

Standing Committee on Private Bills

8:36 a.m.

[Chairman: Mr. Renner]

MR. CHAIRMAN: Good morning, everyone. I'd like to call this meeting to order. This is the regular meeting of the Private Bills Committee. We have an agenda in front of everyone this morning. If I could have a motion to approve that agenda. Mrs. Laing. All in favour? Carried.

With the committee meeting minutes, there is an amendment to the March 22 minutes. It's with regard to the persons attending. There was an error on the list of persons in attendance. Mr. Smith was left off that list. If I could have a motion to amend those minutes, please.

MR. HERARD: So moved.

MR. CHAIRMAN: Mr. Herard. All in favour? Carried.

Now I need a motion to approve the minutes from March 29. Mrs. Laing. Any discussion, errors, or omissions? All in favour of the motion then? Any opposed? Carried.

Committee members, if you'll remember, we had our session with regard to Shaw Communications about three weeks ago. At that time there was some discussion from a couple of committee members regarding the letter from registries to this application. A couple of people had questions that I wasn't able to answer and Mr. Reynolds wasn't able to answer, so I have asked Dave Hudson from registries, the author of that letter, to come to the committee this morning so any of those questions might be cleared up. I also asked Mr. Desrochers, representing Shaw, to be in attendance as well. I thought it was proper that if we were going to be dealing with the Bill further, he should be here. So I'm going to ask that these gentlemen come in now. I don't expect it will take terribly long, but I want everyone to have a thorough opportunity to ask any questions they have of registries. Then we will move on on the agenda and do our deliberations on all the Bills.

Mr. Reynolds, if you would bring them in.

Mr. Desrochers, you were sworn in last time you appeared before this committee. Do you verify that you are still under oath?

MR. DESROCHERS: I do, Mr. Chairman.

MR. CHAIRMAN: Thank you.

[Mr. Hudson and Mr. Foord were sworn in]

MR. CHAIRMAN: Thank you very much. I appreciate all three of you gentlemen coming in this morning. I would draw everyone's attention to Bill Pr. 8 that we're dealing with, and I would open the floor to questions.

Well, I'll start. Would either of you gentlemen care to address the committee with regard to this Bill?

MR. HUDSON: Yes, if I could say a couple of words, Mr. Chairman.

MR. CHAIRMAN: Sure.

MR. HUDSON: In reviewing the minutes of your last meeting and reviewing the letter we submitted to Mr. Reynolds, I guess I would like to clarify two things. One is that the point we were trying to

make was in the last paragraph, and that was that as administrators of the Business Corporations Act we did not object to the Shaw Communications Inc. Act. That was the point we were trying to make. I guess in looking at the previous paragraph, where we said "Shaw has made changes to the Bill to satisfy most of our concerns," we were not trying to raise any matter of concern at all. If I had to do that over, we would say that Shaw has made changes to the Bill to satisfy our concerns. That's all I would like to say.

MR. CHAIRMAN: Good. I think that clarifies. That was the question. A couple of people on the committee raised the question: why does it say "most of our concerns," and what are the concerns that have not been addressed?

MR. HUDSON: We feel there are no outstanding concerns at this time.

MR. CHAIRMAN: Thank you.

Does anyone have any further questions?

Mr. Desrochers, would you care to make any comments?

MR. DESROCHERS: No, Mr. Chairman. I would very much hope the Bill can be considered and adopted as rapidly as possible. It is of great importance to the company. The company is in the midst of a number of very major matters, and this would clear a lot of concern and we could get on with business and develop the company.

MR. CHAIRMAN: Thank you.

MRS. LAING: I wonder if I could just have an explanation again of the par value shares?

MR. DESROCHERS: What are par value shares?

MRS. LAING: Yeah, how you're going to be using those and the other ones as well.

MR. DESROCHERS: The par value shares are the class B shares which are traded very, very extensively in the public. They have no votes. They are the ones that are in effect the creators of financing for the development of the company.

To refresh your memory, these par value shares existed before there was a change in the law of this province from the Companies Act to the Business Corporations Act. Under the old legislation, the par value shares allowed the company to monitor and control its number of shareholders with non-Canadian status and also monitor that portion of paid-up capital that was attributed to nonnationals. Therefore, when the Act changed, it became very important for the company to retain that power which had been taken away from it by the change in legislation. With the help of the corporations branch, we were able to use one of the exceptions to do that.

