

10:01 a.m.

Monday, September 15, 2003

[Mr. Hutton in the chair]

**The Chair:** Good morning, everybody. I would like to call this meeting to order and thank you all for attending. Just for the purposes of those that don't know, we're going to go around the room and introduce ourselves and take it from there, starting with the clerk.

**Mrs. Sawchuk:** Karen Sawchuk, committee clerk.

[The following members introduced themselves: Mr. Bonner, Ms Carlson, Mr. Knight, Mr. Lougheed, Mr. Marz, and Mr. VanderBurg]

**Mr. Melchin:** Good morning. Greg Melchin, MLA, Calgary-North West.

[The following departmental support staff introduced themselves: Mr. Bhatia, Ms Forbes, Ms Housdorff, Mr. Pappas, Mr. Parihar, Ms Simard, and Mr. Stratton]

[The following staff of the Auditor General's office introduced themselves: Mr. Hug]

**The Chair:** Well, thank you, all.

You've all got agendas before you. Could I have a motion to approve the agenda, please? Bill Bonner. All agreed? Or do we have to do that? No? We don't have to do that. Okay. We can agree but no seconder.

The minutes of the last meeting, which would be item 3. You've all read it, I know.

**Mr. Knight:** I did.

**The Chair:** I know you did, Mel. I knew you would. Then could I have a motion to approve the minutes? Mel Knight. All in favour?

**Hon. Members:** Agreed.

**The Chair:** Thank you.

Now this is where I turn it over. We are now on point 4, First Quarter Update 2003-04 Quarterly Report. If I may turn it over to the Minister of Revenue at this time.

**Mr. Melchin:** Thank you, Mr. Chair. Despite a cool day it's great to bring warm news and excellent news, certainly, of a first-quarter report. You know, we've seen some great volatility in the markets over the last couple of years, and I would say that in some respects this has also been another quarter of some volatility. It's increased quite rapidly. Actually, we've seen that we've done very well in the markets over the first quarter, and that's continued into the second quarter for that matter. Barring any substantial declines in the next couple of weeks, the second quarter should be a solid return for the heritage fund itself. It's gained 7.1 percent in that quarter. That's quite substantial for a quarter in itself. The fair value of the fund is up to \$11.7 billion, up from \$11.1 at the year-end. So it's encouraging to see that.

You know, we are not through volatility. We will never be

through volatility in the marketplace, but it's encouraging to see that markets do turn. That's not to say that this is the start of perpetual increase, but we do know and history continues to prove out that you need to be patient with the equity markets, that if you choose to have a diversified portfolio and you choose to invest in equities, those are long-term strategies that will bear better returns than other forms of investments, and this quarter is an indication of just that. We would hate to have seen that we would abandon that approach at year-end because we'd had a difficult year last year and lose the upsides when you know that you'd been down not necessarily at the bottom – one never knows that for certain – but when you're at a very low point, that you would abandon your commitment to your long-term investment strategies.

Just a bit closer on some of the numbers in the first quarter. The long-term, fixed-income portfolio had an average rate of return of 5.3 percent, and the equity portfolio averaged a 9.8 percent return. Interestingly enough, the U.S. market increased by 6.5 percent, the Canadian market by 10.6 percent, and the non North American market by 10 percent. These are in Canadian dollars. The U.S. market was actually up 15.4 percent in U.S. dollars, but because of the appreciation in the Canadian dollar, we lose a lot of that appreciation but still had a 6.5 percent return in the U.S. market.

Our fund policy mix is on page 3. Our benchmark remains unchanged from where you saw it at year-end. It will take us some time over the next couple of years to fully invest in private equities and absolute return strategies and real estate. For the benchmarks of those, we don't yet have our asset mix in each of those categories. We will prudently assess fund managers and the right strategies before rushing to invest. So that will take us some time, and we'll be patient in making sure we've got the right investments in each of those categories.

