

[Chairman: Mr. Schumacher] [8:45 a.m.]

MR. CHAIRMAN: The committee has received a request from the law firm of Reynolds Mirth & Cote with respect to a proposed private Bill for the incorporation of the Edmonton Canadian Native Friendship Centre Building Amendment Act. This Bill was late getting in. The letter is a little fuzzy, but it really boils down to wanting an extension to allow them to proceed. If we do, I suppose it will be on the basis that if we can deal with it at this session we will, but they must understand that the life of the session is finite and we don't know what the ultimate date is. I'll ask Mr. Clegg to describe the nature of the proposed Bill.

MR. M. CLEGG: In very general terms, Mr. Chairman, this Bill is to allow the Canadian Native Friendship Centre to transfer some property within the organization. They want to create a new organization to own a piece of property, which is already being used for their purposes, so that the original group that was formed to build this building can be disbanded. It is internal organization essentially, and they're also doing some work on the building which is for the purpose of the Canadian Native Friendship Centre. Their reason for urgency, as explained in the letter, is that they need to be able to get on with the work, and they're at a point now where if they can't be certain that they're able to transfer the property, they will suffer some delays in proceeding with that.

The Bill itself will not have any effect at all on any other organization and would appear to be fairly noncontroversial. Whether or not they can complete their advertising in time for the Bill to be dealt with at this time is their responsibility, but theoretically it should be possible. I'm not yet aware whether they are advertising in the issue of the Gazette which comes out at the end of this week; if they are, then certainly they'll be ready to go two weeks from now.

MR. CHAIRMAN: Is there any feeling in the committee whether we should agree to let them proceed if they can get their material in order before we close?

MR. WRIGHT: Why not?

MR. M. CLEGG: Mr. Chairman, I think the motion we need is that the committee recommend to the Assembly that the deadline be extended to permit this Bill to be received.

MR. CHAIRMAN: Do we need a certain date?

MR. M. CLEGG: I think not, because in fact the motion would be redundant if we weren't in session at the time they finished anyway. If we just leave it at that . . .

MR. CHAIRMAN: Their petition is here, is it?

MR. M. CLEGG: No. Unfortunately, we don't even have the petition yet. We'll have the petition very shortly. They're doing their advertising. They have been discussing this matter for some time; they were in discussions with the previous minister, Mrs. LeMessurier, on this matter. They had originally intended to bring it before this committee at the session which commenced in April, but it was so short that they didn't do that. They have not explained to us exactly why they are late with their administration on this.

MRS. KOPER: First of all, I'm really shocked that we need a Bill in the Legislature to execute such a thing, and secondly, I have a concern that if we start waiving the rules and extending the deadlines, they really become meaningless. Thirdly, if we haven't got the Bill in front of us, I think we should wait until it so happens and then make the decision about whether we should change it or not.

MR. CHAIRMAN: I have received a copy of the Bill. But you're right, Mrs. Koper; the members don't have a copy.

MR. WRIGHT: I think we have to be really flexible on the question of deadlines this time around because when they missed the spring sitting, they would ordinarily know that they are caught up in the fall. Now word is out that in all likelihood there will not be a fall sitting. But if they can get it on this sitting, they won't miss their deadlines. I think it's reasonable to be especially flexible this time around.

MRS. HEWES: Under the circumstances, Mr. Chairman, I don't have any problems with

extending the time this time. But I'd like to ask Mr. Clegg if the motion is sufficient, in that it doesn't specify the time limit. That is, it can't say "to the end of the session" because that wouldn't be sufficient. It has to say "during the session" or something of that kind. Would it not be better if that were contained in the motion? Perhaps you could give me a wording.

MR. M. CLEGG: Mr. Chairman, it would be ideal if we knew what their advertising program was, which I don't at this point in time. We could then, for example, give them until the middle of August.

