



Legislative Assembly of Alberta

The 29th Legislature
Second Session

Standing Committee
on
Resource Stewardship

Office of the Property Rights Advocate
Lobbyists Act Review
Public Presentations

Thursday, January 12, 2017
9 a.m.

Transcript No. 29-2-10

**Legislative Assembly of Alberta
The 29th Legislature
Second Session**

Standing Committee on Resource Stewardship

Loyola, Rod, Edmonton-Ellerslie (ND), Chair
Hunter, Grant R., Cardston-Taber-Warner (W), Deputy Chair

Babcock, Erin D., Stony Plain (ND)
Clark, Greg, Calgary-Elbow (AP)
Dang, Thomas, Edmonton-South West (ND)
Drysdale, Wayne, Grande Prairie-Wapiti (PC)
Hanson, David B., Lac La Biche-St. Paul-Two Hills (W)
Kazim, Anam, Calgary-Glenmore (ND)
Kleinstauber, Jamie, Calgary-Northern Hills (ND)
Loewen, Todd, Grande Prairie-Smoky (W)
MacIntyre, Donald, Innisfail-Sylvan Lake (W)
Malkinson, Brian, Calgary-Currie (ND)
McKittrick, Annie, Sherwood Park (ND)*
Nielsen, Christian E., Edmonton-Decore (ND)
Rosendahl, Eric, West Yellowhead (ND)
Sucha, Graham, Calgary-Shaw (ND)**
Woollard, Denise, Edmonton-Mill Creek (ND)

* substitution for Erin Babcock

** substitution for Chris Nielsen

Also in Attendance

Strankman, Rick, Drumheller-Stettler (W)

Office of the Ethics Commissioner

Marguerite Trussler, QC	Ethics Commissioner
Lana Robins	Lobbyist Registrar and General Counsel
Kent Ziegler	Chief Administrative Officer

Support Staff

Robert H. Reynolds, QC	Clerk
Shannon Dean	Law Clerk and Director of House Services
Trafton Koenig	Parliamentary Counsel
Stephanie LeBlanc	Parliamentary Counsel
Philip Massolin	Manager of Research and Committee Services
Sarah Amato	Research Officer
Nancy Robert	Research Officer
Corinne Dacyshyn	Committee Clerk
Jody Rempel	Committee Clerk
Aaron Roth	Committee Clerk
Karen Sawchuk	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications and Broadcast Services
Jeanette Dotimas	Communications Consultant
Tracey Sales	Communications Consultant
Janet Schwegel	Managing Editor of <i>Alberta Hansard</i>

Standing Committee on Resource Stewardship

Participants

Ethics Commissioner and Lobbyist Registrar.....	RS-375
Volunteer Alberta	RS-381
Jann Beeston, Executive Director	
Edmonton Chamber of Voluntary Organizations	RS-382
Russ Dahms, Executive Director	
Calgary Chamber of Voluntary Organizations	RS-383
Geoff Braun, Director, Policy and Research	
Katherine van Kooy, President and Chief Executive Officer	
Len Wolstenholme.....	RS-384

9 a.m.

Thursday, January 12, 2017

[Loyola in the chair]

The Chair: I would like to call the meeting to order. Welcome to members, staff, and guests in attendance for this meeting of the Standing Committee on Resource Stewardship.

My name is Rod Loyola, and I'm the MLA for Edmonton-Ellerslie and chair of this committee. I would ask that the members and those joining the committee at the table introduce themselves for the record, and then I will call on the members teleconferencing to introduce themselves. I'll start off here to my right.

Mr. Hunter: Thank you, Mr. Chair. Grant Hunter, MLA for Cardston-Taber-Warner and deputy chair.

Mr. Hanson: David Hanson, MLA, Lac La Biche-St. Paul-Two Hills.

Mr. MacIntyre: Don MacIntyre, MLA, Innisfail-Sylvan Lake.

Mr. Drysdale: Wayne Drysdale, MLA, Grande Prairie-Wapiti.

Mr. Kleinsteuber: Jamie Kleinsteuber, MLA for Calgary-Northern Hills.

Ms Woollard: Denise Woollard, MLA, Edmonton-Mill Creek.

Ms McKittrick: Annie McKittrick, MLA, Sherwood Park, replacing Erin Babcock.

Mr. Rosendahl: Eric Rosendahl, MLA, West Yellowhead.

Mr. Malkinson: Brian Malkinson, MLA for Calgary-Currie.

Mr. Sucha: Graham Sucha, MLA for Calgary-Shaw, substituting for MLA Nielsen.

Ms Robert: Good morning. Nancy Robert, research officer.

Dr. Massolin: Good morning. Philip Massolin, manager of research and committee services.

Ms Dean: Good morning. Shannon Dean, Law Clerk and director of House services.

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

The Chair: As has been stated by the members that are substituting – I'll say it again for the record – I would note that Mr. Sucha is substituting for Mr. Nielsen and that Ms McKittrick is substituting for Ms Babcock.

I just want to go to the phones, please. If those on the phones could state their name for the record.

Mr. Clark: Good morning. Greg Clark, MLA, Calgary-Elbow.

Ms Kazim: Good morning. Anam Kazim, MLA for Calgary-Glenmore.

Mr. Strankman: Good morning. It's Rick Strankman, MLA, Drumheller-Stettler.

Mr. Loewen: Todd Loewen, MLA, Grande Prairie-Smoky.

The Chair: Okay. Thank you very much.

A few housekeeping items to address before we turn to the business at hand. The microphone consoles are operated by *Hansard* staff, so there's no need for members to touch them. Please

keep cellphones, iPhones, and BlackBerrys on silent and off the table as these may interfere with the audiofeed. Audio of committee proceedings is streamed live on the Internet and recorded by *Hansard*. Audio access and meeting transcripts are obtained via the Legislative Assembly website.

We'll first move to approval of the agenda. Would a member move a motion to approve, please?

Mr. Rosendahl: So moved.

The Chair: Okay. Thank you, Mr. Rosendahl. All in favour? Anybody opposed? On the phones, just for clarification? Okay. Thank you. That motion is carried.

Mr. Drysdale had a recommendation for me earlier this morning. When we ask for people's votes on the phones, it gets a little bit confusing. Sometimes I ask the question and it may take people a couple of seconds or so to unmute their phones to cast their vote. Moving forward, I've decided that I'm just going to ask "All in favour," and that includes the people on the phones. So if you are in favour of a motion and you're on the phone, just say aye when I ask for it. I'm not going to ask "On the phones?" because it could cause confusion moving forward. Does that sound okay to everybody? I'm seeing nodding of heads. Everyone is in agreement. Okay. Thank you very much.

Mr. Strankman: It's well appreciated, Mr. Chair.

The Chair: Well, you're very welcome, Mr. Strankman.

Next we have approval of the meeting minutes for January 9, 2017. Are there any errors or omissions to note? Mr. Drysdale.

Mr. Drysdale: Yes, Mr. Chair. I asked three questions to the property advocate, and I noticed they're not recorded in the questions spot. I've ordered the *Hansard*, and it hasn't gotten here yet. The main reason I'm asking is because for one of them I asked her to respond back to the committee, when she stated that there were wells out there spewing stuff into the environment and that nobody was doing anything about it. I kind of took offence to that, so I asked her to give us the specifics of where that was happening and report it back to the committee. I'd like to see that stated in the minutes. I'm hoping for a response because I'd be really upset if that was actually happening. I don't believe it is, so I'd like to see the evidence of where that is happening.

The Chair: Thank you, Mr. Drysdale.

Mr. Drysdale: I mean, it is in *Hansard*, and I'm getting it. I do have, actually, the three questions that I asked. I don't think you need me to ask them back in again, but if we can correct them for the next meeting.

The Chair: The committee clerk has a comment regarding that.

Mr. Roth: Yes. Certainly, we'll go back and include the three independent questions on the wells that you were asking about, Mr. Drysdale.

Mr. Drysdale: Okay. Thank you very much, Mr. Chair.

The Chair: Perfect.

Are there any other errors or omissions to note?

Okay. Well, if I could please have a motion to approve the minutes as will be amended.

Mr. Rosendahl: So moved.

The Chair: Thank you, Mr. Rosendahl. Again, we're going to try out our new method here. All in favour? Perfect. Anybody opposed? Perfect. Good. That motion is carried.

Now we're going to move on, hon. members. At the January 9, 2017, meeting of the Standing Committee on Resource Stewardship members were informed that the committee had until January 22, 2017, to complete its review of the Property Rights Advocate office's 2015 annual report. Since that time the interpretation of the statute and the motion referring the report have been revisited by the Legislative Assembly Office staff, and after reviewing the statute and the motion, because the Assembly is not currently sitting, the time for completion of the review has been correctly interpreted as being on or before 15 days after the Assembly resumes sitting.

At this time the committee shall continue its review of the Property Rights Advocate office's 2015 annual report. On January 9, 2017, a motion was moved by Mr. Hanson upon which debate was adjourned. I'll ask the committee clerk to read the motion for the committee.

Mr. Hunter: Mr. Chair, the motion to adjourn debate: it wasn't by Mr. Hanson, was it?

The Chair: No, no. I said that a motion was moved by Mr. Hanson upon which debate was adjourned, not that he adjourned it. But thanks for the clarification, Deputy Chair.

Mr. Hunter: Okay. Sorry.

Mr. Roth: Moved by Mr. Hanson that the Standing Committee on Resource Stewardship invite the following departments to appear before the committee to provide a status report on the past recommendations from the Property Rights Advocate – Environment and Parks, Justice and Solicitor General, and Municipal Affairs – at the earliest opportunity.

The Chair: With that, I will open the floor for discussion. Mr. Malkinson.

Mr. Malkinson: Thank you, Mr. Chair. I know we discussed this at our previous meeting. You know, I went back and forth with some of the hon. members on this. I think that when it comes to property rights, our caucus and I think this committee definitely all believe that we want to stand up for landowners. We believe in due process and proper notification and fair compensation.

Speaking of due process, that was a lot of what my line of questioning was about at our previous meeting before we adjourned this particular point. I think the motion is appropriate. We agree with it in principle, too. We would also, from our side, want to hear updates from the ministers on why those reports weren't put back earlier to the Property Rights Advocate. What my question concerned was around the timelines. I only wanted to ensure that the ministers had the proper time to be prepared and be properly notified and able to give the best possible responses to this committee.

Having had a chance to reread and ponder the answers given by Parliamentary Counsel and the other members, you know, the motion says that they would come in at their earliest opportunity. I think that alleviates my concern on whether the ministries would have enough time to come in and be prepared to speak with us.

As a result, I will be voting in favour of the motion, and I think I would encourage others to do so as well.

The Chair: Okay. Any other questions, comments? Please go ahead, Mr. Hanson.

Mr. Hanson: Thank you, Mr. Chair, and thank you very much for your support on that motion. I just want to clarify that in a previous committee meeting we tried to get some changes made to allow us to do some other work in between, and the government was quite adamant that we had to follow the standing orders. This is another example of exactly that. The standing orders give the ministries 150 days to respond, and they're well, well beyond that, so I think that's why we need to push this forward. I think that the ministries have had ample time to prepare for it. At the earliest convenience: I think that if we can get those reports and get those presentations done as soon as possible, not 150 days from now or six months from now but as soon as possible.

Thank you.

9:10

The Chair: Okay. Would anybody else like to interject regarding the issue?

Hearing none, can we have the motion one more time before we ask for the vote?

Mr. Roth: Moved by Mr. Hanson that the Standing Committee on Resource Stewardship invite the following departments to appear before the committee to provide a status report on the past recommendations from the Property Rights Advocate – Environment and Parks, Justice and Solicitor General, and Municipal Affairs – at the earliest opportunity.

The Chair: Having heard the motion once again, all in favour? Anybody opposed? That motion is carried. Thank you very much.

Hon. members, as per our agenda I will now open the deliberation period for the committee's review of the 2015 annual report of the Property Rights Advocate office. Today the committee will discuss the recommendations contained in the 2015 annual report and consider the contents of the committee's report to the Assembly.

Are there any members wishing to speak on the matter? Mr. Rosendahl. Anybody else? I was just thinking that maybe we should make a speakers list and see if anybody else wants to get on the speakers list. Ms McKitrick. Anybody on the phone wishing to get on the speakers list? Okay. We'll carry forward, and hopefully people will ask for my attention to be put on the speakers list at a later time.

We'll start with Mr. Rosendahl, followed by Ms McKitrick.

Mr. Rosendahl: Thank you, Mr. Chair. I'd like to move that the Standing Committee on Resource Stewardship recommend that the Legislative Assembly endorse recommendation 2015.01, that Alberta Environment and Parks be asked to establish a crossdepartmental committee for the purpose of developing a framework to identify how government can systematically modernize property rights legislation and policies resulting in an accessible system that is responsive to the concerns of Albertans and stakeholders.

That is the motion. I'd like to speak to that motion a little bit if I may do so.

The Chair: Just give us a moment here to make sure that the committee clerk has that recorded.

Okay. Please go ahead, Mr. Rosendahl.

Mr. Rosendahl: Thank you, Mr. Chair. I just want to make sure that it's understood that our caucus has always stood up for landowners, and we believe in due process and also in proper notification and fair compensation for issues concerning property rights. It is important that we deal with these in a proper and respectful manner.

Also, as a government we're committed to addressing these important issues – and they are – and to making sure that what we're doing is fair and responsible. It's important that we provide the appropriate protections and avenues for resolution where issues arise concerning property rights. We certainly have to make sure that we're following due process and that those kinds of issues are being followed.

I think that this recommendation is the appropriate method for reviewing the issue of property rights. It's complex, and we need to look at these matters very seriously. Since it leaves the matters to the experts and since people that are dealing with this have more experience in dealing with this, consequently I'll be voting in favour of the recommendation.

Thank you, Mr. Chair.

The Chair: Sorry to interrupt deliberations on this motion, but I noticed that we've been joined at the table by another member. Could you please state your name for the record?

Mr. Dang: Thank you, Mr. Chair, and sorry about that. I'm Thomas Dang, MLA for Edmonton-South West.

The Chair: Thank you very much.

Okay. Ms McKitrick, we have you on board on the speakers list.

Ms McKitrick: The only thing that I would want to say is to really reinforce the importance of this motion and to support my colleague MLA Rosendahl in the motion.

The Chair: Okay. Thank you.

Are there any other questions or comments on the motion?

Okay. Hearing none, can we have the motion one more time before we vote?

Mr. Roth: Certainly, Mr. Chair. Moved by Mr. Rosendahl that the Standing Committee on Resource Stewardship endorse recommendation 2015.01, that Alberta Environment and Parks be asked to establish a crossdepartmental committee for the purpose of developing a framework to identify how government can systematically modernize property rights legislation and polices resulting in an accessible system that is responsive to the concerns of Albertans and stakeholders.

The Chair: Okay. Having heard the motion once again, all in favour? Anybody opposed? That motion is carried.

We now have an open speakers list. Does anybody wish to be put on the speakers list? Okay. Ms McKitrick.

Ms McKitrick: I'd like to propose a motion.

The Chair: Please go ahead.

Ms McKitrick: I move that the Standing Committee on Resource Stewardship recommend that the Legislative Assembly accept recommendation 2015.02, that Alberta Justice and Solicitor General be asked as the ministry administering the Property Rights Advocate Act to develop a process to ensure recommendations made by the Property Rights Advocate office are followed up on after they are endorsed by a standing committee of the Legislature or where the committee requests additional action.

The Chair: Okay. Ms McKitrick, would you like to speak to your motion?

Ms McKitrick: Yeah. I think anything that improves communication between the advocate and Department of Justice is very, very

important. That's why this recommendation was made, and that's why I'm making the motion at this point. As a caucus and as an MLA we've always stood up for landowners. This is a big, important issue, and we believe that due process, proper notification, and fair compensation are important. I think that as a government we are definitely committed to addressing this important and complex issue, and we want to make sure that the public has access to appropriate protections and avenues for resolutions where issues arise involving private property.

I have to say that for me in my riding, these are very, very important issues, and I'm actually very pleased to see this recommendation that

the ministry administering the Property Rights Advocate Act [is] to develop a process to ensure recommendations made by the Property Rights Advocate Office are followed up on after they are endorsed by a Standing Committee of the Legislature.

I think this is a very important motion to be made.

The Chair: Thank you, Ms McKitrick.

We're going to go on to Mr. Hunter.

Mr. Hunter: Thank you, Mr. Chair. I agree with the recommendation. I guess for the other one as well we may have wanted to put a timeline on it to find out when we would like to see this being done by. I'm not sure whether a friendly amendment would be in order, being able to state a timeline on this, but that would be my recommendation, that we'd put some kind of a timeline on it.

Thank you, Mr. Chair.

The Chair: You're welcome.

Mr. Hunter, since you've recommended a timeline, do you have a recommended timeline that you would like to add?

Mr. Hunter: I think it actually needs to be discussed by the committee in order to be able to find out what is the appropriate timeline to be able to do this.

The Chair: Okay. Perfect. Thank you.

So we'll deliberate on the question of a timeline. Mr. Hanson, was your . . .

Mr. Strankman: Mr. Chair, could I jump in?

The Chair: One moment. We just had Mr. Hanson on the speakers list before you, but I just want to clarify. Was it in regard to a timeline?

Mr. Hanson: No. To the motion.

The Chair: To the motion itself. But because we've raised this issue, perhaps – Mr. Strankman, is your comment in reference to a timeline?

Mr. Strankman: Well, to Mr. Hunter's comment about further discussion.

The Chair: Okay. Please go ahead.

9:20

Mr. Strankman: I'll stand for Mr. Hanson if he's on the list before.

The Chair: Okay. Mr. Hanson, please go ahead.

Mr. Hanson: Thank you, Mr. Chair. Yeah. I agree with the motion. The only issue I have with it is that it recommends that the Alberta Justice and Solicitor General be asked as the ministry administering

the Property Rights Advocate Act to develop a process. They're one of the ministries that's in contempt of the standing orders with failing to report. My only issue with putting them in charge is, like the old saying goes, putting the fox in charge of the henhouse. I would very strongly suggest that we strengthen this, either the motion or that recommendation, to really put some strict timelines on that. That would be my only comment on it.

