

[Chairman: Mr. Schumacher] [8:35 a.m.]

MR. CHAIRMAN: Ladies and gentlemen, I see a quorum. I'd like to call the meeting to order and welcome the proponents of Bill Pr. 12, The St. John's Institute Amendment Act, 1986. They consist of counsel Nestor Mackuch, and for the petitioners, Leo Krysa and Boris Melnyk.

You'll notice people seated at this end of the Chamber. We have Reagan Walker from the city of Edmonton and Mayor Stephen Andriashek and secretary-treasurer Ellen Toth of the summer village of Golden Days also appearing with respect to this Bill.

I'd like to ask Mr. Clegg now to give his report concerning Bill Pr. 12.

MR. M. CLEGG: Mr. Chairman, this is my report on Bill Pr. 12, The St. John's Institute Amendment Act, 1986, pursuant to Standing Order 99. There is no model Bill on this subject. The Bill requests an extension of the present-day existing property tax exemptions relating to the institute's property. Apart from that, the Bill does not grant any powers that I consider to be unusual.

MR. CHAIRMAN: As has been explained, the people who will be giving evidence to the committee will be sworn, as is our customary practice. I'll ask Mr. Clegg to do that now.

[Messrs. Krysa, Melnyk, Walker, and Andriashek and Ms Toth were sworn in]

MR. CHAIRMAN: Mr. Mackuch, I'll then ask you to open the proceedings by giving background leading up to the presentation of and the necessity for this Bill.

MR. MACKUCH: Mr. Chairman, I would propose to simply give a brief introduction to what St. John's Institute is and then move over to the nature of the Bill proposed and the reason why we find ourselves before this committee today. Two witnesses, Mr. Leo Krysa on the far right and Mr. Boris Melnyk on my immediate right, will be available to answer any questions that the committee may have. Mr. Krysa is the chairman of the board of directors of St. John's Institute, and Mr. Melnyk is the rector of the institute.

The institute itself has deep roots in the city

of Edmonton. It has been in existence in one form or another for approximately 68 years. It originally opened in Edmonton in 1918 as the Michael Hrushevsky Institute. It was a residence and cultural centre for students of largely Ukrainian descent who were attending various educational institutions in the city of Edmonton. At that time it was located on the north side of the city. In 1954 the institute bought the old Robertson College site on the south side in Garneau and moved over to the south side. It then became known as St. John's Institute. It was at that point an association. In 1963 it was incorporated as a nonprofit corporation by a private Bill of this Legislature. It is that Act that we ask this committee to recommend an amendment, as we are proposing.

The institute today still operates as largely a student residence and cultural centre on its site in Garneau on 82nd Avenue. The students that do attend and the community that attends at the institute are largely of Ukrainian descent, but there are no restrictions on the activities, and the residence itself is open to all. Recent experience has shown that there is a mixture of approximately fifty-fifty of Ukrainians and non-Ukrainians that attend.

As an association, as a corporation, the institute itself has members. It has approximately 1,600 members, and it has facilities at its Garneau site for approximately 50 students in the residence component. In addition to operating as a student residence, it has a vibrant cultural and educational program. There is an annual concert tour of rural Alberta, which is organized by the students at the institute. There are various Ukrainian language and cultural immersion programs and summer courses in the Ukrainian language that are held at the institute. These courses are, in fact, accredited for high school credits. There are youth seminars and community leadership workshops that are organized and held at the institute's site. There are choral workshops for choir directors. The institute has a scholarship program.

There's a chapel located at the institute. It offers religious services to both the students and the community. These are primarily the Ukrainian Orthodox denomination, but there are other denominations that do use the facilities. Most recently the Serbian Orthodox Church has

been using the chapel. The University of Alberta Faculty of Extension also offers courses which are given at the institute. These are in eastern religious studies and in iconography.

In addition to the site in Edmonton, the institute also has a summer camp site located near Pigeon Lake. They call this Camp Barvenok. It's located on 154 acres in the summer village of Golden Days. The summer camp site operates as an integral part of the institute's cultural and educational program. Various of the immersion courses and seminars organized by the institute are held on that summer camp site. The site is also made available to various other groups, other church groups primarily and other nonprofit groups. Various schools and organizations such as Boy Scouts have used that particular site. The institute makes the facilities available to these groups on a cost basis.

The institute's funding is arrived at by a variety of means. There is a one-time membership fee of \$25 that is paid by members. The student residents in attendance at the institute do pay a monthly levy for room and board at the institute. The majority of the funds come from donations to St. John's Institute. There's also the usual gamut of fundraising activities that any nonprofit organization gets involved in, such as bingos and casinos and so on.

Turning to the essence of the Bill before this committee, the Bill simply asks to amend the 1963 Act which incorporated St. John's Institute. It asks that the Legislature extend the exemption from municipal taxation which was granted by that Act. In section 13 the existing Act simply reads

All the real and personal property
[described in that section, being]

Lots Six (6) to Ten (10) inclusive, in
Block One Hundred and Fifty-seven
(157), River Lot Seven (7), Plan I-19,
Edmonton...

That is the existing site on which St. John's Institute is housed on 82nd Avenue in Edmonton. That site was deemed to be exempt from assessment and taxation so long as the same are used for educational, religious and spiritual purposes, except for local improvement taxes and taxes pertaining to minerals.

That particular section was amended in 1969 to add the word "charitable" to the list of

qualifying uses.

As I mentioned, the existing exemption granted in section 13 covers only the current site of St. John's facility in Edmonton. This Bill proposes to extend this very same exemption to two additional pieces of property. One is an expansion site in Edmonton, which is adjacent to the existing site of St. John's. The second piece of property is the summer camp site, Camp Barvenok, near Pigeon Lake in the summer village of Golden Days. There are slightly different backgrounds for each of these two sites. I would propose to treat them very briefly on a separate basis.

Dealing firstly with the expansion site in Edmonton, this site is legally described as lots 20 to 26 inclusive in block 157, river lot 7, plan I-19 in Edmonton, Alberta. That's the property described in section 13(b) of the proposed amendment. This site is immediately behind the existing site. The existing site fronts on 82nd Avenue; the expansion site is immediately north of the existing site and fronts on 83rd Avenue between 110th Street and 111th Street in Edmonton. The various lots composing this expansion site were purchased by the institute in stages after 1965. St. John's was assembling a block of land for the purpose of eventually expanding its existing facilities, and until it felt it was in a position to expand, the houses on that property remained in place and were, in fact, rented out.

The city of Edmonton granted St. John's Institute a development permit in May of 1981 to construct a combined senior citizen/student resident and cultural centre on the expansion site. The houses that were then on the expansion site were subsequently demolished in preparation for the building, and that occurred, I believe, in 1982. At that point the economic recession, which we still feel the effects of, hit Alberta with full force, and due to the serious downturn in the economy the institute shelved its plans to proceed with the construction at that particular time.

