

Standing Committee on Private Bills

8:34 a.m.

[Chairman: Mr. Renner]

MR. CHAIRMAN: Good morning, everyone. I'd like to call the meeting to order. This is the Private Bills Committee. If you'll all refer to the agenda tab in your books, I would like to have a motion to approve the agenda.

MR. VAN BINSBERGEN: So moved.

MR. CHAIRMAN: Mr. Van Binsbergen. Any discussion? All in favour? Opposed? Carried.

You should have with your material also a copy of the minutes from the meeting of March 22. Are there any errors or additions to those minutes? If not, then can I have a motion to approve?

MR. HERARD: So moved.

MR. CHAIRMAN: Mr. Herard. All in favour? Opposed? Carried. Committee members, we have two items to deal with this morning, and then I have a short item I'd like to bring up under Other Business at the end of the agenda. We'll deal with them as per the agenda.

The first Bill we'll deal with will be Bill Pr. 3. This is the Companions of Angela and Francis (Koinonia Association) Act. Ms Marston, if you could bring the petitioners in, please.

Before I forget, there are copies of some correspondence from the city of Edmonton regarding Bill Pr. 11. They should be up here at the front. If anyone hasn't got it, be sure you pick it up.

Good morning. Mr. Reynolds will swear each person in, and then we can get started.

[Mr. Baril, Sister Jean, Sister Susan, and Sister Donna were sworn in]

MR. CHAIRMAN: Well, thank you and welcome to the Private Bills Committee. I had a chance to visit with you very briefly in the Confederation Room, but I would just like to take a moment before we get started to explain the procedures and perhaps give the committee a chance to introduce themselves to you.

You have petitioned the Legislature to pass a Bill on your behalf. At this point that Bill has received first reading in the Legislature and has been referred to our committee for examination. We will have an opportunity to talk with you, ask questions, and then our responsibility is to make a recommendation back to the Legislature on how the Bill should be proceeded with. So the purpose we are here for this morning is for you to have an opportunity to explain to the committee why it is that you want this Bill passed, what the Bill will accomplish, and then also for the committee to have an opportunity to ask you any questions that may be pertinent to it. It's an informal process. You certainly don't need to stand when you're speaking. There are microphones in the desks in front of you, and as you speak they'll be turned on so you can be heard. We want this to be as informal as possible.

This committee is a committee of all parties of the Legislature. We have both government and opposition members on the committee geographically from pretty much right across the province.

I would at this time ask committee members to introduce themselves. Mr. Hlady.

MR. HLADY: Mark Hlady from Calgary-Mountain View.

MR. JACQUES: Good morning. Wayne Jacques from Grande Prairie-Wapiti.

MRS. LAING: Bonnie Laing, Calgary-Bow.

MR. AMERY: Moe Amery, Calgary-East.

MR. HERARD: Denis Herard, Calgary-Egmont. Welcome.

MR. VAN BINSBERGEN: Duco Van Binsbergen, West Yellowhead.

MR. SEKULIC: Peter Sekulic, Edmonton-Manning. Good morning.

MR. BENIUK: Andrew Beniuk, Edmonton-Norwood.

MR. CHAIRMAN: And you know Mr. Bracko. Mr. Bracko is not on the committee, but I guess he's here to cheer you on so to speak. Welcome, Mr. Bracko, to our committee meeting.

At this point, I think what we'll do is turn it over to you -- I don't know who wants to be your spokesperson -- and you can go ahead and explain a little bit about the Bill and some of the reasons why you feel it's important that we pass this Bill.

SISTER SUSAN: Good morning. I've been nominated as a spokesperson, and the other sisters will pitch in if I forget to mention some things.

Our association was founded in 1989, at which time it received canonical approval from the church, and within the last short period of time we've recognized that we would like to also have our association legally recognized within the province. Consequent to that, we put together this Bill and would like to bring it to the committee for approval. We looked at other options that were available to us, and as a religious association, this option fit best with the way of life we live and the tradition that has accumulated in the province in terms of other religious communities also taking this route to have themselves legally recognized. So those are some of the reasons behind asking for this Bill to be approved.

Basically, we work with the poor. We've done some work with, for example, AIDS patients. We've done some work with battered women, at WIN House more specifically in Edmonton. All three of us are teachers. Sister Jean has unfortunately retired from teaching and is now enjoying retirement, and Sister Donna is working with Edmonton Catholic. I'm in a substitute teaching position right now; I've been in and out of temporary contracts. So we work a lot with young people. That's based also on the two people we took as our founder and our foundress: St. Francis of Assisi -- some of you may have heard of him -- and St. Angela of Merici, an Italian woman who founded the Ursuline sisters of the Ursuline congregation.

I think that's probably all I'll say. I don't know if the other sisters want to add anything.

MR. CHAIRMAN: Thank you.

Mr. Baril, are there any specifics of the Bill you would like to go through?

MR. BARIL: None, unless there are questions specifically on those. It's a standard religious incorporation. It's basically the same type of Bill that has been passed ever since the province of Alberta has been around to incorporate religious groups in a legal context in this province. There is nothing unusual about it. I don't think there are

any curves in it. There's nothing surprising in it. It's just bare bones a private incorporation of a religious group.

8:44

MR. CHAIRMAN: Thank you.

When we were doing introductions, there's a couple of people I forgot to introduce. I should have, and I apologize. Ms Marston is our assistant to the committee, and Mr. Reynolds is our Parliamentary Counsel. I introduced myself earlier. I'm Rob Renner, and I'm from Medicine Hat, by the way.

At this point, then, I will turn it over to the committee if anyone has questions. Mr. Jacques.

MR. JACQUES: Thank you, Mr. Chairman. Mr. Baril, you indicated that this is a rather routine matter and there would be some precedent. I myself am not aware of the precedent in this area. I was wondering if you could shed a little bit of light on that in terms of other groups that have been incorporated under a private Bill.