The Chair: Please go ahead, Mr. Strankman.

Mr. Strankman: Thank you, Mr. Chair. Yes, as you know and many in the committee know, I'm a nonvoting member, but I am also now the newly minted Wildrose opposition critic for surface and property rights. I want to advise those attending and online in *Hansard* that the property rights are more than simply land.

I'm at the risk of repeating myself from the previous session and to committee members. They tend to seem to be relating back to land. There are pieces of legislation that are in the works or in legislation now and the Member for Grande Prairie-Wapiti would know that his government at the time – if I don't have the designation correct of the constituency, I apologize – passed legislation that could extinguish any licence brought forward by government. That is blatant abuse of property rights, whether it be a driver's licence, a marriage licence, any instrument issued by the provincial government.

I want to make committee members aware that this is something that they're toying with or dabbling with when we talk about legalization of a committee to go forward. I would reiterate also Mr. Hanson's comments about putting the fox in charge of the henhouse in this regard. I want to make the committee aware of that when they consider their deliberations going forward.

Thank you very much.

The Chair: Thank you, Mr. Strankman.

Currently I have nobody on the speakers list. Would anybody like to comment on this?

Mr. Hunter: Can we get counsel to help us understand what timelines would be appropriate in terms of this? I mean, you know the scope and sequence of how this would have to go. What would you recommend in this case?

Ms Dean: This would be a fairly complicated task, I would say. I mean, the department officials would be in a better position to answer that, but it would be a fairly lengthy process because of the legislation involved, you know, minimum six months, I would say. I think that would be ambitious.

Mr. Hunter: Thank you.

The Chair: Okay. Mr. Rosendahl.

Mr. Rosendahl: Yes. When you're looking at the timeline already, doesn't the 150-day rule already apply in this case?

The Chair: Is that a question to Parliamentary Counsel, Mr. Rosendahl?

Mr. Rosendahl: Yes.

Ms Dean: The requirement with respect to the 150 days is simply for the government to respond. So whatever form of response they choose to make, that's all it is. Sometimes the response can be as short as one page, but it doesn't mean completion of the particular task outlining the recommendation.

Mr. Rosendahl: So then if we took that a step further, why don't we use that as the criteria, then, for the timeline for them to turn around and report back? That, to me, would make sense.

The Chair: Okay. We have Mr. Hunter, followed by Mr. Drysdale.

Mr. Hunter: Well, I appreciate the comments, but I think that counsel has said that it would be hard-pressed to even be able to do it in six months, so I think 150 days may not be enough, actually. From what I understand, the 150 days is already over. This is why the standing order was not completed in that time. So this is a new recommendation. I think that we need to make a recommendation for a timeline or for a time to have it finished. I think, actually, six to eight months is something that is what I was thinking would be appropriate as well.

The Chair: Okay. Mr. Drysdale.

Mr. Drysdale: Thank you, Mr. Chair. I think it is pretty complicated when you're suggesting to change legislation like the Municipal Government Act. We all know how many years it took. So to say that you're going to change legislation even in six months I don't think is realistic. You know, that's why in their actions they say "under review" or "in progress" because to change legislation doesn't happen very fast. Their report might just say that it's pending or it's in progress, but to change legislation doesn't happen in months. Those are only the comments I'll have. I still agree with holding them to account and making things happen. I'm okay with the motion, but it's pretty hard to put timelines on changing legislation.

The Chair: Mr. Hanson.

Mr. Hanson: Yeah. It's actually been suggested that maybe we wait until we've heard back from the Justice department, and while they're here, we can ask them what would be an appropriate time that might work best.

The Chair: Okay.

Mr. Hunter: I was just going to speak to Mr. Drysdale. It says that they're supposed to develop a process. So in terms of changing legislation, I'm not sure if that's what it's asking in this recommendation. It's the process that they're actually finding out.

The Chair: Do you want to answer, Mr. Drysdale?

Mr. Drysdale: Well, it's just that we were commenting on the past recommendations that haven't been acted on. If you look on page 19, it has a list of them, and lots of the ones that are still pending are changing legislation. That's all, you know, I guess specifically in this case, but yeah.

The Chair: Okay. I just want to give the opportunity for those on the phone to see if they'd like to be put on the speakers list. Anybody on the phone?

Please go ahead, Mr. Hunter.

Mr. Hunter: Mr. Chair, just to clarify, we're talking about the motion on the table on recommendation 2015.02 . . .

The Chair: Yes.

Mr. Hunter: . . . not upon the other issue, which is that there is stuff that the ministries had to bring forward in the past?

The Chair: Indeed.

Mr. Hunter: There are two separate issues.

The Chair: Indeed, sir.

Mr. Hunter: Okay. Thank you.

The Chair: Go ahead, Mr. Hanson.

Mr. Hanson: Yeah. Just to Mr. Drysdale's comments, what the motion is asking for is to support the recommendation, which is basically to develop a process. It's not asking for legislation, right? I don't think we're looking at a two-year Municipal Government Act review or anything like that. I think, you know, as was recommended to me, that maybe we wait until the presentation by the Justice department and review the timeline at that point, but I still think that we can probably endorse the motion that's on the floor.

Mr. MacIntyre: I think that we should endorse the recommendation as it stands. We can always come back and amend it at some other time to include timelines. I still think it's a good idea that we ask Justice when they come here how long they think it would take for them to develop this process, but I think we should adopt the recommendation or endorse the recommendation as it stands today here rather than not. I don't think that would be appropriate at all. So I'm in support of that.

Insofar as ultimately coming up with a timeline for them, I realize that all this is asking is that they develop a process for follow-up. I think sometimes we overthink these things. They're just being asked to develop a process for follow-up. You know, this recommendation isn't asking them to rejig an entire government department here, just develop a process for follow-up. Frankly, they ought to have one anyway. I mean, if they don't, then they need a kick in the pants. There ought to be something there already. Maybe it just needs to be tweaked. Who knows? Frankly, there should be something there already. I don't think it's unreasonable at all. We just approve it as it stands. If we want to put timelines in, let's do that later.

Thank you.

The Chair: Okay. So from my perspective and from the comments that have been made, it seems like we're getting to a resolution on this motion. Any more comments or questions?

Okay. Hearing none, I'll just ask our committee clerk to read the motion one more time.

9:30

Mr. Roth: Moved by Ms McKittrick that

the Standing Committee on Resource Stewardship recommend that the Legislative Assembly accept recommendation 2015.02, that Alberta Justice and Solicitor General be asked as the ministry administering the Property Rights Advocate Act to develop a process to ensure recommendations made by the Property Rights Advocate office are followed up on after they are endorsed by a standing committee of the Legislative Assembly or where the committee requests additional action.

If I may, Mr. Chair, the recommendation said "Legislature," but counsel suggested "Legislative Assembly" would be more appropriate for language.

The Chair: Okay. Having heard the motion, all in favour? Anybody opposed? That motion is carried.

Now the speakers list is open again if anybody would like to make a comment, question, motion.

Okay. It seems like we have no further discussion on the deliberation portion.

Dr. Massolin is able to answer questions concerning the content of and process for the report if necessary. Would you like to make any comments at this time regarding that?

Dr. Massolin: Well, thank you, Mr. Chair. What I could say is that I think the committee has arrived at the point of giving direction to research services staff with respect to a report on the recommendations it has just made. I can also advise the committee that the last two times that the committee has undertaken this exercise to review the Property Rights Advocate's annual reports, the report that is issued has the standard introductory administrative information, then a summary and an executive summary of the recommendations the committee has made in turn, and then after that has given sort of a brief précis, summary, of the activities – in other words, the meeting with the Property Rights Advocate – and some of the information that's come out there, fairly briefly, and then, finally, the report goes over the recommendations specifically and the rationale for those recommendations.

Thank you.

The Chair: Okay. Are there any comments or questions regarding that proposed way of moving forward?

Dr. Massolin: Mr. Chair, I should have added that, of course, that's how the two reports have been done in the past.

The Chair: Yes.

Dr. Massolin: The committee, of course, can alter that process and those contents if it so wishes.

The Chair: Yeah. I'm hoping for us to enter into that discussion if that's what we'd like to do again this time. Mr. Hanson, please go ahead.

Mr. Hanson: Yeah. Just to clarify, we're under directions of the report of the committee?

The Chair: Indeed, we are, sir.

Mr. Hanson: Okay. Yeah. Just at this time I'd like to reiterate my point, which was part of my motion, that we don't accept a report until we've heard from the three outstanding ministries that are recognized in the report. At this time I wouldn't support accepting an incomplete report.

The Chair: Okay. Any comments regarding the issue? Mr. Malkinson.

Mr. Malkinson: Thank you. Mr. Hanson, you're suggesting that we wait on finalizing the report until we've heard from the ministries? Is that what you're suggesting?

Mr. Hanson: Absolutely. Yes.

Mr. Malkinson: Okay. My only thought on that would be that I believe we have, as mentioned earlier by counsel, until the 15th sitting day if I remember correctly. My only worry would be that perhaps that might affect that timeline, going through with that suggestion.

The Chair: Any comments, questions? Please go ahead, Mr. Hanson.

Mr. Hanson: If I understand correctly, we have until the 15th sitting day to hear back from these before we accept this report, and

we're starting sitting in March, early March. We don't really know yet. I think that gives plenty of time, being that they've already had sufficient time. The report should be sitting on somebody's desk. I think we should be able to sneak in a committee day to hear those three reports.

Mr. Clark: Mr. Chair, can I be on the speakers list, please?

The Chair: Yes. Mr. Clark, please go ahead.

Mr. Clark: Thank you. I just want to reiterate and then speak in favour of what Mr. Hanson has said. I think it's really important that we get a thorough, comprehensive, and a complete report, and I don't think that it's unreasonable given that today is the 12th of January and that, you know, again, we don't know when the Legislature is going back. It seems unlikely that that would be before the end of February, and we end up with things like a throne speech and potentially a budget somewhere in there, so that 15 sitting days may come, you know, as late as the third or even fourth week of March. I think that's entirely reasonable. Frankly, even if the Legislature goes back per standing orders in early February, it's still end of February by the time we get to 15 sitting days. So I think that's absolutely reasonable, and there's certainly no reason we should not expect to hear back before 15 days. It should be more than enough time for us as a committee to hear those reports and consider them. Thank you.

The Chair: Mr. Malkinson, I have you on the speakers list.

Mr. Malkinson: Thank you very much, Mr. Chair. You know, Mr. Clark, being in the riding beside me, on occasion steals my thunder.

Mr. Clark: More like a light rain shower.

Mr. Malkinson: Yeah. You know, I was going down the same road, that 15 sitting days is approximately three weeks. I mean, if we start with when the standing orders officially say, that would put us in late February, early March. I apologize for not remembering right off the bat when the standing orders say we start. You know, my concern was only with the ministries having enough time, and I think I'm hearing a persuasive argument that those concerns are unwarranted. I'm going to leave it there for right now, but I think I'm definitely being swayed that that timeline would be fine. I appreciate Mr. Hanson bringing that forward.

The Chair: Mr. Sucha, I have you on the speakers list.

Mr. Sucha: Yeah. Thank you, Mr. Chair. You know, in support of what Mr. Hanson said, I had an inquiry in relation to this. Because we're looking at the 15th sitting day, in theory we could be into budget estimates. Do we run any risk of lapsing the time in this committee?

Ms Dean: No, you wouldn't because the committee report would simply be tabled during the Routine by the chair.

The Chair: Thank you, Ms Dean, for that answer.

Looks like we're there. Okay. Sorry. That was a motion, right? Oh, no.

Mr. Roth: There was no motion, just deliberation.

The Chair: There was no motion, just deliberation. Thank you, sir, for that clarification.

Ms Dean: There seems to be general consensus that we're deferring directions.

The Chair: Yeah. It seems that we have general consensus on deferring that until the 15th sitting day, so that will be the action.

Ms Dean: I believe the will of the committee at this juncture is to defer final instructions to staff on the report until after hearing from department representatives, with the objective of completing the report for presentation in the House within 15 days after the commencement of the next session.

The Chair: Everyone is in agreement, correct? Okay. My confusion was that we were about to go into a discussion on whether that report would be authorized by the chair or not. We'll do it after? Okay. So we won't make that decision now, we'll just do it after.

It's only 9:40, and we're supposed to be here until 12, so I want to leave it up to the committee as to what they would like to do right now. Mr. Hunter and I kind of saw this coming, and we just decided that we would leave it up to the committee to decide whether they want to break early. I just want to let you know that lunch has been ordered. It will be available in the Canadian Shield Room at 12 o'clock. Then we could reconvene at 1 o'clock as planned. Is everybody in favour of moving in that direction? I'm seeing thumbs up and nodding of heads. Okay. So we will adjourn for now and reconvene at 1 p.m.

Thank you.

[The committee adjourned from 9:40 a.m. until 1 p.m.]

The Chair: Good afternoon, members. At its October 24, 2016, meeting the committee requested to hear oral presentations from certain groups and individuals as part of its review of the Lobbyists Act. The committee is hearing oral presentations today with respect to its review of the Lobbyists Act.

First of all, I'd like to welcome our guests. For the record and so that members can state that they are here, I'd ask the members joining the committee at the table to introduce themselves, and then I'll call on members teleconferencing to introduce themselves. We'll start here on my right.

Mr. Hunter: Thank you, Mr. Chair. Grant Hunter, MLA for Cardston-Taber-Warner and deputy chair.

Mr. Hanson: David Hanson, MLA for Lac La Biche-St. Paul-Two Hills.

Mr. MacIntyre: Don MacIntyre, MLA for Innisfail-Sylvan Lake.

Mr. Drysdale: Wayne Drysdale, MLA for Grande Prairie-Wapiti.

Mr. Ziegler: Kent Ziegler, office of the Ethics Commissioner.

Ms Trussler: Marguerite Trussler, Ethics Commissioner.

Ms Robins: Lana Robins, lobbyist registrar.

Mr. Dang: Thomas Dang, MLA for Edmonton-South West.

Mr. Kleinsteuber: Jamie Kleinsteuber, the MLA for Calgary-Northern Hills.

Ms Woollard: Denise Woollard, MLA, Edmonton-Mill Creek.

Mr. Rosendahl: Eric Rosendahl, MLA, West Yellowhead.

Mr. Malkinson: Brian Malkinson, MLA for Calgary-Currie.

Mr. Sucha: Graham Sucha, MLA for Calgary-Shaw.

Ms Robert: Good afternoon. Nancy Robert, research officer.

Dr. Massolin: Good afternoon. Philip Massolin, manager of research and committee services.

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

The Chair: Perfect. Thank you very much.

Those of you joining us on the phones, if you could please state your name for the record.

Ms Kazim: Good afternoon. Anam Kazim, MLA for Calgary-Glenmore.

Mr. Clark: Good afternoon. It's Greg Clark, MLA, Calgary-Elbow.

The Chair: Mr. Loewen, I understand that you're joining us on the line as well?

Mr. Loewen: Yes. Todd Loewen, MLA, Grande Prairie-Smoky. Thanks.

The Chair: That's it for people on the line? Okay. Perfect.

Before we hear from our guests, I will begin with a quick overview of the format for today's meeting. The Ethics Commissioner will have 20 minutes to speak, and following all presentations on the panel I will open the floor to questions from the committee members. I will follow our usual practice of alternating between opposition and government members, and I would suggest that members keep their questions to one plus one supplemental each round. Members can be added back onto the speaking list if they wish. Members on the phone lines, please e-mail or send a Lync message to our committee clerk if you wish to be added to the speaking list, or I'll just do periodic check-ins with those on the phone to make sure that you can get on the speaking list as well.

Commissioner Trussler, please go ahead with your presentation.

Ethics Commissioner and Lobbyist Registrar

Ms Trussler: Thank you. Good afternoon. Thank you for inviting us to present to the committee our recommendations to improve the Lobbyists Act. I have with me Lana Robins, who will make part of the presentation, and also Kent Ziegler.

I'd like to preface my remarks by saying that there's nothing wrong with lobbying the government. It's part of how government functions. Governments need to listen to people and special-interest groups, and they need to understand their concerns. What is important is that these communications be absolutely transparent.

You have an opportunity to become leaders in Canadian lobbyist legislation. Our current act is not effective. It allows for a huge amount of lobbying to be done without registration, it seriously lacks transparency, and it really shortchanges the citizens of this province. We prepared – and I hope that you've received it – a submission with 43 pages of recommendations. Today we'd like to highlight only the major changes but ask that you keep in mind the lesser and administrative changes we're suggesting.

The first recommendation I'd like to talk about is the 100-hour threshold before one has to register as a lobbyist. Quite frankly, it's ridiculous. Either one is lobbying or one is not lobbying. Way back when, when I was a practising lawyer, I did a bit of lobbying, and I know that one can accomplish a lot in 99 hours, all under the radar. If someone is lobbying and it's part of their employment or for their benefit, then registration should take place. One of the biggest problems with a threshold of any number of hours is that it's impossible for us to monitor.

I'm of the view that Alberta needs to be a leader. The legislation in the other provinces is just as lacking. In Canada it's the cities that have lobbying bylaws that have the right approach, with no threshold hours before one has to register. I think you need to understand that most of the provincial lobbyist legislation arose because of scandal or later regretted election promises, and Alberta is no exception. As a result, a minimalist approach has been taken here and in other provinces across the country.

Now, with respect to our second recommendation an important aspect of who should register is the not-for-profits. They lobbied vigorously to be excluded when the legislation was first enacted and will do so again. Not-for-profits frequently try to influence the government. Not-for-profits frequently ask the government for funding. The question to ask is: do the voters of this province not have the right to know who is influencing government and who is asking for funding, including the not-for-profits? Not-for-profits are not just CRA-registered charities like arts groups or social agencies, but they include many, many special-interest groups. Six provincial jurisdictions across Canada do not exclude not-for-profits, so Alberta is way behind in this area.

