

[Chairman: Mr. Stiles]

[8:30 a.m.]

MR. CHAIRMAN: Good morning. We'll call the committee to order. We welcome the petitioners and the intervenors. As a brief explanation of the process here, we don't stick too closely to formality but we do swear in the witnesses, as they will be giving evidence and will need to be sworn with respect to that evidence. The process is normally that we ask you to give us the background and purpose of your Bill in the nature of some opening remarks and then have the meeting open for committee members to question your witnesses with respect to the features of the Bill. That's basically the process. We don't require anyone to stand up when they're speaking, or anything of that nature; it's quite all right if you want to remain seated.

With that, we'll move along. The first Bill we wish to deal with this morning is Bill Pr. 8, the City of Edmonton Authorities Amendment Act, 1985. Mr. Walker, perhaps you'd like to make some opening remarks.

MR. WALKER: Thank you, Mr. Chairman. My name is Reagan Walker, and I'm a member of the office of the city solicitor for the city of Edmonton. I have with me today on my left Mr. Doug Lychak, acting city manager for the city of Edmonton, and on my right Mr. Nestor Petriw, another member of the office of the city solicitor.

You may recall, Mr. Chairman, that over the past five or six years the city has requested the assistance of this committee in establishing a number of private authorities: the Edmonton Convention Centre Authority in 1979, the Edmonton Research and Development Park Authority in 1980, the Edmonton Ambulance Authority in 1981, and both the Tourism and Convention Authority and the Economic Development Authority in 1982. In addition, as the bugs had to be worked out of the system in these authorities, we requested the assistance of this committee in 1983 to amend the Tourism and Convention Authority, and twice in 1984 for the Convention Centre Authority and the Research and Development Park Authority.

When we appeared in front of you as petitioner to set up these authorities, we usually brought with us the chief administrative officer for the city, at that time the chief

commissioner, to act as a witness and to answer your questions. Today we are back in front of you to request your further assistance.

Basically, as you are aware, the city has changed its administrative structure from a board of city commissioners arrangement to a city manager arrangement, creating a problem in the various authority Acts, since they all speak of city commissioners. In addition, the city has reviewed its policy in respect of its nominees to all boards, committees, authorities, commissions, et cetera, and has decided to attempt to standardize all such appointments to a one-year term. Of course, in respect of these five authorities created by private Bill, an omnibus private Bill, which is in front of you this morning, was required to effect these changes.

Our authority to appear in front of you is derived from a resolution of the city of Edmonton council, passed on February 12, 1985, a certified copy of which has been filed with the Parliamentary Counsel for the Legislature.

Consistent with our past practice I have asked the city's chief administrative officer, Mr. Doug Lychak, our acting city manager, to appear as a witness this morning and to answer your questions. I should add that we have notified the five authorities in question of our petition and of the hearing this morning and as yet have not received from them any objection to this private Bill. At this time I would like to ask that Mr. Lychak be sworn to state a few words and to answer your questions.

[Mr. Lychak was sworn in]

MR. CHAIRMAN: Mr. Clegg, I wonder if we could have your report on the Bill, please.

MR. CLEGG: Mr. Chairman, this is my report on Bill Pr. 8, pursuant to Standing Order 99. The Bill is a petition from the city of Edmonton to amend a number of private Acts creating authorities to remove references to "Commissioners" and replace the references with "City Manager or another member of the City administration." Also, the terms of some of the appointees, those appointed by council, are being changed to a standard one-year period. There is no model Bill on this subject, and the Bill does not ask for any powers which I consider to be unusual.

MR. CHAIRMAN: Thank you, Mr. Clegg. Do we have any questions from committee members?

MR. J. THOMPSON: Mr. Chairman, on section 3, where you're changing from a rotating committee over a period of time, you go from three years, two years, and one year, and you want to amend it to where you would possibly have a brand-new group every year. Why do you feel that is better than having an authority that has a certain amount of experience carry over from one year to the next?

MR. LYCHAK: Mr. Chairman, it's certainly not the intention of council to wholly replace the members of any of the authorities annually. The intent is to be able to review their performance on an annual basis and to appoint people on an annual basis. Certainly, the intent would be to regularly reappoint members who are representing the interests of the city and its council and to maintain a core of individuals who would provide continuity and expertise on the authority.

MR. J. THOMPSON: Mr. Chairman, isn't that exactly what you have now?

MR. LYCHAK: Mr. Chairman, the concern of council is that appointments can be made, and indeed have been from time to time, where the individual may subsequently not perform according to council's interest and cause some problem with regard to replacement. The council feels this is a much better system in that it would provide for an annual review of all members of all authorities, boards, and commissions and for reappointment of those members who are best representing the council and the city's interest.

MR. J. THOMPSON: Thank you, Mr. Chairman.

MR. CHAIRMAN: Are there any other questions?

MR. HYLAND: In answering that question, did you say that you do the same thing with the commissions and various other things, so it's a continuity thing not only in the Bills we're responsible for but throughout the whole city operation?

MR. LYCHAK: Indeed, Mr. Chairman, those boards which council has control over through bylaw or policy have already been changed to one-year appointments. Council has passed a resolution to the Alberta Urban Municipalities Association requesting changes in legislation to other boards and authorities which are subject to provincial legislation and outside of these authorities which are special to the city of Edmonton, like the library board, the board of health, and other such boards, requesting that those appointments be made on a one-year basis. We are here today requesting that these authorities which are specific to the city of Edmonton be changed to a one-year appointment. So it relates to all the authorities, boards, and commissions which relate to the city of Edmonton, and we are following the processes with regard to each of those.

