



Legislative Assembly of Alberta

The 28th Legislature  
First Session

Standing Committee  
on  
Private Bills

Tuesday, May 7, 2013  
8:32 a.m.

Transcript No. 28-1-2

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The 28th Legislature  
First Session**

**Standing Committee on Private Bills**

Xiao, David H., Edmonton-McClung (PC), Chair  
Johnson, Linda, Calgary-Glenmore (PC), Deputy Chair

Barnes, Drew, Cypress-Medicine Hat (W)  
Bhardwaj, Naresh, Edmonton-Ellerslie (PC)  
Brown, Dr. Neil, QC, Calgary-Mackay-Nose Hill (PC)  
Cusanelli, Christine, Calgary-Currie (PC)  
DeLong, Alana, Calgary-Bow (PC)  
Fox, Rodney M., Lacombe-Ponoka (W)  
Fritz, Yvonne, Calgary-Cross (PC)  
Goudreau, Hector G., Dunvegan-Central Peace-Notley (PC)  
Jablonski, Mary Anne, Red Deer-North (PC)  
Leskiw, Genia, Bonnyville-Cold Lake (PC)  
Notley, Rachel, Edmonton-Strathcona (ND)  
Olesen, Cathy, Sherwood Park (PC)  
Rowe, Bruce, Olds-Didsbury-Three Hills (W)  
Strankman, Rick, Drumheller-Stettler (W)  
Swann, Dr. David, Calgary-Mountain View (AL)  
Webber, Len, Calgary-Foothills (PC)

**Bill Pr. 1 Sponsor**

Dorward, David, Edmonton-Gold Bar (PC)

**Bill Pr. 2 Sponsor**

McDonald, Everett, Grande Prairie-Smoky (PC)

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## Standing Committee on Private Bills

### Participants

Bill Pr. 2, Wild Rose Agricultural Producers Amendment Act, 2013 .....	PB-6
Humphrey Banack, Second Vice-president, Wild Rose Agricultural Producers	
Scott Exner, Legal Counsel, MacPherson Leslie & Tyerman LLP	
Grace MacGregor, Director, Wild Rose Agricultural Producers	
Sheryl Rae, Executive Director, Wild Rose Agricultural Producers	
Bill Pr. 1, Church of Jesus Christ of Latter-day Saints in Canada Act .....	PB-10
Boyd Black, Legal Counsel, Global LDS Church	
John N. Craig, Legal Counsel, Bennett Jones LLP	
Stephen Miller, Senior Stake President	
Jean-Paul Sharpe, Solicitor, Municipal Affairs/Service Alberta	



8:32 a.m.

Tuesday, May 7, 2013

[Mr. Xiao in the chair]

**The Chair:** Good morning, everybody. Welcome to this early morning meeting.

Before we start, I'll just remind everybody to keep your BlackBerrys, iPhones, all electronics off the table because they may interfere with the audiofeed.

First of all, I'd like to have a member move to approve the agenda.

**Mrs. Fritz:** So moved.

**The Chair:** Okay. Mrs. Fritz. All in favour? Any opposed? It's carried.

I'd also like to have a member move to approve the minutes.

**Mr. Goudreau:** So moved.

**The Chair:** Mr. Goudreau. All in favour? Any opposed? It's carried.

This morning we're going to hear presentations for the petitions of two private bills, Bill Pr. 2, Wild Rose Agricultural Producers Amendment Act, 2013, and Bill Pr. 1, Church of Jesus Christ of Latter-day Saints in Canada Act.

A request from Mr. Dorward, the sponsor of Bill Pr. 1, Church of Jesus Christ of Latter-day Saints in Canada Act, to switch the order in which today's petitions are heard was agreed to by the petitioners; therefore, the petition for Bill Pr. 2, Wild Rose Agricultural Producers Amendment Act, 2013, will be first on the agenda this morning.

Parliamentary Counsel's report on the petitions pursuant to Standing Order 104 was distributed on the morning of May 6, 2013, in hard copy to the members of the Legislature at the Annex offices, and the supporting materials were posted on Thursday, May 2, on the committee's internal website.

Now I'd just like to briefly describe the private bills procedures. The purpose of private bills is to allow an individual or group of individuals to petition the Legislature for relief or remedy that is not available in general law. Once a private bill is passed in the Legislature, it becomes as effective as any other legislation.

Our procedure for private bills is governed by standing orders 89 through 106. Just to summarize, the requirements for the compliance of the petitions pursuant to the standing orders are the following. A petitioner advertises twice for two consecutive weeks in Alberta newspapers. The petitions must be filed with the Assembly and with the Lieutenant Governor. There must be a draft bill presented along with a filing fee of \$500.

Once the petitions have been received within the time limit, they are referred to the chair of the committee, who then presents them in the Assembly. Once the petitions have been reviewed, I report again to the Assembly. One then proceeds with the hearings. The petitioners and anyone else who is interested appear and are sworn in. Following their presentation committee members are provided the opportunity to ask questions of the petitioners.

Once all of the hearings have been completed, the committee meets to deliberate on each bill and to make one of three recommendations: that the bill proceed as is, that it proceed with amendment, or that it not proceed. Once we have made those determinations, as chair then I report again on behalf of the committee to the Legislature. Depending on the decision with respect to each bill, it will follow the same process as any other

bill in the House; namely, proceeding through second reading, Committee of the Whole, third reading, and royal assent.

Are there any questions?

**Mrs. Fritz:** I just have one. My question is: is there a time limit on the presentations?

**The Chair:** Yes. We try to limit each presentation to 45 minutes.

**Mrs. Fritz:** Thank you, Mr. Chair.

**The Chair:** We just need to make sure that we can adjourn the meeting at 10 o'clock sharp.

Any other questions?

If not, now I would like to ask our Parliamentary Counsel, Ms Dean, to call in the petitioners for Bill Pr. 2, Wild Rose Agricultural Producers Amendment Act, 2013.

[Mr. Banack, Mr. Exner, Ms MacGregor, and Ms Rae were sworn in]

Good morning. Before we start, I would like to extend a warm welcome to the petitioners this morning.

