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Standing Committee
on
Community Services

Bill 203, Municipal Government
(Local Access and Franchise Fees)
Amendment Act, 2010

Wednesday, October 6, 2010
1:02 p.m.

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1:02 p.m.**Wednesday, October 6, 2010**

[Mr. Doerksen in the chair]

The Chair: Good afternoon, ladies and gentlemen. I would like to welcome you to the Standing Committee on Community Services. To begin with, I'd like to ask members and those joining the committee at the table to introduce themselves for the record. Let's begin with those who are joining us by teleconference today.

Mr. Chase: Harry Chase, Calgary-Varsity.

Mr. Rodney: Well, good afternoon, ladies and gentlemen. I'm proud to represent Calgary-Lougheed as usual.

The Chair: Okay. Thank you.
Let's go around the table.

Mr. Anderson: Rob Anderson, Airdrie-Chestermere. Good to be here.

Mr. Alexander: Blaine Alexander, manager, municipal legislation, Municipal Affairs.

Dr. Massolin: Good afternoon. Philip Massolin, committee research co-ordinator, Legislative Assembly Office.

Mrs. Sarich: Good afternoon. Janice Sarich, MLA for Edmonton-Decore.

Mr. Quest: Good afternoon. Dave Quest, Strathcona, substituting for Ken Allred.

Ms Rempel: Jody Rempel, committee clerk, Legislative Assembly Office.

The Chair: I'm Arno Doerksen, MLA for Strathmore-Brooks and chair of the committee.

I'd also like to confirm for the record that pursuant to Standing Order 56(2.1) Mr. Quest is substituting for Mr. Allred today. We have some additional members joining us. If you would please introduce yourselves for the record.

Mr. Bhullar: Good afternoon. Manmeet Bhullar, Calgary-Montrose.

Mr. Benito: Good afternoon. Carl Benito, Edmonton-Mill Woods.

Mr. Johnston: Good afternoon. Art Johnston, Calgary-Hays.

The Chair: Okay. Thank you. We have an agenda circulated. Are there any additions or changes to the agenda that anyone would like to propose? If not, a motion to approve the agenda as circulated. Please indicate. Mr. Bhullar. All in favour? That's carried. Thank you.

Now, the minutes of the September 8, 2010, meeting have been circulated. Are there any additions or changes that any of the committee members would like to make to the minutes? If not, a motion to approve the minutes of the previous meeting would be in order. Mr. Johnston. All in favour, please indicate. That's carried. Thank you.

On April 19, 2010, the Legislative Assembly referred Bill 203 to this committee for our consideration and recommendations.

Throughout the review process we've received, in total, 19 written submissions, six oral presentations, and a briefing from the sponsor of the bill. At our direction the Legislative Assembly Office research section has prepared several briefing documents for the committee, and we have benefited from the expertise provided by Alberta Municipal Affairs. This committee is due to report our recommendations on Bill 203 to the Legislative Assembly on or before October 28, 2010.

Before I open the floor to discussion on the bill, are there any questions or comments from committee members with regard to the process so far?

We've had another member join us. Could you introduce yourself for the record, please?

Mr. Taylor: Thank you, Mr. Chair. Dave Taylor, Calgary-Currie.

The Chair: Thank you, Mr. Taylor.

Any questions or comments with regard to what we've heard to date? Is there discussion with regard to the submissions that we've seen? Mrs. Sarich, please.

Mrs. Sarich: Well, thank you very much, Mr. Chair. First of all, let me begin by saying that I was really appreciative of all the submissions that were received by the committee and also of all of those stakeholders that came forward to provide further insight to our standing committee on the matter of Bill 203. I've had a very good opportunity to go back to the actual minutes from the presentations and the documents that were put forward by the stakeholders, and I'd like to frame this discussion piece around some of the things that really stood out for me.

Let me begin by saying that these are the pieces that tie directly to the presentations from the AUMA and the AAMD and C. It was really apparent to me that there were a number of things that came through quite clearly, in that it really resonated in their discussion and through the materials that they presented that they wanted the committee to recognize a number of broad things. In particular, it was the autonomy for the stakeholders that belong to the two associations to make decisions at the local level that was very important to them and for the standing committee to recognize that there is that autonomy and there should be respect for that autonomy. After all, those individual jurisdictions have elected municipalities, elected representatives, and they have the capacity and capability to make decisions on behalf of the constituents that they represent.