MR. CHAIRMAN: There don't appear to be any further questions, Mr. Lychak and Mr. Walker. I don't believe there's any necessity for any closing remarks, unless you feel inclined to make them. Thank you very much for coming today, and we'll be notifying you accordingly.

MR. WALKER: Thank you very much.

MR. CHAIRMAN: The next Bill I would like to deal with is Bill Pr. 6, the Concordia Lutheran Seminary Amendment Act, 1985. Mr. Thompson is here as solicitor and Dr. Janzow representing the seminary. Mr. Clegg, would you swear in Dr. Janzow, please?

[Dr. Janzow was sworn in.]

MR. CHAIRMAN: Mr. Thompson, would you like to tell us the purpose of this Bill.

MR. D. THOMPSON: The purpose of the Bill is very straightforward. It's simply to confer degree-granting status on Concordia Lutheran Seminary. I propose that the opening remarks be made by Dr. Janzow, who is the president of Concordia Lutheran Seminary.

MR. CHAIRMAN: Dr. Janzow, if you'd like to...

DR. JANZOW: Thank you, Mr. Chairman. As indicated, I am the president of Concordia

Lutheran Seminary. It was May 31, 1984, when royal assent was given to the Concordia Lutheran Seminary Act, which had been passed by the Legislative Assembly of Alberta. This Act established Concordia Lutheran Seminary as a legal corporate body of this province and provided legitimacy to our goal of recruiting students and training them to be prepared to be pastors or other professional church workers in the Lutheran Church.

On September 9, 1984, we opened our doors to begin the first academic year in the life of our institution. We began with 13 full-time students and two part-time students, for a total of 15. Nine of the full-time students came to us with recognized bachelor's degrees and are in our regular program. Four of them were in a special program for older students who have not completed a bachelor's degree. One of the part-time students plans to become a full-time student this fall.

We began our first year with three full-time faculty members, two of them with doctorates in theology and one with a doctorate in philosophy. We also have the service of two part-time professors, each teaching one course in practical theology. The two part-time teachers are area pastors, one from Edmonton and one from Stony Plain. If it's of interest to you, later I can provide information on our financial situation and also the facility in which we operate.

I'd like to say a few words about the importance of obtaining degree-granting status. Although it would be possible for a graduate of our seminary to be certified for pastoral ministry in the Lutheran Church without a formal diploma or degree, not having such a degree would place such pastors at a distinct disadvantage in comparison with their professional peers in the church. This disadvantage would be felt in two ways. With the strong emphasis that our society places on degrees today, parishioners would wonder why their pastor didn't have either a Master of Divinity or a Bachelor of Theology degree when other pastors with the same type of education have such degrees. Secondly, if some of our graduates decided to work for some higher theological degree -- for example, a Master of Sacred Theology or a Doctor of Theology -- their efforts to enroll in graduate programs leading to such degrees may run into problems at some schools offering these higher degrees.

On the other side of the coin, one might ask whether our current program has sufficient substance to warrant the granting of degrees. The response to that concern can be stated as follows. First of all, the curriculum we offer is essentially the same curriculum offered by such recognized Lutheran seminaries as the Lutheran Theological Seminary at Saskatoon, Saskatchewan, and Concordia Lutheran Theological Seminary at St. Catharines, Ontario, both of which offer Master of Divinity and Bachelor of Theology degrees. The required part of our curriculum is virtually the same as theirs. Although we do not offer as many elective courses at this stage of our development, we do offer those electives that are needed for parish ministry. Secondly, our faculty is well qualified. As I stated earlier, we have three full-time faculty, and each has a doctorate in his area of specialization. To have 100 percent of the full-time faculty with doctorates would evoke the envy of most other institutions, though admittedly we can hardly expect to maintain that percentage in future years. Thirdly, our seminary has already been recognized as being qualified to prepare people for the pastoral ministry. This recognition comes from the Lutheran Church, Canada, which is on record as willing to accept our graduates into their parishes, but it also comes from two recognized seminaries in the United States that offer the doctorate degree in theology. They have stated in writing that they are willing to grant credit for courses taken at our seminary.

I trust this information will assist you in reaching a judgment on our wish that degree-granting status be approved. Should you wish additional information, I'll do my best to respond to questions.

MR. CHAIRMAN: Thank you, Dr. Janzow. Mr. Clegg, could we have your report, please.

MR. CLEGG: Mr. Chairman, this is my report on Bill Pr. 6, pursuant to Standing Order 99. This Bill is a petition of Concordia Lutheran Seminary to give them the power to grant degrees in divinity. The Bill also includes power to grant diplomas and certificates, which would probably not require legislation in any event but is there for completeness. There is no standard or model Bill on this subject, and the Bill does not contain any subject matter which I consider

to be unusual.

MR. CHAIRMAN: Thank you, Mr. Clegg.

MR. HYLAND: Mr. Chairman, on section 8.1(2) of the Bill that gives you degree-granting privileges, do you now have an agreement with the University of Alberta regarding degree-granting privileges or exchanges?

DR. JANZOW: No, sir, we do not have any arrangement with the University of Alberta. It is my understanding that since we are a theological institution, a seminary institution, the University of Alberta does not have a process for granting any kind of accreditation or certification for this kind of an institution.

MR. HYLAND: Have you had any discussions with the university regarding degree-granting privileges?

DR. JANZOW: No, sir, we have not.

MR. HARLE: Mr. Chairman, I wonder if I could ask why this ability to grant degrees was not included in the original incorporation.

