

8:39 a.m.

[Ms Graham in the chair]

THE CHAIRMAN: I'd like to call this meeting of the Standing Committee on Private Bills to order. You should have in front of you our agenda for today. If anyone is prepared to move the approval of the agenda, I would appreciate it.

MR. LANGEVIN: So moved.

THE CHAIRMAN: So moved by Mr. Langevin. All in favour, say aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: All against, say no. Carried.

Moving on. Item 3 on our agenda is the matter of our committee meeting minutes from May 20, 1997, and May 27, 1997, copies of which have been distributed to you. Are there any errors or omissions or any comments on those minutes? If not, I would entertain a motion to approve the minutes from both of those meetings. So moved by Mr. Strang. All in favour, say aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: All against, say no. Carried.

All right. Moving on to item 4, then, the deliberations on the various private Bills for which we have already had the hearings. Are there any preliminary comments or questions before we commence our deliberations?

It would be my proposal that we deal with, in this order, Pr. 1, Pr. 2, Pr. 5, and Pr. 6, to be followed then by Pr. 3, Pr. 4, and Pr. 7, the last three being related to insurance companies. As you will recall, Mr. Tannas absented himself from the hearings and the votes on those matters, and in order to allow him to depart, I'm proposing that we deal with the Bills in that order.

As well, you will have received I believe yesterday more materials regarding Pr. 1, Pr. 2, Pr. 3, Pr. 4, and Pr. 7, circulated by our administrative assistant. As well, this morning you will have received the form of proposed motions on all seven of the Bills, depending on how the committee decides to proceed. It would be my suggestion that as we deal with each Bill, there be a motion put on the floor at the outset before we engage in any discussion on the matter. Is that acceptable to the committee?

HON. MEMBERS: Agreed.

THE CHAIRMAN: All right. We'll then proceed to our deliberations on Pr. 1.

Mrs. Burgener.

MRS. BURGNER: Thank you, Madam Chairman. I would like to move at this time that the Standing Committee on Private Bills recommend to the Legislative Assembly "that Bill Pr. 1, TD Trust Company and Central Guaranty Trust Company Act, proceed."

THE CHAIRMAN: Thank you. Would there be any discussion on this motion?

Yes, Mr. Herard.

MR. HERARD: Just to be clear, is that proceed with amendments or is that just proceed?

THE CHAIRMAN: No. I believe the motion as it was made was to simply proceed as is.

MR. HERARD: Thank you.

THE CHAIRMAN: Yes, Mr. Pham.

MR. PHAM: Can I make an amendment to that motion?

THE CHAIRMAN: You're certainly entitled to, yes.

MR. PHAM: Okay. I'd make an amendment to have the Bill proceed but to have section 4(2) taken out of the Bill.

THE CHAIRMAN: All right. Just so that we all are on the same wavelength here, Mr. Pham has made an amendment to the motion on the floor. He is proposing that the Bill proceed with an amendment, that amendment being "that section 4(2) of the Bill be struck out." Is there discussion on that amended motion?

Mrs. Burgener.

MRS. BURGNER: Thank you again, Madam Chairman. I believe I recognize the concern that my colleague is raising. However, I have to bring to the attention of the committee that on this particular piece of legislation the discussion that was made in this committee identified that this particular clause allowed for the organization to deal with the claimants that were there, that they had satisfied themselves in seven other provinces across the country, that this was simply a way of facilitating any claims that may have proceeded, that the insolvency of the organization precluded the need for – there would not be anything else for anyone to claim against. I appreciate his concern, but I really do feel that given that we have been looking at this over a three-year period and that we have basically got the best scenario in front of us, I'd like to not support that particular amendment by my colleague.

THE CHAIRMAN: Mrs. Sloan.

MRS. SLOAN: Thank you, Madam Chairman. I'm wondering if the hon. member who has moved the amendment could provide his rationale for the amendment.

THE CHAIRMAN: Are you prepared to do that, Mr. Pham?

MR. PHAM: In the wrap-up at the end, after all my colleagues have had a chance to speak on it, but if you want me to, I will right now.

This is the third time that a Bill of this nature is being brought in front of this committee. Before I say that I want to give somebody the right not to be liable for something, I have to convince myself of who will assume the responsibility then. As it stands right now, it is not clear who will be responsible for this.

I believe that our role in this Legislature is to protect the taxpayers of Alberta. Today if we say that we give this company the right not to be liable for any debt, liability, or obligation – it could very well be that they already have that right today, but when we spell it out in the Legislature in a Bill like this, that means that we explicitly give them those rights, and by doing so, we will leave somebody out there with that responsibility then. Because we are not very clear ourselves on who should bear the responsibility, eventually I think it will end up on the shoulders of the taxpayers. That's the reason why I would like to have that subsection struck out.

For the people who argue that this company already doesn't have this responsibility anyway, then I say that is good. That is the reason why this should be left out in the first place. Some of the other

people can argue, saying that this company has done everything possible to live up to the responsibility by setting up funds and buying insurance to cover these liabilities. I say that is good for them, and they will continue to do that.

Some people will say that this section is in here only to protect other people from suing the company for nothing, you know, to stop wasting those people's money. I say that our responsibility here is not to protect one person from suing another. If somebody wants to spend his money that way, that's up to him. My responsibility is only to make sure that Albertans will not have to pay for anything they don't have to. That's the reason why I want to have that section struck out.