MRS. HEWES: I'm suggesting that the motion be that we agree to an extension under the present circumstances for this particular organization, provided the matter can be dealt with within the time constraints of this session.

MR. WRIGHT: Mr. Chairman, it is not up to us to be or not to be; we just recommend an extension. When the actual motion comes on, we'll have a better idea. Then it can be specified, if it's necessary at all when the motion comes on to the Assembly.

MR. CHAIRMAN: So you're suggesting that the committee agree that it will allow the Chairman to present this petition when it arrives? Is that what you're saying, just sort of in advance?

MR. WRIGHT: If it's reasonable to stick in a time limit, then we can authorize you to put the numbers in.

MR. M. CLEGG: Mr. Chairman, one of the problems with specifying a precise date is that if we give them until August 30 to complete the matter, they might feel a little aggrieved if they have completed it by August 30 and this Assembly is adjourned on September 3 and they don't get their Bill dealt with. I think it would be fair to merely say that the deadline could be extended to permit them to promptly complete their advertising — and add no words to that — but make sure they understand that that motion in itself does not imply that the Assembly will wait around until they have finished and they may still be barred by the adjournment.

If I may, while I'm speaking, Mr. Chairman, I'd like to advert to a point raised by Mrs.

Koper. The only reason this Assembly has to deal with this matter is that the private Bill which constituted the Edmonton Canadian Native Friendship organization, which owns the building, did not give it the power to dispose of it. Maybe that was an omission many years ago.

MR. CHAIRMAN: That's right; Mr. Wright wasn't on the committee then.

MR. M. CLEGG: That's right. They were building themselves into a — maybe they wanted to be certain that if the building were to be disposed of, it would be done in public forum, as we've discussed before. That's the reason we have to deal with this rather small detail.

Members have expressed concern about many of the petitions being late. It was almost exclusively caused by the late announcement of the spring sitting and the uncertainties about the sittings. In the past, the committee felt that there were one or two cases where the delays were caused by solicitors not acting rapidly enough, although in many cases it was due to clients not giving instructions rapidly enough. On one occasion there were two or three petitions which were late because of solicitors, and at that time the Chairman of the committee, at the request of the committee, wrote to the Law Society and asked the Law Society to bring to the attention of the profession that they should be just as careful in meeting deadlines for this committee as they would be before the court. They were put on notice that this committee would not wish to jeopardize petitioners if solicitors were slow but would deal quite firmly with solicitors if they were, and some solicitors during the past 10 years — one or two — have been quite acutely embarrassed by this committee's comments to them at the time the extensions have been given. I don't think that is necessarily the case for this particular Bill.

MR. CHAIRMAN: The motion we would like, then, is that an extension be granted to this proposed petitioner for the purposes of presenting a petition to amend this Act. Mr. Musgrove. Any further discussion? All in favour? Opposed? Carried.

Mr. Clegg, you will contact them and advise them of the practical pitfalls they face?

MR. M. CLEGG: Yes, Mr. Chairman. I will make sure they're advised in writing that the extension bears no guarantee that the committee will still be here to deal with their petition unless they move very quickly.

MR. CHAIRMAN: Before we proceed, Bill Pr. 10, the Kupiec adoption matter — we have received advice from counsel for the petitioner that matters seem to be well on the way toward settling this matter voluntarily and it may not be necessary for our intervention. So at this time we've been asked to withhold any further attention to this Bill. We hope it can be resolved in other ways.

Ladies and gentlemen, I think we're now prepared to proceed with Bill Pr. 9. I'd like to welcome Mr. Lorne Abels as counsel for the petitioner and Mr. Doug Schindeler who is going to speak on behalf of the petitioners. I understand that Mr. Clegg has explained the general procedures that will be followed, Mr. Abels?

MR. ABELS: Yes.

MR. CHAIRMAN: The first thing is to ask our Parliamentary Counsel for his report, followed by your opening statement. I'll ask Mr. Clegg to give his report with respect to Bill Pr. 9.

