

10:04 a.m.

[Chairman: Mrs. Black]

MADAM CHAIRMAN: Good morning, committee members, and welcome to our meeting of Private Bills. This is the meeting in which we will begin our deliberations on the Bills that we've heard during this session. Our normal procedure is that we have those deliberations and our open discussion in camera and then come out of camera and actually have our votes on our recommendations that we would put forward to the Assembly.

Might we entertain a motion to move in camera? Mr. Bruseker.

MR. BRUSEKER: Madam Chairman, I'll move that we move in camera to discuss private Bills.

MADAM CHAIRMAN: Thank you very much.

All in favour? Motion carried.

[The committee met in camera from 10:05 a.m. to 11:29 a.m.]

MADAM CHAIRMAN: We will now proceed with the second portion of our meeting, I think. If we could deal with the Bills in numerical order as opposed to the order in which we heard them. I will be asking for a motion from committee members to either recommend that the Bill proceed to the Assembly or recommend that the Bill not proceed.

What is the wish of the committee with Bill Pr. 1? Ms Laing.

MS M. LAING: I would move that we recommend to the Assembly that Bill Pr. 1 proceed.

HON. MEMBERS: Question.

MADAM CHAIRMAN: The question has been called. All those in favour? Opposed, if any? The motion is carried.

What is the wish of the committee with regard to Bill Pr. 2, First Canadian Casualty Insurance Corporation Act? Mrs. Laing.

MRS. B. LAING: Madam Chairman, I would like to recommend this committee recommend to the Assembly that Bill Pr. 2 proceed.

MADAM CHAIRMAN: Is there any discussion? All in favour? Opposed, if any? Motion carried. Thank you.

What is the wish of the committee with regard to Bill Pr. 3, Carmelite Nuns of Western Canada Act? Mr. Tannas.

MR. TANNAS: I would move that we recommend proceeding with Bill Pr. 3.

MADAM CHAIRMAN: Is there any discussion? All those in favour? Opposed, if any? Motion carried. Thank you.

What is the pleasure of the committee with regard to Bill Pr. 4, Caritas Health Group Act? Mr. Bruseker.

MR. BRUSEKER: Madam Chairman, I will make a motion that the committee recommend that Bill Pr. 4 proceed to the Legislature and the Legislature proceed with Bill Pr. 4.

MADAM CHAIRMAN: Call for the question?

HON. MEMBERS: Question.

MADAM CHAIRMAN: Oh, is there any discussion?
Ms Laing.

MS M. LAING: Yes, I would move that . . .

MADAM CHAIRMAN: Well, we have a motion on the floor.

MS M. LAING: I move to amend the motion on the floor, that Bill Pr. 4 be amended by deleting section 2(3) from the Bill as recommended.

MADAM CHAIRMAN: Okay. On the amendment to the motion.

HON. MEMBERS: Question.

MADAM CHAIRMAN: The question has been called. All those in favour? Opposed? This is to the amendment. The amendment fails.

Back to the main motion. All those in favour of the motion that Bill Pr. 4 be recommended to proceed to the Assembly? Opposed? Motion carried.

Bill Pr. 5, Lee Justin Littlechild Adoption Act. What is the wish of the committee? Mr. Ewasiuk.

MR. EWASIUK: Madam Chairman, I move that Bill Pr. 5 proceed to the Assembly for approval.

MADAM CHAIRMAN: You recommend that the committee recommend to proceed.

MR. EWASIUK: I recommend to the Assembly to proceed for approval.

MADAM CHAIRMAN: Thank you.

Is there any discussion? All those in favour? Opposed, if any? The motion is carried.

Now, what is the wish of the committee with regard to Bill Pr. 6, Rocky Mountain College Act, as amended? Mrs. Laing.

MRS. B. LAING: Madam Chairman, I would like to recommend to the committee that we move that Bill Pr. 6 as amended proceed to the Assembly.

HON. MEMBERS: Question.