Having said that, another item that came through is the agreements that were established that relate to this particular bill in the area of providing, you know, access for consumers or for constituents in the municipalities on the issue at hand. They wanted those agreements set and those conversations to take place within those municipalities. Having said that, I think it's really important to respect those things that happen in the municipality.

Plus, a third piece was that if there was something further for consideration, the AUMA and the AAMD and C wanted to be provided with an opportunity to have further conversations or further opportunities to consult on matters that would relate to this bill or any aspect thereof.

1:10

I would like to put on the table this afternoon a particular motion that would maybe help in this way, to provide some further direction. In order to do that, I would suggest and encourage that there be support, based on what I've heard from AUMA and AAMD and C, that the bill itself in its current form not proceed. However, there

should be some consideration for other things that were brought to our attention. Having said that, I'd like to propose a motion, if I may, for that piece because this bill has a linkage – and let me just explain – to the municipalities.

With respect to that, the motion would read something like that the Minister of Municipal Affairs initiate consultations with AUMA and AAMDC to explore the development of a franchise fee formula that provides consistency and predictability for consumers across the province and that the formula not utilize a variable that factors in commodity prices and, further, that control for setting rates remains within the purview of the municipality.

I'll just leave it at that, Mr. Chair. That would be the motion that I'd like to put forward today.

The Chair: Okay.

Mr. Chase: Could you put me on the list for supporting the motion, please?

The Chair: Okay. I'll just try to summarize what I think you've said: first of all, that the bill not go forward but that the Minister of Municipal Affairs consult with the AUMA and AAMD and C, essentially with the municipalities, to explore the implementation of setting rates of a standardized formula that isn't dependent on variability of commodity prices. I'll defer to Ms Rempel.

Ms Rempel: If you have the motion, I could type it out and distribute copies to committee members if you'd like.

Mrs. Sarich: I could scribe it out for you.

Ms Rempel: Sure.

The Chair: Okay. We're going to get the specifics of the motion. In the meantime, I think we have a speakers list developing. I think you basically understand the essence of it, but we'll ensure that before we vote on this, we understand it for sure. First, Mr. Chase.

Mr. Chase: Thank you very much. MLA Sarich very much captured the concerns that I had with the bill. I believe, though, that Kyle Fawcett had the best intentions of all Albertans in terms of looking for transparency and accountability and sort of a universal, systematic approach to fee setting.

What was missing before was the consultation with members of AUMA and AAMD and C. Without their input in creating appropriate legislation, the government would appear to be taking a rather patriarchal approach that ignores the local government issues. With Mrs. Sarich's recommendations and her motion she's saying that we need to consult with individuals elected in their own municipalities to make sure that the tool that we are trying to create for them fits their individual circumstances.

Therefore, I'm supportive of this motion, of going back to the table and doing the due diligence of consultation with the people most directly affected.

The Chair: Okay. Thank you, Mr. Chase.

Mr. Anderson: This reminds me of, you know, back in 1990, just before the first Gulf war, when the first President Bush was kind of getting cold feet about going back in there, and I think Margaret Thatcher said: now, now, don't get wobbly on me, George. What I don't understand is that I think we're getting wobbly here. We've got a bill before us. It's a good bill. It's been well thought out, I

think, by Mr. Fawcett. It's a bill that represents the people of Alberta, it's obviously a bill that's very populist in nature, it's very pro taxpayer in nature, it's pro little guy in nature, and it's very small "c" conservative in nature.

I think it's a good bill that we should continue to debate. If we need to have some people come in and talk from the AUMA or the AAMD and C, by all means let's put them in front of the mike and talk to them about it. But, I mean, what's the point of this committee if we're just going to sit here, listen to a few people, and say: now, we don't really know what we're doing, so we'll just bring in the professionals from the Ministry of Municipal Affairs, and they'll figure it out? I don't think so. I think I trust the people in this room a lot more than I do bureaucrats at the Ministry of Municipal Affairs to get this right.

So why don't we sit some people down here that we need to talk to? Let's go through the pros and cons a little bit more. Let's talk about the formula and what should be in it, what shouldn't be in it. Let's do some work. But to just punt it back to the minister and say, "Here you go," I think is a cop-out, and the people who are getting ripped off under the current system, specifically in the community of Calgary but in other places as well, you know: I don't think we're doing well by them if we do it this way.

The Chair: Okay. Thank you.

Mr. Taylor.

Mr. Taylor: Thank you, Mr. Chair. You see, in about a week and a half the people who are getting ripped off or who think they're getting ripped off and the people who don't think they're getting ripped off, especially in the community of Calgary, which I represent in part, have a golden opportunity to go to the polls and throw the bums out if they think that the current council has been responsible for allowing this apparent miscarriage of hydroelectricity to happen. In the interim they've got the next several days to quiz their candidates as to where they stand on the issue of local access and municipal franchise fees.