As my witnesses will elaborate on, the intention of St. John's is not to simply leave the site as it is; they still intend to develop along the lines of the original ideas for which the development permit was granted. However, this depends primarily on the performance of the economy in Alberta, and St. John's will proceed with its plans at an appropriate time.

The problem that we seek to remedy today is

that these lands composing the expansion site were not included in the original exemption granted in 1963, which specified only the existing site. They were purchased subsequent to that 1963 Act, and they originally were, as I mentioned, being rented, and the taxes that were being assessed on the properties were covered by the rentals. In that state the property would not qualify for the exemption granted by section 13 of the existing Act because the use was for rental properties and not for the uses stipulated in the Act.

The problem arose, from St. John's perspective, when the houses were demolished in preparation for construction. Since they were not included in the original exemption, they were assessed for taxes. Once the houses were demolished, there was no revenue coming in from the property with which to pay the taxes. The change in the use of the property, had the construction proceeded, would have qualified it under the terms of the original exemption. As the use was to be consistent with the use of the existing site, which qualified for the exemption, it would be simply a matter of fact that the lands weren't specifically stated to be exempt in the Act.

Taxes have been assessed on the site since then at approximately \$13,000 per year, an amount that the institute feels it can ill afford to pay. Now as a result, on December 3, 1984, the institute applied to city council for a retroactive abatement of the 1983 and 1984 levies, and the specific amount at that point was \$26,289.58. Council denied this request on January 24, 1985, and suggested to the institute that it either approach the Local Authorities Board for an order in council granting an exemption or approach its MLA for sponsorship of a private Bill to grant the exemption. The institute has chosen the private Bill route, and we find ourselves before this committee today. The petition asks that that exemption be extended to this expansion site, and it also asks that the effect of that exemption be retroactive to January 1, 1983, to largely reflect the period of time during which this problem first arose.

Dealing with the Camp Barvenok site, which is in the summer village of Golden Days, there are actually three parcels of land that compose the summer camp site. There are two smaller parcels which were acquired in 1958 by the institute, totalling approximately 10 acres, and

there is a third, larger parcel of land which was acquired in December of 1983, after the 1963 Act incorporating St. John's Institute, and this parcel is approximately 144 acres. As I've stated earlier, the site is used as a summer camp and as a site of various cultural and educational courses and workshops conducted by the institute.

Until 1982 the site of the summer camp was apparently in the county of Leduc, and it was not being taxed; therefore, there was no problem from St. John's Institute's perspective. In 1982 the site was apparently annexed to the summer village of Golden Days. There was a public hearing by the Local Authorities Board, and it's my information that there was no representation given by St. John's Institute at that hearing and no objection which was filed to a proposed assessment of these lands. My information is that this was apparently an oversight by St. John's Institute, and it may not have appreciated the nature of the proceedings.

As a result, in 1983 there was a bylaw passed by the village council to assess the Camp Barvenok lands, and these lands have been taxed at the rate of approximately \$3,300 annually since that time. The Bill proposes that the existing exemptions should also extend to the Camp Barvenok lands, as the use of those lands would be consistent with the qualifying uses in the existing exemption granted by section 13 and again that the exemption should be retroactive to the beginning of January of 1983, again to reflect the approximate period of time when this problem first arose.

To summarize then, the Bill that is being prayed for today would take the existing exemption from taxation granted by section 13 of the 1963 Act and simply extend it to two additional properties now held by St. John's Institute, the first being the expansion site in Edmonton and the second being the site of the summer camp in the summer village of Golden Days. We submit that these two sites would have qualified for the existing exemption had they been included in the listing of qualifying lands in the original Act of 1963. They weren't included at that point because, firstly, the expansion site in Edmonton had not yet been purchased by St. John's, and secondly, the summer camp site was not being assessed in any event and there was no problem. In fact, the larger portion of the summer camp lands had

not been purchased at the time of the 1963 Act. The Act, as I've mentioned, asks that the exemption be retroactive to the beginning of 1983 to reflect the period of time during which this problem has been in existence, and it is hoped that this Bill will be received favourably by the committee.

Mr. Krysa, the chairman of the board of St. John's Institute, and Mr. Melnyk, the rector of St. John's Institute, would be happy to answer any questions that you may have with respect to the Bill or with respect to the information that I have introduced in my presentation.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Mackuch. There is a lot of factual information in your comprehensive presentation. I'd ask if Mr. Krysa and Mr. Melnyk would adopt the factual portions as their evidence.

MR. KRYSA: Yes.

MR. MELNYK: I do.

MR. CHAIRMAN: Thank you. Is there any further direct evidence you'd like to leave before questions, Mr. Mackuch?

MR. MACKUCH: There isn't. I basically outlined the skeletal framework of where we are and the nature and effect of the Bill. If there are any specific questions which the committee would wish clarified or any other information that the committee requires, perhaps they could address specific questions to the witnesses.

MR. CHAIRMAN: Very good. But I think maybe we should hear what the intervenors have to say first, and then the whole thing will be open for questions by members of the committee. That might be the better way to proceed. So I'll ask Mr. Walker to say what the city of Edmonton's position on this Bill is.

MR. WALKER: Thank you. As mentioned, Mr. Chairman, ladies and gentlemen, my name is Reagan Walker. I am a member of the office of the city solicitor with the city of Edmonton. At the city council meeting yesterday evening, following all day on Edmonton Northlands, as you may have followed, the city passed the following resolution: that the city oppose —

and I'm paraphrasing here — that part of Bill Pr. 12 exempting from municipal assessment and taxes the property described. Then it gives the legal description contained in section 13(b) of the Bill. Because the resolution was only passed yesterday evening, I've not yet had the opportunity of obtaining a copy from the clerk. However, as soon as it's ready, I'll undertake to provide it to the Private Bills Committee.

You will note that the city is only objecting to section 13(b). As was mentioned by the proponents of the Bill, the land described in paragraph (a) has been exempt for some time, and the land described in paragraphs (c), (d), and (e) is not located in the city of Edmonton. As was also described, this is not the first time that the matter of the taxation of the land described in paragraph (b), the so-called expansion area, has been the subject of discussions between the city and the St. John's Institute. As was mentioned, in 1985 a request for tax relief was turned down by the city. At that time the city pointed out to the applicant that there were other legislative routes available. The city didn't, however, at any time indicate that it would go along or support them in these legislative routes, because the city had what we felt was good reason for objecting to the tax exemption of the lands at that time, and those reasons continue today.