MADAM CHAIRMAN: All those in favour? Opposed, if any? Motion carried.

What is the wish of the committee with regard to Bill Pr. 7, Medicine Hat Community Foundation Act? Mr. Hyland.

MR. HYLAND: I'd like to move that we recommend to the Assembly acceptance of Bill Pr. 7, Medicine Hat Community Foundation Act.

MADAM CHAIRMAN: You mean that the Bill proceed.

MR. HYLAND: Proceed.

MADAM CHAIRMAN: Thank you.

All those in favour? Opposed, if any? Motion carried.

Bill Pr. 8. What is the wish of the committee with regard to the Calgary Municipal Heritage Properties Authority Amendment Act, 1992? Mrs. Mirosh.

MRS. MIROSH: Madam Chairman, I move that we proceed with Bill Pr. 8.

MADAM CHAIRMAN: That we recommend Bill Pr. 8 proceed.

MRS. MIROSH: Yes, that sounds good.

MADAM CHAIRMAN: Thank you.

All those in favour? Opposed, if any? The motion is carried.

Bill Pr. 10, St. Mary's Hospital, Trochu Amendment Act, 1992. What is the wish of the committee? Mr. Tannas.

MR. TANNAS: Madam Chairman, I move that we recommend that we proceed with Pr. 10, St. Mary's Hospital, Trochu Amendment Act, 1992.

MADAM CHAIRMAN: Any discussion? All those in favour? Opposed, if any? The motion is carried. Thank you.

What is the recommendation of the committee with regard to Bill Pr. 11, Frederick James Harris Adoption Act? Mr. Chivers.

MR. CHIVERS: Madam Chairman, I move that the committee recommend that Bill Pr. 11 proceed.

MADAM CHAIRMAN: Is there any discussion? All those in favour? Opposed, if any? The motion fails.

Mr. Lund, would you like to make a motion? What is the wish of the committee? [interjection] Oh, I'm sorry. It failed. The Chair is corrected.

Bill Pr. 12, Calgary Foundation Amendment Act, 1992. What is the wish of the committee? Mrs. Mirosh.

MRS. MIROSH: Madam Chairman, I move that we proceed with Bill Pr. 12.

MADAM CHAIRMAN: Your motion is a recommendation that the committee recommend to the Assembly that the Bill proceed. All those in favour? Opposed, if any? The motion is carried. Thank you.

Bill Pr. 13, Den Tobias Deane Adoption Act. What is the wish of the committee? Mr. Lund.

MR. LUND: Thank you, Madam Chairman. I move that we recommend to the Assembly that Bill Pr. 13, Den Tobias Deane Adoption Act, as sponsored by Mr. Gibeault, not proceed.

MADAM CHAIRMAN: Is there any discussion? All those in favour of the motion that the Bill not proceed? Opposed? The motion is carried.

Bill Pr. 14, Carolyn Debra Peacock Adoption Act. What is the wish of the committee? Mrs. Hewes.

MRS. HEWES: I'll move that we recommend to the Assembly that Bill Pr. 14, Carolyn Debra Peacock Adoption Act, proceed.

MADAM CHAIRMAN: Is there any discussion? All those in favour? Opposed, if any? The motion is carried.

Bill Pr. 15, Victory Bible College Act. What is the wish of the committee? Mr. Severtson.

MR. SEVERTSON: Madam Chairman, I make a motion that the committee proceed with Bill Pr. 15, Victory Bible College Act, and report to the Assembly.

MADAM CHAIRMAN: The motion has been made that the committee recommend to the Assembly that Bill Pr. 15 proceed. All those in favour? Opposed, if any? The motion is carried.

Now, we didn't deal, as is obvious, with Bill Pr. 9, and we have some amendments that have come forward. What is the wish of the committee in dealing with Bill Pr. 9? Mrs. Laing.