Now, I've been chasing a lot of different issues in the last few months – there's no question about that – but I can't say that I've received a single, solitary phone call to my constituency office since this committee began its hearing saying: "Dave, we want you to support Bill 203. We think it's a great thing because we feel that we've been ripped off." I might have missed one or two, but if there has been any, it's been one or two. With all the meetings that we've had and all the hearings that we've held, all the submissions that we've read, all the people we have heard from, I remain unconvinced that this bill is any business of the province of Alberta.

The AUMA has indicated that it worked out a formula some time ago with member municipalities that most of them are using and most of them are comfortable with. It's pretty clear to me that this is an issue of municipal autonomy, that municipalities have the autonomy and the authority and the sovereignty to set their municipal franchise and local access fees the way they see fit, and the check and balance on that is an ultimate act of people-first, grass-roots democracy. It's the ability of the voters of Calgary, of Edmonton, of any other municipality in this province to pass judgment on the way their municipalities are doing this by casting their ballots on election day on the 18th.

I don't think, Mr. Chair, that what this bill proposes to do is any of our business. I don't mean the committee's business specifically. I mean the province's business. This is within the rights and the purview of the city of Calgary, the city of Edmonton, any other city, town, county, or municipal district in the province of Alberta to set the rules the way they wish and suffer the consequences at the hands

of their aggrieved and outraged voters if they do it in a way that the voters aren't satisfied with.

I don't know what we're doing here. I trust the other members around this table as well, Mr. Chair. I think these committees do good work. I've seen some examples of where these committees have done some phenomenal work, but I think that the best work that we could do right now, right here, is to recommend that this bill not proceed and put a full stop after that.

1:20

The Chair: Okay. Thank you.

Ms Notley, if you'd introduce yourself for the record. I missed that earlier.

Ms Notley: Sure. Rachel Notley, Edmonton-Strathcona. I came in just as Mrs. Sarich was drafting up her resolution, so I have to say that I didn't quite catch the end of it, but from what I did catch, it does appear to me to be something that I could support for a number of the reasons that have been put forward. The Member for Airdrie-Chestermere talked about how this bill, were it to go forward, is a bill for the little guy, but, you know, I think it's become very clear to us over the course of these hearings that that's really not very clear. The questions of who pays the franchise fee and who it's passed down to and what percentage of the overall revenue going to the municipality it represents are something that changes from municipality to municipality based on their industrial base and the nature of their industrial base. That, of course, then gets us to this notion that one size doesn't fit all, and the reason that this is something that's been given to the municipalities to address is because these issues vary from municipality to municipality.

I think that while there was a concern raised by some parties about particularly municipalities, I don't know that it necessarily is the driving issue in the municipalities that have been the subject of much discussion, but certainly there have been some concerns raised. I think that the better way to address it is through the municipal election process, a process, by the way, which happens more frequently than the provincial electoral process, so it gives people even greater opportunity to address it. I think that it also recognizes this distribution of authority that we have attempted to put in place with respect to municipal government.

I think that Mrs. Sarich's resolution, if I understand it correctly, does propose to deal with sort of trying to move towards best practices and fairness while at the same time respecting the individual circumstances of each municipality as well as the notion of municipal autonomy. For that reason I would support her resolution as a good compromise.

The Chair: Okay. Thank you.

Mr. Bhullar, please.

Mr. Bhullar: Thank you, Mr. Chair. When you look at the overall picture of politics and the autonomy of municipalities, everybody has got some pretty valid points across the table. Then you further look at the fact that in an ideal world the public would have a very clear and crisp understanding of all of their utility bills, but the fact is that they don't. Therefore, I think the motion put forward by Mrs. Sarich can go one step further. I think something the committee can deal with right now is the issue of disclosure and transparency. When a citizen looks at his or her bill and it says, "Access fee or municipal access fee or whatever," I think they don't have an understanding of who exactly is charting this. Is this going to the city? Is this going to a particular power supplier? I would make a motion that the . . .

The Chair: We have a motion on the floor. I'll accept a further motion later on or an amendment.

Mr. Bhullar: An amendment. I think it would be worth while if we just include this in the one motion. We will be voting on a motion that would then go to the Legislature, correct?

The Chair: That's right.