Thank you.

8:49

THE CHAIRMAN: All right.

Mr. Herard.

MR. HERARD: Thank you, Madam Chairman. I could understand my hon. colleague's arguments in the normal course of a takeover of a corporation if in fact there are shares involved, but in this case there are no shares involved. Therefore, the liabilities of the previous company, Central Guaranty Trust Company, have all been taken care of through the insolvency, plus TD Trust has taken out insurance against any possible action. This has now been four years in the making. I would agree with my hon. colleague if in fact, you know, there were a transfer of shares, because in no way should you lose liability simply by in fact buying someone else's shares, but in this case what they bought was really the right to execute the trusts. So there are no shares, and therefore I believe this is prudent, to put that section in there. If we took it out and then someone had, you know, a doubt as to whether or not they had a right to sue, then there would be some unnecessary legal costs for all of these people who don't know that in fact in this particular case there were no shares and attendant liabilities bought. So in this case I would disagree with my hon. colleague and say that we should leave it in.

THE CHAIRMAN: Thank you.

Mr. Cardinal.

MR. CARDINAL: That's okay.

THE CHAIRMAN: The points have been made; have they?

Mr. Strang.

MR. STRANG: I'm done too. Denis talked too much.

THE CHAIRMAN: Mr. Pham.

MR. PHAM: Yes. That is exactly my point. My honourable friend guessed the main thing, that the reason we left this section in there was to prevent somebody from unnecessary legal costs. What I am saying today as we are speaking is that many people are spending money unnecessarily anyway. Is it our role to make sure that they don't spend money unnecessarily on lawyers?

Again, when we leave this section in the Bill, when we say that we allow this company not to have any liability for any debt, any liability or any obligation, then somebody has to assume the responsibility. When we say that we forgive that responsibility for somebody and somebody else has to take that over – and because nobody can give me a clear answer as to who is responsible for these things today – when we forgive that responsibility to one group, then the rest of them will have to bear more responsibility, and I think that means that the taxpayers will have to take over those things.

That's why I just urge all my colleagues to support this amendment.

THE CHAIRMAN: Just to put this on the record, I think, Mr. Pham, you're probably aware that all claims in Alberta have already been settled pursuant to the CDIC indemnity and that there are no outstanding claims in Alberta at this time. Of course, similar legislation has already been passed in six provinces, and should it pass here, it of course would provide further consistency across the country.

MR. PHAM: I'm quite aware of that. But again, you know, even though we have no outstanding lawsuits today, there's nothing guaranteeing that they will not come up in the future.

THE CHAIRMAN: All right. Are you ready for the question?

SOME HON. MEMBERS: Question.

AN HON. MEMBER: On the amendment?

THE CHAIRMAN: On the amendment, yes. Mr. Pham has moved that the motion on the floor be amended by adding after the word "proceed" the following amendment: by striking out section 4(2) of the Bill.

All in favour of the motion to amend the motion? Well, are we going to do a show of hands here? Maybe we should. All right. A show of hands, please. All in favour? All right. Mr. MacDonald, Mrs. Paul, Mrs. Sloan, and Mr. Pham.

All against, please raise your hands. Mr. Bonner, Mrs. Tarchuk, Mr. Strang, Mr. Herard, Mr. Coutts, Mr. Marz, Mr. Tannas, Mr. Cao, Mr. Langevin, Mr. Cardinal, and Mrs. Burgener.

The motion is defeated.

To the motion itself as made by Mrs. Burgener, that this committee recommend to the Legislative Assembly "that Bill Pr. 1, TD Trust Company and Central Guaranty Trust Company Act, proceed." All in favour, please raise your hands. All right. Could I have you raise your hands again? Mr. Bonner, Mrs. Paul, Mrs. Sloan, Mrs. Tarchuk, Mr. Strang, Mr. Herard, Mr. Coutts, Mr. Marz, Mr. Tannas, Mr. Cao, Mr. Langevin, Mr. Cardinal, and Mrs. Burgener.

All against, please raise your hands. Mr. Pham.

The motion is carried.

Moving on then to Bill Pr. 2. Mr. Tannas.

MR. TANNAS: Madam Chairman, I move that the Standing Committee on Private Bills recommend to the Legislative Assembly "that Bill Pr. 2, the Bank of Nova Scotia Trust Company, Montreal Trust Company of Canada and Montreal Trust Company Act, proceed."

THE CHAIRMAN: Thank you.

Is there any discussion? All right. All in favour of that motion, please raise your hands. Rather than naming everyone, we're just going to count heads, so to speak. All opposed? All right. That motion is unanimously carried.

We'll now move to Bill Pr. 5, Kenneth Garnet McKay Adoption Termination Act. Mrs. Sloan.

MRS. SLOAN: Thank you, Madam Chairman. I move that the Standing Committee on Private Bills recommend that Bill Pr. 5, the Kenneth Garnet McKay Adoption Termination Act, proceed with the following amendment: in the first recital of the preamble "by striking out Elenora and substituting Eleanor."

THE CHAIRMAN: Thank you.

Is there any discussion?

All right. All in favour, please raise your hands. All against, please raise your hands. All right. The motion is unanimously carried.

We'll now move to Bill Pr. 6, the Canadian Union College Amendment Act, 1997. Mr. Langevin.