MR. D. THOMPSON: Perhaps I can respond to that. With the original incorporation it was clearly overlooked and actually came to our attention when we were before this committee a little over one year ago. At the same time there was a fundamentalist group applying to incorporate a similar institution down south, and they asked for degree-granting status. Dr. Lehman, who appeared before the committee at that time, questioned this. We pursued it. We discussed it with other institutions that were training Lutheran pastors, and that resulted in this Bill coming before you.

MR. HARLE: Thank you. I wonder if I could ask a second question. Would you have any objection to perhaps an amendment to the first subclause which would restrict the subject matter to the subject of divinity? At first blush it appears that where you say you "may grant certificates and diplomas on any subject," that might in fact invade the types of subjects that are dealt with at colleges and universities in the province. I think we would have some nervousness about that. I don't think we have any problem generally about your granting

certificates in subject matters of divinity, but it just appears that it's broader than what we would see in that context.

DR. JANZOW: Sir, the intent of our institution is simply to offer certificates, diplomas, or degrees in the area of theology. We'd have no objection to inserting a word that would limit the certificates and diplomas to theological matters. That's the intent of that sentence.

MR. CHAIRMAN: Mr. Clegg, perhaps you could shed a little light with respect to the Universities Act requirements.

MR. CLEGG: Mr. Chairman, the need for any college which is not a university within the meaning of the Universities Act to get statutory authority to grant degrees is because of the provision of the Universities Act which says that degrees may only be granted by universities except degrees in divinity. Therefore, it is only the question of degrees which is a legislative subject. There is no legislative provision which restricts the granting of certificates and diplomas by any educational organization whether or not they have a legislative constitution and power to grant.

Essentially a degree is a type of recognition which is given statutory recognition, whereas a certificate or diploma is merely a statement of the fact that somebody has followed a course. I don't believe it would be strictly necessary to have any statutory authority to grant a certificate or a diploma. It was merely felt that this section would explain the special limitation on degrees of divinity if we drafted it this way. Although the seminary will of course be concentrating on theological subjects, it is possible -- and maybe Dr. Janzow could comment on this -- that some of the electives might be regarded as nontheological by some people. For example, the seminary might at some point in time have an elective course which covered language. If that were the case and if we were to put the restriction on them, which is not a restriction other colleges have, that they couldn't grant certificates or diplomas to cover that language course, then there would be no recognition of the fact that the person had taken it. I believe the requirements of the Universities Act will be met if the only restriction we place is with respect to granting

degrees and the granting of certificates and diplomas is left open. As I said, it is merely a statement that a certain course has been followed and is to be assessed on its face value and the reputation of the seminary rather than a legal status which the whole of the degree has.

MR. CHAIRMAN: Thank you, Mr. Clegg. Dr. Janzow, did you want to comment?

DR. JANZOW: Yes, Mr. Chairman. I think that's a valid consideration. As an example, during this past year we offered a course in the Hebrew language. It's considered a biblical language and tends to have some theological implications to it. Nevertheless, it's basically to acquire the knowledge of the Hebrew language, and it certainly is possible that at some point someone would feel that this is not necessarily a theological course but simply a language course.

MR. CHAIRMAN: Thank you, Dr. Janzow.

MR. ALGER: Mr. Chairman, is the Concordia Lutheran Seminary part of Concordia College?

DR. JANZOW: Mr. Chairman, Concordia Lutheran Seminary is a separate entity. It is not a part of Concordia College, although it is closely associated with it and is operated by the Lutheran Church, Canada. Both Concordia College and Concordia Seminary are. Concordia Seminary has its own board of regents, which controls the activities of the board. It has a separate board of regents and Concordia College has its own separate board of regents.

MR. ALGER: What is the physical location of Concordia Lutheran Seminary? Is it on the same ground as Concordia College?

DR. JANZOW: Concordia Lutheran Seminary is currently leasing one of the buildings on the campus of Concordia College. This is a temporary arrangement. A site committee has already been established which has the instructions to look into a more permanent location and perhaps the erection of a building some time in the future. But it now has a three-year lease, and it leases this building which is located on the campus of Concordia

College.

MR. ALGER: A supplementary, Chairman. The corporation may grant academic degrees in divinity. I think I understood that you had some pretty powerful professors over there. Are they indeed blessed with this ability to grant the Divinity to a graduate in the ministry, if you like?

DR. JANZOW: Yes, sir, they are.

MR. PENGELLY: My question to Dr. Janzow is: will they be granting degrees above the baccalaureate level?

DR. JANZOW: Yes. The chief degree that we intend to grant is the Master of Divinity level. Our basic criterion for admission to our regular program is a bachelor's degree. We expect the students who enter our institution to have completed at least a Bachelor of Arts degree. The degree we will confer upon the completion of our program is either a Master of Divinity degree, for those who are in the regular program, or a Bachelor of Theology degree, for special students. A few who come in somewhat later in life and have not completed their bachelor's degree will then receive a Bachelor of Theology degree. The Master of Divinity degree is ordinarily considered to be a professional degree; that is, a degree which declares that an individual has completed the professional curriculum required to serve as a pastor in the Lutheran Church.

MR. PENGELLY: So the baccalaureate is a prerequisite for the master's degree?

DR. JANZOW: Yes, sir.

MR. CHAIRMAN: Thank you, Dr. Janzow and Mr. Thompson. Do you have any closing remarks you'd like to make, or have we covered the subject pretty thoroughly?

DR. JANZOW: Yes. Thank you very much.

MR. CHAIRMAN: We'll be in touch with your solicitor with respect to the progress of the Bill.

The next Bill we wish to deal with this morning is Bill Pr. 11, the Calgary Municipal Heritage Properties Authority Act. We have

Mr. Inlow and Alderman Gilchrist here from the city of Calgary. Mr. Clegg, would you swear in Alderman Gilchrist, please?

