



Second Session, 39th Parliament

REPORT OF PROCEEDINGS
(HANSARD)

SELECT STANDING COMMITTEE ON

**PARLIAMENTARY REFORM,
ETHICAL CONDUCT,
STANDING ORDERS AND
PRIVATE BILLS**

Victoria

Wednesday, May 5, 2010

Issue No. 2

NORM LETNICK, MLA, CHAIR

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**SELECT STANDING COMMITTEE ON
PARLIAMENTARY REFORM, ETHICAL CONDUCT,
STANDING ORDERS AND PRIVATE BILLS**

Victoria
Wednesday, May 5, 2010

- Chair:* * Norm Letnick (Kelowna–Lake Country L)
- Deputy Chair:* * Rob Fleming (Victoria–Swan Lake NDP)
- Members:*
- * Donna Barnett (Cariboo-Chilcotin L)
 - * Harry Bloy (Burnaby-Lougheed L)
 - * Eric Foster (Vernon-Monashee L)
 - Pat Pimm (Peace River North L)
 - * John Slater (Boundary-Similkameen L)
 - Katrine Conroy (Kootenay West NDP)
 - Mike Farnworth (Port Coquitlam NDP)
 - * Jenny Wai Ching Kwan (Vancouver–Mount Pleasant NDP)
- * denotes member present*
- Clerk:* Ian Izard
-

- Witnesses:*
- Dr. Philip Ney (Director, Horizons Unbound Rehabilitation and Training Society)
 - Geoffrey Plant (Agent, Vancouver Foundation)
 - Faye Wightman (President and CEO, Vancouver Foundation)
 - Darren Williams (Agent, Horizons Unbound Rehabilitation and Training Society)

CONTENTS

Select Standing Committee on Parliamentary Reform,
Ethical Conduct, Standing Orders and Private Bills

Wednesday, May 5, 2010

	Page
Bill Pr401 — Horizons Unbound Rehabilitation and Training Society (Corporate Restoration) Act, 2010	9
D. Williams	
P. Ney	
Bill Pr402 — Vancouver Foundation Amendment Act, 2010	10
G. Plant	
F. Wightman	

MINUTES

SELECT STANDING COMMITTEE ON
PARLIAMENTARY REFORM,
ETHICAL CONDUCT, STANDING
ORDERS AND PRIVATE BILLS



Wednesday, May 5, 2010
2:45 p.m.
Birch Committee Room
Parliament Buildings, Victoria, B.C.

Meeting: 2:45 p.m., Wednesday, May 5, 2010

Location: Birch Room, Parliament Buildings, Victoria, BC

Present: Letnick, Fleming, Bloy, Barnett, Kwan, Foster, Slater

Appearing: Horizons Unbound Rehabilitation and Training Society
Darren Williams, Agent
Dr. Philip Ney, Director

Vancouver Foundation
Geoff Plant, Q.C., Agent
Faye Wightman, President and CEO

Business: Private Bills Pr 401 and Pr 402.

Resolved on the motion of Mr. *Fleming*, seconded by Mr. *Bloy*, that the Committee recommend to the House that Bill (Pr 401) *Horizons Unbound Rehabilitation and Training Society (Corporate Restoration) Act, 2010* proceed to second reading.

Resolved on the motion of Ms. *Barnett*, seconded by Ms. *Kwan*, that the Committee recommend to the House that Bill (Pr 402) *Vancouver Foundation Amendment Act, 2010* proceed to second reading.

The meeting adjourned.

Norm Letnick, Chair

Rob Fleming, Vice-chair

WEDNESDAY, MAY 5, 2010

The committee met at 2:49 p.m.

[N. Letnick in the chair.]

I. Izard (Clerk Assistant and Law Clerk): We have two bills before us: Pr401, which is Horizons Unbound Rehabilitation and Training Society (Corporate Restoration) Act, 2010, and the second one is amendments to the Vancouver Foundation Act.

Firstly, Dr. Philip Ney and Darren Williams are here for Horizons Unbound to explain the need for the bill.

