

Standing Committee on Private Bills

8:35 a.m.

[Chairman: Mr. Renner]

MR. CHAIRMAN: Good morning, members. I'd like to call this meeting to order. This is the Private Bills Committee, and we're set for another meeting.

I want everyone to refer to their agenda. First of all, I would like a motion to approve the agenda as circulated.

DR. OBERG: I hereby make that motion, Mr. Chairman.

MR. CHAIRMAN: Thank you.

Is there any further discussion or amendments? If not, then all in favour of approval of the agenda? Opposed? None opposed. Carried.

We also have distributed minutes from the last meeting. They should have all gone out. If I could have a motion to approve those minutes as circulated.

MRS. LAING: I so move.

MR. CHAIRMAN: Mrs. Laing so moves. Any errors or omissions in those minutes? All in favour of the motion then? Opposed? Carried.

We've got one set of petitioners here today. This will be for Bill Pr. 6, Mennonite Mutual Insurance Co. (Alberta) Ltd. Amendment Act, 1993, and then we have three more Bills that we'd like to deal with after that. Actually, I mentioned before that if there's time, I'd like to have just a general discussion on adult adoptions. I should have maybe put it on the agenda, but I think if there's time, we'll do it; if there's not time, we won't.

With that, then, Ms Marston, if you could invite our witnesses to come in.

[Mr. Jantzi and Mr. Dyck were sworn in]

MR. CHAIRMAN: Thank you and welcome, gentlemen. Just before we get started, a brief explanation of the process here.

You have petitioned the Legislature to pass an Act on your behalf. That Act has had first reading in the Legislature. It then gets referred to this committee for our recommendation, and part of our recommendation is a review process and an interview process with you. So that's the reason you're here today. I mentioned to you earlier that you'll have an opportunity to explain to the committee what it is that the Act proposes and why you wish that Act to be passed. Then the committee will have opportunity to ask questions of you.

This is an all-party committee. We have members from both sides of the House on this committee, and we have a pretty good distribution of members right across the province. I think it's good for you to know who it is that you're speaking with, so I'm going to ask the committee members to introduce themselves to you just before we get started.

Also, it's not necessary for you to stand when you're addressing the committee. If you're more comfortable sitting, please feel free to do so. If you want to stand, that's fine too, but we want to be relatively informal, so speaking from a sitting position is just fine.

Mrs. Gordon, if you would start.

MRS. GORDON: Good morning. Judy Gordon, Lacombe-Stettler.

MR. JACQUES: Good morning. Wayne Jacques, Grande Prairie-Wapiti.

MR. YANKOWSKY: Good morning. Julius Yankowsky, Edmonton-Beverly-Belmont.

MR. VAN BINSBERGEN: Welcome. Duco Van Binsbergen, West Yellowhead.

MRS. SOETAERT: Hi. Colleen Soetaert, Spruce Grove-Sturgeon-St. Albert.

MR. HERARD: Good morning. Denis Herard, Calgary-Egmont.

MR. AMERY: Moe Amery, Calgary-East.

MRS. LAING: Bonnie Laing, Calgary-Bow.

MR. SEKULIC: Good morning. Peter Sekulic, Edmonton-Manning.

MR. SMITH: Murray Smith, Calgary-Varsity.

MRS. FRITZ: Yvonne Fritz, Calgary-Cross.

MR. HLADY: Mark Hlady, Calgary-Mountain View.

DR. L. TAYLOR: Lorne Taylor, Cypress-Medicine Hat.

DR. OBERG: Lyle Oberg, Bow Valley.

MR. CHAIRMAN: My name's Rob Renner. I'm from Medicine Hat. I'd like to also take this opportunity to introduce the people here joining me at the chairman's table. Our Parliamentary Counsel is Rob Reynolds. I think you've already met Rob. Florence Marston is the assistant to the committee. I think you've probably been in contact with Florence.

I'd like to also welcome to our committee meeting this morning Mr. Bruseker, who has joined us. Mr. Bruseker is the sponsor of this Bill. For the information of anyone on the committee it's certainly the prerogative of any member of this Assembly to attend a committee meeting. We welcome Mr. Bruseker here to see what we have to do on the Bill this morning.

