

## Standing Committee on Private Bills

9:31 a.m.

[Chairman: Mr. Renner]

THE CHAIRMAN: Well, good morning, everyone. I would like to call this meeting to order. This is a regular meeting of the Standing Committee on Private Bills. The first item of business is the approval of the agenda. It has been circulated. Can I have a motion?

MR. BRACKO: So moved.

THE CHAIRMAN: Mr. Bracko. All in favour? Opposed? Carried.

We also distributed a copy of the minutes from the last committee meeting a week ago. If everyone has had a chance to review those minutes, I would entertain a motion to adopt.

MRS. LAING: So moved.

THE CHAIRMAN: Mrs. Laing. Any discussion? All in favour? Opposed? Carried.

We then move to item 4. This is the discussion of Bill Pr. 10. As was the case last week, a motion is in order should the committee wish to go in camera.

MRS. LAING: I move we go in camera.

THE CHAIRMAN: Mrs. Laing moves that the committee proceed to in camera session. All in favour? Opposed? Carried.

[The committee met in camera from 9:32 a.m. to 9:58 a.m.]

THE CHAIRMAN: Okay. The committee will now resume regular session. We're still considering Bill Pr. 10. Do I have a motion? Mrs. Laing.

MRS. LAING: I would move, Mr. Chairman, that the Calgary Regional Health Authority Charitable Annuity Act, Bill Pr. 10, proceed with the following amendment: that Bill Pr. 10, Calgary Regional Health Authority Charitable Annuity Act, be amended in section 1 by adding the following before “, the payment and annuity shall”:

and the cumulative payments to the donor do not exceed the principal donation and accumulated interest earned with respect to the principal.

THE CHAIRMAN: Thank you.

MRS. LAING: Thank you.

THE CHAIRMAN: I think what we'll do is proceed with discussion on the amendment first. Is there any discussion to the amendment?

Mrs. Laing, Ms Leibovici.

MRS. LAING: This was an amendment requested by the superintendent of insurance to ensure that the Alberta Bill does not go in violation of the current life insurance Act.

MS LEIBOVICI: I've expressed my concerns in camera with regard to this particular Bill. I think the letter we have from the Department of Health makes it clear that

the question of whether the Calgary Regional Health Authority, or any other . . . authority, should establish annuities should be examined as part of the overall policy and regulatory development respecting the borrowing and investment powers of regional health authorities.

Also, in looking at the letter from Alberta Treasury to yourself, Mr. Chairman, one of the amendments I don't see in the amendments tabled indicates that it should be “clear that the entities shall not offer life annuities.” I'm not sure where that is in the amendments we have in front of us. I'm concerned that we're putting the cart before the horse with regard to this particular Bill and so will not be able to support it.

THE CHAIRMAN: Any further discussion on the amendment?

Mrs. Abdurahman and Mr. Tannas.

MRS. ABDURAHMAN: I will speak in favour of the amendment, but as I indicated in camera, I have reservations about proceeding with the Bill in totality. I would rather, quite frankly, Mr. Chairman, see it be deferred or tabled a further week, because I certainly would like to examine closely where this Bill is going to be taking us.

MR. REYNOLDS: Point of clarification.

THE CHAIRMAN: Yes.

MR. REYNOLDS: Mr. Chairman, Ms Leibovici indicated she was concerned that there wasn't an amendment with respect to life annuities. In fact, I believe that's what this amendment is. This amendment that Mrs. Laing has proposed was what was suggested by the superintendent of insurance. In fact, he's indicated that the similar amendment that was proposed when the petitioners were here would meet his concerns. I don't think we have copies.

MRS. ABDURAHMAN: On a point of order. Certainly as a member of this committee, I would appreciate having the amendments before us and having the amendments before us even before we get into the discussion. I find it very difficult to retain word by word what's in an amendment and give informed debate if it's not in front of me, Mr. Chairman.

THE CHAIRMAN: Well, we could have copies printed. Would you make copies for everyone?

MS MARSTON: Sure.

MR. TANNAS: I would move that we recess for a few moments to facilitate the copying of all the amendments that may be proposed today.

THE CHAIRMAN: Any discussion to that motion? All in favour?