I wish to make it clear that the city does not in any way oppose the St. John's Institute or its most worthy objects and activities. The city is here only as an opponent to the proposed tax exemption and exemption from municipal assessment of the expansion area in Edmonton. The reason for this is that the city's inspection of the property has revealed that the land is now not being used. It's vacant. There is a slight use of the facility for some parking purposes, but basically it's a vacant lot. Our information is that it is located across the back alley from the present students' residence and that it is earmarked eventually to become another residence. But basically the land is being banked for future use and is vacant. Mr. Chairman, I submit that the legislation granting tax exemptions in this province is inconsistent with this proposal and, generally speaking, does not grant tax exemption for land that is vacant.

To my knowledge, all of the private and public Bills that grant tax exemption depend on an actual, physical use of the property for the

objects that the organizations have been incorporated. For example, in sections 24 and 25 of the Municipal Taxation Act, an exemption is conferred on various religious and educational institutions, but only when the land is actually being used for such educational and religious purposes. In the city we have a number of churches, for example, that bank land for future use, that are even constructing chapels, yet they pay their full tax burden to the city right up until construction is complete and worship services commence. To allow this exemption would unfairly discriminate against all of those churches and religious institutions that are paying their full tax burden.

In another Act, the Municipal Tax Exemption Act, a number of worthy institutions also apply for tax relief. Here again, the Municipal Tax Exemption Act only allows an institution to apply when the land is actually being used for charitable, religious, or educational purposes. Thus such organizations as Ronald McDonald House, WIN House, and orders of the Roman Catholic Church that apply under the Act are only allowed to apply when their land is being used for those purposes, not when it's vacant or being banked for future purposes. To allow the exemption in this case would unfairly discriminate against all of those worthy groups that pay their full tax burden.

My friend mentioned that the land may be developed as soon as the economy turns around but that times are tough and there simply is not enough money to erect another residence. We certainly understand and are sympathetic with that argument. I think it's a fact of life for all of us. Certainly we in the city of Edmonton have felt the effects of the recession. We've laid off 1,000 people, 100 managers. Our tax base is actually shrinking each year, yet it's hard to hold the line on the budget. It puts an unfair burden on the remaining taxpayers of the city when the tax base is further eroded by any particular group. Sometimes that cannot be avoided. Indeed, this committee and this Legislature does on occasion legislate exemptions. But I put it to you that in the past these exemptions have always related to land that's actually being used, not to vacant land. We simply cannot afford to allow vacant land to go tax free. It puts an unfair burden on the other taxpayers in the city, many of whom are charitable institutions not dissimilar to the proponent of the Bill. We would ask that

paragraph (b) be struck from Bill Pr. 12 and that the Bill not be passed in its present form.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Walker. Ms Toth or Mr. Andriashek.

MR. ANDRIASHEK: Mr. Andriashek, the mayor of the village of Golden Days.

Camp Barvenok is presently situated in the village of Golden Days. As indicated earlier, it was annexed from the county of Leduc. But that's not entirely right. A portion of the land, the 10 acres, was within the village of Golden Days. You have a copy of it before you. You can note that the camp buildings were within the village all along. It was the additional parcel of land, the total of 144 acres, and the disused landfill that were annexed at that period of time.

It has been mentioned that there was no objection from the Barvenok group in regard to the annexation. I might mention that I personally was involved with the group of directors of that association, and they were favourably impressed with the possibility of our providing better service -- maintaining the roads and so forth. So in my view it isn't an oversight. I think they discussed it at that time and thought -- they were paying taxes to the county of Leduc, and they preferred to submit the taxes to the people who were providing a good service. I just want to clarify that aspect. The other 10 acres were exempted by the village previously, until I believe 1982, '83, or thereabouts.

During that period of time when the new taxation was being proposed for the camp buildings and the entire parcel, I had alerted one of the directors -- I'm not sure what position he is -- Dr. Harry Hohol, that the assessment was being changed and maybe they should take a firm look at it and see if they had concerns. The 144 acres were assessed at that period of time as farmland by the county of Leduc. We saw a need to look at it in terms of recreational and reassessed it as such. Also, we looked at the other aspects of that and reassessed the campsites as well. Under the advisement of the personnel from the government who did the assessment, the village of Golden Days passed a resolution -- you have a copy of it -- opposing Bill Pr. 12 for various different reasons. They do not wish to have it

exempt from assessments for properties within the village.

I might further mention that in regards to the assessment of that 1983 period there are adequate provisions in the Act presently to have them express their concerns about the assessment. I alerted them that the assessment had altered, but there was no representation at the court of revision. We were somewhat amazed or taken aback by the fact that there was no representation at the court of revision.

During the annexation, the services that they were improving, we felt that it was to our advantage to annex the 144 acres because we would have some control in terms of the development of the area, and we were keenly interested in that aspect.

During the assessment in 1983 we saw no buildings set aside for worship. We do recognize that there are youth groups using the areas and the facilities, but not in religious terms necessarily. However, if there are, I'm sure we could have clarified some of those during a court of revision, if information was provided to us. But there's no building set aside or earmarked as such. The village maintains the road services, providing the gravel and snowplow to the area. There's one other group in that particular area; otherwise it's solely for the use of the two.

Recently since the 1983 general assessment the summer village of Golden Days expended a large sum of money to upgrade the facilities, but the road particularly. I believe it was in the vicinity of \$12,000. For a small village that's quite a substantial sum. The present Act has provisions for an exemption of parcels of land up to four acres, and it's conceivable that maybe some of these aspects could be looked at in terms of exemptions. It makes no provision for a large parcel of land, which is presently used, I suppose, as speculation. There are no submissions in terms of plans for recreation. It's not the best land for farmland, so it's being assessed as recreational at the present time. There are possibilities in the future that could be dealt with.

It is our view that the residents of the summer village of Golden Days' — Sandholm/Golden Days Scandinavian centre and Johnsonia Beach — are all of the ethnic and religious persuasions. They would, of course, be burdened with the additional costs, and we see no reason why they in turn should financially

compensate the particular institute. We feel that they should pay a portion of their costs for the services. Making it retroactive would even compound the problems.

What we have again is, as indicated, parcels A, B, and C. There are three different, separate parcels: one is a very small section, one approximately 10 acres, and then the 144. We looked at the use of all these. We looked at some portions of the areas that are being rented out or, I suppose, used on a day use and paid by day, looking at them as commercial perchance. The council of Golden Days would hope that the committee will consider all of those aspects and hopefully will not pass Bill Pr. 12.

Thank you.

MR. BRASSARD: I could start if off. I think that it's obvious to everyone that if we begin to tax exempt vacant property, vacant property could then be stockpiled and disposed of further on down the road. My first question would be: what would happen if your organization did decide to dispose of this vacant lot somewhere in the future? Would you then feel obligated to reimburse the city for this tax exemption period that they had lost taxes on during the time you held it?