I'd like to advise our guests that you don't need to operate the microphones as this is taken care of by the *Hansard* staff. I also want to advise you that this meeting is recorded by *Hansard* and that the audio is streamed live on the Internet.

Now I'd invite all of the members and our guests to introduce themselves. I will start on my right with the clerk of the committee.

8:40

**Ms Marston:** My name is Florence Marston, and I'm the assistant to this committee.

**Mrs. Leskiw:** Good morning. I'm Genia Leskiw, MLA for Bonnyville-Cold Lake.

**Mrs. Jablonski:** Good morning and welcome. Mary Anne Jablonski, MLA, Red Deer-North.

**Mrs. Fritz:** Good morning. Yvonne Fritz, Calgary-Cross.

**Mr. Goudreau:** Hector Goudreau, Dunvegan-Central Peace-Notley.

**Mr. McDonald:** Good morning. Everett McDonald, Grande Prairie-Smoky.

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

**Ms Rae:** Good morning. Sheryl Rae, executive director, Wild Rose Agricultural Producers.

**Ms MacGregor:** Grace MacGregor. I'm a board member of Wild Rose Agricultural Producers.

**Mr. Banack:** Good morning. Humphrey Banack. I'm second vice-president of Wild Rose Agricultural Producers in Alberta.

**Mr. Exner:** Scott Exner, lawyer for the Wild Rose Agricultural Producers.

**Mr. Strankman:** Good morning. Rick Strankman, Wildrose MLA, Drumheller-Stettler.

**Mr. Rowe:** Good morning. Bruce Rowe, Olds-Didsbury-Three Hills.

**Mr. Barnes:** Drew Barnes, MLA, Cypress-Medicine Hat.

**Dr. Swann:** Good morning. David Swann, Calgary-Mountain View.

**Ms L. Johnson:** Welcome. Linda Johnson, Calgary-Glenmore.

**Ms DeLong:** Alana DeLong, Calgary-Bow.

**Ms Olesen:** Good morning. Cathy Olesen, Sherwood Park.

**Ms Dean:** Good morning. Shannon Dean, Senior Parliamentary Counsel and director of House services.

**The Chair:** Thank you. My name is David Xiao, MLA for Edmonton-McClung and chair of the committee.

Before we proceed, I will also recognize our colleague Everett McDonald, who is the sponsor of the bill and not a member of the committee. Welcome, Mr. McDonald.

Mr. Fox, are you still online?

**Mr. Fox:** I'm still here, Mr. Chair.

**The Chair:** Please go ahead and introduce yourself.

**Mr. Fox:** Rod Fox, MLA, Lacombe-Ponoka.

**The Chair:** All right. Now I would invite our petitioners to address the committee. Please go ahead.

## Bill Pr. 2

### Wild Rose Agricultural Producers Amendment Act, 2013

**Mr. Banack:** Good morning. Thank you for the opportunity to address the committee this morning on such a very important bill for our organization and, I think, for farmers across this province. We'd like to thank the hon. Everett McDonald for bringing this bill forward. I think it is something that he feels strongly about, and I think that it's important for us.

I'd like to thank the committee members for the opportunity to present here. Hopefully, we can provide some answers for you if there are any questions and maybe move this forward.

Agriculture was in this province long before this province was founded in 1905. Farmers at that time already saw a need to join together and to work together to further their industry and to further the way that their industry improves in the future. In the early 1900s an organization, the Alberta Farmers' Association, was formed, so farmers were here before the forming of the province.

New locals were formed through to 1909, and in 1936 the Alberta Federation of Agriculture was established as the Alberta Co-operative Council, again, the names of the farmers of this province. In 1959 we were incorporated under the Farmers' Union of Alberta Act, the first time that the act was brought forward through the Legislature to give farmers that right as a general farm organization to gather. In 1971 it was changed to Unifarm, which put all of the organizations together to form a strong general farm organization. In 1996, with some troubles, it was changed to the Wild Rose Agricultural Producers.

Now it's time to make a change again. Agriculture since 1900 has changed across this province. You know, we've seen farms from when my grandfather settled in 1906, the farm that I'm on till today. Today as I operate my farm and I drive down the road with hay with a 60-foot air seeder and a four-wheel drive tractor, with 450 horsepower, past the family cemetery that's just half a

mile from the farm, I know that he'd be very proud to see the changes we've made in agriculture.

Change is inevitable in every sector in this province. Change is inevitable in agriculture, and we're seeing that ongoing change. That's why we're asking for these changes to our bylaws. As you see, the change started in 1959, 1971, 1996, and it will not be the last time. I'm sure that farmers will be coming before the committee of the Alberta Legislature to make changes to the way we're represented as a general farm organization. I won't commit to this being the last time because we are a changing industry. We will continue to change. So that's what we see as an important part of this.

As I said, agriculture has changed. Farm consolidation has happened. The capital necessary to enter the industry has absolutely increased greatly. I mean, in our operation today there's myself, my brother, my son, and my wife. We run four operations under one umbrella. We're 5,000 acres, 1 and a half million dollars in sales, you know, \$3 million to \$4 million in capital investment. For us to get into this industry is very capital intensive.

My son is 26 years old. He's just moving home from the farm. He works in the city, comes home every night, and helps us through planting. We as a farm organization have to stand up and make sure that farmers across this province have the ability to voice that.

A general farm organization does not try to touch on the sectoral issues. You know, there are issues specific to the beef industry, to the grains industry, to the canola industry, to all the different sector councils out there. We're very blessed in this province as I travel across the country. I'm also vice-president of the Canadian Federation of Agriculture. I talk to farmers across this country about how farmers need to be represented, so I have a national scope, too, on certain days. Today I've just got a provincial hat on.

It's very important that those sector councils are there. As I travel across the country and meet with farmers, there are a lot of other provinces within, you know, this great federation we live in that don't have the ability for farmers' organizations, for their commodity groups to gather. In Alberta we're very blessed to have that. We see a great need for that general farm organization. Issues that the Wild Rose would look at are farm labour issues, farm safety, environmental issues, taxation issues, issues that touch every farmer in Alberta. Those are the issues that come to the table of the Wild Rose Agricultural Producers and will continue to come to the table of the Alberta federation of agriculture.