Now, I've read the written submissions to the committee by the not-for-profits, and their arguments against registering make little sense. There is little increased administrative burden in registering. It would take less than an hour, and it can be easily done with our new registry system. I happen to be the president of a small not-for-profit. We don't have any employees. We have a lot of work, but it's all been done by volunteers. We're not planning to lobby the government, but if we were, I would have no trouble in going home one evening and just sitting down and registering under the new system. It would take very little time. I have to tell you that I hate registering things online – these forms online drive me nuts – but when we were testing our system, I actually went online and tried it, and it's actually quite usable.

As well, not-for-profits argue that having to register would create a chilling effect in their communication with government. Why would there be a chilling effect in communication with government in having to register? For-profit companies never complain about a chilling effect because they have to register. This argument by the not-for-profits makes me wonder just what type of lobbying is going on and why they do not want to be transparent about their actions.

Another issue that was raised was that about divulging the names of donors. We probably don't have to know who their major donors are although there are those who use not-for-profits for their personal agendas. If it's a problem, we could ask for what the mix of funding is – how much for donations, how much for memberships, how much government funding – or we could only require the names of donors who provide over 20 per cent of the funding to the not-for-profit.

With respect to the not-for-profits we would recommend a small break to CRA-registered charities, those who aren't special-interest groups, with fewer than five employees. We've suggested in our brief that these charities should be allowed up to 30 hours, including preparation and travel time, before they have to register.

We would also suggest that there be two exceptions to the provisions of the act. Written applications by not-for-profits for grant funding from established government programs should not be considered lobbying. However, going to see a minister or an MLA to try and influence the grant would be considered lobbying.

The second exception is to section 6(2) of the act. That section says that you cannot lobby if you also hold a government contract. There should be an exemption to this section for not-for-profits that obtain grants from the government to operate government-related programs.

The third change we're looking for is the addition of a meeting registry. This idea was actually suggested to us in December 2014, when amendments were last made to the act. At that point our registry could not handle a meeting registry; however, it now can. Ottawa has a meeting registry. It's more onerous than we're suggesting. The Ottawa registry requires frequent reporting on whether or not a meeting has been held and covers a far wider range of government representatives.

1:10

We're only recommending that any lobbyist who meets a member, a political staff member, a deputy minister, an associate or assistant deputy minister, a senior officer or chair of an ABC be required to register that meeting on a special publicly accessible section of the lobbyist registry within 30 days of the meeting. This addition to the registry will provide further, necessary transparency to the lobbying process.

Now I'm going to jump to recommendation 1(f) in our submission with respect to gifts from lobbyists. In our submission to the special select committee that was looking into changes to the Conflicts of Interest Act, we suggested restricting members from taking gifts from lobbyists, including invitations, to the amount of \$100. The U.S. Senate only allows gifts of \$50. Ottawa restricts such gifts to light refreshments. I think we're being generous in suggesting \$100, but that number does allow for industry information events, which can be very useful for members. It allows for lunches, it allows for the occasional dinner, and we think that those sorts of gifts are reasonable. Now, we believe that this prohibition should also be in the Lobbyists Act as well as the Conflicts of Interest Act so that there's an onus on the lobbyists – the onus is not just on the members – not to offer gifts above \$100.

Exception should be made for CRA-registered charities so they can invite members to their large annual events. Some of these organizations – for example, I'm thinking of the Stollery Children's Hospital Foundation – raise a lot of money that funds government programs rather than the government having to do so. At these big events it's appropriate that members have a presence to thank the charities and to thank the donors.

Those are my three major points. I'm now going to ask Ms Robins to speak on the rest of our major recommendations and some changes to improve the administration of the act and the regulations.

Thank you.

Ms Robins: Thank you, Commissioner Trussler. As Commissioner Trussler mentioned, I'll be talking about many of the other key changes we've recommended to the act and to the regulations. However, in the interests of time, I won't be addressing all of the recommended administrative changes set out in the recommendations document or any of the technical changes.

Our next key recommendation concerns grassroots communications. The reference to grassroots communications is currently unclear and confusing in the act. Lobbyists do not know from reading the act whether or not grassroots campaigns are a form of lobbying. This question was answered in May, this past May, by Commissioner Trussler in her investigation report regarding Robin Campbell, in which she found that grassroots lobbying is a form of lobbying. However, lobbyists should not have to access this report to understand that grassroots communications are included in lobbying. We therefore recommend that grassroots communications be included in the definition of lobby in the act.

Another key change we're recommending is that organization lobbyists, who are currently required to file returns every six months, only be required to file a return once a year. However,

changes to the registration would still need to be reported within 30 days. Quebec currently takes this approach. We have found that in most cases lobbying activities don't change from one six-month period to the next, and the same lobbying activities are being reported for each six-month period. We believe that a yearly filing requirement, combined with the meeting registry, which will require all lobbyists to record meetings held with senior public office holders, will be a very effective approach from a transparency perspective and will also reduce administration for all parties.

We are also recommending that contingency fee arrangements be prohibited. A contingency fee arrangement is when a consultant lobbyist only gets paid if the lobbying has a successful result for the client. Our act only requires that consultant lobbyists report contingency fee arrangements, but it does not prohibit them. In Canada the federal government, Nova Scotia, Quebec, Ontario, and the cities of Ottawa, Toronto, and Brampton all prohibit contingency fee arrangements for consultant lobbyists.

Contingency fee arrangements are controversial. It is a common perception that contingency fees may provide financial incentives for someone to act on a basis other than the merits of the matter or to exert improper influence to achieve success. This undermines public confidence in the government. We also believe that some consultant lobbyists may take work on a contingency fee basis just so they can try to argue that they are not caught under the act as they are not guaranteed to receive payment.

I'm now going to talk about some of our key recommendations to improve our ability to administer the act. The first recommendation is regarding the 10-day time period for consultant lobbyists to file a registration after they enter into an undertaking with a client. We recommend that this be clarified in the act to state that the 10-day time period runs from the date the undertaking was entered into with the client whether or not the lobbying has occurred. This issue currently creates confusion for lobbyists, who believe that the 10-day period only starts to run once they actually engage in lobbying for the client.

Our next recommendation is that it be considered whether "voluntary organization" is a required term in section 1(1)(g)(i) of the act and, if so, whether it should be defined. It is not clear what the term "voluntary organization" in this section captures. For example, are these organizations that have only volunteers with no paid staff? Or if an organization has some paid staff but still relies on volunteers to function, is that enough to fall within this term? It also seems to be a redundant term as it's likely that voluntary organizations already fall within the types of nonprofit organizations that are listed in section 1(1)(g)(iv), the list of which includes nonprofit associations, societies, coalitions, and interest groups.

We are also recommending that the timelines to respond to the registrar's inquiries be shortened from 30 days to 10 days. In our view 30 days is too long a time period for lobbyists to respond to matters or questions that are raised by our office.

Our next recommended change is to provide the registrar with the ability to refuse to accept a return if a lobbyist has an outstanding administrative penalty for a previous breach of the act. Currently the registrar can refuse to accept a return where the return does not comply with the requirements of the act or the regulation or the return provides information not required to be provided under the act. However, we would like this to be expanded to provide authority to refuse to accept a return if a previously issued administrative penalty has not yet been paid.

The final administrative change to the act that I will address is regarding the current exemption in the act when a public office holder requests advice or comment on a matter. It is not considered to be lobbying if a person is responding to such a request. We

recommend that this exemption be narrowed to instances where a public office holder has initiated a written request and a person is responding directly to that written request.

I'm now going to talk about our key recommended changes to the regulation. Schedule 1 of the regulation lists prescribed provincial entities; there are over 250 of them on that list. Schedule 2 lists nine exempted entities. Sadly, these lists are out of date, and it is a very difficult and time-consuming process for these lists to be changed. We recommend that a new approach be taken to eliminate these lists and include a definition for prescribed provincial entity instead. However, an exemption process would be established so that provincial entities could apply to be exempted from this definition by the Ethics Commissioner. Exemptions would only be given in rare circumstances.

Regarding the nine entities that are currently exempted in schedule 2, we are also of the view that the Alberta Gaming and Liquor Commission should not be an exempted entity as it is a government entity that is regularly lobbied, and there is, in our view, no reason to continue excluding it.

Our final major recommendation for the regulation is that certain key sections be moved into the act instead of the regulation, including the provisions regarding time spent lobbying, the definition of former public office holder, and administrative penalties. This would make it easier for lobbyists to find these key provisions without having to continually refer to the regulation to understand the full scope of their obligations. These provisions are also not likely to require frequent changing, and if changes are required, this can be addressed during a regular review of the act.

That concludes our presentation. We thank you for your time. We'll be happy to answer any questions that you may have.

The Chair: Great. Thank you, Commissioner Trussler and Ms Robins.

Now I'd now like to open it up to questions. Perhaps what we'll do is get the speakers list, and then, also, for those people who are on the phone, please just express if you'd like to ask a question now, and we'll get you on the speakers list.

Ms Kazim: I would like to ask a question.

The Chair: Okay. Anybody else so far? Okay.

Mr. MacIntyre, please go ahead.

1:20

Mr. MacIntyre: Thank you. First of all, I'd like to thank the commissioner and her staff for an excellent job done on this report. It is thorough. You've made your cases on each one of these recommendations crystal clear, and I appreciate the work that you have put into it, and I appreciate your presentation today. Thank you very much.

A question I have for you is specific to not-for-profits. There was a statement, Commissioner, that you made regarding not-for-profits. It is of particular interest given a lot of the current debate going on right now over pipeline approvals and the massive amount of lobbying that's being undertaken right across Canada, actually, not just in this province. But I wanted to ask your opinion here. We know that we have a number of special interest groups that are not-for-profits who are actively lobbying. They would of course be under the radar here, yet those not-for-profits, some of them are being funded, and often significantly, by industrial interests that are not even from this country. In your mind does this then become one of the strong arguments for including all nonprofits and getting them out from under the radar and getting them, you know, as part of the registry?

Ms Trussler: That's one of the major reasons, because so many of the not-for-profits are not what I would call proper charities. So there are a lot of people who are not registered who are in fact intensely lobbying the government.

Mr. MacIntyre: And these organizations are funded by non-Canadian industrial interests from other nations, of course.

Ms Trussler: We don't know because they're not registered.

Mr. MacIntyre: We don't know. Right. They are not registered, but they are actively lobbying, and they obviously have an agenda, which, for the sake of transparency, it's important that Albertans know.

Ms Trussler: Yes.

Mr. MacIntyre: Thank you.

The Chair: I'll go to Ms Kazim on the phone.

Ms Kazim: Hello. Yes. Thank you, Mr. Chair, and thank you very much, Commissioner Trussler, for your review and research and the entire team that's here today with us. Thank you very much for joining us. I've got a few questions, so I'll just go to each of them just to get a little bit more of an insight into the talks that are brought forward.

Regarding lobbying thresholds, some jurisdictions use an annual hour measure while other jurisdictions use a percentage-based measure or a duties-based approach. You mentioned that these percentage-based measures and duties-based measures present complexities in interpretation and serious difficulties in monitoring compliance, particularly with larger organizations, on page 7. Can you please expand on these concerns and explain why the annual hour measure is most effective from your perspective?

Ms Trussler: Well, as I indicated, having a number of hours before you have to register cannot in any way be monitored, so that we don't know. Somebody could be at 110 or 120 hours in lobbying and not registered, and we would have no way of knowing, and the people being lobbied would have no way of knowing in those instances.

Now, I have to say in fairness that most of the major corporations in this province say: we're not going keep track; we're just going to register. Most of them are really good corporate citizens that way, but it is a real problem when you have the 100 hours. The 100 hours is difficult because of the amount of lobbying you can do to get to a 100 hours and also difficult because of the fact that we can't figure out who's lobbying and who's not lobbying.

The percentages also have the same difficulties in terms of figuring out what percentages – we can't go into a corporation and follow someone around to find out what percentage of their time is spent lobbying. That's why I like the approach taken by the major cities in this country who have enacted bylaws for lobbying where they don't have any sort of threshold.

Do you want to add anything, Ms Robins?

Ms Robins: I would just echo the commissioner's comments that it's a very difficult thing. It's almost impossible, actually, to monitor the actual amount of hours these companies or folks out there lobbying are spending lobbying. The system is completely based on a credible approach in the sense that we are relying on them to be honest. Is there an ability for us to monitor it? There isn't, really, unless we do a formal, full-fledged investigation where we're going into their office and going through every piece of paper they have, contacting every public officer they've ever had contact

with to try to verify these hours. It is not an easy thing to monitor at all.

In terms of a percentage-based approach, that further complicates it because at least with a 100-hours approach there's a set amount of hours there. When you're talking about a percentage approach, we're now introducing another element, which is, well: how many hours do they normally spend? What are their regular duties? How much of a percentage of their regular duties is spent doing this? It makes it even more complex, so we are suggesting to get away from those approaches completely and that the focus instead be on transparency.

What is the objective of this act? If the objective is to be transparent, then we should be requiring everyone who is out there lobbying to register. It is not an onerous process. There are no fees attached to it. With our new system it's actually quite an easy process to go in and register. We're just asking that the focus be away from the threshold and the focus be put more on: if you're out there lobbying, you should be registering.

The Chair: Thank you.

Mr. Hunter, you have a follow-up question to this?

Mr. Hunter: Yes. Thank you, Mr. Chair, and thank you for coming. The registry is one step, but are there other steps to be able to help these organizations be more honest?

Ms Trussler: Well, the system we've adopted in Alberta is to have lobbyists register, but we've restricted the definition of lobbyist. It's so narrow that we only get a small band of people to register, but that's the only thing we have in Alberta. I think that's the only thing that anybody has anywhere, to have people register. It's not an onerous process to register.

The Chair: Thank you, Commissioner Trussler.

Ms Kazim, I just wanted to check with you. Did you have a supplemental question to your initial one?

Ms Kazim: Yes, I do.

The Chair: Okay. Please go ahead.

Ms Kazim: Okay. Thank you. Thank you for the overview of the matter. In addition to my previous question, I would like to ask – in your submission it has been indicated that the 100-hour threshold creates an environment that encourages limiting of activities to keep organizations under the threshold. From your perspective, how widespread of an issue is this?

Ms Trussler: We can't tell. We don't know. We have no way of monitoring.

Ms Robins: We suspect it might be happening quite – a hundred hours is a very significant number of hours. If you can envision it, that's 100 one-hour meetings over the course of a 12-month period. I think in a lot of cases it's very tough for people to meet that threshold. In fact, they're registering because they want to be transparent.

Ms Kazim: Okay. Thank you.

Mr. Chair, can I proceed with my other questions, or is there anybody else?

The Chair: Actually, how about we come back to you, Ms Kazim. We're going to put you on the list once again.

For now I'm going to go to Mr. Hanson.

Ms Kazim: Okay. Perfect. Thank you.

Mr. Hanson: Thank you, Chair. Thank you again for coming. It's been quite a lot of work. I can see that.

I have a question on page 19 under "add restrictions on gifts from lobbyists." My question would be: what's the current or is there a current limit? My second part of the question is: how would we recognize whether a group approaching us to invite us to a function is actually a lobbyist group, especially with a lot of these not-for-profits that aren't part of the act right now? It's very difficult to know whether we're accepting or not accepting from . . .

Ms Trussler: Well, that's one reason we wanted to put the obligation in this act, to prohibit them from offering gifts over \$100, to make it easier for the members. The second thing is that you can phone our office and we can do a really quick search of the registry, or you can do it yourself. We can tell you fairly quickly. If we run into a situation where you're invited and they're not in the registry and then later they register before the event, it's the time at which we've told you that it's fine that you can go. That could be a bit of an issue, but that's why we want to put the obligation on them, not just on the members. Now, currently with the members it's a \$200 gift, a tangible gift, or it's \$400 for an event.

1:30

Mr. Hanson: And that would all be reduced down to \$100 under this new recommendation.

Ms Trussler: Yes.

Mr. Hanson: Okay. Thank you.

Ms Trussler: It would still allow for lunches, dinners, those sorts of things.

Mr. Hanson: Thank you.

The Chair: Okay. You're welcome.

We'll go to Mr. Dang.

Mr. Dang: Thank you, Mr. Chair, and thank you, Commissioner, and your team for coming today. It's a very comprehensive report. I do have a few questions, but I'll start with one. Can you share more about how including grassroots communications in particular in the definition of lobby – as noted, I think it's on pages 14 through 16 of your recommendations – is going to remove ambiguity for more of the lobbyists?

Ms Robins: Absolutely. Thank you for that question. In the act right now grassroots communication is defined as:

appeals to members of the public through the mass media or by direct communication that seek to persuade members of the public to communicate directly with a public office holder . . . to place pressure on that public office holder to endorse a particular opinion.

It's a lengthy definition in the act.

The issue came up this past May with the Robin Campbell investigation, where Commissioner Trussler did a report with regard to: what does grassroots communication mean in the act? In the act it is a defined term, but it's not specifically included in the definition of lobby. However, when you go to schedules 1 and 2 of the act, it requires that lobbyists report grassroots communication as a technique of communication. It's a bit of an oddity because it's not clearly included in lobbying, yet we're requiring lobbyists to report it when they do in fact lobby through grassroots communication.

So the issue came up: is grassroots communication lobbying, or is it not lobbying? Is it just a technique of communication? If you just do a grassroots campaign on its own without direct lobbying, is that caught by the act? The commissioner did a significant analysis of this issue and went through various case law in other jurisdictions, an analysis of the term in the act, and came to the conclusion that, yes, grassroots campaigns are a form of lobbying under the act.

What we're requesting is that the committee consider recommending a change to the act to make it clear for lobbyists reading the act that, yes, grassroots campaigns are clearly a form of lobbying, to put it right up front and centre within that definition of lobby so there's no guessing in terms of – if they are out there doing grassroots lobbying campaigns, they don't have to go access the report of the commissioner from May 2016, which is on our website, but it's very cumbersome for them to know that there is this report out there that clearly includes grassroots lobbying within the definition of lobbying. So we would like to see that changed so it's up front and centre in the act.