MR. M. CLEGG: Mr. Chairman, this is my report on Bill Pr. 9, Galt Scholarship Fund Act, pursuant to Standing Order 99. The purpose of this Bill is to authorize the transfer of certain trust funds currently being held by Royal Trust to the board of the Lethbridge General and Auxiliary Hospital and Nursing Home District No. 65. The funds cannot be used for the purpose for which they are presently held, and the Bill will authorize their use for scholarships for the purposes of postgraduate study or training in nursing. There is no model Bill on this subject, and the Bill does not contain any provision which I consider to be unusual.

MR. CHAIRMAN: Thank you, Mr. Clegg.

[Mr. Schindeler was sworn in]

MR. ABELS: Mr. Chairman, the need for the legislation, the Galt Scholarship Fund Act, arises out of the existing legislation, being chapter 115 of the Statutes of Alberta 1954.

That legislation determined the purposes for which certain trust funds were to be used. Mr. Schindeler will give a brief history of the source of those trust funds, and I'd like him to adopt it as his evidence.

The source of the funds arose at the turn of the century when a founder of Confederation, Sir Alexander Galt, set up a trust fund for the Galt hospital. In 1954 that Galt hospital no longer existed, and the hospital services in the Lethbridge community were taken over by the Lethbridge hospital. As a result, the 1954 legislation determined that the purposes of the trust funds were twofold. Royal Trust was appointed the administrator of the corpus of the trust. The income was to be paid to the Lethbridge hospital for two purposes: one half for the operation and maintenance of the Galt school of nursing building and the other half of the income to be used for the nurses in training and for postgraduate courses for graduates of that particular Galt school of nursing. Since then the Galt school of nursing has closed. That happened six years ago. In fact, the building has been demolished. Thus arises the need for this particular legislation, the Galt Scholarship Fund Act.

The purpose of the Act, as alluded to by Mr. Clegg, is firstly to transfer the corpus of the trust from Royal Trust to the board of the Lethbridge General and Auxiliary Hospital and Nursing Home District No. 65. The second purpose of the legislation, an objective, is to permit the board to use the accumulated income from the time that the school closed and income which arises from the trust from this point forward to provide scholarships to graduates of the Galt school of nursing and to nurses employed by the board for the purposes of postgraduate study or training in nursing. We've broadened the purposes for which the board may use the income.

The scholarships are to be known as the Sir Alexander T. Galt Scholarships and the legislation also explicitly provides the board with authorization to make rules governing the qualifications of applicants, the maximum amount of money that can be paid as a scholarship, the institutions within or outside of Canada where scholarships may be held — we're envisaging the possibility that graduates of the hospital may pursue their careers outside of the country — the courses of study or training in nursing for which the scholarships may be

provided, and the terms and conditions upon which the scholarships may be provided. That summarizes the legal aspects of the legislation and a little bit of why the legislation is required.

MR. CHAIRMAN: Mr. Schindeler, would you like to fill in the gaps? You might also say whether you accept everything that counsel has said, because I think there's a certain amount of evidence that may be contained in his remarks.

MR. SCHINDELER: Thank you, Mr. Chairman. Hon. members, I do support the presentation made by our legal counsel. I have nothing further to add to his remarks but would be pleased to respond to any questions anyone may raise.

MR. M. CLEGG: For the record, Mr. Schindeler, do you then adopt the statements of fact made by your solicitor as being your evidence in this matter?

MR. SCHINDELER: I do.

MR. WRIGHT: I wonder if we could be told in what form the corpus of the fund is and what its annual yield and what the accumulated amount of income is.

MR. SCHINDELER: At the year ended March 31, 1986, the corpus of the fund was \$63,913. Of that amount there is currently \$59,550 principally in Canada savings bonds, which are yielding approximately 9 percent interest.

MR. WRIGHT: Is there not an accumulated income, Mr. Chairman?