As I said, we're moving forward. It's a challenging industry that we work in, and I think these are challenging times. I think that this act and the proposals in front of you today allow us to move our organization to another level. We're proposing some major structural and governance changes within the organization to address the needs of a general farm organization and producers across the province.

To be quite frank – and, you know, we've been looking at this for a number of years, how we go about changing our organization – Wild Rose Agricultural Producers today is a little challenged. When I go to meet people, I say that I'm from Wild Rose. There's a very strong political party out there using that name now. Rick and I could have a long chat about this after. Who was here first, the chicken or the egg?

As much as that is, I guess it's moved us to realize that our organization needs some governance changes that are tied to legislation, and this has just precipitated the fact that we're here in

front of you today. Mr. Everett McDonald, the right hon. Mr. McDonald, has brought forward this private member's bill to change this. I guess it's just come to the point where it's time to make the changes necessary to give us a strong general farm organization in Alberta.

I'd like to close very quickly here by saying that agriculture is Alberta's largest renewable industry. Our organization will be there to provide producers a voice and ensure it is also one of the most sustainable industries by ensuring that our farmers have the tools to be good stewards of the land and continue to be profitable.

Thank you.

**The Chair:** Thank you, Mr. Banack.

Who else would like to address the committee?

**Ms Dean:** Mr. Chair, perhaps the counsel for the petitioner can briefly describe for the benefit of the committee what amendments they're seeking in the bill.

**Mr. Exner:** Okay. Certainly, one of the main changes is a change to the name. Humphrey mentioned sort of some confusion with the Wildrose Party. Secondly, there are certainly changes to the objects and the powers, more properly reflecting what the organization feels it does today.

Grace, did you have anything to add on sort of that point in particular?

**Ms MacGregor:** Just to say that the statute was created in 1959, and it has bits and pieces in it that relate to the organization at that time which are no longer applicable, so we're asking to have a couple of sections removed from the act because they don't apply at all to our current organization.

We have an overarching objective, which is included in the statute, which was drafted in 1959 and is as applicable now as it was then, but the specific objectives that followed that have been taken out and put into the bylaws, where they're more readily updated as the organization moves forward.

8:50

**The Chair:** Any others?

If not, I would like to open the floor to questions and discussion. I would like to call on Mr. Strankman. Go ahead, please.

**Mr. Strankman:** Thanks, Mr. Chair. Humphrey, I'm pleased to be here today with you. You did mention your position in the federal arena, and I well appreciate that. That was going to be my main question.

I also want to make a comment from a previous life that I've had, Humphrey, and you know that we've had discussions about that. There was also a statute that was passed in 1943 that as of August 1 of this year was changed federally in this country. I think it was very important that that legislation got changed. That was brought forward by farmers who were thinking in a new paradigm. I think that it's unfortunate that the Wild Rose Agricultural Producers are here as a result of a new political paradigm that's taking place in this province. I believe that as a farm organization you should be taking more leadership roles, and this seems to me to be somewhat of a reactive situation, albeit unfortunate in that the legislation has to be changed.

I will support your move for change, but I just wanted to make my position known.

**The Chair:** Good. Thank you.

**Mrs. Fritz:** Thank you for the interesting presentation. I appreciated it. The formality of the history that you have is quite incredible, really, and on record now, which is good for all of us.

I'm looking at section 13, that's being repealed. When I was reading through all of the material, which I appreciated having from you to review, what it mentions in 13(1) is about the bylaws, the rules, the regulations that are passed by the corporation and that they shall not be repealed or amended. It goes on to say: "of the said society shall be and remain the by-laws, rules and regulations of the corporation" and then in particular "relating to the formation of locals, the right of locals to elect a delegate or delegates to attend an annual meeting," et cetera.

I know that this has been carefully thought through, but I thought that you might want to put on record why you're recommending that you repeal that. Ms MacGregor, when you spoke earlier, you mentioned bylaws, so I know that you must have a formal process, that you are, you know, looking after the organization through bylaws and regulations, much like you're here today in order to make changes. I do support you going forward, but I just thought it might be helpful to you if you did have that on the record. There are those in the province and even across the country who will be very interested in what changes are made through this bill, why it's being repealed, because it is a private bill.

Thank you for that.

**Ms MacGregor:** May I respond to that?

**The Chair:** Yeah. Sure. Go ahead.

**Ms MacGregor:** The organization evolved. Originally there were – correct me – districts, regions, and locals. Locals were within regions, and regions were within districts. At one point the organization was about 20,000 members strong. Since that time it has become less and less strong. Its membership has decreased, and the locals are not operating at all. We now have regions and – was I incorrect, Humphrey? Which came first, districts or regions?

**Mr. Banack:** Districts were first, then regions.

**Ms MacGregor:** Okay. So now we're really basically left with districts.

With respect to the changes to bylaws our current bylaws say that they may only be amended at the annual general meeting with a two-thirds majority and that significant notice – I think it's 30 days if I recall – has to be given to the membership for a proposed bylaw change. Is that helpful?

**Mrs. Fritz:** Very helpful. Thank you for that.

**The Chair:** Thanks.  
Hector.

**Mr. Goudreau:** Thank you, Mr. Chair. I, too, want to start by thanking you for the good work that you're doing across the province. I've got a number of questions. Hopefully, we can get through some of those. I'm surprised that you never challenged the Wildrose name when it came out. I'm somewhat disappointed that you didn't do that, just to let my opposition members know that.

I guess that to put it in perspective, we probably have 30,000 or 40,000 farm families in the province of Alberta, probably closer to 40,000. What are your membership numbers, and how many people are you representing? For the committee's sake here, how broad is the organization in the province of Alberta?

**Mr. Banack:** Our organizational numbers have fallen off. You know, we won't deny that. We're probably down to 400, 500, or 600 members at this point in time. We're going through a reorganizational program right now. I hope maybe I can address Mr. Strankman's issues here, too. We are in a process of talking to and consulting all the commodity groups across the province. We're going to have a forum in Sylvan Lake for our semiannual meeting this year, and we're going to bring all the commodity groups in. Our new governance structure does have a spot on the boards for the commodity groups, so we can have them in here more.