MR. BARIL: Almost every religious congregation in the province of Alberta has been incorporated in this fashion. I was here a year ago incorporating a group of sisters that moved here from Macao and set up a home out by Devon. They were incorporated a year ago by a private member's Bill. As well, virtually every congregation -- for example, if you're familiar with the Grey Nuns, the Sisters of Charity Grey Nuns of Alberta, that's in fact a corporation incorporated in this fashion. Years ago -- I'm trying to remember; I think it was in the '50s -- virtually every religious congregation, male or female, was incorporated in this fashion by way of a private member's Bill.

MR. JACQUES: Okay. I just want to make sure I understand. I've seen some Bills where they're specifically incorporating, for example, an institution, maybe a college of religious studies, or something like that.

MR. BARIL: Sure.

MR. JACQUES: Is that the intention of your proposal here? I guess I'm having a little difficulty relating back to the specific purpose of the proposed legislation vis-à-vis the objects of the association.

MR. BARIL: Basically, most congregations that operate a college or a school or a hospital, for example -- and I'm going to revert to the Sisters of Charity Grey Nuns because they're a fairly visible entity in this province. They have a number of private corporations that had been incorporated by a private member's Bill, including one that used to operate the General hospital. They have a separate Bill involving the Grey Nuns hospital. They had a separate Bill involving the Holy Cross hospital in Calgary when they operated the Holy Cross hospital. They have a separate Bill involving a hospital in St. Paul. I'm trying to remember if they have others, but at least those. Over and above that, they have their own corporation called the Sisters of Charity Grey Nuns of Alberta, which in effect is the corporation of themselves as opposed to holdings, for lack of a better term -- or as they would call it, some of their facilities would be incorporated separately. The reason they get them incorporated separately is because they have different boards on each one specifically operating the facilities, whereas the needy corporation . . .

Let me backtrack to some extent. As Sister Susan indicated, they have canonical recognition, and as such they would be a corporation from the point of view of religious law. Now, that does not concern you, because we're speaking basically of a different realm, that they are recognized already from the point of view of Rome, from the

point of view of the Catholic Church. What they want to do now is be recognized as a legal entity in the secular area.

MR. JACQUES: My final question. I think you mentioned in 1989 -- I don't know whether it was the church approval or the group was formed. And you refer to the association. Is it incorporated under the Societies Act, for example?

MR. BARIL: No, it's not.

MR. JACQUES: Thank you.

MR. BARIL: No, no. If it was, we would not be here. When we looked at the Societies Act, the feeling was that the Act does not lend itself to the incorporation of religious congregations.

MR. JACQUES: Thank you.

MR. CHAIRMAN: Thank you, Mr. Jacques.
Mrs. Laing.

MRS. LAING: Thank you, Mr. Chairman. I have a couple of questions. I wondered what order you belong to. I imagine your order has a long-standing history.

SISTER JEAN: We used to belong to the Ursuline Order, and in 1989 five of us -- it's just like an offshoot of the Ursuline Order. The main reason was that within our religious group we would like, and we have now, lay people who can join us as well. They don't make the traditional religious vows, but they make another kind of commitment and join to work with us in whatever area we work in.

MRS. LAING: What would be the advantage to the work you do by being incorporated rather than what you're doing currently in your present status?

MR. BARIL: Probably the biggest advantage is when they, for example, operate out of a home and the home has to be held in someone's name. If it's held in their individual names, that can create all sorts of problems when one of them leaves, one of them moves, upon death; whereas once it's incorporated, the home would then be put into the name of the corporation, for example, and there would be continuity. That's the concern: without the corporation, you start losing continuity over the years.

MRS. LAING: Would it be the intention that the poor would live in this home as well, or would you be working with established groups like you mentioned, the WIN home and the youth centre and that type of thing?

SISTER SUSAN: I'll try and answer that for you. Just by way of an example, we have two sisters who live in Whitehorse as well, one of whom is a nurse, one of whom is a principal of a school right now. The sister who is the nurse became aware through her work as a nurse of some people who had come from Alaska where they have a very different health care system than we in Canada have. She discovered that they were coming to Whitehorse because it was financially advantageous to them; it was impossible for them to get good care for a woman who was pregnant. She discovered that these people in some cases were so poor that they were coming to Whitehorse and living in tents until their baby was born.

What they began to do was: through contacts in the medical community, Karen found out names of people who needed their help, and they would come and live in their home until the baby was

born and then for a period of time afterward until the mother and the child were healthy enough to go back home. Again, from time to time they would come back for medical checkups for the baby and would stay with them. So they saw a need in the community and responded to it because of the intention and priorities in our community. From our perspective, we haven't had that happen yet -- not on a formal basis like that -- but we have had occasions where someone has been in need and has spent time with us. In the future it wouldn't be impossible for that if there was a need.

MRS. LAING: Do you see, then, a branch opening up in the Yukon, as you mentioned, with the other two sisters that are there?

8:54

SISTER JEAN: Yes.

MRS. LAING: Good. And how would you be funded once you're incorporated? Through charitable donations? Or does the church fund you as well?

SISTER JEAN: No, the church doesn't fund us. We hope to be self-supporting through our teaching and whatever work we are doing. We have had people give us money in the past, and we have redirected that because, you know, we aren't financially in need. We've redirected that to WIN House, to the Youth Emergency Shelter, to Amnesty International, to a food bank, or . . .

MRS. LAING: Uh huh. So you're basically funded just through your own earnings? Is that how you're doing it?

SISTER JEAN: That's right.

MRS. LAING: Oh.

SISTER JEAN: And we hope we can keep it that way.

MRS. LAING: Yes. Okay. Thank you very much.

MR. CHAIRMAN: Mr. Herard.

MR. HERARD: Thank you very much, Mr. Chairman. My question is to M. Raymond Baril. It goes back about 30 some odd years now when you and I, sir, attended St. John's college together. My question is: how come you still look so young?

MR. BARIL: Well, I thank my wife for that one.

MR. HERARD: I do have a question, and I guess it has to do with what you are doing with respect to leaving a formal order that's been around for a long time and forming your own. I guess I'd like to understand that one of the reasons for doing this is to add some flexibility in terms of membership. Perhaps it doesn't exist in the more traditional and older orders. Is that primarily the kind of thing you're looking at here?

