

Title: Thursday, September 27, 2007 Government Services Committee

Date: 07/09/27

Time: 9 a.m.

[Mr. Cenaiko in the chair]

The Chair: Good morning, ladies and gentlemen. We'll call the meeting to order.

I'd like to start today's hearings by thanking everyone for their participation in this process. I know that we are all looking forward to a series of informative discussions today. It's also my pleasure to welcome Dr. Raj Pannu to the proceedings under the provisions of temporary Standing Order 56(2.1) to (2.3). Dr. Pannu will be substituting for Mr. Brian Mason on this committee for the next two days.

Now, I'd like to begin by inviting committee members and staff at the table to introduce themselves for the record. I am Harvey Cenaiko, MLA for Calgary-Buffalo and chair of the policy field committee on government services.

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

Ms DeLong: Alana DeLong, Calgary-Bow.

Dr. Brown: I'm Neil Brown from Calgary-Nose Hill.

Dr. Pannu: Raj Pannu, Edmonton-Strathcona.

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

Mr. Amery: Moe Amery, Calgary-East. Good morning.

Mr. VanderBurg: George VanderBurg, Whitecourt-St. Anne.

Mr. Marz: Richard Marz, Olds-Didsbury-Three Hills.

Ms Pastoor: Bridget Pastoor, Lethbridge-East.

Mr. Elsalhy: I'm Mo Elsalhy, Edmonton-McClung, deputy chair.

Mr. Reynolds: I'm Rob Reynolds, Senior Parliamentary Counsel of the Legislative Assembly.

The Chair: Thank you very much.

Now, before we get into the presentations, I would like to quickly make note of a few things. Each presentation should be about 15 minutes in total, including seven minutes for the presentation and seven minutes for questions from the committee. I'd like to ask everyone to ensure that any cellphones, BlackBerrys, et cetera, are turned off or on silent mode and for my colleagues at the table to please not leave your BlackBerrys sitting on the table as the vibrations on the desk from incoming messages interfere with the *Hansard* recording. Finally, for all members, staff, presenters please do not use your microphone switch as this equipment is being operated remotely by the *Hansard* staff, who are located at the back of the room.

Again, thank you for being here. If there are no other comments from committee members, I'd like to invite our first presenters, from the Alberta Medical Association, to address the committee. Could you please introduce yourselves for the record, and we'll begin.

Alberta Medical Association

Dr. LaBuick: Good morning. My name is Dr. Darryl LaBuick. I'm

a family physician from St. Albert, and this Saturday I will become the new president of the Alberta Medical Association.

The Chair: Congratulations.

Dr. LaBuick: With me today are Mr. Ron Kustra, who's our assistant executive director of the AMA for public affairs, and Ms Shannon Rupnarain, who is the AMA's director of public affairs.

First off, thank you very much for giving us the opportunity to present this morning. As well, we'd like to express our appreciation for scheduling us at this time since our annual meetings begin in Calgary and our first meetings are this afternoon.

As you will know from our August 8 brief, the Alberta Medical Association has some major concerns on how the proposed legislation could impact the day-to-day functioning, efficiency, and effectiveness of our organization. In this regard we share many of the same concerns of other nonprofit associations and organizations. Although the AMA did not sign on to the submission led by the Muttart Foundation, we certainly support it in principle.

One of the main points that the Alberta Medical Association made in our brief was the need for clarity of the legislation, and we identified three areas of the bill as particularly problematic. The first is the AMA's role in implementing the trilateral agreement between ourselves, Alberta Health and Wellness, and the regional health authorities of the province. As we pointed out, this requires considerable daily contact between AMA staff and those with Alberta Health and Wellness. Because of the severe administrative workload that it would impose, the AMA would hope that these activities are exempted from the legislation. However, this direction is not immediately apparent in Bill 1.

The second area of concern to the AMA relates to advocacy. In our brief the Alberta Medical Association provides examples of our advocacy for a well-funded public health care system with timely access and quality care. It's a system that puts patients first. Again, from our review it is unclear how much of the AMA's advocacy would be subject to the provisions of Bill 1. For example, in section 3(2) the phrase that's used is "with respect to the organization" to exempt certain types of advocacy and lobbying. However, much of our advocacy and lobbying relates to improving the delivery of health care and standards of health care. The Alberta Medical Association is not seeking gain or defining treatment for its members or for the organization itself.

Related to advocacy is the definition of organization lobbyist. The AMA has a 10-member board of directors plus three officers. The 10 members of the board of directors are elected from and by 116 physician delegates to the AMA's representative forum. The board has specific fiduciary responsibilities that the representative forum does not have even though the board reports to the representative forum. If the 116 physician delegates to the representative forum are subject to the legislation, it will impose a horrendous administrative workload to try and track and to accurately report any and all contacts these physicians have with MLAs and government. Likewise, the AMA has 38 sections that represent family physicians, rural physicians, and all the specialties and a number of subspecialties throughout the province. Each section has a president and usually an executive; in other words, their officers.

The Alberta Medical Association provides honoraria to its board members and to the representative forum delegates for attending the meetings. Some sections also provide honoraria for fulfilling their sectional responsibilities, but the Alberta Medical Association historically has not policed or monitored these activities undertaken by section officers and representative forum delegates. However,

Bill 1 could put the onus on the association to do so. As an aside, in the bill's definition of payment, what is exactly meant by the phrase "or anything of value"?

The third major concern of the Alberta Medical Association relates to grassroots communication. This type of advocacy is not secret. In fact, it is the most public kind of lobbying that occurs. We don't understand why grassroots communication must be registered up to six months in advance. Indeed, some may question why it needs to be registered at all. As the Alberta Medical Association stated in our brief, all this will do is create an early warning system for government ministers and departments and give them ample time and opportunity to introduce policies and programs to blunt or perhaps nullify the focus of any grassroots communication.

In closing, I wish to emphasize the AMA's request that all regulations, definitions, criteria, interpretations, applications, et cetera, associated with the proposed act be released prior to third reading. This should be done in the interests of accountability and transparency. The Alberta Medical Association believes that the public and the organizations affected deserve to know precisely what is intended with and by the legislation. We're simply just asking for some clarity.

Thank you very much.

The Chair: Thank you very much. I'll open it up to the committee, then, for questions.

Well, I have a couple of questions. Would you see yourself providing advice to the regional health authorities and to Alberta Health and Wellness, or do you see yourselves as an organization that is seeking legislative change?

Mr. Kustra: I think the answer is both. We work very closely with Alberta Health. As we say in our brief, over the years the government has benefited from thousands of hours of physician input at no cost to government, and we appreciate the fact that we do have that opportunity to provide input. We also have physicians involved on different councils and committees with the regional health authorities. Many of those are board members, are representative forum delegates. So we're doing that. Sometimes have we sought change to legislation? Absolutely. We sought change to the Health Information Act. In the 1980s we sought change to the legislation to bring in seat belt legislation.

9:10

The Chair: There's a difference between lobbying government or an organization of government versus providing stakeholder feedback. This is the issue that we're dealing with as a committee. Obviously, lobbying government means you have concerns regarding legislation or policy that you'd like to see amended or changed. Our rule here over the next two days is to listen to the public regarding those concerns and/or those issues, making a clear definition of: are you lobbying or are you providing advice, leadership, stakeholder feedback?

Dr. LaBuick: Well, in respect to our trilateral negotiations, where we deal with the regional health authorities as well as Alberta Health and Wellness, I'm not exactly sure where the clarity would be around lobbying or discussing negotiations or working through some of our different programs that we have. I think it works at all levels. Depending on where the clarity in the definitions is in regard to some of this, I would be concerned that some of the programs that we're working on with Alberta Health and Wellness as well as the regional health authorities may hamper our ability to communicate

to MLAs and other government officials about the success or the challenges we have with these programs.

The Chair: Thank you.
Dr. Brown?

Dr. Brown: No. I don't have any questions. Thanks.

The Chair: Moe.

Mr. Amery: Well, thank you very much, and thank you, doctor, for your brief presentation. I'd like to ask you a question about your grassroots communication and the scope of that communication. Who would you be talking to, and how far would you go or consider what grassroots communication is?

Dr. LaBuick: Well, some of the examples that we have of some previous, at least what we interpreted as grassroots communication according to the bill – there are some examples that we have in our letter from August 8, 2007, which discuss some of the high-profile public awareness campaigns. These are things such as Mr. Kustra mentioned: the mandatory child seat legislation and seat belt legislation. The future of the public system regarding let's keep medicare from falling apart, another program that we had. Underfunding a few years ago. We had a program regarding Tell Us Where It Hurts. The impact on patients and their families waiting for care was under waiting times getting longer. So there are a few different types of grassroots communications that we've done in advocacy campaigns in the past, and we still continue to work on newer campaigns that can help advocate for public health care as well as patient care.

Mr. Amery: Thank you.

The Chair: Alana.

Ms DeLong: Thank you very much. I want to first say that I have often been lobbied by your organization, and I very much appreciate every opportunity that I have had to be able to sit down with your people and understand better our medical system, understand better the possible solutions to some of our problems. I see that as extremely valuable. I also share your concern in terms of administrative burden. If in any way we are stopping that communication, I think that we are doing the government and the people of Alberta a great disservice.

I have two questions here. Just suppose that we change how the reporting is done. In other words, we have a website where the individual person who talks to the government official or the MLA or whomever would just sign on and say their name, date, and subject. Essentially, in terms of administration it would be handled by the individual rather than by the organization, and it would be something that could be done in five minutes on the computer. Do you think, number one, that would help? Of course, the other side to that is that if we were to drop the planning in terms of what lobbying was going to be done, would that solve the administration problem?

Dr. LaBuick: Well, there are probably two parts to the answer to that question, and I'll also invite Shannon or Ron to add in too. From the association point of view the association is prepared to comply with any type of legislation that's passed regarding the lobbying act, and we will certainly comply with all requests that are made. From a practical physician, trench-level point of view, as I

look at my own practice, my time is valuable, and it's valuable to patients. It's challenging enough as it is to co-ordinate meetings with local MLAs and other MLAs or even government workers to communicate some concerns.

The trend that I would be concerned about is that if there's any increased level of bureaucracy to the basic physician to try and communicate their concerns, they will basically back away from it, and it will discourage further communication and relationships between government, physicians, as well as the regional authorities. That would be the trend that I would be concerned with if we end up with a number of bureaucratic obstructions. It becomes more of a passive regression.

Ms DeLong: Yes. Thank you.

The Chair: Bridget.

Ms Pastoor: Thank you. Doctor, have you been in conversation with your comparable medical associations in other provinces, and where would they fall within their lobbyist acts?

Mr. Kustra: I don't know about the other provinces. I can tell you that the Canadian Medical Association is considering bringing on some more administrative help just to help the association comply with the new federal legislation on lobbying, and that would be our concern as well. The way I understand it – and this is just second-hand – is that the federal legislation is not as onerous as the Alberta legislation might be.

Ms Pastoor: Thank you.

Dr. Brown: I have two questions. One, what aspect of the act do you feel is unduly onerous or would put some sort of constraints upon your members, your 116 representatives, or your staff? Secondly, your association negotiates a contract with the government of Alberta with respect to the remuneration of your members. Do you not think that the public would have a right to know or have some transparency with respect to what representations and who is making representations on behalf of that and what relationships there might be between those individuals and members of government?

Mr. Kustra: Let me, Dr. Brown, deal with the part about negotiations and that. First, at the end of the day any agreement between the Alberta Medical Association, the Alberta government, and the regional health authorities – and it is a trilateral agreement; it's eight years – is a public document. It's on our website. Secondly, if I follow you on what you're saying, you may be asking for negotiations to be conducted in public. If you're asking us to put all our stuff in public, I think the expectation would be that the regional health authorities would also be expected to do that, as would be the Alberta government. Why would one party have to negotiate in public and the other two not?

Dr. Brown: That's not really – my question was related to the desirability of some transparency with respect to representations and whatnot because the whole purpose of the Lobbyists Act is to clarify who is making representations to government on what issues and so on. If there was some inherent conflict of interest or close relationship, I think the public would want to know that.

Again, back to the first question. What do you see as particularly onerous or in some way constraining your activities by way of what is in the draft bill?

Mr. Kustra: Well, I think we outlined those in our brief, but I really want to touch on your point. If you're saying negotiations and an organization when they are involved in negotiations with government, because this does not apply just to the Alberta Medical Association – you know, negotiation is another form of advocacy – then that's another interpretation of the bill that would be problematic from our point of view.

Dr. Brown: Do you object to simple registration as a lobbyist, then, of individuals in your organization, or is it something to do with subsequent reporting? I'm interested to know what you see as problematic.

Mr. Kustra: Well, I guess the first thing, as Dr. LaBuick said in his closing comments, is that we're seeking some clarity. It's going to be your legislation, and we want to know exactly how it applies to us. For example, when we read the bill, you talk about policies and programs and a couple of other items there. You don't say anything about agreements between the government and other organizations. Should those be subject to the act? Maybe they should be, or maybe they should not be. You know, we're just seeking clarity because we are worried about the administrative workload. I mean, if we have to track 116 doctors or, potentially, 150 doctors, anything that they say to an MLA, what are they talking about, then what's the onus on us, an organization, if we miss one despite best efforts?

9:20

The Chair: Thank you very much. We're going to have to move on to our next presenter. Thank you very much. We appreciate your presentation. As we go through all of them, I'm sure some of this will be repetitive by the end of the day. But that's why we're here: because we have to in fact look at the present legislation and the definitions and look at what would be in the best interests of all involved. Thank you very much for being here this morning.

Dr. LaBuick: Thank you.

The Chair: The next presenter this morning is Volunteer Alberta, and I'd like you to introduce yourselves to the group before us and begin your presentation, please.

Volunteer Alberta

Mr. Lundell: Thank you for allowing us to speak today. My name is Scott Lundell, and I volunteer as the president on the board of directors of Volunteer Alberta. I have with me our executive director, Karen Lynch.

We are Volunteer Alberta. We have over 150 members supporting our position on Bill 1 and over 2,000 in our extended networks, many of those connecting with other networks across the province. Our focus is on removing barriers to volunteering, and we've been working on this for 17 years. The impact of Bill 1 on volunteer-engaging organizations and throughout the nonprofit voluntary sector is significant, and I thank you for the opportunity to augment our brief submitted on August 24.

Ms Lynch: We're here this morning to talk about citizen engagement. There are many different descriptors of civic engagement. One that we particularly like is: active participation recognizes the capacity of citizens to discuss and generate policy options independently; it requires government to share in the agenda setting and to ensure that policy proposals generated jointly will be taken into account in reaching a final decision.

The vast majority of Alberta's 19,000 nonprofit organizations could really care less about finding the best decision of what they do collectively. But volunteers and the nonprofit organizations will care when they encounter some of the restrictions. The inference: that somehow what they thought was good is now being interpreted as something that needs to be monitored if Bill 1 should proceed in its current form.

Volunteer Alberta's premise this morning is on challenging all of us to reconsider the need for including all nonprofit and voluntary-sector organizations in Bill 1. My colleagues from the Edmonton and Calgary Chamber of Voluntary Organizations and the Muttart Foundation will this afternoon provide more insight as to the probable outcome should Bill 1 pass in its current form.

Honesty and integrity cannot be legislated. No amount of legislation can replace these values. While the goal of Bill 1 is to create a transparency within government, Bill 1 will risk the transparency in the collaborative culture evident within the nonprofit voluntary sector. It's how we do our business.

Bill 1 creates an environment of fear for volunteers and nonprofit organizations to open up to the government because they'll hold back comments that could cross the line into the realm of lobbying, a term that is anathema at best. Bill 1 directly impacts the best use of networks, and our growth and efficiency will be stifled. The normal daily conversations of nonprofits will be disrupted with a momentary pause and second-guessing: maybe I shouldn't be saying this to you.

Bill 1 was written to open trust, but for many volunteers and nonprofit organizations it takes trust away, and instead it instills fears of government regulations. It also creates apathy. Staff working for boards of directors for volunteers who know of the fines in Bill 1 will not risk their financial stability, and the volunteers who know nothing about Bill 1 will hear rumblings about it and view it as another barrier to volunteering.

Where are the examples of excess from the nonprofit voluntary sector side that require such a large net in Bill 1? In nearly three years at Volunteer Alberta this is the first time I've ever addressed a particular legislative bill. It's obviously not something we do very often nor intend to.

Everyone knows why our Premier found it necessary to create legislation governing conflict of interest, lobbying, and a contractors registry, but that situation had nothing whatsoever to do with the nonprofit voluntary-sector side.

Are the remedies in Bill 1 worth the risks to the voluntary sector? Consequences could include a chilling effect on participation at a time when we should all be concerned about declining and diminishing participation, very basic volunteer engagement. Those levels are declining. It'll severely diminish the ability to recognize and unleash the very powerful potential of the sector to solve, along with government, the challenges to achieving an enviable quality of life in Alberta.

Mr. Lundell: Anecdotally, I had the privilege of having a letter to the editor published in the *Edmonton Journal* on September 10 regarding Bill 1. In response to this my local MLA's constituency office called me to ask if I had anything further to add or if I wanted to clarify anything. To make my point, I noted to him that if Bill 1 became legislation, we wouldn't even be allowed to have this conversation, and he agreed with me.

Ms Lynch: One of the most effective polling methods for any politician or any government is to find out what Albertans are doing engaged in the community. Most politicians find a conversation at the local coffee shop equal to if not more accurate than paying for a

professional poll. Shutting down that two-way exchange is an unintended outcome of Bill 1 in its current form.

Mr. Lundell: Though Bill 1 purports to exclude volunteers, separating volunteers out is not necessarily the only answer. The bill runs the risk of shooting the messenger. Is it the messenger you want to pinpoint, or is it the flow of information that you want to track? If it's the flow of information, then it is fictitious to believe that the volunteer is going to say anything different to an elected official or public office holder than what the paid staff prepared them to say. Additionally, the administrative burden required to adhere to the provisions of this bill will strain an already overloaded sector.

Another issue is the implication of directors' and officers' liability insurance for volunteer board members. Early indications are that insurance policies may not cover the financial penalties imposed for transgressions of the bill. Nonprofit voluntary-sector organizations will be unwilling to put their staff at risk by engaging in conversations, discussions, and observations with elected officials and public office holders.

You may ask why the possibility of discouraging volunteers should affect your decision. Volunteers are the boards that give advice to organizations, they are the workers who get things done in communities, and they are what drive our communities. If they are operating in a climate of fear and disengagement and cannot get things done, consider the unintended impact on a community's economy.

Ms Lynch: The nature of the nonprofit voluntary sector: the way we get our business done is collaborative, we're complementary, and we work interdependently. But the bill, Bill 1, imports a structured, regulatory, Big Brother model function. The Alberta nonprofit voluntary sector initiative, a framework that was recently signed by Minister Ray Danyluk and the nonprofit voluntary sector, works more on the collaborative model. It's our suggestion, as we indicated in our written brief, that should there be concerns that need to be addressed in regard to transparency and openness in contact and discussion with government officials and with elected leaders, then the place to solve those problems is at the table at the Alberta nonprofit voluntary sector initiative.

The Chair: Karen, our time is up for your presentation, but I do want to thank you very much. We do have to move on, but, Karen and Scott, thank you very much. We'll move into questions.

I do want to mention, though, to you – you mentioned the MLAs at the coffee shop – that any issues related to speaking with your MLA are not considered as being lobbying.

Ms Lynch: We realize that.

The Chair: Well, you mentioned that any conversation in the coffee shop would have to be registered as lobbying.

Ms Lynch: That's right.

The Chair: That's not the truth.

Ms Lynch: It is the truth because if you are only talking to your own MLA, that figures in, but if you happen to be in an urban setting, it's more than likely that you have a number of MLAs. For example, in the city of Edmonton when I go to a coffee shop, there's more than just my MLA there, sir.

The Chair: Yes. Right. Okay. I just want to be clear that if you're speaking with your own MLA . . .

Ms Lynch: I realize that.

The Chair: Okay.

We'll start with questions. Alana.

Ms DeLong: Thank you very much. I'm sorry you find the term lobbyist offensive, and maybe we should look at changing the name of the act. You know, maybe we should change it to government external communications act or something to that effect. I do have to make the point that most of the lobbyists who come before me are from the voluntary sector, and in terms of the asks, it's in the billions of dollars of money that is being asked from the voluntary sector. That's part of why it is included.

Again, I am concerned about the administrative overhead. I'm also concerned about the amount of – because we've got it set up so that we have sort of one organization responsible for the lobbying rather than the individual people responsible for the lobbying, I can see how that puts a tremendous burden of risk on your shoulders. How can you possibly be responsible for everybody who works in your organization and know who they're talking to? If those two things were handled, the administrative side and the risk that you're under, would that solve most of your concerns? And maybe change the name of the act?

9:30

Ms Lynch: Our brief and our premise is somewhat different than our colleagues' this afternoon, who are more concerned about the administrative end of it. Yes, we are concerned about that, and we'd appreciate any opportunity to make that easier, but the point is whether or not there needs to be an act that governs the relationship between elected officials and nonprofit, voluntary-sector organizations. It's not a question of their asking for I think you said millions of dollars; maybe you said billions of dollars. Whatever it is. The question is whether or not somehow it is inherently wrong to be having those conversations. They're not asking for themselves. You do realize that. In most cases nonprofit organizations deliver services that government has deemed that they want them to deliver. It's not a question that we're putting those dollars in our pockets and walking away. They're usually a flow through for service. I'm concerned when MLAs say that the ask is for billions of dollars. The ask is to deliver the services that everyone has deemed necessary.

The Chair: Karen, just for clarification would you say, then, that the volunteer sector in Alberta provides services and advice versus lobbying government regarding policy or legislative change?