We have seen thus far – and we'll see it through the rest of this year, I know – that there are always some questions about inflation-proofing. This quarter still sees the transfers to general revenue. We'd be taking the investment income of \$199 million, and that would be transferred to the general revenue fund. I said previously, even when we did announce the first quarter, that I do support and I know this committee supports that we would look towards seeing that the real value of the fund is maintained, so that would mean some mechanism of inflation-proofing over time. Clearly, that's what Albertans expect of this fund, and that's what we'll work towards.

It's a matter of timing. We can inflation-proof a fund such as this. We can also choose to improve the net worth or balance sheet of the province by decreasing debt, and that has been the priority. In many respects it's probably proven to have been a better strategy over the last few years by having paid off debt when markets have been declining. So we've reduced the risk component substantially rather than increasing investments in a very volatile time. We really have, I would say, improved the overall balance sheet and risk portfolio of the government by having paid off our debt.

That said, with this fund over time we'll need to see that its real value is retained. We will continue through this year to assess whether or not that's one of the priorities, and that'll be in the business planning as it evolves through the year. We'll have further discussion.

With that in mind, I'll be happy to open up any discussion and questions with regard to the first quarter.

**The Chair:** All right. I have started a list. Mel Knight.

**Mr. Knight:** Thank you, Mr. Chair. To the minister. Greg, in general terms I suppose we have to be quite pleased with the results.

I have a couple of questions just for clarification, for my own interest. When you go to page 2, under Transfers to General Revenue Fund there's an amount there – and it's indicated throughout the document – of \$199 million, that is transferred to the general revenue fund. I see that there's \$110 million that has been transferred. That would leave, of course, \$89 million payable to the general revenue fund. My question is: when is that due? Is that at the end of the budget cycle? Where does the \$89 million go?

**Mr. Melchin:** I'll have Jai maybe respond more specifically with regard to that. It's a timing question. It does actually get transferred.

Jai.

**Mr. Parihar:** Yes, Minister. Mr. Chairman, what we do is that at the beginning of the year we make an income forecast for the year. We divide that into four, so every quarter we transfer. We transferred \$110 million, and now that we know that the income is going to be \$199 million, we'll adjust the forecast along the way and increase the transfer to the general revenue fund accordingly.

**Mr. Knight:** Secondly, on page 3 there's an indication that there were public equities written down, \$1.7 million. Is there a place where we can find out what those equities are?

10:10

**Mr. Melchin:** Jai, I'll have you respond to that one as well.

**Mr. Parihar:** Yes. No, Mr. Chairman, we don't have the detail in the report. It's only \$1.7 million, so it's not a big amount. We have taken some prudent write-downs and basically have reduced the book value to market value for some of the securities like Stelco and Air Canada, and there are a few others. I can go over the names here: Coretec, Century II Holdings. These are very small holdings. As you can see, the total write-down is \$1.7 million, and basically we have written down the value of these securities to their market value.

**Mr. Knight:** One more question, then, Mr. Chairman, if I could. On page 7, Administrative Expenses, there's an indication there that the expense related to administration is probably in the neighbourhood, I'm guessing, of 20 percent higher in this quarter than it was in the quarter ended June 30, 2002. There's a short explanation of why. I'm wondering if you could fill that in a little bit for me, please.

**Mr. Melchin:** I'll have Jai supplement my comments on this, but effectively by us having changed on page 3 when you get into your asset classes, when we had a portfolio, especially in the transition periods – in the heritage fund it used to be all a transition portfolio, primarily fixed income. Over a few years we eventually transferred into an endowment portfolio, which was a blend of fixed income and equities. The more we've transitioned from fixed income, which we internally manage – and fixed income is a very low cost structure to manage – the more you transfer to equities, it increases the cost, one, because it's more complex in having to manage.

Secondly, when you get into aspects such as private equities and absolute return strategies, outside fund managers are also much higher in cost structure. Now, the reason you would take a higher cost structure is because you do still expect to achieve greater than, say, the benchmarks of the Canadian stock exchange, of the TSX, or the U.S. You're trying to get superior performances, and for that you're going to require more intensive labour and manpower and research and the like to identify where you feel are the best

strategies.