MR. KRYSA: That thought has actually not occurred to me or to the members of the board, because it is not and has never been and, in my opinion, never will be the intention of the institute to assemble land for any other purpose except for expansion of the framework of the work that we're engaged in. We are not speculators. We do not have a mandate from the membership to speculate in land. We are, as we identify ourselves, a cultural and religious organization. We are not new in the community or in the country. As Mr. Mackuch has already mentioned, we have been present in this community for 68 years. We have never engaged in any kind of work other than the kind of work that we're engaged in today. I really feel that . . .

I took over as chairman of the board in November. When this was brought to my attention, obviously it's my opinion that it was an oversight. This matter, of course, should logically have been dealt with when we were acquiring the land, but being an organization whereby the directorship is of a volunteer

nature, I think we can all appreciate that various matters at times don't receive the kind of consideration they should immediately receive.

The land for expansion is . . . I don't refer to it as vacant land. We are using that land. It's a recreational arm of our activity. We just completed in July a very successful youth seminar, and we've obviously used that land for recreational purposes during that period of time. We have no revenue from the land per se. Obviously, if we did have revenue, as our counsel has already mentioned, we wouldn't be sitting here and asking for relief and assistance. There is no intention by the directorate or myself other than the commitment we have made to the community and to the membership that we will be expanding that land. There is no other reason for the land.

MR. BRASSARD: Let me assure you that it wasn't my intention to imply that you were speculating, but we all know that conditions certainly change, and I suppose that is one of the reasons organizations such as yours are not allowed to just accumulate land without doing something constructive with it.

You say that this should have been addressed at the time. Is that also the case with this property we're referring to in the summer village of Golden Days, when the changes were made and no appeal was made to them for the change in tax structure?

MR. KRYSA: My understanding is that a letter was drafted by the then board of directors under the signature of our Camp Barvenok director, and for one reason or another it evidently never was presented. We really dropped the ball. Again, it never was a matter that we ignored; we were aware of it. Unfortunately, the only way I can explain it is, as I've already mentioned, that with our section (b) we assumed we had made representation.

MR. BRASSARD: As a tax exempt property and certainly of no financial benefit to the village, did you feel any responsibility toward the installation of the road, the maintenance and so on, and the incurrence of \$12,000 as outlined in their brief 5?

MR. KRYSA: I'm sure the \$12,000 wasn't

expended solely to service our property. I would think we were and are recipients of that kind of a service, but I don't think we could isolate and say that we were and are the sole benefactors of that expenditure.

MR. BRASSARD: That could very well be, but I can only address the facts that I have, and I assume that the \$12,000 is a direct result of the road as described here. But those are all the questions I have right at the moment.

MR. CHAIRMAN: Mrs. Mirosh is next, but if I might interject for a moment, I'd like to ask Mr. Walker a question. The Bill's proposed exemption is "so long as the [property] is used for [charitable], educational, religious and spiritual purposes." I'm wondering whether you would agree that the vacant land may not be for any one of those uses and therefore might not be exempt, as long as it's vacant anyway.

MR. WALKER: That is an argument we would certainly raise. However, we would just as soon not have it go in until the land is in actual use, in occupation for its purposes, the reason being that it's easier to have it not go in the first place than to end up in some sort of litigation in the future, if the St. John's Institute had a different interpretation of this private Bill than we have.

MR. CHAIRMAN: Mr. Andriashek, I suppose you adopt what Mr. Walker said.

MR. ANDRIASHEK: The land is vacant; the 144 acres are vacant. There is no development presently and so forth. I can well understand leaving it as such, but on the other hand, just because they have a trail off there, it could be recreational tomorrow. I mean . . .

MR. CHAIRMAN: Recreation wouldn't necessarily give it an exemption. The exemption is "for charitable, educational, religious, and spiritual purposes."

MR. ANDRIASHEK: It would be educational if you had a field trip there.

MR. CHAIRMAN: Would Mr. Mackuch like to speak to that point, that maybe the exemption wouldn't apply as long as the property were vacant in any event?

MR. MACKUCH: I would suggest that the exemption is triggered by use, and our position is that in fact the land is being used in the recreational sense as an adjunct to the existing site. However . . .

MR. CHAIRMAN: Are we talking about the summer village of Golden Days property, or are we talking about the Edmonton expansion site?

MR. MACKUCH: The expansion site in Edmonton. There is no bar to passing the Act for reasons that the land is vacant because the . . .

MR. CHAIRMAN: No, I'm not suggesting there is a bar to passing the Act because it's vacant. I'm just suggesting that even if we pass the Bill as proposed, you might not get the exemption you think you might be getting, because it's vacant and not being used for any of the specified purposes.

MR. MACKUCH: I think it is clear that the existing Act and the proposed amendment contemplate that the exemption is granted by virtue of use.

MRS. MIROSH: Mr. Krysa, is your school funded by the province?

MR. KRYSA: With your permission, Mr. Boris Melnyk is in possession of all the details as far as funding is concerned, so if I may, I'll turn the question over to him.

MR. MELNYK: In answer to you, madam, the courses held at St. John's Institute are accredited language courses. It is not a school per se, but courses are held there, and they are instructed by accredited personnel. Facilities are supplied by the institute. We have no funding from any other quarter but what we do ourselves.

MRS. MIROSH: You rely totally on donations for your institution?

MR. MELNYK: Our funding is strictly in minimal membership dues and the other sources that Mr. Mackuch mentioned, and we lean very heavily on donations, of course, by very well-meaning and concerned people.

MRS. MIROSH: Do you receive any cultural grants from the province?

MR. MELNYK: Yes, we do. We apply for and receive a measured amount.

MRS. MIROSH: Mr. Andriashek -- I'm sorry if I've mispronounced your name -- you mentioned that in the county of Leduc, if I'm correct, you have reclassified 144 acres from farmland to recreational land.

MR. ANDRIASHEK: The county of Leduc had assessed that as farmland prior to annexation.

MRS. MIROSH: Then it wasn't a reclassification of the land?

MR. ANDRIASHEK: It was a year later that we looked at the land and didn't envision it as being agricultural and felt that maybe it was just left for recreational purposes.

MRS. MIROSH: Is there a significant difference in the tax between the farmland assessment and the recreational assessment?

MR. ANDRIASHEK: I don't have the details, but if you permit Ms Toth to answer the specifics in regard to each parcel of land -- we're talking about three different parcels of land and the taxes. As far as you're referring to, it is 144 acres. Ms Toth, the secretary-treasurer, might be able to give you the specifics.

MS TOTH: Farmland and recreation tax in this case is about the same.

MRS. MIROSH: So it didn't matter.