Ms Lynch: Yes. The vast majority does, sir. There are trade organizations that are also nonprofits, and that's where I think some of the difficulty may lie. In my last paragraph what I was going to say was exactly that, that perhaps the intent is to be able to manage trade associations, and then they could be included. The vast majority of Alberta's 19,000 organizations – and every MLA knows that because they deal with them – are not there for advancing their own particular members' interests.

The Chair: Okay.

Dr. Brown: A couple of comments. First of all, Mr. Lundell, you had alluded to a situation where someone was approached by an

MLA, and I think that, certainly, as the chairman has mentioned, sections 3(2)(b), (c), and (d) will exempt any sort of communications of that nature with respect to policy matters or matters affecting legislation or application of legislation and so on, so I don't think your concerns are well justified there.

I would like to ask you a question regarding the application of the act and whether or not there are specific provisions which you would see as unduly burdensome; for example, the registration versus the reporting and the details in the reporting. Also, would you care to comment on the issue of where there are voluntary organizations that are seeking funding from the government and perhaps they are in positions of competing with the needs of other communities or other organizations of similar bent? Do you not think that the public would have a right or a desire to know who was lobbying on behalf of them to see whether or not there is a possibility of some conflict of interest there?

Mr. Lundell: Okay. To address your first concern about the question regarding the MLA's constituency office, what was confusing to me was that the gentleman agreed with me, and if somebody in that position also didn't understand the particulars of Bill 1 at the time, then it will also certainly be confusing for those of us in the sector when we didn't get the correct information directly from the constituency office. That was a point of confusion.

Sorry. Your second question again?

Dr. Brown: Well, are there particular provisions of the act which you would see as particularly problematic; for example, the reporting provisions versus the registration as a lobbyist to enable people to know who was representing the organization versus the minutiae of the reporting requirements?

Mr. Lundell: Well, as we indicated, our colleagues this afternoon will address the more administrative components. However, the sector is overburdened as it is with reporting for various funding contracts to all levels of government as well as to various funders in the community. Any additional administrative functions as they relate to what many of us consider to be regular business again would create further burdens on the sector.

Dr. Brown: My third point was regarding the possibility of some competition between organizations and the desirability of the public knowing if there is a potential conflict of interest there or some sort of inside relationship, I guess, the desirability of having knowledge out there in terms of a registration system for those voluntary sectors that may be competing for government money.

Ms Lynch: May I answer that?

The Chair: Go ahead, Karen.

Ms Lynch: Okay. More of a concern is whether or not we are being efficient in our ask to government so that you don't have different nonprofit organizations asking for the same thing. I think that should be the concern of government, not necessarily whether there's a conflict of interest. I can't imagine where the conflict of interest would come in.

Mr. Cenaiko is looking at me to keep this very, very short, and Dr. Brown is smiling, so we should probably have this conversation at another point, and you can tell me your exact concerns around conflict of interest.

Thank you.

The Chair: Thank you, Karen.

We'll move on as time is of the essence. Richard Marz.

Mr. Marz: Thank you very much, Mr. Chair. I probably receive more personal submissions from the volunteer or nonprofit sector than any other group dealing with my constituents. The last thing any MLA wants is to impede their constituents talking to them. By having the volunteer sector register, it also gives a heads-up to other organizations. The volunteer sector in its lobbying for grants oftentimes finds itself competing for services with the private sector. That would give the MLA also a heads-up so you're not advocating for a nonprofit sector that puts them in direct competition. A prime example in rural Alberta is the difference between nonprofit golf courses, or publicly owned golf courses, and private ones, which really creates an unfair competitive edge for the nonprofits and impedes the private ones to exist. Having a lobbyist registry there I think would be a good thing. Where do you see drawing the line between those types of situations and having the volunteer sector actually register for some lobbying?

Ms Lynch: I think the situation you speak of is going to happen more and more often now as people in the private sector realize that the nonprofit sector has a number of economies that they may want to be interested in pursuing. I'm pretty sure that the bill that the Premier intended was not intended to make it easier to figure out which was the private sector and which was the nonprofit sector. There are some responsibilities that MLAs still have to know who it is that's speaking to them. I don't think that for you to be able to discern which is private and which is nonprofit was the purpose of the registry.

Thank you.

The Chair: We have two minutes left. We'll move on. Mo.

Mr. Elsalhy: Thank you. Would it alleviate some of your concern, would it make you feel more comfortable with the bill if we told you that in Alberta, British Columbia, Nova Scotia, Ontario, and federally only consultant lobbyists are required to report the arranging of meetings? That seemed to be one of your major concerns, the arranging of meetings. Only consultant lobbyists will be required to do that. In-house, like, people who are working at your organization will not be required to report the arranging of those meetings. Would that make it easier?

The other thing is what Alana mentioned: the ease of reporting. If we ask you to report online and it doesn't cost you a dime and you can do it within 30 days after the meeting has occurred, would that also be something that you'd find palatable?

Ms Lynch: I'd argue that the premise still exists why we need to do that. But, yes, if that's the outcome, that would be more preferable.

9:40

Mr. VanderBurg: One of the most serious issues in Bill 1 for me, being a rural MLA and having 300 nonprofit organizations that are the lifeblood of my constituency – and it's not the elected officials that are the lifeblood. They're the ones that do the work and roll up their sleeves and get things done. I'm a Rotarian. Gosh, I couldn't even have a conversation with myself with this bill. I understand your points that you've raised, and I'll advocate on behalf of your organization.

Thank you.

Ms Lynch: Thank you very much, sir.

Dr. Pannu: I have a great deal of sympathy for the concerns that you expressed with respect to Bill 1 on behalf of the volunteer sector. The volunteer sector is very, very diverse. It may include Horse Racing Alberta, for all I know. There is an organization called Horse Racing Alberta. Now, Horse Racing Alberta may come to the government to lobby for some funds. Would you put that at par with some charity that provides absolutely necessary services and support for needy Albertans? How do you suggest we deal with this diversity short of simply ignoring it?

Ms Lynch: Well, I would tend to agree with you that if you're looking at food banks versus horse racing, you've got a situation there. Absolutely. But it's not our place to decide where Albertans want to support nonprofit organizations. It may be a question of registration and the requirements to either be a CRA-accredited charity or to be under the Societies Act. That may need to be looked at, and maybe we need to be more stringent with what falls in and what falls out. One of the good things about being in Alberta is that you can choose where you want to put your interests in your volunteer areas. If it happens to be Horse Racing Alberta, that's it. It wouldn't be mine.

The Chair: Karen, thank you very much, and, Scott, thank you very much for your presentation.

Ms Lynch: Thank you for hearing.

The Chair: The questions and the answers were very good, so I think they'll help us as we move forward. Thank you very much.

Ms Lynch: Right. Thank you very much.

The Chair: Colleagues, our next presenters are from the Alberta School Boards Association. Could you please introduce yourselves as well. Thanks.

Alberta School Boards Association

Ms Welwood: Good morning, I'm Heather Welwood. I'm vice-president of the Alberta School Boards Association, and I'll be making the presentation this morning. We do have handouts to pass out to you, that you can refer to afterwards. I'd like to apologize for our president, Maureen Kubinec, not being here. She is a farmer, and as you look outside, you'll recognize why she's not here and why she's out harvesting today instead.

We did bring a couple of other people with us, but there wasn't room behind here for them. In the back room listening in on our presentation are Trina Boymook, who is the Alberta Home and School Councils' Association president, and the executive director of the same organization, Michele Mulder. Also, we have Mary Lynne Campbell, who is past-president of the College of Alberta School Superintendents, and Suzanne Lundrigan, who is the director of communications of the Alberta School Boards Association. Beside me is David Anderson, who is the executive director of the Alberta School Boards Association.

First of all, I'd like to briefly tell you about ASBA in case you don't know about us. We represent all 62 school boards in the province of Alberta. We represent all the public, separate, and francophone boards. As well, we have the two boards in Lloydminster and the two school boards in Yellowknife also registered with the Alberta School Boards Association.

The foremost point that we would like to make right at the very beginning is that school boards are local governments acting in the

public interest. ASBA believes that Bill 1 is an important step forward in providing transparency for government, and we applaud the government for bringing this important initiative forward. However, we would like to make three points.

Our first point is that school boards are local governments acting in the public interest. We are not lobbyists. We are elected by the same constituents as MLAs, and like you we are accountable to our constituents. Recognizing that municipal governments act in the public interest, Bill 1 has been drafted to exclude municipal governments from its provisions. However, school boards, another local government, elected, have not been excluded. It is imperative that this oversight be rectified and that school boards be excluded. If there's one thing you take away from our presentation today, that is the first and foremost point. It is imperative that you recognize that school boards are elected government and that this oversight be rectified and school boards be excluded from Bill 1.

Our second point that we'd like to make is that legislation has been put in place by the Alberta government to provide a vehicle for school boards to come together for joint action, and that legislation put in place the Alberta School Boards Association, ASBA. We believe that ASBA and our education partners, the College of Alberta School Superintendents and the Alberta Home and School Councils' Association, are extensions of local school boards, act in the best public interest, and should be exempted from Bill 1.

Our third point is that if it is not possible to exclude ASBA and CASS and AHSCA, we would recommend that a simplified reporting regime be put in place to reduce the onerous time and resource commitment on these associations that by definition are acting in the public interest and for the good of students in their dealings with government.

Our presentation is brief. In conclusion, we'd just like to make the three points again. First of all, exclude school boards. We are elected officials. Secondly, if possible, consider excluding ASBA, CASS, and AHSCA as these associations act in the public interest as an extension of school boards. If it is not possible to adopt point 2, please provide for simplified reporting requirements for our education associations. I've left with you three slides on your handout as to our suggestions as to how to implement our request.

I'd be pleased to answer any questions.

The Chair: Thank you very much. Before we start, do you see your organization meeting with government officials or the Minister of Education with concerns related to policy or legislative change related to education?

Ms Welwood: Yes, we do do that at times. We bring the collective voice of school boards together through our association versus each school board coming forward on quite a number of occasions, and we do ask for policy change in doing that, yes.

The Chair: Okay. Committee members?

Ms Pastoor: I probably should know the answer to this question, but I would appreciate a clarification. Could you explain to me the different boards? I do understand that the ASBA's board is made up of elected trustees.

Ms Welwood: Yes, it is.

Ms Pastoor: CASS and AHSCA: are all of the boards actually elected trustees?

Ms Welwood: No. The College of Alberta School Superintendents:

the members of those are superintendents of school boards, so they're employees. Assistant superintendents and directors are members of CASS. The Alberta Home and School Councils' Association are parents and the public.

Ms Pastoor: So in actual fact ASBA is the only one that truly has elected people that create the board?

Ms Welwood: That's right.

Ms Pastoor: Thank you.

Mr. VanderBurg: I raised this point in the spring Legislature sittings, and I agree with you that your organization doesn't belong in this act. I think that it's an oversight, and I have raised it with the minister responsible as well. I think that it's incumbent upon this committee after our deliberations to make sure that we exclude your organization. Thank you for your presentation.

Ms Welwood: Thank you.

9:50

Dr. Pannu: I'm interested in your comments on the issue of public interest and ASBA representing the public interest through the municipal act, et cetera. The Lobbyists Act is also designed to serve public interest. So there is a question of you representing public interest and the Lobbyists Act also trying to serve public interest by way of making transparent lobbying activities that take place between government agencies and government itself and other organizations. Do you see that there's a conflict in it? Why does it not serve public interest for Albertans to know what kind of representations ASBA makes to the government or its agencies?

Ms Welwood: We feel that the Alberta School Boards Association represents elected officials, and the trustees that sit on that organization are elected. Yes, a registry for public interest is a good point, but other municipal governments have been excluded from this. I would say that there are a number of ways that public interest is represented. We are basically bound, when we are elected, to represent our public constituents in just the same way that you are. So the public interest is addressed in both ways. However, we don't see why as elected officials we would be asked to register our conversations with other elected officials.

The Chair: Moe.

Mr. Amery: Thank you very much, and thank you for your presentation. I have just a comment, not a question. I do agree with my colleague George VanderBurg that you should not be involved in this bill, because you are a local government; you are elected, like us. However, I'd like to see a little more accountability coming from your elected representatives because you spend the second-largest block of funding in the Alberta budget, and every time something goes wrong, your trustees blame us for not giving them enough money. So I'd like to see some accountability there.

Mr. Anderson: Perhaps I could just comment on that. We, too, Mr. Amery, would love to have the power of taxation returned to school boards or some limited power of taxation so that we can exercise that direct accountability directly to the electorate.

Mr. Amery: I thought that would give you the chance to come up with that reply.

Ms Welwood: That is very important to us. We would love to not have to come with our hats in our hands asking for money. We would love to be local governments that are able to tax locally and not have to come to another level to ask for money.

The Chair: David, we won't take this into account that you're trying to lobby this committee.

Mr. Anderson: Thank you.

The Chair: Okay. There are no other questions, so I want to thank you for your presentation. It was very clear, and I think it was insightful for our committee to hear your presentation. I appreciate it. Thank you for coming today.

Ms Welwood: Thank you very much for having us.

The Chair: We're a little ahead of schedule, so we might just take five minutes to refresh your coffee cups or as a washroom break.

[The committee adjourned from 9:54 a.m. to 10 a.m.]

The Chair: I'd like to call the committee to order.

The next presenter is the Alberta Association of Colleges and Technical Institutes, and we have Tim Schultz and Trevor Gladue, I believe. Tim, how are you?

Mr. Schultz: I'm well, and how are you?

The Chair: Very good. Thanks for being with us this morning.

Alberta Association of Colleges and Technical Institutes

Mr. Schultz: Well, thank you for the opportunity to be here, Chairman Cenaiko and members of the committee. First off, I need to apologize on behalf of Trevor Gladue, who is the chair of our Council of Board Chairs and the chair of Northern Lakes College, in the High Prairie-Grouard area. Some of you may know that there's been a death in Pearl Calahasen's family, and Trevor, being the Northern Lakes College board chair, is up in that area of the country today supporting that family, so he asked that I attend this morning and do my best to bring forward the views of the Alberta Association of Colleges and Technical Institutes on Bill 1, the Lobbyists Act. I understand that I have limited time to do that. Those who know me – and several of you do – know that it might be difficult for me to do that, but I will do my best.

This morning we want to talk a little about Alberta's college and institute system. We want to remind you of which colleges and technical institutes make up the membership of our organization. We're obviously going to chat a little bit about Bill 1, the Lobbyists Act. We're going to mention just some interesting dollar figures on advanced education funding that were included in the Advanced Education and Technology department report in 2005-2006. A little bit of discussion on provincial entities, and then we'll have some recommendations for the committee, you, to consider, hopefully positively from our viewpoint.

Alberta's publicly funded colleges and technical institutes – there are 17 of them – operate 168 campuses and learning centres across the province of Alberta serving over a hundred communities, at last count about 106. Many of you will know the names of these organizations. There's a slide that indicates the 17 members of the

organization. Some of those institutes reside in ridings that you represent. These organizations form a very, very important part of Alberta's postsecondary education delivery system.

The members of the Alberta Association of Colleges and Technical Institutes certainly acknowledge the need for transparency in the process of accessing government. I think we understand fully the intent of Bill 1, the Lobbyists Act, and what we're trying to achieve in moving this particular bill through the legislative process. Clearly, the public and public office holders need to know who is engaged in lobbying activities, and I think it's important we agree that the public of Alberta need to know who is trying to access you and who is trying to access public office holders on an ongoing basis.

The members of our organization recognize and understand that both individuals and organizations or entities have an interest in impacting government policy. Clearly, there are a number of organizations that are coming through, making presentations to you today and tomorrow, talking about this very issue. AACTI members understand that a list of provincial entities will be produced as part of the regulations to the act and that the act will exempt those entities and the employees and officers and directors and members of those entities.

In 2005-2006 the Alberta government for operating purposes provided to some 25 postsecondary institutes in the province about 1 and a half billion dollars. Of that amount, the 17 public colleges and technical institutes received just in excess of \$668 million, which represents slightly less than 50 per cent of their operating funds over the course of the 2005-2006 year.

I think it's important to mention here that this pie chart lists 17 colleges and technical institutes and four universities. We know that the Alberta Universities Association will be here tomorrow morning, bringing their viewpoint to you. You need to know that the AUA and AACTI have had discussions on the Lobbyists Act, that our positions mirror each other as far as how we view the act. I would suspect that when they come in tomorrow morning, their recommendations might be very similar to ours. You also need to know that we support their position, as we know that they support ours. Given a little bit more time, it would have been, I think, very nice to have both organizations sitting side by side at the end of this table presenting to you. In our view all 21 publicly funded postsecondary institutes need to be viewed similarly when it comes to how this act impacts them.

The AACTI member institutes partner with the Alberta government to deliver programs to over 50 per cent of all postsecondary learners in the province of Alberta. In a review of the Financial Administration Act, of the government estimates, of the government of Alberta annual report it reveals that Alberta's publicly funded postsecondary institutes, ours and those who are members of AUA, the four universities, are not listed as provincial agencies or entities. The financial activities of the AACTI member institutes of these postsecondary institutes are fully consolidated with the government's financial statements. Colleges and technical institutes receive substantial funding from the provincial government with strict guidelines on how those dollars are to be spent.

I would argue – and I've used this analogy with a couple of our presidents and board chairs – that if for some strange reason the postsecondary system in Alberta were to close down today, the government of Alberta would inherit 21 postsecondary institutes and the infrastructure that goes along with those institutes. I don't know why that would happen, but it's interesting to think about.

It's fair to say that the capital funds allocated to AACTI member institutes are being spent on provincial government infrastructure. That supports the comment I just made. The province has the power

to establish postsecondary institutes. The 17 institutes that form our organization and the four universities were formed as a result of decisions made by the provincial government. The government through the Ministry of Advanced Education and Technology appoints the individuals who form the boards of governors of those institutes, and the business of the institutes as conducted by the 21 institutes is done in accordance with the Post-secondary Learning Act, a piece of legislation that was approved by the members of the provincial government in Alberta.

There's a close linkage between the province and its publicly funded colleges and technical institutes, and that suggests that for the purposes of Bill 1, the Lobbyists Act, these member institutes should be designated as provincial entities. They should be included on that list of entities that would be exempt from the bill. In fact, when you include the universities, all 21 should be designated as provincial entities.

The Chair: Tim, I'm going to have to ask you to wrap up.

Mr. Schultz: Okay. I can do that. I'm very close to that, Mr. Chairman.

We would also argue that AACTI as an organization is a provincial entity. It's a small organization, but it's made up of a federation of those 17 institutes. It has a close working relationship with several government departments and partners with the government to produce the deliverables.

Our points to be made this morning, Mr. Chairman, are that at a minimum the institutes and the universities should be listed as provincial entities for purposes of the Lobbyists Act. We would go one step further and suggest to the committee that they argue with their colleagues that perhaps regulation or legislation should be changed to list these organizations as provincial entities for purposes of other pieces of legislation as well.

On behalf of the Council of Board Chairs and the council president – and I told you I'd have a tough time with seven minutes – thank you for the opportunity to be here. I'd be pleased to answer any questions any of the committee members would have.

The Chair: Thank you very much, Tim. For those committee members that aren't aware, on October 16 the Public Accounts Committee will in fact be questioning representatives from your association, those being Grant MacEwan College and Mount Royal College, which will be the first time that the Public Accounts Committee has had that opportunity.

I appreciate your presentation. I appreciate your concerns regarding your association's tie with government through the Post-secondary Learning Act and the responsibilities you have to follow as an association but as a technical institute and/or postsecondary learning institution. Thank you very much.

We'll move into questions. Mo.

10:10

Mr. Elsalhy: Thank you. Tim, we definitely hear your concerns, and we understand where you're coming from, but I wanted to confirm something. The way I heard it, you're saying that because boards of directors are appointed by the government, then members of those boards of directors don't have to necessarily be captured under the definitions and requirements of Bill 1 because they're just doing what the government appointed them to do.

I as a layperson and many lay people out there think that our postsecondary institutions, both technical and universities, operate at arm's length, that, yes, they provide a service on behalf of government, but the institutions and the facilities are not owned by government and are not operated by government. Yes, you're

appointed, but you should be independent. As such, I think, you know, it's a different definition from agencies like the Workers' Compensation Board, for example, or the Alberta Securities Commission or these agencies or boards that are provincial entities. How would you react to that?

Mr. Schultz: Well, I obviously can see both sides of any story. These individuals are appointed by the minister to steward those individual institutions. The institutions run infrastructure and spend operating dollars on behalf of the province of Alberta, and it's the boards of governors that are appointed by the minister to be accountable back to the government of Alberta. I would argue that, obviously, you want these institutions to be operating individually, I wouldn't necessarily say at arm's length.

The Alberta learning act is very strict in what happens in those institutes, how they operate. It goes so far as to say that money can't be transferred even within institutions from program to program without approval from the department in order to do that. So I would argue that even though they're – I find arm's length an uncomfortable term. I think it would be very inefficient to have the Department of Advanced Education and Technology trying to run 21 publicly funded institutes. That responsibility is passed down to those boards, but those boards are accountable directly back to the minister and to the Legislature of Alberta.

Mr. Elsalhy: Thank you. Another concern, again as a layperson – and many lay people out there have that concern. For example, when you get budget increases, how much of that money, what percentage, goes to administration and salaries and so on versus trickling down to actual program delivery and actual, you know, labs for students to be practising in or workshops or things like this? I'm a university graduate, and that was a concern of mine at the U of A many years ago: how much money actually reaches me as the student in undergraduate programming versus postgraduate, in terms of PhD and master's, and in terms of research? More universities and likely more technical institutions are doing marketable research, something that has market value versus actual teaching of the undergrads.