We see a strong need for individual membership organization to move this forward. I think that's where we have to be, that grassroots organization. We see that strong need, and I hope that we as an organization, as we move forward through the governance structures we see here and with the consultation and work with the commodity groups, can come up with a proposal to reattract individual members to our organization.

**Mr. Goudreau:** You also mentioned other provincial organizations or a national organization. What organizational structure would you have with the national organization that's maybe not identified in the proposed bill here? Is there a formal relationship organizationally?

**Mr. Banack:** In the past and for a large number of years – the CFA was incorporated in 1936, and since then Alberta has been part of the Canadian Federation of Agriculture. As we move forward, I mean, through the reorganizational structure, personally I think the CFA provides a great national forum for us to be there. But as farmers speak out across this province and with the governance changes we're seeing here, hopefully we can allow farmers to make that decision. I don't think that we're married to it. I am, but I'm one voice, and through the reorganization of this structure and the consultation with the commodity groups and an increased individual membership, we can go wherever the farmers of this province choose to drive it to.

**Mr. Goudreau:** You're proposing to use federation in the title, the Alberta federation of agriculture. Federation has a broader connotation than provincial, and that's what leads me to question why you would use the word "federation."

**Mr. Banack:** I think we chose the word "federation" for the strength that it fosters in the public mind. A federation seems to show strength in numbers. We see a number of organizations across this province that use federation in their titles – the Alberta Federation of Labour, federations like that – and it seems to drive that strength. When we see Alberta federation of agriculture, of the different name choices we looked at, it was the one that exuded that strength and that solidness right from the very beginning.

**Mr. Goudreau:** Okay. In part of the discussion I think Ms MacGregor indicated that you're doing other structural and organizational changes. I'm not sure if you did, Humphrey, or Grace. What are some of those other organizational and structural changes you're proposing?

**Ms MacGregor:** May I answer?

**Mr. Goudreau:** Please.

**Ms MacGregor:** Thanks. I wanted just to follow up on something that Humphrey said, a couple of things. In addition to the

individual agricultural members we have, we also have 11 or 12 commodity organizations who are members. Our membership by default is increased by that.

Originally Unifarm was an organization of commodity groups, and it came to an unhappy end in the mid-1990s. There were too many disagreements. I think that was over the Crow rate issue, was it not? It was primarily an organization of commodity groups. Wild Rose Agricultural Producers became an organization of individual agricultural producers, and our membership has been reduced in part because individual agricultural producers don't see an immediate and personal benefit to them belonging to Wild Rose Agricultural Producers. What we are trying to do through the Alberta federation of agriculture is change our membership so that it is inclusive not only of agricultural producers but of commodity organizations, not-for-profit organizations, agribusiness organizations, and we also have a membership category called patrons, for people who are interested in agricultural issues but have no other association with it.

Currently we have a nine-member board of agricultural producers. We are proposing that our board become an 11-member board made up of six agricultural producers, three commodity group directors, one from a not-for-profit organization and one from a for-profit agricultural business.

9:00

**Mr. Goudreau:** That's it, Mr. Chair. I'll leave others to ask questions.

**The Chair:** Yeah. Thank you.

Before I call on another member to ask questions, I would like to acknowledge Dr. Neil Brown, who is a member of our committee.

Ms Johnson, please go ahead.

**Ms L. Johnson:** Thank you, Mr. Chair. Thank you for your presentation today. As I was reviewing the material, I wanted to ask about the unlikely situation of dissolution. In our other private member's bill that we're going to consider today, there's a whole section on what happens to the asset if the association dissolves. This piece of legislation is silent on that. I don't know if I ask your legal counsel or our legal counsel that question. It's in the other piece that's before the committee today, section 19 on windup, but there's nothing in Pr. 2 that's similar to section 19 of Pr. 1.

**The Chair:** Mr. Exner, would you like to answer the question?

**Mr. Exner:** Shannon can correct me if I'm wrong, but it's section 9(3) of the current statute. I don't believe that section is being amended. It's section 9(1).

**Ms Dean:** Just for clarity, it's part of the 1996 statute.

**Ms L. Johnson:** Oh. Okay.

**Ms Dean:** It's in your materials there.

**Ms L. Johnson:** I missed that one. Sorry. My apologies.

**Ms Dean:** It's difficult because these acts aren't consolidated, so it's a bit of a mystery sometimes to weave your way through the provisions. But there is a provision on dissolution.

**Ms L. Johnson:** Right. Okay. Thank you for clarifying that.

Then the reporting of the financial status. What is your practice in terms of presenting financial statements?



**Ms MacGregor:** The financial statements are normally presented at the annual general meeting.

**Ms L. Johnson:** Okay. Thank you.

**The Chair:** Dr. Swann.

**Dr. Swann:** Thank you. I guess it's a matter of historic artifact that you've been forced to come before the Legislature every time you want to make significant changes in your organization. It seems such an unwieldy way of making the changes that most organizations make as a matter of course within their organization itself. I guess my question may be more directed to our legal counsel. Is there any simpler way that this organization could be more liberated, I guess, from coming to this committee every year or two to make the kind of changes that in their best interest they need to make?

**Ms Dean:** Well, it's a good question. Entities such as the petitioner are holdovers from a previous era where there was no provision under provincial statutes to incorporate a nonprofit entity. Now we have the Societies Act, that is used for that purpose, or part 9 of the Companies Act. In answer to your question, it's really a preference of the petitioner if they were to seek to continue its existence under one of those public statutes. But right now they are properly incorporated by a statute of Alberta, and there's nothing wrong with what they're doing.

**Dr. Swann:** But they would have to make a different petition, then, to this Legislature to reincorporate under the Societies Act or under the corporations act, then.

**Ms Dean:** Well, essentially they would have to re-establish themselves, so they'd be repealing their existence under a private act, and they would have to seek a new existence either through a society under the Societies Act or a part 9 company or corporation, whatever corporate status they were seeking.

**Dr. Swann:** Thank you.

So something for your consideration. I don't know whether it's costly and unwieldy to have to come back here every year or two or three or 10, and maybe it's not worth that kind of disruption, but there are certainly easier ways for you to get through the decisions that you need to make than coming to this committee. I guess the only other thing is that I'm a bit surprised, as you are incorporated, that there haven't been clearly mandated financial filings under the Business Corporations Act already and why these changes would now need to be made at this stage.