MR. WICKMAN: Mr. Chairman, I respect Muriel's point, and next year when we go through this process again we should establish that rule, but because we have a very urgent caucus meeting at 10 o'clock, I had requested that we do everything in our power to get out of here. I'm not in favour of a recess.

THE CHAIRMAN: It's at the will of the committee.

MRS. ABDURAHMAN: Well, Mr. Chairman, I'm indicating that I will support the amendments, but I'm not going to support the Bill at this time. I'd prefer that it be tabled or deferred, if that's allowed in the Private Bills Committee, for at least a week.

THE CHAIRMAN: Well, there's already a motion on the floor.

MRS. ABDURAHMAN: Yes, I realize that now.

THE CHAIRMAN: Are you ready for the question on the motion? All in favour?

MRS. ABDURAHMAN: Of the amendment?

THE CHAIRMAN: No. We're voting on the motion to recess until the amendments are distributed. All in favour? Opposed? It's defeated.

We'll carry on then. We're discussing the amendment with respect to life annuity.

Mr. Tannas.

MR. TANNAS: Yes. I was just going to draw attention to one sentence from the minister that Ms Leibovici didn't read out in her comments. It is that "these regulations should be in place in the near future," which maybe puts a slightly different slant on the issue.

THE CHAIRMAN: Is there any further debate on the amendment? All right then. We're voting on the amendment as read by Mrs. Laing.

MRS. LAING: Can you read it again?

THE CHAIRMAN: I'll read it: that Bill Pr. 10, the Calgary Regional Health Authority Charitable Annuity Act, be amended in section 1 by adding before "the payment and annuity shall":

and the cumulative payments to the donor do not exceed the principal donation and accumulated interest earned with respect to the principal.

Copies are now being distributed.

On that amendment, then, all in favour? Opposed? Carried.

Mr. Herard, you indicated that you have an amendment.

MR. HERARD: Yes, Mr. Chairman, and it's being circulated now. The proposed amendment is that Bill Pr. 10, the Calgary Regional Health Authority Charitable Annuity Act, be amended by adding the following after section 1:

2. The authority granted to the Calgary Regional Health Authority under this Act is subject to any regulations that may be passed by the Lieutenant Governor in Council under the Regional Health Authorities Act respecting the borrowing and investment powers of regional health authorities.

THE CHAIRMAN: I'll entertain discussion, then, on that amendment. Are you ready for the question?

HON. MEMBERS: Question.

THE CHAIRMAN: All in favour? Opposed? Carried.

All right then. We'll go back to the main motion, which is that the Bill proceed with amendment. We have already voted on the two amendments. Before I go ahead, are there any further amendments?

MRS. ABDURAHMAN: I would like to move that we table the motion, specifically for one week.

THE CHAIRMAN: I'm not sure that a tabling motion is in order.

MRS. ABDURAHMAN: Is a deferral in order?

THE CHAIRMAN: All right.

MRS. ABDURAHMAN: I'd like to move that the decision on this Bill be deferred for one week.

THE CHAIRMAN: All right. Mrs. Abdurahman has made a motion that the discussion be deferred for one week. Is that a debatable motion?

MR. REYNOLDS: Yeah. It was debated last week.

THE CHAIRMAN: All right. Are you ready for the question? That makes it easier.

HON. MEMBERS: Question.

THE CHAIRMAN: All in favour of the motion to defer for one week? All opposed? The motion is defeated.

Mr. Pham.

MR. PHAM: I would like to ask two questions with respect to the Bill as amended. Do we consider the principal money that a donor gives to the regional health authority as the borrowing money for the donor?

THE CHAIRMAN: Do you mean the borrowing that's referred to in the amendment?

MR. PHAM: Yes. Do we consider that as borrowing?

THE CHAIRMAN: No. This would not be considered borrowed money; this is money that's bequeathed to the RHA.

MR. PHAM: If that is the case, then I don't think this amendment will address my concern. If the principal money that the donor gives to the regional health authority is not considered the borrowing money, then the regulations regarding borrowing and investment will have no bearing on the health authority at all. They can take that money and spend it somewhere else.

THE CHAIRMAN: If I could just address that. It would be included in investment. This money is going to be invested. It's money the RHA would invest. In this case it's invested in trust.