MS TOTH: The assessment on the 144 acres is \$37,470, and what an average farm would be paying is \$369.

MRS. MIROSH: So it wouldn't matter if it were farmland or recreation land as far as the tax dollars are concerned, the revenue?

MR. ANDRIASHEK: That's approximately right, but there are other factors. We did assess the other property which we had within the village prior to the annexation.

MRS. MIROSH: The only comment I have, Mr. Chairman, is that I, like Mr. Brassard, feel that it would be setting quite a precedent to have us exempt taxes from vacant land. I come from Calgary, and I can see all kinds of problems occurring with various cultural groups that have vacant land for other purposes who would probably be coming to us for the same reasons. The use of vacant land does change with the economy, and I feel hard pressed to pass this amendment.

Those are all my comments, Mr. Chairman.

MR. CHAIRMAN: Members of the committee, we have a little problem. When we scheduled these two Bills for this morning, we didn't realize there were going to be interventions on Bill Pr. 12. The sponsors of Bill Pr. 13 are here from Calgary. They've come at some expense. We have the Minister of Consumer and Corporate Affairs here also, and I'm wondering whether you would look favorably on adjourning our consideration of this, because Bill Pr. 12 people are from Edmonton. I'm sorry to make this suggestion to you, but you are closer. The Bill Pr. 13 people have come from Calgary, and I feel we should try to accommodate them as much as possible. The general problem is that we have to vacate here at 10 o'clock for Public Accounts. We might be able to get the courtesy of a few minutes overrun, but I really would like to send the people for Bill Pr. 13 back without any dissatisfaction.

MR. KRYSA: You have our agreement, sir.

MR. CHAIRMAN: Thank you very much. But I'd like to hear from . . .

MRS. CRIPPS: Just for your information, Mr. Chairman, all of the people representing the intervenors on Bill Pr. 12 are not from Edmonton.

MR. CHAIRMAN: I recognize that the summer village of Golden Days [representatives] are here. They have primarily had the opportunity of giving their evidence, and they are 60 miles away as opposed to a couple of hundred. Would anybody have a short question or two for the village of Golden Days? Maybe we could then resolve that part of it anyway, so that's not hanging over.

MR. DAY: Briefly, Mr. Chairman, maybe to Mr. Clegg. What's the present status of similar camps throughout the province that are incorporated or adjacent to summer villages?

MR. M. CLEGG: Mr. Chairman, I'm afraid I don't have information on that. I was going to ask the St. John's counsel whether he had any information on this. There are some tax exemptions, I suppose, but I don't know what the general profile is, whether there are high proportions.

MR. CHAIRMAN: If we get these questions out, there might be some information obtained between now and the next time which would be useful to us. Any other questions relating to the summer village of Golden Days situation with respect to this Bill?

MR. ANDRIASHEK: In answer to the question, Mr. Chairman, we did some surveys, if you wish to have the secretary give you some indication of some other areas adjacent to ours in terms of exemptions. I think the Municipal Tax Exemption Act does permit up to four acres.

MS TOTH: There are two other camps on that lake, the Lutheran camp and St. Basil's. I phoned the county of Wetaskiwin to see what they had done. During their general assessment they have also been taxed, and the only thing on those two camps is that they were exempted four acres per campsite. That's the only exemption they gave them.

MR. CHAIRMAN: So that would basically be the four acres on which their buildings are situated?

MS TOTH: Yes.

MR. CHAIRMAN: That was the two within your jurisdiction?

MS TOTH: Under the country of Wetaskiwin.

MR. CHAIRMAN: I see.

MR. M. CLEGG: In any event, Mr. Chairman, I would suggest that if we are able to revert to Bill Pr. 12 next week or on a subsequent Wednesday, we would of course invite all the intervenors to return for further questions. It

would be at their choice whether they were to come back to add any facts they wanted to.

MR. CHAIRMAN: Members of the committee, I want to thank you for your co-operation with regard to Bill Pr. 12.

We will now deal with Bill Pr. 13, and I'll introduce the people who will be appearing, starting from the far end. Tom Ferguson is the counsel for the proponents. Beside him is Marjorie Zingle, who is the executive director. Then Scott Owens, who is past president of the organization, and David Smith, who is also a past president: both are members of the board of directors.

With that I'll ask Mr. Clegg to give his report on this Bill.

MR. M. CLEGG: Mr. Chairman, this is my report on Bill Pr. 13, Certified Management Consultants Act, pursuant to Standing Order 99. There is no model Bill on this subject, but the Act does comply in general form to other legislation relating to the regulation of professions. In light of the recent proclamation of the Professional and Occupational Associations Registration Act, it may be that it will become more normal for professions to register under that Act rather than seeking private legislation. However, apart from that factor the present Bill does not ask for any powers which I consider to be unusual in the context of powers which have been granted to other professions in the past.

MR. CHAIRMAN: Thank you, Mr. Clegg. As will be noted from the report, there is the question of the umbrella legislation, and with us today is the Hon. Elaine McCoy, who will be saying something with regard to that.

Mr. Ferguson, following the swearing of the people who will be giving evidence, in your background you might say something to address that question, if you can.

MR. FERGUSON: I intend to do that, Mr. Chairman. It's our intention to allow the witnesses to present their evidence, and then I will give some comments on the the occupations Act as opposed to the draft proposed Bill.

MR. CHAIRMAN: Thank you, Mr. Ferguson.

[Messrs. Smith and Owens and Ms Zingle were

sworn in]

MR. CHAIRMAN: Mr. Ferguson, would you like to lead evidence first?

MR. FERGUSON: Yes. The witnesses would like to make their statements at this time.

MR. SMITH: Mr. Chairman and members of the Legislative committee, I would like to express the appreciation of the Institute of Management Consultants for the opportunity to appear before you today, particularly in the circumstances this morning, as we have come from Calgary. Scott Owens on my immediate left, who is our past, past president and had prime responsibility for developing our legislation since we began this task some three and half years ago, will present our brief. He will provide some general information on our institute and then deal with the specifics of the legislation. Then Tom Ferguson, counsel, will provide a legal opinion as to the protection the proposed Bill provides to the public.

I might mention that copies of the brief are available, and Mr. Clegg will distribute them following the presentation.

MR. OWENS: Mr. Chairman and members of the committee, you have no idea how pleased I am to be before you at last. We began our drafting some three years ago and have been plagued with a number of difficulties during the drafting process, not to mention delays caused by such necessary events as leadership conventions and provincial elections. Due to these difficulties our legal costs to this point have grown to a significant percentage of the institute's somewhat limited operating budget.

Perhaps I will start by making a few general remarks about the institute itself. It was formed in 1977, with about 50 charter members. Since then it has had rather steady growth, to the point where we now have in the order of 150 members. We have solid support from the major firms and independent practitioners, and our board of directors traditionally has been made up of a number of independent practitioners. A number of our members, currently about 10 percent, are women.