[Mr. Gilchrist was sworn in]

MR. CHAIRMAN: Mr. Inlow, would you like to lead us off with the background and purpose of the Bill, please?

MR. INLOW: Thank you, Mr. Chairman. In fact, I've asked Alderman Gilchrist, who I think has had carriage of this proposal through the city council, to make opening remarks to this committee, if it pleases the chairman.

MR. CHAIRMAN: Thank you. Go ahead, Alderman Gilchrist.

MR. GILCHRIST: Thank you, Mr. Chairman and members of the committee. What you have before you by way of the Bill is the culmination of approximately three years of work. It started about the end of March 1982. At that time, council requested the administration to investigate and prepare a report on the feasibility of establishing a heritage corporation or foundation to manage heritage affairs on behalf of the city. It was then referred to our heritage advisory board. Approximately a year later it came forward with the suggestion that a corporation or an authority such as the Calgary Municipal Heritage Properties Authority be established. It did so after looking at how several cities across Canada and a couple in the United States had handled similar areas. Toronto has an historical society. The one we felt would particularly carry out the needs and objectives of the city's heritage program was one established in Seattle. It's been a very successful corporation, which has handled many of the problems with respect to heritage preservation and has been able to do so at little cost to the taxpayer, other than an initial establishment grant.

It is the belief of city council and the members of the committee that we can establish a similar authority in Calgary, which can assist to a great extent in the preservation of heritage buildings, heritage for the city itself, and can do so at little or no cost to the taxpayer. What you have before you is a request to establish the authority.

Its initial mandate would be to act as a

property management for the buildings owned by the city of Calgary that have heritage merit. A secondary mandate would then be to operate in the private sector as well, to assist others who have heritage buildings and/or to in fact buy and/or sell and lease properties of heritage merit so they can be restored and brought up to some standard and reused in the context of today. The heritage program we have in Calgary is such that we don't want to establish buildings in the way of museums or pieces that are set aside just because they happen to be getting on to 60, 70, 80, or 100 years old. We want to keep and maintain them as viable buildings, as a viable part of the economy of the city of Calgary. It is for this purpose that we are requesting the establishment of this particular authority.

MR. CHAIRMAN: Thank you. Mr. Clegg, may we have your report, please?

MR. CLEGG: Mr. Chairman, this is my report on Bill Pr. 11, pursuant to Standing Order 99. The Bill is based on a petition from the city of Calgary for the Calgary Municipal Heritage Properties Authority Act, which is an authority which would have the power to acquire and protect heritage resource property in the city. There is no model Bill on this subject, and the Bill does not contain any powers which I consider to be unusual.

MR. CHAIRMAN: Thank you, Mr. Clegg. Do you have any questions?

MR. J. THOMPSON: Mr. Chairman, to Mr. Gilchrist. In section 4(g) I see: "to acquire, hold or alienate shares in the capital stock of any corporation." If this Bill goes through, why do you feel you need that broad a power?

MR. GILCHRIST: It would perhaps be better if Mr. Inlow answered that.

MR. INLOW: Mr. Chairman, I think the sole reason for that is that there are occasions when a real property asset is held by a corporation which for its own purposes would prefer to sell its shares rather than to sell its assets. This would simply allow the authority to acquire that asset by virtue of acquiring the shares of the company, if that was in fact what was required. Transactions have arisen in the city

of Calgary where we could not acquire property because the vendor was only interested in selling the shares of the company that owned that asset.

MR. J. THOMPSON: Mr. Inlow, according to this section, though, you can buy shares in Burlington Northern -- "any corporation."

MR. INLOW: I suppose that's correct, Mr. Chairman. We just didn't see any expeditious way of restricting it to the purpose that would only allow the acquisition of a heritage property, beyond the fact that that's the purpose of the Bill. I suggest that in order to follow the purpose of the Bill, we could only acquire capital stock for those purposes.

MR. J. THOMPSON: Thank you, Mr. Chairman.

MR. CHAIRMAN: Any other questions?

You've done such a good job of explaining the bill, Alderman Gilchrist, that we don't have any further questions. Unless you have some remarks to make in closing, I think that concludes the . . .

MR. GILCHRIST: Thank you, Mr. Chairman. There is one minor change to the printing of what is in front of you with respect to 18(2) and (3), right at the end. I believe there has been an amendment prepared which we are agreeable to.

MR. CHAIRMAN: Mr. Clegg, would you like to comment on this, please?

MR. CLEGG: Yes, Mr. Chairman. This is a matter which perhaps I should have alluded to in my report. When the city sent to me their draft bill, it included the wording that the budget of the authority would be submitted to the city in respect of "funds to be requested from the Council." In the discussion with them as to the drafting of the Bill, I suggested that it may be that they intended that the total budget of the authority should be submitted to council and proposed the version of section 18 which is printed in the Bill. Because of the timing involved, I didn't receive their response saying that that was not what was intended until after the Bill had been printed.

They have therefore requested that section 18 of the Bill be amended to revert to the

original draft they submitted to me, which has no legal consequence in the general purpose of the Bill but puts the authority back in the position they originally requested. I had made a suggestion which was not in accordance with their wishes. The amendment will have the effect of only requiring the authority to submit a budget to council when it requires funds from the council and not otherwise. So their budget submission will be restricted to that. Yesterday I drafted a proposed amendment. I haven't yet had a chance to discuss that amendment with Mr. Inlow. I was able to deliver a letter to him this morning suggesting that the Bill would be amended in this way for the sole purpose of bringing the Bill back into the form they had originally suggested. I don't know whether he's had an opportunity to review my amendment, but I believe it fulfills what he requested in his letter to me.