MR. LANGEVIN: Yes, Madam Chairman. I'd like to move that the Standing Committee on Private Bills recommend to the Legislative Assembly "that Bill Pr. 6, the Canadian Union College Amendment Act, 1997, proceed."

THE CHAIRMAN: Thank you.

Is there any discussion? All in favour, then, of the motion, please raise your hands. All against? All right; that motion is unanimously carried.

Mr. Tannas is now departing the Chamber. Let the record show that he is no longer going to be in attendance. Thank you.

All right. We'll then return to Bill Pr. 3, Trans Global Insurance Company Act. Mrs. Tarchuk.

8:59

MRS. TARCHUK: Thank you, Madam Chairman. I move that the Standing Committee on Private Bills recommend to the Legislative Assembly that Bill Pr. 3, Trans Global Insurance Company Act, proceed with the following amendments. A. In section 3(2) by striking out "or such other amount as may be designated by the directors." B. In section 4 by striking out subsections (1) and (3). C. In section 5(1)(a) by striking out "Subject to section 4", and (b) by adding "but the company shall not concurrently carry on or engage in the transaction of both fire and life insurance, unless otherwise permitted by the Insurance Act." after "such kinds and classes."

THE CHAIRMAN: All right. Thank you.

Is there discussion? Mrs. Sloan.

MRS. SLOAN: Thank you, Madam Chairman. I would like to move an amendment to the main motion, that

the motion to approve Bill Pr. 3 and amendments be amended to include an amendment: in section 5(1) by adding "except private health care insurance" after "kinds and classes."

MRS. PAUL: Madam Chairman, I will second that amendment.

MRS. SLOAN: There are copies of the amendments, I believe, with the Table officers for distribution.

THE CHAIRMAN: All right. Well, perhaps we could distribute those now so that everyone can be clear on what has been proposed.

Yes, Mrs. Burgener.

MRS. BURGNER: Madam Chairman, I just seek some clarification from you. I am very concerned that this motion steps outside of the responsibility of this committee in that we have an obligation to review these Bills with respect to their ability to constitute and not their ability to operate, which I believe rests with the Insurance Act and other pieces of legislation.

Having said that, given the issues that are presently before the public with respect to HRG resources, while I am definitely not in a conflict through the direction of the Ethics Commissioner, I am wondering if it would be appropriate for me to excuse myself from this debate as it might be seen that my very firm belief that we have

stepped outside process might be construed as intervening on behalf of my husband's interest in HRG. The question is: should I stay or should I go?

I want it firmly on the record that I believe the motion is out of order with respect to our responsibilities in terms of process and what would appropriately allow an insurance company to constitute itself. So I believe the motion is out of order, but I am very concerned that it might be construed that I'm advocating on behalf of that interest.

THE CHAIRMAN: Mrs. Burgener, I've just conferred with Parliamentary Counsel, and I don't believe it is my role to direct you one way or the other. I'm going to ask Mr. Reynolds to speak to that.

MRS. BURGNER: I will voluntarily withdraw. That way the issue's been dealt with.

THE CHAIRMAN: Let the record show that Mrs. Burgener is absenting herself.

MR. HERARD: On the amendment only.

MRS. BURGNER: On the amendment; that's right.

THE CHAIRMAN: On the amendment motion only.  
Mrs. Sloan.

MRS. SLOAN: Madam Chairman, thank you. May I just provide some rationale with respect to my amendment?

THE CHAIRMAN: Yes, please do.

MRS. SLOAN: Thank you. I think we have had the opportunity in the committee to discuss in general terms the proposal before us with respect to Bill Pr. 3. We've had an opportunity to hear the presentations from the sponsors. We have also heard from the superintendent with respect to the Insurance Act, that the Canada Health Act to some degree currently prohibits actions of this nature. However, in hand with that statement, the superintendent did say that the Insurance Act is being considered for review at this time.

I would indicate that the intent of my amendment is to articulate the high degree of concern that resides with Albertans with respect to the privatization of health care. We have alluded to the fact that there is in this Assembly no intent to propose or to advance private interests. My belief is that this amendment does nothing more than articulate what exists with respect to legislation in this company's Act. When I asked the sponsors specifically, they did not concretely deny that they were not interested in this market. They said that they were not at this particular point in time. I think what we want to ensure in the interests of the general population of this province is that there is not at a later point in time an ability by the corporation, which would be formalized by the passage of this Bill, an opportunity to be solvent and be in a position to market private health care insurance.

Thank you.

THE CHAIRMAN: Mr. Herard.

MR. HERARD: Thank you, Madam Chairman. I would speak against the motion for a number of reasons. Number one, what we have here is a company that was before us essentially for a charter to apply to become an insurance company. Then we have an Insurance Act that regulates that industry. There are already a

number of insurance companies in the business that Mrs. Sloan is concerned about. Does that mean now that we are in fact restricting other entrants into that particular industry?

I don't think it's up to us to second-guess the intentions of applicants when it comes to their business plans, because at this point in time we have no application before the commissioner of insurance. The responsibility of the commissioner is to in fact enforce the Insurance Act. So I think we're sort of outside of the bounds of what we ought to be doing in this committee with respect to that. Certainly I asked the question, I believe – and I haven't found the section in the transcript, but I did ask the commissioner of insurance if in fact an organization could engage in that kind of insurance, and the response, as I remember it, was: no more or less than anyone else who has in fact passed a private Bill before this Legislature.