**Ms Dean:** Perhaps I can just elaborate on that. Right now – and correct me if I'm wrong – there is no obligation for the petitioner to release its financial statements or make a public filing with respect to its registered office or the names of its board.

**Mr. Exner:** That's correct.

**Ms Dean:** One of the things that has been an important consideration for this committee in recent memory is to ensure that entities that are incorporated by a private act are subject to the same public filing requirements that other entities have to adhere to. I guess I would pose the question: if the committee were to recommend that type of amendment to your private act, do you have any concerns on that front?

**Mr. Exner:** Certainly, I don't think we have any concerns. It's more learning exactly what documents would need to be filed.

Certainly, filing an annual return, I think, would make sense. Filing a notice of change of directors would make sense. In terms of financial statements if you were sort of dictating that we provide them to members formally and the context of them in terms of when they get delivered, if it was consistent with the Societies Act, I don't think we'd have any objection to that.

Given that we're not under the Societies Act or the Business Corporations Act, I would be interested in sort of the administrative process to get us there just because the corporations branch right now would not have any record of us. So when we do send in the annual return, how does that administratively work? That's not necessarily for this committee, but we'd certainly want to be aware of how that process would work.

**The Chair:** Thank you.

Any other questions?

Seeing none, this concludes our hearing for Bill Pr. 2.

I would like to advise the petitioners that on May 14 the committee will meet to deliberate on the bill, and you will be advised sometime next week following the committee's deliberation. I would like to thank you for your submissions and your attendance this morning.

Thank you.

**Ms MacGregor:** Thank you very much.

[The committee adjourned from 9:08 a.m. to 9:14 a.m.]

**The Chair:** Good morning, ladies and gentlemen. First of all, I'd like to welcome all petitioners to our committee this morning.

Before we start the presentation, I would like to go around the table to introduce ourselves. My name is David Xiao. I'm the MLA for Edmonton-McClung and chair of this committee.

**Ms Marston:** I'm Florence Marston, and I'm the assistant to this committee.

**Mrs. Jablonski:** Good Morning. Mary Anne Jablonski, MLA for Red Deer-North.

**Mrs. Fritz:** Yvonne Fritz, Calgary-Cross.

**Mr. Goudreau:** Good morning. Hector Goudreau, Dunvegan-Central Peace-Notley.

**Mr. Bhardwaj:** Good morning. Naresh Bhardwaj, MLA for Edmonton-Ellerslie.

**Mr. Dorward:** David Dorward, MLA for Edmonton-Gold Bar.

**Mr. Sharpe:** Jean-Paul Sharpe, legal counsel for Service Alberta.

**Dr. Miller:** Stephen Miller, stake president for the Calgary west stake.

**Mr. Black:** Boyd Black with the global LDS church.

**Mr. Craig:** John Craig with Bennett Jones, counsel helping on this.

**Mr. Strankman:** Rick Strankman, Drumheller-Stettler.

**Mr. Rowe:** Bruce Rowe, Olds-Didsbury-Three Hills.

**Mr. Barnes:** Drew Barnes, MLA for Cypress-Medicine Hat.

**Dr. Swann:** Good morning. David Swann, Calgary-Mountain View.

**Ms L. Johnson:** Good morning. Linda Johnson, Calgary-Glenmore.

**Ms DeLong:** Alana DeLong, Calgary-Bow.

**Ms Olesen:** Good morning. Cathy Olesen, Sherwood Park.

**Dr. Brown:** Neil Brown, Calgary-Mackay-Nose Hill.

**Ms Dean:** Good morning. Shannon Dean, Senior Parliamentary Counsel and director of House services.

**Mrs. Leskiw:** Genia Leskiw, Bonnyville-Cold Lake.

**The Chair:** Thank you very much.  
Mr. Fox, are you on the line?

**Mr. Fox:** I'm here, Mr. Chair.

**The Chair:** Please go ahead and introduce yourself.

**Mr. Fox:** Rod Fox, MLA for Lacombe-Ponoka.

**The Chair:** Thank you.  
I'd also like to advise our guests that the microphones are operated by *Hansard* staff. Also, this meeting is recorded by *Hansard*, and the audio is streamed live on the Internet.

Now I would like to invite the petitioners to address the committee. Please go ahead, Mr. Black.

**Mr. Black:** Actually, Mr. Craig will take the lead.

[Mr. Black, Mr. Craig, Dr. Miller, and Mr. Sharpe were sworn in]

**Bill Pr. 1**  
**Church of Jesus Christ of Latter-day Saints in Canada Act**

**Mr. Craig:** Thank you very much, and thank you for your time today. At the risk of oversimplifying the process here, I can tell you that we look at what we're bringing to you today as a housekeeping matter that's cleaning a house that is well over a hundred years old.

The church in Canada, the Church of Jesus Christ of Latter-day Saints, also known as the Mormon church or the LDS church, has a presence going back to the 1800s here in Alberta. It started in southern Alberta in the small town of Cardston. The church was first established as a legal entity here in this area under the North-West Territories in 1897 through a special ordinance of the North-West Territories, and the materials are referred to in your bill.

Since that time there have been two other private acts that have been established that have part of the church's structure in it, one involving the President and High Council of what is referred to as the Taylor Stake, which is in the Raymond area of southern Alberta, and another in the '20s, referred to as the President of the Lethbridge Stake corporation. That corporation was actually established under the federal Parliament. The last little piece of the structure, that was formed in the '60s, was a charitable trust. That has really been the way that the church has operated here in Canada since that time with these other historic organizations in place.

So we have this collection of history, if you will, of these entities, and the purpose today is to try to update that and to get the structure of the church here in Canada in a single organization, in a single corporation. It's a bit of a challenge because we have two private act corporations right now, we have a federal act as well, and we have a trust. The legal advice that has been provided by the Miller Thompson firm, who specializes in this area, is that the most efficient way to do that is to update that by way of a

private act that will allow for the amalgamation of all of those entities into a single entity here in Alberta.

Alberta is really the centre of the church here in Canada, historically and today. The congregations are large here in Alberta. They go throughout Canada, but the intention is that the company that is formed, that will vest the legal structure of the church, will be headquartered here in Alberta and, therefore, appropriate for it to be an Alberta private member's bill.