SISTER SUSAN: Yes. Maybe I'll go back about 30 years as well. This is kind of difficult for us in a sense because we're in a secular environment, but some of the things motivating us obviously are from the religious environment. One of the consequences of the Vatican Council which took place in the mid and early '60s was a call to women's and men's religious communities to go back to their founding, to their roots, and make some changes to get closer to those roots. Angela of Merici, whom we take as our foundress, established her association. It was a company; it wasn't a religious

community. She didn't want her sisters living a monastic life-style separated from the world. She wanted her women to live in the community and work with the people there. As an historical footnote, her sisters were forced by the formal church to abandon her vision and go to a monastic lifestyle. They have changed as a result of the Vatican Council from that formal monastic life-style. We felt called to live a life-style more closely in touch with Angela's original vision. She herself was a third order Franciscan, so we took Francis' charisma and spirit as well. So I guess you could say it's a kind of next step in the history of that congregation.

MR. HERARD: Thank you very much. I appreciate that explanation.

SISTER SUSAN: Okay.

MR. CHAIRMAN: Any further questions from the committee? Mr. Reynolds, do you have any clarification?

MR. REYNOLDS: I just want to point out that all the requirements of Standing Order 86 have been met with respect to this petition and Bill. I've certainly been in contact with Mr. Feraco of Chomicki Baril, and I corresponded with Mr. Baril also prior to this application. Of course, Mr. Baril appeared before the committee in 1993 with respect to the Carmelite Nuns of Western Canada Act which was passed in the 22nd Legislature, Fourth Session, I believe.

I just have one question. I was wondering what exactly Koinonia Association means.

SISTER JEAN: It means "a sharing community." We want to share our lives with other people. It's a Greek word.

MR. CHAIRMAN: Well, I see no further questions, so I thank you for coming this morning.

The procedure we will be following is that the committee will reconvene two weeks from today. This being the halfway point in the Bills process, we will have heard approximately seven or eight Bills after today. Then the committee will be going through each of the Bills and making a decision on how they should be proceeded with. So Parliamentary Counsel's office will advise you shortly thereafter what the decision of the committee is. If it's the will of the committee that this Bill should carry on, as chairman of the committee, it will be my responsibility to make sure it gets on the Order Paper and is passed prior to the end of this session. If everything goes according to plan, everything should be passed and become law before summer, probably mid to late June.

I thank you for coming this morning. I wish you all the best of luck with your association, and thank you very much.

SISTER JEAN: Just before we leave, I would like to thank the committee. Hopefully we have answered the questions and this clarifies the Bill further for you. We're hoping it will be passed. A very special thank you to Mr. Renner and Mr. Reynolds.

MR. CHAIRMAN: Thank you very much.

9:04

To anyone that came in later, be aware that there is some correspondence related to this Bill, and it's at the front desk.

Good morning, everyone. Our Parliamentary Counsel, Mr. Reynolds, will swear everyone in, and then we can get started with our proceedings.

[Mr. Hung, Mr. Lo, Mr. Fong, Mr. Wong, and Mrs. Miller were sworn in]

MR. CHAIRMAN: Thank you very much, and welcome to the Private Bills Committee. This is an all-party committee of the Legislature that is struck to give consideration to petitions such as yours for private Bills. We welcome you here this morning.

Just a little bit of background information. Your Bill has received first reading in the Legislature and has been referred to this committee for our recommendation. Today is your opportunity to explain to the committee why you wish to have this Bill passed, and it also gives an opportunity for the committee to ask any questions of you that they may have. Along with the process of private Bills it was necessary for you to advertise to the public regarding your Bill, and the general public has opportunity for input on your Bill as well. I'd like to welcome Mrs. Miller. She also would like to present her views on the Bill to the committee. I will certainly make sure you get ample opportunity, Mrs. Miller.

At this point I would like to have committee members introduce themselves to you. As I mentioned earlier, this is an all-party committee. There are government members and opposition members on the committee. We have a pretty broad spectrum geographically. We have members from all areas of the province, and I think this committee is an environment where you can certainly receive the best opportunity for a fair hearing and decision.

With that, then, I would ask Dr. Oberg to start.

DR. OBERG: Lyle Oberg, Bow Valley.

MR. HLADY: Mark Hlady, Calgary-Mountain View.

MR. JACQUES: Good morning. Wayne Jacques, Grande Prairie-Wapiti.

MRS. FRITZ: Hello. Yvonne Fritz, Calgary-Cross.

MRS. LAING: Bonnie Laing, Calgary-Bow.

MR. AMERY: Moe Amery, Calgary-East.

MR. HERARD: Denis Herard, Calgary-Egmont. Welcome.

MR. VAN BINSBERGEN: Duco Van Binsbergen, West Yellowhead.

MR. SEKULIC: Peter Sekulic, Edmonton-Manning. Good morning.

MR. BENIUK: Andrew Beniuk, Edmonton-Norwood.

MS LEBOVICI: Welcome. Karen Leibovici, Edmonton-Meadowlark.

MR. CHAIRMAN: I'm Rob Renner, and I'm from Medicine Hat. Also, at the table here is Florence Marston, assistant to the committee, and Rob Reynolds, Parliamentary Counsel to this committee.

With that, then, I'm going to turn it over to you. I don't know who wants to be your spokesperson, but this is basically your opportunity to explain a little bit about the Bill: what the Bill will do, why you're asking for this Bill, and a little bit of the background information as to why you feel this committee should pass the Bill.