Mr. Bhullar: Perhaps an amendment to Mrs. Sarich's motion, whereby I believe it's the Department of Energy that has regulations that deal with reporting of and disclosure on utility bills. I would propose that the motion read that the Minister of Energy change the appropriate regulations to mandate that municipalities disclose on all utility bills the name of the municipality that is the beneficiary of the franchise or access fee.

Another step further, Mr. Chair, would be for us to ask that municipalities in their returns, a mechanism by which they report to the citizens of their jurisdiction, clearly state the revenue from access fees. That could read: municipalities report revenues generated from franchise and access fees in their annual financial statements separate from other revenues.

The Chair: Okay. We'll need to ensure that we have that amendment on the record.

Mr. Bhullar: Would you want me to repeat it?

Ms Rempel: Sure. Or I can put something together and check it with you.

Mr. Bhullar: Sure.

Mr. Anderson: Are we speaking now to the amendment, or are we speaking now to the original? Is it a friendly amendment or what?

The Chair: We'd speak to the amendment at this point. Mr. Bhullar is proposing an amendment to the motion.

Mr. Anderson: So the amendment. Okay.

Mr. Chase: Could you please put Harry Chase on the list to discuss the amendment?

The Chair: Will do.

Mr. Anderson: My previous one would be to the amendment as well. I'm on the list already?

The Chair: Yes.

Mr. Anderson: I'll speak to the amendment.

The Chair: We'll just wait to hear the amendment.

Ms Rempel: Shall I do it verbally first and see how that goes, or do we want to wait to print it?

The Chair: No. If you'd read what you have, Ms Rempel, and then we can hear that.

Ms Rempel: Okay. At this point the amendment proposed by Mr. Bhullar would be that the motion would include that the Minister of

Energy change the appropriate regulations to mandate that municipalities disclose on all utility bills the name of the municipality that is the beneficiary of the fee and that municipalities report revenues generated from franchise and access fees separately from other revenues . . .

Mr. Bhullar: In their annual financial statements. Yeah, that captures it.

The Chair: That captures the essence of your amendment?

Mr. Bhullar: Yes, it does.

The Chair: Thank you. Well done.
Mrs. Sarich, please, to the amendment.

Mrs. Sarich: Thank you, Mr. Chair. I accept that amendment put forward, but I'd like to kind of frame it in this respect. It goes back to the first part of the motion, the AUMA and the AAMDC organizations. With all due respect, I heard very clearly that these organizations, when they were making their presentations, said that they had a very good working relationship with the Ministry of Municipal Affairs and any other government department that affects municipalities.

Having said that and heard that quite clearly, I think there was also an openness. I think that perhaps, to the best of my recollection, I may have asked a question in one of those presentations: if there were any other further considerations that touched upon this particular bill, would those organizations, in particular AUMA and AAMD and C, have a willingness to look at that with their stakeholders that belong to those associations? I think, to the best of my recollection, I heard very positively that there was that ability to do that.

1:30

Having said that and now with my first part, consideration of the motion, which was having the Minister of Municipal Affairs initiate a further consultation and a dialogue around some pieces that maybe could be further explored quite appropriately with that particular minister's area, that fit quite well into the best practices of the two stakeholder groups that made presentations to our standing committee. I see how there is a fit for doing that to get some further dialogue because what they were asking for was: if there are going to be any changes or considerations by the government of Alberta to move in certain directions, please consult us first, make us a partner, bring us in so that we can put forward some ideas or some baseline information for consideration and so forth.

Now, with the amendment having, I believe it would be, the Minister of Energy to have some consideration in regard to the regulatory area, I appreciate that the points that are being raised, and even the amendment, were very critical to the presentations that were also put forward to our standing committee that touched upon an ability to have a greater level of transparency and clarity for the consumer out there. I think it's very appropriate that when we look at what's being put on the table here for consideration by the standing committee, there's an ability to have some extra dialogue and consideration by some of these things so that in the end, whatever that end would be, at least along the process part, there is further consultation with the stakeholders, very appropriately, that are being touched by this particular Bill 203.

The Chair: Thank you, Mrs. Sarich.
Mr. Anderson, please.

Mr. Anderson: Okay. Speaking against the amendment and against the motion as a whole, but I'll say against the amendment. I don't think there's any confusion when people get their bills on where the money is going for the access fee. I don't think that that's what this is about. There were some comments made earlier about municipal autonomy. You know what? Clearly, I don't disagree. There is an opportunity in the next election to make that issue an election issue here in a couple of weeks. But this isn't an issue of local autonomy in my view, and I'll tell you why in a second. We're also not talking about whether or not municipalities should be allowed to charge access fees. That's not the debate. No one says that they shouldn't be able to charge local access fees.