I think that by requiring you to register and by requiring you to, you know, tell me which government ear you had on which day and what the subject matter that you discussed was, it would offer me that relief and that assurance that, yes, they asked for \$10 billion this time, and out of that \$10 billion \$8 billion went to undergraduate programming and \$2 billion went to staff salaries or maintenance or upkeep or whatever. So I see it as a tool that actually works in both our favours. It's not necessarily something that works against you.

Mr. Schultz: I appreciate those comments. I will also remind the committee, however, that each of these institutes is audited by the Auditor General, and I'll remind the committee that all of the financial operations of these institutes are folded back and consolidated with the government's financial statements. All of that information is available, and it's available regardless of whether a board chair or a president of an institute happens to meet with a government official or an elected official. Again, we would argue that there's total accountability through the Alberta learning act, that these institutes indeed are entities of the provincial government and as such should be included on the list of exempted entities.

Mr. Elsalhy: Thank you.

The Chair: Thanks very much.

Dave Coutts and then Alana.

Mr. Coutts: Thank you, Mr. Chair. Mr. Schultz, you mentioned in your presentation that the institutions are formed as a local authority to operate the programs and the facilities by a board. The boards are appointed through orders in council, through cabinet at the recommendation of the minister. You mentioned that your own association, being the Alberta Association of Colleges and Technical Institutes, itself is a federation, but I wasn't clear on how that federation is formed and how it works with the local boards. Can you explain that for me, please?

Mr. Schultz: Well, we knew coming in here today that making a recommendation that AACTI be exempted and that I don't have to register under the Lobbyists Act might be a little bit of a stretch.

It is an important organization, however. It represents all 17 of these institutes. The organization is formed under a Council of Board Chairs and a Council of Presidents, so all 17 board chairs and all 17 presidents are involved in the activities of the organization. What it does, of course, like any federation, is bring to all interested parties the issues and the voice of those 17 institutes as one. All of the funds that support the federation of AACTI come from the institutes, and some of those funds come to the institutes from the provincial government. We're a very small organization with a very small budget.

We're recommending that AACTI be included on the list of exempted provincial entities. I can go away from here today very satisfied if the committee were to decide that the postsecondaries should be on that list but AACTI was not. It's just that AACTI as an organization doesn't represent anything different than the 17 institutes do individually.

Mr. Coutts: Thank you.

Ms DeLong: Hi, Tim.

Mr. Schultz: Hi.

Ms DeLong: One of the things that I've noticed is that all of the postsecondaries in my area have dedicated lobbyists that lobby the government. I very much appreciate their input. In fact, I'm quite willing to go to them to meet with them and speak to them any time because I need to know exactly how the institutes in my area are doing. I need to know, essentially, how I can help in terms of making them successful in providing the postsecondary education to my constituents. I really value it.

I think that there is a piece here that I would like to – one reason that I would like to see them actually stay in the act is that I would like to know how well they're doing in terms of their lobbying, how many meetings they are having versus the other postsecondary institutes. You know, I would actually like to know what activities are taking place in each of these areas with the postsecondaries. Do you want to comment on that?

Mr. Schultz: Well, this gets into an interesting discussion – I don't know whether the committee wants to have it this morning – of what constitutes a lobbyist. If we're talking about somebody who might have a position as a vice-president external or a director of external relations or even a director of government relations, that individual is an employee of that postsecondary institute. If that individual is an independent consultant who is hired to try to impact government or government policy away from the institute, then I might agree with you that that individual would be a lobbyist.

That's a dangerous direction to go in because then would the president of the institute be a lobbyist? The president meets with a

variety of people on a daily basis, be they elected government officials or deputy ministers, assistant deputy ministers, department people. The chairman of the board of governors, who does that job on a voluntary basis under appointment of an order in council by the Minister of Advanced Education and Technology: is that person a lobbyist when, in fact, they're operating under the Alberta learning act on behalf of the institute to work with the government to deliver quality postsecondary education to Alberta learners? I mean, I would argue that any employee of a postsecondary institute is that. Under the draft legislation if that organization was to be deemed a provincial entity, then that person would be exempt as well.

I understand what you're saying, but in our view the intent of the act is not to try to capture everybody who might meet with members of the government for any reason. I would really like to try to illuminate the difference between somebody who is employed by a postsecondary institute in a senior position as opposed to somebody who is contracted by any entity for the purpose of trying to impact the government and government policy.

10:20

The Chair: Thank you.

Dr. Pannu.

Dr. Pannu: Thank you, Mr. Chairman. Mr. Schultz, you made an important reference to a little short of \$700 million that come from the public funds to run the 17 institutes spread over a hundred different communities and whatever. But you also said that that money constitutes about 60-some per cent?

Mr. Schultz: It's about 50 per cent of the annual operating budget of an institute.

Dr. Pannu: And the rest comes either from tuition fees and from private donations, I suppose, or funds raised by institutes?

Mr. Schultz: Primarily tuition fees. There are very few private dollars coming in for operations.

Dr. Pannu: Let me just limit my question, then, to the tuition fee issue as an important general revenue resource. Now, students have been very concerned in this province about the increase in tuition fee rates over the last 10 years. Would it not be in the public interest and for us to know, for Albertans to know to what extent your organization, which represents the boards, has had a successful lobbying impact on the government's policy on tuition fee increases? Surely, as a board you would be interested in getting the appropriate revenues in order to run the institutions. Tuition fees form, as you say, a fairly important component of that revenue. It impacts students and their ability to access postsecondary institutions, so why would it not be in the public interest, in fact, for all of us to know to what extent boards have lobbied the government with respect to tuition fee policy?

The Chair: Tim, with Dr. Pannu's question can you also provide the committee with what percentage the present tuition fee is based on the whole cost of a student's cost of education in a postsecondary institute?

Mr. Schultz: Let me answer that question first. I can get that information to you. As an individual taxpaying Albertan it's my understanding that it's around 20 to 25 per cent of the operating budgets of the postsecondaries. It would vary institute to institute based on budgets and funding.

But to answer Dr. Pannu's question, I go back to the comment and the point that I'm trying to make, that these institutes are in effect entities of the government, funded primarily by government money. The funding envelope that an institute receives is based on the number of full equivalent students. There's a funding formula in place. The government of Alberta back in the early '90s reduced budgets pretty significantly in order to attempt to achieve deficit elimination and debt elimination, and those budgets have obviously come back somewhat over the course of the years. But it's a balancing act, a combination of funding that comes into institutes in order for them to operate. Obviously, institutes don't want to see tuition fees rising, but they have to attempt to deliver the services and provide the quality education to the learners with the money that they have given to them.

I'll reiterate that operating funds don't come from private donations. Private donations are primarily there to attempt to support scholarships and infrastructure improvements and working with government on the capital side to attempt to expand capacity and to ensure that we can meet the demands of students who want that education and go out in the workforce and try to meet the gap that we see in the workforce.

All of our institutes partner with government to attempt to limit the impact on the individual student from a tuition fee perspective, but when it comes to the end of the day and it costs a certain amount to deliver the programs and government funding will go so far, then there are limited opportunities available for institutes to meet that gap. I think the government has made efforts in capping tuitions and attempting to address the tuition gap, and our institutes work with the government, again in partnership, to attempt to achieve those end results.

It's a very complex structure, the postsecondary education system: research dollars as opposed to operating dollars as opposed to infrastructure and capital dollars. But again I'll reiterate: a large number of the private dollars go to scholarships to support the students to allow them access. Our institutes will do all that we can to work with government to ensure that we've got cost efficiencies and we're not overlapping services and we're not duplicating programs, at least as much as possible, to allow access for all learners who want to access the Alberta postsecondary system.

We don't want to see tuition fees going up either, but I wouldn't say that our presidents and our board chairs go in specifically to lobby government to reduce tuition fees. We go in to say: these are the funds that we need to operate the institutes in order to deliver the programs that Albertans want and the government supports. We'll do everything that we can to maximize their participation and do things necessary to be efficient with dollars and control costs, but that gap has to be met on the finance side. Government and institutes and students can work together to attempt to minimize the impact of tuition fees on students and maximize the ability of students to access the system.

Dr. Pannu: There's no dispute over the fact that tuition fees constitute a significant portion of the revenues that the institutes that you represent need. The question is to what extent tuition fee policy gets influenced by the lobbying efforts of your organization and the individual boards whom you represent. The Lobbyists Act would require you as institutes, as organizations to make that information public. Why would it not be a good thing to have to do that in the interest of affordability, in the interest of transparency in the province?

Mr. Schultz: Well, again, I would argue that we don't lobby

government to do that. We work with government and partner with government to try to run the most efficient postsecondary system we can. We are accountable directly to the government for all expenditures. We work with government and all stakeholders to attempt to minimize the impact economically of students accessing programs. So I would argue that we don't lobby, that we work with government in order to try to keep those costs at a reasonable level and do everything that we can to maximize the ability of those who are interested in accessing the system to access that system.

The Chair: Thank you very much, Tim.

Again, Dr. Pannu, as I mentioned earlier, the Public Accounts Committee will be questioning the reports of Grant MacEwan, Mount Royal College, the University of Alberta, and the University of Calgary in mid October, the 16th and 17th of October. Obviously, questions of that nature, regarding lobbying, can be asked. Again, it's a hearing similar to this. It's all recorded and is an opportunity for those entities to be questioned by an all-party committee of elected officials from within the Assembly. This is new. This is the first time – this year, 2007 – that we've had that opportunity to question entities of the government such as yours, a postsecondary institute.

Mr. Schultz: Mr. Chairman, if I can make one comment on that issue.

The Chair: Sure.

Mr. Schultz: That's an interesting development. I don't like comparing what we do in Alberta to other provinces – I do everything not to do that – but I will say that our sister organization in British Columbia for a number of years now has actually gone to Public Accounts in British Columbia representing their institutes and has had that dialogue with government. Perhaps we'll move towards all institutes having the ability to do that. Our institutes, I think, would welcome the opportunity to interact with those who supply our organizations with the resources to deliver services, to answer those questions and have that interaction.

10:30

The Chair: I think that was the consensus of the Public Accounts Committee to have that opportunity to not just ask the minister and the department regarding issues related to in this case postsecondary education but, in fact, be able to question the institution itself.

Mr. Schultz: Right.

The Chair: I think it's going to be very interesting and very educational for all the committee members but, as well, ensure that it's open, transparent. The questions and answers that are received during those meetings obviously will be again open to the public.

Thank you very much, Tim, for your presentation. We appreciate your time here with us this morning. It was very good.

Mr. Schultz: Thank you.

The Chair: Committee members, the next presenter, private citizen Mr. Duane Good Striker, is unable to be here this morning. He e-mailed us that another commitment came up in his calendar, so he's not able to attend and provide a presentation.

The 10:40 presentation is the Environmental Law Centre. She is here. I think this is Cindy Chiasson, executive director.

Ms Chiasson: Yes, that's right.

The Chair: Thank you very much, Cindy. I know you're a bit early.

Ms Chiasson: I guess it's always a good thing to allow a little lead time when you come, particularly to things like this.

The Chair: Thank you very much. Please begin your presentation.

Environmental Law Centre

Ms Chiasson: Thank you very much. Good morning, ladies and gentlemen. To start off with, I would like to thank the committee for holding public hearings and giving us the opportunity to speak further to the bill. I believe our handout is going by. I'll start off by indicating that we just sent a subsequent letter to our submission just to point out that we made an error in reference. Anywhere in our submission where we referred to section 8, it really should be section 6, which is the section dealing with the counterbalancing prohibitions on contracting, effectively being paid to provide advice to the government, and lobbying. So just to correct that reference there.

I am going to focus on three main points. As you saw in our submission, we have adopted and support the submission that was filed by the Muttart Foundation, as have, certainly, many other organizations in the charitable and voluntary sector. But we do have concerns that we feel are unique to the environmental sector and to organizations that are involved in relation to environmental issues and environmental management in the province. Really, what I want to key on are three main points.

The first point is, really, that we feel that Bill 1 in spirit runs counter to the collaborative nature of environmental management in Alberta and how environmental management in Alberta has taken place since at least the early 1990s in the province. I've provided a background context in our submission in terms of how that has happened. In part it is that the scope of what is considered lobbying covers the vast range of contacts that environmental organizations have with the provincial governments and especially with respect to speaking on any program, policy, directive, or guideline: establishing them, changing them, terminating them. That's a tremendously broad scope and will touch on virtually every interaction. Certainly, it may well be valid that environmental organizations should be registering when they are lobbying on legislation, on regulations. But when you get down to these more detailed areas, we're getting into the great minutiae, so to speak.

Practically this bill – and I'm a practical person, so I wanted to speak to the practicalities – will create confusion on the part of organizations as to what they do, whether it is or is not constituted lobbying, whether it is or is not reportable. We believe that it will put a chill on relationships between government bodies that are dealing with environmental management and the groups due to this uncertainty because no one will be certain whether they should be reporting or not.

We are concerned that it does have the potential to move environmental management back to a more partisan, adversarial model, such as we would have seen in the mid- to late-80s, which I don't think anyone who is involved in environmental management in this province really wants. The collaborative model has been developed over time. It works reasonably well. Considering the alternative, to be quite frank, I think there are lots of people out there who would rather be sitting at a table or talking to government officials and trying to work things out on a collaborative basis than fighting about it or litigating about it, those types of things. We are concerned that it doesn't take into account the multistakeholder and collaborative nature of how environmental matters have been dealt with.

We do also have concern, which we raised in our submission, in relation to the scope of public office holders because of the nature of how environmental management takes place. There are a number of multistakeholder advisory-type committees or bodies that are there, where environmental organizations have appointments to those committees, generally speaking, through the minister. That makes them a public office holder.

I've had this experience in terms of, well, I hold two different ministerial appointments to different advisory committees. On one committee it's been said: well, you're appointed individually. Myself and all the other people on that committee and generally speaking on any committee like that, where it's a multistakeholder advisory committee, understand that while we are appointed individually per se because that's how you write up the ministerial appointment, the expectation is that we are there representing a particular interest, a particular sector, and that our obligation is to represent that broad sector and to consult back and provide the viewpoints of that broad sector. When I go, I know that I'm there not only representing Cindy Chiasson, but I am there representing the Environmental Law Centre, and, generally speaking, I'm usually there as a delegate selected through the Alberta Environmental Network's delegation process, so I have obligations to report back.

If I'm considered a public office holder, I have staff in my office who will be considered organization lobbyists in terms of discussing with my staff what's been happening at those committees, in terms of getting feedback or getting direction from the interests that I represent, in terms of what to feed back into those committees. The scope of the bill right now would make those types of discussions reportable discussions. Certainly, I don't believe that that is the intent: to allow anyone who's representing an interest on a collaborative process to have to report those internal discussions.

It will apply not only to the environmental sector but to landowners, to agricultural organizations, to industry organizations. I believe that it will apply equally to representatives of the Canadian Association of Petroleum Producers, and I've sat on various committees with reps from those. It will apply equally to them as it will to our organization or to other environmental organizations. Certainly, we don't believe that that's the intent. We feel that it's counterproductive to the purposes of these types of committees and to what they are seeking to achieve.

Thirdly – and you will hear about this, I believe, from other organizations – is in relation to the prohibitions in section 6 and particularly the scope of associated persons in terms of who is associated with them. Our concern is particularly with respect to members who serve on boards, to people who serve as directors on these organizations. Practically speaking, it is a challenge for any organization in the voluntary sector to attract good people to their boards of directors, but in organizations where they have staff, the board of directors sets the broad direction for the organization. The staff deal with the day-to-day direction. My board of directors does not tell me a particular position to take on a particular initiative or tell me when I should go speak to the Minister of Environment or the assistant deputy minister of agriculture or any other government official. They leave that to the organizations, so it's really neither here nor there what the board member is involved in.

To put the prohibition on in relation to and attaching it to associated persons and board of directors will render not only environmental organizations but other organizations in a position where they will lose board members. We will lose good people because if they're forced to make a choice between the not-for-profit and the interests that they represent otherwise, their business interests or otherwise, generally speaking, the not-for-profit will lose. That's the practical reality for our organization.

Because we are a law organization, we have the added complication that our staff would qualify as organization lobbyists who are lawyers. The lawyers on our board of directors are all subject to the Law Society of Alberta's code of professional conduct, which means that we are obligated to hold our clients' interests confidential and not to disclose even the names of our clients unless we have our clients' permission. Hence, we may be in a position where we may not even be able to determine whether or not we're in compliance with the act because if lawyers on our board do not have their clients' permission to disclose, we have no way of determining that. So it pushes us to some extent into a position where we may be either in noncompliance with the act or we may be in noncompliance with our professional obligations and hence subject to disciplinary proceedings by the Law Society of Alberta. Similar concerns will arise anywhere where someone has a lawyer sitting on their board. For us it's particularly acute because of the nature of the work that we do.

10:40

The Chair: Cindy, thank you very much.

Ms Chiasson: Thank you.

The Chair: We'll go into questions and start with Richard.

Mr. Marz: Cindy, thanks very much for your presentation. You referred to section 6 as a cause of concern for you, but what particular part of section 6 are you concerned about? Section 6 says that, you know, if you have a contract, you should register if you're providing advice on the same subject matter.

Ms Chiasson: Well, really, what we're concerned about in particular are the prohibitions in subsection (2) and subsection (3) in terms of saying: if you or an associated person have a contract where you're paid to provide advice to the government, you cannot lobby on the same issue. Our reading of that is that it's not specific to the individual, that because of the terms in terms of associated persons, that will apply more broadly. Hence, for instance, if a lawyer on our board of directors is retained to represent Alberta Environment on a matter or provide policy advice on a matter, by virtue of their being on our board of directors, that will preclude us as the Environmental Law Centre from lobbying on that same issue.

Mr. Marz: Well, don't you think that the public would be interested to see who's actually lobbying and if there is a potential conflict or if they're lobbying on behalf of an organization or if that's going to affect them personally in a positive way?

Ms Chiasson: I would say that we don't have a problem in terms of the public being aware of this, but this effectively acts as a prohibition. It doesn't matter in terms of that we can't simply say that our board member will stand down when we're discussing how we're going to lobby or that type of thing. This effectively says to us that if you have someone who's associated with your organization who's being paid to provide advice to the government, then you cannot lobby on that same issue.

It may be that our board member is doing that in their professional capacity through their business, has wholly nothing to do with our organization because charities and not-for-profits run differently than corporations. Generally speaking, their boards of directors are there to provide broad guidance. They are not there to set the details in terms of how you are doing things. Our board isn't paid to lobby on our behalf. We have staff to do that. Our board is there because

they believe in what we do, but they are not getting any financial benefit out of the position we take or out of them serving on our board of directors.

Ms DeLong: Assuming that we do, number one, want to know who's lobbying and we do want to somehow separate out the people who are lobbying from people who are under contract to the government on that issue, do you have suggestions as to how we can change the bill so that we can accomplish both those things?

Ms Chiasson: Well, certainly, at the absolute minimum our suggestion would be that the definition of "person associated" be narrowed so that, for instance, you're not catching people who are on the board of directors of an organization unless they are paid by that organization to lobby on behalf of that organization. I think that part of it is that you need to look at how the organizations operate and what the parameters are, because my own opinion is that the net has been cast much too broadly for what may well be intended.

I certainly have no problem with disclosing in terms of: if Alberta Environment contracts the Environmental Law Centre to, say, do a research contract for them and provide advice to them, which they have in the past, that is disclosed and that it prevents us from lobbying specifically on that issue otherwise, or if we're choosing to take a position on that, we're having to make that choice. I have no problem with that but where it takes the step further in terms of someone who's on my board of directors who meets with me quarterly to provide broad direction in terms of how our organization runs, that because of what they're doing in their work life, that will prevent our organization from doing that when there are no links aside from that they are serving on our board of directors.

Ms DeLong: Thank you.

The Chair: Just one quick follow-up from me, Cindy. Does your organization, then, impact Alberta's environmental laws and policies?

Ms Chiasson: Yes. It's part of our mandate and part of what's there. Certainly, we would accept as an organization that there are aspects of what we do that would make us subject to this. Where we have concerns is in terms of the scope, of how broadly it will cover.

The Chair: So your organization could in fact affect legislation?

Ms Chiasson: Yes.

The Chair: Does your organization provide program services to the community?

Ms Chiasson: Yes, we do.

The Chair: Can you provide an example?

Ms Chiasson: We provide information services in terms of providing a service where basically virtually anyone – members of the public, members of community groups, government, academics, lawyers, anyone – can contact us with their environmental law questions. We will deal with their questions free of charge. We don't provide representation because of restrictions from our core funder, but we will provide referrals for people to lawyers where they are looking for lawyers to represent them on matters. We will suggest to them names of lawyers who have experience in environmental law.

We operate a public lending library, so we're loaning out materials and making educational materials available to people in relation to environmental law and policy. We do a broad range of community presentations to groups who have interest in or questions about environmental law and policy, processes. In large part what we are providing is an education and information function, but there is a function of our organization as well that does research and review and comments on environmental law and policy and will make submissions and make suggestions and recommendations where we feel that there's a need for change.

Dr. Brown: Let me raise a hypothetical with you. Suppose your organization was funded to a very large degree by a particular industrial player. I would assume that some of your staff are paid staff, so they have some interest in ensuring that they're adequately resourced. Do you not think it would be in the public interest to know who was funding an organization, to recognize whether there might be some inherent bias in the advice that was being given? I'm not asking you to look at specifically the way that your operation functions, but there are other organizations out there that are funded by specific interest groups, and they're in the environmental field, or at least they purport to be in the environmental field. Do you not think it would be in the interest of the public to know who is funding those organizations and who they are lobbying?