I'd like to add that Canada and Ontario have issued interpretation bulletins which also state that – their wording in their acts is very similar to Alberta's – for their interpretative purposes they've also included grassroots lobbying campaigns as lobbying for the purpose of their acts as well. We're just asking that that be clarified in our act. Nova Scotia actually is the only jurisdiction that does include grassroots communications directly within the definition of lobbying in their act. We're asking that a similar approach be taken to what Nova Scotia takes right now.

Mr. Dang: Sure. Thank you.

Mr. Chair, I have a number of other questions. Would you like me to wait?

The Chair: Yeah. Unless it's a supplemental question, we'll move on to Mr. Clark on the phone.

Mr. Clark: Thank you, and apologies for the brief delay as I work my way off mute. Again, thank you, Madam Commissioner, and your office for the hard work you've put into this. I very much appreciate it.

This is actually a good dovetail to Mr. Dang's question. What I'm very interested in is how Alberta's legislation compares to other provincial jurisdictions. You've used municipal examples, you've just given us the example of Nova Scotia, and you've also said that the meeting registry in Ottawa goes too far. I guess I'm curious: how does Alberta in general terms – choose to answer this whichever way you see fit – compare to other jurisdictions? Are we better or further ahead or worse off than other provinces? If Alberta is on par with other provinces, any commentary or thoughts as to why that might be? You've made your case as to why you feel we should take some steps forward, most of which I find persuasive, but I would just be interested in knowing how Alberta relates to other provinces.

Thank you.

Ms Trussler: Thank you. Well, we did prepare a 57-page document comparing the legislation in Alberta, so this is not an easy question – it's a fairly complex question – because, really, the jurisdictions are all over the map.

There are a number of jurisdictions, three or four, that are quite a bit like Alberta because what they did – for example, Saskatchewan just took Alberta's legislation and adopted it. I think that in the last election campaign the Premier offered to put in lobbyist legislation and then had to fulfill his campaign promise, so they just copied Alberta's. There are three or four jurisdictions that are like

Alberta's. I would say of that legislation that it's probably the least effective legislation.

The other provinces: it's really hard to tell because some of them have got complex formulas, not 100 hours but percentages, so that's probably a little bit worse in that area. Ottawa, with its meeting registry, I think, is a few steps ahead of where we are. It's really hard to – there are pros and cons in all of them, but I think overall that Alberta's legislation leaves quite a bit to be desired.

Mr. Clark: I would agree. Thank you for that. I appreciate it.

The Chair: Okay. We're going to go back to Ms Kazim on the phone.

Ms Kazim: Sure. Thank you, Mr. Chair. Yeah. I would like to ask another question. My question is: in the submission it has been mentioned that many states in the United States do not tie the definition of lobbyist to the amount of hours a person lobbies. Instead, the key consideration is whether and, in some cases, how much compensation is received by a person to undertake lobbying activities, as mentioned on page 8. What is your perspective on this type of approach?

The Chair: Thank you, Ms Kazim.

Ms Robins: There are many different approaches taken to lobbying thresholds in North America. There are, in fact, many across Canada. When we look at municipalities, the four Canadian municipalities that have lobbying bylaws, being Brampton, Hamilton, Ottawa, and Toronto, none of those municipalities have a threshold for lobbying. If you are paid and you are lobbying, you are required to register.

From a provincial perspective, as set out in our report, there are different approaches. We have four provinces right now that take an hourly threshold. Of those, ours is the weakest approach just because we do not include prep time. All the other jurisdictions that have the hourly approach do include preparation time. The other jurisdictions that have thresholds tie it to either a percentage of time spent lobbying or if it's a major part of their duties. Even in Canada we're seeing a range of approaches to this.

Now, when we get down to the States, it's even more complicated. There are 20 states right now that currently don't have any threshold. If you're paid and you're lobbying, you're required to register. In fact, four of those also capture volunteer lobbying activities. The other approaches in the States range: they might look at how much you spend on lobbying activities, your expenditures over a certain reporting period; they might look at the amount of compensation you make over a certain reporting period. Some of them also take an hourly approach, but they also range: some say that if you lobby five hours over a certain reporting period, you're required to register; others have eight hours; others have 20 hours.

You're seeing a wide range. Every jurisdiction has taken a look at this from a policy perspective to see where they want to land on requiring lobbyists to register.

Ms Kazim: Right. I mean, more like a supplemental, just for further clarification: is there any perspective from your end about all those methodologies that are being used at this time in different jurisdictions? Do you think – is there any particular way that is most effective or that would be very much something that Alberta can look into?

1:40

Ms Trussler: I think we're of the belief that zero hours is the most effective. You're either lobbying, or you're not lobbying.

Ms Kazim: Okay. Thank you.

The Chair: Okay. Thank you.

I'd just like to open the speakers list once again and see if anybody would like to be put on the speakers list. Any questions? Those on the phone: anybody?

Ms Kazim: Yeah. I would like to be on the list.

The Chair: Okay. We're going to go to Mr. Dang, and then we'll go back to you, Ms Kazim.

Ms Kazim: Thank you.

Mr. Dang: Thank you. Mr. Chair, with your indulgence, if it's just myself and Ms Kazim, I think we each have a number of questions to ask. Would it be simpler if we just asked each of ours in order?

The Chair: If that's okay with the rest of the committee. Yeah. I'm seeing nodding of heads. Please, go ahead.

Mr. Dang: Thank you. Now, you recommended that section 5(1) of the act be amended to require only annual filings for organization lobbyists. I know there's some explanation in the report, but could you share a bit more about what some of that complex reasoning might have been?

Ms Trussler: I think the main reason is that things don't change every six months. We think that yearly is an appropriate time. We don't want to inflict an administrative burden on the lobbyists when one is not necessary. We feel that there's so little change on a yearly basis that it's better just to do it once a year.

Mr. Dang: For sure. Thank you. I think that's simple enough.

Ms Trussler: But, of course, if you combine it with the meeting registry, then you've got a total picture.

Mr. Dang: For sure.

I also have a question regarding contingent payments to lobbyists. I was wondering, in your view, if you could elaborate more on why they should not be allowed as well.

Ms Trussler: I suppose it's a little bit like contingency payments to lawyers, but there's just something that doesn't sit right when someone takes on the job to lobby for an organization and says: well, if I'm successful, you'll get paid; if I'm not successful, you don't have to pay. If you're hiring someone to lobby for you, we think that you should actually pay them to do it. We think that there's a temptation maybe to exert too much pressure or maybe to step outside the line if the only way you're going to get paid is if you're successful.

Actually, this point came up when I spoke to a consultant lobbyist who was quite upset at the fact that there are people who are lobbying on a contingency basis, and they felt that it was totally inappropriate. As part of our consultation with the lobbyists they actually raised this issue.

Mr. Dang: Sure. Thank you.

Now, I noted also that a section of your recommendation dealt with improving the administration of the act in particular. Obviously, your office deals with the majority of that, if not all of it. Of these recommendations is there any one in particular that you think has more weight than another, perhaps because of how it may affect your efforts?

Ms Robins: That's a tough question. We have 10 what we would call high-priority changes to improve our administration of the act. We've identified these because these are things that we've noticed that in some cases are problematic or we've just seen opportunity for improvement. To pick one or two of them: I think that's a fairly tough task because we did try to pull the most important ones into the high-priority ones. Yeah. I think we've discussed some of these during our presentation. For example, making the exemption to lobbying where a request for input is initiated by a public office holder: that is one that we think definitely needs to be narrowed. The language in that section is very broad and very general right now. That is certainly one of the provisions that we see as very important to place further restrictions on.

Some of them are definitely more administrative in nature, such as the government funding one, where we added that as a recommendation. This is a recommendation that I didn't address in my oral presentation, but that's where we're asking that it be reported on returns, the amount of government funding that an organization might receive. We get a lot of calls over what time period this is supposed to address. That is to address those sorts of calls so that it's very clear in the act what we're asking them to report.

Mr. Dang: Thank you. That was actually my next question, about the exemption of lobbying where request for input is initiated by a public office. Thank you for that.

I guess I just have one more quick question before I kick it back to Ms Kazim. Could you talk more about why you recommend a review of the act every seven years instead of every five years?

Ms Trussler: I think we're of the view that by the time the committee reports and by the time that the legislation is dealt with, it's almost time to start the review again, and it might make more sense to just do it every seven years. If something comes up that's really urgent, I'm assuming that it could be brought forward in the meantime, but to do a review every five years is maybe a little too often. Now, of course, if you don't follow any of our recommendations, if you don't like them, we might want to say: oh, five years.

Mr. Dang: I would never imagine that governments do too many reviews. Thank you.

The Chair: Ms Kazim, we'll go back to you.

Ms Kazim: Thank you very much, Mr. Chair. I've got one more question for Ethics Commissioner Trussler. My question is that I noticed there is no specification on charitable organizations in your recommendation. In a later recommendation it is suggested to define this as a charitable organization registered with the Canada Revenue organization. Can you say more about how you define charitable organizations?

Ms Trussler: Actually, the best definition of it is found in the Criminal Code, and it's very broad. It includes religious organizations, it includes social agencies, it includes arts groups, it includes community groups, and it also sometimes includes special-interest groups. In some areas where we wanted to give exemptions, we suggested that it just be for the charitable organizations that the Canada Revenue Agency feels are charitable organizations because their definition is narrower. It doesn't usually include political or public interest groups. At least they're cutting down on those groups. It just includes the true charities.

In some situations we think that everybody should register as a lobbyist, but some of them should have some exemptions because of the nature of the work that they do.

Ms Kazim: Thank you so much. I really appreciate your time.

The Chair: Okay. We're going to try and sneak one more question in from Mr. Hunter here.

Mr. Hunter: Thank you, Mr. Chair. I'm actually just interested in your comments on contingency fee lobbyists. You know, normally, I think that we would prefer to have the market decide, not legislation, if we can get away with it. But what is it that concerns you about that? If you can help me understand that a bit more. You said that it just doesn't sit right. Are there examples that you can cite?

Ms Trussler: I guess the concern is that you might push too hard, you might take inappropriate steps if the only way you were going to get paid is if you got a result from the government. If a person is under that much pressure to earn their fee, there's more likelihood that they will step out of bounds, whether it's by inappropriate gifts or by making wrong representations. It's a real concern to the consultant lobbyist industry.

1:50

Mr. Hunter: I'm just trying to get to the bottom of this, though. Is this a concern from people that don't like the competition, or is it a concern in the fact that there are some real abuses? If there are some real abuses, the question that I have to ask, though, is: if they give a gift that is – you know, if they're working so hard, we want them to work hard. That's what they're supposed to do. All lobbyists are supposed to work hard to try to get their clients what they are asking. Obviously, there's a balance. But what you're saying is that this fee base would incent them to do something that they shouldn't do. I'm not sure whether or not there is evidence to show that that's the case. Now, I don't really know. I don't know any contingency fee lobbyists. But I'm just not sure I understand that argument.

Ms Trussler: Well, I guess from some of the consultant lobbyists' point of view it may be a question of competition. From our point of view it's the possibility that the lobbyist might not behave appropriately.

Ms Robins can tell us what other jurisdictions do not allow contingencies.

Ms Robins: Absolutely. I'll get to that in a minute.

I would just like to mention, though, that part of the concern is that, typically, lobbying should be based on the merits of the matter. The concern with contingency fee arrangements is that you're now adding an additional incentive, that you're not approaching the government just about the merits of the matter but you've got this other incentive, this financial incentive, so perhaps lines will be stepped outside of. It's also a public perception and a public confidence in government issue as opposed to perhaps an evidential issue. It's more of the public perception if they know that there are lobbyists out there just trying to – if their fee is attached to their success, then the concern is that they're going to be perhaps crossing lines they shouldn't.

The other issue I want to . . .

Mr. Hunter: Could I just ask you a question, though? If there is a contracted lobbyist that is unsuccessful and continues to be unsuccessful, they'll lose their job as well. They wouldn't be kept on. So, again, I'm not sure how that is different from a contingency fee lobbyist.

Ms Robins: I'm sorry. Could you repeat that question one more time?

Mr. Hunter: I said that a contract lobbyist who is not successful over time would lose their job. They wouldn't be able to do what they're paid to do. So they have an incentive to keep their job and to keep that compensation. Again, I guess I still question whether or not the idea of contingency fee lobbyists, the incentive to perform, is any different than someone who is a contract lobbyist.

Ms Robins: It certainly is a controversial issue, and I don't know that there are studies or hard evidence out there. It's more of a public perception in terms of an ethical issue.

The other thing I wanted to mention is that under the act you're only required to register if you're a paid lobbyist. It does create a bit of a loophole because they can argue that: "You know what? I'm not paid because I haven't received my fee." It is a loophole where, of course, we respond that, no, a contingency fee is still – you know, we don't let them argue that. But the argument is there – and some people may try to make that – that "we're not being paid because, in fact, there's no guarantee that we'll be paid."

I just wanted to mention, too, that there are several jurisdictions in Canada that have banned contingency fee arrangements: the federal government, Nova Scotia, Quebec, and Ontario. The cities of Ottawa, Toronto, and Brampton also have specific provisions in their lobbying acts or bylaws that specifically prohibit these types of arrangements.

Mr. Hunter: The loophole that you just explained to us is probably the best argument that I think I've heard, and I appreciate your bringing that forward.

The Chair: Okay. Well, we're coming to the end of our time here, so thank you to our guests for your presentation this afternoon and for answering the committee's questions. I'd just like to stress that if you wish to provide additional information, please forward that through the committee clerk by Wednesday, January 18. I would like to note for our guests' information that the transcript of today's meeting will be available via the Assembly website by the end of this week.

Thank you once again.

We'll take a short break and reconvene at 2 p.m.

[The committee adjourned from 1:55 p.m. to 2:02 p.m.]

[Not recorded]

[The following members introduced themselves: Mr. Clark, Mr. Dang, Mr. Drysdale, Mr. Hanson, Mr. Hunter, Ms Kazim, Mr. Kleinsteuber, Mr. Loewen, Loyola, Mr. MacIntyre, Mr. Malkinson, Ms McKitrick, Mr. Rosendahl, Mr. Sucha, Dr. Turner, and Ms Woollard]

[The following staff of the Legislative Assembly Office introduced themselves: Dr. Massolin, manager of research and committee services; Ms Robert, research officer; and Mr. Roth, committee clerk]

[The following panel members introduced themselves: Ms Beeston, executive director of Volunteer Alberta; Mr. Braun, director of policy and research, Calgary Chamber of Voluntary Organizations; Mr. Dahms, executive director, Edmonton Chamber of Voluntary Organizations; Ms van Kooy, president and chief executive officer of Calgary Chamber of Voluntary Organizations; and Mr. Wolstenholme, The Strategy Forum Inc.]

Volunteer Alberta

Ms Beeston: [Not recorded] *Good afternoon, Mr. Chairman, members of the committee. Thank you for the opportunity to submit*

positions on the Lobbyists Act under review and for the opportunity to present today.

Volunteer Alberta is a provincial nonprofit capacity-building organization. We provide programs and services to the nonprofit, voluntary sector, and our engagement spans the province. We consistently work with 1,500 organizations, and up to 5,000 organizations access our resources. We have 380 members, including a network of 31 community volunteer centres. We listen to and reflect the voices of our nonprofit, voluntary sector network, both rural and urban, across subsectors and have been for 25 years.

Volunteer Alberta recommends maintaining the exemption for charities and nonprofits in the Lobbyists Act. We fail to see what problem has arisen that warrants a change to nonprofit exemption. Investigations into nonprofits have been negligible, and none have occurred in the last three years. Removing the exemption would create problems, including voice, process burdens, et cetera, which my colleagues will expand upon.

Alberta has been in a leadership position on the nonprofit, voluntary sector exemption. The trend across Canada is moving toward the exclusion of charities and nonprofits, not away from it. Let's not slide backwards.

Why would you maintain the exemption for charities and nonprofits? One, democracy. The nonprofit, voluntary sector builds networks of trust and reciprocity, the social capital that allows democratic societies to function effectively. The nonprofit, voluntary sector role in society is one of public benefit.

Two, citizen engagement. The nonprofit, voluntary sector plays the increasingly recognized roles of fostering community engagement and civic participation. The nonprofit, voluntary sector engages people regardless of where they work and reflects their concerns. The nonprofit, voluntary sector is purpose driven, and our motivation is creating better community and quality of life. We are the people government represents, and the opportunity for rich dialogue between us should be free of restraint.

Three, nonprofit voice. Diverse values and interests are aggregated through charities and nonprofits. These values and interests are represented to the political system through political advocacy and lobbying. Nonprofits originated for advocacy, to address social, labour, and inequity issues. We play prominent social, economic, and political roles in society as service providers, employers, and advocates. These roles inform us, providing perspective from the grassroots of Alberta. One of our vital roles is advocacy, and it serves no purpose to limit our ability to fulfil that role.

Four, equity. The exemption of public-benefit charities and nonprofits in the Lobbyists Act provides equitable access to advocacy regardless of where they operate. Limiting nonprofit, voluntary sector access in relation to size and hours creates inequity, especially for geographically remote organizations.

In summary, nonprofits are champions for their causes, the experts in the services they provide, and provide services for the public benefit. Who better to advocate for their cause than the nonprofits themselves?

Nonprofits more often than not deliver on public policy and typically will know more about their specific subject area than those in government. Governments benefit from listening to the experts, and nonprofits are experts in the causes they champion because those of us working in the nonprofit, voluntary sector are the ones who know and understand the front lines. Nonprofits and government are on the same side. We should listen to each other; we both are invested in and work for the common good in Alberta. The exemption of nonprofits and charities in the Lobbyists Act contributes to good government.