**9:20**

I don't know that there's more, really, that I should say on that part. There may well be some questions, and certainly I would like to answer any questions that anyone has here. I can tell you that we've worked quite closely with Shannon Dean and Legislative Counsel in developing the bill. There have been some comments; I think we've been able to accommodate all of those. We had some recent correspondence as well from Service Alberta. I think there's nothing there that we're not able to accommodate, and there are some more amendments that we've talked about to accommodate the very good comments that have been made here.

The intention is to structure this in a way that it looks and feels like a modern, 21st century corporation so far as the structure is concerned, so far as working with the filing requirements to make sure that there's the transparency that any corporation would have and the same sort of reporting obligations. I think the benefit of having the input from the various personnel that we've worked with in government has been that we've got something here that I think is a fairly good product and platform for us to go forward with.

I'm happy to take any questions. I will tell you that we have Boyd Black here, who is, as he said, legal counsel for the global LDS church and certainly has had a large part in making sure that the interactions are appropriate there. We also have Stephen Miller, who is the president of one of the stakes here in Alberta.

A stake is similar to a diocese. It is an ecclesiastical unit of the church. The basic structure of the church beyond the family is in what is called a ward organization, which is a geographical area where church members reside, typically 300 to 500 members in size, and a collection of those wards are made up within a stake. So there can be anywhere from six to 12 wards within a stake. At the head of each of those stakes is a stake president who provides support to the local church leaders there.

It may be of interest for some to know that the LDS church operates through a lay ministry here. There's no one paid to preside over local congregations. President Miller is a surgeon in Calgary. This is his side job, if you will, and he probably spends anywhere from 30 to 50 hours a week doing that on his own time. That's just the way that it works here. In the province of Alberta I believe there are 22 stakes right now. Each stake would have somewhere between 3,000 and 5,000 members in it, and those stakes are spread, really, from one end of the province to the other.

The church, as I said earlier, operates through the trust structure that we have in place right now. The trustees of that trust currently are a collection of the stake presidents here in the province, specifically in the Calgary area for administrative ease. This will allow, frankly, the legal structure to work as it needs to work but will allow our ecclesiastical leaders a little more flexibility and free time to do the important things that they do for the people that they serve and the charitable objects that they pursue.

I think that any of the three of us would be happy to answer any questions that there might be, Mr. Chairman.

**The Chair:** Before I go to the members for questions, I would like to invite Mr. J.P. Sharpe to make some comments on behalf of Municipal Affairs and Service Alberta. Please go ahead.

**Mr. Sharpe:** Yeah. Service Alberta is supportive of this private member's bill. We provided a few comments with respect to a couple of sections, and I believe there has been an amendment prepared for the bill.

**Ms Dean:** It's in the process.

**Mr. Sharpe:** It's in the process? Oh, okay.

The comments we provided. Given that they would be registered in the corporate registry and there was contemplation in the bill of potential dissolution, even though that's quite unlikely, we would like some notification of that dissolution to keep our records complete should that ever occur. That was the one comment, and a couple of other technical comments and just some information respecting section 15, which was the limitation of liability. Service Alberta doesn't take a strong position with respect to this section, but I just wanted to raise that that is a very powerful position to limit liability in that way and that, you know, there are several questions that could be raised about what the scope of that section is.

**Mr. Craig:** If I might, Mr. Chair?

**The Chair:** Sure. Go ahead.

**Mr. Craig:** We were able to get the comments – they were very helpful – from Service Alberta. The section that's being referred to was a section of the act, section 15 in the draft that's before you, that was designed to ensure that if somebody decided they were going to sue the church, they actually sued the church and didn't sue poor President Miller, who's a volunteer working for the church. The suggestion was that that may have had some unintended consequences, and as a result of that comment, we have actually proposed that that section be deleted from the bill.

The way that we will deal with that and it's dealt with in the act now is that if one of our local church leaders were to be sued, there's an indemnity provision, section 16, which allows them to be indemnified by the church if they were ever to be sued so long as they're acting within the scope of their service and in good faith, all of those usual sorts of things. It's a good example of where we've tried to address the concern.

The other thing that is in the amendment that we're currently discussing with Shannon Dean is the dissolution provision. We have absolutely no problem putting in language to make it clear that if we ever dissolve, there'll be notice given to corporate registry so that they know we're no longer around, as unlikely as that may be. I think all of the other minor cleanup items that were mentioned we've addressed in the proposed amendment as well. As I say, it's part of the process.

To be frank, this is not an area that I work in, working with governments and these sorts of bills. It's been a very interesting experience to be able to have the input and the discussion with various members of government to get to what I think at the end of the day is quite a good bill. It's been a good process.

**The Chair:** Thank you.

Now I would like to open the floor for questions. Mrs. Jablonski.

**Mrs. Jablonski:** Thank you. Thank you for your presentation. It's certainly easy to understand why you would want to amalgamate a number of different entities into one.

I just need a point of clarification. I think it's a legal matter. I think you mentioned that one of the entities is a federal entity, and I'm just wondering how it's possible that a federal entity can be amalgamated into a provincial act.

**Mr. Craig:** That is an excellent question, and I actually have an answer for that that I think will be helpful. As I mentioned, the Miller Thomson firm, who has some expertise in this area, has monitored this situation quite closely. Within the last two years there has been federal legislation which specifically authorizes a private charity to continue and to be amalgamated into other legislation in other jurisdictions.

If you look at the bill – and I don't want to bore you with the legal parts of this, but you may find it interesting. I found it very interesting, but I am a lawyer, so it may be a bit of a warped perspective on it. If you look at section 4 of the act, it deals with the Alberta stakes. Those are the Alberta private act companies. You'll notice under section 4(1) that upon incorporation those corporations are automatically amalgamated into the new entity. If you go over to the previous page, you'll see the President of the Lethbridge Stake. This is section 3. This is the federal act company. The wording is different here. It says: "The President of the Lethbridge Stake . . . may apply to the directors of the Corporation to continue under this act and amalgamate."