I guess one thing I should mention before we get started, too, is that because this committee has members from all over the province and everyone has huge time commitments, people will tend to come and go at the committee from time to time. Certainly it's no aspersion towards you if someone gets up and leaves; it just means that they have another commitment somewhere else. That's unfortunate, but that's the way life is around this place. Everyone is very committed to a lot of things.

I'd like to welcome Mr. Wickman.

MR. WICKMAN: Mr. Chairman, I didn't see you at the Jean Chrétien breakfast this morning. I was surprised.

MR. CHAIRMAN: I'm sorry. I had previous commitments. I just couldn't make it.

Okay. Mr. Jantzi or Mr. Dyck -- I don't know who wants to go ahead first -- please go ahead.

MR. DYCK: I'd like to express appreciation to this committee for hearing our petition. The purpose of our petition is that many years ago at the beginning of 1930 we started to do a little bit of insurance

among our own congregations and so on, and in 1960 we were incorporated. So we had some experience before then. We started out with a straight fire policy, as you're aware. As time went on, we of course had to add new coverages and so on, and we continued to add coverage until we got to the letter (g). We find that we need more coverages again, and so we would like to submit to you the position that we would like to make policies of insurance

to indemnify persons who are members of the Mennonite Church living in Alberta, or such other persons living in Alberta of like faith as may be designated by the directors, for all classes, except life insurance.

This will help us greatly because we do in fact try to operate as a full line insurer.

We pray that you consider this petition.

MR. CHAIRMAN: Thank you very much.

Mr. Jantzi, do you have any comments to add to that?

MR. JANTZI: Not at this point.

MR. CHAIRMAN: Okay. Thank you.

Members of the committee, does anyone have questions? Mr. Hlady.

MR. HLADY: Mr. Dyck, I know of a Dyck Insurance as well in Calgary. Is there any relation?

MR. DYCK: No, there isn't with me personally. No.

MR. HLADY: It's spelled the same, but there is no relation to you?

8:45

MR. DYCK: No, and there's no connection with Mennonite Mutual either.

MR. HLADY: Okay. Thank you very much.

MR. VAN BINSBERGEN: Mr. Dyck, why would you not want to offer life insurance? Why do you exempt that?

MR. DYCK: We're a small company. That may be in the future, but we don't see it even on the horizon at this point. We felt that we would really like to give this more consideration before we include that.

MR. VAN BINSBERGEN: You'd think that it would be easier to ask to include that in this Bill.

MR. DYCK: Perhaps it would have been, yes.

MR. CHAIRMAN: Any other questions?

Mr. Yankowsky.

MR. YANKOWSKY: Yes. I see that you state here that you write these policies to persons "of like faith." Could you explain that?

MR. DYCK: If the board of directors decides that there would be a group of people that would perhaps accept the same philosophy and so on -- and I'll give you an example. There's the Missionary Church, which isn't Mennonite. There are an awful lot of ex-Mennonites in there, so the board has decided that we, in fact, could write these people and they could be part of our program. That's an example of what happens. It's not that just anybody can come in and we would take them in if they said they were of like faith. It would

have to be a board decision, and it would have to be done on a group basis.

MR. CHAIRMAN: If no one has any questions, I have one -- more a clarification than a question. You are not an insurance agent as such; is that correct?

MR. DYCK: No.

MR. CHAIRMAN: You actually collect the premiums and pay the claims; your own company does that?

MR. DYCK: Yes.

MR. CHAIRMAN: Do you have some coinsurance?

MR. DYCK: We have reinsurance treaties with Mennonite Indemnity in Akron, Pennsylvania, and they reinsure again, et cetera, et cetera. Also for our general comprehensive liability, which we just started several years ago, we reinsure with Farm Mutual Reinsurance Plan of Ontario through Guy Carpenter. So we are reinsured. We have a quota share agreement there with an excessive loss agreement as well, on the liability of course.

MR. CHAIRMAN: Just to go along that same line then: how are your policies sold? Are you listed with agencies, or do you basically act as your own agent then, and would it just be sold in such a small group that you really don't need a salesperson as such?

MR. DYCK: Yes, we do need people that represent us. We have a unique situation in that the local congregations elect what we call a treasurer, who would write the policies, and they also elect their adjusters. So we have some very interesting situations -- brother to brother, et cetera, when one has a loss and the other one is the adjuster -- but it works very well. There are some really good, built-in controls in this kind of a system, we find. These people are not licensed. We are licensed in the office, and this is clarified with the superintendent of insurance. They are well aware of how we operate, and they support that, or they condone that. Does that answer your question?