2:10

On behalf of Volunteer Alberta thank you for allocating time at your committee meeting to hear from the nonprofit, voluntary sector. The nonprofit, voluntary sector is where citizens choose to invest their time, skills, and philanthropic contributions in what matters most to them. Please continue to support the nonprofit, voluntary sector voice into government. [As provided]

Edmonton Chamber of Voluntary Organizations

Mr. Dahms: [Not recorded] *Thank you for the opportunity to present. I'm Russ Dahms, executive director of the Edmonton Chamber of Voluntary Organizations. The question I bring to the committee is: "What is the problem that needs to be solved?" Various kinds of lobbyists and organizations – including paid lobbyists, private interest lobbyists, special interest nonprofits, and public-benefit charitable organizations – really help build our communities and make them what they are today. [As provided]* The interaction between charities or public-benefit nonprofit organizations and government is really an important interaction because it helps create good communities, good public policy, and really helps strengthen our province overall. When we cast the net to say that we want to catch those who are lobbying, let's be really clear about which layer of the cake we're talking about because there is an important element to creating room for dialogue between constituents and their government.

I'd like to touch on two items that the commissioner spoke about. One is the administrative burden and the other is this chilling effect that she referred to. Depending on their area of work, public-benefit charities and nonprofits are already required to abide by a number of pieces of legislation. There's the Freedom of Information and Protection of Privacy Act. There's the Health Information Act, the Charitable Fund-raising Act, Alberta gaming regulations, the Societies Act, of course, and part 9 of the Companies Act, and then, certainly, all of the Canada Revenue Agency regulations for charities. There's lots of a regulatory environment that exists already that these organizations need to work within.

While no one statutory requirement in and of itself may be considered to be a big deal, add them up and you get an aggregate requirement to operate in this regulatory environment that small organizations really struggle to deal with. You have to be informed. You want to try and stay onside. Who's going to do that work? Many public-benefit nonprofits are focused on the delivery of their services and programs, not necessarily trying to stay onside in a regulatory environment. They do what they need to do, but staying current and tracking information, for example, under a lobbyists act adds another level of complexity to their work.

In this environment, as you can well appreciate – and I'm sure you've heard this. As nonprofit organizations in their work in communities struggle to raise funds to support their work, are we going to then add yet another burden to their responsibilities by asking them to add management of their volunteers and staff under the Lobbyists Act? It's not about the registration. As the commissioner said, it's not a big deal to register. But think of the systems now that you'd need to put in place to stay onside to track what all of your volunteers are doing by way of engaging with government officials at the summer barbecue, at the hockey banquet. I mean, it goes on and on and on, so who does that work? Now you're dedicating voluntary resources to fulfilling a requirement which – is it really that important? Really, again, we're trying to build good community.

Referencing the chilling effect, it's an interesting one because, as Jann mentioned, public-benefit nonprofits and charities really work

with government at the local, provincial, and national levels to help shape sound policy. That interaction, really, if you think about some of the legislation that has been passed, whether it's, you know, drunk driving, let's say – just take that example. Do you think Mothers Against Drunk Driving had a lot to do with the legislation we have today? Yes. Would you consider that lobbying? Well, maybe their influence helped shape the public policy, but it was an important piece of work for the public good.

So when we introduce regulations that consider certain interactions with government officials as being lobbying and some not, so there's, "Well, in this case – but there's an exemption here," it creates confusion, and it creates uncertainty. Now, the chilling effect comes when nonprofit organizations say: "Yeah, but we want to stay onside. We don't want to get in trouble. I'm not quite sure if this is lobbying. If I talk to you at a hockey banquet, am I a lobbyist all of a sudden?" If there are zero hours, then: okay; well, do I have to register now? So it's like: "You know, I think I'll just not have that conversation because I don't want to get in trouble because I don't really understand how this works. I'm simply someone helping to run our hockey program in our community."

When you get uncertainty because of the many exemptions in this case or that case, it really diminishes communication between government officials and nonprofit and community leaders when really what we need is an environment that stimulates that engagement, that creates the dialogue that enables us to identify and work together to solve the challenges that face Albertans day in, day out.

So let's remember that there are layers of the cake and that a volunteer with a community-benefit nonprofit organization is not the same as a paid lobbyist by any stretch of the imagination. We need to think differently about how we deal with that in terms of a regulatory environment.

Thank you very much.

The Chair: Thank you very much, Mr. Dahms.

We're now going to move on to Ms Katherine van Kooy from the Calgary Chamber of Voluntary Organizations. The floor is yours.

Calgary Chamber of Voluntary Organizations

Ms van Kooy: Thank you. Thank you for the opportunity to address the committee on the potential changes as part of the review of the Lobbyists Act. You've received CCVO's submission expressing, with our colleagues, our opposition to the change to the current exemption for charitable and nonprofit organizations that are working for the public benefit. Our position is simply that the present legislation is working well. There have been no demonstrated problems arising from the exemption; therefore, there is no need, no compelling need to make a change. I support the points that my colleagues have made, and I will amplify some of them, but I'd like to focus my comments on the recommendations of the office of the Ethics Commissioner.

First, I really must say that given all the talk about the importance of transparency we find it unacceptable that the recommendations made by the Ethics Commissioner, which are quite sweeping in terms of their impact on the not-for-profit sector in particular, were not made publicly available until after the submission date for all other public organizations. Consequently, this is the first opportunity, really, that we have to respond to those.

It was interesting to hear that there had been some consultation with consultant lobbyists because, to the best of our knowledge, there's been no effort to engage in any consultation with representatives in the not-for-profit sector to explore the potential impact of some of the recommended changes. Consequently, we

think that, unfortunately, not having done that has led the office to reach some poorly informed recommendations that don't reflect the experience of the sector nor the nature of the relationship between nonprofit organizations and government. We expect that had the recommended changes been made more widely available for other organizations to be able to know, the level of response that you might have had as part of this review would have been substantially greater.

2:20

Let me just speak to some of the specific issues that we feel arise from the proposed changes to this legislation. The first is a lack of recognition of the distinction between public and private benefit, and Russ has spoken to this to some extent. There's no recognition of the fundamental difference between organizations that operate for public benefit and those that operate for private gain. The public concerns that we are aware of have to do with who is influencing government decisions, and invariably that relates to and involves situations where a business or an industry or a private individual is seen to benefit and the public has an interest in knowing who may have influenced decisions that provided those benefits. This distinction between working for public benefit and for private benefit is at the heart of the decision initially, at the time that this legislation was adopted, to exempt public-benefit nonprofit organizations from the ambit of the Lobbyists Act.

The commissioner referenced some of the other legislation that's been adopted. We modelled that exemption on the Quebec legislation, and Alberta has been a leader because, in fact, at the time that the Alberta legislation was adopted, it was the second province in the country to adopt that exemption. There are now four provinces, so the trend has been to expand that adoption. There have also been a lot of references made to some of the municipal experiences, and you might be interested that the city of Toronto, which also has lobbyist rules, explicitly exempts nonprofit organizations from having to register and report because it recognizes that they are working for public benefit, not private benefit.

The commissioner speaks about these changes creating an environment where it's simpler, it's a clearer, more simplified approach for nonprofits. I would say: quite the contrary. This simple approach would complicate matters by dividing the current exempt category of public-benefit nonprofits into three categories: registered charities with four or fewer paid employees, which would be exempt unless they had staff or paid board members with a duty to lobby and whether or not they were under or over that 30-hour threshold of time spent on lobbying, in which case they would be required to register; registered charities with five or more paid employees with any duty to lobby would have to register, regardless of the actual amount of time they spent on this activity; and then nonprofit organizations which would have to register, whether or not they had a duty to lobby.

Furthermore, this distinction in lobbying activity which is carried out between a volunteer or a paid employee is one that we have never been able to comprehend, quite frankly. To quote the commissioner, "Either one is lobbying, or one is not lobbying." I have difficulty understanding, if as a paid employee of my organization I'm making a representation to someone within the public service or to an elected official, how that is in any substantial way different than if it was my board chair or another member of my board. Lobbying is lobbying, so this exemption – I would suggest that there are many organizations in which board members or volunteers may have substantial sway in terms of the kind of positions that they hold within the community. To exempt that and say, "Well, that's

in a different category, and that's okay," I think, is a little hard to reconcile.

My organization has worked for many years with the Canada Revenue Agency because we're concerned and we play a role in helping organizations understand the legislation that they have to comply with, and we have worked to help charities understand the compliance rules. We know how difficult it is to reach organizations and be able to explain complex rules. So based on that, we think this is going to complicate it further, not make it easier.

Then, finally, I'd like to speak to the restrictive conditions. The recommendations that are proposed by the commissioner are the most restrictive conditions on lobbying activity in any Canadian jurisdiction, such as that 30-hour threshold for small charities, which would include travel time. Now, that doesn't apply to me because I don't qualify as a small charity, but to use CCVO as an example, ECVO and CCVO frequently work on the same issues. Russ has the advantage of coming from Edmonton, so it may take him 10 minutes or 15 minutes in actual travel time. Today it probably is taking me eight or nine hours in terms of door-to-door travel time from Calgary. An organization that's coming from Fort McMurray or Grande Prairie or Medicine Hat, including travel time in that consideration: well, they've almost automatically exceeded the threshold. And we think it's fundamentally unfair to thousands of organizations.

I think the ambiguity this creates around trips – and that's the other part of understanding how often the work occurs. Many times when people make a trip, it may include meeting with government representatives, but they also load on other trips because they are travelling, so what portion of it counts for lobbying as it's defined in the legislation? It becomes very complex, and it is a burden on organizations. It's a burden on organizations to track and to report. The registration part of it, that's a piece of cake.

The other pieces around this definition of lobbying that currently – as the commissioner pointed out, government-initiated interactions are deemed exempt. However, she recommends that this be very strictly narrowed so that it is basically restricted to – the exemption would be limited to include only written requests for input, written responses, and written grant applications. I think this is one of the areas where it demonstrates a lack of understanding of the nature of the interactions that occur routinely. When I'm working on a grant application – let me depersonalize this. The departments that we work with will tell us that when people apply for grants, they often encourage them to call them to speak to them about the application before they submit it because it short-circuits having to go back and forth and back and forth if people have misunderstood stuff or if they left out information, but that would now constitute lobbying activity because it's not a written submission.

It's part of that ongoing dialogue. As my colleagues have said, much of the relationship that occurs and that we've been working to create with government in order to improve the act of government and the working of government is to engage in dialogue and consultation around program design, around evaluation requirements, sometimes around regulations and legislation. That occurs on an ongoing basis. I don't think it necessarily constitutes lobbying in the sense that the public thinks or that government believes because government will often initiate that dialogue because they find it useful. So adopting these rigid rules in the name of increased transparency would hamstring the working relationships between government and the nonprofit sector, and I would ask: for what benefit? [Ms van Kooy's speaking time expired] I've run out of time again. I thought I gave you a written piece.

The Chair: Thank you very much, Ms van Kooy.

We're now going to move on to Mr. Len Wolstenholme. Please continue.

Len Wolstenholme

Mr. Wolstenholme: Thank you, Chair, and thank you for the invitation to be here today. I hope what I have to say will be helpful. By way of background I've spent 35 years working with Canadian registered charities and registered amateur athletic organizations, all of which are charitable under the federal Income Tax Act. I've done that as an employee, as a volunteer board member, and through my company, The Strategy Forum. The causes I've worked with, the organizations total over 30 local, regional, and national organizations dealing with a wide range of needs: women's shelters, sports and recreation, conservation, and persons with disabilities. The size of these organizations varies a great deal as well, from two employees and an annual budget of around \$200,000 a year to one with 300 employees and an annual budget of \$45 million a year.

My regulatory experience at both the national and provincial level has dealt with compliance related to fundraising, privacy, consumer protection in telecommunications; development of fair and balanced legislation and regulation in areas such as consumer privacy, fundraising, and telecommunications; and securing government support of key infrastructure, conservation, and tourism capital projects.

I'm also registered with the federal government as the lobbyist associated with a particular organization, so I'm familiar with that act and the code of conduct that applies in the reporting requirements.

2:30

Now, judging from your Legislature bios, it seems that every member of this committee has volunteered with charitable and other not-for-profit organizations in your communities. I trust you share my sense of how critically important the well-being of these organizations is to every community in Alberta. In one way or another they touch the lives of every family in this province, and I think it's fair to say that, by and large, we know we can rely on the integrity of Alberta's charities, which was referenced, I think, obliquely in the presentation from the commissioner's office in talking about honesty and openness and integrity. I think we can trust the charitable organizations in this province. We're part of them, all of us.

Now, I'm most concerned about any changes to the current Lobbyists Act and regulations that might impact on Alberta's charitable organizations, those defined by a charitable purpose. There are definitions federally and provincially as to what constitutes a charitable purpose. Chapter C-9 of Alberta's Charitable Fund-raising Act says that a

“charitable purpose” includes a philanthropic, benevolent, educational, health, humane, religious, cultural, artistic or recreational purpose, so long as the purpose is not part of a business.

You can see how this ties to some of my colleagues' earlier comments about public purpose versus private purpose, public benefit versus private benefit.

I support the points made by my colleagues from Volunteer Alberta, the Edmonton Chamber of Voluntary Organizations, and the Calgary chamber but would like to make a few additional observations. I think you would agree that in creating or amending legislation, it's incumbent upon legislators to have clear outcomes in mind, having duly and diligently considered possible impacts as

well as unintended consequences, and you've heard a certain amount today about those unintended consequences. Bearing in mind the well-being of Alberta's charitable organizations and their ability to function effectively, free of unnecessary regulatory burden, my goal for this review would be to see such organizations remain fully exempt from the lobbying act and the regulations.

Now, the office of the Ethics Commissioner has made a number of recommendations to the committee, and I just want to touch on a couple of those. They deal with the thresholds and nonprofit exemptions. Of course, if you continue to feel and the government continues to feel that nonprofits and charities should be exempt, thresholds is perhaps not a major concern for me, but let me just say this. Travel time: I think Katherine has made the point. Including travel time in threshold calculations places organizations not located in or close to Edmonton at a disadvantage, and it's a significant one if you start calculating hours. In order for there to be a level playing field amongst Alberta-based organizations interacting with the provincial government, travel time should be, as it currently is, excluded from any discussion of thresholds.

There's another reason for this exemption. Those who travel an hour or more to Edmonton from other parts of Alberta for government meetings often spend that travel time, as I did this morning on the Red Arrow, catching up on research, drafting documents, corresponding by e-mail and social media, making phone calls, and so on, all activities that were totally unrelated to the purpose of this particular meeting. So the exemption of travel time is a simple matter of access and basic fairness, and it should continue to be excluded in any future contemplation of thresholds.

Now, turning to the exemption of charities, it's important to consider the day-to-day realities faced by thousands of highly effective charities across our province who are struggling in a very weak economy, with fewer corporate and donor dollars being available to fund what they do. Some have laid off staff in order to live within their more limited means. Usually administrative staff are the first to go in an effort to maintain programs. I don't think we have a hard time understanding that. However, that results in reduced administrative capacity, capacity, for example, to determine what the organization must do to comply with any new requirements such as monitoring and reporting on contacts with government.

The exemption that has been proposed by the office of the Ethics Commissioner for charities is that it would only apply to charities with four or fewer employees or paid directors who work full- or part-time. I'm sorry. I've been in this business for over 30 years. I don't understand the source of the thinking behind that kind of an exemption. Why would the exemption for charities ever hinge on a statistic that's unrelated to lobbying such as the total number of paid employees or directors? That simply bears no relationship to the likelihood or the scale of lobbying that an organization might do. So we need to be very careful when we're coming up with these definitions.

Not for a minute am I criticizing the effort that the office of the Ethics Commissioner has put into researching this, but I suggest, perhaps with Katherine's comment earlier about no one in the sector seeming to have been consulted on this, that perhaps this particular wording exemplifies why the sector should in fact be consulted.

I think Alberta can and should have a regulatory regime for lobbying that reflects its own needs and its unique character, and that includes continuing to fully exempt charities from requirements to register their lobbying efforts.

Thank you once again, and I look forward to the next stages of this process.

The Chair: Thank you very much, Mr. Wolstenholme.

We'll now open the floor for questions, and we'll get a speakers list going. Anybody interested in asking a question? Okay. Ms Woollard. I'm going to just check with those on the phone. Anybody interested in asking questions? Okay.

Mr. Kleinsteuber, are you interested in asking a question?

Mr. Kleinsteuber: Yes.

Mr. Clark: Mr. Chair, I would like to be on the list as well, please.

The Chair: Okay. Thank you.

We'll commence with MLA Woollard.

Ms Woollard: Thank you, Mr. Chair. Thank you for your presentations, all of you. Just to begin, can you share with us some of the challenges faced by nonprofits in regard to the Lobbyists Act? I mean, you've hit on some of them, but anything else you'd like to share?

Ms van Kooy: To some extent – and this is a bit hypothetical in Alberta because we're currently exempt – part of the difficulty becomes understanding what's in and what's out. As an organization I think my colleagues are in the same position. We actively encourage organizations to operate within the law. A lot of legislation may be very clear to the people who draft the legislation. For those organizations and individuals that are charged with thinking about what its practical application is to their work, it's amazing how confusing it becomes. So it's the struggle of trying to understand exactly what is involved, what fits within a definition and what doesn't, what you have to keep track of. As we said before, the challenge, if this legislation was changed, wouldn't be the actual registration. It was if you are involved and that the net is cast so broadly in terms of what is described as being lobbying that you have to keep track of all kinds of activities, and then you have to be able to report on it.

My organization is not that small, but I certainly, as we've been working through it, found myself reflecting on it frequently in terms of what it would mean for our work, even the piece around the grassroots communication. I mean, as part of our work and our commitment to support the voluntary sector, we provide a free electronic news bulletin every two weeks. Do we have to scan that news bulletin? Often the information that's contained in there is information that government also wants us to get out – they have a new program, or there's a volunteer recognition program that they want the news out about, and they'd like people to be informed about it – and we have reach, as do my colleagues.

Sometimes it's an issue of something that's going on in government, a new procurement policy in Human Services. At what point now do we have to start scanning what we're doing and going, "Okay; is this lobbying?" because it's aimed at the grassroots, and it's aimed at informing people about things that they need to be informed of? It becomes complex. As Len indicated, organizations that may be engaged in doing this will have to keep track because there are penalties attached to not, and that tends to have a pretty dampening effect. If somebody is looking at the potential, if you're an ED of an organization and you face a potential penalty of \$25,000 and you're trying to think about whether you can bear that penalty, you tend to err on the side of caution.