N. Letnick (Chair): Welcome to our committee. I understand that Philip Ney is the president of Horizons, and Mr. Williams, you are a solicitor. Tell us about the bill, please.

[1450]

**Bill Pr401 — Horizons Unbound
Rehabilitation and Training Society
(Corporate Restoration) Act, 2010**

D. Williams: The bill is one in which we request that the society, which was originally formed in 1989 as a non-profit organization to essentially hold vessels and use the vessels as a means to encourage the rehabilitation of youths with trouble on the streets — drug problems, alcohol problems and such — much like we're aware that the SALTS society does now in some respects.... In 1989 it was formed to carry on the pursuits of rehabilitating youths.

Unfortunately, due to a miscommunication between the accountant and the society at the time, each one thinking the other was filing the annual reports, the society was struck off the register of societies in 1995. The obvious question, when this came to my desk, was: why did it take so long to realize that the company had been struck off the register of societies?

Again, it was a miscommunication between the accountant and the society about who was responsible for it. Once it's struck, of course, you don't get an annual notice saying: "By the way, your society's been struck off." Once it's struck, it's a thing of the past.

All the books of the company are up to date in terms of dealing with the CRA. It continues to run as the owner of a vessel — which is approximately how many feet in length?

P. Ney: It's 72 on deck.

D. Williams: It's 72 on deck, and it has capacity for, I believe, 22 young people.

It takes young people out to sea, gets them off the street, takes them into an environment where they learn

teamwork and coping skills. It teaches them how to sail, essentially, and work together.

I'm not sure if I can say anything more than that. It was, frankly, an honest mistake, and I think the society has good pursuits that should be supported.

N. Letnick (Chair): You'll be comforted to know that there are others who make the same honest mistake as well.

Mr. Ney, did you have anything that you want to add?

P. Ney: Well, this has been an almost lifelong preoccupation of mine. I began in 1972, when I used a buyback troller, and we began our first programs going up the west coast. Then in '74 we purchased *Robertson II* in Nova Scotia and sailed it through the Panama Canal and established SALTS society, which is still going with two ships.

Robertson II itself is up on the rocks, falling apart because of a very, very bad accident. I had nothing to do with it at all. It was no longer part of what I was doing.

Anyhow, we brought this other ship. In fact, we had a previous ship. We have this ship for, really, rehabilitating young people. Because I practise in this area, parents come to me, and they say: "Doctor, please do something. I have this wonderful teenager. He's brilliant at school, wonderful in sports, a wonderful fellow. But you'll find him downtown now just begging because he's on drugs."

Literally, there's nowhere for these kids to go. I know that because, like I said, I practise in this area, and there's just no.... So this is a chance in a lifetime for young people, younger drug addicts, to get away from the drugs. Incarcerated, they can still get their drugs. At sea they can't get their drugs.

We have a very simple philosophy. "We'll take you to sea, young person, and if you behave, we'll bring you back."

N. Letnick (Chair): What happens if they don't? No, don't answer that.

A Voice: This is a picture of *Horizon Unbound*, which is the vessel currently held by the society.

N. Letnick (Chair): Well, thank you very much. Are there any questions by members of the committee?

D. Barnett: Have you been functioning all along, though, even though this was not in good standing?

P. Ney: Yes, we have.

D. Barnett: And filing income tax reports or those types of things?

P. Ney: Exactly. Yup.

D. Barnett: Is there a board of directors?

P. Ney: Yes, there is. You'll find that we're posted on CRA, like everybody else, and we're up to date. We've got no problems with the income tax. It's just that the accountant and I.... He's a good fellow. I trust him. He trusts me. We didn't think to talk about this. I thought he was filing both in the federal and the provincial, and he thought I was doing that.

D. Barnett: So he did the federal one, and nobody did the provincial.

P. Ney: Nobody did the provincial one. It was stupid on our part.

N. Letnick (Chair): Anyone else?

R. Fleming (Deputy Chair): Just to clarify, then. You have charitable status federally, and that's up to date and in good standing. It was just the Society Act provincially that you fell afoul of.