MR. SCHINDELER: There is an accumulated income of \$34,853. So the total amount in the Galt endowment fund at year end was \$98,766.

MR. CHAIRMAN: What is your relationship to the fund, Mr. Schindeler?

MR. SCHINDELER: I'm the administrator for the Lethbridge General and Auxiliary hospital district.

MR. WRIGHT: From the wording of the proposed Act, it would seem that the board will be free to pay these scholarships out of the

principal of the fund and exhaust the fund if they wish.

MR. SCHINDELER: No, the principal of the fund will remain intact. The \$63,913 will . . .

MR. WRIGHT: Oh, I see; yes, paragraph 4. I'm sorry, Mr. Chairman.

MRS. HEWES: Perhaps I missed this. The fund has an accumulated income, and with the passage of this Act we're making it possible for that and any current income to be spent all at once. Is that correct? There is nothing in here to suggest that the accumulated income is going to be paced out over time. It could all be spent right away, and from then on you only spend the current income.

MR. ABELS: That is correct.

MRS. HEWES: What are the amounts again? It's not a . . .

MR. SCHINDELER: The restricted fund, which is referred to as the corpus of the Act, is \$63,913. There are accumulated unrestricted funds of \$34,853. The Act would permit the hospital board to disburse in accordance with the conditions of the Bill the \$34,853 and then in subsequent periods the interest which would be generated by the \$63,000. Although the Bill would not limit the board to the frequency of disposal, it's not the intent that this \$34,000 would be disbursed in one lump sum.

MRS. HEWES: Mr. Chairman, the other part of the question is: I understand that this is a fund that was 50 percent for one purpose and 50 percent for another and that this is in fact putting it all together. Is that correct?

MR. SCHINDELER: The restricted fund was singular. The interest of the principal was to be used originally for two purposes. As Mr. Abels has highlighted, those two purposes were, first, to assist in the maintenance and operation of the actual Galt school of nursing, which no longer exists, and second, to pay scholarships to graduates of the Galt school of nursing.

MRS. HEWES: It actually creates only one purpose.

MR. SCHINDELER: Yes.

MRS. KOPER: It's a "what if" question and likely totally redundant, but I wonder if they had considered rolling in the accumulated funds to the corpus of the fund. The second point is: do the executors of this trust fund through Royal Trust fully agree with this use?

MR. ABELS: I'll let you answer the first part of the question, and I'll answer the second.

MR. SCHINDELER: To answer the first question -- had we considered rolling the existing unrestricted funds back into the corpus? -- we have chosen not to do that, to give the hospital the flexibility to recognize additional scholarships if they are needed. Part of the problem we've experienced is that since the closure of the school, there have been very limited requests for scholarships, principally because they were restricted to graduates of the Galt school. By expanding the authority of the board to issue scholarships to nurses who are beyond the Galt school of nursing, we know we'll have more demand for current scholarships and would like to have these unrestricted funds available for immediate usage if the demand presents itself.

MR. ABELS: With respect to the second part of the question -- that is, Royal Trust involvement -- Royal Trust was notified from the very outset of the pending petition by correspondence from our office. To my knowledge no reply was ever received. In answer to the question of whether their consent was obtained, no, their consent was not obtained. But in reviewing the financial statements prior to coming, I noticed that their fees have been very modest on a yearly basis, so I can't see that it would impact on them greatly.

MR. CHAIRMAN: Mr. Abels, do you suppose we could get a letter from Royal Trust saying that they acknowledge and are aware of these proceedings and certainly have no objection to the action that is being taken?

MR. ABELS: I don't perceive a problem with that at all.

MR. CHAIRMAN: If you could provide us with

such a letter, I think we'd feel very comfortable.

MR. MUSGROVE: Mr. Chairman, the income from the fund will be used for postgraduate studies by nurses out of the Lethbridge hospital. Is that what we understand?