The point is that what we're saying is that there's a loophole in the current regulatory framework that essentially allows municipalities to charge what amounts to a sales tax on their electricity bills. They call it a local access fee, which is supposed to be a fixed fee for the cost of the infrastructure, getting the electricity there, but that's not what this is. It just clearly is not what a local access fee is intended to be. It's just a great loophole for some municipalities. Others haven't taken advantage of it, and good for them. The city of Calgary, for one, has taken advantage of it, and they've essentially put a sales tax on everyone's bill.

If we're going to talk about local autonomy, you know, we don't allow municipalities to charge income taxes or sales taxes, but essentially we're allowing them to charge a sales tax because that's essentially how this thing works. It's dependent on the price of the commodity. It goes up and down in some of these places. Again, this is a chance to do something conservative. Let's protect the taxpayer here. If that means we need to sit and do a little bit more work at this committee level, then let's do it.

I mean, it's a situation where we can respect local autonomy, but we haven't rewritten the Municipal Government Act, as far as I know. We haven't given municipalities the opportunity to institute their own sales taxes because we want general competitiveness across the province, an equal playing field in that regard across the province. That's what they're doing here. I think the evidence is pretty clear in that regard, at least for the city of Calgary.

Why not have the people in from the AUMA, the AAMD and C, some others, and as a group, you know, come to a conclusion of what would be the fairest recommendations moving forward? Otherwise, let's just give municipalities the opportunity to put a sales tax because that's what we're doing here. That's all that this is. I don't think that most of the people around this table are in favour of that, so why don't we do some more work and get this right?

The Chair: Okay. Thank you.
Mr. Chase.

Mr. Chase: Thank you very much. One of the outcomes that Kyle Fawcett was hoping for was to bring clarity, transparency, and accountability to the billing process. It was his assertion – and there are numbers to back his assertion – that various city dwellers, depending on where they lived in Alberta, were potentially being ripped off by a system that wasn't standardized. What the amendment is suggesting is clarity and transparency on the bills, and that would allow individuals who are paying the bills a greater understanding of what it is they're paying for. Is it the commodity, or is it a convoluted fee, that Mr. Anderson has referred to as an extra tax? I think that this would help in the clarification. As Mr. Taylor pointed out previously, if individual constituents of the various cities feel that they are being ripped off, through the municipal election process they have an opportunity to challenge those individuals who have been setting the rates.

It's frequently suggested that Liberals interfere, that we want to add extra levels of governance so that people don't have the ability to make choices, that potentially we're setting up a type of nanny state. I would suggest that with the current framing of the motion and amendment it sets out the rights and responsibilities and gives the authority back to locally elected officials and to the people who elect them to make those decisions rather than the government imposing its will on the municipalities, even if it be supposedly for the good of the residents of those municipalities.

I firmly believe that a government closest to the grassroots, closest to the people, is the type of government that's best. Therefore, I support this amendment in terms of its clarity and the fact that it does not go against saying: let's take this whole process and do it right the first time. That's with the consultation of the primary stakeholders who are being affected, and that's the AUMA and the AAMD and C. So I'm supportive of this amendment.

The Chair: Thank you, Mr. Chase.

Seeing no further speakers – my speakers list is exhausted with regard to the amendment – I believe both the motion and the amendment have been circulated to the committee. The amendment is the second paragraph that we have, an amendment proposed by Mr. Bhullar that

the motion include that the Minister of Energy change the appropriate regulations to mandate that municipalities disclose on all utility bills the name of the municipality that is the beneficiary of the fee and that municipalities report revenues generated from franchise and access fees separately from other revenues in their annual financial statements.

All in favour of the amendment to the motion, please indicate. Opposed? Okay. That is carried.

Mr. Chase: Did you want to have the people on the telephone involved in the process?

The Chair: My apologies. Mr. Chase and Mr. Rodney, please, if you'd register in favour or opposed. Mr. Chase?

Mr. Chase: In favour of the amendment.

The Chair: Mr. Rodney?

Mr. Rodney: Believe me, Mr. Chair, I would have intervened if I had violent opposition, of which I have none. Please, go ahead.

The Chair: Okay. Thank you, and my apologies for having missed your earlier indications.

Mr. Rodney: Oh, we would have let you know, Mr. Chair. Silence means consent, right?

The Chair: I'm counting on that. Thank you.