So it is our strategy and has been the strategy for some time that in some respects, even within equities, we're getting more sophisticated in the products that we are investing in. They come with a higher degree of expertise, and some of those are outside fund managers that have higher cost structures. That said, the expectation is to do two things: still get a higher rate of return and a lower level of risk for the blended portfolio.

**The Chair:** Thank you.

Rob.

**Mr. Lougheed:** Thanks. Minister, we noted with interest – what was it? – I guess a mere four months ago or so when you were in the news quite a bit, when the fund was in the news, that there was a huge draw, and you defended the position very well, I thought, and explained it as best you could. Certainly, you're out in the community, and people say: you know, how come you invested that money and it's gone now, that you lost \$700 million or whatever it was? Two or three weeks ago the fund was up a whole bunch, and unfortunately we never saw much news coverage at all. There was a little article in the paper. Have you thought about any other strategies to get the good news out there? It's really unfortunate that the bad news really received all that attention and we haven't had much of the good-news coverage. Any comments on that?

**Mr. Melchin:** That's forever a challenge on every topic that we have, that good news doesn't make the front page. It was reported, and there was news on it, but it didn't have the length and the quantity and the profile of reporting. I'm certainly open to suggestions from this committee on how we get the good news out as well. It is a challenge in that respect. This past weekend I was listening to some of the shows again on 9-11, to how horrific that was. I remember watching some of those. We devote all the time and the attention of the press to a lot of the disasters and not so much to the safe landing of the airplanes. That's somewhat true of the heritage fund too. As long as it continues to perform well, people will expect that we will manage it as such.

So we still have to look at: how do we promote and inform Albertans with regard to the heritage savings trust fund? That's part of this committee's role too, and we'd love to hear suggestions as to how you get good news reported in the same quantity as bad news.

**The Chair:** Thank you.

Debby.

**Ms. Carlson:** Well, we'd be the wrong people to answer that question, Mr. Minister. We can't even get bad news reported.

My question is with regard to the U.S. equity investments. If we see a softening of the U.S. market, how will that impact where we're invested, and is that a consideration that you're taking a look at now?

**Mr. Melchin:** Well, you'll see, you know, that we have a benchmark of 15 percent, and our actual was 15.9 percent of our public equities in the U.S. markets. Clearly, if there's a softening in those marketplaces, we're going to be impacted as such.

That said, we met with a number of fund managers in New York in July, and there is still an expectation that earnings and the economic activity are going to start improving in the United States. That's not to say that the markets still don't have some problems in them, maybe some stock-specific and maybe even some general trends, but there was a much more optimistic outlook from those

there in the United States that they would see in the latter parts of this year a return to growth, not necessarily to historically high levels but to better growth projections, and that that should improve into the following year. No one knows how to guarantee that those projections are correct, but I would say to you that there's a more optimistic outlook from the New York fund managers' perspective, that it's looking up, not down.

**Ms Carlson:** Okay. Thank you.

**Mr. Marz:** A couple of questions. I see that all of our real estate investments are centred in Ontario, Alberta, and a little bit in British Columbia. Have there been any investigations to diversify that more into American or European real estate markets, that maybe have potential to be a little hotter?

**Mr. Melchin:** I'd maybe have Jai respond to that.

**Mr. Parihar:** Yeah. I can respond to that. Mr. Chairman, we have looked at the U.S. market, and we found that the real estate market in the U.S. is not very good right now. As you know, there was quite a bit of building in the U.S. market in real estate during the 1990s, and now there is the glut of real estate there, so the prices have not quite reflected that glut yet. But we are continuously looking at that market.

The other issue there is that to invest in the U.S. market directly in the property, there are some tax issues which would reduce our return if we did invest in the U.S. market. So we are looking at the REIT market there, and when the values are right, we will be investing in the U.S. market.

**Mr. Marz:** On page 7 administrative expenses for the fund seem to be up substantially. Do you have an explanation for that?

**Mr. Melchin:** Yes. Actually, I somewhat responded. I'll have maybe Jai supplement some specifics, because last time I didn't.

