

Standing Committee on The Alberta Heritage Savings Trust Fund Act

Wednesday, September 10, 1980

Chairman: Mr. Payne

10:10 a.m.

MR CHAIRMAN: I'd like to bring to order this meeting of the select committee on The Alberta Savings Trust Fund Act. I'd like to excuse a number of our committee members who are on other assignments, some out of the city and some out of the province. I am advised that we do have a quorum, and on receipt of that confirmation, would like to proceed.

I would like to welcome Mr. Horsman and his deputy today. To assist with our scheduling, perhaps I could just indicate what I would like to accomplish today. First, we will meet with Mr. Horsman, perhaps for an hour, from 10 to 11. If I'm correct in that assessment, we'll devote the balance of the morning to the Medicine Hat solar research proposal, and if there's time, a motion that's been delivered to me by Mr. Clark. If we're able to conclude those matters prior to midday, we'll then break. We have Mr. King joining us in the chambers at 12:30. It's an awkward time for him and for us, but it seemed the only practical solution to our scheduling difficulties today. Mr. Dallas Schmidt will join us at 3:30 in the chambers.

MR R CLARK: Mr. Chairman, is it possible to take an hour break at noon, from 11:30 to 12:30? I know that I have one matter I wanted to have discussed further this morning.

MR CHAIRMAN: That would be my intention. With that, Mr. Horsman, on behalf of the committee, as gaunt as it might be looking today, I'd like to welcome you and your deputy today. I should advise the committee that, in advance of this meeting, Mr. Horsman did give me some statistical information, dated September 9. If that's not been circulated, I believe it will no be circulated by Karen Walker.

Mr. Horsman, would you care to make some preliminary comments?

MR HORSMAN: Thank you. Mr. Chairman and members of the committee, first of all, I'm sure you are all acquainted with my deputy, Dr. Henry Kolesar, who is here with me this morning to answer perhaps any technical questions, but I rather expect I will be able to answer most of the matters that may be brought up this morning. I do want to indicate first of all that my involvement with the fund has been that associated with the library grants of \$3 million per year for three years, for a total of \$9 million. 1979-80 was the first year of that three-year program. The allocation process has been to distribute 62 per cent in each of the years of operation to the universities, and 38 per cent to the public colleges. The document you have indicates the grant allocations to the institutions. I won't go over those -- they're all spelled out there -- except to point out that they were based on close consultation with the Universities Co-ordinating Council and the council of college presidents and the governing boards, in order to make sure that they were satisfied that appropriate allocations were made. It's important to point out that we have required reporting as to the nature of the materials purchased. They are to be used solely for the purpose of learning materials such as books, periodicals, journals, microfiche, microfilm, and audiovisual materials, but not for salaries, nor for the acquisition of furnishings or

equipment. Of course, there is evaluation and accountability, and in each case the expenditures of the individual institutions are audited by the Auditor General. I should point out that we put the Banff Centre in with the universities sector, because that is a board-governed institution. The public colleges, of course, are by themselves.

You will note from the material that with regard to the 1979-80 fiscal year, some of the institutions had either expended or committed funds in excess of the grant, which they will of course have to take from the succeeding year's grant. In no case did the government spend more than the amount which was authorized by the Heritage Savings Trust Fund capital projects allocation. I'd be pleased to answer any questions the members might have.

MR CHAIRMAN: Thank you, Mr. Horsman.

MR KNAAK: Mr. Minister, can you advise what proportion, say, of the University of Alberta library budget would be constituted by the sum of \$920,000? In other words, would that be all of their budget, half of their library budget, or what?

MR HORSMAN: In answer to your first question, it is certainly not all of the university's library budget. That allocation, I must say, is made by the board of governors to the institution's library. I can't give you the figures on how much this would represent, but I have been assured by the institutions that they are adding these grants over and above their regular grants. In other words, they're not just taking these grants and replacing the normal grants they would make to the library process in their institutions.

MR KNAAK: I was just working on some numbers here. Universities don't buy their books for the same cost that others do. If we assume that a book costs \$10, they seem to be able to buy 92,000 books per year. It seems like a very substantial contribution. That's why the initial question of how it relates to their total budget was asked.

MR HORSMAN: If I could just respond. I don't think you can just regard it as being the purchase of books, because indeed, there has been a great deal of emphasis on acquisition of audiovisual material; such things as microfilms, microfiche, and so on, that they had not been purchasing in the past. So these are additional funds, over and above their regular allocations. I've been assured, in my meetings with the library officials, that they are using these funds for extraordinary purchases.

MRS FYFE: Mr. Horsman, I wonder if you could answer the question related to the universities that have not expended their full funds; for example, Athabasca University. Perhaps this could be related to their move. If they have not expended the funds, I assume that there is no intention to reallocate funds to another institution, that these are set up for a three-year period. Is that correct?

MR HORSMAN: That is correct. I think it's fair to say that in the case of Athabasca University, the funding that did take place in 1979-80, '80-81, was not based upon a decision to provide them with a permanent home at Athabasca. They're in the process of developing a library, and it may be, therefore, one of the reasons that they have not been able to expend the total funds that had been provided.

MRS FYFE: So in effect these funds could accumulate for a three-year period, and they could make all or a majority of their purchases in the third year of the program?

MR HORSMAN: That's correct. We make the grant to the institution. Those grants have gone out, and they are accountable for what has taken place.

MRS FYFE: And a third of the grant is paid each year, and they are also allowed to accumulate interest and utilize that?