MR. INLOW: We have reviewed that amendment and it is satisfactory.

MR. CHAIRMAN: Are there any questions arising on the amendment?

MR. ALGER: I'm not sure if it arises from this or not. I wonder if the gentleman would explain the ability of this authority. It seems to me it's going to be a really powerful authority. Not that I mind; there are times when a little authority wouldn't hurt in that city. With reference to, say, the Burns Building in question, has this authority the power to keep it, renovate it, tear it out, or do as they wish with it without any longer going to the public? Is that type of thing an expectation I could look forward to?

MR. GILCHRIST: Not with respect to city-owned buildings. If the authority itself had purchased it, then it would do so. With respect to city-owned buildings, under an operating agreement with the city, they will deal with the property manager only. Each individual property will be subject to a leasing arrangement with the city, so the ultimate control of what happens to city-owned buildings rests with the administration and/or council. Insofar as the other aspects of it are concerned, should the authority purchase buildings of a similar nature, the disposition of that building would be up to the authority.

MR. ALGER: Mr. Chairman, what about a building like Hollinsworth, for instance? Can you describe that? That isn't a city-owned building, yet I think there is a controversy now as to whether it should come down or stay up. Would it be up to this authority to make that decision?

MR. GILCHRIST: No, Mr. Chairman, it would not. At this point in time, I believe it's subject to a development agreement, but that sort of decision would still remain with city council through the development process. If the authority should take some form of interest within a building of that nature, if a landowner did not have sufficient funds and the authority was able to assist and acquire an interest in it, only at that point in time would the authority have any say at all in it.

MR. ALGER: Thanks.

MR. NELSON: Mr. Chairman, I couldn't miss this one. Alderman Gilchrist, I guess if we examine a scenario similar to that with the Burns Building in Calgary -- should the city of Calgary not own a building of that nature, would this authority have the ability, without public debate or otherwise, to purchase, renovate, or otherwise, a building similar to the Burns Building or other buildings of that nature?

MR. GILCHRIST: Yes, Mr. Chairman, the intent is that the authority will become involved in buildings of that nature. If the owners wish to dispose of it, it would be done under fair market value conditions and would then become the property of the authority to be dealt with as any corporation would deal with its buildings, the intent being to revitalize the building to make sure it was brought back into the market as a viable, usable building again.

MRS. KOPER: I think my first question may have been answered. Your initial remarks, Alderman Gilchrist, led me to believe that the authority would also be interested in properties in the city that are owned by people who perhaps wish to maintain them and keep them as historical resources but not deliver ownership to the city. Is that the intention?

MR. GILCHRIST: Yes, Mr. Chairman, that is correct. The authority could assist in the

restoration perhaps through a loan or through taking an interest in the property or something of that nature.

MRS. KOPER: Is an inventory in existence of the historic sites in Calgary in which there is an interest, or is that to be designed by this committee as well?

MR. GILCHRIST: Mr. Chairman, we've had a heritage advisory board for a number of years, and we do have an extensive listing of buildings, both those that are considered to be of heritage merit now and those which we feel may become of heritage merit. Some have been extensively researched, and that's a short list of about a hundred or so, but there are somewhere in the neighbourhood of 300 to 400 such buildings in total.

MRS. KOPER: A supplementary regarding section 4(1). I imagine the "our" in the second line of this clause is really "or". That seems to give very wide discretion, and I wonder if you could explain that clause a little bit.

MR. GILCHRIST: Mr. Chairman, some properties that the city of Calgary owns are not necessarily within the corporate limits of the city of Calgary, and this is to cover that contingency should something of that nature arise.

MRS. KOPER: Thank you.

MR. CHAIRMAN: Thank you, Mr. Gilchrist. Is there anything further you would like to mention?

MR. GILCHRIST: Thank you very much, Mr. Chairman.

MR. CHAIRMAN: Thank you for your attendance today. That concludes our dealing with Bill Pr. 11 this morning. We'll be in touch with you.

Before you go, Alderman Gilchrist and Mr. Inlow, Mr. Clegg has a comment with respect to how we'll deal with this amendment.

MR. CLEGG: Mr. Chairman, I merely wish to advise committee members that having the advice from the city that the amendment which was drafted is satisfactory to them, I will



distribute the amendment to members of the committee so they can have it in mind when we consider this Bill at a future date.

MR. CHAIRMAN: The next Bill we have to deal with this morning is Bill Pr. 13. the Society of Management Accountants of Alberta Amendment Act, 1985. We have Mr. Mack, Mr. Crowder, and Mr. Grant. I wonder, Mr. Clegg, if you would please swear Mr. Crowder and Mr. Grant.

[Messrs. Crowder and Grant were sworn in]

MR. CHAIRMAN: Mr. Mack, would you like to outline the purpose and intent of the Bill?

MR. MACK: Thank you very much, Mr. Chairman. First of all, I'd like to express my thanks and that of the society for the opportunity to be present before you this morning to address our petition. If I may, I'd like to briefly introduce the witnesses of the society who are present with me this morning. On my far left is Mr. Fred Grant, who is currently the first vice-president of the society and also the president-elect of the society. Mr. Grant has served on the society's council for approximately six years and has been a registered member of the society for 25 years. On my immediate left is Mr. Keith Crowder, who is the current executive director of the society and has served in that capacity for the past six years. Additionally, Mr. Crowder has been a registered member of the society for the approximate period of 10 years.

Our petition this year is virtually the same as the petition we addressed before this committee in 1983. For that reason, I will keep my comments to those of a summary nature only and will also discuss certain material developments that have happened since 1983, when we last appeared.