Geographically we have members in and around virtually every major urban area in Alberta. We are the only registered

professional body representing a substantial portion of the profession in Alberta. The members of the institute itself -- that is, the 150 professionals with their related support staffs -- represent earnings to the Alberta economy of approximately \$15 million annually.

We are frequently referred to as management or business consultants, but somewhere between one-quarter and one-third of our fees are derived from not-for-profit organizations, including government, associations, health care, the welfare field, and a variety of charities.

Although we are based in Alberta, we are a rather large net exporter of services. For example, in the past year and a half to two years we have assisted in the start-up of new telephone companies as a result of the AT & T breakup in the U.S., in the development of management information systems for the national oil company of Thailand, and in the operations improvement of a major bus manufacturer in the province of Manitoba.

Considerable work has been and continues to be undertaken by our members to help companies survive in our key industries of agriculture, tourism, and oil and gas.

This is just a sample of some of the kinds of activities that have been carried on by people from Alberta operating as management consultants in Alberta and in other provinces and countries. As well, we have worked with other provincial organizations like ourselves, sister institutes representing eight provinces across Canada. We are part of the Institute of Management Consultants of Canada, which is the national body recognizing standards for entry, code of ethics, and disciplinary procedures which you see before you. These have the force of law through their own Acts in Ontario and the Atlantic provinces. Like us, the Manitoba institute is in the process of obtaining its own legislation.

Our members specialize in a variety of fields. Those include, from some of the examples I've already given, production, marketing, human resource management, information systems, physical distribution, economics, strategic planning, and so on. I would like to emphasize at this point that this is not a trade association. While you see some of us here today co-operating on matters that affect our profession, you might equally see us at another time each arguing vehemently on

behalf of a client on some other project.

Our goal is to attract and develop Alberta-based management consultants, particularly with regard to their professional qualifications and competence in providing services to our clients. We believe the Bill supports that essential purpose. People become certified members in this institute by practising as management consultants, making applications, and meeting our membership criteria. These include a very solid basic education. We ask for a university degree or its equivalent. We demand three or more years of work, verified as being at the professional level as a management consultant. We ask for that verification from the peer group; i.e., other members of the profession. An applicant must sit a two-day examination: one a comprehensive examination devoted to general management topics and the ethics of this institute, and one in the applicant's chosen field of specialty -- the sorts of things I noted a moment ago. We also demand that the applicant accept and adhere to the professional code of ethics and standards of conduct of the institute. We believe this process is rigorous and fair.

With our membership standards and our process for obtaining membership, we offer a number of programs and activities. The sort of thing that lies in this area ranges from social to professional development and includes a luncheon series, evening seminars, new member orientation, and a quarterly newsletter. We provide a discipline committee, before which our clients may seek redress outside of a courtroom situation. As a member of the Institute of Management Consultants of Canada, our institute has cross-Canada co-operation with other provinces so that a person may automatically transfer membership from Alberta to another province.

We understand that you as legislators do not wish to pass myriad Bills registering professional and occupational associations and accordingly have recently proclaimed the Professional and Occupational Associations Registration Act. We applaud this initiative and are confident that it will make legislative proceedings in this area much more efficient. However, given the timing of our process -- i.e., we began back in '83 -- we believe that the draft Bill we are discussing today cannot be used successfully as a precedent which might lead to a situation the omnibus legislation was

designed to prevent.

More importantly, we believe that our particular profession, like the accounting profession, requires additional powers, not provided in the omnibus legislation, to investigate and if appropriate fine those of our members who have been found in breach of our ethics or standards of practice. The draft Bill provides a meaningful way to regulate the standard of practice of individual members without complaint from the public, which is not available under the Professional and Occupational Associations Registration Act. Upon receipt of complaints, our draft Bill provides for investigative tools and remedies such as mediation, which again are not provided under the omnibus legislation.

Finally, our discipline committee has far wider powers to punish members for unskilled practice or professional misconduct in order to better protect the client, namely the power to reprimand, to fine, to assess costs of disciplinary hearings, and to order a member to roll back fees. If we were limited to the powers of suspension or cancellation of a member's registration, which in our case does not affect his right to practice, we believe our ability to protect the public and discipline our members would be largely ineffective.

There are certain implications of the legislation. I would like to close my remarks by focussing on these. First, the legislation does not exclude any person or group from practising management consulting in Alberta, nor does it prevent anyone from calling themselves management consultants. Our focus is on the term "certified management consultants." Secondly, it does not recognize a fee schedule. We are not setting that as part of our requirements. We provide the forum of public recognition for the only professional body that represents practising management consultants in this province. Finally and probably most important, it provides assurance to buyers and potential buyers of management consulting services in Alberta and elsewhere of the credentials, the basic competency, and the abilities of the members of our institute.

I appreciate the opportunity to appear before you and submit our legislation recognizing certified management consultants. We assure you it has strong support amongst the management consulting practitioners in the province and full support of the major

consulting firms. Thank you.

MR. SMITH: I'd ask Tom Ferguson, our counsel, if he would provide a brief summation of the legal protection provided the public by our Bill.

MR. FERGUSON: Mr. Chairman, members of the committee, I don't intend today to carry out an exhaustive comparison of the provisions of the draft proposed Bill Pr. 13 and the Professional and Occupational Associations Registration Act. I might say that there are significant differences. They have been referred to by Scott in the presentation. I do think there are some things that are very, very important to the management consultants, and without them the discipline powers under the professional and occupational associations Act would be meaningless.

The professional and occupational associations Act is in my view an admirable and laudable piece of legislation, but the analogy I'd like to use is buying a suit off the rack and having a made-to-measure suit. This -- that is, the professional and occupational associations Act -- is an umbrella Act. If it fits the professional group, I think it's good legislation. It gives the kind of protection that a professional association wants and the public needs. The main difference -- and this is why the suit doesn't fit -- is that the management consultants are not a monopoly. They are not asking for a monopoly to be the only management consulting group in the province. The effect of a cancellation or suspension of a member is really meaningless protection to the public and is also of little value to the institute in trying to enforce its discipline code when it receives complaints.

The problem that arises is that the umbrella Act in section 34 provides for penalties of, number one, cancellation of registration; number two, suspension of registration; number three, they can ask the member to take certain courses and upgrade his skills. Those are the three limits of powers conferred by the umbrella Act on a discipline committee registered under that Act. I have reviewed the powers under the umbrella Act to confer additional powers on a discipline committee by regulation. In my view there is nothing in the Act which enables the imposition of fines by regulation which can then be enforced by the discipline committee against members who've

had complaints go to the discipline committee and have been found guilty. There is, in effect, no power in the Act to enable the certified management consultants to fine or even reprimand a member. All they can do is cancel or suspend.