MRS. B. LAING: Madam Chairman, I would like to recommend to the committee that we hold Bill Pr. 9 in view of the new amendments and the further petitioning by the group. [interjections]

MADAM CHAIRMAN: Could you -- I'm sorry; there are questions coming. Please, one at a time.

MRS. B. LAING: Would you like it to include "till next week"?

MADAM CHAIRMAN: Okay. The motion has been made that we don't make our decision for recommendation until next week on Bill Pr. 9.

Now on the motion, Mr. McEachern.

MR. McEACHERN: I wonder if the member would be prepared to hold her motion until sort of the end of the day and give us a chance to talk to these people a little bit and see if it's really necessary at that stage. Maybe 20 minutes with them will answer our concerns, and then maybe we won't have to meet. I mean, there is a full complement of people here, and we could talk to them. Twenty minutes may well be enough.

11:39

MR. CHIVERS: Madam Chairman, I had already made that proposal previously. I have no difficulty with delaying our deliberation or even asking them to come back if it's necessary, but it seems to me that we should use our time and their time as efficiently as possible, which means let's use the time here. Rather than debating the issue, let's hear from them and see what they have to say.

MRS. HEWES: Couldn't have said it better.

MR. LUND: I would move an amendment to the motion, and the amendment would say that we now talk to the petitioners who are here. I don't have the wording down, so I'm having some difficulty, but I want to include in the motion that we talk to the petitioners now, with the decision left over until next week. [interjections]

MADAM CHAIRMAN: Just a minute. Through the Chair, please. Am I hearing a friendly amendment between -- Mrs. Laing, would you like to amend your motion?

MRS. B. LAING: I would not like to accept Mr. McEachern's amendment. I feel that I would like to have further time myself, even though I'm here, to hear them, to read it over, and to think about it. So even though I'm here, I feel I need more time. I included in my amendment "and the further petitioning." To me, that meant that they would be brought in immediately and we would hear them.

MADAM CHAIRMAN: Okay. Hearing that intent, what is the wish of the committee? All those in favour of the motion?

MR. McEACHERN: Let's hear from the petitioners and then vote on it.

MADAM CHAIRMAN: No, we're going to finish this order of business now, Mr. McEachern, before we proceed on with another order.

All those in favour of the motion? Opposed, if any? Carried unanimously. Thank you very much.

I'm sorry. Correction. It was not unanimous; Mr. Bruseker voted against it.

Now, due to diverting a little bit from our agenda, might we have the approval to ask the petitioners from Bill Pr. 9 to come in and have a discussion with us with regard to the amendments filed? All those in favour?

HON. MEMBERS: Agreed.

MADAM CHAIRMAN: Parliamentary Counsel, would you bring the petitioners.

[Mr. Carleton and Mr. Metz were sworn in]

MADAM CHAIRMAN: Thank you, committee members. If we would resume our . . . Could the committee come to order, please. Thank you.

We have with us students in the gallery. We'd like to welcome you this morning to the Committee on Private Bills. We are a committee made up of all three political parties, and we hear petitions from people to create a private Bill that doesn't fit into the normal area of our statutes. So we welcome you and hope you enjoy the deliberations.

Committee members, we have representatives. Mr. Carleton and Mr. Metz have joined us again from the United Farmers of Alberta Co-operative Limited. They visited with us when they first presented their petition a couple of weeks ago and have filed some substantial amendments to the original Bill.

Mr. Lund.

MR. LUND: I just wanted to get on the speaking list.

MADAM CHAIRMAN: Okay.

Counsel, have the petitioners been sworn in?

MR. RITTER: They have, Madam Chairman.

MADAM CHAIRMAN: Might I ask, Mr. Carleton, if you could very briefly explain the dramatic changes within the Bill to the committee, please.

MR. CARLETON: Thank you, Madam Chairman, and I thank the committee for their indulgence in hearing additional submissions. We'll be brief.