MR. CHAIRMAN: Yes, it does.

Now, is there any net need for you to increase your equity or increase your capital by offering a broader line? Would you not have the possibility of more liability, or does the reinsurance cover that aspect?

MR. DYCK: The reinsurance covers part of that, but because we reinsure most of our business in the U.S., it doesn't really help us here. Our reserves are substantially above what the requirement is, so whatever we do here is certainly still well within the means of the reserve requirements.

MR. CHAIRMAN: Thank you very much.

Mr. Reynolds, do you have a question or a comment?

MR. REYNOLDS: It's my understanding that you've been in contact with the superintendent of insurance about this amendment.

MR. DYCK: Yes.

MR. REYNOLDS: I've also been in contact with him, and he indicated to me in writing that he had no objection to amending section 4. I just wanted to point that out.

MR. DYCK: We had discussed that with him just to make sure that we were on the right track and so that we wouldn't go through this process before it was cleared.

MR. CHAIRMAN: Mr. Herard.

MR. HERARD: Thank you. With respect to the rates that you charge for the insurance, is it more or less comparable to what's available in the industry?

MR. DYCK: For awhile while the industry rates were coming down, up until several years ago -- and you're probably aware that they were; homeowners' and so on were coming down for quite some time, or their coverages were broadened -- we did that too, and we were fairly competitive. But in the last year, since the big storm in Calgary particularly, Alberta has not really been a very good place for some insurance companies. Right now our rates are substantially lower.

MR. HERARD: Thank you, sir.

MR. CHAIRMAN: Any other questions? Mrs. Laing.

MRS. LAING: Thank you. Your insurance, then, is therefore just open to members of your church and other church groups that you identify. Is that correct?

MR. DYCK: Yes.

MRS. LAING: There's no financial connection between the churches and the insurance company, is there, other than sort of your identified group?

MR. DYCK: I'm not sure that I get the question, but we would consider that the Mennonites of Alberta are the owners of the company.

MRS. LAING: But there's no financial tie from the church to the insurance company; is there?

MR. DYCK: Not as such, no.

MRS. LAING: No. Thank you.

MR. CHAIRMAN: Seeing no further questions, then, thank you for coming today. As I mentioned to you earlier this morning, the committee will discuss your request. Within the next week or so we shall have a decision, and Parliamentary Counsel will advise you of that decision.

MR. DYCK: We'd like to express our appreciation and thank you for your consideration. We'd also like to express our appreciation for counsel and for Florence Marston, who has been very, very helpful. We have had a good experience doing this right from the time we started.

Thank you very much.

MR. CHAIRMAN: Thank you.

Members of the committee, if we could now perhaps have a brief discussion whether you want to deal with this Bill immediately or move on the agenda and cover some of the other items.

MR. WICKMAN: Mr. Chairman, I'll move that we recommend that the Bill be proceeded with to the Legislative Assembly.

MR. CHAIRMAN: Thank you.

We have a motion by Mr. Wickman. Discussion to that motion? Mr. Herard.

MR. HERARD: Yes, I'm just wondering if we can proceed with that when on the very first page of our information it says that we've asked the superintendent of insurance for his comments on this Bill and are waiting to hear from him. Have we heard?

MR. CHAIRMAN: We have that letter.

MR. HERARD: All right; thank you.

MR. CHAIRMAN: It should be with your information. We do have a letter from the superintendent of insurance: "We have no objections to the proposed amendment to section 4 of the Act."

Any further discussion? If there's no discussion, then, are you ready for the question?

HON. MEMBERS: Question.

MR. CHAIRMAN: We have a call for the question. Would you please read the motion?

8:55

MS MARSTON: The motion by Mr. Wickman is that the Standing Committee on Private Bills recommend its approval of Bill Pr. 6, the Mennonite Mutual Insurance Co. (Alberta) Ltd. Amendment Act, 1993, to the Legislature.

MR. CHAIRMAN: All in favour of the motion? Opposed? The motion is carried.

Mrs. Soetaert.

MRS. SOETAERT: As soon as people leave here -- we're talking about them as soon as they walk away, and it's awkward out there.

AN HON. MEMBER: They're very pleased to hear that.

MRS. SOETAERT: Yeah. I think we should change that. I don't know how you want to do that, but it isn't . . .

