

1980 BILL 29

Second Session, 19th Legislature, 29 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 29

**THE ALBERTA HERITAGE SAVINGS TRUST
FUND AMENDMENT ACT, 1980**

THE PROVINCIAL TREASURER

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 29

1980

THE ALBERTA HERITAGE SAVINGS TRUST FUND AMENDMENT ACT, 1980

(Assented to , 1980)

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of Alberta, enacts as follows:

*1 The Alberta Heritage Savings Trust Fund Act is amended by this
Act.*

2 Section 1 is amended by adding the following after clause (b):

(b.1) "securities" includes bonds, debentures, shares of capital stock, rights in respect of such shares, trust certificates, guaranteed investment certificates or receipts, certificates of deposit, deposit receipts, bills, notes and mortgages of real estate or leaseholds.

3 Section 6 is amended

(a) in subsection (1) by adding the following after clause (c):

(d) the making of investments which, in the opinion of the Investment Committee, or in the opinion of the Legislative Assembly as expressed in a resolution of the Assembly, will yield a reasonable return or profit to the Trust Fund and will facilitate the development, processing or transportation of energy resources within Canada;

(e) the making of investments which, in the opinion of the Investment Committee, or in the opinion of the Legislative Assembly as expressed in a resolution of the Assembly, will yield a commercial return or profit to the Trust Fund.

(b) in subsection (3)(c) by striking out "15" and substituting "20",

(c) by adding the following after subsection (4):

Explanatory Notes

1 This Bill will amend chapter 2 of the Statutes of Alberta, 1976.

2 New definition.

3 The amendments set up a Commercial Investment Division and an Energy Investment Division of the Trust Fund.

(4.1) Investments referred to in subsection (1)(d)

(a) shall be made or approved in accordance with the directions contained in any resolution of the Legislative Assembly,

(b) in the absence of any such directions, shall be made with the approval of the Investment Committee, and

(c) shall form the Energy Investment Division of the Trust Fund.

(4.2) Investments referred to in subsection (1)(e)

(a) shall be made or approved by the Investment Committee in accordance with the directions contained in any resolution of the Legislative Assembly,

(b) in the absence of any such directions, shall be made with the approval of the Investment Committee,

(c) may be made, re-invested and disposed of by the Provincial Treasurer, if authorized to do so by the Investment Committee,

(d) shall be limited to the securities or classes of investments listed in subsection (4.3), and

(e) shall form the Commercial Investment Division of the Trust Fund.

(4.3) Investments of the Commercial Investment Division pursuant to subsection (4.2) shall be made in or by way of any or all of the following:

(a) securities of or guaranteed by

(i) the Government of Canada;

(ii) the government of any province of Canada;

(iii) a municipal corporation in Canada;

(iv) the government of a country other than Canada;

(b) certificates of deposit, deposit receipts or other evidences of indebtedness given by or guaranteed by a chartered bank or treasury branch;

(c) securities of or guaranteed by any agent of the Crown in right of Alberta;

(d) mortgages or hypothecs or loans secured by mortgages or hypothecs of real estate or leaseholds in Canada if the amount paid for the mortgage or hypothec or the amount of the loan together with the amount of indebtedness under any mortgage or hypothec on the real estate or leasehold ranking equally with or superior to the mortgage or hypothec in which the investment is made does not exceed 3/4 of the value of the real estate or leasehold covered thereby;

(e) mortgages or hypothecs or loans secured by mortgages or hypothecs of real estate or leaseholds in Canada notwithstanding that the mortgage or hypothec or the amount of the loan exceeds the amount authorized under clause (d) if the excess is guaranteed or insured by, or through an agency of, the Government of Canada or a province of Canada or by an insurance company registered under the *Canadian and British Insurance Companies Act*;

(f) securities of or guaranteed by any corporation, if those securities are authorized investments under section 63(1) of the *Canadian and British Insurance Companies Act*;

(g) units or shares of

(i) a real estate investment trust,

(ii) a mutual or pooled fund, or

(iii) a corporation that does not issue debt obligations and holds at least 98% of its assets in cash, investments and loans and obtains at least 98% of its income from those investments and loans

if the investments and loans that may be made on behalf of the trust, fund or corporation are of those classes of investments authorized under this subsection;

(h) securities of a loan company designated as a mortgage investment company under the *Loan Companies Act* (Canada).

(d) in subsection (5)(b) by striking out “and the Alberta Investment Division” and substituting “, the Alberta Investment Division, the Commercial Investment Division and the Energy Investment Division”.

4 The following is added after section 6:

6.1 The Provincial Treasurer may purchase and sell foreign currency for the purpose of making or disposing of investments referred to in sections 6 and 9 and he may purchase or sell that currency on a current or future delivery basis.

5 Section 11(1) is amended by striking out “section 9 and listing the investments made under section 6” and substituting “sections 6(1)(e) and 9 and listing the investments made under section 6(1)(a), (b), (c) and (d)”.

6 This Act comes into force on the day upon which it is assented to.

4 Foreign currency.

5 Section 11(1) presently reads:

11(1) The Provincial Treasurer shall, as soon as practicable after the end of each quarter of the 1977-78 and succeeding fiscal years, prepare a report summarizing the investments made under section 9 and listing the investments made under section 6 during the preceding quarter.