

*Expropriation Act*

held a pre-expropriation hearing with representatives of the municipalities concerned and has agreed to hold further meetings with those more directly affected. This recognizes a basic principle, and I hope establishes a precedent, to be incorporated in the new act.

• (5:10 p.m.)

What should the second step be? After such a hearing, if the minister decides to proceed, prompt notice should be given. It should indicate to the owner that he is entitled to and should obtain the services of an appraiser and a solicitor, and that reasonable costs will be borne by the authority. It should also state that the authority's appraisal is complete and available to the owner, in order that his advisers may consider it and meet with the authority's experts as soon as they have completed their own appraisals so that settlement may be discussed. There is no room in an expropriation case, where an owner has been deprived of his property and drawn into this contest through no fault of his own, for any sporting theory of justice where each side holds back his information. There should be full disclosure, and it should start with the authority.

In one case an authority offered \$900 for land taken and later increased the offer to \$5,000, which was accepted. This created distrust. In another case where several blocks of houses were taken for a redevelopment scheme, the authority had each house appraised by the same appraiser for a small fixed fee per home, which resulted in a low, uniform valuation for all. When an offer based upon this appraisal was refused by one owner of several homes, the authority undertook considerable further expense in an attempt to support this cursory valuation and involved the owner in costly and burdensome litigation. In that case the tribunal awarded twice the amount offered. Those who could not afford the legal struggle and accepted the offer, which was 50 per cent of the court's value, were rightly resentful. It should not be a matter of how cheaply the authority can acquire land, but rather of finding a figure that is fair and just and one which would allow the owner to re-establish himself promptly without months or years of disruption and fear.

What about possession? The authority should, at the time notice of expropriation is given, state the date at which possession will be required, so that the owner may adjust his

affairs accordingly. It might be said that this approach would create too big a work load for the department. But is it reasonable for them to have taken the land in the first place, unless they knew the cost, and are they just in making an offer that is not, to the best of their ability, honest and fair?

The term "businesslike" is made up of these attributes: efficiency, reliability, integrity, and a sense of values. Why should not governmental authority set the example?

As our act stands today, the federal authority is not required to pay any amount at the time of expropriating the land or when possession is taken. Even if the authority volunteers to pay part of the amount it says the property is worth, that advance, of course, must be applied against the mortgage, and the owner is without funds to re-establish himself. If the authority is required to pay the full amount of its evaluation at the time of expropriation, as is recommended by the McRuer report in Ontario and the provincial committee report in Quebec, the owner could re-establish himself immediately. This is especially important when the cost of relocation has increased by as much as 26 per cent in 18 months in some areas.

What should be the measure of compensation? The present law says an owner is entitled to "value to him", which is usually expressed as "value to the owner". This was developed as a test over 100 years ago to prevent an owner from claiming the amount his land was worth to the expropriating authority, which could be away out of line if it was the last parcel in an assemblage of land. This test is long out of date. Other countries provide that the owner is entitled to market value, plus extra items to compensate him for the disturbance, business loss, moving expenses, etc. With such guide lines appraisals would be more businesslike and predictable, and would thus lend to early settlement.

There is one type of case that requires special mention. Suppose the owner of a small house, who has lost it because of a redevelopment scheme, is offered \$8,000. In one sense that is all the house may be worth, but each such scheme substantially diminishes the supply of houses in that price range, and the price immediately goes up; or, if he cannot find a house of the same age, he may have to pay two or three times as much for a new home which is no larger. It should be spelled out that account must be taken of the cost to reinstate in similar shelter; otherwise he will

[Mr. Chappell.]