MR. CHAIRMAN: I agree. In fact, that's why I was sort of saying that maybe we should deal with something else. I think that we do have to figure that out, and that's one of the things I want to discuss when we have some general discussion. We will have time for that today.

Mr. Jacques.

MR. JACQUES: I guess I'm a little puzzled by that comment, because this is a public meeting. They could very well stay and observe our decision-making process. The only time that people aren't in here or anytime the speakers aren't on is when we're in camera. Otherwise it's public. I'm sorry; I don't understand what the issue is.

MR. CHAIRMAN: Well, let's leave this discussion until later, because we will hopefully have time for some general discussion. It's not an agenda item now. I appreciate both comments, but I think we should deal with it under general discussion.

Mrs. Laing, did you have a comment?

MRS. LAING: It was on that point. I was just thinking that perhaps we should go back to the motion I made last week of waiting a week,

even if they're simple, because then the people are gone and we wouldn't have that difficulty. A week isn't a big problem.

MR. CHAIRMAN: I agree. I apologize, Mrs. Laing, because you're quite right. The motion was made, and I shouldn't have actually let that motion be on the floor. I think under the circumstances it doesn't really matter, but you are right, and that's what we had discussed.

Let's now deal with the remainder of our agenda; we have business to deal with.

Bill Pr. 2, The Youth Emergency Services Foundation Amendment Act, 1993. If you'll remember, the committee had made a motion that the amendment proceed pursuant to us receiving some information indicating that the Youth Emergency Shelter Society was not objecting to basically the separation from the foundation and the society. We now have had some information and some correspondence back from the petitioners, and I'll let Parliamentary Counsel address the information. At the same time as they advised us and provided us with the information we requested, they pointed out that through an oversight really on their part more than anything else they realized that in the preamble to the Bill, as amended now, there is reference under definitions to the Youth Emergency Shelter Society. However, that reference doesn't relate to anything else in the Bill, because through the amendments that have been passed, all references to Youth Emergency Shelter Society are deleted from the Bill. So by way of housekeeping they suggested that we might wish to amend this Bill to allow for the deletion of the reference to Youth Emergency Shelter Society in the definitions of the Bill. It's a housekeeping measure; it really doesn't affect the Bill. It's something that we may want to deal with today at the same time.

MR. REYNOLDS: I just want to say that everyone should have received a copy of the October 5 letter from Mr. Bowker. It's on Lucas Bowker & White stationery and attached to it is a certified copy of the special resolution. If anyone doesn't have that, we could provide you with an extra copy. As the chairman indicated, this special resolution is the one that Mr. Sekulic, I believe, asked for when they were here.

With respect to the amendment, as the chairman has stated, it is just a housekeeping measure that they overlooked. They've deleted all the references in the Act to the Youth Emergency Shelter Society, except they've still left it in the definition section. I mean, if it went through without this amendment we're talking about now, you'd have it defined in the definition section but you wouldn't have it mentioned anywhere in the Act. So it's really, as the chairman said, just a housekeeping measure that they requested in their October 5 letter. Of course, that would mean there would have to be a motion from the committee, if you found this agreeable, to recommend the Bill with amendments.

MR. CHAIRMAN: Okay. We have a motion that has been passed that the committee recommend that this Bill proceed provided that we receive the assurance that we have requested. We now have that information. However, this further amendment complicates it a little bit. I think probably, just to stay on form, I would ask for a motion from someone that the committee reconsider the decision. That opens it up for further debate, and then we can have another motion.

MR. WICKMAN: Or just withdraw. The original mover can withdraw.

MR. REYNOLDS: Pardon me?

MR. WICKMAN: The original mover of the motion could just simply withdraw.

MR. CHAIRMAN: Well, it's not quite that simple, because we've already voted and passed the original motion. So let's have a motion to rescind, to reconsider, whatever.

DR. L. TAYLOR: Sure. I'll do that.

MR. CHAIRMAN: Okay. Dr. Taylor moves that the motion be rescinded. I will ask if there's any discussion to that. Mrs. Fritz, you had your hand up?

MRS. FRITZ: No. It was just to move the motion of reconsideration.

MR. CHAIRMAN: Okay. Reconsideration and rescind: I think it's basically the same thing.

All in favour of that motion then?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Opposed? None opposed.