D. Williams: Yes, that's correct.

P. Ney: We have to submit for the name first. Then we get approval to use the same name.

D. Williams: That's been done.

P. Ney: That's all done.

R. Fleming (Deputy Chair): When do you set sail with the next group?

D. Williams: When does the next sailing go?

A Voice: When the weather improves.

P. Ney: We're going to go out in Swiftsure and show these big American boats how to sail properly.

R. Fleming (Deputy Chair): I'd move...

N. Letnick (Chair): ...the bill proceed to second reading?

[1455]

R. Fleming (Deputy Chair): Yes, Mr. Chair.

N. Letnick (Chair): I don't think the second's required. Before I accept that, anybody else have any questions? No?

Oh, you do have a question.

J. Slater: The Society Act normally wouldn't have to go through this. Why can't they just apply under the Society Act?

I. Izard (Law Clerk): The Society Act has a ten-year limitation. If you're off for more than ten years, you have to seek another route.

J. Slater: Or find another name.

I. Izard (Law Clerk): No, because then you'd lose the vote.

J. Slater: So the assets of the society would then get turned over to.... Okay, I got you.

N. Letnick (Chair): Okay, so that having been answered....

Motion approved.

N. Letnick (Chair): The motion is carried unanimously. Go forth and....

P. Ney: Ladies and gentlemen, thank you very much on behalf of those kids. If you come sailing with us, it's the same philosophy. Behave yourselves, and we'll bring you back.

J. Slater: Pretty high expectations from us.

N. Letnick (Chair): Next is the Vancouver Foundation Amendment Act, 2010. We have Faye Wightman, the president and CEO, and representing them is Geoff Plant.

Here's a technical question. Do you take your "honourable" with you when you go into the private sector? Are you the hon. Geoff Plant?

G. Plant: No.

N. Letnick (Chair): Just Geoff Plant, QC.

G. Plant: You have to be a member of the federal Privy Council to keep your honourable status. Federal cabinet ministers keep it but not others.

N. Letnick (Chair): All right. Well, welcome. Would you like to give us an overview of what we're looking at?

Bill Pr402 — Vancouver Foundation Amendment Act, 2010

G. Plant: I am going to ask Faye Wightman, who is the president and CEO of the Vancouver Foundation, to give you a bit of an overview of what is intended by the amendments here. Then we'll be happy to answer questions.

F. Wightman: You may recall that in the fall of 2008 we actually appeared, before legislation, to ask to have

an amendment to the Vancouver Foundation Act, and that was put through as a public bill. That was because of the urgent situation that we were facing in terms of not having enough funds to be able to distribute to the numerous, numerous charities that we do. You were very good about making those changes to our bill.

I can tell you that in fact, we only had to encroach on capital in the first-quarter payments, and at the end of the year we were able to repay all the capital back, so that's a nice position to be in.

We would like to make some amendments to the act or have you approve the amendments to the act for a number of reasons. Principally, much of the language that is in the act is outdated, so we want to clean up some of the language.

There are some parts of the act that just required a better definition for clarity purposes. They could be misconstrued.

We do find that we were hindered somewhat in terms of the board appointments, because the previous act said that there would be 12 directors, six of which would be appointed by six different organizations. We found that in some cases, some of the organizations that were appointing the directors were no longer in existence. For instance, the Pacific subsection of the Canadian Bankers Association — there is no longer that entity in place.

Similarly, the Vancouver Board of Trade. We felt that although, obviously, that organization is still there, it is not representative of the Vancouver Foundation, which is a provincial foundation. So we sort of felt that we were having Vancouver representation when, in fact, we should be looking at having a broader representation, a provincial representation.

Similarly, the Vancouver Bar Association was one of the original appointees. What we felt was more appropriate was to have their regulatory society, the B.C. Law Society, have someone appoint on the board, and for the B.C. association for chartered accountants to be appointing as well.

Part of making the changes was to change the appointing bodies so that they were more appropriately representative of the province or the regulatory bodies — that it would make sense. Part of it, as well, was that we were limited in terms of only having 12 directors. We would like to be able to expand up to a maximum of 15, but ideally around 15, which would....