In general terms, our more sophisticated strategies of going to things like absolute return strategies, private equities, and the use of external fund managers will bring us a higher cost basis.

I didn't point out one thing. We still are, even with that, at a very comparable and cost-competitive structure as compared to others, when you compare us to, say, Ontario teachers or OMERS and even B.C., other large institutional investment management organizations. We still are and have been on the lower side of the cost as far as a percentage of the net asset of fair value as to our competitors.

I'll have Jai supplement on that.

**10:20**

**Mr. Parihar:** Yeah. Mr. Chairman, the table here provides for the period ended June 30, 2002, and compares that to June 30, 2003. In 2002 we did not have investment in absolute return strategies. We started investing money in that particular product towards the end of last year. So this June's number includes the cost of investing in absolute return strategies, which is about \$1.5 million. That's the main reason, and of course there is some upgrade in the technology, so the cost of technology is reflected in the current-quarter numbers.

**The Chair:** Thank you.

**Mr. VanderBurg:** My question is to management, Jai. The investment strategies have changed over the past 12 months, from investment houses a lot into the gold market, and then if you follow tradition, you know, probably 18 to 24 months behind the gold market the silver market starts to rise. Have the fund managers given

any thought to how they're going to take advantage of the swings that are happening right now in gold and silver or anything specific as far as taking advantage of that rise?

**Mr. Parihar:** Mr. Chairman, the current fund policy is to not invest money directly in commodities. We do investment through companies who are in that business, so we invest money in the energy company to obviously get the exposure to oil and gas. We do invest money in the gold companies to get exposure to gold. So on the TSE/TSX index in Toronto a number of gold companies are listed, and we have investment in those companies.

**Mr. Melchin:** We did actually take a look at that. At least, I did. Our department prepares an analysis over time of gold and silver in particular as to returns versus other markets, say the equities. Gold has been a higher risk and a lower return as far as a commodity, if you want. So those are questions. You certainly are going to have time periods, fluctuations, when you would outperform. For a long-term strategy I guess it still has been the commitment at this stage of organization and structure that we're still trying to push as far as a priority going to some of the absolute return strategies and the private equities and real estate as far as diversifying our portfolios into those aspects rather than going specifically into the commodities at this time.

**Mr. VanderBurg:** Thank you.

**The Chair:** Thank you very much, Minister.  
Bill.

**Mr. Bonner:** Thank you, Drew. You had mentioned that we had compared the heritage savings trust fund to teachers' pension funds and how they've been invested. Has there ever been a comparison between the performance of the Alberta heritage savings trust fund and the Canada pension plan, CPP, on their investments?

**Mr. Melchin:** I'll maybe have Jai supplement on this one as well. We've actually met with CPP, the board, the chair, about two years ago. With the CPP, their new board that's been structured, because so many of the federal government's investments have been in fixed income and really in total they have such an underweighting of equities, the new funds that are coming into them are being primarily put into equities. So our portfolio mixes in comparison aren't really comparing apples to apples, because the mandate of that new board was to invest primarily in equities, given that the government had much of their funds in fixed income.

That said, as far as comparisons maybe I'll have Jai respond.

**Mr. Parihar:** Mr. Chairman, I do not have the comparisons in front of me, but I do know that the CPP, like the minister pointed out, until recently had the fixed income. The bonds which were issued to the Canadian provinces are managed by the Department of Finance, and the CPP board invests money in equities and real estate. Periodically they have tried to report the two or three asset classes together. Other times they are reported separately. I know that we have done fairly well relative to their performance, but I do not have the numbers in front of me right now.

**The Chair:** Thank you, Jai.

**Mr. Bonner:** One more question. CPP, in looking at their needs down the road, are continuing to let their fund grow not only by contributions but also with investment income. Have we got any

plan in place where we are saying: what are we going to require from the Alberta heritage savings trust fund down the road? In using the example that I can recall, I believe that it's in the year 2021 when the Canada pension plan is going to have to start taking some of their investment income out because at that point the contributions will not be enough to meet the demand of what they pay out. Have we got any sort of projections of this type with the heritage savings trust fund?