I suggest that if there were regulations introduced under the umbrella Act as it exists now and a fine were imposed by the discipline committee, a court would overturn any such conviction. In my submission the subordinate legislation, which is the regulations, cannot have more force than the enabling Act. If it isn't in the enabling Act, which is the umbrella Act, you can't get it by regulation. If the management consultants were registered under the umbrella Act, they could only suspend or cancel. What protection is there to the public in that? The member can continue to carry on his practice. He can continue to work. He simply loses his designation as a certified management consultant.

I might say at this point that the provisions of the draft Bill were prepared not by myself — I wish I could take credit for them — but by a very experienced and skillful draftsman, Mr. Gerald Acorn, who may be known to some of you. These provisions give teeth to the discipline committee, because they not only give the power to fine, they also give the power to convert that fine into a debt which can be enforced in a civil court. The ultimate penalty, then, is the fine, which can be enforced through collection procedures in our courts. That power does not exist under the umbrella Act so therefore would not be available to the management consultants if registered under that Act.

Another very significant aspect of the powers drafted in the proposed Bill is the right of the discipline committee to order a member to withdraw his fees or roll back his fees. I submit that this does not exist under the umbrella Act, but it is a proposed power under this draft Bill in front of you. I suggest that gives considerable protection to the public. Where there so frequently are complaints about professional groups is the question of fees. I submit this is a very significant power that not only gives the management consultants the right to regulate their own members but provides protection for the public.

One other aspect of conducting the discipline committee hearings, which unfortunately is not

dealt with under the umbrella Act, is the costs of those hearings. Quite often these can be quite expensive. Under the umbrella Act as it exists, if the discipline committee found a member to be guilty, the management consultants could not assess the costs of conducting that hearing no matter how deservedly those costs should be assessed against that offending member. The proposed draft Bill provides that where a member is found guilty, those costs can be assessed by the discipline committee against the member. They too can be collected through the civil process.

I believe this draft Bill fits the purposes of an association which is dealing with the public, and it provides for the control of members, the ability to regulate and discipline members. I submit that it also provides protection to the public which the public deserves. For this reason, I submit that this draft Bill is a better piece of legislation for not only management consultants but also the public. A lot of time, care, and expense has been put into it, and I think it is reflected in the draftsmanship.

Thank you.

MR. CHAIRMAN: Thank you, Mr. Ferguson. Before we move to questions, I think I will give the Hon. Elaine McCoy the opportunity of addressing the committee. Then the whole thing will be open to questions from members of the Committee.

MISS MCCOY: Thank you, Mr. Chairman. Firstly, let me say that I'm not in attendance to comment on the substantive virtue or otherwise of the proposition that is being put forward by the proponents of Bill Pr. 13. I'm making no comment in any way, shape, or form. Having said that, from what we have read and heard today, I believe the social purpose that is being addressed by both the Professional and Occupational Associations Registration Act and Bill Pr. 13 is the same in substance. It is simply a question of which procedure would be used in order to accomplish the goals that have been set out.

I have at this point simply flagged the question: ought the procedure to be by way of private Bill, or ought it to be by way of registration under the umbrella Act? I think the able representations have pinpointed the question that has to be addressed; that is, whether indeed the disciplinary powers that the

institute is requesting can be accommodated under the umbrella Act or whether they can only be accommodated under the private Bill. Having answered that question, I think this committee and indeed the Legislature or the caucus would then have to address itself to the question of whether those powers being petitioned for ought to be accommodated. But I don't think we're at that question yet. I think we need to firstly address ourselves to the question of whether the umbrella statute could accommodate those sorts of powers by the institute.

Our time is quickly running out today. Notwithstanding that many hard hours and volunteer labour, I rather think, have gone into it so far, I would recommend to the committee and to you, Mr. Chairman, that what we on this side of the House might do is solicit an opinion from counsel for the government as to that question. If Mr. Ferguson would be so good as to give us the benefit of his expertise in this regard, I would certainly welcome that so that the government counsel would also be able to have that advantage.

Mr. Ferguson, when you were referring to one section of POARA, I think you meant section 33 rather than 34. If I could just confirm that for the record?

MR. FERGUSON: Excuse me for a minute. It is 33 that I was referring to. That is where the discipline powers are provided.

MISS McCOY: Secondly, you made reference to a gentleman by the name of Mr. Acorn. Is that Glen Acorn that you meant?

MR. FERGUSON: Did I call him Gerald? It's Glen Acorn, if there's any confusion.

MISS McCOY: I don't mean to hold you up any longer. But on the other hand, I rather think that might be an advantage to members of the committee.

MR. CHAIRMAN: There is an extension to 10:15. Public Accounts will not be coming in here before 10:15, so we have almost 15 minutes more. I thank you very much, hon. minister, for your comments.

I think the general thing is open to members. I have on my list so far Mrs. Mirosch, Mr. Jonson, and Dr. West.

MRS. MIROSH: Mr. Chairman, I appreciate the number of hours of work that have gone into this. I'm not that familiar with this group. When you talk about your membership, the person who applies to become a member has to have a university degree, right? So they could be a lawyer, engineer, doctor, anybody. But before they're put before this discipline board that you refer to here, they have to be a member of your committee or a member of this association. Is that correct?

MR. OWENS: Before they can become a member of the disciplinary committee?

MRS. MIROSH: Do they have to be a member of your association?

AN HON. MEMBER: To be disciplined.

MRS. MIROSH: To be disciplined. What I'm getting at is that there are a lot of professions, like engineers and accountants, that have their own discipline areas. A lot of them call themselves managing consultants. They may not come under your umbrella. Am I correct?

MR. OWENS: Yes.

MRS. MIROSH: So how would you discipline these people if they were to break this Act in some way?

MR. OWENS: I understand the problem you're having with that, and it's a complicated issue. What you have to do is distinguish the difference between the training the professional has and the practice he's carrying on. A number of our members will be accountants, engineers, psychologists, lawyers, and so on. But the reality is that our members are all practising management consulting; therefore, they would not come under the disciplinary purview of the accounting Act, the engineering Act, or whatever they happen to be. I think that may be what you're getting at.

MRS. MIROSH: They would disqualify themselves from their own professional group if they become part of yours?

MR. OWENS: They don't disqualify themselves. For example, the CA Institute would not be undertaking disciplinary action on

someone who is really practising management consulting as distinct from accounting and auditing. So it's a question of what practice he's carrying on being the real issue, as to where he falls.

MRS. MIROSH: Okay, thank you.