So what's the difference here? Why would we be in fact trying to change the rules of the game now, at this point, when every other insurance company that has a private Act has the same right? I think there are just too many reasons why we shouldn't vote for this amendment.

THE CHAIRMAN: Mrs. Soetaert.

MRS. SOETAERT: Thank you, Madam Chairman. I want to support this amendment. I am surprised by Mr. Herard's comments, as he was the very first one who said: will this include insurance for private health care? We were assured that it would not.

I think there is no harm in this amendment. In fact, it's like a safety valve to prevent that kind of thing from occurring. So I would hope that members would seriously consider this amendment and support it.

9:09

MR. CAO: I think I oppose this amendment for the following reason: we are here to facilitate the charter of an insurance company, not to talk about the Insurance Act and the operation of an insurance company.

As far as the competition of free enterprise is concerned, I go for that. Any prevention of that free enterprise is not healthy. Also, if the insurance company is doing business and there is a market for that, then they are allowed to do that. This is not an illegal business that we should prevent them from doing. So I think from the legal perspective we should not prevent them doing business which is not illegal. Also, we should open up the market, the free enterprise spirit, by not preventing people from doing business.

THE CHAIRMAN: Yes, Mrs. Paul.

MRS. PAUL: Yes, Madam Chairman. I, too, will support the amendment. As one of my colleagues had indicated, all it is doing is just, in writing, providing us with a safety valve. It doesn't change the intent of the Act at all. I believe every member here should support the amendment.

THE CHAIRMAN: All right. You're ready for the question then. Mrs. Sloan has moved that the motion to approve Bill Pr. 3 and amendments be amended to include an amendment in section 5(1) by adding the words "except private health care insurance" after the words "classes and kinds." All in favour of the motion to amend the main motion? Okay. We have five in favour. All against? We have nine against.

MRS. SOETAERT: Could we have a recorded vote?

THE CHAIRMAN: Okay. You've requested a recorded vote, have you?

SOME HON. MEMBERS: Yes.

THE CHAIRMAN: All right. All in favour, raise your hands. We have Mrs. Soetaert, Mr. Bonner, Mr. MacDonald, Mrs. Paul, and Mrs. Sloan.

Those against? Mrs. Tarchuk, Mr. Strang, Mr. Herard, Mr. Coutts, Mr. Marz, Mr. Pham, Mr. Cao, Mr. Langevin, and Mr. Cardinal.

All right. The motion to amend was defeated.

I'll just put on the record that Mrs. Burgener has again entered the Assembly.

Are you ready for the question on the main motion?

AN HON. MEMBER: That's the amended motion?

THE CHAIRMAN: No, on the motion as made by Mrs. Tarchuk to see the Bill proceed with the amendments that she outlined.

All in favour? All right. Thank you. All against? The motion was carried: 10 in favour, five against.

That brings us now to Bill Pr. 4, Trans Global Life Insurance Company Act. Mrs. Tarchuk.

MRS. TARCHUK: Thank you, Madam Chairman. I move that the Standing Committee on Private Bills recommend to the Legislative Assembly that Bill Pr. 4, Trans Global Life Insurance Company Act, proceed with the following amendments. A. In section 3(2) by striking out "or such other amount as may be designated by the directors." B. In section 4 by striking out subsections (1) and (3). C. In section 5(1), (a) by striking out "Subject to section 4," and (b) by adding "except fire insurance" after "contracts of insurance of all classes and kinds."

THE CHAIRMAN: Thank you.

Is there any discussion on the motion just made by Mrs. Tarchuk? If not, please raise your hands if you're in favour of the motion. All in favour? Everyone, of course, as we know, needs to vote. All against, please raise your hands. All right. The motion, then, was carried on a vote of 12 to 3.

That brings us to our last private Bill, Pr. 7, Altasure Insurance Company Act.

Mr. Herard.

MR. HERARD: Thank you, Madam Chairman. I move that the Standing Committee on Private Bills recommend to the Legislative Assembly that Bill Pr. 7, Altasure Insurance Company Act, proceed with the following amendments. A. In section 1 by striking out "MacKay" and substituting Mackay". B. In section 3 by striking out subsection (2) and substituting "Section 136(8) of the Insurance Act does not apply to the company." C. By striking out section 4. D. In section 5(1) by striking out "Subject to section 4." E. In section 5(3) by striking out the first "until the amount."

THE CHAIRMAN: Thank you, Mr. Herard.

Mrs. Sloan.

MRS. SLOAN: Thank you, Madam Chairman. I would like to make an amendment to the main motion, that the motion to approve Bill Pr. 7 and amendments be amended to include an amendment: in section 5(1) by adding "and private health care insurance" after "life insurance."

MRS. PAUL: Madam Chairman, I would like to second that amendment.

THE CHAIRMAN: That's fine, Mrs. Paul. We don't require motions seconded, but I understand you support the motion.

The form of amendment is being distributed to all members of the committee. Mrs. Burgener is absenting herself again for the same reason.

Is there any discussion on the motion to amend the main motion?

MRS. SLOAN: Madam Chairman, my rationale for the motion to Pr. 7 is not unlike the rationale I provided to the committee for Pr. 3.