**Mr. Melchin:** Bill, you raise some good questions about the heritage fund in that one of the real challenges of it – and I would say that it's an investment and use of funds challenge with respect to the mandate of the heritage fund and part of why we even started with just a general survey last year of what Albertans would prefer the mandate of that fund to be – is that there isn't a quantifiable liability side. What you usually have on a pension fund is an asset, the amount that you're investing, but you also have a liability, that you can determine the amount of payout on the pension. So you've got to match – when they go through actuarial evaluations, whether they have a deficit or a surplus, they can measure their asset and their liability and see if they're in balance, and they can project over time, given contributions and investment returns, whether or not there will be enough asset to pay off the liabilities.

The heritage fund doesn't have an offsetting liability. There is no specific liability which it has to be cashed in to meet, and as such, really, for it to operate as an endowment, which it has primarily done other than allowing a retaining of the real value for inflation, it's operated as an endowment like, say, the medical fund is right now. The medical fund is an endowment of which they retain a certain amount of the money to retain the real value of the fund, but then they spend the rest for medical research. It's specifically identified as an endowment for medical research.

The heritage fund has more of that type of obligation: it's an endowment of sorts for Albertans of which we use the income to benefit Albertans today and we preserve the capital for future generations. So we've kept some of the capital from oil and gas so that future generations can enjoy the income stream of that endowment into the future. But, as such, there's no direct liability to cash that in other than that some suggest a rainy day, whatever that means.

**The Chair:** Well, thank you very much. That concludes the first-quarter update. I want to thank the minister and Jai. I'm speaking as chairman; I don't know about the rest of the members. I appreciate the way that you've responded to the questions so that laymen can understand the answers. Sometimes I sit in the meetings and it goes right over my head, and I appreciate both of you for at least putting it in terminology that we can grasp.

At this point I'd ask for a motion that  
the Standing Committee on the Alberta Heritage Savings Trust  
Fund receive the first-quarter update as distributed.

**Mr. Marz:** I'll move that.

**The Chair:** Richard. All in favour? Thank you.

Now, traditionally we would let the minister and his staff go, but we're moving on to point 5, business arising from the previous meeting, and if the minister wouldn't mind just staying for a few minutes. Our hon. Member for Grande Prairie-Smoky has been so kind as to host the annual public meeting this year on November 5, and I'd just like to get the details. Mel, would you like to just fill us in a little bit.

10:30

**Mr. Knight:** Certainly. Thank you, Mr. Chairman. Of course, there is in section 5(b) an outline for a communications plan. Certainly, just as an update we have a site selected to have the meeting. We're now just finalizing some of the details with respect to touring. What we would like to do – and it might be a bit of a deviation from some of the previous meetings – is to try to have the committee in Grande Prairie about 9 o'clock in the morning on an hour flight probably out of Edmonton. We've got some what we think are important places for the committee to have a look at. We'll have the meeting in the auditorium at Grande Prairie Regional College. It's an excellent site, and they have agreed to host us there. I think that we're about seven weeks out, something like that, and the plans are well under way. Thank you very much to Karen and your staff. It'll work well.

**The Chair:** Thank you very much, Mel, and I do encourage everyone to take up Mel's offer. I know that for the previous annual public meeting we were in the Olds-Didsbury area, and it was a good tour, and we went out to Whitecourt a couple of years ago. So if you can make your schedules available for the tour portion as well as the actual annual public meeting, I think it would be of great value.

Now, as far as the communications plan at the annual public meeting, does the minister want to stick around?

**Mr. Melchin:** I'll wait and hear, especially since you're dealing with the annual meeting. I'll hear the communications plan too, at least some of that.

**The Chair:** I'll turn it back to Mel too. He's not done yet.

**Mr. Knight:** Mr. Chairman, if I might ask a question of the minister. We've already had a certain amount of interest, of course, when we've been just going around the city to finalize a venue and so on. One of the questions that came up – and I'm not sure that it's part of what we would do, certainly not part of what we would normally do – is that people are interested in fielding some questions with respect to other endowments. Is that possible or not possible in the question and answer scenario at the annual general meeting with respect to the heritage trust fund?