MR. LO: My name is Clarence. I would like to make a presentation regarding why we need this Bill. The Bill will require the waiving of the municipal tax of about \$23,000 a year we pay for the property. Actually, the Edmonton Chinatown Multicultural Centre Foundation is a nonprofit organization in charge of the operation of the multicultural centre on 102nd Avenue between 95th and 96th streets. We've been in charge of the operation of the centre since 1985 under a management agreement with Alberta Mortgage and Housing Corporation. Under the management agreement, the activities we may carry out on the premises are limited to those deemed beneficial to the community at large. According to the Municipal Tax Exemption Act, an organization that has activity that is mainly educational, mainly for charity, and open to the general public should be exempt from the tax. That is the basic principle, why we're looking for exemption, because that \$23,000 is a very big amount in terms of our annual budget.

I would like to give you a brief summary of what we have come across in doing our application; then you will understand the situation of our foundation. We approached the local authority in 1992 for an exemption. However, our application was turned down. Their comment was that our activity is not open to the general public. However, they said the municipal tax is to be collected by the city, and this should be referred to the city council to see if they can waive it; if they agree, then of course the local authority is not going to object to the waiving of the tax. So the case was referred back to the city council, and we sat in front of the city council in late 1992. We elaborated in detail about the activity being held in our premises and that it is open to the general public. During that meeting they made the comment that, yes, our activity is open to the general public and they may consider an exemption of the tax. So they ordered the city assessor to review if there was any related case when an organization was exempted in the past. That was at the end of the first city council meeting. During the second meeting, the city assessor came back and said that there was no other case in this city of an organization being exempted for a kind of thing similar in nature and activity. So our application was turned down, and we now apply for the private Bill.

9:14

You may have a copy of the recent submissions of our centre talking about our activities. Our activities are mainly open to the general public. The activity in our centre is mainly the Chinese heritage language school. We have 699 students. We have some other cultural interest classes, such as teaching people whose mother tongue is English to speak Chinese. We also have some other workshop activities: a nightly cultural walkabout, which is associated with some other schools, to give students a chance to go through Chinatown and understand the Chinese culture. We have some school tour programs. We also have a seniors recreation group. We take care of seniors and arrange some activities like tai-chi, needlework, morning walks, and trips. We have other cultural performances and activities.

The building is mainly comprised of a gymnasium, which is for recreational activities and cultural performances. We have an office area, and the rest is classrooms. Part of the building is being rented out to other nonprofit organizations, like the Alberta Table Tennis Association for their practices and tournaments. We have part of the building being leased out to a day care centre, the Edmonton Bilingual Daycare Centre.

After the last city council meeting we did some research and found that there are other organizations which have been exempted from taxes; for example, the Calgary Chinese Cultural Centre, the Jewish Community Centre of Edmonton, and the Hung Ying Building. All have similar activities in their buildings, and they're

exempt from taxes. We request fair and equal consideration of our tax exemption application. We request that our private Bill be recommended.

MR. CHAIRMAN: Thank you, Mr. Lo.

Does anyone else have any comments they wish to make? No.
Mrs. Miller.

MRS. MILLER: Okay. I am opposed to the tax free status proposal for the Edmonton Chinatown Multicultural Centre. We have enough government multicultural centres as it is right now. Other associations charge fees and work at donations and are not a burden on the taxpayer. If the Chinatown Multicultural Centre is strapped for funds, they should charge a small fee and/or sell the property and not expect homeowners to take over their tax burden. I pay such sky-high property taxes for a small house that it would be cheaper for me to rent a small apartment right now. When the government gives tax breaks to businesses and starts giving tax free status to associations, the tax burden falls on the homeowners. I note that in my neighbourhood there is a trend toward the poorer, financially strapped homeowners selling their properties and richer homeowners with multiple properties buying them up. Everyone should pay their property tax share, otherwise housing in Edmonton will become even more expensive. The tax burden should not be dumped on the homeowners.

That is more or less my case, ladies and gentlemen. Thank you.

MR. CHAIRMAN: Thank you very much.

At this point I would like to ask committee members if they have questions. I have Mr. Jacques, Mr. Amery, and Mrs. Fritz.

MR. JACQUES: Thank you, Mr. Chairman. Just a couple of questions. You referred in your submission and in your review to some precedent, and you spoke specifically of the Jewish Community Centre of Edmonton. I just want to focus on that for a minute. By what method did they obtain the exemption? Was it under the Local Authorities Board, was it a resolution of council, or was it indeed a private Bill?

MR. HUNG: My understanding is they also went for a private Bill. It was a few years ago. I think they were the first ethnic group that got the private Bill. That was a few years ago, not long.

MR. JACQUES: So it was a private Bill.

MR. HUNG: Yes, I think it was a private Bill.

MR. JACQUES: Okay. The Hung Ying Building, is that . . .

MR. HUNG: The Hung Ying Building actually is not a cultural centre. That is seniors' housing. It was built by Alberta Housing with the Chinese Freemasons. They are senior apartments under the CHIP program of a few years ago. We don't know why they exempted the tax.

MR. JACQUES: Okay. Thank you.

The issue you referred to in the 1992 decision by the Local Authorities Board, as you understand it, was that they deemed the facility was not available to the general public. Did you make any representation later? As I understand it, you can reapply after a year or thereabouts. Did you pursue that avenue?

MR. LO: Actually, what happened after the Local Authorities Board meeting was that they simply referred us to the city council. In their

letter they say: your application is turned down because you are not open to the general public, and would you refer this application to the city council. That is what we received from them, and the next time we just faced the city council.

MR. JACQUES: Okay. In your report you indicated that after you appeared before city council, it appeared their bottom-line position was that there really was no precedent; that is, they could find no record where they had given exemption before. Unless it was under, I guess, private Bills or the Local Authorities Board, they weren't prepared to do that. Is that your understanding?

MR. LO: My understanding is that because there is no other similar case -- no other organization has been exempted from the tax -- they turned down our application. They are not turning down our application because we do not fall under the Municipal Tax Exemption Act. They can't find another case, so they turned us down. Afterwards I talked to the city assessor -- of course, it was an informal conversation -- and he said: well, if you can find a related case which has been exempted from the tax, you can apply again.

MR. JACQUES: Thank you.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Jacques.

Mr. Amery.