The par value shares will continue to be traded; nothing will change. All this does is lift a concern that was the result of the legislative interaction of the two Acts. I don't know if that answers the question. We want to keep the par value shares, and we want to be removed from that restriction that exists under a section of the Business Corporations Act which, in our view, was put in for the purpose of allowing those who were responsible for the corporations Act of Alberta not to be dictated to by non-Alberta companies. We are an Alberta company.

MRS. LAING: Right. Okay. So you're basically sort of grandfathered in on that then.

MR. DESROCHERS: That's what we hope to be, yes.

MRS. LAING: All right. Thank you.

MR. CHAIRMAN: Any further questions?

MR. REYNOLDS: Just so we're absolutely clear on what's going on, Shaw is applying to maintain its par value shares.

With respect to the letter that you sent, Mr. Hudson, I was wondering if you could expand on what concerns you had about the Bill that you feel are addressed, or what amendments have been made to the Bill since you first saw it that alleviate those concerns?

8:46

MR. HUDSON: Aside from various matters of wording here and there, the substantive issue was one of protection of the shareholders and security holders. We weren't satisfied that the proper statements were in the original drafts of the Bill. The addition of section 5 in the Bill before you we feel satisfies those concerns. The rest was primarily, as I said, wording and how one accomplished certain goals through wording. Those were resolved fairly quickly.

MR. REYNOLDS: With respect to that, I was wondering if the concern related to perhaps the liquidity test or the stated capital account. Is that what you're referring to when you say that section 5 met those concerns?

MR. HUDSON: Yes, that's essentially the case. With the inclusion of section 5 in the Bill, of liquidity and other solvency tests that are required in the Business Corporations Act – these now require that Shaw cable, with the inclusion of section 5, meet the requirements of the Business Corporations Act with respect to stated capital. So we're satisfied with that inclusion.

MR. REYNOLDS: And you don't have any concerns or they've been alleviated with respect to any distinction that may exist between paid-out capital and stated capital?

MR. HUDSON: We originally had some difficulties in understanding the concept and dealing with the protection of the shareholders, but we're now satisfied that those concerns have been met.

MR. REYNOLDS: Just on one matter arising from the last hearing before the committee, is it your understanding that Shaw Communications would be the only Alberta company with par value shares?

MR. FOORD: The exemption that was permitted under the Business Corporations Act to have par value shares was granted in a small number of situations. Shaw is the only one I can recall that was granted permission to use par value shares on a continuing basis. There were about two or three corporations that were continuing from the old Companies Act to the new Business Corporations Act, only to allow them to leave the province. They were going to jurisdictions where par value shares were of benefit to them in those jurisdictions. In all the situations we can recall and find, those companies have left Alberta, with the exception of Shaw.

MR. REYNOLDS: Thank you, Mr. Chairman. Those are my questions.

MR. CHAIRMAN: Okay. Thank you.

Are there any further questions or points of clarification from the committee? If not, thank you very much, gentlemen. I appreciate you coming out so early in the morning. It was important that we get this clarified before we make our decision on how we plan to recommend to the Assembly, and we will be making those decisions today.

Members of the committee, I would like to now move on to item 5 on the agenda, the deliberations regarding the seven Bills we have dealt with so far. In light of the fact that some of these are adult adoptions and may be of a personal nature, it might not be a bad idea for us to go in camera for this deliberation.

MR. HERARD: So moved.

MR. CHAIRMAN: Moved by Mr. Herard that this committee go in camera. Any discussion? All in favour of the motion? Any opposed? The motion is carried.

[The committee met in camera from 8:52 a.m. to 9:24 a.m.]

MR. CHAIRMAN: This committee is back in regular session. We have Bills to deal with.

First of all, Bill Pr. 9. Mrs. Laing.

MRS. LAING: I move that this Bill proceed to the Legislature.

MR. CHAIRMAN: Thank you. Any further discussion? The motion is that it proceed to the Legislature. All in favour of that motion? Any opposed? Carried.

Bill Pr. 10, Janna Adella Marie Kinnee Adoption Act. Mr. Kirkland.

MR. KIRKLAND: Mr. Chairman, I move that Bill Pr. 10 proceed to the Legislature for final conclusion.

MR. CHAIRMAN: Thank you. Is there any further discussion? All in favour of the motion that this Bill proceed? Any opposed? Carried.

Bill Pr. 15, Silvia Kathleen Miles Adoption Act. Mrs. Soetaert.

MRS. SOETAERT: Mr. Chairman, I move that we proceed with Bill Pr. 15.

MR. CHAIRMAN: Thank you. Is there any further discussion? Then I'll put the question. We're voting on Bill Pr. 15, Silvia Kathleen Miles Adoption Act. The motion is that it proceed. All in favour of the motion? Any opposed? Carried.