I stated in the context of the committee when we heard presentations that I do have a concern with respect to one of the sponsors, Mr. Gerald Chipeur, having had previous involvements with respect to lobbying for private health care insurance. He has had involvements with respect to advising government on amendments to the Insurance Act as cited from his CV during the committee deliberations. His sponsoring of these two Bills at a time in this province when we are on the cusp of at least one private facility opening its doors to provide medically necessary services in my mind creates enough suspicion that we need to have a safeguard within the Act to ensure that this individual, who already has a long-standing history of advocating for a greater private role, a free enterprise role in the health care system, not be granted this latitude by the committee to allow that to happen.

With all due respect to the hon. member who said that we must promote free enterprise, it has been proven globally that free enterprise does not work when it comes to health care services. It leads to increased costs, and it also leads to a less healthy population, the largest example of which is the United States of America. So with due respect for some of the opinions that exist within this committee, I think we should be doing everything in our power in this committee to stop the expansion of a private health care market in this province, and in that context I propose the amendment to this Bill.

Thank you.

9:19

THE CHAIRMAN: Mr. Herard.

MR. HERARD: Thank you, Madam Chairman. I would use the same rationale that I did in Pr. 3 and add the following: I really believe we are way out in left field when we start to make judgments on the intent of witnesses that appear before us in this Legislature. In fact, I think it's shameful to impugn people's motives, as we have seen done in this Chamber in this particular session with respect to private Bills. That's not our job. Albertans ought to be able to come before us without feeling like they're, you know, in some way being treated like a criminal. I really find that this entire line of questioning is outside the realm and totally out of order for this committee.

THE CHAIRMAN: Mrs. Soetaert.

MRS. SOETAERT: Thank you, Madam Chairman. Let's get one thing straight. This is not a rubber-stamp committee. We don't sit here for nothing. It is our job to look at these Bills and critically analyze them and do what is best for the people of Alberta. This row of people right here are not naive about the intent of privatization of health care in this province. This is nothing but a safety valve to protect the interests of Albertans. I think it's a very good amendment, and I support it.

THE CHAIRMAN: Mr. MacDonald.

MR. MacDONALD: Thank you, Madam Chairman. I have a few words to say. I would like to remind all members of this committee that the health care delivery system in this province in the hands of the public administrators is more efficient. The delivery of that system is more efficient economically. The hon. Member for Edmonton-Riverview's amendment is just a simple means of protecting that system, and I support it.

Thank you.

MR. CAO: My perspective here, Madam Chairman, is that the Canada Health Act is an overall umbrella that protects health care in Canada, and this is a company applying to do business, insurance business. We're trying to stop a company from doing business by tying it to the umbrella of health care protection, which is sort of, I would say, very minor in the aspect of health care protection. If we look at health care protection, public health care, the five principles of health care, that is where we should look, not at a company doing business, insurance business.

THE CHAIRMAN: Mrs. Sloan.

MRS. SLOAN: Thank you, Madam Chairman. I think just to remind the committee of the intent, the intent of the amendment proposed originally in the main motion is to strike out section 4 of the Act, which says that "the company shall . . . exercise its powers in a manner consistent with the Insurance Act."

The Canada Health Act as it is currently written provides for medically necessary services, and we've already seen in this province a movement towards an erosion of that with the HRG. There are many other services that the government does not sufficiently fund, services like home care, and the public needs a greater degree of support with respect to those. We do not want to see, at least in my opinion, the ability for companies to incorporate within their insurance measures and means to promote insurance for services that are as necessary as medically necessary services are. I use home care as an example.

I do want to address Mr. Herard's comments. My amendment is not personal in nature, but I do believe we have a responsibility in this committee, as we do in the Assembly, to represent the interests of Albertans as a whole, and in conjunction with that, we have to scrutinize individual interests. We are not here to represent individuals; we are here to represent the citizens of Alberta and their collective views on the matter of private health care. So in that context, I stand by my amendment and would encourage other members of the committee to support it.

THE CHAIRMAN: Mr. Pham.

MR. PHAM: Thank you. I would like to be on record very, very clear that we do not support privatized health care. However, this Bill has nothing to do with privatized health care. Also, when we make reference to a person and how that person's background affects our judgment, then I have serious concern. If someone else appeared in front of our committee and presented the same piece of evidence, those facts, that evidence should be the only thing that we look at, not the person who gives the evidence. We should not discriminate against one person or another just because of his background. Therefore, I would like to vote against the amendment.

THE CHAIRMAN: Thank you, Mr. Pham. I agree with your sentiments, and I don't think I could have said it better.

For the information of committee members I would like to refer

you to the transcript of our proceedings on May 20, 1997, when Bills Pr. 3 and Pr. 4 were being discussed. If you'd like to go to page 28, midway through the page, Mr. Rodrigues, the superintendent of insurance, had this to say:

The private Acts of the Legislature with respect to incorporation of insurance companies and the Insurance Act do not prohibit an insurance company from engaging in business that would cover health care benefits. It's the health care legislation that prohibits it. So until that legislation is amended, no insurance company can undertake insurance that covers any medical service that is prohibited by the health care legislation. So the prohibition is in the health care legislation, not in the private Acts or in the Insurance Act.

It would be my interpretation of that that certainly at the licensing point the health care legislation will be considered along with the application for the licence by the particular insurance company involved to see if it is in compliance with our laws. I was just making that point for clarification, not attempting to engage in any debate on this matter.