Very briefly, Mr. Chairman, the society was incorporated by private Act in 1944 and continues to have its status pursuant to a private Act. In 1978 the name of the society was changed to its present name, Society of Management Accountants of Alberta. The society's membership in Alberta consists of 2,385 registered members and 4,259 student members. This represents approximately 16 percent of the nationally accredited membership in the societies of management

accountants in Canada. As well, the society is affiliated with equivalent societies of management accountants in the other provinces and territories of Canada, and these are nationally co-ordinated through the Society of Management Accountants of Canada.

Briefly, Mr. Chairman, the purpose of the Bill is twofold. In the first instance, there are a number of references to cost and industrial accounting that appear throughout the Act as it presently stands, and the society wishes to have these replaced with the expression "management accounting". Very simply, this is to include a description in the Act which is more descriptive of the function performed by the society's members in the practice of accounting. The second purpose of the private Act is to include protection of the designation "certified management accountant" and the abbreviation thereof, CMA. This is on the basis of giving this title to the society as an authorized and protected title which the registered members would be permitted to use instead of "registered industrial accountant," when the society's council determines to implement this change. This is to be consistent with the change of designation which is being pursued nationally by the society's affiliates throughout Canada. I might also add that this designation was selected by the society after much consideration as the sole designation that would permit an abbreviation to a common set of initials in both official languages of Canada.

To bring you to up to date, Mr. Chairman and members of the committee, on the developments which have happened since 1983, the change of designation has now been authorized in the provinces of New Brunswick, Nova Scotia, Ontario, Manitoba, and the Yukon. In the province of Prince Edward Island, the change of designation has, to my understanding, proceeded to second reading and is expected to have force of law this spring. In the province of Saskatchewan the change of designation has, to my understanding, received favourable recommendation from the Legislature's special committee on regulations, and the change there is also expected to be passed this spring. A final comment on the national implementation, Mr. Chairman. The change of designation has now been determined to be undertaken throughout Canada by the society's provincial affiliates on July 1, 1985.

Other material developments since 1983. As

I mentioned at the outset, we of course appeared before this committee in 1983 to address our petition for similar changes. This petition was not proceeded with, and the society consented to that action. This was on the understanding that the minister then responsible for professions and occupations would be considering introducing comprehensive public legislation dealing with the accounting profession in Alberta. The society was content to allow that process to proceed. A petition was also made in 1984 for similar changes, but the society elected not to introduce this petition, again to accommodate this ongoing consideration of public legislation dealing with the accounting profession, which, I might add, the society was given to understand would include the reservation and protection of CMA, certified management accountant. In late 1984 a draft public Act was prepared for the society, which included the authorization and protection of the CMA designation, and the society has since that time been working closely with government in reviewing and revising this draft Act to accommodate introduction this spring.

Recent developments, Mr. Chairman, now lead the society to conclude that proclamation of this public Act in the spring is not feasible for two principal reasons. The first is that the society understands that government is now considering revising the Societies Act draft and other public legislation to deal with the concept of exclusivity in the practice of accounting. The society feels there would be some time delay involved with this, because there are a good many issues to be addressed among the three accounting bodies in Alberta. A second reason, in part related to the reason I've just alluded to, is that the society feels that time constraints regarding formulation of regulations and bylaws and having these approved by government where necessary and by the society's members would not accommodate proclamation this spring.

In summary, Mr. Chairman, we look to this amendment as bridging the period between July 1, when this national change of designation will be undertaken, to the proclamation of the public Act. Again, our understanding is that the public Act, when proclaimed, will include certified management accountant, CMA. So we see the amendments to the private Act as bridging this period, allowing the society to participate in the national change of

designation and affording the society a sufficient amount of time to embark upon a public education plan which will allow the members of the public to understand the change of designation and what it means.

As a final matter, Mr. Chairman, we have with us this morning a letter from the Institute of Chartered Accountants of Alberta which simply says that when we last appeared before you they had no occasion to object to what we were doing and their position has not changed. Mr. Clegg has additional copies of that letter should any members require one.

That concludes my introductory comments, Mr. Chairman. We'd be pleased to deal with any questions at this point or when you think it's appropriate.

MR. CHAIRMAN: Thank you, Mr. Mack. Mr. Clegg, could you give us your report on the Bill, please?

MR. CLEGG: Yes, Mr. Chairman. This is my report on Bill Pr. 13, pursuant to Standing Order 99. This is a petition of the Society of Management Accountants of Alberta to amend their Act to remove the expression "cost and industrial" and to substitute "management" throughout the Act and to recognize the title certified management accountant, or CMA. There is no model Bill on this subject, and the Bill contains no matter which I consider to be unusual. The use of the title CMA is only protected to the extent that it is used in order to imply that a person is a member of the society and doesn't give any other protection to those initials. I have, as Mr. Mack said, a copy of a letter from the executive director of the Institute of Chartered Accountants and from the president from last year reiterating their position that they have no objection to the Bill.

MR. CHAIRMAN: Thank you, Mr. Clegg. We also have this morning, with respect to this particular Bill, Mr. Doug Ast and members of the Certified General Accountants' Association. I believe there are two witnesses to be sworn, please.

[Messrs. Cook and DeGraff were sworn in]

MR. CHAIRMAN: Mr. Ast, perhaps you'd like to outline your position.