Ms Chiasson: Certainly, I would agree with you there. Again, it's a question of degree and what you're asking organizations to do. For example, our organization is a registered charity, so we're already obliged to provide financial information. Information as to where we're getting our funding is publicly accessible in relation to our annual filings with Canada Revenue Agency as a registered charity. Our information is there. By asking us to do another filing, you're asking us to duplicate information, duplicate effort.

Dr. Brown: Thank you. That's helpful.

The Chair: Any other questions?

Cindy, thank you very much for your presentation. I appreciate your taking time out of your schedule to be here. Thank you very much.

Ms Chiasson: Okay. Thank you for the time.

The Chair: We're a little bit ahead of schedule, so if you want to take five minutes, we can.

Dr. Brown: Mr. Chair, why don't we try and get ahead on this? There are a number of us that have to leave very promptly at 3 o'clock this afternoon, and I'm wondering whether, if there is an opportunity, if the presenters are here, we could perhaps get a little bit ahead of the schedule.

The Chair: Sure. If we can, yeah. I think our last presentation is at 2, so if we're on time, we should be adjourning at about 2:20.

Dr. Brown: Okay.

Mr. VanderBurg: We will deliberate, then, tomorrow morning, after the last presentation?

The Chair: Tomorrow morning, yeah. We'll be starting up again tomorrow morning.

10:50

Mr. VanderBurg: For internal deliberations?

The Chair: Yeah. We're scheduled from 9 o'clock to 1 o'clock. We may not need all that.

Are representatives from the Alberta Environmental Network here? Are you ready to provide your presentation? We'd be more than happy to receive it. Are you Tom?

Mr. Olenuk: I am.

The Chair: Tom, I'm not sure if you have your other representatives here as well, but I appreciate you being here.

Mr. Olenuk: In answer to your question, I believe Mr. Kitagawa is in Red Deer today. He's been called there, so that's how I ended up on the list. The other two people were expected, but I don't know whether other emerging issues have caused them not to be present.

The Chair: Well, that's fine. Thank you very much for coming. We have about seven, eight minutes for a presentation and about the same for questions. Please go ahead.

Alberta Environmental Network

Mr. Olenuk: Well, good morning, members of the committee. Thank you for this opportunity to address you on behalf of the Alberta Environmental Network regarding the significant impacts we believe Bill 1 will have on our organization and our member organizations. My name is Tom Olenuk, and I have the distinction of being the secretary-treasurer of that organization.

The Alberta Environmental Network, or AEN, as we call it, is an umbrella organization composed of approximately 70 nonprofit environmental organizations who work on a spectrum of issues including air, water, and land management, wilderness and parks protection, climate change, and waste reduction. For over 25 years the AEN has supported collaborative work between our membership and the government of Alberta through multistakeholder environmental management initiatives. We provide an organized and structured means for the government to access knowledgeable and experienced individuals to participate in collaborative processes and partnerships.

Recent examples of successful processes in which ENGOs – those are environmental nongovernment organizations – and the government of Alberta played key roles along with other stakeholders include the Clean Air Strategic Alliance's award-winning work on air quality management, Alberta Environment's ambient air quality objectives working group, Alberta's six regional airshed zones, the Beverage Container Management Board, the Alberta Recycling Management Authority, the Advisory Committee on Water Use Practice and Policy, the Alberta Water Council, the minister's Environmental Protection Advisory Committee.

AEN's history co-ordinating ENGO involvement includes such foundational initiatives as the work to consolidate nine different acts into the Alberta Environmental Protection and Enhancement Act and the vision statement of the Alberta Round Table on Environment and Economy.

AEN's role in this remarkable history has been providing two essential functions. First, AEN conducts a peer selection process that identifies qualified delegates from the environmental community to serve on multistakeholder advisory committees, which are referred to in Bill 1 as prescribed provincial entities. Secondly, AEN co-ordinates and facilitates sectoral consultations between appointed

delegates and the broader environmental community to ensure that the advice and positions of representatives reflect the broadest range of opinion from among environmental organizations. Taken together, these two functions help ensure that the resulting program or policy recommendations enjoy the greatest extent of confidence and support of a very vocal and increasingly influential demographic group: Alberta citizens concerned about the environment.

Both of these essential functions are jeopardized by the terms and obligations imposed by Bill 1. We firmly believe that this jeopardy, if realized, will mean the end of the Alberta Environmental Network. The threat to the AEN arises from two effects of Bill 1: the definition of public office holder under section 1(1)(j) and the contracting prohibitions under section 6.

The definition of public office holder in Bill 1 includes “an individual who is appointed to any office or body by or with the approval of the Lieutenant Governor in Council.” This definition captures the majority of delegate selection conducted by the AEN. Through the AEN’s peer selection process AEN member group representatives are subsequently appointed to multistakeholder advisory bodies, the majority of which are legally structured as ministerial advisory committees, making each of them under the terms of Bill 1 a public office holder subject to all of the obligations and liabilities imposed elsewhere in the bill.

By carrying out AEN’s first function, as I described earlier, the AEN under Bill 1 has caused selected persons from within its membership to become public office holders. Now, this makes AEN’s second function, sectoral consultation, untenable. Every communications event, every meeting, conference call, piece of e-mail, or listserv correspondence, which is intended to contribute to creating broadly supportable environmental policy recommendations, becomes under Bill 1 lobbying a public office holder. AEN and its members, all of whom will meet the definition of organizational lobbyist, would in all likelihood be filing section 10 amendments on a monthly basis as different public office holders seek input through the AEN, as is required.

The second threat to the AEN posed by Bill 1 is section 6, the contracting prohibitions. The broad definition of “contract for providing paid advice” captures as payment the arrangements within multistakeholder processes that provide ENGOS with stakeholder support. Stakeholder support is a form of honoraria that entitles ENGOS to take time away from revenue-generating activity in order to provide representations and input into policy recommendations. It is considered an essential feature in best practices of stakeholder consultation which helps level the playing field between nonprofit and voluntary organizations and the corporate lobbyist with whom they must contend. Under section 6(2) this arrangement, which is so essential to resource-strapped organizations, triggers the contracting prohibitions which would prevent an AEN member group from lobbying on the environmental issue that is undoubtedly the very reason for its existence. Given this choice, we believe that the AEN members would avoid collaborative initiatives with the government in favour of lobbying, especially if the prohibition on lobbying prevents grassroots communications with members of the public.

But more fatal to the AEN than the discouragement that our members would feel at the prohibition is the converse prohibition under section 6(3), which prohibits entry into contracts for providing paid advice on a subject matter if that person or a person associated with that person, i.e. a spouse, is an organizational lobbyist who lobbies on the same subject matter as that of the contract. AEN members lobby on their subject matter. Persons associated with AEN members lobby on their subject matter. They may not be the same. Any AEN member who is qualified to serve on a multistakeholder initiative has lobbied or is associated with a person who has

lobbied on their subject matter. This section prohibits ENGOS from entering into an arrangement that enables the most constructive input of their subject matter, the collaborative approach.

In summary, Bill 1 would have the following effects on the AEN. It would impose a significant reporting burden on every aspect of our member-to-member communication by deeming many members as public office holders, and it would discourage our members from participating in collaborative multistakeholder initiatives by prohibiting them from accessing stakeholder support due to their own lobbying undertakings or the lobbying undertakings of their associated persons, like a spouse.

Taken together, we believe the two sections of Bill 1 that I have described would be fatal to our organization. We believe that the pool of environmental organizations willing to serve on multistakeholder initiatives would diminish to zero. We submit that voluntary, nonprofit public interest organizations be exempt from Bill 1 or, in the alternative, that the bill be amended such that members appointed to provincial entities do not become public office holders and that the contracting prohibitions exclude arrangements intended to support voluntary nonprofit organizations.

In closing, the AEN further supports and endorses the submission of the Muttart Foundation, Volunteer Alberta, and the Environmental Law Centre.

The Chair: Thank you very much. I’ll open it up to the committee for questions. Go ahead, Mo.

Mr. Elsalhy: Actually, this is more a comment than a question. I sort of agree that when you’re talking to the Member for Calgary-Buffalo or the Member for Edmonton-McClung or other elected MLAs, the Minister of Environment, the Deputy Minister of Environment, the assistant deputy minister, and so on and so forth, then, yes, you are talking to public office holders. I don’t think that it was the intention of the bill and the people who drafted the bill or the people who introduced the bill and wanted the Legislature to consider it that you would be considered as public office holders when you’re talking to each other or where you’re consulting and collaborating with stakeholders, you know, in your field of interest. You even mentioned listservs, that if people are on your mailing list, that would disqualify because you’re all public office holders. I don’t think, as a layperson, this was really the way this bill was intended. I would be offended if it was.

As such, I think there might be an opportunity for us to clarify, you know, the definition of public office holder, and I’m thinking that it should really be limited to people who are either elected or people who are in decision-making roles within government, as in a minister, a deputy minister, a department head, and so on and so forth. Would you agree?

11:00

Mr. Olenuk: Yes. We in the environmental movement don’t oppose this bill. You know, the intentions and principles of the bill are a good idea. Okay? The problem is that it has been written in such grandiose, sweeping language that it captures so many things that they have never turned their minds to in the drafting of this bill.

I attended a conference awhile back that was hosted by Alberta Environment. I received mileage and an honorarium for attending that. I am therefore deemed to have been in a contract situation with the government, possibly, under this bill, the way I read it. I’m not a lawyer, but the way I read it, therefore I’m not supposed to lobby. Now, it just so happens that that little meeting was five years ago. There’s also no sunset on when you cease to be affected by the contract of service.

Mr. Elsalhy: Thank you.

The Chair: Dr. Pannu.

Dr. Pannu: Thank you, Mr. Chairman. Tom, good to see you here. I am a fan of your organization. Alberta Environmental Network has provided a most valuable service to Albertans over the years. In fact, some of the most active members of this are my constituents, and I've had the benefit of seeking their advice over the last 11 years that I've been in this office. So I appreciate very much the work that your organization does.

Your presentation and written brief are helpful in alerting us to some of the problems that this bill has in its present form. I think your suggestions would be very helpful in us being able to address perhaps some of those in due course. As I take it, there's a great deal of overlap between this brief that you presented and the presentation made to us just prior to your presentation by the Environmental Law Centre, so I guess that in a sense what you're saying reinforces some of the points made by Cindy just a few minutes ago.

I just want some clarification. You have said already that in principle you are supportive of the bill, that it's the minutiae and the details in it, particularly those that address the issue of public office holder and the definition of what may not be already in the bill but should be perhaps: the definition of voluntary, nonprofit, public-interest organizations. If that were clearly defined in the bill and then exemptions made based on that for the office holders of those organizations, would that address some of your concerns?

Mr. Olenuk: It would. I wouldn't mind seeing it going even further than that in terms of also defining the amounts of money that are deemed to be influential in this.

The one thing that we didn't get around to talking about in this presentation, though, is that the Department of Environment like so many other departments in the provincial government really sees multistakeholder groups as an important source of information and the people who are, you know, at the grassroots level to advise them on policy. Okay? This bill may have the effect of destroying all that multistakeholder consultation because of the reasons outlined in this paper. If it's a choice between getting a \$250 honorarium to attend a stakeholder meeting once every four months in this province or lobbying the government, it's more likely that an environmental group and a whole range of other social service groups will say: "We'll try the lobbying route. We'll fight this out in the court of public opinion. We will not participate in this group."

The Chair: I think, Tom, you make a very good point.

Before we move to George, I just want to mention that I think there's a clearer picture of those organizations such as yours that would lobby. But, as well, as you just mentioned, the Minister of Environment may contract your services as a stakeholder, which then would exempt you from lobbying, from being in that lobby position. Clearly, there's a difference between your organization and the Boys & Girls Clubs of Edmonton regarding the not-for-profit program that you might provide in the community. Again, that's what this committee has to look at as we move forward. I appreciate your submission.

Mr. VanderBurg: Presently the federal lobbyist act requires certain organizations to register. Certainly, your organization talks with and has discussions with federal MPs. How do you conduct yourselves today when you are dealing with a federal MP? Or do you just ignore their lobbyist act?

Mr. Olenuk: We don't do a lot of lobbying with the MPs. That's usually done by the Canadian Environmental Network, of which we are a member group. Our job is more in encouraging volunteers and members of the organization to lobby as individuals rather than lobbying as an organization ourselves. In all honesty, if we examined some of our activities with a microscope, we may not be exactly in compliance with the federal act, but we don't do a lot of federal work. That's why it's never come up to us. Okay? I'm on the board of directors as the treasurer, and the only discussions we have about federal legislation are about how the Canadian Environmental Network should be responding to it and do we have any additional information from the grassroots level that may help them in their lobbying efforts. They are registered lobbyists in Ottawa.

Mr. VanderBurg: Maybe I just got confused with your membership versus your organizations. I know that your membership lobbies very heavily the MPs.

The Chair: Thank you very much, Tom. I appreciate you taking time out of your schedule to be with us this morning. A very good presentation. Again, thank you for being with us.

Mr. Olenuk: You're welcome.

The Chair: Colleagues, we're a little bit ahead of schedule, which is fine. The next presentation is the Alberta Chambers of Commerce, Mr. Ken Kobly, president and CEO. Ken, thank you very much for being here this morning. We appreciate that we're starting a little bit early, but it does give us some flexibility in our schedule. Thank you very much. Please proceed.

Alberta Chambers of Commerce

Mr. Kobly: Well, thank you, Mr. Chairman, for the opportunity to be here this morning, and to the Members of the Legislative Assembly, thank you for the opportunity as well. We know that some of you, in fact, have been members of chambers of commerce in your local communities in the past. Thank you for that, and also thank you to some of you who are continuing to be members. Certainly, the Alberta Chambers of Commerce experiences an excellent relationship with Members of the Legislative Assembly from all parties, and we owe that to the amount of communication that we do with Members of the Legislative Assembly.

I guess from sitting in the audience I'm not sure that the intent of the legislation was to capture voluntary organizations. That seems to be the comments that are coming through loud and clear from most of your presenters, and certainly that's something that I'm going to echo this morning. I believe that the legislation will, as one previous presenter reported, have a chilling effect on volunteers in this province. I think, as we've heard, some of the devil is going to be in the details: what's covered, what's not covered. Are you going to have a well-meaning organization that, unfortunately, is going to run contrary to the legislation through no fault of their own? We believe the legislation as written establishes unnecessarily burdensome reporting requirements to provide a barrier to the kind of public discourse vital in a democratic society.

Chambers of commerce are not-for-profit organizations that serve their communities in many ways. A chamber's only impetus in advocating for business to government is to create a better environment for business to flourish, thereby improving Alberta in all respects. The Alberta Chambers of Commerce currently is a federation of 127 community chambers in the province of Alberta, and those community chambers in turn represent over 22,000

businesses in this province. Fully 80 per cent of our membership is outside of the Edmonton and Calgary cities, so we do have a tremendous tie to smaller communities as well as rural Alberta.

Our policies, which are developed at the local chamber level and then adopted by our board of directors, reflect province-wide business interests. Our policies cover a broad spectrum of issues and certainly some issues that you may not consider a business organization may be involved in. For example, one of our policies that we have currently on our books is advocating for child care in the province of Alberta to allow workers to return to the workplace soon after they have their children. One of the other policies that we've been very successful in bringing forward to government, and certainly appreciate the co-operation of all members of all parties, is our participation in creating smoke-free workplace legislation in this province.

11:10

Our board consists of the presidents of all 127 community chambers in this province. In reality, we don't have all 127 community chambers coming to a board meeting, but potentially that could exist.

The Chambers of Commerce recognize the importance of requiring lobbyists to register as a means of ensuring transparency and accountability on the part of government. We do however have some significant concerns with definitions in Bill 1, the scope of the legislation, the reporting requirements, and the penalties.

Of our 127 community chambers currently 65 of them have staff members. The rest are completely volunteer driven, volunteer administered. Under the provisions of the legislation, as I understand it – again, I'm not a lawyer; I'm an accountant – only paid staffers have to register as being lobbyists. Within our community chamber federation we would have a mishmash of chambers, whether they would be reporting or whether they would not have to report.

Bill 1, certainly in our opinion, in the situation where we have smaller community chambers, which have very limited resources, in fact will discriminate against smaller community chambers because of compliance costs, and the time to report activities will consume a larger percentage of their operations than it will for a larger chamber. It's taking those individuals away from doing the things that are important within their particular community, not just for the businesses in their community but for their entire community.

We have a major concern with the need to report six-month anticipatory lobbying. Certainly, at the Alberta Chambers of Commerce we have specific issues, specific policies that have been approved at our annual general meeting that we will be contacting Members of the Legislative Assembly as well as cabinet ministers on. Those are core advocacy endeavours. But there are always issues that will come up in the economy, in the things that government is handling that we will certainly react to. The idea that we know with certainty what's coming up over the next six months is impossible.

I would tell you – and I know that there is a possibility within the act that allows me to go back and revise my anticipatory filing – that this week I've had four contacts alone that would require me to revise my anticipatory filing. Certainly, myself, I mean, if that's the legislation, I will comply with it. But is it valuable for my organization? Is it valuable for my community chambers? Is it valuable for the people of Alberta to do that? In my opinion, not.

Bill 1 will apply to all community chambers regardless of size.

Now, there was a question earlier to an individual about whether they were registered as a federal lobbyist. The main difference between this act and the federal lobbyist act – I am currently

registered as a federal lobbyist. My filing with the federal government, though, because of my limited contact with the federal government and because I'm under their 20 per cent threshold, which is in the act, involves once a year filing, saying who I am, where I am, and what I do, simply because we don't have that much contact with the federal government. So there's a little bit of confusion there. With this act, as I understand it again from my limited brief reading of it, there is no minimal threshold on that.

Fees set by regulations. Certainly with a volunteer organization, again with many of our community chambers, very small, very limited resources, fees are a concern to us, and in our opinion there should be no fees for nonprofit organizations.

Requirement to list corporations that donate a thousand dollars towards lobbying. In our community chambers as well as the Alberta Chambers of Commerce our revenue is derived from memberships as well as from sponsorships. It's very difficult to split out what would be the lobbying portion if somebody is buying a membership in their community chamber or if somebody is buying a membership with the Alberta Chambers of Commerce. Just as equally impossible or very difficult would be to determine to split out from the sponsorship money that we receive for putting on events what portion would be left over or should be allocated to the lobbying effort and then have to be reported under the terms of this act.

The definition of public office holder. Just another thing to echo comments that I've heard earlier. We have concern that the definition of public office holder is unnecessarily broad as it includes every provincial employee in Alberta, including citizens appointed to boards, commissions, and committees. I guess that if you wanted to take it to a ludicrous stance, my spouse works for the province of Alberta. I'm wondering whether any conversation that I as a lobbyist have with her has to be reported under this particular act. Certainly, I'd hope not, and I would think not.

I guess the position that we're taking is that legislation should establish a threshold and pertain only to the following public office holders: at or above the level of assistant deputy minister within the civil service, elected officials and ministers, and ministers' office staff. There's a tremendous potential conflict for public employees who currently are valued participants in our community chambers, either serving on a board or on a technical committee. In fact, any chamber member who falls under the definition of public office holder won't be able to participate in chamber policy discussion, sit on a chamber policy committee – and we certainly value their input – or communicate with chamber staff without the chamber reporting all internal communications and meetings.

Techniques of reporting; grassroots communications. Certainly, we use all of the above that you've heard with the previous presenters. Opinion editorials, letters to the editor, news releases, chamber newsletters dealing with policy and issues, calls to action by chambers all fall under this category. We at the Alberta Chambers of Commerce are open and transparent. Every policy that we have that we are promoting to Members of the Legislative Assembly, again regardless of whether they're government or whether they're opposition, are fully accessible by members of the public from our website. Equally important, every written response that we receive back from a cabinet minister is posted on our website and available to anyone who wishes to go into our website, not just our members.

Mr. Chairman, certainly the penalties ranging from \$25,000 to \$200,000 make this one of the highest penalties in Canada. They certainly are significant and are attributed to the individual employees, and paid volunteers might not want to take the responsibility of lobbying work for fear of making an error or failing to report a conversation with a public employee. Chambers and by extension

their communities could see their reputations damaged by the inaction or erroneous actions of one person. Also, one of the concerns we have is that the legislation does not require the registrar to have reasonable or probable grounds for imposing a penalty.

In summary, the Alberta Chambers of Commerce believes the scope of Bill 1 is excessively broad and reaches so deeply into organizations' and businesses' daily operations that its purpose appears aimed at discouraging public discussion rather than the professed objective of holding the government accountable for bona fide lobbying activities. ACC encourages the province to review the federal lobbyist act, which creates a public registry without hampering and lessening advocacy activities, especially for smaller organizations.

Thank you, Mr. Chairman. I'm prepared to answer any questions.

The Chair: Thank you very much.

We'll start with Richard Marz.

Mr. Marz: Thank you very much, Mr. Chair. Ken, I was wondering when someone would finally bring up section 19(4), the penalties. I just thank you for bringing that up because I think it would really impede nonprofits because they certainly wouldn't have the ability to risk that type of a penalty to even talk to anybody. I just wanted to thank you for bringing that up.

Mr. Kobly: Thanks. I think, as well, certainly the financial resources of the community chamber wouldn't be available to cover those costs. The risk that we run – I guess we're getting into a more and more litigious society in Canada – is: what happens with an individual who's concerned, may want to sit on a community chamber of commerce board, and says, "Whoa, I don't need this potential liability in my life"?

Dr. Pannu: Mr. Kobly, you mentioned that the penalties proposed in this act are the highest in the country. Would you give us some other examples so that we have a relative idea of how high they are, how much higher they are than the next highest level, and the lowest one.