G. Plant: A maximum of 18.

[1500]

F. Wightman: Yeah, a maximum of 18, but we're looking at around 15 as what we would like to function at. We find that nowadays, to have a foundation that is looking at trying to raise money as well as distribute it.... It is good to have representation from around the province, and when you're limited to 12 you don't always get the broad representation that you're looking for.

We also wanted to remove some of the provisions that were in the act that were no longer relevant. There were a number of references made to the United Way of the Lower Mainland and the community fund, and it's no longer in existence.

One of the requirements in the act prior to, hopefully, having this approved was that if you were a member of the Vancouver Foundation, on the board or any of the committees, you had to reside in B.C. Back 67 years ago that might have made sense, but nowadays, when people are more mobile and might have a home here and a home somewhere else, we wanted to remove that as well.

We wanted to expand the custodian services beyond trust companies. Again, what we have had in the past is gifts of real estate, and then it doesn't necessarily go to a trust company. That's not necessarily the best place to put the new gift.

So those were primarily.... As well, there were a number of things in the act that we felt should be reflected in bylaws, not in the act. When you talk about the number of directors that will be there and various other things like that, they're more likely to be found nowadays in bylaws rather than in an act. For those reasons, we would like to come forward with the recommendations for the changes.

N. Letnick (Chair): Okay. Thank you. Question for the Clerk. I see part of the exhibits show that the bill was advertised.

I. Izard (Law Clerk): All private bills are advertised.

N. Letnick (Chair): Did we receive any correspondence?

I. Izard (Law Clerk): No.

N. Letnick (Chair): Okay.

F. Wightman: We have, as well, the chief justice, who was on our board of directors and who continues to be on our board of directors. Former. The former chief justice, Don Brenner, and I met with the Leader of the Opposition and met with the opposition justice critic, and they are very comfortable with the proposals as well.

N. Letnick (Chair): Thank you for that.

J. Kwan: Just a quick question on subsection (3)(b)(7), where it provides that the board would be the authority to decline a nomination if it does not offer the competencies required in its overall board composition and effectiveness.

I'm just wondering how you would decide what competencies would be required from each of these appointments.

Presumably, this would be applicable to the appointments of the respective organizations listed here. How would you decide, then, what competencies you require from each of those groups?

F. Wightman: Rather than from each of the groups, we have an overall board matrix which says the kinds of competencies that we're looking for overall on the board. What we would look at when a new appointment came in is: do we have a number of people that are fulfilling — having legal representation or with an accounting background or a finance background?

It's more in an overall sense of what the composition of the board is and if there's a good fit with the organization that's there putting the name forward. Does that fit with where the gaps on the board matrix are?

J. Kwan: So it is, then, specified, that...? For example, in the instance where you're replacing Advocis with Canadian institute of chartered life underwriters and chartered financial consultants with the B.C. Institute of Chartered Accountants, is the expectation from that matrix that somebody with an accounting background would come from that? If they choose instead to send you a lawyer, then you can say: "Actually, we're looking for somebody with competencies in chartered accountants. Could you please resubmit a different nomination?" Is that the intent?

F. Wightman: Right. In the past what we've done is we've actually met with the organization to say: "This is what we're looking for. We're looking for someone with this kind of background. So when you're submitting candidates, could you look at this?"

J. Kwan: A final question for clarification. Then, in that instance, for all of these groups, when you reject their nominee, they're asked to put forward a different one. In other words, they'll always have representation. Is that the intent?

F. Wightman: In an ideal sense, what we'd be looking for is for them to submit two or three names. In that case we wouldn't have to have the embarrassment of rejecting a name and going back. I think that's always difficult if somebody puts a name forward, and then you say not.

The communication would be in advance of them submitting a name, saying: "This is what the skills that we're looking for are, and hopefully, you can submit a couple of names." That would give the opportunity for us to say: "This fits with what we need."

J. Kwan: One last, last question. The reason why, then, this provision is here. Is it because this has proven to be a problem before, and so therefore you want to have that flexibility and the ability to say no?

