

1983 BILL 30

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First Session, 20th Legislature, 32 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 30

**ALBERTA HERITAGE SAVINGS TRUST FUND  
AMENDMENT ACT, 1983 (NO. 2)**

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THE PROVINCIAL TREASURER

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First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

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## BILL 30

1983

### ALBERTA HERITAGE SAVINGS TRUST FUND AMENDMENT ACT, 1983 (NO. 2)

(Assented to \_\_\_\_\_, 1983)

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) "Provincial corporation" means a Provincial corporation as defined in the *Financial Administration Act*;

3 *Section 6 is amended*

(a) *in subsection (1)(a) by striking out "will not" and substituting "may not necessarily";*

(b) *in subsection (4)(b) by striking out "made" and substituting "made, subject to subsection (4.1).";*

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

(4.1) No investment shall be made in a Provincial corporation after March 31, 1984 unless the Legislative Assembly, by resolution, has first authorized the making of investments pursuant to subsection (1)(c) in that Provincial corporation and has approved a maximum investment in that Provincial corporation for the fiscal year.

(4.2) No investment may be made in a Provincial corporation if that investment would cause the total investment in the Provincial corporation to exceed the maximum investment permitted by the Legislative Assembly pursuant to subsection (4.1).

(4.3) Notwithstanding subsections (4.1) and (4.2), when at any time the Legislative Assembly is not in session and the Provincial Treasurer reports that

(a) the Minister responsible for a Provincial corporation has certified that in the public interest an investment of public money in that corporation is urgently needed, and

## Explanatory Notes

**1** This Bill will amend chapter A-27 of the Revised Statutes of Alberta 1980.

**2** New definition.

**3** Section 6(1)(a) and (4) presently read:

*6(1) The assets of the Trust Fund shall be used for the following purposes:*

*(a) the making of investments in projects which will provide long term economic or social benefits to the people of Alberta but which will not by their nature yield a return to the Trust Fund;*

*(4) Investments referred to in subsection (1)(c)*

*(a) shall be made or approved by the Investment Committee in accordance with the directions contained in a 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 Alberta Investment Division of the Fund.*

(b) the Legislative Assembly has not authorized the making of investments pursuant to subsection (1)(c) in that corporation or the Legislative Assembly has authorized the making of investments pursuant to subsection (1)(c) in that corporation but such an investment would cause the total investment in that corporation to exceed the maximum investment permitted by subsection (4.1),

the Lieutenant Governor in Council may authorize the making of any investments estimated to be required.

(4.4) For the purposes of subsection (4.3), if the Legislative Assembly is adjourned for a period of more than 14 days, the Assembly shall be deemed not to be in session during the period of the adjournment.

(d) *in subsection (7) by adding the following after clause (h):*

(i) subject to subsection (7.1), loans from the Commercial Investment Division repayable on demand or within a term not exceeding 30 days on the security of the pledge of investments or securities of any of the classes enumerated in section 50(1) of the *Financial Administration Act* owned by the borrower and having a market value at least equal to the amount loaned.

(e) *by adding the following after subsection (7):*

(7.1) Loans referred to in subsection (7)(i) shall be made only to

(a) the Government of Canada or the government of a province of Canada,

(b) a municipal corporation in Canada,

(c) a bank or trust company, or

(d) a person whose principal business consists of the underwriting, distribution or buying and selling from and to the public in Canada of any of the classes of investments or securities enumerated in section 50(1) of the *Financial Administration Act*.

(7.2) Notwithstanding section 10(3), the Commercial Investment Division may be designated as a depositor in the Consolidated Cash Investment Trust Fund under the *Financial Administration Act*.

#### 4 *Section 10 is amended*

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

(i) subject to subsection (1.1), loans from the Trust Fund repayable on demand or within a term not exceeding 30 days on the security of the pledge of investments or securities of

**4 Section 10(1) presently reads:**

*10(1) Notwithstanding section 6, if any money in the Trust Fund has not been or is not being invested pursuant to that section, the Provincial Treasurer may invest and may reinvest that money in any or all of the following:*

*(a) the bonds, debentures or other evidences of indebtedness of, or guaranteed as to the repayment of principal and interest by, the Gov-*

any of the classes enumerated in section 50(1) of the *Financial Administration Act* owned by the borrower and having a market value at least equal to the amount loaned.

(b) by adding the following after subsection (1):

(1.1) Loans referred to in subsection (1)(i) shall be made only to

(a) the Government of Canada or the government of a province of Canada,

(b) a municipal corporation in Canada,

(c) a bank or trust company, or

(d) a person whose principal business consists of the underwriting, distribution or buying and selling from and to the public in Canada of any of the classes of investments or securities enumerated in section 50(1) of the *Financial Administration Act*.

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*In accordance with section 4(1) of the Interpretation Act, this Bill comes into force on the date it receives Royal Assent.*

*ernment of Canada, the government of any province of Canada or any municipal corporation in Canada;*

*(b) the bonds, debentures or other evidences of indebtedness of or guaranteed as to the repayment of principal and interest by the government of a country other than Canada;*

*(c) the bonds, debentures or other evidences of indebtedness of an agent of the Crown in right of Alberta;*

*(d) certificates of deposit, deposit receipts or other evidences of indebtedness given by a bank or treasury branch in consideration of a deposit or deposits made with the bank or treasury branch;*

*(e) certificates of deposit, deposit receipts or other evidences of indebtedness which are unconditionally guaranteed by a bank;*

*(f) the bonds, debentures or other evidences of indebtedness or guaranteed by a corporation, if those bonds, debentures or other evidences of indebtedness are authorized investments under subsection 63(1) of the Canadian and British Insurance Companies Act (Canada);*

*(g) mortgages or hypothecs of real estate or leaseholds in Canada if the amount paid for the mortgage or hypothec 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 75% of the value of the real estate or leasehold covered thereby;*

*(h) mortgages or hypothecs of real estate or leaseholds in Canada notwithstanding that the mortgage or hypothec exceeds the amount authorized under clause (g) 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 approved by the Treasury Board.*