Mr. Kobly: I'm sorry, Dr. Pannu. I don't have that information right here, but I can send it to you.

Dr. Pannu: It's important for your argument to demonstrate this high and then how high it is.

Mr. Kobly: How high it is? I don't know.

Dr. Pannu: Okay.

Mr. Kobly: It is higher than any other jurisdiction in Canada.

11:20

The Chair: Actually, the information has been provided, Dr. Pannu, in your package. I realize that this is your first meeting, so you may not be aware.

Dr. Pannu: Right.

Now, I'm not clear whether your organization is, in fact, supportive of the principles underlying the act or not. Your statement has been quite broad and sweeping, so the first question that arises in my mind as a member of this committee is to make sure that I know where the organization is coming from and where it stands on the issue of the principles underlying the Lobbyists Act, Bill 1.

Mr. Kobly: Okay. Well, it's impossible for me to argue against the fact that the Alberta Chambers of Commerce should register as a lobbyist. We register as a lobbyist federally, and if this legislation does go through, we should register as a provincial lobbyist. I prefer the word "advocate."

I guess why I'm here today, though, is to advocate on behalf of our community chambers on the burden of where the reporting is, the six-month reporting, the anticipatory reporting, the requirement to amend anticipatory reporting. To me, the people who are out trying to improve their local communities do not have the time for this.

You know, as far as seeking to register lobbyists, I think this particular bill probably went way farther than what any member of the public was even asking for. I think the members of the public were not asking to know who was lobbying on behalf of nonprofit organizations. I think perhaps they were trying to find out who was presenting businesses' case or individual businesses to government. Personally – and again this is my personal opinion, not the Alberta Chambers of Commerce opinion – from what I see on your agenda today and your agenda tomorrow, you have a major issue with concerns from nonprofit organizations, no matter who they represent, on the scope of this bill and on the burdensome requirements to ensure that they're in compliance with the legislation.

The Chair: Thank you very much. I agree. The not-for-profit sector is really the one that we're going to have to look at, but as well we have to look at what they are providing in the community. Are they, in fact, providing services like some of those organizations that fund raise to build a sporting complex or those organizations that are not-for-profits that lobby government for legislative or policy change?

Mr. VanderBurg: Ken, thanks for your presentation. Some 20 years ago, when I was the president of the chamber of commerce in Whitecourt, there was a major forest concern, and that was around tenure. The forest-based communities like Whitecourt had gathered together to put policies together through the Alberta Chambers of Commerce and any organization we could to get support for long-term tenure for the forest companies. I wasn't putting up my hand and working for Millar Western or West Fraser or any of these companies. We were putting our hands up and speaking out for the sustainability of our communities. So where do you draw the difference when individuals who are community leaders, community volunteers, stand up for certain industries and say, you know, "We want long-term tenure"? I'm just going to give you that as an example. Do you see that as specific lobbying for a company or lobbying for the sustainability of a community and everything it stands for? Where is that fine line?

Mr. Kobly: Well, I guess, in our policy process for policy even to be debated at our annual general meeting, it has to be provincial or national in scope. It cannot be specific to one particular business. Certainly, whether it's the forestry industry, whether it's oil and gas in a particular community that depends on it, I think that a chamber of commerce is there advocating on behalf of their entire community, not on behalf of one particular business or one particular sector.

Take a look, for example, at when Manning was about to lose their only doctor within the community, you know. Is that a business issue? Some might suggest: no; it's a health issue. In our communities everything is so interrelated – and the sustainability of all our communities is interrelated – that all issues are certainly issues that would be addressed by a particular chamber of commerce if it affects their sustainability and the long-term viability of that particular community.

Mr. VanderBurg: Last week on Friday evening the Whitecourt Chamber of Commerce hosted a political action evening, you know, including the local mayors and MPs and MLAs, and I hope that the intention of this doesn't impede those types of good, public forums and good opportunity for businesspeople and communities and elected officials to get together. So keep up the good work.

Mr. Kobly: Thank you.

The Chair: The last question is from Moe Amery.

Mr. Amery: Thanks, Mr. Chair. Ken, thank you. My question actually was asked by Dr. Pannu, about the comparable penalties. You think that the penalty that we have in this bill is excessive, is the highest in the country. Now, do you agree that there should be a penalty? If you do, what should the penalty be set at?

Mr. Kobly: Well, I think you have to take a look at volunteer organizations and go on the premise that volunteer organizations are there for the public good of the province. Personally, I don't believe that any not-for-profit organization is out there intentionally violating the law, so from a nonprofit organization I would suggest to you that your penalty should be zero on the basis that your nonprofit organizations are there for the public good and are operating with that intention.

Mr. Amery: Thank you.

The Chair: Alana.

Ms DeLong: Thank you. Thank you very much for coming in. We really always very much value the advice that we get from your organization. I just had a question for you, one that I've asked before. Just supposing that we dealt with the problem of the high fees, the high penalties, and we actually changed how it is administered. In other words, if someone came in to lobby me – okay? – then before they even left the office, I'd be able to spend two minutes signing on with them to bring their name in and the subject and getting the administrative side of it done individually rather than as an organization. If we looked after those two things, would that really handle your problems with this?

Mr. Kobly: I think, certainly, the reporting facility has to be streamlined. The anticipatory reporting has to be deleted. Anything that you can do to in fact streamline the reporting is fine. I think that you should probably consider the 20 per cent limit in the federal legislation as well.

Ms DeLong: Okay. Good. Thank you.

The Chair: Thank you very much, Ken. I appreciate the opportunity for your presentation as well as the opportunity for us to provide questions to you. Thank you very much for coming.

Mr. Kobly: Thank you.

The Chair: Our next presenter is Mr. Gerry Osmond from the Alberta Museums Association. Gerry, thank you very much for coming.

Jody is passing out some information to us regarding the Alberta Museums Association, and we'll move forward from there.

Gerry, thank you very much, and go ahead.

Alberta Museums Association

Mr. Osmond: Thank you for having me. Mr. Chairman, ladies and gentlemen, my name is Gerry Osmond. I'm the executive director of the Alberta Museums Association. Thank you for this opportunity to meet with you regarding the proposed Bill 1, otherwise known as the Lobbyists Act. In particular, I wish to bring to your attention the potential impacts of this proposed legislation on Alberta's nonprofit organizations.

The Alberta Museums Association is the organization of museums and museum professionals, representing more than 200 institutions and 400 individuals in every region of Alberta. Many nonprofit organizations like ours exist to provide public benefit. We strive to improve the quality of life for Albertans. Therefore, when we talk to government, it is certainly not to secure any personal or organizational benefit or to make a profit. We do so to affect some aspect of Alberta society, to make Alberta a better place to live.

In addition, some nonprofits, such as ours, also assist the provincial government to deliver mandated services. As a result of the community work and/or service delivery to government, a significant number of Alberta nonprofit organizations receive funding from the provincial government. Because of this, we communicate with various levels of government on a fairly regular basis regarding the funding we receive and the work that we do.

At the same time, community-based nonprofit organizations have a responsibility to represent the needs and concerns of our constituents, including communications with government regarding public policy issues that affect our sector. Based on my experience with the Alberta Museums Association this dual responsibility has been mutually understood by the Alberta government, nonprofit organizations, and the public at large.

11:30

The proposed Bill 1 places this effective relationship in jeopardy. The Legal Resource Centre of Alberta has concluded that

much of the communication currently taken for granted between not-for-profit organizations and government officials with respect to legislative, program, and policy development and administration is captured by the proposed legislation.

At the low end of the spectrum this could result in a rather awkward relationship between the groups. At the high end it could result in a much more onerous reporting process for nonprofits, who are already underresourced in this province.

The Alberta Museums Association fully understands and supports the government's efforts to increase the level of transparency in terms of the interaction between the public and government. However, we are seriously concerned with the broad-based and rigid nature of the proposed legislation and the potential for open-ended interpretation of the guidelines as it relates to nonprofit organizations that provide essential services within communities across Alberta.

As you will hear from other nonprofit groups today, the current draft of Bill 1 has a number of implications for nonprofit organizations. These include: the act will apply to nonprofit organizations regardless of size, resource base, or nature of their objects if they engage in any lobbying activity whatsoever; complying with the proposed legislation will significantly increase workloads, placing demands on financial and human resources that exceed the organization's capacity while they require the redirection of resources away from delivery of essential programs and services for Albertans; the legislation may have the effect of significantly reducing the pool of talent available to nonprofit organizations as board members, staff, volunteers, and members; many not-for-profit organizations will likely have difficulty understanding their obligations because the legislation is complex, its scope is broad and encompassing, and

many terms are vague and subject to interpretation; and the legislation may have a detrimental effect on the nature and extent of the interactions between public office holders and not-for-profits and among not-for-profit organizations themselves.

The Alberta Museums Association has endorsed the submission by the Muttart Foundation, which outlines a number of recommended solutions to the concerns of the nonprofit sector. We strongly encourage this committee to consider and adopt some of those solutions.

In closing, I wish to reiterate the point that if Bill 1 is enacted in its current form, it could have a detrimental effect on Alberta's nonprofit organizations. I am certain that this was not the intention of the proposed legislation. Most nonprofit organizations and, indeed, most Albertans do not see nonprofits as lobbyists. As it stands, under the proposed legislation a significant number of organizations would qualify for that title.

I thank you for your time, and I will answer any questions you have.

The Chair: Well, thank you very much, Gerry. I just have one question before we go to the committee. Your association would include, obviously, the Royal Alberta Museum and the Tyrrell museum, for example?

Mr. Osmond: They are members of our association.

The Chair: Your association provides a service to Albertans through this sort of service sector versus lobbying government for changes to the museums act?

Mr. Osmond: It could be both. We provide an essential service to the Alberta government. We are a service deliverer, an NGO essentially. At the same time, we represent a constituency of hundreds of individuals and institutions across the country. Any policy initiative that might affect them: we would certainly be communicating with government regarding that as well.

The Chair: I think that more times than not you're probably asked by government as a stakeholder to provide feedback.

Mr. Osmond: More often than not.

Dr. Pannu: Are all of the 200 members of your organization nonprofits?

Mr. Osmond: Yes, in some way, shape, or form.

Dr. Pannu: Is this a condition of membership?

Mr. Osmond: No, it isn't.

Dr. Pannu: It's not. I see.

A second question related to this. Are most of your members that are nonprofits registered as nonprofits or charities?

Mr. Osmond: Registered as nonprofits? Yes. As charities? Some are; some aren't. It depends on the situation.

Dr. Pannu: The reason I ask these questions is, of course, because your primary argument focuses on the voluntary nature and nonprofit nature of your member organizations, and I appreciate that. The questions I raise are to clarify that we are certain as a committee that all members in fact fall in that category and qualify.

Mr. Osmond: Our members would be affected by three pieces of legislation if this goes into effect: the Lobbyists Act, the Income Tax Act, and the charities act. So we would have three separate reporting mechanisms to report to.

The Chair: Can you explain? The charities act and the Income Tax Act: why would that . . .

Mr. Osmond: Those that are registered as charities have to file annual returns. So we're filing information through them. We're filing information, potentially, through the Lobbyists Act, and the Income Tax Act as well requires annual returns.

The Chair: Okay. So you're saying that this would be just one more.

Mr. Osmond: Just one more, and we don't need any more work.

The Chair: No. Again, I think it's pretty clear that you provide a service to Albertans and you're not lobbying to change legislation.

Mr. Osmond: Not at all.

Dr. Pannu: When you refer to having to report through the Lobbyists Act requirements, that's the federal lobbyist legislation?

Mr. Osmond: No, no. I mean that we will.

Dr. Pannu: Oh, you will when it becomes law. Okay.

Mr. Osmond: Yeah. Federally we do very little in terms of lobbying. There's a threshold federally, so we're okay with that.

Dr. Pannu: Okay. Some confusion.

The Chair: Okay. Any other questions from the committee? Gerry, thank you very much for your presentation.

Mr. Osmond: Thank you very much for your time.

The Chair: Obviously, I think each of us here values the tremendous work that the museums provide here in Alberta, and we're very proud as well of the museums that we have here.

Mr. Osmond: So are we. Thank you.

The Chair: Thank you very much.

We are ahead of ourselves. I don't know if the Disability Action Hall is here yet. No, they aren't. Am I right? Is there anyone representing the Disability Action Hall?

Okay. We'll take about seven minutes and stretch our legs, and we'll be back.

[The committee adjourned from 11:37 a.m. to 11:47 a.m.]

The Chair: Ladies and gentlemen, we'll reconvene. We're a little bit ahead of schedule, but I believe the presenters from the Disability Action Hall are here. I'd ask them to come forward, introduce themselves, and please proceed with your presentation. Thank you very much for being with us this morning and for taking time out of your busy day. We look forward to your presentation. We have about 15 to 20 minutes, so we'll go from there. Please go ahead.

Disability Action Hall

Ms Young: Our presentation is pretty fast.

Hello, members of the Committee on Government Services. My name is Denise Young, and this is my colleague Colleen Huston. We're members of the Disability Action Hall in Calgary. The hall is made up of people with disabilities and their allies. We work to make the world better for everyone. We have a written sheet that we've left with you today, but writing isn't the best way that we communicate, so what we want to do is tell you a couple of stories instead.

The first story I'd like to tell you is a bit of an analogy. We live in a province of great diversity. One thing that is very diverse about our province is our weather. While most of us would probably like it to be about 20 degrees and sunny all the time, that's not going to happen. We rely on weatherpeople to let us know what it's like outside so that we can dress appropriately.

Community groups, nonprofits, and others are like the weatherpeople to the government. We are the eyes and the ears who can tell you what's working and what's not working so that you can make good decisions about what needs to be done. We feel that it is only fair that people with disabilities and people who live in poverty are paid for the expertise they bring to the table, which is their life experience, in the same way that members of the government and the civil service are paid for their work. We pay our members a nominal amount for taking on this work. Does that make them paid professional lobbyists? If our group gets bought pizza for participating in a consultation, does that make our group a professional lobbying organization?

We have to be honest: we're not sure what this legislation really means, but we are worried that it will severely limit our ability to talk to each other. Folks at the hall have a long history of working with politicians, civil servants, and a wide variety of groups and individuals in the community to come up with ideas that will make Alberta better for all citizens. Colleen is going to talk a little bit more about that in a minute, but what I would like to emphasize is that if you cannot talk freely to us or groups like us, it will be very much like trying to make decisions on what to wear without having any information on the weather outside. You might find yourself going out in shorts and a T-shirt to minus 20 degrees in a snowstorm.

I'll turn it over to Colleen now.

Ms Huston: For the last 10 years members of the Disability Action Hall have worked really hard at hearing your voice and meeting with you. When we first saw this act, three concerns came to mind: one was our relationships with you and other government members, our work that we have done for the last 10 years, and our ability to read and write.

Our relationships. We work with policy makers, government representatives, students, researchers, nonprofit organizations. The community draws upon the expertise of people with disabilities. We cherish these relationships with our partners, and we've built a strong reputation in the community.

Members of the hall pride themselves on being in a safe place to live and learn. Just this week alone the United Way is consulting with us around affordable housing and assured income, and the following week the 10 years to end homelessness has asked us to host and assist people around hearing from people with disabilities and homelessness. We are very concerned about this act and the impact of it on our effectiveness and our relationships with you and other government workers. In our work we fear that this act may impact many of our efforts.

One example that some of you may know is that we believe in

affordable, accessible transportation for all Albertans. Hall members pride themselves on being a part of a team of aldermen, service providers, Calgary Transit, community members, and people who just can't afford to get on the bus. In the last two years of our seven years of work 22,000 Calgarians have been able to get on the bus.

Over 200 people from around the province believe that affordable, accessible transportation is a great need all over the province. We believe that we've created a strong coalition of people from the province. Many of you here have listened to us talk at the standing policy committee level about why we think this is a strong solution to strengthen health and the economy and to further our workforce. We are very concerned about what this act will do to seven years of work of freely meeting with these people to make decisions that make sense for people.

We've also met during the low-income review and during the AISH review, and we met freely with Alana DeLong and Tom Lukaszuk. We feel that we should be able to meet with people; however, we're very fearful of our ability to read and write, the ability to pick up a phone and to register, to sign your name, and to record during the meetings. We feel that this really impacts people with disabilities.

We live in a knowledge-based society, and about four out of every 10 Canadians have a very difficult time with reading and writing. We also know that this might increase to seven out of 10 Canadians in 10 years' time. We hope that this committee will consider the literacy barriers that this act presents, and we hope you'll see the value and the efforts for the freedom of speech that the Disability Action Hall and many other members of the community have to offer.

Ms Young: Again, we're not experts on what this legislation will mean if it's passed. We asked someone from the government to come and explain it to us, but they told us that they weren't able to do that. We are sure that you will hear from lots of experts over these two days who will give you detailed advice. That's not why we're here. We can't do that, but what we can do is ask you to think about how you can make sure that the hall and groups like us can continue to work with you so that everyone can benefit and that none of us are going out into a blizzard completely unprepared.

Thank you.

The Chair: Thank you very much. Just for clarification it's Colleen Huston and Denise Young?

Ms Young: Yes.

The Chair: It's for the record for our committee members. Thank you very much.

I'll open it up to the floor for the committee members for questions. Richard Marz.

Mr. Marz: Thank you very much for the presentation, Colleen and Denise. Just a clarification: you're a registered nonprofit organization, are you?

Ms Young: We're housed within a registered nonprofit organization.

Mr. Marz: What does that mean?

Ms Young: I don't know exactly what that means.

Mr. Marz: Where do you get your funding from?

Ms Young: We get the bulk of our funding through Persons with Developmental Disabilities.

11:55

Mr. Marz: You get it from them directly, and then you pay them to do the work as well?

Ms Young: Yes.

Mr. Marz: I'm a little confused about that one. Could you explain?

Ms Young: It's confusing.

Mr. Marz: You get money from developmental disability people, and then you pay them back to do some work.

Ms Young: Yes.

Mr. Marz: Okay. Or you get it from the government.

Ms Young: Yes.

Mr. Marz: Or from the individuals directly.

Ms Young: It's the persons with developmental disabilities regional board.

Mr. Marz: Oh, I see. Okay. Now I understand.
What you pay your personnel: is that enough to make a living on?

Ms Young: No.

Mr. Marz: Is it just a per diem type of a thing?

Ms Young: Yeah.

Mr. Marz: Okay. Well, thanks very much.

The Chair: Just for clarification, being a charitable organization, if individuals write you a cheque, do they get a tax receipt?

Ms Young: Yes.

Dr. Pannu: To follow up on Mr. Marz's question, which is the organization that houses you? You said that you're housed within a charitable organization. What's the name of that organization?

Ms Young: The organization is the Calgary Scope Society.

Dr. Pannu: I see. Okay. I was looking at this written submission that you have, and I for one and, I suspect, all of us sitting around this table would not want to see the important and valuable work that you do stop all of a sudden. We certainly wouldn't like to see this bill be responsible for stopping you from doing the important work that you do. Is there any particular part of the bill that concerns you most – that's the question that I have – or are you simply expressing a broadly based concern that you have and want us to figure out how we might make sure that your work doesn't stop?

Ms Young: We're not legislative experts by any means. We work with people and work with communities to find solutions that work, so we want to be able to have the dialogue and continue to participate in those dialogues. We tried to read through the act. It's really

big and really long and full of lots of definitions and lots of words. We did ask for somebody to come and explain it to us, and we were told that that wasn't possible. Mostly at this point we don't know what it means, but we're really concerned.

The Chair: That's a good comment. I made a note of that from your submission, as well, that, quote, it was really hard to understand the proposed Lobbyists Act, unquote. I'm glad that our legal advisers are here at the table with us, and they'll obviously take that into account when we discuss the bill at length and any amendments that come forward. I appreciate that from a layman's terms those are difficulties and issues that not just yourselves but other organizations have had regarding this bill.

We'll continue.

Ms DeLong: I just want to reiterate that I think your points were very well made. I think the message is received at the table. I very much appreciate all the work that you do and have done in the past. Thank you very much, Colleen and Denise.

Ms Young: Thanks. We've appreciated working with you, Alana. We want to continue to do that.

The Chair: Moe Amery.

Mr. Amery: Thank you, Mr. Chairman. Denise, I was looking at your handout here – right? – and I looked at your address. You are located in my constituency. In your presentation you said that this bill is going to limit your ability to talk to us. How long have you been there?

Ms Young: In that constituency?

Mr. Amery: Yeah. At that address.

Ms Young: Six years. Something like that.

Mr. Amery: You haven't talked to me about it at all.

Ms Young: I don't believe you're my MLA.
Actually, Moe, we've just sent you a request to meet with you.

Mr. Amery: When was that?

Ms Young: I don't know. It would have been last month.

Ms Huston: We have lots of celebrations, and we've invited you to them.

Mr. Amery: All right. Well, I can't see how this bill is going to limit your ability to talk to us if you haven't talked to me for six years. I just wanted to bring that up.

Ms Huston: It's nice to finally meet you. Hi.

Mr. Amery: Thanks.

Ms Young: You're not the person I was told was our MLA.

Mr. Amery: You were told that I wasn't your MLA?

Ms Young: No. I thought it was someone else.

Ms Huston: Shiraz Shariff.

The Chair: Any other committee members?

Thank you very much, ladies. A very good presentation. Obviously, I think everyone around the table is well aware of the service you provide through PDD. I think everyone around the table is very supportive of the PDD program in itself. Even in my own riding I work very closely with the ability society and, again, working with individuals that have disabilities, a tremendous organization, as is yours, so I support it a hundred per cent.

I appreciate your handout and the comments that you've provided to us. Obviously, as we move forward, we're going to have to look at who is a lobbyist and who isn't. Thank you very much for your presentation.