MR. AMERY: Thank you, Mr. Chairman. Actually, part of my question has been answered, but I'd like to ask Mr. Lo: since we are living in a multicultural society and have so many ethnic and cultural groups and each one of these groups has their own cultural centre, are you suggesting that we should exempt them all if they open their doors to the public? Wouldn't we be setting a precedent for these kinds of activities?

9:24

MR. LO: I thought about it before I came into this room. The first thing is that we have the Municipal Tax Exemption Act here, and if we delete the Municipal Tax Exemption Act, nobody can be exempt from the tax. That is the first thing.

The other thing is regarding those ethnic groups. If we rely on what kinds of activities are being held in the premises, some of them are open to the general public, and if that falls under the Municipal Tax Exemption Act, they should be exempt.

Yes, I also agree with Mrs. Miller. As a taxpayer, I own a house; I pay tax. You know, I really appreciate her point. If sometimes we have some people asking for exemption of tax, I will ask the same question: is the city going to put burdens on those homeowners? We're just helpless sitting there and paying our tax. However, as a directive in the Chinatown Multicultural Centre Foundation, we understand what we are doing is for the community at large. That's why I think we should be exempt from the tax. If another ethnic group is doing the same thing, they should be exempt from the tax. Yes, I understand that the government is also doing something promoting multiculturalism, but those things, if done by the government, would be very expensive. Right here in our foundation we pay a minimum wage. We pay only \$14,000 a year for a clerk or administrative assistant. We're just using minimal resources to provide the kinds of services which if done by the government might be triple the costs. So I believe that while that involves a much larger question regarding costs and benefits, because we use a lot of volunteers in our activities, the general public will have more benefit from those ethnic groups' multicultural centre services.

MR. HUNG: In supplement to what Mr. Lo said, I have quite a few points. Number one, we are not the landowners. We just lease the land from Alberta Housing for cultural/educational purposes. Number two, if you can visualize, 25 board directors volunteer in working. They don't get paid. They use their time for the benefit of the community. They will save a lot of money on other things. Number three, if the tax is exempt, we can use the money to generate more programs to benefit the whole community.

MR. CHAIRMAN: Thank you.
Do you have a supplementary?

MR. AMERY: Yes. I notice in the material we have here that the German-Canadian club applied for the same thing and was denied.

MR. LO: According to . . .

MR. AMERY: How do you justify exempting you and not exempting others?

MR. LO: The city should go into detail regarding the activity. If we are going to be exempt from tax, then if the German-Canadian has activity similar to what we have in our centre, I believe they should be exempt too. Yes. The city made a comment, saying:

We are also considering the potential impact on the City's tax base as more and more groups petition for exemption in these times of fiscal constraints.

Yes. His concern is right, because if we are going to be exempt like the Jewish association has been exempt -- and now we are applying -- after us more organizations are going to apply for the exemption. On the other hand, the Municipal Tax Exemption Act is there. They have the right to be exempt, unless one day they're going to totally delete the Act from the law.

MR. AMERY: Can I just make one more comment?

MR. CHAIRMAN: Yeah.

MR. AMERY: I don't think we can really compare a multicultural centre to a Jewish group or other religious group, because my understanding is that the religious groups are exempted from paying taxes.

MR. HUNG: To answer that question, I think you should deal with the individual case, the fundamental nature or their function. Say if in their cultural centre they have a banquet hall for the purpose of banquets or weddings, it's different from strictly cultural/educational. There are different cases.

MR. LO: In our hall there's never been a banquet -- no alcohol, no weddings, no birthday parties. We just follow strictly under guidelines from the Alberta Mortgage and Housing society. Under their rule, we just do what benefits the community at large, and we just exempt word for word in the tax exemption Act. To the general public, we are for education, for charity, unless they change some wordings in the exemption Act.

MR. CHAIRMAN: Thank you, Mr. Lo.
Mrs. Fritz.

MRS. FRITZ: Thank you, Mr. Chairman. In reading through information we have on earlier transcripts with the Calgary Chinese Cultural Centre, I wondered if you'd refer back to the process you've been through already, because I noticed in our briefing notes that we

have three letters from aldermen that definitely support you. Hearing that it was denied, I wondered if you went to a full city council, and if not, if you're planning to do that.

MR. HUNG: In reply to that, I think the Calgary cultural centre goes through the city council and then the council gives them the support.

MRS. FRITZ: Yes.

MR. HUNG: Naturally, we would go through the council. The mayor is away.

MRS. FRITZ: So you haven't been to your full city council?

MR. HUNG: We did. We talked to the mayor's office to see if they can have meetings.

MRS. FRITZ: But you haven't had a public hearing with your city council on this issue?

MR. HUNG: The mayor said he would phone the individual aldermen.

MRS. FRITZ: But my point is: before you came here, you haven't been before city council for a full public hearing. You haven't been in front of city council with all the aldermen and the mayor and then they listened to your submission based on the municipality and the taxation, et cetera, and voted no. That hasn't happened. Or has it?

MR. LO: Actually, during our application we went through the city council, of course not particularly through this private Bill, but the content is the same. We went through the city council.

MRS. FRITZ: I'm going to need some help, Mr. Chairman, because I want to understand that before I go on. Has this been to city council, or was it denied by three or four aldermen? What has the process been to date?

MR. CHAIRMAN: I think I'll have Mr. Reynolds discuss the letter we received from the city of Edmonton and where it originated.

MRS. FRITZ: Was that a public hearing meeting with full city council?

MR. REYNOLDS: Well, I guess there are a number of processes that are at work here. The city assessor's letter of March 17 refers to a hearing that was held before the Local Authorities Board with respect to the application for tax exempt status. It was done in '92. Obviously, that didn't go forward. Now, there wasn't a similar application with the Calgary case, because for reasons that may be expanded upon, the Calgary Chinese association was not eligible under the Municipal Tax Exemption Act, whereas here the foundation did meet the criteria with respect to ownership. More specifically, they lease it from the Crown. So that's one hearing.