MR. CHAIRMAN: Mr. Owens, I believe what Mrs. Mirosch is getting at is the value of the designation "certified management consultant." That's the clout you have, I guess. If people want to be called a certified management consultant as opposed to a management consultant, then you have something to say over their activities. In that connection maybe what she's also wondering about is what percentage your 150 members is of the total number who claim to be management consultants in this province.

MR. OWENS: That's a very hard number to get at. I would say we represent about 80 percent of what I would call the full-time serious management consultants, although there's no way to really validate that number. To the extent that they're out there and we don't know about them, we have trouble validating that number. There are a number of others, though, that will fall into the category of a university professor who's doing a bit of consulting on the side or the newly fired or newly retired types who often will claim to be in the profession of management consulting. But in terms of the mainstream group, I think we represent a pretty high proportion.

MR. M. CLEGG: Mr. Chairman, I'd like to add an I hope clarifying comment on this particular question. Firstly, the Bill only gives disciplinary powers over those management consultants who have registered and are registered members of the institute, not the others. Other people who are management consultants would not be subject to their discipline. There are professionals who will be members of other professional organizations who may be responsible to those bodies. It depends on the legislation. If, for example, a lawyer is deemed under the legal profession to be practising law, then he will be subject to the discipline of the Legal Profession Act and to the Law Society. If he decides to do something else and become a management consultant, if

the Law Society agrees that he's not practising law in what he is doing, they will say, "We have no disciplinary control over him." If he registers as a management consultant, becomes a certified management consultant, then this organization would have disciplinary control over him.

MR. CHAIRMAN: Does that help?

MRS. MIROSH: Yes, that clarifies it. Thank you, Mr. Chairman.

MR. JONSON: Mr. Chairman, I have two questions. First of all, for some time -- and I'm sure you're aware -- we've had a policy on professions and occupations, which I think has some general bearing on the Bill before us. Are the representatives here satisfied that their Act conforms with that policy, or was it their desire to do so? For instance, I note that it's fairly common in such Acts to have some public representation on the practice review committee. As far as I read the Act, that is not the case, but I note that there is public representation provided for on the discipline committee. Anyway, the general question is: how do you look at your Act as it compares to the policy on professions and occupations?

MR. OWENS: I would respond to that question by saying that we took great pains to look at all of the recent legislation, including Bill 82 -- which was the RIA Act, now the CMA Act -- and the omnibus legislation to make sure that we were being consistent. If you look at our proposed Bill Pr. 13, I think you'll find that we do have public representation on our board of directors, in addition to those other committees. That was strongly suggested by our legal counsel as the emerging trend in terms of how Alberta wanted to deal with these things.

MR. JONSON: I just note, Mr. Chairman, that that is certainly the case. But one of the bodies which typically does have public representation on it, as I recall the professional Acts, does not, and that is the practice review committee, unless I read the Act incorrectly.

MR. OWENS: If you look at 24(b) of the proposed Bill... Are you talking about the practice review board or the professional

conduct committee?

MR. JONSON: Pardon me; the professional conduct committee. That's what it is — not the practice review.

MR. OWENS: If you look at 24(b), I believe public representation is provided for.

MR. JONSON: The other question, Mr. Chairman, is that I'm intrigued by the fact that in the Bill there is more clout than is even the case in some of our larger, shall we say, professional legislation. Supposedly there is a reason for this. I wonder if the representatives could outline why they feel it is necessary, if there's a history to this, or if this is just something they see as futuristic and a good idea.

MR. OWENS: I'd be pleased to answer that one. Again, I'll refer to the CMA legislation of '82 as the most recent Bill of its kind that closely parallels our needs from a legislative point of view, and I think you'll find that we've modelled our Bill after it. I don't think you'll find that our Bill has any more clout than that one. So our Bill represents more clout than is provided in the umbrella legislation, the omnibus legislation, but it does not provide any more clout than is provided in some of the accounting Acts.

MR. SMITH: Additionally, I might add that in terms of professions such as nursing and being a medical doctor, the power of suspension that is provided in the omnibus Act is a very powerful tool, because an individual who is suspended as a nurse or a doctor cannot practise. That's not the case in our situation.

MR. JONSON: Fine.

DR. WEST: Mine has to do with the confusion I have on the total intent of the direction taken by this group. How would you respond if I were to say that it sounds to me like it's a fraternity rather than a group of professionals? It's a fraternity that wants to confer upon itself the impression of having a degree in certified management consulting, when indeed they're a group of collectives that come from all walks of life, with some of them not having a profession of their own to start with. I know that offends

you in some way, but could you respond to that statement?

MR. OWENS: I was a member of a fraternity some time ago. To answer more seriously, I think that's an interesting challenge. The way I would respond to it is that, number one, we have a common body of knowledge, and number two, we have two days of examinations which test both the general management understanding of our members, the understanding of their ethics, and the depth and breadth of their specialty knowledge in the particular subset of the profession they're practising. So I would say that it is much less a club and much more a profession, albeit I will concede to you that our profession is certainly a broader based profession than that of the accounting profession, the law profession, or in fact the medical profession. But we do have a common body of knowledge.

DR. WEST: If that's true, I would say that what you're asking is for us to certify you so that the public has a better view of your private-enterprise businesses rather than as professions per se which are granted degrees and recognized by society and then enacted under a professional Act. If this is the way we're going in the future, then any group of people selling feed or selling or doing any types of recommendations in the public could be enacted under such legislation, and I don't know whether that's the direction we want to go. I'm just putting that out to you.

MR. OWENS: In some of my preliminary remarks I think I said that the major thrust behind this was to ensure the quality of the practice of management consulting in the province with a view to protecting the clients in the province, and that is our major concern.

MS MJOLSNESS: Mr. Chairman, in terms of the discipline committee, if they choose to decertify a member, is an appeal route available to that particular member?

MR. OWENS: Yes, there is.

MS MJOLSNESS: That is outlined in the Bill, is it?

MR. OWENS: Yes.

MR. CHAIRMAN: Does that satisfy you, Ms Mjolsness?

MR. JONSON: Mr. Chairman, with the Act before us a short time ago, I just wanted to clarify that the body I was asking about was the practice review board, section 19. I was inquiring as to why there would not be provision for public representation on that board. I noted the other one.

MR. OWENS: It appears there is no provision for public representation. If members felt that was an important thing to be included in our draft, we would certainly be open to that.

MR. CHAIRMAN: Are there any other members? I think we've imposed about as much as we can on the Public Accounts Committee. Seeing none, I would like to thank the proponents of the Bill. We've maybe given you a rushed feeling, but we've tried to give you the best we could under the circumstances. Thank you very much.

A motion to adjourn, please?

MR. BRASSARD: I so move.

MR. CHAIRMAN: All those in favour?
Opposed, if any? Carried.

[The committee adjourned at 10:13 a.m.]