Ms Young: Thank you.

Ms Huston: Thank you.

The Chair: That, ladies and gentlemen, ends the public hearings for this morning. We're a little ahead of schedule, so we will be reconvening in about 59 minutes from now. At 1 o'clock the Muttart Foundation will be coming in, and I believe they'll have a very thorough presentation and a number of guests coming with them. We'll all be back shortly before 1. We will reconvene at 1 o'clock.

[The committee adjourned from 12:01 p.m. to 1 p.m.]

The Chair: Okay. We'll reconvene the meeting, ladies and gentlemen. Good afternoon. Before we start this afternoon's session, just a few housekeeping notes. The washrooms are right across from the elevators in the hallway. As well, each presentation should be about 15 minutes. We're running 15 minutes to 20 minutes, so about seven minutes and seven minutes, give or take a few there. I'd like to ask everyone in the public gallery to ensure that their cellphones and BlackBerrys are either turned off or on silent mode. Again, you don't have to handle the switch on the microphone. That's all handled by the people behind you from *Hansard*. Thank you very much for coming.

Our presentation now is from the Muttart Foundation. Could you please introduce yourselves and proceed with your presentation.

Muttart Foundation

Mr. Wyatt: Thank you, Mr. Chairman, ladies and gentlemen. My name is Bob Wyatt. I'm the executive director of the Muttart Foundation. We appreciate the opportunity to meet with you and to reiterate the concerns of Alberta's voluntary sector organizations about the proposed Lobbyists Act. I'm joined today by Professor Lois Gander. You'll recall that Professor Gander authored the Legal Resource Centre report analyzing this proposed bill. That analysis was appended to the joint submission, and I encourage the committee to review it again as it considers the bill. It is an in-depth review of the problems that face charities and other not-for-profit organizations if the bill is enacted in its current form. It is critical that these issues be addressed.

I would remind you as well that the submission of the Muttart Foundation has been endorsed by some 160 other organizations, including a number of umbrella organizations that themselves represent hundreds of organizational members and thousands of individual Albertans. The endorsing organizations come from different parts of the province and offer different types of programming. All of them are affected by this bill.

You've heard from some organizations in our sector, and you'll be hearing from others. They have and will tell you about their

perceptions of the impacts of this bill. We join together to say to you that transparency in government does not have to come at the expense of nonprofits and the thousands of individuals, families, and communities that they help. These organizations which serve the broader public interest should not be considered lobbyists but partners with government in improving the quality of life of Albertans. Few in the public, I argue, would consider these organizations' contacts with government to be lobbying; neither should you.

Given the time available, I'd like to speak to only a few points we're concerned about while referring you again to our full submission and the Legal Resource Centre report for a more comprehensive list of concerns.

Registered charities, as a matter of law, exist to provide public benefit. Otherwise, they cannot be registered charities. They should not be treated in the same way as commercial or professional interests. The same holds true for many but not all not-for-profit organizations. Those voluntary sector organizations which receive money from the province, a topic that was raised at your last meeting, do so to improve the quality of life of a community and/or to deliver a mandated government service. Adding an administrative burden of the type proposed by this bill would be unwise and unreasonable, and frankly in this case size does not matter. In this sector larger organizations are as overworked as smaller organizations, particularly in the current labour market situation. There is no excess capacity in charities and public service not-for-profits.

Second, I would argue that it makes no sense to draw a distinction between an activity of a volunteer and the same activity by a staff member of a voluntary sector organization. Boards of voluntary sector organizations that have staff operate through their staff. The boards issue instructions, and staff carry them out. You should also know that many people who work in the voluntary sector also volunteer. For example, when I speak to an MLA or official about a general matter involving the voluntary sector, am I doing so as a paid employee of Muttart or as a volunteer director of another organization, and why does it matter? So eliminate both from the definition of lobbying.

The associated persons rules and the prohibition on providing advice and lobbying on the same issue are confusing and, frankly, would be impossible to implement for most voluntary sector organizations. They would result in people refusing to serve on boards of directors and will create chaos amongst coalitions that serve the public interest. Similarly, the scope of public office holder as defined in the act, covering virtually every employee of the government of Alberta and every employee of every prescribed entity, creates a massive number of people who suddenly become public office holders. We won't know who we can talk to and who we have to report talking to.

The appointment of people from the voluntary sector to committees or task forces by the province would again create a nightmare scenario. If, for example, a minister appoints me to a task force because of my knowledge about grant making, I suddenly become a public official, and it's not clear when I cease to be a public official. Can my staff speak to me about the issue? Can my board of directors? Do I have to report that I'm talking to other members of the committee?

Next, because the rules proposed in the Lobbyists Act differ from the political activity rules that apply to registered charities, the proposed legislation will create a huge administrative burden as charities will have to record activities under at least three different regimes: this bill, the Income Tax Act and its related policies, and the Federal Accountability Act.

Finally, Mr. Chairman, we take no comfort from the thought that

things may be eased by regulation or rulings and interpretations by the commissioner. The uncertainty around that, the nonbinding nature of the interpretations and rulings of the commissioner, and the lack of ability to have input into these decisions do nothing to ease the sector's concerns. If relief is to be given in one or more of the ways we've suggested in our submission, those provisions should be written into the bill, not left for regulation.

Mr. Chairman, members of the committee, our submission lays out a number of recommended solutions. We call on you to exempt public service not-for-profit organizations from the ambit of this bill. If you are not prepared to go that far, we ask that you exempt charities and ease the rules for other public service not-for-profits. Let the voluntary sector continue to do what it does best: meet the needs of Albertans and ensure a superior quality of life for all of us.

Professor Gander and I will be happy to answer any questions that the committee might have.

The Chair: Thank you very much. A very good presentation, and the submission that you provided is very good as well. It's very clear. Page 3 of the document, regarding terminology, I think helps us to look at the definitions of one of the issues related to the Lobbyists Act. Obviously, I think that's the major component that all of the members of the committee have heard since the inception of this committee back in June, so I appreciate you being able to provide us with that. We've heard this morning that issues related to the legislation and/or the reading of the proposed legislation, or the bill, can be difficult and/or are difficult to understand. Obviously, we want to make sure that as we move forward, any amendments that will be brought forward will be clear and simple and easy to understand. Thank you very much.

I'll open it up for the committee members to ask you questions. Any questions? I think all I'll mention is that, again, I appreciate you providing the scope of definition regarding the charitable sector, the volunteer sector, and the nonprofit sector.

Mr. Wyatt: At the risk of exceeding my seven minutes, Mr. Chairman, if I can just deal with that. When I came in this morning, I had hoped to be here early, but I was held up at a meeting in Calgary. People are talking about registered not-for-profits. There's no such entity as that. There are not-for-profits which can be incorporated under a number of different statutes, ranging from the Agricultural Societies Act through the Cemeteries Act. The most common one is the Societies Act, but it's not the only one. A subset of that group goes on to become registered charities, and those are the ones you'll be familiar with, that can give you the tax donation receipt.

I was involved in the Joint Regulatory Table work as part of the voluntary sector initiative between the federal government and the voluntary sector, and during the course of that, we came up with new political activities rules. I know that one of the other presenters is arguing that they are different than the Lobbyists Act, and that's true, but I will tell you that they have more significant impact because you break them and you get deregistered. You lose your charitable status.

The terminology is very confusing. Nonprofit law 101 is sort of a lifetime course because it's changing from time to time. Certainly, people from the sector, people from the organizations on our list are more than willing to work with the committee and the committee staff and with officials of Justice to help ensure that we don't inadvertently use a term that means different things under different pieces of legislation. To the extent we can help get rid of that confusion, we'd be delighted to do that.

1:10

Mr. Reynolds: I'm Rob Reynolds. I'm Senior Parliamentary Counsel at the Legislative Assembly. If members don't have any questions, I have one on terminology. I noted during your presentation – and I recognize that this is a difficult area in terms of terminology – that you used the terms “not-for-profit,” “volunteer,” and “charitable organizations.” On page 3 of your longer brief it says:

The “not-for-profit sector” or “non-profit sector” is the largest of all three categories. It includes the entire voluntary sector, but includes a number of other types of organizations that do not necessarily provide benefit to the broader community. Professional organizations are usually established as not-for-profit organizations, as are labour unions.

Then on page 18 of your brief it says:

Consideration should be given to exempting not-for-profit organizations from the ambit of the Lobbyists Act entirely.

Now, perhaps it's confusion on my part, but I heard you talk about the volunteer sector. I heard you talk about charitable organizations. Is it the intent that all not-for-profit organizations should be exempted from the ambit of the Lobbyists Act?

Mr. Wyatt: The position of the Muttart Foundation's board of directors, which is the only one officially on whose behalf I can speak, is that all registered charities should be exempted, and those not-for-profits which serve the public interest, the public benefit, should be exempted from the act. Organizations such as – and I'm going to make them up – the blanket weaver manufacturing association of Alberta and perhaps the Alberta Medical Association may well be treated differently because of the nature of their work. They don't purport to act to provide a greater public benefit. They represent a specific interest.

The easiest term, frankly, and the reason we suggest in the comments today that charities be exempted is that you can easily identify charities. They're right there. You know what they are. We know how many there are in Alberta. We know what they do. We know where they live. Beyond that, our information is less precise, so the position of the Muttart Foundation is that at the very, very least, registered charities should be exempted from the ambit of the act.

The Chair: Very good.

Rob, do you have another question?

Mr. Reynolds: No. That's fine. Thank you very much, Mr. Chair.

The Chair: When we talk about charitable organizations, are you saying, then, that there are organizations, professional organizations and/or unions, that have a different vision or goal in mind in the fact that charitable organizations don't lobby government for policy or legislative change and other organizations do?

Mr. Wyatt: I'm going back to my comment, Mr. Chairman, that charities and the public interest not-for-profits, if I can use that term, are there to improve the quality of life of Albertans whereas organizations which have a more narrow focus, whether that's professional, labour, or something else, don't purport to serve anyone other than their members.

The other thing that I could make a suggestion on is that you could look at the definition under the Charitable Fund-raising Act, which Mr. Coutts will know quite well, perhaps more than he ever wanted to know about it at one point. That may well point you in a direction to the types of organizations that could be exempted from this act since they're the same type that must register with the province for the purpose of fundraising.

Ms Gander: Part of your question had to do with whether they lobby or not, and I think that maybe we need to address that. Charities definitely lobby, but they are under very real constraints in order to remain charitable. It goes to speak to this issue of the threshold, which has come up before, about how much of the resources of an organization are committed to lobbying, and charities are already bound by some of those thresholds. Now, it's a slightly different definition which will be raised, I'm sure, later this afternoon. So they're not exactly the same constraints, but they are constraints.

One of the problems of layering this on for charities is that they have the constraints under the Income Tax Act to protect the registration of charities, and they will have, then, the constraints under Bill 1 in whatever form it takes. So they will have to manage two sets of constraints. They'll have to keep track of two sets. Their activities are defined somewhat differently for each, and it just adds to the burden that charities have.

There are a number of reasons to exempt charities. One is that they have this public good already as an essential part of what they are. That has been reviewed; that has to fall within a legal definition. They already meet that test, which no other organization has to meet, and then they have constraints with respect to their political activity as a result of that. They're already bound by some limitations as to what they do. To bind them again further with this, with a different set of constraints, just makes their lives extremely complicated. It goes to the feasibility, the administrative burden of charities as well as the fact that they already have limits on what they can do, and they are working. So there are sort of three parts to why charities perhaps should be considered separately.

The Chair: Richard Marz.

Mr. Marz: Thanks, Chair. In the news in the last couple of years there have been a number of reports about charitable organizations and registered charitable organizations, for some of which the majority of the amount of money that they raise goes to administration and is eaten up in the creation of jobs for the people in the organization. How do we determine the difference between charitable organizations that give most of their money to charities and those that give most of their money to the organization, that in some cases, it could be argued, exist to raise money for themselves and give a very little bit to charity just to stay under the umbrella of a charity organization?

Mr. Wyatt: Well, Mr. Chairman and Mr. Marz, that umbrella is a pretty big umbrella. Under the federal rules that allow an organization to remain a registered charity, 80 per cent of its receipted donations must be spent on charitable activities. There are a variety of ways . . .

An Hon. Member: Fundraising.

Mr. Wyatt: I heard the comment, Mr. Chairman. Fundraising is not considered a charitable activity – and this is an ongoing battle between the federal government and charities and has involved the province from time to time – within the meaning of the Charitable Fund-raising Act. The sector has been working with the Canadian Institute of Chartered Accountants, and one of the problems, frankly, is that the professional standards relating to audits of not-for-profit organizations are broad enough that you could drive a Mack truck through. Two organizations can engage in the same activity and can legitimately report it in different lines on their annual returns. It is a problem for the federal government. It's a problem for the sector. It's a problem for the accounting profession.

As recently as last May the Muttart Foundation brought together 25 people from a number of professional and allied groups and the federal government and some provincial officials and said: how do we fix this? It is an ongoing review. The charities director of the Canada Revenue Agency proposes to issue a new draft policy on fundraising activities early in 2008, and we're all sort of anxiously waiting to see where they're going with that.

My view is that if you are going to exempt registered charities, then as long as they remain a registered charity, they're exempt. If they cease to be a registered charity, they cease their exemption. You'll also note in the submission that we've also said that if a registered charity employs a consultant lobbyist, they should fall within the ambit of the act. If it is not being done internally to the organization, the sector doesn't have a problem with it being reported. But if you're going to ask us – and particularly because you go down to the level of directive. If I as a funder phone somebody at a director's level or an assistant director's level in the Treasury Board and say, "Look, one of the things we're finding is that the timing of our grants and the timing of your grant payments are problematic for the organization we're both supporting, so can we maybe do four months in advance rather than three months in advance?" that under the terms of this bill constitutes lobbying. I don't think any one of you around the table would regard that as lobbying, but under the definition of the bill I would now have to register and report.

One of the ways you can get around it is a threshold, but for God's sake, please write the threshold into the legislation. There seems to be no valid reason to put it in regulation. It doesn't need to be changed often enough to justify it in regulation rather than the legislation. Give us the certainty.

1:20

The Chair: Okay. We'll move on. Thank you.

Mr. Marz: One more point. What would you suggest that threshold be?

Mr. Wyatt: Twenty per cent. I heard: why? The reason is because it's consistent with legislation in other provinces and the federal government. Let's not make it any more confusing than it has to be.

The Chair: For clarification, I just want to make sure. The example you use would be more of a process change versus a public policy change.

Mr. Wyatt: Now, Mr. Chairman, it would constitute a request for a change in a directive, and under your definition of lobbying that would be lobbying.

The Chair: But you're not changing public policy with the directive of changing the timing.

Mr. Wyatt: According to your bill I am.

The Chair: That's what we're here to fix.

Mr. Wyatt: You see, that's the problem. We have so many people who are public office holders and so many conversations that for the purposes of the definition constitute lobbying that I think it's impossible to cope with. If we narrow both of those things and put in a threshold, I think we're going to get to where you want to be. As we make very clear in the submission, the sector is not going to argue against transparency in government. It is a public good. So is having an active, engaged voluntary sector.

The Chair: Dr. Pannu.

Dr. Pannu: Thank you, Mr. Chairman. I know we've a short time. Very helpful comments, complex but make sense. Registered charities are a less problematic category, from what you say, and we understand that. To me the problematic category is the one which is a voluntary, nonprofit public interest. We heard this morning – I'm paraphrasing; therefore, I might be a little bit off the mark. The Alberta Chamber of Commerce, which appeared before us this morning, is a voluntary organization. They claim to be nonprofit. They are a nonprofit organization. They also claim that they serve the public interest by the activities that they engage in. So that's one side of the spectrum. The other side is Public Interest Alberta, an organization in this province that, in fact, is set up, they claim, to serve the public interest.

Now, in between there are lots of other organizations, and I think that's the challenge that we have. What's the acid test, litmus test, that we use to distinguish between those who claim to be public-interest, voluntary organizations, nonprofit ones, but are not so in someone's judgment and others where the claim is transparent and is easy to understand? Is there any advice to the committee that we can use for redrafting legislation or changing it?

Mr. Wyatt: I think Professor Gander will offer different comments from a different place. That's why I pointed you towards the Charitable Fund-raising Act. Again, if we use terms that already exist within provincial legislation that governs the sector and if the Charitable Fund-raising Act – and I apologize; I had meant to bring the definition with me. It covers philanthropic, cultural, social organizations. If we use terminology that already exists and don't try to introduce new terminology, I think it's going to be easier for bureaucrats, public officials, to understand. I think it's going to be easier for elected officials to understand, and I think it'll be easier for us to understand.

Dr. Pannu: Thank you.

The Chair: Thank you very much. Our time is limited. I appreciate your submission and your representation on behalf of 185 volunteer organizations. Thank you very much for coming this afternoon. You do list a number of organizations that I work with very closely in Calgary, as do a number of our members on the committee. Obviously, you know lots of individuals here that we work very closely with.

Mr. Wyatt: Thank you very much, Mr. Chairman.

The Chair: Now, colleagues, we're going to be hearing from the Edmonton Chamber of Voluntary Organizations: Mr. Russ Dahms, executive director.

Russ, how are you?

Mr. Dahms: Good. Thank you, Mr. Chairman.

The Chair: Thank you very much for coming this afternoon.

Mr. Dahms: Thank you for the opportunity.

The Chair: Please proceed any time you want.

Edmonton Chamber of Voluntary Organizations

Mr. Dahms: Thank you. Let me tell you a little bit first of all about

the Edmonton Chamber of Voluntary Organizations. It's a relatively new organization in Edmonton, has counterparts all across Canada, including Calgary. You'll hear from the Calgary chamber shortly after our presentation.

The Edmonton Chamber of Voluntary Organizations is a not-for-profit organization. It is a registered charity. It's about four years old, so it's relatively new. It was created by leaders from the not-for-profit community in Edmonton and was created so that there was a way to enable the not-for-profit sector to coalesce around and speak about matters that concern the voluntary and community sector, the not-for-profit sector. Certainly, part of what we try to do as well is to help those organizations, the not-for-profit voluntary community organizations, in the Edmonton region to be successful, to be effective, and to continue to improve on their ability to deliver service to the community and to the public.

I'd like to deliver a relatively simple message to you today. Certainly, I think this comes from a very common-sense point of view and is not very technical at all but, rather, to suggest that the relationship between government and business and industry is different from the relationship between government and the not-for-profit voluntary community. When I speak about the not-for-profit voluntary community, I'm not necessarily including – and I think we tried to figure that out – you know, those trade or professional associations that tend to operate for the benefit of their particular trade or profession, the apartment owners' association and those kinds of groups. Rather, I'm talking about the 4-H clubs and the agricultural societies and the community leagues and the arts groups and all those that provide programs and services that really make Alberta a better place to be.

Indeed, the government's agenda with business is very different from the government's agenda with those voluntary community organizations. That agenda, as we share it with government and the not-for-profit sector, is really totally compatible, I think, around the notion that we want to create a better circumstance for Albertans. We want to create better child care. We want to create better social programs. We want to create better sports programs. We want Alberta to continue to be a place where people want to live, work, and play.

When we think about that, it really means working together. So let us create mechanisms to work together for a better Alberta rather than creating the optic, which in my sense this bill does. It creates an optic where it makes it harder to communicate. It makes it more difficult and creates a sense of, "Well, don't call us; we'll call you," that the government is saying to those organizations, "We're going to put rules and regulations in place which govern our working together."

Clearly, I think it's been reiterated over and over that there is indeed a group – shall we call them lobbyists? – who lobby on behalf of industry and, potentially, on behalf of the voluntary sector. That's what they do. They are consultant lobbyists. They are paid lobbyists. I think that in the interest of all Albertans, when that activity takes place, certainly, you know, a way to identify that and to keep that in the public realm is not a bad thing. But, again, it's the conversations that take place, dare I say, in the not-for-profit boardrooms and potentially even in the bedrooms all across Alberta where, when you try and connect different people in terms of the conversations they have and what they do, it becomes very, very, very complicated, particularly in a voluntary community.

What we're proposing is, really, first of all that you look at pulling the not-for-profit voluntary community organizations out of the scope of the bill. I think that there is some work that needs to be done in trying to identify, and I would dare say that it's sort of an 80-20 thing: 80 per cent of the not-for-profit community organiza-

tions will be easy to identify; 20 per cent will take some work. But I think, generally speaking, that's not going to be all that hard to do. I think there are some clues that will help us figure that, and we'd be happy to help in that regard.

Also, I think, use mechanisms that have been created. I don't know if you're aware, but over the last couple of years the Alberta government has worked very hard with the not-for-profit sector in Alberta through an initiative called the Alberta nonprofit/voluntary sector initiative to create a way for the not-for-profit community and government to work together. It's a good move. Certainly, a signal to support that kind of working together, to work on ways that we can collectively create better programs and better services for Albertans, is what I think the voluntary community is really saying: "You know what? We do what we do as volunteers because we're concerned. It's something that we want to do because we believe in it, and we want to work with you to find ways to continue to improve and to provide better programs and services."

1:30

So the net was cast wide and certainly, I think, collected a number of elements of lobbying and conversations among a whole variety of different kinds of people that I think we want to really take a hard look at. Ultimately, I think it's really beneficial to all concerned. Let's see if we can narrow the scope and really address the concerns that are, ultimately, really needing to be addressed. Where government is being really heavily and unduly influenced by those who are paid to do that is really the area where I think most are concerned.

Thank you.

The Chair: Thank you very much. I'll open up the questions to members of the committee. Alana DeLong.