I think the second hearing you're asking for is in the Calgary case. It's my understanding there was a resolution from city council that they did not oppose the application of the association. In this case, note that there is no similar letter on file, and I believe there has been no similar resolution voted on by city council. So what you have before you are the letters of three individual aldermen, as you indicated, and it's my understanding that does not arise from any hearing.

Now, the other document that was sent in by the city yesterday refers to a hearing that occurred before a committee with respect to an application by the foundation to reduce or rebate the taxes that have been levied on the site. That would be a different process under section 106 of the Municipal Taxation Act. That would be different.

So we sort of have three different things going on here. It's my understanding it hasn't gone to council for a resolution to support them in their private Bill. Then again, that would just be a resolution of council that wouldn't have the same -- I don't think it would have a public hearing component to it apart from the fact it would be raised in council.

MRS. FRITZ: It would have a public hearing. I would suggest that just as Calgary city council heard from the Calgary Chinese community association in regards to their multicultural centre, you would have a full public hearing, and your community would come forward and discuss the reasons why you see it necessary to have this exemption. But thank you. That explains the process to date. I quite frankly would like to see you go back and hold your council accountable to have a public hearing, but that's another discussion for at the end of this meeting.

Just from reading this document as well, it says that the Calgary Chinese community does not have a community centre located within that community. Does Edmonton have a community centre located within Chinatown?

9:34

MR. HUNG: We are the only one in Edmonton.

MRS. FRITZ: Right. But are you the only community centre within your community?

MR. HUNG: Yes.

MRS. FRITZ: Is the cultural centre a community centre?

MR. HUNG: It is a community centre.

MRS. FRITZ: I think you need to discuss that as well with your council because that, to me, was some of the premise of what the arguments were that were put forward by the Calgary Chinese community, from reading this, and that was partly why the exemption had taken place. That as well falls in line with the Jewish community.

Thank you, Mr. Chairman. That's all my questions for now.

MR. CHAIRMAN: Thank you, Mrs. Fritz.

Mrs. Laing, then Mr. Herard.

MRS. LAING: Thank you very much, Mr. Chairman. I'm not clear; you say that you lease the land and the building from Alberta Mortgage and Housing.

MR. LO: Yes. The land is leased from Alberta housing. The land is owned by Alberta Municipal Affairs.

MRS. LAING: Okay.

MR. LO: They built one of the seniors' towers, tower one. Then they had seven lots left, so we proposed to build a nursing home. But there was a problem between the two departments, Alberta housing and Alberta Health, so this modern, full care concept was turned down. They said: okay; you can use the three and a half lots

to build a multicultural centre and leave the rest of the three and a half lots for another tower. So we followed the guidelines. We used the three and a half lots to build a multicultural centre and then had the three and a half lots to build a second tower. I think the lease is for 50 years in the agreement with Alberta housing.

MRS. LAING: Do you then have the title to your building?

MR. LO: We don't have title. The title is still under Alberta housing. We have a lease agreement. I think we sent it to the council already.

MRS. LAING: I'm not clear why you owe taxes if you don't own the land or you don't own the building.

Maybe Mr. Reynolds could elucidate for me.

MR. REYNOLDS: Well, AMHC owns lots 38, 39, and 40, which is where the multicultural centre is located. It's my understanding they also own lots 41, 42, and 43, which is where the Chinese Elders' Mansion two is located. The Chinese Elders' Mansion two is not assessed; the association isn't assessed for that. The association is, however, assessed for the foundation centre that is located on lots 38, 39, and 40. You can do that under the Municipal Taxation Act. If you have a lease, you're liable to be assessed. I think that's section 3 of the Municipal Taxation Act. This group is not, however, taxed on the Chinese Elders' Mansion as the assessment goes against AMHC, which can't be assessed because it's a Crown agent, so they pay a grant in lieu of taxes. That's my understanding of how the taxation actually works for that.

MR. HUNG: For the second tower it's because we paid money to develop the basement. First of all, we ran out of space. We paid on our own to develop the basement and part of the main floor. We paid about half a million dollars to Alberta housing for their part, and then in the agreement we paid 7.3 percent of the total.

MR. CHAIRMAN: Thank you.

Mr. Herard, then Mrs. Fritz.

MR. HERARD: Thank you, Mr. Chairman. I haven't had the pleasure of visiting your centre yet, but I have spent a fair amount of time in the Calgary centre. Certainly from the point of view of the community, that particular centre is most definitely used by the community as a whole and is there as a cultural learning centre as well as to experience the Chinese culture. I think what you're trying to tell us here is that you are operating a similar facility and the distinction is that it is there for the benefit of all citizens. I'm wondering if you have any statistics with respect to the visitors that you get through that centre in a given year to give us some idea of the community involvement in the centre?

MR. HUNG: With respect to your question we have some classes that are non-Chinese. They are teaching the Canadians the Chinese language, Mandarin or Cantonese. We have the Tai Chi class. Every year we have about 5,000 students go to our centre for a field trip, and also at the Chinese New Year we hold the bazaar, and it is open to all the public. Every year about 3,000 or 4,000 people are there.

MR. CHAIRMAN: Thank you.

That answers your question?

MR. HERARD: Yes.

MR. CHAIRMAN: Mrs. Fritz.

MRS. FRITZ: Thank you, Mr. Chairman. It's just one other thought. Is there any area of your centre that's a commercial component; for example, a restaurant?

MR. LO: No. Except that we have an open area in the basement, about 375 square feet, and we have two classrooms and one office area being leased to the Edmonton Bilingual Day Care Centre for day care services. We charge them around \$2,000 per month for rent. That part is on the borderline regarding commercial or noncommercial. Besides that, there is no commercial activity -- no restaurant, no gift shop, or whatever -- in the building.

MRS. FRITZ: Thank you. My thoughts were just along the line of Mr. Herard's, that really although this says that it's the Chinese cultural centre, it really is the Chinese community centre as well. By what you said earlier, there isn't a community centre within your community. This is the community centre.

MR. LO: That is not commercial. There are no clear guidelines regarding community centres and whatever. The main objective of our foundation is to promote multiculturalism, so I believe that what we're doing is a little bit away from a strict community centre. That is our mission.