MR. AST: Thank you, Mr. Chairman. I don't in fact propose to outline our position but to introduce those people present with me this morning. On my immediate left is Mr. Darrell Cook. Beside him is Mr. Darryl DeGraff, then Mr. Clancy Fuerst, and finally Mr. Pierce Peters. Mr. Cook is a past-president of CGA Alberta and is presently on the national executive of CGA Canada as its vice-president. Mr. DeGraff is also a past-president of CGA Alberta and is presently a member of the board of CGA Alberta. Mr. Clancy Fuerst is the executive vice-president of CGA Alberta, and Mr. Pierce Peters is the director of student services for CGA Alberta. Both Mr. Cook and Mr. DeGraff have brief presentations to make to the committee at this time, and since they have been sworn, Mr. Chairman, I believe Mr. Cook could proceed.

MR. CHAIRMAN: Thank you.

MR. COOK: Mr. Chairman, in April 1983 we appeared before this committee on exactly the same issue. I'd like to note that in 1983, 1984, and again in 1985 the society was consistent in seeking some degree of affirmation from the Institute of Chartered Accountants, but in none of the years have they ever given notice to us of their request to make this name change. The minutes of the April 27, 1983, meeting are available to the members, but I would like to emphasize a few points from those minutes and a few other points as well.

Great pains have been taken by the various accounting bodies within the province to keep their names distinctive. We have certified accountants, registered accountants, and chartered accountants. These three names have allowed us to remain independent, different, and to eliminate a great deal of confusion in the minds of the public. Even the accounting bodies themselves have different and distinct names. We have the Certified General Accountants' Association, the Society of Management Accountants, and the Institute of Chartered Accountants, again with the emphasis on keeping the minds of the public clear on who they are dealing with.

We do not oppose a change in name for the sake of opposition. As was mentioned by Mr. Mack in 1978, the society changed its name to the Society of Management Accountants. We did not oppose that name change. We do not

oppose the name "management accountant" at all. We do not oppose that today. What we do oppose is the simultaneous use of the words "certified" and "accountant" in any designation other than our own.

For many decades the Society of Management Accountants have been registered accountants. We must wonder aloud why they would now wish to abandon the name "registered" in favour of "certified" management accountants. In the province of Newfoundland the name was changed from registered industrial accountant to registered management accountant.

In April 1983 Mr. Crowder informed your committee that the national members had unanimously agreed to petition the various legislatures of the country. It is interesting to note that in the intervening two years only two provinces, Manitoba and Nova Scotia, have decided to make that change. Considerable emphasis was also placed on the bilingual nature of the designation: the two official languages. It is also interesting to note that the province of Quebec, which is the largest French-speaking province in the country, has denied that name change.

Emphasis was also given to the international scene. I would like to point out that in early 1984, the certified management accountants in England petitioned the Privy Council to change their name to chartered management accountants. The Privy Council believed the change would lead to confusion in the minds of the public.

My association requests that you, too, avoid confusion that would undoubtedly exist by eliminating the reference to "certified" and to the initials CMA from Bill Pr. 13.

MR. CHAIRMAN: Thank you, Mr. Cook. Mr. DeGraff, did you have some remarks to make also?

MR. DeGRAFF: Just a brief comment. Having sat through the heritage area and petition by the city of Calgary earlier and having a strong belief in tradition, I am always distressed that having been in existence in the province of Alberta for 40 years, the society would at this time wish to change a designation that is respected across Canada and throughout the province. I am a public practitioner and represent approximately 40 percent of m

fellow members who respect the designation. We all wonder why a designation that has a long history in Canada would want to be changed to CMA and cloud what are now clearly distinct professional bodies within the province.

MR. CHAIRMAN: Thank you, Mr. DeGraff. Mr. Mack, is there any rebuttal before we open the hearing to questions from the members?

MR. MACK: Mr. Chairman, I have some comments I wish to make arising from what was just said. However, in the interests of expediency I think I'll defer that until my closing comments and deal with it all together, if that's acceptable.

MR. CHAIRMAN: Questions?

MR. J. THOMPSON: Mr. Mack, how much does your organization deal with the public? What percentage of your work is done with the general public? Have you any idea on that?

MR. MACK: Mr. Chairman, I should perhaps clarify that I am the solicitor for the society as opposed to being a member of the society myself. I believe my colleague Mr. Crowder can deal with that question.

MR. CROWDER: Mr. Chairman, the number of registered members who are directly engaged in offering their services to the public on a fee-for-service basis would number less than 10 percent of the registered membership.

MR. J. THOMPSON: Basically you work with industry more than with the public.

One more supplemental, Mr. Chairman. In provinces where there are CGAs and CMAs, do you feel there is confusion by the public over the similarity of names?

MR. CROWDER: Mr. Chairman, in response to the question, the designation "certified management accountant" has not yet been implemented nationally by any of the affiliates who are in a position to do so through legislative amendments. Through its board of directors, the national society has determined that July 1, 1985, is the date of implementation nationally, and the society is embarking on a public awareness campaign which it feels, hopefully, will at best reduce if not eliminate

any confusion that could exist through the public awareness of "registered industrial accountant" being changed to "certified management accountant".

I might add that the society, of course, has not taken this position lightly, because it does not want, through any confusion at all that some may perceive could exist, to erode the respect and stature the RIA designation has gained over 40 to 45 years. So in that regard, the society is taking all steps and precautions to eliminate any possible confusion by the public to the certified management accountants designation when introduced.

MR. CHAIRMAN: Any further questions?

MR. ALGER: Mr. Chairman, I wonder if I could have the numbers again from Mr. Mack, the way you started out your remarks. I just wasn't paying enough attention.

MR. MACK: Yes, Mr. Chairman. I should say at the outset that the society has two classes of members, being registered or fully accredited members and student members. The numbers of those two classes are as follows: registered members, 2,385; student members, 4,259,

MR. ALGER: Thank you.