At the last session, a great number of questions were raised particularly about sections 3 and 4 of the Bill. The implications of that for the distribution of power are between the board of directors and the membership of the UFA. A number of concerns were raised by this committee, and those concerns have not been resolved, I understand, to the satisfaction of the committee.

As has been mentioned previously, the very serious issue facing the UFA relates to its capacity to enter into certain business transactions, and it is extremely important for the UFA to address that issue. In that regard and being mindful of the need to address that issue, the petitioners, UFA, whom I represent, and Mr. Metz have proposed amendments to the Bill which would see issues relating to sections 3 and 4 dealt with simply by deleting those provisions from the Bill; addressing certain issues in relation to section 2 of the Bill by deleting provisions that dealt with possibly

retrospectivity of the legislation; eliminating subsection 2 of section 4 of the legislation, which again dealt with issues of bylaws and powers of director; and simply confirming the capacity of the association, its use of a seal, and then recognizing the existence of the Business Corporations Act.

MADAM CHAIRMAN: Thank you very much, Mr. Carleton. We'll go to questions from the committee.

Mr. Lund.

MR. LUND: Thank you, Madam Chairman. First of all, I want to express my extreme displeasure with what you proposed the first time. I don't know where that came from, and I think it was . . . Certainly I had a tremendous amount of discomfort with it when you brought it forward. I'm wondering how many of your directors know that this is going on and ever saw that first draft.

MR. CARLETON: All the directors know that, sir.

MR. LUND: I have a very strong feeling that that's not accurate. Nevertheless, I'll leave it at that, Madam Chairman. I still have discomfort with it, particularly in light of what you proposed the first time.

MADAM CHAIRMAN: Mr. Hyland.

MR. HYLAND: Mr. Lund asked part of my question, because I had a conversation last Friday with one of the board of directors asking about the Act and the feeling of the Act. For example, when we had the Alberta Wheat Pool Act, the organization spent a lot of time getting the grass roots involved and the directors and delegates, so when it came before us, they had declarations and all sorts of stuff. I was caught last week wondering about a conflict because of being a shareholder. I had thought in reviewing the *Hansard* that the other thing that was asked for -- today we've got proposed changes -- was something that showed that the board had accepted, the ownership had accepted, or something. As I said, I asked my board member from my area and he knew nothing about the Act.

11:49

MR. METZ: If I may comment, I was there personally when it was presented to all the UFA board members, as well as presented to all the delegates and, again, the board members at the annual meeting. In fact, we spent two days on it at the annual meeting. There was one delegate absent due to illness, but all the others were there. It was voted on at the annual meeting, and it was virtually unanimous. There was one vote against it, and he did not wish his vote recorded in the minutes.

MADAM CHAIRMAN: Thank you.

Mr. Chivers.

MR. CHIVERS: Mr. Carleton and Mr. Metz, as you know, last time I expressed some serious concerns with respect to some of the issues that were raised in the Bill as it was then formulated. I for one want to commend you for, I think, taking the proper approach and giving us the opportunity to deal with their immediate and urgent problem, and then we can deal with the other matter at your behest in the future if necessary. So I for one want to commend you for the actions you've taken. I think that's very responsible.

It seems to me the principal issue here is the vesting of powers of a natural person on the UFA, which is a standard proposition. It seems to me beyond question that the merits of that proposal are that

we should deal with it and deal with it now, particularly since there is some urgency. I wonder if you would just remind us of the urgency with respect to this issue, because I think some of the members may not have been here last time.

MR. CARLETON: The urgency arises out of the bank dealings of the United Farmers of Alberta. Bankers of 50 years have taken the position that it has no legal capacity to use bankers' acceptances and currency swaps and other kinds of financial instruments currently available in the banking marketplace based upon an interpretation of its incorporating legislation and have refused to permit UFA to use those kinds of instruments based upon that interpretation. The proposal as currently amended is to vest UFA with the capacity to take advantage of those kinds of business opportunities and to set aside any question that commercial transactions of UFA might be found invalid on the basis that its statute does not give it sufficiently broad power to undertake that kind of business activity.