There's not an automatic amalgamation of the federal entity into this company because, again, the province wouldn't have the jurisdiction to do that. What this allows to have happen, and it's authorized under the federal legislation, is for a federal company to apply to be amalgamated into a different company, including a provincial company, and for that amalgamation to then take place upon application. We have – and we've provided it to Ms Dean – a legal opinion from the Miller Thomson firm that, in fact, that will work and it's a legally recognized way for it now to work. It wouldn't have worked five years ago, but because of a specific provision of the charities legislation at the federal level it does now allow for that.

**Mrs. Jablonski:** Thank you very much.

**Mr. Craig:** Thank you.

9:30

**The Chair:** Mrs. Fritz.

**Mrs. Fritz:** Thank you, Mr. Chair. Good morning, everyone. I do have several questions. My first question. A "resident Canadian" means an individual who "resides in Canada at least 183 days in any year." I know you spoke about modernization. I wondered if that has changed in the last number of years, and I wondered why that was the number.

**Mr. Craig:** Well, that has to do primarily with the tax rules of Canada. That's actually a provision that picks up from there. We have this phenomenon here in Canada called snowbirds, and they're very careful about those days because if they are outside of Canada longer than those days, they become subject to paying taxes in a very unpleasant place to pay taxes if you're paying in both places. That's actually language that's picked up out of the relevant tax legislation. That's how long you can be outside of Canada and still be a Canadian, essentially, a resident of Canada.

**Mrs. Fritz:** Thank you.

**Mr. Black:** May I also address that? It's my understanding that the Business Corporations Act in Alberta requires that at least one-fourth of the directors be resident Canadians, and this definition is word for word what's found in the Business Corporations Act.

**Mrs. Fritz:** Thank you very much for that.

My next question relates to the amendment. I appreciate you explaining that you did consult with Service Alberta and with Ms Dean regarding the amendment. Because you're before the committee today, I was hoping that that amendment would have been here so that we could see that amendment as a committee as we're discussing the bill fully. That is going to be a significant change from what is already here, especially under liability, but I understand as well, as you said, that the protection is in section 16. I want to ask Service Alberta: just on process, when were you aware of the change that would be made, and how did you follow through with that?

**Mr. Sharpe:** We got contacted around April 25 about this bill, so it was very tight for us to get a response together.

**Mrs. Fritz:** When the amendment is prepared, then, it's prepared in consultation with your department?

**Ms Dean:** We all work together on the wording of the amendment. You know, when we come to a consensus, that's the amendment that would be presented to the committee at its meeting next week, when it makes its decision on this bill.

**Mrs. Fritz:** Okay. Does it mean, though, that the petitioners need to come back to the meeting?

**Ms Dean:** No.

**Mrs. Fritz:** Okay. Thank you for that clarification.

Also, I wanted to thank you. I think it is a part of – and I go back to this term – modernization. We were very fortunate in Calgary when the new LDS Calgary Alberta temple had opened. You opened your doors for people to go through the temple – all Calgarians and Albertans and people that, you know, are visiting from other countries, from all over the world, really, people in Canada – and to become a part of something that we haven't been a part of before. I just felt so privileged to go through with my family. It's just breathtaking. I just really wanted to thank you for that. I don't what the future will hold, if that can ever occur again – I don't know enough about the LDS faith – but I really appreciated that.

We do have a stake temple in northeast Calgary. We were thrilled when it was built. I've been in my home in Pineridge 40 years now, and it's just, I think, probably about eight blocks from me. It's just been such an added bonus to our community. As you mentioned, there are a number in Alberta having 5,000 or 6,000 people, I think you'd said, that participate at a stake temple, so I want you to know that I appreciate that, too. It tells me why you're here today. It tells me, you know, what this will lend to the cohesiveness and just the community itself, the strength that you have, having been in Canada for over a hundred years.

It's a challenge to get to this committee. I appreciate, too, that MLA Dorward was very kind in that he explained to me, anyway, and, I'm sure, to other committee members over the last several weeks the importance of this private bill. It is one where it does take considerable thought. As Mrs. Jablonski asked that question,

you can see why it takes considerable thought about the approval as we move forward.

I do support this bill. It's an important bill. It's historical for you and for your organization, and I appreciate being a part of that, so thank you.

**The Chair:** Thank you.

Mr. Goudreau.

**Mr. Goudreau:** Thank you. My question very, very briefly follows on MLA Jablonski's question. She talked and you talked about the federal entity again. The headquarters are here in Alberta, and you've identified that the corporation is involved in other provinces. Do you operate under other provincial legislation aside from the province of Alberta? Is there other provincial legislation across the nation that might impact our decision here?

**Mr. Craig:** No. The roots of the church in Canada are in Alberta, and the legal structure has all been set up and organized here in Alberta.

**Mr. Goudreau:** Thank you. That's all I needed.

**The Chair:** Ms DeLong.

**Ms DeLong:** Thank you. My question has already been asked. I just wanted to say thank you, though, especially for the work that you do strengthening families in Alberta.

**The Chair:** Mr. Barnes

**Mr. Barnes:** Thank you, Mr. Chair. I see on point 2 of the comments from the Ministry of Service Alberta that the bill could be simpler if preapproval could have been obtained from Canada Revenue. If I could ask Mr. Sharpe, please, what thoughts he has around that and what implications there may be.

**Mr. Sharpe:** Well, this gets a bit technical in that usually – or at least it's my understanding – upon the passing of a private bill, the entity exists, and with this one the entity doesn't exist immediately on passing the bill. The preapproval from Canada Revenue has to be obtained. Then the entity exists and has to be published in the *Gazette*. So it's more complicated than normal. I don't actually know if that preapproval is available from the CRA, but if it was available, we could have eliminated some of that complication in the bill.

**Mr. Barnes:** The concern is more procedural than anything?

**Mr. Sharpe:** Yes. A very minor comment.

**Mr. Barnes:** Thank you.

**The Chair:** Okay. Any questions from the members?

**Mr. Craig:** Just to the extent that it's helpful to the committee, I can tell you that that was an issue that was considered. I think you will appreciate that for a charity the charitable status issue is a key issue. We really do end up a little bit in a chicken-and-egg situation. Do we get that approval first and then incorporate? Do we incorporate and get the approval? I can tell you that there is quite a strong feeling that we really do need to have the vehicle in place, but we do need the last step to be that approval from Revenue Canada to ensure that the charitable status is preserved in the flow through here. It's a very important point from our perspective.