MRS. KOPER: Just a very brief question, Mr. Chairman, regarding section 6 of the new Bill. It appears you wish to retain the designation IRA as well. I wonder if this is something consistent with legislation that you may be working on.

MR. MACK: Mr. Chairman, in response to that question, the public legislation that has been worked on does indeed include both designations as protected designations. I venture to say that that's not so much because the society sees itself switching again in the years to come but is concerned about having somebody else, another organization for example, start to use the IRA designation in an attempt to trade on its established goodwill. For that reason it's been seen as necessary to protect both designations to protect us from our past as well as our future, if I may put it that way.

MR. CHAIRMAN: Thank you. Are there any further questions? Perhaps we could hear your

Closing remarks, Mr. Mack.

MR. MACK: Thank you, Mr. Chairman. In its comments the association has made reference to the fact that they see a danger of confusion arising out of the similarity of certified management accountant compared with certified general accountant. I don't wish to repeat everything I said in 1983, but I think it is important to bear in mind that the two descriptions contain a very important difference and that is "management accountant" as opposed to "general accountant". I would also point out that the words "certified" and "accountant" do not appear simultaneously but are separated by that very important word, which I suggest is both distinctive and descriptive of the functions they respectively perform. I might also say that the society and the association are certainly agreed on one point; that is, neither wants to be confused with the other. If the society felt that this designation put them in that jeopardy, I can assure you they would not be here this morning.

There are a couple of closing comments that I think my colleague Mr. Crowder could make with respect to this situation in other provinces. There is, however, one question I'd like to ask him if you could excuse me for a moment.

In my opening remarks, Mr. Chairman, I made reference to the fact that favourable recommendation was given to a similar change of designation in Saskatchewan which has not reached the point of being passed or proclaimed. If I may, I'd like to read a passage from the recommendation, and I'll leave a copy of this with Mr. Clegg when I leave this morning:

Further, the committee does not agree that the use of the designation CMA will create undue public confusion. The key words in the two designations are "management accountant" and "general accountant". These terms more accurately distinguish the usual areas of practice of each group and therefore should create less confusion among the general public.

In summary, that's our position exactly. We think the two are sufficiently distinctive.

Again, Mr. Chairman, that concludes my comments. I'll turn it over to Mr. Crowder for a couple of concluding points about the

situation in other provinces.

MR. CROWDER: Mr. Chairman, my remarks are addressed specifically to two provinces identified by Mr. Cook, Newfoundland and Quebec. Mr. Cook indicated, and rightfully so, that in the province of Newfoundland when the society changed its corporate name in 1978 from the Society of Industrial Accountants of the various provinces and territory to the Society of Management Accountants, the Newfoundland society petitioned solely for the corporate name change. It was through an impression of a government employee that there may have been an omission from the Newfoundland society at that time in changing the reference of industrial not only in the corporate name but also in the designation. It was not due to the petition of the Newfoundland society that the designation was changed to registered management accountant; it was merely an administrative and clerical assumption which was in error at that time. In fact, the Newfoundland society will be petitioning the Legislative Assembly for an amendment to that Act which would protect the title "certified management accountant".

The last province I wish to comment on is Quebec, with reference to the Quebec society or the Quebec legislature -- I'm not certain of Mr. Cook's impression -- having been denied the name change. In the past the Quebec society, or corporation as it is known there, has not been successful in petitioning the Quebec government for a change of corporate name or of designation. Over the past several months l'office des professions, which is the professional office regulating all professions within the province of Quebec for the government, consulted with various parties, notably l'office de la langue française, which had previously indicated some opposition to the use of the word management in English being management in French. In January 1985 the society presented a brief to the French language committee, and they in turn recommended more recently to l'office des professions that "management" is an acceptable French word, and I have been advised by my counterpart in the Quebec society's office that by mid-May the corporation will be petitioning l'office des professions, who in turn will likely present an amendment for the designation and corporate name change to the National

Assembly in June.

That concludes my rebuttal to those two particular provinces referenced. Thank you, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Crowder.

Mr. Ast, does anyone in your group wish to make any closing remarks?

MR. AST: Mr. Chairman, if I might, I will make a few brief closing comments. We have a number of concerns that have been indicated to you at this time and were of course indicated to this committee in 1983.

The society has indicated that they are not concerned with the question of confusion. Obviously we are concerned. In addition to those people you see here this morning, a number of members of the association are in the gallery, because the members of this association are concerned with the question of confusion. We wonder why the society is taking this step at this time in view of the initiatives that are being taken by the Hon. Ian Reid in dealing with the entire question of accounting. We don't perceive this name change as being particularly urgent at this time.

Mr. Mack made some comments as to the contents of the draft legislation at this time. I think it's rather presumptuous to assume that simply because draft legislation that has not even reached the floor of this Legislature contains certain wording, it is a fait accompli.

Additionally, in dealing with the question of that draft legislation the society, when they last appeared before this committee, attempted to indicate that there was a great distinction between the registration of members and the certification of members. They have not made that argument this morning. This committee might be interested to know that the same draft legislation Mr. Mack referred to contemplates registration of their members and not certification of their members.

We are most concerned about the question of confusion. We don't think the difference in the words "management" and "general" satisfies the criteria that there will not be any confusion, and we urge this committee to consider the confusion that might result if this name change were granted.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Ast. That

concludes the discussion with respect to Bill Pn. 13.

I would like to thank the gentlemen present for their attendance this morning. We will notify you of the progress of the Bill.

It is proposed to go in camera at this time so we may deal with some of the Bills that have come before us on previous occasions.

[At 9:45 a.m., on motion, the committee moved in camera]