MR. CHIVERS: Just supplemental to that, Madam Chairman, if I might. Could you give us some indication of the possible consequences of our failure to provide you with that vesting of a natural person's powers?

MR. CARLETON: On the assumption that with respect to any particular transaction it's found that the transaction was beyond the capacity of the UFA based upon its current legislation, then that transaction would be invalid and there would be no enforceable rights existing on the part of either the UFA or the other contracting party.

MR. CHIVERS: Also, then, I take it the institutions might refuse to engage in a transaction with you as a result.

MR. CARLETON: Indeed. That's exactly what's happened here. The bank has refused to participate in bankers' acceptances with UFA on the basis that there would be no entitlement to enforce the rights and obligations relating to that commercial instrument against UFA as a result of that transaction being beyond its capacity.

MR. CHIVERS: Thank you.

MR. METZ: If I may comment on that as well, traditionally or historically we've saved about a quarter of million dollars a year using these other instruments, and now we're not able to use them.

MRS. HEWES: Madam Chairman, a couple of questions. Mr. Carleton, this is a truncated position. You've amended the Act by taking out a great deal. Last time we asked about -- are they called councils? It had gone out to councils for their . . . So I have two questions. One, was there any further comment from those councils subsequent to the time you were here until now? Further to that, are there minutes or any documentation that says this proposed new Bill has in fact been passed and agreed to by some formal part of your organization? That isn't contained in the letter, and I think we really need to have some minuted document that says your organization agrees to present this change to the Bill.

MR. CARLETON: May I refer that to Mr. Metz?

MR. METZ: No, there has been nothing further from the advisory committee meetings. We have had no negative feedback at all.

As far as some kind of documentation, this was handled just through a motion from the floor that the amendment to the UFA Act be accepted, and that was the extent of the wording in the minutes.

MRS. HEWES: But, Madam Chairman, it happened at a duly called . . .

MR. METZ: This was at our annual meeting with the directors and delegates present.

MRS. HEWES: Madam Chairman, I'm sorry. The annual meeting happened subsequent to your submission here?

MR. METZ: No; this was prior.

MRS. HEWES: Okay. What I'm talking about, Mr. Metz, is this amendment, this change. You're now presenting a different Bill or a truncated Bill. Who's agreed to do this? Who's agreed to taking all that out? Anybody?

MR. CARLETON: The petitioner is the UFA and Mr. Metz. But your question is: have these amendments been brought before the delegates or the membership in any form or way?

MRS. HEWES: Or the board or anybody.

MR. CARLETON: Indeed. The answer to that question is no, they have not.

MRS. HEWES: Okay. Thank you.

MADAM CHAIRMAN: Mr. McEachern.

MR. McEACHERN: Yes. Thank you, Madam Chairman. Actually I'm rather perplexed at what's suddenly going on around here. In the last meeting most of the hard questions about the terminology were asked by the members Mr. Evans, Mr. Chivers, and myself. Now all of a sudden we've got everybody else jumping all over the UFA, and for what reason I'm not quite sure.

In any case, what I want to say is this. I was quite impressed by the document I received yesterday which showed all the amendments you were prepared to make in the original Bill dealing with, as far as I can tell, almost all the concerns raised in this committee the last time around: changing wording on section 4(1), for example, and so on.

MADAM CHAIRMAN: Just for clarification, Mr. McEachern, what we're dealing with is this Bill that we handed out this morning.

MR. McEACHERN: Yeah, right.

MADAM CHAIRMAN: So if you could keep your comments to that Bill. Due to the time, there are other members that would like to get in.

MR. McEACHERN: I'm sorry. There's a little history that sort of needs to be put forward here because of the comments I've just heard.

In fact, you answered all our detailed terminology points very, very adequately in this document that we were sent yesterday. I was therefore a little bit surprised today to all of a sudden get the truncated version.