I appreciate that it's a little more unusual than would typically be the case. Again, working with Ms Dean quite closely, that was the language we came up with, and we think that it's workable. We certainly appreciated the point but would beg the indulgence of the committee with a slight amount of complexity on that important point for us.

**The Chair:** Thank you.

**Ms Dean:** Just for the record, admittedly, when I was first reviewing the draft bill, it was a little complicated to try and figure out the relationship between the trust and the various entities created by private act, but I understand that the trustees of the trust are all the various stake presidents, so that does, in fact, include the entities that are identified in the bill; namely, the two entities established by private act in Alberta and the Lethbridge stake. Is that correct?

**Mr. Craig:** Yeah. The trust has evolved over the years. When the trust was first set up in the '60s, all of the stake presidents in Canada were trustees. I think there were 12 of them at the time. There are now 48 of them. Over the course of the history of the trust there has been an evolution in the way that that's been managed. It's currently managed through executive trustees who are, for purposes of administrative ease, the Calgary stake presidents. There are six in Calgary who are the executive trustees. President Miller, who's with us, is the senior trustee and attends the annual trust meetings that are held. The other stake presidents in the province continue to have some role and involvement in that.

To the extent that it's helpful to know, the other three entities, who are also led by stake presidents – one in Lethbridge, one in Cardston, and one in Raymond – I've had an opportunity to visit with as recently as this weekend and provided authorizations from them to Ms Dean. They've been provided copies of the bill. I had the opportunity to explain it to them and received an expressed statutory declaration from them authorizing the passage of this bill and the amalgamation of their entities.

9:40

**The Chair:** Any other questions from the members?

This would conclude our hearing for Bill Pr. 1. I'd like to advise the petitioners that our committee will meet on May 14 to deliberate on the bill, and then you will be advised about the decision of the committee. I'd like to thank you for your submissions and your attendance today.

**Mr. Black:** Thank you very much.

**Mr. Craig:** Thank you.

**The Chair:** Is there any other business that members wish to raise? Mrs. Fritz, go ahead.

**Mrs. Fritz:** Thank you, Mr. Chairman. We had great deliberations today from two very excellent organizations through this committee. My question is just about process; that is, the Legislature process. Once these bills are passed through the committee, how long after that can they go into the Legislature? Like, what's the process for getting them passed in the Legislature?

**Ms Dean:** If the committee recommends that both bills proceed, then the chair first has to report to the House. We're meeting next Tuesday, so the chair can report on Tuesday afternoon, and then

the bills can be scheduled for second reading and committee that day and then third reading a subsequent day.

**Mrs. Fritz:** A subsequent day means that week?

**Ms Dean:** Wednesday or Thursday.

**Mrs. Fritz:** Wednesday or Thursday. Okay. Thank you for that.

**Ms DeLong:** I wondered whether it was possible within our processes to get Bill Pr. 2 approved today by the committee and move forward with that one right away rather than waiting to get both bills through next week.

**Ms Dean:** It's entirely up to the committee. It simply means that we have to proceed twice in terms of scheduling the report. We'll have two reports, and then we'll have to schedule two rounds of second reading, committee, and third reading with respect to private bills. I guess from an administrative standpoint it's a little bit more streamlined if we just deal with them both at the same time next week.

**Dr. Brown:** I agree with Ms Dean. I don't think it's going to get you any further ahead in the process by doing one first.

**The Chair:** Mr. Goudreau.

**Mr. Goudreau:** Well, thank you, Mr. Chair. I do agree with Ms Dean. I had hoped that we could have concluded our business today, being unaware of the amendments coming through. Then if we're going to wait for one, we might as well wait for both and get them both done at that particular time.

**Mrs. Leskiw:** So definitely both of these will be brought into the House next week?

**Dr. Brown:** It depends on what the committee decides when we start deliberating.

**Mrs. Leskiw:** Well, I'm just concerned. I mean, you never know how long we sit or don't sit or whatever the case happens to be. I'm being a devil's advocate on their behalf. You know, they're going to say, "Oh, you guys can go home tomorrow; we're finished," and these poor guys don't get their bills presented and passed. That's my only concern. It could happen.

**Ms Dean:** Just speaking from 16 years of experience in doing this, often these private bills are going through the House very late in the sitting. I work with the sponsors and the Government House Leader to make sure, assuming that the committee recommends these bills, that they get on the agenda for the House to approve them.

**Mrs. Leskiw:** Okay. This is new to us. Like, we've never had a private bill.

**Mrs. Fritz:** I trust that because of your experience. That's why I asked the question. You've indicated that it will go ahead next week and that it will go through the House.

**Ms Dean:** Assuming the committee recommends that.

**Mrs. Fritz:** I understand Mrs. Leskiw's concern. I do understand, but I know, Mr. Chair, why it would be more responsible to have both bills go through at the same time next week.

**The Chair:** Mrs. Jablonski.

**Mrs. Jablonski:** Thank you. Just a quick little recap. Do these bills have to go through the same process as a government bill? In other words, you can have the second reading on one day and then go to committee and third reading, two different parts, on the other day? So in two days, once we approve it, we can get it through the House?

**Ms Dean:** That's correct.

**Mrs. Jablonski:** Thank you.

**The Chair:** Mr. Goudreau.

**Mr. Goudreau:** I guess ultimately if something happens, they would not die on the Order Paper. They'd just be moved on to the fall sitting.

**Ms Dean:** Assuming we're still in the same First Session.

**Mr. Goudreau:** Yeah.

**The Chair:** Okay. No more questions?

Our next meeting is scheduled for May 14, 2013, commencing at 9 a.m. sharp. The committee will meet to deliberate and make its recommendations concerning the two bills and the two petitions presented here today.

I would like to ask for a motion to adjourn.

**Dr. Brown:** I'll move that we adjourn.

**The Chair:** Okay. Dr. Brown. All in favour? Any opposed? The motion is carried.

Thank you very much. See you on May 14.

[The committee adjourned at 9:47 a.m.]