**10:08**

MR. PHAM: I can understand that the money, it being put in trust, will be considered investment and therefore will be under this regulation. However, what I am afraid of is that the principal money being given to the authority will be spent by the current board on some operational budget, and that leaves the future board with unfunded liability. I understand the current practice of the current board is to put all this money into a trust fund. However, there is nothing in the law guaranteeing that some future board will not change that practice. We have run into unfunded liability so many times in government and government agencies. Therefore, I think it is a very crucial point to be included in this Bill or at least reflected in *Hansard* so that people who prepare the regulations will know about this.

MRS. LAING: Mr. Chairman, I was just going to say that this would be covered under the investment portion of it, and it is in trust. They would certainly be under very, very close scrutiny, and I really don't believe they could do this. As Mr. Pham has mentioned now in *Hansard*, it could be referred to the minister for when the regulations are being drafted to ensure that that concern is covered.

THE CHAIRMAN: Mr. Herard.

MR. HERARD: My point has been well covered by Mrs. Laing. Thank you.

MR. JACQUES: Under this type of situation, when the funds are basically given to the regional health authority, they're not given in the sense of without any conditions. In effect, what's happened is that a liability is created at that point in time. There's a contract established or terms and conditions of a contract. So the issue of saying that somehow this goes into the equivalent of general revenue, which I think Mr. Pham is kind of alluding to, is simply not true. The fact of the matter is that there is both an asset and a liability under this type of situation: effectively held in trust, effectively subject to the terms and the conditions of the contract entered into between the health authority and the person who is in fact donating a sum of money. So from both a borrowing and liability point of view and from an investment asset point of view, they're quite provided under those terms and conditions.

THE CHAIRMAN: Thank you.  
Ms Leibovici.

MS LEIBOVICI: I'd just like to reiterate my point. The health care sector as a whole is such a fluid sector right now that we're not sure what will happen five years from now or 10 years from now. It's not as if you've got an established organization and entity that will be there forever. What you're looking at is a regional health authority that next year could well be split into two regional health authorities or in five years' time could well be split again. I think we're just not informed enough to make the decision on this particular section at this point in time. The whole question of whether health authorities should be involved even in providing annuities is something I'd like to explore further, and I think the public as a whole needs to, you know, roll it around in their minds as well. I think we're perhaps looking at setting up miniprincipals all across this province, and the unfunded liability is a real concern we need to address. But it's up to the decision of the committee. This is a democracy.

THE CHAIRMAN: Thank you. Are you ready for the question?

HON. MEMBERS: Question.

THE CHAIRMAN: The question, then, on the motion that the Bill proceed with amendment. All in favour? Opposed?

MRS. ABDURAHMAN: Could I have mine recorded, Mr. Chairman?

THE CHAIRMAN: All right. We need a recorded vote.

All in favour? Mr. Bracko, Mrs. Fritz, Mrs. Gordon, Mr. Herard, Mr. Jacques, Mr. Kowalski, Mrs. Laing, Mr. Pham, Mr. Tannas, Mr. Yankowsky.

Opposed? Mrs. Abdurahman, Ms Leibovici, Mr. Vasseur, Mr. Wickman.

Have I missed anyone? The motion is carried.

One other very, very brief item. Just a reminder to anyone who is sponsoring Bills from Pr. 1 through 9 that are before the Legislature now: they'll be in committee stage this evening. If your Bill is one that has an amendment, that amendment will be on your desk, and I encourage you to introduce that amendment at committee stage. I will have all the amendments on my desk, and should the sponsor not be present, I'll just do it on their behalf.

Mr. Herard.

MR. HERARD: Yes. Just before we adjourn, I would like to move that we thank our administrative assistant and our Parliamentary Counsel for a job well done in this year's Private Bills. Also, thanks to our Parliamentary Counsel for taking us down memory lane. I remember a jacket like that in '55.

THE CHAIRMAN: Well, thank you for that comment. I want to certainly agree with you and put my personal thanks in as well. Both Ms Marston and Mr. Reynolds have helped me immensely. There's been a lot of work done outside of committee time, and I appreciate the assistance both of them have offered by way of advice to me and to the committee.

With that, I will entertain a motion to adjourn. Mrs. Gordon.

MRS. GORDON: Mr. Chairman, I would like to adjourn the meeting.

THE CHAIRMAN: Moved to adjourn. All in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

[The committee adjourned at 10:15 a.m.]