I would suggest to the Member for Edmonton-Gold Bar that what she might do is read very carefully the documentation you gave us -- and it came in the package yesterday -- about who saw this and it was sent out to the delegates, et cetera, and think back to all the answers you gave us, and if the points made in today's truncated version, as she has called it, do not overstep the bounds of the

agreements made in your previous meeting, then I don't understand why she's got this concern that you've got to have a new approval. In fact, the three points in here are very minimal in bringing forward your agenda compared to what you brought forward last time.

MRS. HEWES: Don't put words in my mouth.

MR. McEACHERN: Well, I think that all of a sudden . . .

MADAM CHAIRMAN: Deal with the Act. Mr. McEachern, I've asked that you deal with the Bill that is before you today.

MR. McEACHERN: All right, so I will.

What I'm saying is that as far as I can see the UFA has answered our concerns. In fact, I was amazed at the answers you gave us last time and how consistent and careful you were to explain and how open you were in answering our concerns and the effort you made to try to change those things. If this is the truncated version, it's certainly a minimal package compared to what you were asking us, and I for one have no trouble with it. I think you backed off far more than you probably needed to, as I thought you had done a very good job on the other document you sent us.

11:59

MS M. LAING: This is just for clarification. My understanding -- and I haven't read some of the stuff that carefully -- is that you went to your AGM, asked for authorization from the delegates to deal with the financial procedures you want to engage in or get the power to do that. Now, is it correct that the specific wording was given to the delegates, or were you given the power to develop the amendments necessary to meet your objective?

MR. CARLETON: Bill Pr. 9, with I think one or two inconsequential word changes, was presented to the delegates at the annual general meeting. There was a discussion about what is now called Bill Pr. 9, and there was the approval of the delegates for the presentation of that Bill to this Assembly.

MADAM CHAIRMAN: Before we continue, committee members, it is now 1 minute after 12 and our time in this committee really has expired. Would the committee consent to having a wrap-up from the petitioners at this point? It will take us over our time. It looks like we have agreement to that. I'm afraid we're going to have to vacate the premises.

I would ask Mr. Carleton and Mr. Metz if they would like to . . . Obviously there are some substantial changes, and I appreciate you coming forward today. Do you have any closing comments as to whether this Bill meets the intent of your original visit with us?

MR. CARLETON: Certainly the major concern of UFA is its ability to access its traditional financial instruments. The amended Bill before you would address that issue for us. In answer to the hon. member's question: no, removing other things from Bill Pr. 9 has not been approved by the membership. All we can offer is our personal comment that we don't think the members would be dismayed at removing the things that in fact have appeared to give rise to questions and concern by this committee, but there has been no formal approval of these amendments.

MADAM CHAIRMAN: Thank you very much.

Mr. Metz, do you have any closing comments?

MR. METZ: Thank you. I guess I would just make one closing comment that Bill Pr. 9 as it is proposed here did not originate with

the board of directors as such. The purpose of this was to allow us to deal with these banking deals, and subsequently, because it's not an easy thing to appear before a Legislature, we thought we would just update everything into modern wording and make things clearer for other institutions we deal with. So between Mr. Carleton and myself, this was the wording we came up with. There was no attempt at any kind of grab for power by a board of directors. There certainly was nothing of that nature. We just wanted to alleviate any concern there might have been in that regard. It was only an attempt to clarify things and modernize as well as give us the powers of a natural person to deal with financial institutions.

MADAM CHAIRMAN: Thank you very much for your comments.

Committee members, we have gone over our allotted time in committee. We will be gathering again next Wednesday at 10 o'clock to deliberate Bill Pr. 9. So I would ask committee members to put their attention to Bill Pr. 9, and you may get some calls from people for clarification.

Could we have a motion for adjournment?

MR. HYLAND: So moved.

MADAM CHAIRMAN: All in favour? Thank you very much for your patience today.

[The committee adjourned at 12:05 p.m.]

