of volunteer boards all around the province, and the directors are usually volunteers. Again, they are expected to act in the best interests of the board or the association, whoever they're working for. I just don't see where this particular group would need to be exempted from that.

The Chair: Ms McQueen, you had a further comment?

Mrs. McQueen: Yes. Thank you, Mr. Chair. I just want to make one final comment about creating an exemption. I don't believe we're creating an exemption. I believe the groups that are coming together – and the only reason that they have to come to us is because there's no other avenue for them to come together – already have this exemption. So I just want to say for the record that I don't believe we're creating any new exemptions. We're taking something that is already in one of the groups and adding it to the rest.

Thanks.

Ms Calahasen: I agree with that because I think that's the group that's bringing all the other groups together, so that's the group that has that piece in there.

The Chair: Okay. Thank you.

Any other further discussion?

Ms Forsyth, you had a motion that you wished to put forth.

Mrs. Forsyth: Thank you, Mr. Chair. I'd like to move that Private Bill Pr. 2, the Caritas Health Group Statutes Amendment Act, 2009, proceed in the Assembly with the following amendment. The following is added after section 4. Section 8 is repealed, and the following is substituted: the members of the corporation are not as members liable for any liability, act, or default of the corporation.

The Chair: Okay. Discussion on the motion as worded?

Dr. Taft: Do you have that printed up somewhere?

Mrs. Forsyth: I do, sir.

The Chair: Are we clear, then, on what the motion is as presented?

Mr. Allred: Can we have it read one more time, please?

The Chair: Mrs. Forsyth, would you care to reiterate that motion?

Mrs. Forsyth: I move that Bill Pr. 2, Caritas Health Group Statutes Amendment Act, 2009, proceed in the Assembly with the following amendment. The following is added after section 4.

Section 8 is repealed, and the following is substituted:

8. The members of the corporation are not as members liable for any liability, act or default of the corporation.

The Chair: Dr. Taft.

Dr. Taft: Yeah. Just in case others have the same questions or concerns I did, because we don't have it in front of us, what this amendment does is that it continues with the liability protection for members. What it has done is pull out reference to directors and officers, so the directors and officers would no longer get this special exemption from liability. I can support that.

The Chair: Further discussion? We're ready for the vote, then? All in favour of the motion put by Mrs. Forsyth, please say agreed.

Some Hon. Members: Agreed.

The Chair: Anyone opposed?

Some Hon. Members: Opposed.

The Chair: Okay. There are three opposed. That motion is carried.

I just want to state on the record here that a few seconds after the roll call we were joined by Ms Woo-Paw, Mr. Benito, and Mr. MacDonald, who've been present throughout the proceedings here.

That concludes the discussion regarding Bill Pr. 2, yes?

Mrs. McQueen: Mr. Chair, sorry. Still on that one, I know it wasn't in our notes, but there was a request from them that that would be retroactive to April 1. Are we dealing with that or not? That was a question that they asked, that it could be effective for April 1 to bring all of their auditors together so they could hit that year-end. Is that something we're going to deal with today?

Ms Dean: It's already reflected in the drafting of the bill. I consulted with them on that.

Mrs. McQueen: Oh. Okay.

Ms Dean: The amalgamation date is April 1.

Mrs. McQueen: Okay. So it is April 1.

Ms Dean: Yeah.

Mrs. McQueen: Just for clarity because they raised that a couple of times. Okay. Just for my clarity.

The Chair: I don't think anyone had raised issues about that.

Mrs. McQueen: No issues, but I just wanted it for clarity.

Mr. Allred: Mr. Chair, do we not need a further motion to adopt the bill as amended? We've dealt with individual amendments.

The Chair: I'll defer to Parliamentary Counsel on that. We've recommended three amendments to the bill and that the bill proceed with those three amendments, is my understanding.

Mr. Allred: Do we have a motion that it proceed? I didn't understand that we did.

The Chair: Yes. I think that was incorporated as part of the wording of at least one of the amendments.

Ms Dean: This afternoon I presume the chair will give his report that the bill proceed with amendments.

The Chair: Right.

Bill Pr. 3, Les Filles de la Sagesse Act Repeal Act

The Chair: Can we move on, then, to Bill Pr. 3, Les Filles de la Sagesse Act Repeat Act? I'll invite any member's discussion on that. Mr. Dallas, do you care to lead off the discussion?

Mr. Dallas: Well, I don't have the wording here, Mr. Chair. I think Parliamentary Counsel's discussion here included a recommendation regarding the preamble which was discussed at the prior meeting. Essentially, the statement in question in the preamble referred to assets and liabilities, and the recommendation that counsel would make, that I would be supporting, would be simply to strike out the words "and liabilities" from the preamble.

9:25

The Chair: Any further discussion?

Ms Calahasen: Why?

The Chair: Ms Calahasen has a question, Mr. Dallas, as to why.

Mr. Dallas: Perhaps Parliamentary Counsel could address that, Mr. Chair.

Ms Dean: At the hearing it was stated that when the transfer of

assets to the Ontario entity that is taking over the operations occurred, the agreement just simply indicated that property was transferred; liabilities were not. So if the committee wants this bill to proceed, then it is my recommendation that that preamble be corrected.

Ms Calahasen: Oh, I see. Okay.

The Chair: All right. The issue being the fact that the liabilities were sort of left in limbo because under the wording of the French contract the liabilities were not transferred under the previous agreement, but the assets were.

Ms Calahasen: Okay. Understood.

The Chair: Further discussion?

Ms Calahasen: No.

The Chair: Okay, then.

Mr. Dallas is moving that the bill proceed in the Assembly with the amendment as he has stated.

Mr. Dallas: I can read that in if you like, Mr. Chair.

The Chair: Yes, please.

Mr. Dallas: I would move that Private Bill Pr. 3, Les Filles de la Sagesse Act Repeal Act, proceed in the Assembly with the following amendment:

The preamble is amended in the third recital by striking out "and liabilities."

The Chair: Any further discussion? All in favour, then, please say agreed.

Hon. Members: Agreed.

The Chair: Anyone opposed? That's carried unanimously. Thank you very much.

That concludes the deliberations on the three private bills presented in this session of the Legislature.

Is there any other business to raise before the committee this morning?

Dr. Taft: Just for scheduling purposes, do we have the pleasure of meeting again in the foreseeable future?

The Chair: There are no meetings scheduled at this time.

Dr. Taft: Well, I'm disappointed, but I'll live with it, Mr. Chairman.

The Chair: Can I have a motion to adjourn, please? Ms McQueen, I saw you first. All in favour?

Hon. Members: Agreed.

The Chair: Opposed? That's carried.

[The committee adjourned at 9:28 a.m.]

