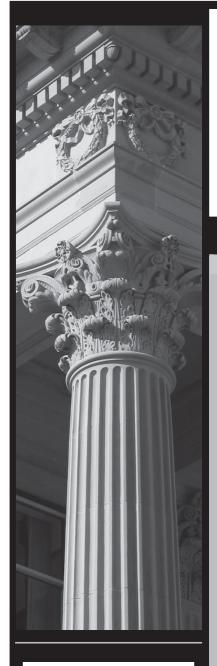
### LEGISLATIVE ASSEMBLY OF ALBERTA





# Standing Committee on Alberta's Economic Future

### Final Report Review of the *Alberta Property Rights Advocate Office 2017 Annual Report*

Thirtieth Legislature First Session October 2019

Standing Committee on Alberta's Economic Future 3<sup>rd</sup> Floor 9820 – 107 Street Edmonton AB T5K 1E7 780.415.2878 EconomicFuture.Committee@assembly.ab.ca



STANDING COMMITTEE ON ALBERTA'S ECONOMIC FUTURE

October 2019

To the Honourable Nathan Cooper Speaker of the Legislative Assembly of the Province of Alberta

I have the honour of submitting, on behalf of the Standing Committee on Alberta's Economic Future, its final report pursuant to section 5(5) of the *Property Rights Advocate Act* on the **Review of the** *Alberta Property Rights Advocate Office 2017 Annual Report.* 

Sincerely,

[original signed]

Glenn van Dijken, MLA Chair, Standing Committee on Alberta's Economic Future

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## MEMBERS OF THE STANDING COMMITTEE ON ALBERTA'S ECONOMIC FUTURE 30<sup>th</sup> Legislature, First Session

Glenn van Dijken, MLA Chair Athabasca-Barrhead-Westlock (UCP)

Nicole Goehring, MLA Deputy Chair Edmonton-Castle Downs (NDP)

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Drew Barnes, MLA Cypress-Medicine Hat (UCP)

Deron Bilous, MLA Edmonton-Beverly-Clareview (NDP)

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Thomas Dang, MLA Edmonton-South (NDP)

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Nate S. Horner, MLA Drumheller-Stettler (UCP) Matt Jones, MLA Calgary-South East (UCP)

Roger W. Reid, MLA Livingstone-Macleod (UCP)

Garth Rowswell, MLA Vermilion-Lloydminster-Wainwright (UCP)

Jason Stephan, MLA Red Deer-South (UCP)

Devinder Toor, MLA Calgary-Falconridge (UCP)

#### Substitutions Pursuant to Standing Order 56(2.1-2.4):

Tany Yao, MLA<sup>\*</sup> Fort McMurray-Wood Buffalo (UCP)

Heather Sweet, MLA<sup>†</sup> Edmonton-Manning (NDP)

<sup>\*</sup> Substitute for Garth Rowswell on July 23, 2019.

<sup>&</sup>lt;sup>†</sup> Substitute for Deron Bilous on September 24, 2019.

#### **1.0 INTRODUCTION**

The *Property Rights Advocate Act*, S.A. 2012, c. P-26.5, provided for the establishment of the Property Rights Advocate Office as part of the Ministry of Justice and Solicitor General. The Property Rights Advocate Office is tasked with distributing independent and impartial information about property rights to the Alberta public, including information to landowners and information about proposed legislation and its possible effects on property rights.

Sections 5(1-5) of the Act provide that after the end of each year the Property Rights Advocate must prepare an annual report summarizing the activities of the Office for that year and make any recommendations in relation to property rights which the Property Rights Advocate considers appropriate. The report must be tabled by the Speaker of the Legislative Assembly of Alberta, and within 10 sitting days after the report is tabled, the Government must bring forward a motion to have the report referred to a committee of the Assembly.

On July 3, 2019, the Assembly passed Government Motion 27, which referred the *Alberta Property Rights Advocate Office 2017 Annual Report* to the Standing Committee on Alberta's Economic Future. In accordance with section 5(5) of the *Property Rights Advocate Act* the Committee in turn "shall report back to the Assembly within 60 days of the report being referred to it if the Assembly is then sitting or, if it is not then sitting, within 15 days after the commencement of the next sitting."

This report contains the recommendations of the Standing Committee on Alberta's Economic Future respecting the *Alberta Property Rights Advocate Office 2017 Annual Report.* 

#### 2.0 SUMMARY OF COMMITTEE RECOMMENDATIONS

The Standing Committee on Alberta's Economic Future makes the following recommendations with respect to the *Alberta Property Rights Advocate Office 2017 Annual Report*.

The Standing Committee on Alberta's Economic Future endorses recommendation 2017.01, that Alberta Energy and Alberta Environment and Parks develop policy and legislation options to promote greater fairness in the treatment of landowners by operators who lease private property for renewable energy development.

The Standing Committee on Alberta's Economic Future endorses recommendation 2017.02, that Alberta Energy and Alberta Environment and Parks develop policy and legislative options to increase access to justice through processes external to the courts that are designed to promote resolution of disputes between property owners and developers.