Ms DeLong: Okay. I'm going to put my foot right in it. Nobody has ever come to me and said: "Hey, we want this. Our group wants this." Everybody who has ever come to me has always said: "This is what Alberta needs. This is how we make Alberta better." I have never seen a distinction between, for instance, the opticians and the optometrists. Okay? The optometrists believe that if we spend extra money and make sure that everybody goes to an optometrist and gets their eyes tested rather than going to an optician, then Alberta will be a better place. Whether it's with the engineers, whether it's with anyone, I have never had anyone ever come to me and say: we want this because we want this. Everybody has come in and said, you know: this is for the good of Alberta. It's never been any different. Whether you're being paid by a nonprofit or whether you're being paid by an organization, I don't see any difference in the people. They're good people. They're people that are trying to do what's right.

The way I've looked at this whole thing is: where are we as a province? Okay? Where is the majority of our money going? Where are we actually handing out money? When I try to answer that question, what I see is that the money that's being handed out is being handed out to the nonprofits. So that's where I'm at with this whole issue. If you can help me out with that, I'd very much appreciate it.

Mr. Dahms: Well, I think that all I can really sort of point toward is that first of all there's a fairly clear distinction, I think, where you're being asked to consider a decision or a policy that ultimately could benefit the private-sector industry.

Ms DeLong: For example?

Mr. Dahms: Well, let's say that there's a discussion about, you know, a particular piece of legislation having to do with tax or some other element where ultimately the impact will be a financial or profitable benefit by business, industry, or whoever that might be.

Ms DeLong: For example, you mean the increase that we recently put in in terms of the taxes for the nonprofits? We increased the amount that a person can claim for donations to the nonprofits recently. Now, that was a major step that we made in the last budget.

Mr. Dahms: Yeah, which certainly I think proves that decisions like that are of benefit to the voluntary sector or community good. I guess what I'm speaking about is: where would a government decision result in industry profit being increased or enhanced? I don't know if you see lobbying in that regard, whether it's discussions with be it the manufacturing sector or the oil industry or whoever it might be. I guess that in trying to draw back to the question of where there are people who come to you that say, "If you do this, this will make Alberta a better place," that indeed . . .

Ms DeLong: And that's the only lobbying that I've ever heard.

Mr. Dahms: Right. If, in fact, someone who comes to you is being paid, you know, and they're representing, let's say, a not-for-profit charitable organization or a not-for-profit organization – they're paid to do that – I think what you're contemplating, then, is that person who is in that role, who is a paid or consultant lobbyist – and I think Mr. Wyatt indicated that, well, if you need to register that person, that's a good thing. That's what their activity is. They are a paid lobbyist.

Where conversations may take place between me and someone in tourism or wherever it may be, where you get into those kinds of conversations, and that could constitute lobbying just by virtue of the fact that I'm trying to convince someone on again a directive or whatever it may be to take a different course, is that really lobbying? So it's really trying to narrow the net in a way and say: what is it that we're really trying to capture here for the public benefit in terms of who's doing what and why? There are many cases, as you can imagine, about all of the scenarios that could unfold.

I guess that one other test would be, when you talk about the public good, is that again it's the distinction between those not-for-profit organizations that, you know, really try to do their programs and services for the benefit of the public versus those who are really trying to provide benefit to be it an industry or be it a professional association of some kind. It is difficult to sort. I won't argue that. But I think, again, the public good is really the question. I don't know that I've made it any clearer.

Ms DeLong: Who is not working towards the public good?

Mr. Dahms: Well, again, I think the whole discussion is ultimately about: is the motive about profit, is the motive about better care, is the motive about better health, is the motive about better growth of children, and sort of who's involved in that whole service provision? If you're being lobbied on behalf of optometrists, for example, at the end of the day is there a profit opportunity for the optometrists? Probably.

Ms DeLong: But you get paid. You're paid.

Mr. Dahms: I'm paid as an employee to help get work done that my board says I need to do on behalf of creating a better not-for-profit sector, absolutely.

The Chair: Thank you. I think we have to move on. I think, Russ, from what I've heard you're sort of leaning towards the fact that if you're providing a programmed service versus a change in policy, there's a difference. There's a difference between this organization, whether it's not-for-profit or not but in your case not-for-profit, versus providing a service to Albertans and would not be lobbying government for policy or legislative change versus lobbying for expanding the service delivery.

Mr. Dahms: Or improvement, certainly. I think, in closing, the realization is that really much of the not-for-profit charitable sector and what they're trying to do is not dissimilar at all to some of the interests that government has in terms of creating a good quality of life.

The Chair: The last question is from Dr. Brown.

Dr. Brown: Well, I guess, just following up on the chair's remarks, what I'm having difficulty with is making some distinction within this not-for-profit body. The charitable bit I get. I mean, there's a federal registered charity under the Income Tax Act, and if they're a charity, then they have to have a public-good purpose, and they have to have accounting and all the requisite things to make sure that it's transparent.

Where I have some difficulty is that we got a list from the previous presenter of a number of organizations. Just for example, one of them is the Calgary Apartment Association, which I'm sure exists to forward the business interests of the landlords and the owners of apartment buildings. We've got the Mortgage Brokers Association, which wants to advance the interests of mortgage brokers. The Medical Association wants to get a better contract with the government for their members, their physicians and surgeons. The pharmaceutical industry, the oil and gas industry: they all have volunteer groups which are there to lobby on behalf of the specific interests of their members. What I would like some assistance with is: where do we draw the line between those that are doing this good, charitable work and public good and those that are there strictly to advance the interests of their own members in a pecuniary way or a commercial way? How do we deal with that distinction?

1:40

Mr. Dahms: Well, practically speaking, again I think it's an 80-20 proposition, that 80 per cent of the organizations are pretty easy to identify. You know, you've got community-based organizations, community associations. You have community leagues. You have arts organizations, multicultural. You have sports, Edmonton Minor Hockey. I mean, there are some that are very, very obvious, and there are going to be some – in fact, the trade and professional associations, a number that you just spoke about – where the objects under which they're registered can easily provide the proof in terms of what's the purpose of the organization.

I think there are reference people within government who can really help. For example, there are community development officers currently in Municipal Affairs and Housing that work with community organizations all across the province, from agricultural societies to you name it, and they can pretty quickly tell you the organizations that they know of and work with that are indeed working for the benefit of communities across the province.

There will need to be some kind of wording evolve that will help clearly separate the two, and I'm not suggesting that's going to be easy to word. But I think it's doable, and I think that as we work with that, the dividing line will become fairly apparent. Certainly, it's a doable thing. I really think it is.

The Chair: Russ, thank you very much.

Mr. Dahms: Thank you.

The Chair: Our time has ended, but I think your sister or brother organization from Calgary is up next.

Ms Katherine van Kooy, president and CEO of the Calgary Chamber of Voluntary Organizations. Katherine, I'm sure you'll be able to enlighten us, as well as Russ just has, from Calgary's perspective, from the Chamber of Voluntary Organizations. Thank you very much for being with us, and go ahead.

Calgary Chamber of Voluntary Organizations

Ms van Kooy: Thank you, Mr. Chairman. Ladies and gentlemen, thank you for the opportunity to meet with you and to speak with you a little bit further about some of the concerns that charities and not-for-profit organizations in Alberta have with the proposed Lobbyists Act. As you mentioned, I represent the Calgary Chamber of Voluntary Organizations, or otherwise known as CCVO. We are a counterpart of the Edmonton Chamber of Voluntary Organizations, have been around for about three and a half years. We're a registered charity, and our mandate is to provide leadership on policy issues that affect the voluntary sector as a whole. We're engaged fairly extensively in undertaking research that helps to advance our knowledge of issues that affect the voluntary sector organizations as well as to just expand our knowledge about what the voluntary sector is, and we're extensively engaged with organizations in this sector. It gives us a very strong base and a deep understanding of the challenges that are faced by charities and not-for-profit organizations throughout the province.

CCVO has followed the progress of Bill 1 quite closely because of its potential impact on voluntary sector organizations. We support the submission of the Muttart Foundation and urge the committee to address the specific issues identified by the Legal Resource Centre in its assessment of the legislation. I'd also like to state that many of the issues that were raised by prior presentations this morning, especially some of the environmental groups as well as the Chambers of Commerce, about very specific elements and issues with this legislation – we would also like to register that we support their positions.

Because of the limited time, I'd just like to focus my comments on several areas that we see as being particularly problematic for the voluntary sector, and I think you'll have heard this before. One is the absence of a threshold for reporting lobbying activity. It means that organizations will be required to report even the most modest or occasional lobbying activity. While some may claim that this will ensure transparency, in reality its impact will be to increase the administrative burden and complexity for organizations that are already straining to meet growing expectations for reporting in every area of their work.

The question which we should be asking is whether any real public purpose will be served by this level of reporting or whether it'll simply add to the administrative costs to organizations that are expected by their donors and funders to operate as efficiently as possible. Is the public truly interested in every interaction with public officials? If so, then why is the legislation exempting the reporting of lobbying activity by volunteers?

The second point relates to the conflict-of-interest aspect of this legislation, which will have what we believe are unintended impacts on voluntary organizations, particularly due to the broad definition of public office holder, associated entities, and the contracting prohibitions. Many individuals, both staff and volunteers, serve on provincial government bodies, multistakeholder committees, or other

groups where they're appointed by a minister in order to provide advice to government or to engage in collaborative partnerships. The legislation would result in internal discussions between staff or with board members having to be reported because they involved public office holders. This would create a completely untenable situation affecting the ability of organizations to conduct their essential work as well as potentially affecting their ability to participate on advisory bodies, committees, or collaborative partnerships, and I believe that the outcome would be detrimental both to the organizations and to the public. The rules around associated persons will make it more difficult for nonprofit organizations to recruit capable, engaged individuals as staff or board members. I believe you've heard that point several times today.

There are also major concerns about how the contracting prohibitions would affect voluntary organizations, many of which are funded to deliver services on behalf of the government. Because these organizations understand the issues in their communities, they are often asked to provide advice to government on policy and on other issues. Will they now have to choose? If they are being funded to deliver a service and also being asked to provide advice, are they going to be asked to choose whether or not they provide advice to government or whether they're able to actually lobby and represent the interests of their stakeholders as well? I believe that this is an impossible choice to place on most organizations.

Most voluntary sector organizations operate for the public good. When they speak to government, it's on behalf of the individuals, the families, and the communities that they were designed to help. They don't operate for private gain, and I think this distinction should be recognized in the legislation.

Finally, one other aspect I would like to just address because it hasn't been addressed previously. The provisions require reporting of anonymous donations over \$1,000. I think that for some voluntary sector organizations this could prove to be an issue because there are some substantial funders in this sector who provide funding under very strict conditions around anonymity. You would lose your funding support if you were to identify who the organization was or provide any information about them. Because of the nature of the work that many organizations do, I would suggest that it's almost impossible to distinguish the work that they may be doing around lobbying in a particular area as it's defined by this legislation from the scope of their other work.

So, Mr. Chairman, I would urge you and the committee to make the following changes to Bill 1, and I think this summarizes some of the points that you've heard previously. Exempt charities and nonprofit organizations from the legislation. If you do not choose to do that, these organizations are not exempted. As a minimum, introduce a threshold level before reporting is required. Limit the definition of public office holders to elected officials and senior department staff to eliminate some of the other conflicts that have been identified repeatedly. Clarify the conditions around contracting prohibitions so that voluntary organizations can participate in the public policy process, collaborate with government, all without losing their ability to represent their stakeholders. Finally, limit the application of associated persons with respect to members of boards of directors.

Thank you.

The Chair: Okay. Thank you very much, Katherine.

Just so the committee members and the public know, our next appointment is at 2 o'clock with Mr. Guy Giorno from Toronto by teleconference. You may have heard the phone beep a second ago, so I would take it that that means he's on the line and that he's listening.

Mr. Giorno: I am, sir.

The Chair: Okay. We're still with our present presentation, so, Mr. Giorno, we'll get to you when we're done with the Calgary Chamber of Voluntary Organizations. Thank you for just staying on the line.

We'll start the questions for you. We'll start with Dr. Pannu.

Dr. Pannu: Thank you, Mr. Chairman. My first question is about a reference that you made to establish some sort of threshold level. Would you elaborate on that: what exactly it should be, what exactly you mean by it, and how it will help?

Ms van Kooy: It's the trigger point above which organizations need to actually begin the reporting. Mr. Wyatt referred to it, and some of the other presentations did as well. As the legislation is currently drafted, technically a telephone call to a public office holder could require that you start to engage in the reporting process. Other legislation has a threshold level so that there's a certain minimum amount of activity that you can engage in before it requires you to start reporting. What it does is eliminate an unnecessary and I think an undue burden of reporting for organizations that may engage in some level of activity. That was why this legislation would be defined as lobbying activity. It wouldn't exempt organizations that engaged in that to a significant amount, but it does remove that burden of reporting responsibilities from organizations that may be engaged in it to a very limited extent.

1:50

Dr. Pannu: So it would be defining some activities as not constituting lobbying? Ten phone calls as opposed to one?

Ms van Kooy: It's saying that if you do – for example, there's a reference made to a 20 per cent limit. In Mr. Wyatt's presentation and the questions following his presentation, you were asking about where that boundary would be set. It's basically the threshold level: at what point do you have to start reporting? In some of the existing legislation it gets determined by if you engage in lobbying activity and it exceeds the equivalent of 20 per cent of a staff person's time, then you need to start reporting. So we're talking about the same thing.

Dr. Pannu: Thank you.

Mr. VanderBurg: Katherine, the federal legislation and the definitions within their act: do they have it right?

Ms van Kooy: I couldn't comment on that. I'm not an authority on the federal legislation.

Dr. Pannu: Counsel might be able to help us with that.

Mr. VanderBurg: Well, I'm not asking counsel if they have it right. I want to know from user groups. You know, if there's a friendlier model out there in some other jurisdiction, whether it be the federal or the provincial governments, and our organizations say that they've got it right, I'd like to know.

Ms van Kooy: I think the issue for us and the issue that you've heard repeatedly today from voluntary sector organizations is that this legislation as it's currently written casts its net so widely that it embraces many organizations that are doing almost anything.

Mr. VanderBurg: Katherine, I don't think anybody here is going to argue with you.

Ms van Kooy: I mean, if you're saying, "Is the definition in the federal legislation preferable to the definition in this legislation," yes.

Mr. VanderBurg: I don't want to say: I don't want to pick one that's not as bad. I just want to say: one that's got it right.

Ms van Kooy: I'm not saying that it's right. I'm just saying that it doesn't raise as many of the concerns and the difficulties for organizations as this legislation does.

Mr. VanderBurg: Not to put you on the spot, I just thought you might have a better working arrangement with the other jurisdictions.

Thank you.

The Chair: Thank you.
Alana DeLong.

Ms DeLong: Thank you very much. Moving away from the subject of how wide the net is, I believe that the suggestions that you have for this legislation would improve it immensely.

One of the suggestions I'd like to get back to has to do with not just the threshold, where we need to do it, but also the situation that your organizations and the environmental organizations are in when it comes to giving advice to the province at the same time as having a contract with the province. A lot of those contracts that you have with the province are essentially similar to what we have sitting in this committee, where our costs are covered for our committee work here. So I wondered: in terms of the contracts, you know, what thresholds should we have? Like, should we have a thousand dollars? Would that cover off most of the nonprofit sector in terms of the kinds of remuneration that you would get in terms of when you're giving advice or when you're helping out?

Ms van Kooy: I think there are a number of issues here. The environmental groups that spoke today, under some of the arrangements that they have, where they operate on advisory committees, obviously receive some kind of honorarium. I know that I do not. I receive reimbursement for expenses, but I do not receive honoraria. So I can't really speak to that. But I think that's still distinct. I mean, one of the issues with the legislation as it's drafted is that it would imply that if you're in receipt of honoraria, you incur those conflict-of-interest issues.

When we're talking more broadly about organizations that have contracts with government, I think about some of our member organizations, large organizations in the city of Calgary: Hull, Aspen, Wood's Homes, many others that deliver services to the community on behalf of government. They have contracts with government. They have expertise in their particular area of operation, and they are often asked to participate on departmental committees because what they have to say about their client populations and the issues in the community is of value to government. They're asked to play an advisory role, yet they still have another role as an organization in terms of advocating on behalf of the issues and the stakeholders that they represent. This legislation puts those very legitimate different aspects of their work in conflict. I think that's not a desirable position to be in from the government's perspective and certainly not from the perspective of the organizations.

Ms DeLong: Right. Thank you very much.

The Chair: Bridget.

Ms Pastoor: Thank you, Mr. Chair. I was actually going to ask a question for clarification, and I think the last exchange has cleared up a couple of things. The rest I can do on my own. Thank you.

Dr. Pannu: Well, Mr. Chairman, this really is more of an observation than anything else. I'm not a member of this committee on a regular basis. I'm very happy to be here today, learning a great deal. I must say that I've found the voluntary sector presentations today largely persuasive. There are some problems. My sense is that we'll be looking at this advice that we are receiving very carefully and hopefully making some accommodations to address the concerns expressed.

In order to do that, clearly we'll have to ask the question. We're talking of organizations that serve a public interest. We haven't really talked about private interest, you know, as distinct from public interest. Some lobbying is done clearly to promote or to serve private interests. Nothing wrong with it, but that must be made public now in dealing with elected bodies, you know, whether it's government or it's Legislature committees and so on and so forth. The issue of private versus public interest is a key one. It's, I think, a challenge of the committee to be able to address this well enough so that we don't hurt the capacity of the nonprofit public interest related voluntary sector to continue to provide the services that our communities and individual Albertans enjoy yet be able to make critical judgments about where the public interest stops and the private interest starts and clearly delineate that in the legislation to come.

Thank you.

Ms van Kooy: Thank you.

The Chair: Any other questions from the committee members?

There being none, Katherine, thank you very much for providing your presentation and for coming up to Edmonton this afternoon. We appreciate your presentation and the feedback as well.

Colleagues, we'll move on to our 2 o'clock appointment with Mr. Guy Giorno. I hope I'm pronouncing that properly. He's a partner with Fasken Martineau DuMoulin, barristers and solicitors.

Guy, are you there?

Mr. Giorno: Yes, I am. Thank you very much.

The Chair: We'll just see if we can turn the volume up a bit to make sure that all the board members can hear you. Try that.

Mr. Giorno: Is this okay?

The Chair: Very good.

Okay. Guy, what we're doing, just to let you know, is about a seven- or eight-minute presentation, and then the committee members will ask you questions. Obviously, we've got about 20 minutes, so please feel free and go ahead.

Mr. Giorno: Thank you, and I'll try to use less than seven.

The Chair: We've got the time. We just want to cover all the areas that we need to.

Fasken Martineau DuMoulin, LLP

Mr. Giorno: I want to thank first of all you, Mr. Chair, and I want

to thank members of the committee for entertaining my presentation this way, by telephone. I know it's not ideal. I do appreciate it, though.

We're a national firm. We have an office in Calgary. I personally, though, am from Toronto. You may ask why I as a Toronto lawyer am commenting on the Alberta law. This is my area of practice. It is what I do for a living. I analyze and advise clients, including not-for-profit corporations, private corporations, on the impact of Canada's lobbying laws, largely federal, Ontario, Quebec, the provinces that have the laws. But I have a practice which spans all jurisdictions and ultimately, when the Alberta legislation is passed, if the committee sees fit and the Legislature sees fit to pass it, Alberta. So I provide I think a different perspective, then. I know that you had a presentation before the public hearings from staff who'd analyzed the laws throughout Canada, but I don't think you've other than that heard from anybody who has the perspective of the other laws and how they work and how the Alberta law stacks up.

2:00

I will make three quick points about improvements, and then I wanted to devote the rest of my remarks to nonprofits because I know that that's really turned out to be the major burning issue before committee members. The first three improvements simply – I know it's been talked about before. It was talked about in the Legislature during second reading debate. Federally, in Quebec, Newfoundland and Labrador the act provides for, underneath the act, a code of conduct for lobbyists. I think Alberta would be well advised to do that, and as does Quebec and Newfoundland and Labrador, I would advise that the act should make breach of that code an offence.

Second, something that's unique in Bill 1 and I think is really unnecessary is to apply the designated filer system to consultant lobbyists. It makes a great deal of sense in many other places in Canada, including the federal level: apply the designated filer system to what you call organization lobbyists. However, everywhere else in the country the understanding is that if you're a consultant lobbyist – that is, if that's your job, working for a firm or on your own to work for clients as a paid lobbyist – you should be expected to bear the burden, the responsibility, the understanding that comes with having to file your own returns. I don't think there's a need for Alberta to insert the designated filer into the consultant lobbyist relationship with the registrar of lobbyists, and really I'd advise you and urge the committee members to adopt the approach of everywhere else in Canada.

Finally, there is a loophole which exists in most places in Canada. It has been closed in Quebec and Newfoundland and Labrador. It's left open by Bill 1, but I would suggest that you close it. That's the loophole that exists where an organization lobbyist lobbies knowing that his boss hasn't registered him or her. The loophole in most jurisdictions and in Bill 1 is that organization lobbyist who lobbies even though his boss hasn't registered for him or her is not committing an offence. Newfoundland and Labrador and Quebec have covered that off, and I think Bill 1 ought to do the same.

If I could turn to the discussion of nonprofits, I hope to just lay out some considerations and hope that they're useful to the committee members. I've listened to the debate. I've watched it. I've read it from afar; that is, from another province. But I think that the debate about nonprofits was kicked off by a report which exaggerates and overstates the impact of Bill 1 on the nonprofit community. That's not to say that there won't be an impact, and I'll talk about that.