Bill Pr. 8, Shaw Communications Inc. Act. Mr. Herard.

MR. HERARD: Mr. Chairman, I would make a motion that this Act be recommended to the Assembly.

MR. CHAIRMAN: Thank you. Is there any further discussion? So everyone's clear, the committee recommends that Bill Pr. 8 proceed. All in favour? Any opposed? Carried.

Bill Pr. 2, the Lethbridge Foundation Amendment Act, 1994. Could I have a mover of a motion? Mr. Van Binsbergen.

MR. VAN BINSBERGEN: That the Bill proceed.

MR. CHAIRMAN: Thank you. Any further discussion? It's moved by Mr. Van Binsbergen that the Bill proceed. All in favour of the motion? Any opposed? Carried.

Bill Pr. 3, Companions of Angela and Francis (Koinonia Association) Act. Do I have a motion? Mrs. Laing.

MRS. LAING: I move that Bill Pr. 3 proceed to the Legislature.

MR. CHAIRMAN: Thank you. Any further discussion on that motion? The motion is that Bill Pr. 3 proceed. All in favour of that motion? Any opposed? One opposed. Carried.

Bill Pr. 11, Edmonton Chinatown Multicultural Centre Foundation Tax Exemption Act. Do I have a motion? Mrs. Laing.

MRS. LAING: I move that Bill Pr. 11 be deferred until such time as the society comes back with an official recommendation of approval from city council.

MR. CHAIRMAN: Support from the city.

MRS. LAING: Yes.

MS LEIBOVICI: I'll second that motion.

MR. CHAIRMAN: Well, I'd like to let you second the motion, but parliamentary procedure says seconds are not required. It took me a while to get that figured out too.

MR. WICKMAN: Mr. Chairman, could I just make a friendly amendment, that Bonnie state very explicitly support from the Edmonton city council? Because they are the decision-makers, not the administration.

MRS. LAING: Read back my motion, please. I thought I had said that.

MS MARSTON: That's what I have here: city council.

MR. CHAIRMAN: Just so we're clear, then, could you read the motion as you have it?

MS MARSTON: Yes. Mrs. Laing moved that "Bill Pr. 11 be deferred until such time as the society comes back with a formal recommendation of city council."

MRS. LAING: I think we wanted to add "support" on the end.

MS MARSTON: Okay. City council support.

MRS. LAING: Yeah, we'll really hammer it in.

MS MARSTON: Okay.

MR. CHAIRMAN: Is there any further discussion on the motion then? Everyone is very clear that we're going to defer consideration of this Bill until the society comes back to us with a firm indication of support from the city of Edmonton and the city council of Edmonton?

MR. KIRKLAND: That was well worded. I'd support that.

MR. CHAIRMAN: All right then. I'll put the question. All in favour of the motion? Opposed? It's carried.

That concludes the deliberations on Bills. Does anyone have any other business they wish to discuss at this time?

MR. REYNOLDS: I just have one point.

MR. CHAIRMAN: Mr. Reynolds.

MR. REYNOLDS: The Suk Yin Poon Adoption Act was one of the Bills to be considered next week. We've received notice from the petitioners that they wish to withdraw their petition, so that Bill will not be considered next week.

MR. CHAIRMAN: Okay. I guess for my information and for Mr. Collingwood, who is the sponsor of that Bill: is it necessary that the Bill be withdrawn or anything, or do we just leave it?

MR. REYNOLDS: Well, I think the appropriate procedure, Mr. Chairman, would be for the committee to recommend that it not be proceeded with, and when you give your report to the Legislature, indicate that it's not being proceeded with because the petitioners have withdrawn their petition.

MR. CHAIRMAN: Okay.

MR. REYNOLDS: I think that would be the procedure.

MR. CHAIRMAN: Fine.

We will be back here a week from today, then, at 8:30 in the morning. With that, I have no further business.

Mr. Yankowsky.

MR. YANKOWSKY: Yes. Do you know which Bills we'll be looking at next week?

MR. CHAIRMAN: It should be on the agenda. They're all adoptions.

MR. YANKOWSKY: Oh, they're on the agenda. Okay. All right.

MR. CHAIRMAN: There were four adoptions. With this one being withdrawn, there will be three: Mandy Anderson, Scott Lavery, and Travis Purdy.

MR. YANKOWSKY: Okay.

MR. CHAIRMAN: All right. This meeting is adjourned. Thank you very much.

[The committee adjourned at 9:30 a.m.]