MR. WRIGHT: Not necessarily, Mr. Chairman. "Or training in nursing," but they already have to be nurses.

MRS. HEWES: Mr. Chairman, one last question. Is it intended that there be a return clause in the scholarships. That is, are you planning to get them back?

MR. SCHINDELER: Yes, we currently have as a requirement that there is a return of service, and this would continue.

MR. CHAIRMAN: Any further questions?

MR. M. CLEGG: Mr. Chairman, I would like to point out to the petitioners that the duration of this sitting of the Assembly is uncertain. It will be several weeks, but whether that means three or 10 no one knows. I don't think this committee can really proceed with the Bill unless we have written consent from the existing trustees. Therefore, I think it would be in your interests if this is treated as a matter of urgency, to obtain that written consent, because I don't think this committee should entertain a motion to proceed with the Bill unless it has that consent in front of it.

MR. CHAIRMAN: If there are no further questions, it's certainly open to the petitioner to make some closing remarks if required, but it's not a requirement of the committee that we hear them. If there is anything that you feel has been missed, you're quite free to make that submission.

MR. ABELS: I appreciate that, Mr. Chairman, and I think all of the information has been conveyed, and the questions have certainly been pertinent. I think we have answered to the best of our ability. The only outstanding matter is the Royal Trust consent, and I think that will be easily obtained. This legislation is simply to assist the board in carrying out the purposes of the intended trust.

MR. CHAIRMAN: Thank you very much, Mr. Abels. What will happen will be that you will send that letter to us and the committee will then have a meeting to decide on recommending the Bill to the Assembly.

MR. M. CLEGG: Finally, Mr. Chairman, could I suggest that when the consent from Royal Trust is prepared, it should have a copy of the Bill attached to it so that we know that they consent to the exact form of the proposed Bill?

MR. CHAIRMAN: Thank you very much.

Are there any matters that any member would like to bring before the committee? We will not be . . .

MR. WRIGHT: One thing. I am actually the sponsor, if that's the word, of the St. John's Institute Amendment Act, 1986, and I just wondered where that stood.

MRS. MacKENZIE: They couldn't make it this week. After I made arrangements for them to come, they phoned back and said they couldn't make it; they'll come later.

MR. CHAIRMAN: There will not be a meeting next week because of the Assembly's decision to adjourn until a week tomorrow — anticipated decision, I should say. I don't suppose there's going to be any objection from members of the committee about that decision. Maybe we can get some idea of what's going to happen on the following Wednesday. Do you suppose the St. John's Institute is going to be back? We'll be able to deal with that two weeks from today and perhaps Bill Pr. 15, if they get their material in.

MRS. MacKENZIE: No, Bill Pr. 13 is coming up.

MR. CLEGG: If Bill Pr. 13 is coming up, members should be prepared to hear the Minister of Consumer and Corporate Affairs, whom we agreed to invite. There seems to be a little dispute as to whether this matter should be dealt with by this committee or whether those people should be going under the new professions Act. Of course, the nub of the dispute is, as far as the petitioners are concerned — they said, "When we petitioned, the Act hadn't been proclaimed. How are we expected to be mind readers?" There could be

other substantial matters. Whether in fact these petitioners do represent a wide enough percentage of their peers is another matter that we'll be questioning. But there probably will be this preliminary discussion as to whether or not the committee feels it should deal with it or whether it should be [inaudible].

MR. WRIGHT: If I may make a suggestion, perhaps our counsel can get out the Act that the minister thinks it should be under — perhaps you've done it already — and compare what we know from the petitioners with the requirements and regulations in the Act, if there are any, so that they won't be getting a free ride from us that they wouldn't be able to get under the Act.

MR. CHAIRMAN: Thank you, Mr. Wright; that's a good suggestion.

If there are no other matters to be brought forward or discussed, I'll entertain a motion to adjourn. Mr. Brassard. All in favour? Opposed? Carried.

[The committee adjourned at 9:20 a.m.]