I will entertain another motion at this time, and basically the motion that would be in order is that the Bill proceed with amendments. [interjection] All right; let's discuss and address the amendments first, and then that can be incorporated into the final motion. So we'll deal with the amendment that's before us, and then we'll have it that way. Is that the way we did it last time?

Mrs. Laing.

MRS. LAING: Mr. Chairman, should we not move that the Bill be proceeded with, then bring forward the amendments and do each one of those individually, and then say, "We move the Bill with amendments"? I mean, just the normal routine, I think, should be followed.

MR. CHAIRMAN: So we'll have a motion, then, that the Bill proceed or not proceed, whatever, and then we make amendments to that motion. Mrs. Soetaert.

MRS. SOETAERT: I move that The Youth Emergency Services Foundation Amendment Act, 1993, proceed.

MR. CHAIRMAN: Thank you.

MRS. LAING: We can't add the amendment?

MR. CHAIRMAN: No.

Now we'll have to have discussion, and at the discussion stage I would say: is there any discussion or amendments? Mr. Wickman.

9:05

MR. WICKMAN: Mr. Chairman, I'm prepared to move the amendment at this point. The amendment would read that any reference to YESS, the Youth Emergency Shelter Society, be deleted from the Bill.

MR. CHAIRMAN: Thank you.

MR. WICKMAN: Speaking to it, Mr. Chairman, we've heard from the Parliamentary Counsel that there are no difficulties with complying with the request to accommodate the organization. It think it just makes it easier for them to deal with it.

MR. CHAIRMAN: Any further discussion to the amendment?

HON. MEMBERS: Question.

MR. CHAIRMAN: All right; then I'll call the question on the amendment. All in favour?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Opposed? Carried.

We're dealing now with the motion as amended. Any further discussion? Seeing none, I'll put the question. All in favour of the motion as amended? The motion is carried.

We'll now move on to Bill Pr. 5, Canadian Union College Amendment Act, 1993. This is the petition that we heard last week regarding the expansion of Canadian Union College in Lacombe.

Mr. Herard.

MR. HERARD: Mr. Chairman, I would move that Bill Pr. 5, Canadian Union College Amendment Act, 1993, be recommended to the Assembly.

MR. CHAIRMAN: Thank you. Is there any discussion to that motion? Seeing none, then, I'll put the question. All in favour?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Opposed? Carried.

The next item is Bill Pr. 16, TD Trust Company and Central Guaranty Trust Company Act. Before we get into discussion on that, I want to make sure that everyone has received the latest correspondence. I don't think everyone has received that letter, have they?

MS MARSTON: Yes. It was handed out this morning.

MR. CHAIRMAN: Has everyone received this letter from McCarthy Tétrault?

MS MARSTON: If they haven't, it's on the desk.

MR. CHAIRMAN: Okay. If not, there are extra copies here.

If you like, I would like to have a brief discussion on this Bill and some background information. I think it may be advantageous for us to go in camera for that discussion, if someone would like to make that motion.

MRS. LAING: I move that we go in camera.

MR. CHAIRMAN: Mrs. Laing moves that we go in camera. Is there any discussion to that? All in favour? Opposed? Carried.

[The committee met in camera from 9:08 a.m. to 9:21 a.m.]

MR. CHAIRMAN: This committee is back on the record.

MR. JACQUES: Mr. Chairman, I would move that with regard to Bill Pr. 16, TD Trust Company and Central Guaranty Trust Company Act, we defer any deliberation until some future date.

MR. CHAIRMAN: Thank you.

Is there any further discussion? All in favour of that motion then? Opposed? The motion is carried.

Committee, that deals with the formal agenda of our meeting. I had indicated that I would like to have some discussion at the

committee level regarding adult adoptions. I think if someone would make a motion that we go back in camera, we can deal with that.

MR. SEKULIC: I move that we go back in camera.

MR. CHAIRMAN: Thank you.  
All in favour of that motion? Carried.

[The committee met in camera from 9:22 a.m. to 9:56 a.m.]

MR. CHAIRMAN: This committee is now on the record. We have completed all of the items on our agenda for this morning. I would entertain a motion to adjourn.

DR. OBERG: I will give you that motion to adjourn.

MR. CHAIRMAN: Dr. Oberg moves that the committee adjourn. All in favour?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Carried.

[The committee adjourned at 9:57 a.m.]