The reality is that we've had lobbying legislation for roughly two decades at the federal level. In other provinces, starting with

Ontario, we've had lobbying legislation for almost a decade in Ontario, leading through to the legislation adopted in 2001 in Quebec and in British Columbia and most recently in Newfoundland and Labrador, and nonprofits there are by and large, with one exception, all covered. The point I would make is that if the impacts that you're hearing were real and not exaggerated, you would be hearing anecdotal evidence from the federal jurisdiction and from Ontario, from British Columbia, from Nova Scotia about these ill effects. I'd submit to you, committee members, the fact that you're not hearing that evidence is because those impacts are exaggerated. They're not happening in other jurisdictions.

That leads to the question: well, how is Bill 1 different than in other jurisdictions? I think it's different in two respects. I want to talk about that. The first is this issue of a 20 per cent threshold, which the last presenter spoke about. In many other jurisdictions – and maybe this is the solution to many of the concerns of the not-for-profit community – a minimum threshold is applied. An organization does not have to register any of its employees unless collectively, cumulatively, together the amount of lobbying they do is equivalent to 20 per cent of one person's time.

My own view is that that would absolutely cover off the situation of the hockey clubs, most of the groups that are being talked about. Really, when you think about it, if an organization is big enough or spends enough of its time that two-tenths of one employee, 20 per cent of an employee, is dealing with Alberta provincial government officials, well, that's actually a large amount of activity, one day in five, and maybe that's an appropriate threshold. It certainly has been the threshold that's been adopted at the federal level and in other provinces.

The second area where Bill 1 is different is in this prohibition on contracting and on lobbying at the same time. I've heard and read so much of what's said about it, and I just wanted to say that a lot of what's being said misinterprets what Bill 1 actually says. I'm not saying that you might not want to clarify things, but certainly I've heard a lot of interpretations which are patently at odds with what Bill 1 says. Volunteers, for example, are not associated persons, and a person associated to a volunteer is not an associated person. Nowhere in Bill 1 does it say that.

If an organization wants to lobby a provincial government public office holder under Bill 1, it only needs to look at whether the employee who is personally doing the lobbying is associated through a spouse, through a directorship, otherwise to somebody who's got a contract with the government. It does not mean, as has been stated wrongly in papers before you, that every volunteer, everybody associated with the organization needs to be canvassed, you know, to uproot their personal lives to find out who's got spouses and all that. Maybe you want to clarify that, but I can tell you that as a lawyer who practises in this area, that is not what Bill 1 provides for right now.

On to a related issue: should public office holders include people who are OIC appointees? That is, in fact, the case in most other jurisdictions, I think in all other jurisdictions in Canada. I'm aware of no problems having arisen as a result of that. Again, I would urge committee members to take that into account in considering whether Alberta should depart from the approach taken in other jurisdictions in that respect.

A final point. I don't know if it's been mentioned to you today. There's an argument that there's a problem, that these public officer holders are always on duty, and what if a public office holder is on a board and we turn to him or her at the meeting and try to lobby him? That is in fact covered by Bill 1, and that's an accurate statement. But I think it's important to ask why that the bill be worded that way and whether it's appropriate to exempt it.

Take the example of a commercial lobbyist. As I say in the papers that I think you have before you, he or she may go to a kids' hockey game with a deputy minister. Their sons may play on the same team. A commercial lobbyist, a corporate lobbyist may sit on a nonprofit board with a deputy minister. Well, if the commercial lobbyist uses the hockey game or uses their chit-chat before or after the board meeting to lobby the deputy minister on behalf of the commercial interest, why would that be exempted from the bill? Why wouldn't we want that to be subject to the same transparency as a regular office meeting on a 9 to 5 basis? I point out that every other lobbying law in Canada applies that approach. It doesn't matter where you lobby; it's the fact that you lobby.

I'll add, by the way – and you know this from the schedules to the bill – that as in other provinces and at the federal level you're not disclosing, you know, chapter and verse of meetings. You're simply disclosing the name of the agency or the department; the fact, if there was an MLA lobbied, not even naming him or her, that a member of the Assembly or a minister was lobbied; and discussing the subject matter.

I wanted to just maybe hold off there and point out that a lot of what has been criticized is present in other statutes in other jurisdictions, and these ills have not come to be. As well, I should sort of jump in and say that a lot of these questions of interpretation – you deal with bills and legislation all the time as members of the Assembly. I think you know that you can pick holes in any word and say: "That word is not defined. What about that word?" Well, sometimes you have to trust the regulator, in this case the registrar. Interpretation bulletins, guidance can be given. That's been the experience in other jurisdictions, and I think Alberta would find that that was the experience there.

I apologize if I've run a bit over time. I thank you for the opportunity to speak to you. I'm in your hands, Mr. Chair.

The Chair: Well, thank you very much. You covered some very interesting points, and we were following along with the submission that you provided to Jody, which she handed out to all the board members. We'll open it up for any questions from the committee.

Ms DeLong: Actually, I have a request. I have been following along on your notes here, and we haven't actually gotten to the end of your notes. I wonder whether you could continue on the way you have been and cover the rest of these notes.

Mr. Giorno: Oh, this is the two-pager?

The Chair: Yes.

Mr. Giorno: Yeah. A couple of other things that I didn't point out.

The Chair: Sure. That would be great if you can continue on.

2:10

Mr. Giorno: Just a couple of other things. I know that there have been some requests for complete exemptions, and I simply point out that the impact of a complete exemption means that actual lobby groups, groups whose sole raison d'être is to lobby, would be exempted by that. I don't think that anybody in the Legislature or in the province of Alberta thinks that's a good idea. I know that it's easy to put the hockey club up as an example or the charity up as an example, but not-for-profits/voluntary covers a whole range, including groups that exist as lobby groups. It would be odd if Alberta's law was the only lobbying law in the country which didn't apply to lobby groups.

The second is the issue of exactly what it is about when we say that these not-for-profit and voluntary sector organizations are talking to government. Normal interaction with government is not covered by the law. What's covered by the bill in Alberta as is proposed and elsewhere in the country are attempts to actually influence a government decision. There are two kinds, really. One is influence of public policy, and I've listed that it can be a bill, a regulation, a policy, a program, a guideline. You can have a discussion about whether or not that ought to be made open and transparent, but there's an argument that when a nonprofit group does this or when a particular group subsidized with taxpayers' money uses taxpayers' money to influence public policy, people have a right to know.

Of course, the second example, which is very common, is where a group which is subsidized by taxpayers' money uses its budget, its staff to ask for more taxpayers' money. Again, it's accepted in other jurisdictions, and I think probably most people in Alberta would accept that when a group uses money for that purpose, there's a public interest in transparency, and that's the final point I want to make.

I preface it by saying this. I actually, as I said, act for a lot of clients. I act for corporations. I act for not-for-profits. I advise them all on the lobbying laws in different jurisdictions, and many times particularly nonprofits will say to me: "Us dealing with government is a good thing. We have a positive influence on the process. We should have a right to influence it." I say to them what I'm saying to committee members now, and that is: "None of these laws prevent you from doing that. Don't mischaracterize these laws. These laws are not a prohibition on attempting to influence government, to insert yourself into the public policy process. They're only a prohibition on attempting to influence public policy in secret."

That's the real issue, and sometimes we lose sight of that. Nobody is saying that a group who's covered by Bill 1 can't influence public policy. It's their democratic right. The question is: ought they to do so in secret? When you frame the question that way, I think you come up with a much different answer than you may have heard from some of the presentations.

The Chair: Thank you very much.

I just ask the committee members to identify yourself and your constituency riding so that Guy knows who you are and what area of the province you're representing.

Mr. Marz: Good afternoon, Mr. Giorno. I'm Richard Marz, MLA for Olds-Didsbury-Three Hills, which is south-central Alberta. In talking about the volunteers, section 19 lays out one set of penalties for breach of the act, and that's fairly significant: \$50,000 for a first offence and up to \$200,000 for a second offence. Volunteers are not out to be professional lobbyists in most cases. No one has commented yet if there should be a different penalty structure for volunteers if they're included in the act compared to professional lobbyists. Certainly, as an MLA I don't want to see the local hockey team being intimidated to talk to their MLA at all because of a potential huge fine or something that's going to impact either him or his whole organization to the point of not being able to afford to even talk, so they'd err the other way. Do you have any comments on that?

Mr. Giorno: Well, I think it's an excellent point, sir. I think the way to deal with that, though, is in the definition of organization lobbyist to make sure that a volunteer is not an organization lobbyist. If a volunteer is not an organization lobbyist, then a volunteer can't be subject to the penalties in section 19. I think, the way I read the

definition, the definition is tight enough to exclude, to protect volunteers. Of course, it's open to the committee to make that clearer. In fact, I should throw out on the table that the Newfoundland and Labrador legislation, I believe, even though it's pretty clear already in Newfoundland and Labrador that volunteers aren't covered, added a section to make it explicit that volunteers aren't covered. That level of protection, you know – call it belt and suspenders – might alleviate some of these concerns.

Mr. Marz: Thank you very much.

The Chair: Dr. Neil Brown.

Dr. Brown: Yes. Mr. Giorno, it's Neil Brown from Calgary-Nose Hill constituency. Thank you for your presentation. It certainly provides us with a perspective which is somewhat different from some of the other presenters that we've heard.

I'd like to ask you a question regarding your perspective on some of the earlier presenters which made the point that perhaps charitable or not-for-profit organizations whose activities are confined to the public interest should be wholly excluded from the act. As I understood your remarks, you seem to imply that that perhaps wasn't necessary. Could you elaborate on the distinction between not-for-profit organizations which are strictly in the public interest and those which perhaps are lobbying on behalf of their own industry or their own union or profession or whatever.

Mr. Giorno: Sure, Doctor. I'll try to do that. I think, actually, you're hitting on one of the drafting problems. I can tell you what has happened in a few other jurisdictions when they've tried to do this, and you can decide whether it worked or it didn't.

In my view, it is very difficult to draw a definition which uses good or bad, because those are value-laden terms, you know, that puts good nonprofit groups on one side and bad ones on the other – that's not the right word – puts the ones that you don't want regulated on one side and not on the other. It has been tried in one jurisdiction to exempt those that are funded by business or trade unions or professional groups; I mean, that's one way of drawing the definition. It is also possible, though nobody in Canada has done this, to exempt those that have charitable registration. My own advice to the committee would be that there is great difficulty in trying to draw those distinctions, and that's why I'd argue that you've got to deal with all nonprofits as a group or not.

I think the better way to exempt is to use the 20 per cent threshold, which looks at how much lobbying they do, which is another way of getting at those that really are doing a lot of lobbying and can afford the administrative burden of registration and those that may do it peripherally and ought to be spared the administrative burden of registration. Does that help? Is that responsive, Doctor?

Dr. Brown: Yes. Thanks very much.

The Chair: Alana DeLong.

Ms DeLong: Thank you. Alana DeLong from Calgary-Bow. Just a couple of questions. I'm hoping that you'll be a little bit more familiar with this. That is, I believe that in Alberta we might actually depend on our nonprofits an awful lot more than other jurisdictions. I don't know whether that's true or not. I just get that impression in terms of the amount of contracting that we do, like our PDD, so many of our children's services. So many of our services are provided where, pretty well, we just about entirely depend on the nonprofit sector for those things. I'm a little bit concerned with how

we're handling this whole contracting prohibition because, again, are we in a slightly different position? Are we really getting ourselves into a hole with this because of the amount of contracting that we do, yet these are the people that we need to get the information from in terms of how to run the programs?

Mr. Giorno: Okay. Let me see if I can take a crack at that. I don't know. It may well be the case that there is greater reliance on the nonprofit or the nongovernmental sector in Alberta than elsewhere, and I do say that this is the one area where Bill 1 departs from what's done in other jurisdictions. They don't have this contracting prohibition, but I want to make a couple of comments on that. The first is – and I'll get to the point about advice in a second – the contracting prohibition does not affect a contract for services. All right? It only applies to a contract for advice. Generally, a contractor providing services to persons with disabilities or children or, really, for poverty would not fall in the ambit of the lobbying ban.

Where the section 6 ban would exist is where two things happen. There is a contract to provide advice to government – and I know that there were related questions about, you know, honoraria and stuff like that, and I'm happy to respond to those questions if members have that – and at the same time someone is lobbying on behalf of the organization. I just point out that I think the people who drafted the act – and I can't speak for them – actually didn't intend and thought there would not be a conflict between those two provisions in that if you are paid to provide advice, you're providing advice pursuant to that contract. The only area where you're prohibited is if in addition to being paid to provide advice to government, you then lobby – and this is the keyword in the statute – on behalf of the organization. So paid to provide, presumably – and I assume that most NGOs do – objective, sound, expert advice to government, and at the same time you have a staff member not doing that but trying to influence government policy for the benefit of the organization.

2:20

I think that one of the reasons we've gotten into this muddle is because those who drafted the law never thought the two would come into conflict because they thought that an NGO, a nonprofit group that was paid to write advice, would be covered by the contracting section and would not in addition be lobbying on its own behalf. It's kind of hard to think that you would. To the extent that that is a concern, though, I think that either by an interpretation bulletin or an amendment that could easily be clarified, that a group that has a contract and is only providing advice under that contract is not at the same time providing advice on its own behalf.

I also pause and say that I think members of the committee know what was really intended here, and that was to prevent corporate lobbyists from, you know, having partner A give advice to the minister and partner B be paid by a corporate interest to lobby the minister.

Ms DeLong: Okay. Thank you very much. I do have one more question, if that's all right. There have also been quite a few concerns raised by the nonprofit sector in terms of the administrative cost of this program. I'm wondering, you know, what advice you can give us in terms of this because it isn't just the nonprofits who are going to be taking this on but essentially everybody who lobbies. I'm really concerned about people not coming to talk to me simply because of an administrative problem.

Mr. Giorno: Okay. Good question. A couple of responses. I think that if committee members saw fit to adopt the 20 per cent threshold,

that would solve a lot of that problem, the thinking being that if you're big enough and have enough time lobbying to have 20 per cent of one employee's time doing lobbying, you can afford the administrative burden, and everybody else falls under. That's one way it's been solved pretty much universally elsewhere in Canada.

The second point, though, is to keep in perspective what the administrative burden is. I've read, you know, talk – and maybe this is a bit confused because of recent federal changes – where you do have to keep track of who you are meeting at a senior level and what day you meet and all that. That's not what is reportable under Bill 1. It's not what's reportable in the other provinces. You don't have to say: I met Ms DeLong on September 27 in her constituency office in Calgary. All that's required is for a group to keep tabs on the subject matters – example: lobbying law, Bill 1 – and the departments or groups, like MLAs being a group, that are lobbied.

When you look at it that way, I'd say that with most of my clients it's pretty easy for them to identify what they do – “We talked to the department of health; we talked of this” – and to keep track of the four or five subject areas they lobby on. There is still a filing burden, which can be done electronically in most jurisdictions, but except for the federal law, which Bill 1 is not proposing to mirror, there is no requirement anywhere else in Canada, as I said, to log every phone call, name, date. You just have to report broad subject areas and broadly the entities where the people you're lobbying work. That tends not to eliminate a burden, but it does certainly minimize it.

Ms DeLong: Okay. Thank you.

Another quick one along the same lines. In other jurisdictions do they also ask for lobbying plans, future plans, six-month plans?

Mr. Giorno: Yeah. In most jurisdictions it's common to identify retrospectively the subject matters that you've been lobbying on and the target for the last six months and prospectively the next six months, but the same thing: just Health, Education, Finance, you know, or Treasury, I guess, and the subject matters. No more detail than that. So the answer is yes, that's common.

Ms DeLong: Thank you.

The Chair: Mr. Giorno, one more question I'd like to ask you as the chair – it's Harvey Cenaiko – before we close. We had a presentation this morning from the Muttart Foundation, which is representing 185 not-for-profit organizations. We also had a presentation, though, from an organization, which is the Environmental Law Society, for example, that has, really, issues related to policy legislation. You know, later in the morning we had a presentation from the Alberta Museums Association, which provides a service to Albertans. There's definitely a distinction between the two. I'd just like to get your thoughts on the difference between both of those not-for-profit organizations.

Mr. Giorno: Well, although they're saying similar things – I mean, just as you were speaking, I pulled out the Environmental Law Centre's submission to the committee, which is dated September 10. I noted that – I know that this wasn't your question – there, too, a bit of an imperfect understanding. For example, they say that they want to clarify that directors of nonprofits who don't get paid aren't covered. Well, directors of nonprofits who don't get paid aren't covered. That's already clear in Bill 1.

I think that it gets back to a previous answer I gave. It's difficult to draw definitions that carve out different types of groups. I mean, the Environmental Law Centre exists to advocate public policy. I

don't want to repeat. My advice would be – it doesn't have to be 20 per cent. I know I've repeated that a lot, and other presenters have. Some kind of volume threshold, I think members will find, is a cleaner and easier way to draw distinctions than type of lobbying or type of organization.

Again, I just make this argument. The advantage of a volume threshold is that if the volume is high enough, if they're doing enough interaction lobbying the provincial government or provincial office holders, then they should be expected to bear the paperwork burden that goes with that to the extent that there's a burden. If they don't do that much of it, well, there's not an argument. You know, the corresponding argument is that if they don't do as much as whatever volume or threshold you've set, then there's not as great a public interest in transparency anyway.

I hope that's responsive. I know you're inviting me to sort of distinguish between the two groups, but I think that's in fact something that would be very difficult for you as legislators to do in any effective way.

The Chair: Okay. Thank you.

Dr. Pannu: Raj Pannu, MLA for Edmonton-Strathcona. My question is rather operational. You know, it's related to your recommendation about the 20 per cent rule for lobbyist registration. You mentioned that other jurisdictions have this rule. How is it operationalized? Who keeps a record of this? When is 20 per cent 20 per cent?

Mr. Giorno: Okay. Good question. Thank you, Doctor. A point I would make – and I didn't make this clear, by the way – is that in every jurisdiction in Canada that adopts a 20 per cent rule, it's actually not in the act. It's actually either in regulation or interpretation. Most simply use something called significant part of duties. So just in terms of operational, how to draft the act, they don't put 20 per cent in the act. They just leave it to regs or to interpretation.

Then as to how it's operationally calculated, there it does vary from jurisdiction to jurisdiction. I don't mean to be – I'll lay out how it is, and you can pick and choose. I'm sorry. It is different. First of all, at the federal jurisdiction they include in your 20 per cent the time you take to write your brief, the time you take to fly to Ottawa, to Parliament Hill, the time you take to, you know, think about what you're going to say. In Ontario and Nova Scotia and British Columbia, on the other hand, they only count the time you spend sitting face to face with an MLA or a minister or a civil servant.

Then there's what the time period is. Some jurisdictions look at a rolling three-month period, whether you're at 20 per cent on average over three months. The federal registrar's interpretation of his federal law asks you to look at each month. He would say: if in any month you're over 20 per cent, you cover it.

How is it calculated? Generally, in jurisdictions it's not calculated down to the minute. The rule of thumb in most jurisdictions that the registrar has encouraged a company or an organization to use is a day. Like, four days out of 20 workdays would be 20 per cent. It would be that.

By the way, Quebec doesn't use 20 per cent. It has an easier threshold to calculate, although it's a lower threshold. They use 12 days in total in a year. But, again, that's easy. You either are or you're not lobbying that day. That's what's done, you know, members, if you choose to go this way, to pick and choose, but that's operationally how it's done.

Then how is the accounting done? This is something I do spend a lot of time on with my clients. With big corporations they have to

create systems. People have to funnel all their information to one person, who keeps track of how much time is being spent so the CEO can give an accurate report on whether they are or are not above 20 per cent. In smaller organizations it really isn't hard. Whether they're private or nonprofit, like my client is, they know the four or five people who generally tend to deal with government. It's not too hard to tally up how much they do and whether they're over 20 per cent. Sorry. I know I'm giving a long answer.

2:30

The other part of the answer. You said: operationally how is it done? In every jurisdiction that applied 20 per cent or, like in Quebec, a 12-day rule, they only look at lobbying in that jurisdiction. In other words, federal law is 20 per cent of time lobbying federal government officials. In theory, if we were to look at jurisdictions that already have this rule, you could spend 19 per cent of your time lobbying in B.C. and 19 per cent federally and 19 per cent in Ontario and 19 per cent in Nova Scotia and not be covered by any of those laws. I think the same thing here: when people advocate a 20 per cent or similar threshold for Alberta, it ought to apply to only lobbying Alberta provincial officials on Alberta provincial issues.

Sorry to give such a long answer.

Dr. Pannu: Well, thank you very much. I thought my question would have a very short answer, but you gave us lots of information.

The last part, the reliance with respect to reporting on it: is it voluntary compliance to this rule that's relied on?

Mr. Giorno: Is your question to me: how is it enforced?

Dr. Pannu: Yeah.

Mr. Giorno: Well, it's mandatory compliance except that, to be honest, there is no inspection in any jurisdiction. It's almost all complaint based. That's a limitation of these laws. Really, the only time any entity or consultant would be found out is if somebody filed a complaint. Then the registrar or staff investigates, and they find out how much lobbying was done. It is hard to catch otherwise. It's not like a highway speed limit where you can set up a radar gun to find out whether somebody is lobbying more or less than 20 per cent. While it's a law and it's mandatory, it's kind of enforced on the honour system. If you don't want to, it's hard for you to be found out.

Dr. Pannu: Good. Thank you very much.

The Chair: Mr. Giorno, thank you very much. That was a very interesting half-hour, and I'm sure that all the members will appreciate reading *Hansard* to go over the responses to the questions that you were asked. Thank you very much.

Mr. Giorno: Thank you. I'm sorry I went over time.

The Chair: No problem at all. Thank you.

Committee members, we're going to break now and reconvene tomorrow morning at 9 o'clock to continue with public presentations.

[The committee adjourned at 2:33 p.m.]