Now I will invite a discussion with regard to the amended motion, which has been circulated to the committee, and I believe that the members on the phone have had the wording of the motion e-mailed to them. Is that correct? Have you received that?

1:40

Mr. Chase: Yes.

Mr. Rodney: Yes.

The Chair: Good.

Anyone wish to speak to the amended motion? Mr. Taylor, please.

Mr. Taylor: Well, thank you, Mr. Chair. I did not support the amendment for the same reason that I'm not supporting the motion. I still think that what we are doing here is essentially interfering with the rights of the municipalities to chart their own course on this.

One of the other members of the committee spoke a few minutes ago about the need to do a little more work on this and to do it right. If that is the case – and I could support that – then I think that if the committee were to go back and do some more work on this issue, not just on this bill but on this issue, then we need to open this up a whole lot more. We need to invoke an open and clear discussion about the abilities of municipalities to finance their own operations.

There have been many references made over the course of this committee's meetings on Bill 203 to the people of Calgary being the ones who are ripped off and to the city of Calgary imposing what is, in the words of one member, a de facto sales tax and so on and so forth. It is pretty clear that the proponents of this bill have a problem with the way the city of Calgary calculates municipal franchise and local access fees as opposed to necessarily the way the city of Grande Prairie does it or, you know, the MD of Rocky View or any other particular municipality. Perhaps what this committee ought to be doing is questioning the city of Calgary and representatives of other municipalities as well as to why they might find themselves in a situation where they felt that they needed to charge the kinds of fees that they do and structure them in the way that they do.

I think that if we were to have representation from the city of Calgary here right now and we put that question to them, we would get an answer that sounded something like this: "Well, committee members, our hands are tied. We are one of the engines of economic growth and prosperity in the province of Alberta. We are a service centre for a vast hinterland, the southern third of this province. With being an economic engine and with being a service centre for a large chunk of geography come costs, and as a municipality, even though we're a city of nearly 1.2 million people now, a municipality that under the MGA is in essence treated like all other municipalities in the province, we are extremely restricted in how we can raise revenues to meet our costs."

Then there would be some back and forth about what a wonderful program the 10-year municipal sustainability initiative is, because at this point in the discussion there always is that back and forth, and then we would get back to the fundamental problem here. We have in this province two very major cities with very major sets of responsibility and the same rights to raise their own revenues and chart their own courses that they would have if they were still towns of 5,000 people. It just is not a model that's going to take the 2.5 million people who live in the city of Calgary and the greater Edmonton area through the 21st century.

If we're going to do more work on this committee – and I have no idea whether we are or not on this issue – I think, Mr. Chair, that that's the kind of work we need to do. Rather than just say that we want to refer this back to the Minister of Municipal Affairs, out of such process should come discussions with AUMA and AAMD and C, and out of that if we click our – no, I won't get cynical about it. I'm sorry. I was going to say something cynical, and I won't because I know the sincerity of the mover of the motion that's on the table. But out of that process somehow will come a one-size-fits-all formula which everybody can live with comfortably and prosper from and all will be well. I don't think that that's going to meet the bill here, and I can't support this motion.

What I could support is the committee continuing to do work, having recommended to the Legislature that Bill 203 not proceed, around charters for big cities, like the Vancouver charter in British Columbia, around a redefinition of the relationship between cities of any size and the provincial government, those sorts of issues, and

around some revenue-generating or revenue-sharing capacities that don't exist currently so that cities like Calgary and Edmonton and to some extent Red Deer, Lethbridge, Medicine Hat – I'll run down the list of the rest of them – can pay their bills for providing the services that we at the provincial level in some cases have downloaded to the cities and that the people of Alberta, whether they live within those city limits or close by, expect from those cities.

Thank you.

The Chair: Thank you, Mr. Taylor.

Anyone else wish to speak to the motion on the table?

If not, for direction with regard to the motion that has been circulated, I will read the motion again for the record and for clarity. Moved by Mrs. Sarich that

the Standing Committee on Community Services recommend to the Legislative Assembly of Alberta that Bill 203 not proceed and that the issue be referred to the Minister of Municipal Affairs to consult with AUMA and AAMD and C to explore the development of a franchise fee formula that provides consistency and predictability to consumers across the province and that the formula not utilize a variable that factors in commodity prices but that control for setting rates remain within the purview of the municipalities.

Further, that the motion include that

the Minister of Energy change the appropriate regulations to mandate that municipalities disclose on all utility bills the name of the municipality that is the beneficiary of the fee and that municipalities report revenues generated from franchise and access fees separately from other revenues in their annual financial statements.