MRS. SLOAN: Well, I think just as a point of clarification, Madam Chairman, home care is not defined by the Canada Health Act as medically necessary and therefore is within the realm of a company to promote a form of insurance on. So while I respect your contribution not in the context of debate but in clarification, I do think it warrants additional clarification that there are essential services out there which the Canada Health Act in its current form does not protect from private delivery.

THE CHAIRMAN: Are you ready for the question then? This is on the motion to amend. Mrs. Sloan has moved that the motion to approve Bill Pr. 7 and amendments be amended to include an amendment as follows: in section 5(1) by adding the words "and private health care insurance" after the words "life insurance."

Yes, Mrs. Sloan.

9:29

MRS. SLOAN: Madam Chairman, I would request a recorded vote on this as well.

THE CHAIRMAN: Very well. All in favour of this motion, please raise your hands. That is Mrs. Soetaert, Mr. Bonner, Mr. MacDonald, Mrs. Paul, and Mrs. Sloan.

All against the motion, please raise your hands. That is Mrs. Tarchuk, Mr. Strang, Mr. Herard, Mr. Coutts, Mr. Marz, Mr. Cao, Mr. Pham, Mr. Langevin, and Mr. Cardinal.

The motion is defeated.

THE CHAIRMAN: Are you ready for the question on the main motion? Mr. Reynolds wishes to make a comment before we vote.

MR. REYNOLDS: I think for the completeness of the record I just want to point out that the amendments to this Bill would delete section 3(2), which sets a minimum amount before the provisional directors can meet. That's been in many other private Acts. As you know, the superintendent of insurance agreed with deleting that. I spoke with him, and he's said that really it doesn't matter if you set it because the provisional directors are so limited in what they can do anyway under the Insurance Act. You know, they're still covered by the Insurance Act with respect to what they can do, which isn't very much until you've capitalized it. So I just wanted to make that clear for clarification.

THE CHAIRMAN: Thank you very much, Mr. Reynolds.

All right. On the motion as made by Mr. Herard that this committee recommend to the Legislative Assembly that Bill Pr. 7

proceed with the amendments that he outlined, please raise your hands if you're in favour of this motion. Those against, please raise your hands. Mr. Bonner I guess is no longer in the Assembly. The motion was carried, then, on a vote of 10 to 4.

All right. That completes our deliberations on Bills Pr. 1 through Pr. 7. Is there any new business?

Mrs. Burgener.

MRS. BURGNER: Yes, Madam Chairman. I would like to propose a motion for this committee to consider briefly. I will move the motion, and then I am assuming there will probably be some discussion. I would like to move that

this committee recommend to government that appropriate legislation be brought forward to address the incorporation of insurance companies and their related activities such that the private Bills process no longer be the vehicle for such incorporations.

I would further move that

this legislation be developed for introduction to the Assembly in 1998.

At the appropriate moment I would like the opportunity to speak to the motion.

THE CHAIRMAN: All right. Is there any discussion on the motion as made by Mrs. Burgener?

MRS. SLOAN: I'm wondering if we could have that motion in writing, Madam Chairman?

MRS. BURGNER: You sure can. It's not legible, but it's in writing.

THE CHAIRMAN: While we're waiting for copies of the motion to be distributed, it's been brought to my attention by Mr. Reynolds that in the past the practice followed has been for the chairman of this committee to write to the responsible minister in relation to any recommendations of a similar nature coming out of this committee. Presumably, Mrs. Burgener, that would be the Provincial Treasurer in this case.

MRS. BURGNER: Madam Chairman, I appreciate that. Again, in the absence of probably a better understanding of process, it was my intention to bring this to the attention of the committee and give the opportunity for you as chairman to have some consensus as an all-party committee to bring to the attention of the Provincial Treasurer. I also believe in some clarification to different petitioners who may be engaged in processes in preparation of the 1998 Legislative Assembly, that we have taken some of the concerns that they've expressed under due consideration.

So I am very pleased to take direction from you as to whether this should be formalized in a motion as I have proposed, whether you would appreciate the endorsement of this committee to look at it in that fashion or indeed whether you would prefer to take it as a recommendation from the chair with or without the support of the committee. So at your pleasure I would have this discussed in that light.

THE CHAIRMAN: Well, yes. Thank you. You have made a motion, and I believe it would be in order to vote on it after discussion.

MRS. SLOAN: I'm just wondering if we can deliberate a bit perhaps, Madam Chairman, on that in the context that, number one, the Standing Committee on Private Bills is incorporated within the standing rules of this Assembly and, number two, the fact that the committee exists for a greater purpose beyond just incorporating

insurance companies. I believe if I verbally heard the intent of the hon. member's motion, she was proposing that this legislation be developed to incorporate insurance companies and that thus the Private Bills Committee would no longer exist. [interjection] Well, the interpretation, I guess, is vague, and my interpretation was that the committee's purpose is nullified.

THE CHAIRMAN: Mrs. Sloan, you should have a copy of the written motion in front of you. I think if you read it, it becomes clear that the Private Bills Committee would just no longer be the vehicle through which insurance companies are incorporated, vis-à-vis the Legislature. I think I can say that this is a somewhat antiquated method of incorporating an insurance company. Most other provinces allow it to be done in an administrative manner.

Mr. Herard.

MR. HERARD: Yes. You essentially spoke to my argument, that we're the last province that does it this way. In every other province it's done through letters patent. I don't think that in 1997 it really needs to be done this way any longer. Therefore, I would support Mrs. Burgener's motion.