2:40

So there are a whole bunch of factors that contribute to having to try to understand what's required and then stay good with the legislation, and quite frankly even the language that's been used here is not very clear. I can't tell you how many times I worked

back through those recommendations thinking: does it mean this, and where exactly does this apply? If I'm struggling with it to that extent, I can tell you that other organizations are going to as well.

There are many different layers. You know, nobody wants to pay for administration. Nobody wants organizations to put their money into doing that kind of work. But with these different levels of regulation – I think we've been saying this to government over and over again – you need to think carefully about how you implement rules, thinking: well, it seems pretty simple. Well, one piece may be simple, but with five or 10 it's not simple anymore. It's complex, and it takes up a lot of time.

Sorry; it's a long response.

Ms Woollard: No. Thank you. That was very thorough.

Mr. Dahms: Can I just offer a comment?

The Chair: Sure. Please do.

Mr. Dahms: I regard my presence here today as trying to be helpful, to provide sort of some perspective that, hopefully, brings balance. I sit here before you today thinking: if we got brought into this, am I here in front of you as a lobbyist? I don't know the answer to that. I don't know what that answer would be. Therein lies the dilemma. Our work is, as Katherine said, in helping organizations understand the rules. I don't know the answer. How much time am I going to spend combing through the act to try and figure out whether I have to register my time here today if we were in this new regime? It's an example where, really, I don't know what the answer is. Maybe I am a lobbyist. I don't know.

Ms Woollard: Thank you.

Mr. Wolstenholme: In response to MLA Woollard's question maybe I could give you an example. I'm on the board of an organization that has an executive director that works 28 hours a week and two program co-ordinators that work about 20 hours a week. They're delivering programs in Calgary and Edmonton primarily but also in Grande Prairie and Medicine Hat for Albertans that have visual impairment. Frankly, they're running as fast as they can just to deliver the programs. They do speak to government representatives, including MLAs and senior department staff, at various times on various issues, and I can't imagine them having to do this; I just can't. Where are the hours going to come from? This is an organization that runs on less than \$200,000 a year.

Ms Woollard: Thank you for your insight.

Ms Beeston, did you have . . .

Ms Beeston: Just to then multiply that by your 10 employees or 20 employees that are out there having to track. How do you keep a record of all of that? How do they decide whether it's lobbying or not? It just becomes this cumulative process burden. Do you want us sitting at the desks tracking numbers, or do you want the voluntary sector out contributing to society?

Ms Woollard: Thank you.

The Chair: Thank you very much, MLA Woollard.

We'll continue with Mr. Clark.

Mr. Clark: My apologies; it always takes longer than I think to get off mute.

Thank you very much again. I appreciate the input from all of you, especially those who've had to travel. I really appreciate you sharing your insights with us.

My question revolves around whether you feel there is a difference between advocacy, which would be advocating for policy change, which I know several not-for-profit organizations do in the province, and making a case for government funding, grant funding, or other financial considerations to flow to a not-for-profit. I recognize that that question evokes a lot of what has been happening on the federal level with the Canada Revenue Agency and some of those challenges, or certainly I suppose it could.

I guess I'd just appreciate your comments on whether you feel those are separate activities, whether organizations within your experience tend to do both, if there is a distinction between those two things, and whether we could or should make a distinction between those two things.

The Chair: Please go ahead.

Mr. Dahms: Yes. Thanks. Thank you for your question. I think it's important to understand at the broad level the degree to which the government of Alberta has many different funding programs that respond to the interests of community organizations as they seek support for their work, whether it's in agriculture, in culture, certainly the new program that was announced from the climate change office. By and large, the support that's available to nonprofit organizations who are involved in public benefit is really through the existing programs: the community facility enhancement program, the community initiatives program, and so on.

I think the circumstances where there is a query about funding to support a particular project – and I can think of a couple – really come only because there's no program. I recall the Jerry Forbes Centre for Community Spirit, where they were trying to secure some assistance from the provincial government to create a centre that would be a shared-space venue for nonprofit public-benefit organizations, and there wasn't a government program set up to respond to that. So there were a variety of discussions happening at various levels to understand, you know: is this something that the government would like to support? I would say that those kinds of conversations are I don't want to say infrequent but that the vast majority of support from government comes through existing programs and that there isn't a whole lot of deal-making going on, if you want to call it that, less and less and less over time.

In terms of advocacy, yeah, it's a really good point that advocacy for the benefit of good public policy is a dialogue, I think, that we've been talking about, really, for the public benefit. In the funding realm, I guess, to summarize, I'm not so sure that there's all that much that really happens, certainly by public-benefit organizations, because, again, the vast majority of support comes through existing programs.

Ms Beeston: Within Volunteer Alberta, certainly, in hearing the voice of our network, of the sector, very often the issues or problems identified are places where we then would look to regulatory or legislative change, but often they are gaps that a program or a service will fill. So the way we respond would be the most appropriate way. It's not so much lobbying for a particular program; it's: if this is a gap, what is the right solution to that particular problem?

Mr. Wolstenholme: Mr. Clark, I would respond by taking us back to the discussion of public versus private benefit. Whether you're advocating for a government policy change or for government funding in the way of grants or subventions of some sort is, in my mind, less the question; it's: is it for the public benefit, or is it for private benefit? If it's for the public benefit, then it should be exempted.

The Chair: Ms van Kooy, do you have a comment to add?

Ms van Kooy: If I could add, I think the question suggests that there is a greater distinction and more clarity between those two activities than I think, in actual fact, often exists. If you're a women's shelter and you are meeting with your government program representative and you are talking about a spike in demand for your service, you're talking about that and informing them about what's happening and there is a funding implication of that – is there an opportunity to get more funding so that you can deliver the program and respond more adequately to the increase in demand? – at what point is that advocacy? Is that a funding request? I think that very frequently it is not as cut and dried. The conversations aren't as clearly demarcated.

I think that in a lot of the work, at least that the three of us do, who work and advocate on behalf of issues for the broad sector, if we're talking about funding principles, for example, with an intention of engaging in a dialogue with government that, you know, if you shape your program this way and if the funding is administered in this particular way, it is more effective than if you do it that way, is that advocacy? Is that lobbying? I'm not sure how I'd have to position that. I'm just saying that the conversations aren't necessarily as discrete as I think often people assume that they may be.

2:50

The Chair: Thank you very much.

We're going to continue with Mr. Hunter.

Mr. Hunter: Thank you, Mr. Chair. I just want to start out with the caveat that I am definitely not in favour of any red tape that is undue on any organization, especially on not-for-profit organizations, that are critical to the society that we live in. However, I'm trying to understand the argument that you're making here. Have you identified the man-hours that it would take to be able to facilitate this, and if so, can you present that to this group?

Ms Beeston: Can I ask you first: what's the problem that you're trying to solve that we need to have all of that information?

Mr. Hunter: The problem, actually, is quite simple. It's an issue of transparency. Oftentimes I think what happens is that you have a situation where, I guess, for a better word, a few bad eggs cause problems for the rest. I get the idea that you have small organizations and that you have large organizations. The small organizations that I know of might have just one person working to try to be able to help in an area, and you have large organizations like the Tides Foundation, that's a multinational organization. You know, there are whispers that the Tides Foundation actually affected elections in some countries. I'm not trying to be conspiratorial here, but I'm just saying that we have to try to figure out transparency. This is the question that we're trying to figure out here today.

Again, back to my question, the issue is: have you been able to identify what kind of man-hours would be required to facilitate these requests?

Ms van Kooy: I know I can speak for our organization. No, we haven't, and I would say that there are a number of reasons for that. One, as I mentioned in my comments, we had no inkling of the extent of the recommendations that the commissioner was coming forward with until quite recently, and we, quite frankly, have been preparing for a number of things and haven't taken time to calculate that, but I also don't know how I would go about starting to calculate it.

But I would like to respond, if I could, with another question: if the point is that there are certain organizations that you feel are creating the problem, that the solution to dealing with a small number of organizations that might be problematic – I don't know why those situations could not be addressed by the commissioner through a complaints process; there don't seem to have been any complaints, and there haven't been any investigations, according to the report, over the last three years, so they can't be that numerous – is then to impose restrictions on thousands of organizations that you would suggest are not being the problem, are there other options that we have to consider? Between going from one extreme to the other, isn't there some other way that we can look at how those can be addressed more effectively?

Mr. Hunter: Are you asking me the question?

Ms van Kooy: I think I'm asking the committee the question, to some extent.

Mr. Hunter: That is a very good question. You're saying: does a square peg fit in a round hole? Oftentimes we as the opposition have complained about having a one-fit-for-all. Yes, I agree with your premise on that.

Ms Beeston: The process burden lies on both sides. How much productivity is lost inside of government bodies or regulatory bodies as well as voluntary sector organizations?

Also, the responsibility for influence lies on both sides. If there is an organization that is inappropriately trying to influence, you also live within regulatory environments whereby you can identify that and have an investigation. Supporting Katherine's argument, why would you put a burden on the entire sector and government to deal with an anomaly, not the norm?

The Chair: Thank you very much.

We're going to continue with MLA McKittrick, followed by MLA Kleinsteuber.

[Mr. Hunter in the chair]

Ms McKittrick: Hello. I really appreciate the presentation, and thank you also for coming here. I know you all have very busy lives in the nonprofit sector, and I very much appreciate the work that you do.

I have a question around the discussion around grants. It has been suggested that written grants be specifically excluded from the definition of lobbying in subsection (E) of the act. Do you feel this is reasonable? I realize that you don't want to be included, but if you were to be included, then is this exemption reasonable?

Ms Beeston: My colleagues can speak for themselves, but very rarely does our organization submit a written grant where we don't have considerable conversation with government around that grant. Regardless of whether or not it was excluded, just the exercise of the written grant would mean that we would be having all of the conversations as well.

Ms McKittrick: Okay. So then I have a follow-up question. What is suggested is that when you're actually having a conversation, that would be considered lobbying activities. Can you tell me how much outside communication regarding grants takes place with nonprofit organizations? You've said that you have a number of communications with government.

Ms van Kooy: Lots. In many ways. As I think I mentioned earlier, departments encourage that because they would prefer to have that

communication to ensure that there is clarity, that when the grant is submitted, they get the information that they need, that they don't have to go back and say, "There's missing information" or "You've missed the point" or "We need more here or there." So they encourage that dialogue and that communication in order to make it more effective for both the organization that's submitting the grant application but also so that when government receives it, it reduces the amount of time as they're reviewing it.

Mr. Dahms: Thank you for the question. I go back to: what are we trying to do? We're trying to get at transparency. The interest is in saying that where a group of people who call themselves a nonprofit try and push government to do something that's going to benefit somebody, that ought to be open and transparent. If, on the other hand, my organization is making an application for a \$5,000 grant to do something, don't get in the way of enabling that to happen and impose some rules about: now, if you talk to me, you have to register because I'm a government official.

I'm almost speechless to think about what these kinds of rules would do to interaction between people who are trying to do good things in our province. I'm just sitting here going: please don't let this be the Alberta that I work in, where because I now call up one of my colleagues in the provincial government and we talk about something, I have to log that and instruct all my staff and all my board members and I have to do some reporting about who talked to whom about what and was it in the bathroom. Like, I need to know. Sorry.

[Loyola in the chair]

Ms Beeston: On the question on how much time, in one of our particular programs, well, in all of our programs, we care that if they're public dollars, they're being invested in the right work to make the right impact, so we engage government, and we also engage society.

3:00

In one of our programs we've spent 18 months talking to the voluntary sector, convening people, bringing in police services, talking to government, bringing government into those conversations. I can't even begin to imagine the number of hours in that, but it's all for the right program and the right service because if we're investing public dollars, we want it to get the kind of impact that the ministry wants and the kind of impact that the community wants.

Ms McKittrick: Thank you. I really appreciate your answer and the passion that you have for this.

The Chair: We're going to continue with Mr. Kleinsteuber.

Mr. Kleinsteuber: Thank you, Chair. I'd just like to comment as well and join with my colleagues and thank you all for joining us today and for the important submissions that you gave us to this conversation. I'd just kind of like to reflect on the comments of Mr. Dahms during his presentation a little earlier, specifically when you were talking about a layering effect this type of thing could have on statutory reporting. I was wondering if you could provide us with some additional examples. You touched on a few of them during the presentation but maybe just for the record a few more that might come to mind. If anybody else can think of a few as well, that'd be fine.

I was wondering also, more specifically, if you record the lobbying efforts that you make for your submissions to the CRA as well, if that's also included in that, the layering effect.

Mr. Dahms: Right. In terms of other legislation or other acts that are requiring – if that's kind of what you're getting at, the other legislation that we need to be in step with?

Mr. Kleinsteuber: Yeah.

Mr. Dahms: Yeah. I'd mentioned a few. There's PIPA, the Personal Information Protection Act. It applies in some cases as well. Certainly, there's a lot to what happens around gaming. If you have a casino licence or if you're involved in fundraising, there's certainly lots that you need to stay on top of there as well, even just reporting, flat-out reporting. We are funded through FCSS, the family and community support services program. The reporting we have to do at year-end is pretty substantial. You know, we need to get our audits done and all ducks in a row. I mean, there's a lot of paperwork and a lot of work that's required there.

Certainly, through the Canada Revenue Agency and reporting political activity: that's a requirement. It's defined a bit differently in terms of how that goes, and it's currently being reviewed. I think there's a different view taken by the Liberal government than by the Conservative government in terms of what that whole requirement was. I think there was a view that – the similar bit to the discussion here today is that you need to think about charities as contributing to positive public dialogue and that political engagement gives you better policy. Again, Mothers Against Drunk Driving had a cause, and it was a very important cause, and it saw legislation take place. If you try and bury that and suppress it because you don't want to listen to it, you miss the opportunity to work with your constituents to respond to community need and develop good policy.

You know, there's a sweet spot here. I think the matter is just trying to find it. I think that's really the elegant solution. What is that sweet spot that will really benefit all?

Mr. Kleinsteuber: All right. Thank you.

The Chair: Okay. We're going to continue with Mr. Hanson.

Mr. Hanson: Thank you, Chair, and thanks again, all you folks, for coming down. I just want to start with a caveat. Like Mr. Hunter, you know, if I were to vote in favour of this change, it wouldn't be an attack on my community organizations. I am a member of some of them. But I think we need to be careful and get some clarifications and some definitions of public benefit, for instance. There are a lot of high-powered groups out there that think that their causes are for the public benefit, whether it's shutting down oil fields or pipelines. They think that that's actually, you know, a public benefit. So we have to be careful of that. I think that some of the focus of some of these is these monster groups that are heavily funded. Yeah, you guys might get lumped into that and might have to do a little bit of extra work to clarify that, but I think that we need to clarify definitions and what it is exactly.

I understand the exemption from grant applications. I think that's pretty simple. You're actually doing a paper. You're not having an interaction personally with the man that's making the decisions.

I think that even asking your MLA for a letter of support if you're, you know, applying for a CIP grant – I get that request quite a bit. I wouldn't see that as lobbying. I'm not making the decision. I'm just saying: "Yeah. This group is a legitimate group that's got a good cause going, and I would support that for my community." I don't think that's lobbying per se.

The same as if a women's shelter invites me to come out if they're doing a walk to promote their cause and having a free barbecue for the public afterwards. If I go and attend that, I wouldn't consider

that lobbying. That's just me supporting a community group that is supporting a good cause.

I think that we might be building more into this than we really have to when it comes to that reporting. Now, if you fill out a grant application for \$250,000 and then phone the minister involved that would be serving that grant and lobby him personally to try and promote your cause, that I would consider lobbying, or talking to the deputy ministers, or whatever. But, you know, simply asking your MLA – and I'm sure that all the other MLAs get requests from groups all the time for CIP grants. Is that lobbying? I don't think so. That's just you supporting your communities and your community groups.

I think that if we can work together and get some definitions, proper definitions, and get everybody understanding what actually we're trying to get done here with the transparency, I think everybody would be a lot happier. Maybe that's part of that consultation process at the beginning. It might have helped that a little bit. But I don't think that we should throw the baby out with the bathwater, as they say. I think there are a lot of good things with this change. The fact that they're eliminating the 100-hour threshold makes it a fair playing field for everyone right off the bat.

I know that the groups that I belong to don't do a whole lot of lobbying, if any, and I don't think that it's going to affect the thousands of not-for-profit groups that are in Alberta. I really don't. There are a few that do some heavy lobbying. If they're better connected to government and they get the priorities for grants, then, you know, by all means I'd like to see that transparent. If I have two groups that are going for \$250,000 out of a \$250,000 slot that's in this grant program and because one is better connected to the minister or deputy minister, that group gets that grant, because they had some personal contact, I've got a little bit of an issue with that. I guess that's where I would see that. I think everybody should be registered as a lobbyist group.

Again, I'm not saying that this is a personal attack on community groups. I know that a lot of groups do a lot of good, but I also know that they get their funding from charitable events that they hold, and very few of them get a lot of grant money or have to lobby the government to survive. I don't think that it's as big of a problem as it's being portrayed here right now, but I think there's a lot of benefit to Albertans and taxpayers and to the whole transparency of the whole act to have this in place. I probably will be supporting it from that aspect, but again I don't want to throw a whole bunch more extra work onto small charities. I really don't think that this is doing it if we get the proper definitions in place.

Thanks.

The Chair: Would one of you – yes. Mr. Braun, please.

Mr. Braun: Yeah. I'd just like to point out that the commissioner went to great lengths to explain the problematic nature of the 100-hour threshold or a threshold that's based on hours, period, but then goes on to recommend that a 30-hour threshold apply to charities with four or fewer employees who participate in lobbying or advocacy. I think that raises a question. Are hourly thresholds problematic or not? I would also encourage the committee to not underestimate the multitude of different forms of interaction that public-benefit nonprofits have with government, many of which have already been explained through anecdote.