All in favour of the motion, please indicate. Opposed? Okay. That's carried. Thank you.

Any further discussion or input with regard to the committee's direction with regard to the drafting of a final report? Does the motion that we've considered and accepted cover all of the issues that are important to the committee with regard to what we've heard on Bill 203?

Mr. Chase: Just a comment. I'd like to thank Mrs. Sarich and Mr. Bhullar for their contributions. I also want to thank the committee members for what I consider very valuable discussions. I, again, understand very much why Mr. Fawcett brought forward this particular bill, and I appreciate his desire to provide protection for all Alberta ratepayers and to have transparency and accountability built into the process. But I think it's extremely important to consult major stakeholders, and those are the people who set the local franchise fees. In so doing, I think that we strengthen Mr. Fawcett's intent. So I am very thankful to Mr. Fawcett for bringing forward this legislation and for the amendments of Mrs. Sarich and Mr. Bhullar.

The Chair: Okay. Any further comments?

Mr. Anderson: I just want to put on the record that I voted against those motions, and I think that we missed a big opportunity here for the taxpayers of this province.

The Chair: Okay. Thank you.

Using the discussion and directions that we've heard today, we have staff here that can prepare a draft report for our consideration. Dr. Massolin, I think your interest has been in that regard. Has there been sufficient clarity, and do you understand the intent of the committee with regard to the direction of the report?

Dr. Massolin: Thank you, Mr. Chair. I think I understand the direction of the committee, and I think that is that in terms of the

substantive portion of the draft final report, it would basically reflect the amended motion as carried by the committee.

The Chair: Okay. Thank you. No further questions or clarity that's needed from your perspective?

Dr. Massolin: No, I don't think so.

The Chair: Appreciate that. Thank you.

I guess, for consideration of the committee, we have two options. Either we meet again to review the final report once it has been prepared, or as has been the pattern with this committee in the past, the finalization or the approval of the final report could be left to the chair and the co-chair at the committee's direction. I guess I'd look for direction from the committee with regard to that.

Mrs. Sarich, please.

1:50

Mrs. Sarich: Yes. Thank you, Mr. Chair. It seems to me that we've had reasonable confidence that the chair and deputy chair would be able to sort out what needs to be done in preparation at this point of the final report, so I don't see any reason to suggest anything otherwise.

The Chair: Okay. Could you make that motion, then?

Mrs. Sarich: Yes. I would move that

the draft of the final report be left with the chair and the deputy chair.

The Chair: Okay. Further discussion to that motion?

Mr. Chase: I have great faith in the chair and the deputy chair. I'm sorry that I was unable to attend in person as I'm attending the installation of the new president of the University of Calgary in approximately three quarters of an hour. I'd like to see the draft report. I don't expect any changes from what we've just discussed, but as a member of the committee that helped participate in the production of the draft report, I would like to see it before it's signed off by the chair and vice-chair.

The Chair: I would propose and I think the pattern can be that the draft report can be circulated to the committee for comment before the chair and co-chair sign off on the final report, and I do want to indicate that the chair appreciates your faith in the position of both the chair and the deputy chair. Thank you.

Mr. Taylor, please.

Mr. Taylor: That's okay. I have nothing to add.

The Chair: Okay. All in favour of the motion as it's been indicated, please indicate. In opposition? Thank you. That's carried.

Further to that, the Legislative Assembly communications services will also typically prepare communications when this committee makes a recommendation to the House, so I would ask that in view of the fact that the committee won't be meeting again to review the final report, there be a motion that basically asks

the communications department to prepare a communication with regard to the final report of this committee, again for approval by the chair and the deputy chair prior to it being released, basically a media release.

Would someone be prepared to make that motion?

Mr. Chase: Harry Chase would although I'm not there to see if my hand came up later than the rest.

The Chair: We see that hand. Thank you.

Any further discussion?

All in favour of the motion, please indicate. In opposition? That's carried. Thank you.

There is some other business that the committee needs to consider, and that was some information that was tabled at an earlier meeting. Committee members may recall that in the spring we received requests on behalf of two different organizations wishing to meet and make presentations to the committee. At that time we chose to defer the decision to a later meeting with regard to whether we would want to hear from these groups.

The first one is the Alberta Centre for Injury Control & Research. Does anyone have any thoughts with regard to this group and whether we would invite them to meet with us?

Ms Notley: I'm sorry that I can't be more specific on this, but I have this strange recollection that I've sat in a committee meeting where this group has made a presentation. Has it made a presentation to a different committee already?