THE CHAIRMAN: Thank you, Mr. Herard.

Mrs. Burgener.

MRS. BURGNER: Thank you, Madam Chairman. I also would like to bring to the attention of my colleague that in the past this committee had dealt with the issue of private adoptions. On discussion of a number of those petitions over previous years, it was determined that this was not the best vehicle to deal with that issue. So there is precedent for removing from the Private Bills Committee some of the work that had been previously dealt with. But I would like to be very firm about my understanding that this in no way compromises the role of the Private Bills Committee. It is in response to the process we have dealt with in this recent session.

MRS. SLOAN: A couple of further points, then, with respect to my opposing the motion. I think, number one, it was not incorporated as an item on the agenda for business. I have no factual information to substantiate whether this is or isn't a common practice in other provinces. So on point number one, I don't feel that personally I've been in a position to review the relevant material to make a decision on this this morning.

9:39

Number two, obviously the precedent may have occurred where we determined that private adoptions weren't appropriate, and that was removed from the jurisdiction of committees. In my opinion, there's somewhat of a difference between an individual adoption process and the incorporation of an insurance company.

Thirdly, I would oppose it on the basis that if this item of business is taken to the government, in essence you are removing from an all-party committee the ability to look at the merits of Bills incorporating businesses in this province and I guess as one other measure removing the opposition's ability to scrutinize those Bills in their initial form. I would assume that if the government is drafting legislation, we will have the experience, as we do now in this House, where we don't see the legislation until it's read a first time. There is no incorporation of the opposition's input with respect to drafting. While that in my view is not democratic, I think for the most part at least this committee has served that purpose of allowing that debate and input at an infancy stage, and this motion would again be stymieing that in the future.

Not to allege any particular motives, I find it of interest that the

motion comes forward. In this particular session we've had a lot of Bills brought forward with respect to insurance Acts. I guess I question the urgency of putting the motion on the table today without all members being privy to the pros and cons and the background information being circulated beforehand.

Thank you.

THE CHAIRMAN: Mrs. Burgener.

MRS. BURGNER: Yes. Not necessarily to close debate, but at that point I will. First and foremost, I am bringing this forward as deputy chairman of this committee. My rationale for doing so is that given that this committee only meets when it has legislation to review, I have concerns that we may not have an opportunity for this discussion to occur again for a while. The urgency, if that's the word to use, is therefore with respect to that.

I would bring to the attention of my colleagues that this is simply a motion and does not necessarily constitute the decision of government to move in this direction. Consequently, the Private Bills Committee would continue to deal with these petitions until such time as that change was made, so there is no compromising of the role of the committee or the scrutiny we've brought to bear on insurance companies who continue to desire to constitute in this fashion. It's been my experience that their preparation for such activities takes place over quite a long period of time. They seek petitioners to reflect their Bills as they come forward, so there may be some merit in them including the opposition in that process more fully. If this were to be brought forward to government, it would have to be addressed through a standing policy committee, and I would encourage any insurance company who wanted to proceed in this fashion to request the appropriate financial planning standing policy committee to ask for a public hearing, which is open to all parties and the public and the media, which would I think allow for that issue of private development and lack of public scrutiny to be addressed. I would so encourage any company or the government to indicate that this process was to be undertaken to avail themselves of that opportunity.

I think I have covered off the points that were raised. The last one, I believe, is the issue of background and common knowledge. I think we've heard, because of the number of petitions on insurance companies, from the insurance commissioner that this discussion has been dealt with through other processes in Legislatures across this country, and because Alberta has an archaic process to deal with this, it's not something that is lacking in public discussion. If one had been involved with insurance companies, they'd be informed of the fact that there is a request and an assessment that this should be dealt with in another fashion. So I hope I've covered off those points.

THE CHAIRMAN: We have a few more speakers.

Mr. Herard.

MR. HERARD: Well, I believe my colleague has closed debate.

THE CHAIRMAN: No.

MR. HERARD: All right. In that case, then, I will make it.

THE CHAIRMAN: Okay. Did you have some comments, Mr. Herard?

MR. HERARD: Yeah. I think that just because this committee recommends something, there would have to be legislation that would then come before the full scrutiny of this House in order to

change the Insurance Act to allow this sort of thing through letters patent or any other method the Legislature might decide upon. The issue will be fully discussed at the point in time it is brought before this House, so I think the motion is in order. The chairman did ask: is there any further business? I think bringing up this at this point in time is in order. Those are my comments.

MRS. SOETAERT: For different reasons than Mr. Herard, I believe this is a pointless exercise because this will be dealt with supposedly in legislation next year. I guess out of courtesy I would have liked an evening to at least think about it and discuss it with my colleagues. So I guess I wonder why we would put this motion forward when it is going to be dealt with in legislation supposedly next year. I can't see why we are.

THE CHAIRMAN: Well, I don't know that we have any assurance that that is the case. I don't believe members from the opposition have been prejudiced by not having any more notice. The first notice I had about the making of the motion, Mrs. Soetaert, was this morning, and I doubt any other committee member had better notice than that. It's just something I think we've all observed: the somewhat difficult and outdated procedure for the incorporation of a company. No other type of company in the province must go through this procedure to become incorporated, and as has been stated, no other province requires this old procedure to be followed in the incorporation of an insurance company.

Mrs. Paul.

MRS. PAUL: Yes. Madam Chairman, just for clarification. Do we have to endorse this motion in order for it to be brought forward to the Legislature?