**Mr. Melchin:** You know, we could always, if we knew a little bit about what you meant, further expand on other endowments. That's a pretty broad category. We could probably come prepared with some information if that were the case.

**Mr. Knight:** There's certainly interest in the tuition thing and the medical endowment and those other issues that are similar to but not attached to the heritage trust fund as such.

**Mr. Melchin:** With respect, you mean the other endowment funds of the province?

**Mr. Knight:** Yes.

**Mr. Melchin:** Okay. Sure. We could come with some information. There are three other endowment funds: the medical fund, the science and engineering fund, and the scholarship fund.

**Mr. Knight:** Yes. Thank you.

**The Chair:** I'm aware of 37 and a half billion dollars of other funds. I mean, I think it is an opportunity for the minister and the Revenue department to profile some of those things during the day. In the

actual meeting portion we'll be dealing with the heritage trust fund, but if there's an opportunity prior or after, most certainly we would love to hear from the Revenue department.

**Mr. VanderBurg:** I'm just interested whether we'd be traveling the morning of the 5th or the night before and if we'd have an opportunity to see that cogen investment that the province has made some commitments to buying some power from. I'd be interested in that.

**The Chair:** Go ahead, Mel.

**Mr. Knight:** Certainly. Thank you, George. Yes, that was part of the thing. There isn't going to be an awful lot on the ground there, although there is a groundbreaking ceremony. Actually, I think it might be this Friday, so there is an opportunity to see that. We did initially think that we'd like to go out to the warehouse or cogen operation that's actually running now at the mill there.

**Mr. VanderBurg:** Okay.

**Mr. Knight:** But there are time constraints there, and we didn't want to, you know, end up chasing the committee all over the countryside sort of thing. So we'll probably stay reasonably close to the city. But the short answer is yes. We'll look at that site at Canfor.

**The Chair:** From a transportation and timing perspective we were going to be approaching the minister with regard to having a government aircraft that morning in the hope that he would accommodate the committee in flying up there and back.

**Mr. Melchin:** We'd be more than happy to do that.

**The Chair:** Thank you, Minister.

I'm going to move to section (b) on point 5 and turn this over to Cathy and Tammy.

**Ms Housdorff:** Thank you, Mr. Chairman. Actually, Tammy will speak to the communications plan.

**The Chair:** Thank you.

**Ms Forbes:** Morning, everyone. I believe that everyone did receive a copy of the communications plan before today. I won't go through it in too much detail other than to highlight some of the newer things that I thought we could bring in this year. We have a unique opportunity in Grande Prairie in that we have two MLAs in the area, and I know that Mel is taking the lead as the member on the committee.

**The Chair:** Gord Graydon is definitely an MLA in Grande Prairie.

**Ms Forbes:** Sorry. I'll sit on my hands.

**Mr. Melchin:** What about Hector?

**The Chair:** We'll make sure Hector is involved too. Absolutely.

**Ms Forbes:** One of the groups that I thought we could tap is Grande Prairie Regional College. They have a business/commerce faculty, and with the investment strategy I thought that would be a good group to tap into.

**The Chair:** That would be great.

**Ms Forbes:** So with it being held at the college, we can certainly promote it.

**Mr. Knight:** And they are very anxious to help.

**Ms Forbes:** Good. Great. Okay. I haven't talked directly to your constituency office yet, but through Karen I will, and we'll make all those arrangements through her.

Some of the highlights, again, would just be the MLA, of course, providing the letter of invitation to everyone, and I can help with the letter and then the distribution. We'll provide you with an MLA column that you can put in the local papers. It's a very good area in that Grande Prairie has a daily newspaper and there are a number of weekly newspapers that touch the surrounding communities, and we know how much people pay attention to what is in those. So we will promote the meeting.

You have radio and television up there. We'll try and get some interviews with both the chair and the local MLAs and perhaps even the minister, if his time allows, to promote that during the upcoming weeks. We can do some public service announcements on the radio. They're free of charge if we provide them to the radio stations ahead of time.