The Chair: Yes. In fact, for information, this group made a presentation to the Standing Committee on Public Safety and Services at a time earlier in the year, I believe.

Any thoughts from the committee with regard to the request for this group to meet with us?

Mr. Benito: What's the purpose of the request, Mr. Chair?

The Chair: Ms Rempel, do you have any further information with regard to that?

Ms Rempel: Not really. I mean, you know, they have sent a letter indicating what they'd like to do, but my recollection from Public Safety and Services as well was that it was largely informational. It talks about what they do and just brought a lot of information forward to the committee.

The Chair: I'd look for direction from the committee.

Mr. Rodney: It's a little confusing to me without any knowledge of what it is that they're hoping to do other than inform us. I would beg the question: why would we see them, especially if another committee already has? I'm very, very happy to learn of their work. By the title of their committee I'm sure it's important work that they do. But unless we had further specifics, including any kind of a request that would pertain specifically to this committee, I just don't know why we would see them any time soon.

The Chair: Okay. Do you make that motion?

Mr. Rodney: I'd be happy to move that. I guess I would need some information from you, Mr. Chair. Are we saying that we would prefer that we had more specifics before we entertain the notion of seeing the group or that we just don't see them?

The Chair: Well, first of all, I think that, as has been indicated, they have met with the Standing Committee on Public Safety and Services. I think the purpose of the meeting was largely informational. I don't think there's an obligation on the part of this committee to meet with groups of the public on a range of issues. I'm interested to have some direction from the committee. Unless there's a motion that we meet with this group, I would suggest that we won't be meeting with them because it doesn't pertain to the matters that we've been discussing here at the table.

Mr. Taylor: I'm sorry; I was distracted there for a second. I assume that Mr. Rodney's motion is on the table now. Is it?

The Chair: Mr. Rodney, are you moving that we not meet with this group?

Mr. Rodney: Well, I don't know if we want to word it slightly more positively or not. What do we want to say? I move that unless this particular group gives us more specifics and/or has requests that pertain particularly to this committee, this committee defer on seeing this group at this time or words to that effect. Jody is very, very good at what she does, and I'm not there in person, sadly. Duties keep me here.

The Chair: I think Mr. Taylor would like to have some input on this.

Mr. Rodney: Sure. Dave, if you've got a better way to word it since you're there in person, please feel free.

Mr. Taylor: Well, speaking to that motion, as at least approximately worded by Mr. Rodney – I think that's fine wording for the motion – I just wanted to add that the letter that we got back on the 22nd of March requesting that we meet with the Alberta Centre for Injury Control & Research specifically references that they want to raise our committee's awareness of their organization and their numerous programs, "which every year reduce the risk of injuries in Alberta, hopefully resulting in less strain on the health care system."

That would seem to suggest to me, given that they've already met with the standing committee on public safety, which I think, obviously, would have some direct concern around the issue of injury control and that sort of thing, that the other committee that they perhaps ought to be sitting down with is the Standing Committee on Health and not so much Community Services. Given the wording of Mr. Rodney's motion as proposed – and it's a nice way of asking them to justify why we should sit down and meet with them – I'd be willing to support that motion.

2:00

The Chair: Okay. All in favour of the motion as it has been articulated, please indicate. Opposed? Okay. Thank you. That has been carried.

The other group that has requested a meeting with us is the Edmonton Regional Tourism Group. This group circulated an information package to us previously. Again, I believe it was informational. This is a regional group here in Edmonton. Unless there is a motion from a committee member that we invite them to meet with us, I would suggest that again we not.

Mr. Rodney: Mr. Chair, do you need another motion?

The Chair: I could use another motion if you'd like to make one.

Mr. Rodney: Okay. I guess I'd simply suggest the following. I would

encourage this group to communicate and work with the Minister of Tourism, Parks and Recreation as well as perhaps the Strategic Tourism Marketing Council, or STMC, at their pleasure.

The Chair: Okay. Any further discussion? All in favour of that motion, please indicate. Okay. That's carried. Thank you.

With the direction that we've given earlier to the committee, the next meeting will be at the call of the chair, when there's business

that we need to consider. I'd like to thank the committee for the interest and attention that we've given to the matter of Bill 203 and certainly express appreciation to all of the groups who have provided input to this committee with regard to the matter that Bill 203 raises for us. I think that it's an important matter and one that we have given due consideration, and we will proceed with a report to the

Legislative Assembly on October 28 following input from viewing the final draft.

With that, I will adjourn the meeting and thank you for your participation here.

[The committee adjourned at 2:02 p.m.]