THE CHAIRMAN: No, that's not my understanding. In fact, I believe that as chairman I could do it on my own.

MRS. PAUL: Thank you.

THE CHAIRMAN: Mr. Cao, I believe, had a desire to speak.

MR. CAO: Well, I'm sort of puzzled here. First, the motion. Any private member can do it at any time. That's one.

The second thing is: are we having a booming business for insurance companies in Alberta now? Why has the way of looking at insurance companies suddenly become a big issue? Now and down the road many of them will come to us to look into it. At this stage, suddenly this becomes a motion to do away with that. I heard last time the insurance superintendent also mentioned they're working on doing something in that manner. So I'm sort of confused toward the end of the meeting here.

THE CHAIRMAN: Well, you have in front of you the motion as made by Mrs. Burgener. It is her position that this committee is not the best procedure for the incorporation of an insurance company, and she is recommending that the Provincial Treasurer review this process.

9:49

MR. CAO: Yeah, I understood that part.

MRS. BURGNER: Madam Chairman, to close, it is my intention through the work of this committee and the discussions that have gone on over the last few weeks simply to allow the government to have some understanding in a formal way that we would look for some changes to this procedural aspect of incorporating insurance Acts. It's not a question of whether there's a large volume of companies out there looking to incorporate, although being an

efficient government, that is a good point to look for in the future. It is simply that it was appropriate in my mind that the work of this committee be reflected in future discussions. If we do feel this procedure is somewhat archaic and encumbered, we should be able to say so to the government in a formal way.

That concludes my debate.

THE CHAIRMAN: Mrs. Sloan has requested a recorded vote.

All in favour of Mrs. Burgener's motion, please raise your hands. We have Mrs. Tarchuk, Mr. Strang, Mr. Herard, Mr. Coutts, Mr. Marz, Mr. Pham, Mr. Cao, Mr. Langevin, and Mrs. Burgener.

Those against the motion, please raise your hands. We have Mrs. Soetaert, Mr. MacDonald, Mrs. Paul, and Mrs. Sloan.

So the motion is carried by a count of nine to four.

Mr. Herard.

MR. HERARD: Thank you, Madam Chairman. I don't think I'll go through the process of making a motion, but I certainly would recommend that the chairman of this committee look into whether or not we should be recommending to the appropriate department that when we are faced with an adoption termination, as we have been in this session, it be handled in the same way as adult adoptions are now being handled with respect to being able to do that before the courts. It's just a recommendation on my part.

If there are some people who feel strongly against that, I'd like to hear it.

THE CHAIRMAN: You'd like to hear it?

Mrs. Soetaert.

MRS. SOETAERT: I agree, Madam Chairman. We dealt with the opposite of that before and decided that this is not a comfortable or maybe even a fair process for those people who have to go through. I would support Mr. Herard's suggestion.

THE CHAIRMAN: Yes, Mr. Pham.

MR. PHAM: I suggest we may have a problem with that because if those people had their adoption approved by this Legislature through a private Bill, then I think we have no choice: we have to rescind that. We have to give that approval. I don't think we should give the court the power to undo what we do in here.

MRS. SOETAERT: We don't do that anymore.

MR. PHAM: But those are the people who already had their adoptions done in this Legislature; right?

MRS. SOETAERT: I don't think so.

MR. PHAM: You don't think so?

MRS. SOETAERT: I don't think so, Hung.

THE CHAIRMAN: To clarify, yes, adult adoptions are no longer . . .

MR. PHAM: But those that already went through it in the past.

THE CHAIRMAN: If I could finish, they're no longer approved through this committee. The termination of adoptions involving people under the age of 18 are handled by the Child Welfare Act provided you meet certain conditions. There is no legislation, as we know, covering the termination of adult adoptions.

I think it's important, however, to keep in mind that it's my information that the Bill we had before us this session was only the



fourth in the history of the Legislature, so there isn't a big demand for it. I would just say this: if we're asking the courts to amend a certain Act to then provide a method through legislation where adult people can come forward to terminate their adoptions made many years ago, we must consider that perhaps we would be opening the floodgates. It's something that I don't think there's really a big demand for, as has been shown by the numbers over the years.

Mr. Herard.

MR. HERARD: Well, let's assume that that was the only thing on our agenda in the next session, an adult termination of, you know, an adoption. I don't think it needs to be done in this manner. I guess the point is that we did that with respect to adult adoptions. I don't see what rationale would prevent us from doing it even though the demand is so low. I would hate to see us have a session and call witnesses before us and so on if that's all we had on our agenda. So I guess the bigger question is: do we really need to deal with it at all here? That was the intent of my suggestion to you.

THE CHAIRMAN: Well, Mr. Herard, perhaps I could undertake as chairman to look into this matter and report back the next time we meet as a committee if that would be acceptable to you.

MR. HERARD: Agreed.

THE CHAIRMAN: All right. If there's no other new business, I would like to thank all committee members for their participation on this committee and for their hard work and their contributions to our proceedings.

Mr. Herard.

MR. HERARD: Well, just on my own behalf, I'd like to congratulate you on the way you handled Private Bills as a new member. I'm sure all of us appreciate that. Thank you.

THE CHAIRMAN: Thank you, Mr. Herard.  
I will now declare this meeting adjourned.

[The committee adjourned at 9:56 a.m.]