The Grande Prairie *Herald-Tribune* also has a web site that's actually quite good, and there is an e-events section on there. You click on the date, and it tells what community events are up, and I'd like to pursue that as an opportunity for some other advertising along with the print.

Again, we'll provide media relations as needed with the news release and the media advisory through the Clerk's office. Posters. If we're doing it at the college, then there's certainly an opportunity to promote that around the campus and such.

We're developing a new brochure this year. If you've noticed from the first quarter, there has been a redesign bringing back the traditional colours that people are familiar with for the heritage fund. The brochure will be in those colours, and it will be ready just prior to the event. All constituency offices will receive it, and we'll have it for distribution at the meeting, and again we will promote the meeting on our web site and on the heritage fund web site and on your web site, Karen.

So if there are any suggestions or questions about any of those products, by all means let me know.

**Mr. Knight:** As well, there is a community TV channel in Grande Prairie, and I think that for the huge sum of about \$140 they give you something like 60 spots.

**Ms Forbes:** Oh. Okay.

**Mr. Knight:** They're very, very good.

**Ms Forbes:** Good. I'll contact your constituency office to get those details then.

**The Chair:** Well, I thank you very much, and I look forward to this. What I see here is excellent, and I'm glad you raised the colours. Back in '76 I was there for the signing, and when I opened this on the weekend, I thought I had a flashback. I like the look, and I'm looking forward to the annual meeting.

At this time we'll ask for a motion that we accept the communications plan. Can I have a motion?

10:40

**Mr. VanderBurg:** So moved.

**The Chair:** George. Thank you.

Now, before the minister leaves, could we just talk about the web site for a few minutes, whether it's Cathy or Tammy?

**Ms Housdorff:** I can speak to it, Mr. Chairman, just as an update that we told the committee we would do. You see that since our last meeting the numbers on the web site have gone up a little bit. There are higher numbers in August, which coincide with the release of the first-quarter results. So as part of the communications for the heritage fund and for the standing committee, we continue to promote the web site, and we're seeing that it is continually being used.

**The Chair:** Great. Thank you.

We're now moving on to our point 6, and I'd like to thank the minister and his staff for taking the time this morning and look forward to seeing you at the next meeting.

**Mr. Melchin:** Good. Thank you.

**Mr. Knight:** Mr. Chairman, I was flagging you there.

**The Chair:** Oh. Well, I'm daydreaming. Okay. On the hits?

**Mr. Knight:** On the web site, yeah. The number of hits on the web site. Very interesting. When you look at those numbers, obviously at the last annual meeting or around that time the numbers went up dramatically, but the interesting part to me is how quickly they fell off afterwards.

**Ms Housdorff:** That was the timing of the survey that we did last year. The Looking Forward survey was October 28 to November 22, and there was a lot of traffic on the web site then.

**Mr. Knight:** Okay. Right. I'd forgotten. Thank you.

**The Chair:** Thanks, Mel. Sorry.

Okay, team. We're going to call this meeting back to order. We just want to go over the draft of the 2002-2003 report of the Standing Committee on the Alberta Heritage Savings Trust Fund. I'm just asking the members if they've had an opportunity to review and if there are any questions, concerns with regard to the report.

**Ms Carlson:** If we have the government plane to go up in the morning, I think that's just excellent. Does that mean that we come back the same night after the meeting?

**The Chair:** Yes.

**Ms Carlson:** Perfect.

**The Chair:** Yes. The minister is fine with that.

Could I have a motion for the committee to approve the 2002-2003 report of the Standing Committee on the Alberta Heritage Savings Trust Fund as presented.

Debby. All in favour? Thank you very much.

At this time I ask if anybody has got any other business that they'd like to bring forward. Seeing none, I will be calling a meeting after the annual general meeting in November. The next meeting we'll have will be on November 5.

I will now ask for a motion to close the meeting.

**Mr. Marz:** So moved.

**The Chair:** Richard, thank you.

[The committee adjourned at 10:43 a.m.]