3:10

In a previous life I led a charity that delivered employment and disability services to Albertans, and it was funded in large part by the provincial government, and part of the contract or grant management process involved regular site monitors. Those consisted of

verifying reported utilization, reported outputs and outcomes, but inevitably we were always asked about what we were observing by way of trends. Invariably we got into discussions of complex issues that begged public policy solutions, so in essence we were being asked for public policy advice. There was no written request along the lines of what the commissioner is recommending should be in place in order for that interaction to be exempt. This is all to say that let's not underestimate the many ways in which public-benefit nonprofits and government interact and for what reasons, and there is a lot of nuance there. I would suggest that if there's going to be a consultation to tease apart all of these different forms of interaction, it had best be well resourced.

The Chair: Okay. We'll continue with MLA Woollard.

Ms Woollard: I hope this will be a quick one. Relating to what you just said, just for everyone on the panel: what specific aspects of the act do you believe or do you think that nonprofits are finding or will find most specifically unclear in interpretation or understanding? What areas do you think are most needful of clarification or simplification?

Ms van Kooy: I would say: the definition of lobbying and what is considered to be lobbying. I mean, quite frankly, I think most of us, even – I can't speak for anybody else on the panel, but I find it jarring in the conversation on the part of the previous panelists talking about the proposed changes in legislation the reference to anybody who engages with government as a lobbyist because lobbyist by and large tends to in a public sense be used as a pejorative term. I don't think most organizations perceive that what they would be doing would be lobbying.

The communication with organizations around what the rules are is often one of the areas which is quite problematic. Board members turn over. Staff turn over. If we're talking about completely volunteer organizations, that might be less of an issue because they come under a different standard, but the number of organizations and the challenge of getting people engaged in understanding something which, quite frankly, for most organizations will seem to be so peripheral to the work that they are there to do and that they have any interest in doing, whether it's a board member or staff – because they're engaged in a cause. They're trying to deliver an activity. So getting their attention and being able to be clear about what is expected of them and what they have to do – I know there are comments made about: well, everybody should be registered. Well, pretty much every nonprofit organization is registered in this province anyway.

It's like being part of a registry somehow or other is magical. Well, we're all registered through the corporate registry. I beg you to try to use that registry to get particularly useful data or information about an organization. Good luck with that because it's not really accessible. I think that that's an important thing to think about. Just because you're collecting information doesn't mean that it's useful, doesn't mean it's transparent.

I don't know if you've ever gone onto the registry and looked at what people who are registered say that they've done. Well, it could be a company, and you see what they've spoken to government about. Well, it's a company that's in the energy industry, and they've talked about energy. Well, that's a big surprise. How does that advance anything unless the information is more complete so that you can actually get at whether there's undue influence? Does it collect information about how frequently you're meeting with people or at what level? I think it leaves a perception that somehow or other you're creating a system that is adding value by being that

much more transparent. But if the information that's being collected isn't particularly useful, how useful is the entire system, and what's the value of the cost to the organizations that participate in it and to government in collecting and maintaining that information?

Ms Beeston: And don't underestimate the diversity of nonprofit, voluntary sector organizations. There are 25,000 of them in Alberta. Half of them have no paid staff, and very often boards are rotating. Capacity building in the voluntary sector is a moving target. So while it seems simple and highly functioning – and there are lots of highly functioning not-for-profits with staff consistent and boards consistent and board training consistent. They won't have any problem with whatever you want to implement. It's the diversity across the voluntary sector that's going to create the issues for understanding. In not knowing, there is fear, and in the fear, you will silence them because they will be afraid of what they can do, what they can't do, what's right, so they will stop talking.

Ms Woollard: Okay. Thank you.

Mr. Wolstenholme: To follow up on Jann's point, my experience with charitable organizations of the smaller type is that they are risk-averse and they're frightened of government. If CAR gets in touch and says, "We want to do an audit," just because CAR does these audits – you know, they try and audit 10 per cent of charities across the country every year. I guarantee you that if you work with a small charity and you get a letter from CAR saying, "We're going to audit you," the blood pressure goes straight up, right? There's a real stress issue. It's hard to overstate how inherently being risk-averse added to this "Well, are we doing the right thing, or aren't we?" and will tend to cause them just not to do anything.

I would make a comment that relates to some extent to your question, MLA Woollard, but also to some of the others. You don't use a sledgehammer to kill a flea. If there is a specific subset of Alberta's not-for-profit sector that is problematic from the perspective of lobbying – and I get where you're coming from – then address that. Don't bring everything else in and, to use the allusion from earlier, throw the baby out with the bathwater. We have a highly functional charitable sector in this province. It's highly responsible. The number of complaints that have been investigated by the commissioner's office would suggest that we don't have a problem. So what's the point here? If the subtext is that we've got a certain subset of lobbying organizations that are problematic, then deal with those as opposed to trying to throw all of the kind of complexity and the weight and the burden of compliance on people that aren't the problem, on organizations that aren't the problem.

The Chair: We're going to continue with Mr. Drysdale.

Mr. Drysdale: Well, I don't know if it's an exact question but some comments anyway. But first of all, I'd like to thank you volunteers, organizations for coming here today. I know this province was built on charities and volunteers. Volunteer work built this province, especially in rural communities, where I come from, so I really value the contribution you have to this province, not that you've just done, but I know in the future that it's going to be a big contribution as well. So thank you very much.

With all respect to the commissioner's report, I think she did a pretty good job, but I had an analogy written down here. You just about copied it, not quite. I said that it's like driving a finishing nail with a sledgehammer. I mean, there are issues out there. You know, I think all community nonprofit organizations should be exempt, and it shouldn't be that hard to distinguish between a community organization like a local women's shelter and a Greenpeace or a

Tides. It's got to be pretty easy to build the rules to distinguish them, and I think our local charities should be exempt and should be well respected.

You know, I've been around a while, too, but I always talk to my constituents on the street or in the grocery store. I don't consider it lobbying, and I'm not going to go to the bathroom to do it. I don't know what you call lobbying or not, but maybe some governments or whatever don't want to consult with taxpayers or the people, but I always benefit and enjoy discussing with my taxpayers and constituents.

I'll just leave it at that. Thank you.

3:20

The Chair: Thank you very much.

We're coming close to the allotted time dedicated to this portion of the meeting. However, I don't want to cut off the discussion. We currently have two people on the speakers list and I just want to give this opportunity for anybody else to get on the speakers list, especially those who are on the phone. Anybody wanting to ask any more questions?

Okay. Hearing none, I'm just going to cap it there, and we're going to have Mr. MacIntyre, followed by Mr. Hunter.

Mr. MacIntyre: Thank you. Thank you to each one of you for coming today and bringing evidence before the committee. Just a comment, an observation: there was a substantial amount of discussion from you regarding the grant application process and the details surrounding that. As I understand the act, in a grant application process the communications that you have with a department, you know, as you're filling out the grant, are not considered lobbying under the act at all. But in the grant application process those kinds of communications, if they were to a minister, would be considered lobbying. If they were to your MLA, apparently that, too, would be considered lobbying.

Under the act "lobby" is pretty clearly defined. There are seven little sentences there that define what lobbying is, and it all surrounds the idea of communicating with a public office holder in an attempt to influence. It doesn't include requests for information and things like that, but it is specific to trying to influence a decision that's being made by a public office holder. That's the reason for the call for transparency, which is what the act is attempting to do.

Granted, as with any piece of legislation – it doesn't matter which one – one size doesn't fit all. As was pointed out already by one of you, when it comes to the definition of not-for-profits who have as their goal the public benefit as different from for-profits, unfortunately, some of those lines are being blurred. As legislators we're tasked with trying to sort out the best way to unblur those lines. As was alluded to by Mr. Wolstenholme, I think it was, there are organizations out there that have a very real for-profit agenda and are financing not-for-profit organizations to further that for-profit agenda. We as legislators are tasked with figuring out some manner in which to be able to identify who these well-funded organizations are who are clearly attempting to influence government decision-making: laws, policies, regulations, and so forth.

It would be great – and I would invite you as members of the not-for-profit sectors who are genuinely for the public benefit to assist the legislators in sorting that mess out because it is of significant interest. It is of significant importance, especially in this province and especially at this time in this province. We have some significant influence coming to bear on policy-makers, and those are billion-dollar, hundreds of thousands of jobs type of impacts. As legislators it's incumbent upon us to do something, so I would invite your input on: just exactly how do we differentiate between

the Edmonton handibus society, which is a not-for-profit public-benefit organization, and another one that claims to be a for-public-benefit not-for-profit but, in fact, is really nothing more than a front for a very significant industrial concern that is not even part of Canadian society, okay?

That's the task that we're faced with. Granted, we don't want to throw the baby out with the bathwater, but the bathwater is dirty, and we need somehow to clean it up. I'll leave that with you.

Thank you.

The Chair: Would any of you like to add comments to Mr. MacIntyre's comments?

Mr. Wolstenholme: Well, indeed, if there's going to be a further opportunity to provide input – I think it was drawn to your attention earlier that there simply wasn't time, given the deadlines once the paper came out from the office of the Ethics Commissioner, for us to get anything further on the record. There wasn't any consultation.

Mr. MacIntyre: You could lobby us.

Mr. Wolstenholme: Yeah. That's hard work, and we'd rather just – if there's going to be an opportunity for further consultation, then I think we can probably, as you suggest, Mr. MacIntyre, come up with some mechanism that would permit you to do the job you need to do but that would not unduly, I guess, penalize organizations who aren't part of the problem.

The Chair: Thank you.

We're going to finish off with Mr. Hunter.

Mr. Hunter: Thank you, Mr. Chair. Thank you so much for coming here today and presenting. It's always important to be able to get both sides of the story in order to be able to make the best educated decisions.

I'm almost positive, though – it almost seems like you guys are being killed by a thousand different cuts. From what I understand, if you take all the things into consideration, just one more thing, you're saying, might be the straw that breaks the camel's back in some of these organizations. We take that into consideration very seriously. I imagine, though, that if you had to choose between this legislation on the lobbying changes versus the carbon tax, that's being heaped on you, you'd probably choose the lobbying versus the carbon tax, but this is for a different day.

My question that I have for you is: how much more onerous will this tracking be versus or in comparison to, say, you know, tracking kilometres travelled? This is something that all organizations have to do in order to be able to keep accountability for their staff. How much more onerous would this be for your organization, keeping track?

Ms Beeston: I think that we have responded before that we actually don't have the answer to that question, that we know it will be more onerous. I think the point that I'd like to make is that we are discerning when an issue arises. We don't just come forward and say: please exempt voluntary sector organizations from everything. In fact, recently, with the privacy act review, we had formally advocated for an exemption, and this time in collaboration we said: it's time. The best thing is – you know, the exemption there actually did create some confusion, and we were adhering to some regulation anyway, and it was the right thing.

By the time we come to you and voice an opinion, it's with great consideration, so with great consideration we feel that in this particular circumstance it will be onerous and without purpose or at least not fulfill the purpose or the intention that you have in mind.

Ms van Kooy: I'm going to respond to that as well just to build on Jann's comment. Last fall a couple of us made presentations to another standing committee as part of the mandatory review of the privacy legislation. In fact, our position was that we supported the extension of the privacy legislation to include all charities, non-profits. Now, I raise that simply because I'm concerned about not leaving you with the perception that we're just opposed to anything. I think that in that case we supported the extension of the legislation because we thought there was a valid reason for why it should be extended, that people who work in charities or nonprofits should not have less protection than any other employees anywhere else in the province, and that the public deserves the same kind of protection.

Our opposition to this particular change is that we do not see that it will really provide any great benefit to government by extending this and that it will create more confusion and complication on the part of organizations, complication that we don't see is justified in terms of the benefit either to government or to the public. So I can't tell you exactly how much it's going to complicate it, but we do know the current issues that organizations already have to comply with, the problems that we keep hearing from them, and the problems that we in our own organizations experience in terms of being challenged in terms of keeping track of all of these things.

3:30

There are aspects in terms of the commissioner's report that we have not raised today that just continue to provide additional layers. It's to report on an annual basis, but if your funding changes during the course of the year, then you have to report on the change in your status within – I forget the exact period of time – 30 days. If you've got a funding agreement and then you get an extra grant from something else, then you have to file another report, and someone has to keep track of that. There is no consistent time in terms of when you report. I know when I have to report to CRA on our charitable status and file my T3010. It's within six months from the end of my fiscal year.

This is a completely different kind of a timeline. It's whenever you first registered. So it's another date that you have to track. Then if something happens, somebody has to be mindful of the fact that if something else has happened in that intervening period, you have a duty to report.

It sounds minor. It's not minor if you're trying to keep track of that on top of everything else that you're doing. I think the question that we all have is: how much are you really going to gain from that additional filing? It would make use of the registry, and it apparently has the capacity to be able to handle all that information, but what's the value of most of that information? Does it really justify the effort and the cost?

Ms Beeston: Then you only get the information that we give you. Like, how do you actually follow up? How do you know what's true, right? Are the problematic organizations going to give you the information that you need so that you can avoid that issue?

Mr. Dahms: I'd like to go back to a comment about trying to sort out who it is that we're after here. I think there was an invitation offered, and I guess I'd just like to close with the notion that we have some work that we should do together to try and help find what I again refer to as that sweet spot. But I think that, clearly, there are those organizations that we want to see included and those organizations that don't really need to be part of this. That wasn't the intent.

I guess I'm just, as I leave today, wondering: how can we help get that done? I don't know what the mechanism is. I don't know how we can be a part of that. We want to help – we want to help –

arrive at the best place that we can collectively arrive at for the benefit of the government to meet its transparency objectives, to keep track of those nonprofit organizations that are lobbying that ought to be known about, and to not drag into the quagmire all those organizations that really don't have a place in this but that are going to get caught if we don't figure out the right way to do this. I guess I would offer: can we help? How can we help? I think we're looking for the same answer here. We just have to find a way to get it.

The Chair: Well, that's a direct answer and is a good segue into transitioning us on to the rest of our meeting. Thank you for your presentations, all of you. As I did with the staff of the Ethics Commissioner's office, I want to invite you, if you want to add any additional information, to submit that by Wednesday, January 18, and we'll be happy to read that over. I guess we leave it back to you, based on what you've heard here today and the considerations that the committee needs to further deliberate on in the future, to please submit something that would help with any decisions that we need to make as we move forward.

Once again, I want to thank you all for being here today, for driving from wherever it is that you had to come to Edmonton from. I'd like to note for our guests' information that the transcript of today's meeting will be available via the Assembly website by the end of this week. Thank you very much.

We're going to continue with our meeting. Yes, Mr. MacIntyre.

Mr. MacIntyre: Thank you, Mr. Chair. Given the time frame that they are faced with now, January 18 being practically tomorrow, would it be appropriate for us to grant them more time?

The Chair: May I make the suggestion that we talk about that under other business?

Mr. MacIntyre: Okay.

The Chair: Perfect. Thank you.

Now, of course, these meetings are public meetings, so you're welcome to stay if you like, but knowing that you need to get off to where you came from, please feel free to go as well.

Hon. members, the committee has received five submissions beyond the deadlines it had established for both stakeholders, which was September 23, and the public, which was October 17, in regard to its review of the Lobbyists Act. The committee should decide on whether to accept these late submissions, and I'd like to open that matter up for discussion. Please go ahead, Mr. Hanson.

Mr. Hanson: Yeah. I know that we had set some pretty strict dates. I know that we allowed a couple of extensions for the Ethics Commissioner's report because it was so in depth, but that being said and not knowing who the late submitters were, I would have to say no, that if we set deadlines for submissions, it's unfair to the people that did get it in on time and took the time to do it. Sorry.

Thank you.

The Chair: Okay. Any other comments, please?

Mr. Hunter: Mr. Chair, are we still under the same constraints of being able to get this report in by a certain time? Does this also fall under that? I'm new to the committee, so I don't know whether this falls under the same time constraints.

The Chair: My understanding is that we have a year from the time that we were delegated this responsibility to get a report back to the Legislature. We're coming close to the six-month mark. Good question.

Would anybody else like to comment on the issue?

Mr. MacIntyre: I disagree with my esteemed colleague even though he's better looking than me. I think that given that we have quite a bit of time yet – we have another full six months on this file – I don't have a problem, personally, with having some more submissions and to read through them and see what it is. This is an enormously important piece of legislation, and personally I would like to know what other people have to say. When we get to other business, I'll have some other business.

The Chair: Okay. It looks like we have two opinions here. In order to kind of get a sense of the room – sorry. MLA Rosendahl, did you have a comment that you wanted to make?

Mr. Rosendahl: Yeah. You know, we've already extended our deadline for submissions. I don't know how many times we need to do this in trying to meet what we're trying to accomplish here, and that is the concern. I mean, at what point do you keep dragging it out? You know, that is the issue here. We've got our own timeline to try and accomplish what we need to do as a committee, as a whole here.

The Chair: Okay. Mr. Hunter would like to respond directly to that comment.

Mr. Hunter: There were some comments made by these presenters that they had just received the information. Can Parliamentary Counsel help me to understand? When did they actually receive this information?

Mr. Roth: I'll have to get the exact date, but if memory serves, the Ethics Commissioner's submission was received in early December, so it was before the extended deadline, late November, early December. It was posted to the committee's internal site as well as to the public site because at that time the committee had already taken a decision in that regard. So it went up, essentially, at approximately the beginning of December.

Mr. Hunter: I guess the comment, Mr. Chair, is that I'm not sure where the disconnect happened, but it sounds to me like there were some organizations, fairly large organizations, that didn't feel like they had enough time to be able to properly give a proper rebuttal to these concerns. Perhaps that's the reason why we had some of these late submissions.

3:40

The Chair: Okay. Please go ahead.

Mr. Roth: Thank you, Mr. Chair. The five submissions that are in question were actually quite tight to the deadlines that the committee had established, so for several days they were received. One was actually received sort of later in the day on the day that the submission was required. Of the other ones, one was, you know, one day late, two or three days late, having been received in the mail after it had been posted. So for these five submissions, it's not any great time past the deadlines. It was really, essentially, a few days past.

The Chair: Just for the sake of everyone involved, what has happened as past precedent, if you don't mind commenting, Dr. Massolin?