F. Wightman: Yes. In the past some of the organizations that have appointed someone.... It has been more, "Does anyone want to do this?" as opposed to it really being seen as, "Is there someone from the organization that is very keen?" — a polite way of putting this.

[1505]

G. Plant: I'm not sure that there has been a problem. The way the thing is written is to give the foundation's directors, if you will, the last word, as a way of adding a bit of substance to the dialogue so that the nominating body understands that they don't get to just pick anybody, who will then become a director.

I'm on a number of boards, and my observation is that where you give the board the ability to decline a nomination, it makes the conversation that Ms. Wightman's describing a better one.

Take the example of the Institute of Chartered Accountants. The conversation then is: "Here's what our skill set matrix is. Here are some of the needs we think we have right now. Most likely, it would include someone with accounting background. Please go away and find three people that might fit the skills matrix in any number of different ways, which could include things like geographic diversity or other forms of diversity, because the board wants to be representative of the province as a whole."

I think that to put the appointing power in this place means that the nominee entity really knows that they're going to have to have a conversation that's ultimately about finding the best person and that the board is not going to be satisfied until they've got the right person. I think that's why it's designed that way.

F. Wightman: To be frank, in the past some of the nominating organizations didn't take the kind of due care and attention in terms of deciding who was going to come forward, as I think that the Vancouver Foundation deserves.

N. Letnick (Chair): Do you want me to go around and come back to you?

J. Kwan: Sure.

N. Letnick (Chair): Okay. Anybody else? We're coming back to you. Go ahead.

J. Kwan: To that end, if I'm understanding it correctly, each of these organizations would be able to put forward a set of nominees. Ultimately, the board would decide. The intent, though, is that each organization would have somebody represented to meet the competency.

F. Wightman: Yes.

J. Kwan: Is it the case that whoever the organization nominates or puts forward as a nominee...? Do they have to be a member of their organization? Or is it just some appointment of somebody from somewhere?

F. Wightman: We have not stipulated that they need to be a member of their organization, but I think there is a hope on our part that in fact, if the Law Society of B.C. is nominating someone....

My apologies. We actually are....

G. Plant: It has been written to require membership in at least two cases.

F. Wightman: We would hope that they are a member of the Law Society and that they are a member of the Chartered Accountants. That's what we're looking for — those skills. Yes, we voted as.... Yes, we do want them to be a member in those two cases: with the Law Society and the Chartered Accountants.

Whereas the United Way of the Lower Mainland can nominate whoever.... They actually have something in their bylaws which says it has to be a member of their board. We don't stipulate that, but they stipulate that.

J. Kwan: Yeah, I just wondered about that, because in section 1 you specify that the Chief Justice of the Supreme Court of B.C. could have somebody who's their designate. So you specify that in that clause but not in the others. I was wondering why that is.

F. Wightman: That's the only one, and that was always there, since 1943.

J. Kwan: Right.

R. Fleming (Deputy Chair): My colleague's raised a few things. You have a public call for nominees, though. Isn't that right? It's not only through these

organizations that are listed. There are a number of at-large positions.

F. Wightman: Yes, there are a number of at-large. In the past it was six that were elected.

R. Fleming (Deputy Chair): So people can self-nominate themselves, basically.

F. Wightman: Yeah.

G. Plant: Yeah, I was going to actually make that point — that we've been looking at the four nominating entities that are described here. The board's going to be required to have a minimum of ten members and perhaps up to 18 with, as I understand it, the desire to try to get to 15. So the vast majority of the members of the board are going to be at-large members who will be elected from time to time by the board. The foundation does look pretty high and low for people who are willing to serve.

[1510]

N. Letnick (Chair): Thank you very much for the presentation.

Donna, would you like to move that the bill be moved to second reading?

D. Barnett: Yes, I would do so.

N. Letnick (Chair): Move the bill move to second reading.

Motion approved.

N. Letnick (Chair): Thank you very much. Have a great Wednesday.

Can I have a motion to adjourn?

The committee adjourned at 3:11 p.m.

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