The Standing Committee on Alberta's Economic Future endorses recommendation 2017.03, that Alberta Justice and Solicitor General develop policy and legislative options to promote a greater sense of understanding by Albertans on what compensable takings are and how appropriate compensation is determined; options to be considered include whether to create a real property bill of rights or public education initiatives.

The Standing Committee on Alberta's Economic Future recommends that the Advocate's recommendations be considered with reference to best practices in other jurisdictions and economic competitiveness, including red tape reduction considerations.

#### 3.0 COMMITTEE ACTIVITIES

The Committee met on July 23, 2019, and September 24, 2019, to review the Alberta Property Rights Advocate Office 2017 Annual Report.

On July 23, 2019, the Property Rights Advocate, Karen Johnson, gave a presentation to the Committee on the purposes of the Property Rights Advocate Office and the recommendations contained in the *Alberta Property Rights Advocate Office 2017 Annual Report*. In her discussion of recommendation 2017.01 the Property Rights Advocate suggested that property owners are in a weaker position than developers of renewable energy and vulnerable in situations when proponents abandon renewable energy development projects or file for bankruptcy. With reference to recommendation 2017.02 the Property Rights Advocate called for a process similar to that which is carried out by Alberta's Surface Rights Board, which could determine fair compensation to landowners in disputes between landowners and renewable energy developers. With respect to recommendation 2017.03 the Property Rights Advocate stated that "[m]any people do not have a clear understanding of what a compensable taking is or how the concept is applied in Alberta."\* Following Ms Johnson's presentation the Committee discussed her recommendations and asked some follow-up questions.

During the September 24, 2019, meeting the Committee heard from officials from the departments of Justice and Solicitor General, Environment and Parks, Municipal Affairs, Agriculture and Forestry, and Service Alberta, who commented on the recommendations made in the *Alberta Property Rights Advocate Office 2017 Annual Report* and provided status updates on outstanding recommendations of the Property Rights Advocate related to their respective ministries that were endorsed by the Standing Committee on Resource Stewardship in prior years. Following these presentations the Standing Committee on Alberta's Economic Future asked questions of these officials and discussed the merits of the Property Rights Advocate's 2017 recommendations.

At the same meeting Research Services at the Legislative Assembly Office presented cross-jurisdictional information on compensable takings and quasi-judicial boards in Canadian jurisdictions as well as policies and frameworks pertaining to reclamation of renewable energy installations in select Canadian and American jurisdictions. The Committee referred to this document in its deliberations on the recommendations made in the *Alberta Property Rights Advocate Office 2017 Annual Report*.

# 4.0 RECOMMENDATIONS OF THE STANDING COMMITTEE ON ALBERTA'S ECONOMIC FUTURE

At its meeting on September 24, 2019, the Standing Committee on Alberta's Economic Future came to a decision on recommendation 2017.01 from the *Alberta Property Rights Advocate Office 2017 Annual Report*.

2017.01 recommends that "Alberta Energy and Alberta Environment and Parks develop policy and legislative options to promote greater fairness in the treatment of landowners by operators who lease private property for renewable energy development." In its deliberations the Committee considered the presentations made by the ministries. Committee members suggested that ministries "take another look" at the issue and improve communication with landowners.

The Standing Committee on Alberta's Economic Future therefore endorses recommendation 2017.01, that Alberta Energy and Alberta Environment and Parks develop policy and legislation options to promote greater fairness in the treatment of landowners by operators who lease private property for renewable energy development.

<sup>\*</sup> Alberta, Property Rights Advocate, Property Rights Advocate Office 2017 Annual Report, [Edmonton: 2018], p. 32.

The Committee addressed recommendation 2017.02 by endorsing it.

The Standing Committee on Alberta's Economic Future endorses recommendation 2017.02, that Alberta Energy and Alberta Environment and Parks develop policy and legislative options to increase access to justice through processes external to the courts that are designed to promote resolution of disputes between property owners and developers.

The Committee addressed recommendation 2017.03 by endorsing it.

The Standing Committee on Alberta's Economic Future endorses recommendation 2017.03, that Alberta Justice and Solicitor General develop policy and legislative options to promote a greater sense of understanding by Albertans on what compensable takings are and how appropriate compensation is determined; options to be considered include whether to create a real property bill of rights or public education initiatives.

In its discussion of these recommendations the Committee suggested that the Advocate's three recommendations be considered in light of best practices in other jurisdictions and economic competitiveness, including red tape reduction. The Committee referenced the cross-jurisdictional comparison prepared by Research Services at the Legislative Assembly Office and suggested that the ministries refer to practices in other jurisdictions while considering the recommendations of the Property Rights Advocate.

The Standing Committee on Alberta's Economic Future therefore recommends that the Advocate's recommendations be considered with reference to best practices in other jurisdictions and economic competitiveness, including red tape reduction considerations.