Dr. Massolin: Yes. Thank you very much, Mr. Chair. The submissions were not that late. Speaking as a former instructor at university level who has had to deal with many extensions and students asking for that, no, they were not that late.

The second thing is that I think almost invariably committees in the past have accepted late submissions.

Thank you.

The Chair: Okay. Thank you.

Mr. Drysdale has been on the speakers list for a while. Please go ahead.

Mr. Drysdale: Well, that was part of my question, how late, but we've got that now.

Also, I assume they're all written submissions. Like, I wouldn't be in favour of accepting any more oral presentations. But, you know, if we've just got some written submissions that were close, we could add them to the resource because we did extend the Ethics Commissioner deadline, I think, a couple of times. Fair should be fair. I think we could consider their written submissions going forward. I'm going to assume that later under other business we're not going to deal with this today, anyway. I think we're going to drag it out, so I think we have time to look at it.

Mr. Hanson: Considering the time frame of the late submissions, I'll withdraw my comments.

The Chair: Well, oddly enough, I have a possible proposed motion that one of the committee members may want to put forward, and that is that

all written submissions received by the Standing Committee on Resource Stewardship by December 14, 2016, in regard to its review of the Lobbyists Act be accepted and included in the review process unless otherwise decided by the committee.

Mr. MacIntyre, you're making the motion?

Mr. MacIntyre: You betcha.

The Chair: Okay. All in favour? Anybody opposed? That motion is carried. Thank you very much, everyone.

Moving on to the next item, hon. members, at the August 18, 2016, meeting of the committee, members directed that a cross-jurisdictional comparison for the committee's review of the Lobbyists Act be prepared by research services. The cross-jurisdictional comparison was posted in December 2016 to the committee's internal website.

At this time I would invite Ms Robert to discuss the cross-jurisdictional comparison. Ms Robert, please go ahead.

Ms Robert: Thank you, Mr. Chair. I'll just quickly go over the way that the cross-jurisdictional comparison was organized and where we looked for information. Ten jurisdictions in Canada have lobbying legislation, those being all provinces with the exception of Prince Edward Island. We also looked at the federal lobbying legislation. So that's what we were looking at.

The survey looks at six main topics: the requirement to register, filing requirements, fees, lobbyist codes of conduct, restrictions on lobbying, and offences and penalties. They're all sort of organized in the table of contents of the document.

Other than that, I'll just briefly tell you that we found quite a few similarities across the jurisdictions. For instance, all 10 jurisdictions distinguish between organizational lobbyists and consultant lobbyists. Also, the type of information that's required in a lobbyist's return is quite common across the jurisdictions, and the offences that a person can be charged with under the act are fairly common across the jurisdictions.

Now, we also noticed some differences. For example, among the jurisdictions there are different thresholds which must be met before being required to register, and different activities count towards the thresholds. Some include everything. Some don't include research work in advance of the actual lobbying.

There is also a difference in the parties that are included or exempted from the legislation. For example, four of the 10 jurisdictions, including Alberta, exempt employees of not-for-profits from the act, as you know from the discussion that you just had. Finally, four of the jurisdictions prohibit lobbying by consultant lobbyists where compensation is contingent on success, which, of course, you were also discussing today.

Those are the things that I just wanted to quickly point out to you, but I'd be happy to try to answer any questions. Also, I'll just say that I know it's a big, thick document. It's meant to be a reference document. So if you're looking at an issue, if you're looking at a possible amendment, you can, you know, zero in on a particular page or section and find out what the legislation in other jurisdictions says about that particular issue. Hopefully, it will be helpful to the committee.

Mr. MacIntyre: Thank you very much for doing that. I have a couple of questions for you. In the discussions that we've had today, it appeared to me that there were two things that stood out. One of them was the definition of lobbying. In your review of these different jurisdictions did you find that that definition was at all homogeneous?

Ms Robert: Yes.

Mr. MacIntyre: It was?

Ms Robert: In fact, that's all outlined in the document in section 3.1.4: what is lobbying? It's all sort of laid out, the commonalities among all jurisdictions, and then the outliers are outlined as well.

Mr. MacIntyre: And that was, in your opinion, more or less aligned between the jurisdictions?

Ms Robert: I would say that for the most part it's aligned.

Mr. MacIntyre: Okay. The second question: when it comes to not-for-profits that are genuinely benevolent, was that issue dealt with or reviewed by you as to how that was defined by these different jurisdictions?

Ms Robert: The four jurisdictions that define it and exclude those groups simply talk about not-for-profits that are not constituted to serve, I think, management, the public and – just one second; I'll get them. Yeah, not constituted "to serve employer, union or professional interests." That's the language that's used. That is it. It doesn't really go beyond that.

Mr. MacIntyre: Is that the language that is under the Canada revenue act language for that definition?

Ms Robert: I cannot answer that. I just know that's it in the actual lobbying legislation.

Mr. MacIntyre: Okay.

Dr. Massolin: This is from Manitoba specifically.

Ms Robert: Yeah. All of the four that do it include that language, but I can't speak to the CRA. I apologize.

Mr. MacIntyre: Okay. That's fine. Thank you.

The Chair: Are there any other questions for Ms Robert?

Okay. Hearing none, the committee has concluded the consultation activities it had decided to pursue in regard to the review of the Lobbyists Act. Typically the next phase in these kinds of reviews is

the committee's deliberations on the input received. To assist us with that process, I would like to ask the Legislative Assembly Office research services to provide the committee with some options in moving forward.

Dr. Massolin, please.

Dr. Massolin: Thank you. As you mentioned, I think that the committee has arrived – perhaps not – at the point where it has finished gathering its information in the consultation process. Assuming that that is the case, the next step in the committee process, to prepare a report for tabling in the Assembly, would be to start its deliberation and have a meeting or several meetings to that effect and then have a report drafted as a result of those deliberations, which will include recommendations, of course.

For other committees in the past, in both this Legislature and prior Legislatures, research services has compiled an issues and proposals document, which basically compiles and accumulates the information the committee has heard from stakeholders and other people making submissions to the committee and also summarizes their proposals and/or recommendations to the committee for the committee's consideration. So we can put together a document like that for this committee during this review, pending your direction, Mr. Chair, and the committee's direction.

The thing I would mention about that document, of course, is that it's a guide. It's not sort of comprehensive of anything that the committee needs to consider. The committee obviously is the master of its own proceedings and of its decision-making process, so it can consider and use this document as it will, and it doesn't have to consider all the issues there either. So we await your direction.

Thank you.

3:50

The Chair: Okay. Thank you, Dr. Massolin.

How does that sound to everybody on the committee? An issues document to help us out: sounds good? Then we will require a motion that

the Standing Committee on Resource Stewardship direct research services to prepare an issues document for the committee's review of the Lobbyists Act.

Mr. Rosendahl: So moved.

The Chair: Thank you, Mr. Rosendahl. Okay. All in favour of the motion? Any opposed? That motion is carried.

We are now on other business. I assume, Mr. MacIntyre, you have an issue you'd like to open up.

Mr. MacIntyre: Oh, it's not an issue, really, Mr. Chair. It's more of a question, really, regarding procedure here as we go forward. We're going to be putting together a draft of our submission to the Legislature, and we're going to be taking into consideration all of the evidence that we've heard here. We're going to be deliberating, I would assume, line by line over all of the recommendations from the Ethics Commissioner and others. I'm wondering: because of some of the things that we've heard here today, specifically that the volunteer organizations feel like they did not have enough time to actually take a look at what the Ethics Commissioner put forward as a report to this committee, so they were unable to respond appropriately, will there be an opportunity sometime between now and August for whatever it is that we come up with as a draft document to be put out there to the public to allow them to come back to us in advance of us actually putting that document to the Legislature? I don't want us to miss something, and I'm concerned that we may.

The Chair: I'm going to go to Parliamentary Counsel and ask what's happened in the past, not that that should frame what we should do but just so that we can understand what past precedent has been.

Dr. Massolin: Well, I can advise the committee that this sort of process hasn't been undertaken by a committee in the past. Having said that, I mean, if the committee decides that it wants more information on any issue or issues or anything, it's up to the committee to continue its review outside of the report, but I would suggest that once you have a draft report and then you finalize it, it's ready for tabling in the Assembly.

Thank you.

The Chair: Thank you, Dr. Massolin.

Please go ahead, Mr. Hanson.

Mr. Hanson: Thank you, Mr. Chair. Now, correct me if I'm wrong. I think that, yeah, we've got six months left, but that's going to disappear on us in a real hurry if it's anything like the last six months. Do we really have time to keep opening up the consultation, or do we as a committee decide? I think that what we came up with today was that there has to be some clarification and some definitions made. Is that not something that we can do as a committee, based on other jurisdictions and precedent that's been set before?

Especially when it comes to the charitable organizations exemption, I think that they have some legitimate complaints, but as I said in my statement, I think they're reading more into it than really needs to be there. I don't think that small groups that are just simply filling out grant applications need to worry about registering as lobbyist groups. I think that's something that we could define here as a group and eliminate a lot of the problems that are out there without letting some of these bigger organizations off the hook.

To be honest with you, if some of their groups are in a constant state of lobbying the government, they should be registered as lobbyists, whether they're a charitable nonprofit for the public benefit or not, because they have an advantage over the thousands of other groups that don't have the connections. As I said, I do know that there are cases where two groups put in applications for the same type of grant, and one gets it because they're better connected and one doesn't. Well, those groups should be registered, it's my feeling, as a lobbyist group. I think we could come up with some definitions as a group without having to really open up more negotiations or submissions from the public.

Thanks.

The Chair: Just as a reminder, as I stated to the presenters, they'll have until January 18 to submit any additional information that they wish to communicate to us. I'm not suggesting that that should sway us either way. I'm just bringing it up as a point of information.

I guess the question I would have for all the committee members is: do you feel that you have sufficient information to now move into the deliberation process? I'm going to just throw that back out.

Mr. Clark: Can I be on the list, Mr. Chair, please?

The Chair: Actually, Mr. Clark, please go ahead.

Mr. Clark: Thank you. To answer that direct question, I don't think we do. I think what we would really benefit from is further information from, in particular, our friends from the not-for-profit sector, who I think have raised some very legitimate concerns, and Mr. Hanson enumerated some of them.

As I sit and listen, I'm asking myself: what problem are we trying to solve? That, I think, would be a question. Not having the benefit of being in the room myself, I'm not sure if the Ethics Commissioner or any of our earlier presenters are still in the room, but I think we would benefit from further discussion or further insight from both the Ethics Commissioner's office, the lobbyist registry, on what problem we're trying to solve. You know, also, if the folks from the not-for-profit sector could learn more about the lobbyist registry process, they may determine that it's not as bad or onerous as they think or maybe just as bad as they think, but I absolutely think that we would benefit from some more information.

I also think that, in fairness to them, we should grant them a time extension to, you know, perhaps at least until the end of January, which I don't think would constrain our work but would give them enough time to spend some time putting together further information, which I think we could benefit from.

The Chair: Thank you, Mr. Clark.

I'm just bringing out my calendar. Wednesday, January 18, is actually next week. In reference to previous comments made by Mr. MacIntyre, it is, you know, in terms of committee work, almost tomorrow. As a way to kind of move us forward, how would people feel about simply extending that deadline to January 25 or even February 1? February 1 would give them approximately 17 days.

Mr. Rosendahl: So moved.

The Chair: Okay. So we do have a motion on the floor to move the extension to February 1.

I'll go to Mr. Hanson, Mr. Sucha, and then Mr. Hunter.

Mr. Hanson: Okay. If we're going to give the opportunity to the charities, could we also give the opportunity to the Ethics Commissioner to give some clarification of what she's looking for in the changes that she's looking at?

The Chair: Okay. That's a good suggestion.

Mr. Sucha: The one sort of housekeeping thing that I would like to note – and I'm sure the due diligence would be there anyway – is making sure that we're providing notification of whatever we've passed to all stakeholders who are impacted by it as well.

The Chair: Let me be clear, Mr. Sucha. Are you suggesting that everyone who was contacted . . .

Mr. Sucha: No, no, just in relation, making sure that we're following up with the Ethics Commissioner and the volunteer organizations post.

The Chair: Okay. So you're agreeing with Mr. Hanson?

Mr. Sucha: Yeah.

The Chair: Should we extend the deadline to all the presenters that came today, then? Only them? I'm a little leery about contacting the entire list of people and asking them, right? So I just want clarification from all of you. Just the presenters? Extension to February 1? Okay.

Mr. Hunter: Mr. Chair, I was just going to say that they represented, I think, probably the charities and not-for-profit organizations quite well. We heard some very good, compelling arguments. I'm not sure whether February 1 has to be that date, whether we could do it even later. We do have six months. Right now I think that we don't look so good in their eyes because they

felt like they were blindsided by this whole process. Allowing them to be able to have the proper time that they need so that they can feel like they've really put their best foot forward I think would do a lot in the nonprofit organization sector.

The Chair: We are at 4 o'clock, so I need consent from the committee to continue the discussion. Everyone in favour of continuing the discussion?

Hon. Members: Agreed.

The Chair: Okay. Thank you very much, those on the phone as well.

So you propose a date. We have February 8, 15.

4:00

Mr. Hunter: I believe that they need at least a month in order to be able to do it, Mr. Chair.

The Chair: The 15th would be more or less a month. Actually, it would be more than a month; pardon me.

To extend the deadline for them to add any additional information to February 15.

Can we consider that a friendly amendment to the motion that's currently on the floor? Just do it as one motion?

Dr. Massolin: No.

The Chair: Go ahead, Dr. Massolin.

Dr. Massolin: Thank you, Mr. Chair. To be procedurally correct, just have a vote on the amendment for February 15 and then move back to the motion.

The Chair: Okay. Thank you very much.

We currently have an amendment. I just want to get through this quickly. All in favour of moving the deadline to February 15? Anybody opposed? That amendment is carried.

Now, moving on to the motion, which is, then, to tell all presenters that if they wish to add any additional information, they will have until February 15. Perhaps we'll have our committee clerk read it.

Mr. Roth: Moved by Mr. Rosendahl that

the Standing Committee on Resource Stewardship extend the period for which oral presenters and the Ethics Commissioner's office may provide feedback to the committee to February 15, 2017.

The Chair: All in favour of the motion? Anybody opposed? That motion is carried.

We are still under other business. Anybody else want to bring up any other issue? Yes, MLA Woollard.

Mr. Drysdale: I thought I was on the list.

The Chair: Oh, pardon me. You are a hundred per cent right. Sorry. Please go ahead, Mr. Drysdale.

Mr. Drysdale: Sorry. It's probably almost taken care of. I just wanted some clarification, and now we've extended this time. I might be presumptuous, but I think what I heard here today is that there's some interest in allowing an exemption for nonprofits. So I think the question is, you know: what's the definition of nonprofits, and what's that exemption? I think there could have been better work done between the Ethics Commissioner and the nonprofits, but by now giving them this time, maybe they'll work together and

come up with a definition of nonprofits that we could exempt. That was my only question.

I think that with the rest of the report there's not much trouble, but to do our report – you know, like I said, I'm being presumptuous – if we're going to exempt them, we need to come up with a definition for the exemption. I think that's what you'll work on, and maybe by allowing this extension, we can do that. That's it.

The Chair: Dr. Massolin.

Dr. Massolin: Thank you, Mr. Chair. If I may make a suggestion, in the letter that is going to go out to these groups notifying them of the extension that you just agreed to as a committee, perhaps notice could be included of this exact suggestion that the committee made about the definition of a not-for-profit, who should be in, who should be out, that sort of thing. That could be included in the letter that you as the chair of the committee send out. That's a possibility here.

The Chair: Okay. Discussion on that issue? Do we want to highlight in the letter, then, what issues we would like them to focus on and suggest focusing on these and any other considerations that they'd like to bring to our attention? Mr. Hanson.

Mr. Hanson: Yeah. I would suggest that they have some consultation with the Ethics Commissioner so that they can come to something that's amicable both for what she wants to achieve and that meets their goals as well.

Mr. Malkinson: Just sort of echoing the motion, I think it would make sense, as that seems to be something that came up in the committee, you know, to highlight that in asking for extra submissions, if they had some ideas on what that would look like from what they heard, our discussion, in the committee, this would be their opportunity to have their voices heard with more clear information. I think, when listening to it, perhaps it seemed like some members were looking for some clarity on that, and this would be their opportunity to provide that clarity. I guess that would also provide the opportunity for the Ethics Commissioner herself to perhaps provide some clarity on some of the concerns that were brought up by the other presenters as well. So I'm supportive of this idea.

The Chair: Then, as a way of moving forward, I think that, yeah, included in the letter would be the items, an invitation to please read *Hansard* and even listen to it.

Anything else?

Mr. Drysdale: Sorry to be picky about this, but Dr. Massolin had asked to give a definition of nonprofit. I would like to say: definition of the exemption. Like, I don't need a definition of nonprofit but just a definition of who would be exempt. Okay?

The Chair: Okay. Perfect. So we have consensus on how we'd like to move forward? Okay. Thank you very much.

Any other items under other business? Ms Woollard.

Ms Woollard: Yeah. I just had a question about the late submitters' information. Will that be communicated? Will that be on the committee website?

The Chair: Most definitely, but I'll let our committee clerk address the issue.

Mr. Roth: Sorry. Just to clarify, you mean the five late submissions?

Ms Woollard: Yeah.

Mr. Roth: Yes, they are there. They're there currently.

Ms Woollard: They're there. Okay. Thank you.

Mr. Roth: And publicly posted.

The Chair: Okay. Any other business?

Hearing none, regarding the date of our next meeting, we'll poll everybody on what we can put forward, but ultimately it's decided by the chair and my good friend here the deputy chair.

Now I just need a motion, ladies and gentlemen, to adjourn the January 12, 2017, meeting of the standing committee.

Mr. Rosendahl: So moved.

The Chair: Okay. Mr. Rosendahl. All in favour? Anybody opposed? Thank you. That motion is carried.

Safe travels, ladies and gentlemen.

[The committee adjourned at 4:07 p.m.]