MRS. FRITZ: But it can go tandem, hand in hand. I guess the point is that with the Calgary centre, as was said earlier, based on the community component is why they were exempt from the taxation. Just based on the principle. That's okay. It's just rhetorical. You don't have to answer that.

Thank you.

MR. HUNG: At the Calgary Chinese Cultural Centre they have a restaurant.

MRS. FRITZ: The restaurant is the commercial component that is taxed. That is taxed.

MR. LO: Yeah. They pay tax on the commercial component.

MRS. FRITZ: Yes. But you don't have that.
Thank you, Mr. Chairman.

MR. LO: No, we don't.

MR. CHAIRMAN: Mr. Van Binsbergen.

MR. VAN BINSBERGEN: Thank you, Mr. Chairman. Several of you have commented on the multicultural aspect of it, and yet I still get the feeling that the centre primarily caters to or serves Chinese Canadians. Is that right?

MR. HUNG: Actually, some of our members are not Chinese. Some of our members are Canadian. As I mentioned, they go there for the Chinese language or they go there for a Tai Chi class, and also we have the dragon team with most of the people from the city fire stations. So it's a place for wider cultural education and recreational programs for the citizens of Edmonton.

MR. VAN BINSBERGEN: Why is it called "multicultural?"

MR. HUNG: Well, the Chinese culture actually is multicultural. The Chinese have 56 ethnic groups themselves, so we call them

multicultural. Korean and Vietnamese: it's all in the Chinese culture.

9:44

MR. VAN BINSBERGEN: One more question here. Which other cultural centres are tax exempt?

MR. HUNG: As I mentioned earlier, we only know there's a Jewish one. Other than that, I think other cultural groups tried to exempt the tax a few years ago, but they were all defeated.

MR. LO: They were all turned down for the same reason. There is no precedent case that they can refer to.

MR. VAN BINSBERGEN: Right. Good. Thank you.

MR. CHAIRMAN: Thank you.

Are there any further questions from the committee?

I have one question. Actually, I had a couple. One has already been addressed, and that was the aspect of whether there's any commercial nature to it, but then that leads to the second question: what is your source of revenue? How do you pay your bills now?

MR. LO: Our normal annual budget is about \$200,000. It's hard to say if it is large or small. Part of that \$200,000 is government grants. But for most of the programs we charge users' fees. For example, we charge a couple of hundred dollars for those Chinese heritage language school. We charge for the summer school. Grant MacEwan pays us approximately \$75 for each school tour program each time they have to send some students to tour the cultural centre in Chinatown. That is a users' fee. Besides that, we also have a membership fee. We charge \$5 a year, and we have more than a thousand members.

Frankly speaking, in most of the programs -- say, the heritage language school -- we just break even. We break even because we use the users' fee to pay the teacher. Some other programs are like the New Horizons, that provides funding to have those programs like English as a Second Language for seniors. That funding cannot be used elsewhere; it can only be applied to that particular program. You have those kinds of grants, users' fees, and donations within or outside of the Chinese community. These are the income.

On the other hand, you have to think about providing those programs like the cultural heritage language. We can't charge them a high fee like a thousand dollars a year. Right now, life is tough and some families can only apply the money to bread and butter first and then to those programs.

MR. HUNG: I think the purpose for the lower cost of the programs is to try to attract more students to attend the programs. That is the reason why the fees are so low. Our program is normally within \$50 to \$60 for three months.

MR. CHAIRMAN: Thank you. One final question. I'm still not clear on why it is that you did not approach city council and ask for their endorsement before you came here. That is pretty much standard procedure in all matters such as this, where the local municipality would send along a letter of endorsement supporting the group. It's very clear that that's not here, but what isn't clear is: did you ask for it, and if not, why not?

MR. HUNG: I can answer the question. We went through our local MLA, Alice Hanson, and she talked to Sheila McKay. At that time, I think she was acting as deputy mayor. She promised she would go through the council. Later on she told us that she -- I don't know

why; maybe she's too busy or so -- talked to the mayor. I think the deadline is the 22nd. The mayor comes on the 21st. So the mayor said she will phone an alderman. That's why we don't have enough time to go through the council. I think that was the reason.

MR. CHAIRMAN: Okay; thank you.
Mr. Herard.

MR. HERARD: Thank you, Mr. Chairman. I have a question of Mrs. Miller. Certainly I appreciate your presentation because taxation is something that is becoming more and more difficult for inner-city residents who have been there a long time, for example, and has quite an impact. Have you been to the Chinese cultural centre yourself? Have you visited there?

MRS. MILLER: No. This is a special interest group. As for me, I don't have a desire to learn Chinese or even learn their culture. I have my own, and I'm not interested in learning Chinese or that. I'm sure there are other people in the area that are the same persuasion.

MR. HERARD: Thank you very much. So the answer is no, you have not been there.

MRS. MILLER: No.

MR. HERARD: Thank you.

MR. CHAIRMAN: Are there any further questions from the committee?

Mr. Reynolds, do you have any points of clarification or anything that you'd like to point out?

MR. REYNOLDS: Thank you, Mr. Chairman. I just want to make sure. We've referred to a letter from the city of Edmonton dated March 17 and one dated March 28. We provided the March 28 one this morning, and you had received the March 17 one. Correct?

MR. LO: The March 17 one is here.

MR. REYNOLDS: The one from the city assessor objecting to the application.

MR. LO: Uh huh.

MR. REYNOLDS: Fine. I just wanted to make that clear.

I just want to go over some of the details with respect to the legal descriptions and the fact of what actually goes on at the different buildings. Now, it's my understanding that the actual multicultural centre is located on lots 38 and 39, and then I had some confusion about lot 40 because the city only assesses the west 5.8 metres of lot 40. Is that whole lot taken up with it? Why is there that discrepancy?

MR. HUNG: I don't know. Did we send all the legal descriptions to you?

MR. FONG: Can I answer that?

MR. REYNOLDS: Yes.

MR. FONG: A portion of that lot is taken by the second tower of the seniors' home, so only 5.9 or something is used by the centre.

MR. REYNOLDS: It's 5.8.

MR. HUNG: As I mentioned earlier, there are only three and a half lots that are used by the cultural centre and three and a half lots for the second tower.

MR. FONG: A portion of the second tower is on lot 40.

MR. REYNOLDS: Then the portion of the basement and the main floor that you're requesting the exemption for is part of the Elders' Mansion two, is it not?

MR. HUNG: The parcel we are applying for exemption for is lots 38 and 39 and a portion of 40. The other portion, the part we are using on the main floor and the basement of the seniors tower, actually we are paying 7.3 percent tax on, and we are paying that already. What we're applying for is 38, 39, and a portion of 40.

MR. REYNOLDS: Yes. You would want 38, 39, and a portion of 40. In the first description in the Bill there's two legal titles, and then I assume it would be more accurate to say 38, 39, and the west 5.8 metres of lot 40. Then the next description should be lots 40 and 41 to 43 except for the west 5.8 metres of lot 40.

MR. HUNG: Exactly.

MR. LO: That's more clear anyway.

MR. REYNOLDS: So if the committee decided to go ahead with this, you would have no objection if the legal descriptions were changed that way?

MR. LO: Lot 38 to a portion of 40 and a portion of 40 to 43.

MR. REYNOLDS: Yes. That would be more accurate.

Secondly, I think I indicated with respect to Mrs. Fritz's question that there is a difference in these two facilities. Just to be clear, again, one has the multicultural centre on it and the other has the Elders' Mansion, which is used for seniors' housing and of which you use part of the main floor and part of the basement. Is that correct?

MR. LO: Yeah.

MR. REYNOLDS: Okay. So there are two different buildings here. Now with respect to the multicultural centre, you're actually directly taxed on that. Is that correct?

MR. LO: Yes.

MR. REYNOLDS: The city assesses you.

MR. LO: Yes.

MR. REYNOLDS: With respect to the seniors' housing -- or I may call it the Elders' Mansion -- do you pay that amount to the city directly, or do you pay that to the AMHC pursuant to your management agreement?

9:54

MR. FONG: We pay to the city directly in the form of a grant in lieu of tax.

MR. REYNOLDS: It's pursuant to your management agreement -- correct? -- that you pay 7.3 percent. I was just wondering if in fact . . .

MR. FONG: Oh, that 7.3. Yeah; we reimburse to Alberta housing.

MR. REYNOLDS: So you're not assessed directly. Alberta housing is assessed on that property.

MR. FONG: That's right. Yeah.

MR. REYNOLDS: They tell you the assessment. You pay the 7.3 percent to Alberta Mortgage and Housing, and then they pay a grant in lieu, let's say, to the city. So there's a different aspect there.

I was also wondering: in the management agreement in the addendum that you forwarded last Friday, there was a reference in the addendum, which was executed in 1991, I believe, to the management agent being the Edmonton Chinese benevolent society.

MR. HUNG: Okay; I can tell the story. The Chinese Benevolent Association is an umbrella organization. They apply to the seniors' tower, tower one, in '76 with AMHC. They also applied the other one with AMHC to build a cultural centre. In 1985 they had a new agreement with Alberta housing, because the foundation -- put it this way, they wanted the foundation to be separate so that they can apply for tax exemption. Okay? So for this one we have a new agreement with Alberta housing that the foundation manage their own directly instead of going through the CBA.

MR. REYNOLDS: But I guess my question. The addendum to the agreement that you provided us Friday afternoon refers to the benevolent society? Obviously, that is not you. It's a different corporate entity. I was wondering: since that was '91, has that addendum been changed? I notice that the management agreement dated '92 is with the Chinatown Multicultural Centre Foundation.

MR. HUNG: It was changed to the Chinatown Multicultural Centre Foundation in 1985.

MR. REYNOLDS: Okay; that's not my understanding. In the addendum I thought they referred to the Chinese benevolent society. I was just wondering if that had been superseded by a subsequent agreement.

MR. HUNG: No. To my understanding it's the cultural centre foundation that manages the cultural centre itself. The benevolent association gives the power to them.

MR. REYNOLDS: Okay; thank you. Those are my questions.

MR. CHAIRMAN: Thank you, Mr. Reynolds.

Just for clarification, then, we're dealing with two components to the Bill asking for relief from municipal taxes, but in fact the relief from municipal taxes would only be for lots 38 to 40. The other component is already exempt from municipal taxation and in fact is grants in lieu from the provincial government, which is standard for all provincial government facilities. There are grants in lieu paid to the municipality.

Any further questions, then, from the committee? Well, seeing none, then, I thank everyone for coming this morning. The procedure that we take is that this committee will reconvene two weeks from today to consider all of the petitions we have heard thus far, and there are seven or eight of them so far. We will be making our decision based on the information you provided us, and then we will advise the Legislative Assembly of our decision. We'll also advise you of our decision. I thank you for coming. I wish you all the best of luck. I'm going to have to make a point of coming down and visiting you sometime. It sounds like a very interesting place.

MR. HUNG: The door is open. You're always welcome. Thank you for all your time.

MR. CHAIRMAN: Thank you to Mrs. Miller as well.

Committee members, if you would please remain, there is an item of business I would like to discuss. As soon as our guests have left, we can get into that.

It would be my wish that we deal with the next item in camera, so I would need a motion indicating so.

MR. HERARD: So moved.

MR. CHAIRMAN: Moved by Mr. Herard that we go in camera. All in favour of the motion? Opposed? Carried.

[The committee met in camera from 10 a.m. to 10:26 a.m.]

MR. CHAIRMAN: This committee is now back out of camera, on the record. There being no further business to deal with this morning, I would entertain a motion to adjourn.

MRS. FRITZ: I'll make that motion.

MR. CHAIRMAN: Mrs. Fritz. All in favour? Opposed? Carried. The committee is adjourned.

[The committee adjourned at 10:27 a.m.]