MR HORSMAN: That's correct.

MR R CLARK: Mr. Horsman, recently I visited the University of Calgary and the University of Alberta. I just went in off the street and said, I've come to see these books that are being purchased with Heritage Savings Trust Fund money. At one institution they didn't know anything about it. I didn't tell them I was the Leader of the Opposition or an MLA; I thought it would be good to go in and just see how the ordinary person would be treated. At the other university, they knew some books had been purchased, but they're just part of the library. This leads to the point I was so heartened for a moment that Mr. Knaak was raising -- I thought we had a brief instant of agreement here -- that in fact these books at the University of Alberta very much seemed to be just a part of the library. This leads to the question then, what . . . I wouldn't want to use the term "ballpark figures", because that got us in trouble last week, but some rough percentages. You know, is the \$3 million, the amount appropriated last year . . . What percentage of the allocation for libraries in postsecondary education would that be? 10 per cent? 40 per cent? I ask the question, Mr. Minister, because we get into this question -- and I don't expect the committee to agree with me, but I think the point has to be made again. This money from the heritage fund becomes rather a B-budget approach.

MR HORSMAN: I appreciate your concern. I want to indicate that I'm rather surprised that you received the reception you did, particularly at the University of Calgary.

MR R CLARK: In all honesty, I should say that I later contacted some of the officials at the University of Calgary, and they assured me the money had been properly spent, and so on. I'm not questioning that.

MR HORSMAN: My visit to the University of Calgary library had a display of the type of resources that have been purchased.

MR R CLARK: Perhaps they knew you were coming.

MR HORSMAN: Yes, they did. Indeed, in those cases, they had made it clear to me that they were identifying the material that they had purchased, with a plaque, a stamp, or sort of a scroll on the inside cover of books, to indicate that the materials had been acquired through the Alberta Heritage Savings Trust Fund. Certainly, I think that's important. At the same time, I think it's quite important that we have not required, nor do I think it would be desirable that we should isolate a collection. It should be part of the regular library operation. We certainly want them identified, but I think we should not isolate them off in a room by themselves that can only be utilized . . . Therefore I think it's quite important that they be integrated.

MR R CLARK: I'm not suggesting they should be isolated. I simply use that to make the point that unless you open the cover and happen to see the page where it has stamped in there -- if my memory is accurate -- "purchased from the Alberta Heritage Savings Trust Fund, province of Alberta". It looks just like the normal university library that's been going on for years and years.

Perhaps I didn't state the second part of my question very clearly. Can you give us some kind of figure as to the amount of money spent on libraries in the university and college system last year? Then we can make a judgment if it's 10 per cent or 30 per cent, and see what's happening there.

MR HORSMAN: I can't give you that figure off the top of my head. I'd certainly undertake to provide it to the committee, because it is all available, via the audited statements that come forward from each of the institutions. This morning I don't have the information, but I will supply it to members of the committee.

MR KNAAK: Mr. Chairman, this is on a slightly different matter. It relates to the recommendations the Heritage Savings Trust Fund committee made last fall. I'm wondering, Mr. Minister, whether you've made any progress on the recommendation regarding the heritage scholarship provisions. I know a group of us had different ideas, but we packaged it into one recommendation. I wonder if the minister has made any progress on that recommendation and whether he could advise on where the matter now stands.

MR HORSMAN: Yes. Mr. Chairman and members of the committee, I have been reviewing that matter very carefully -- the recommendations of this committee. I should point out that prior to the recommendation coming forward last fall, I had asked the university presidents to give me some advice as to whether a major capital project of this nature would be useful and desirable, and I've received a very extensive recommendation from the university presidents. In addition, my department had received recommendations from people concerned with athletics, at the University of Alberta in particular, with respect to the possibility of implementing athletic scholarships in the province. In addition to that -- I'm just going through the list of things we have been considering. Of course there was the debate on the motion Mr. Sindlinger brought forward during the spring sitting. That debate is under consideration as well, in the process of developing some proposals.

I must say that with regard to the scholarship proposal, it was just recently that the Canadian Intercollegiate Athletic Union passed a motion, by a one-vote margin, recommending that athletic scholarships in Canada be implemented. So that recent development is something that has to be taken into consideration as well, in preparing any major proposal of this nature. So it's under active review at the present time, along with these other recommendations.

MR SINDLINGER: Mr. Horsman, could you give us an indication please whether your review is at the exploratory stage, the preliminary stage, or the development stage?

MR HORSMAN: I can't be more specific than I have already been, that it is under active review.

MR R CLARK: Can't be or won't be?

MR SINDLINGER: Mr. Horsman, when your department reviews these things, how many people do you put on these matters? What kind of consideration do you give it?

MR HORSMAN: First of all, when a matter of this nature, these recommendations come forward, I refer the matter to my deputy minister, and however many secretaries work on the typing and in preparing the proposal -- I couldn't answer those specific details. I think you have to realize that it is part of the regular budgetary process. Before things come forward from my department to the Treasury Board for recommendation to cabinet, they're thoroughly reviewed in the department, with me, and then I would have to take it forward to priorities and finance in order to obtain any necessary approval for expenditure. At this stage, I'm not in a position to indicate where the proposal is in that process.

MR SINDLINGER: Mr. Horsman, it's been over a year since that recommendation was passed on from this committee. Has your department developed any working or discussion papers? Has any analytical work been done?

MR HORSMAN: There's been a great deal of discussion on the subject, both on paper and verbally.

MR SINDLINGER: Discussion papers and working papers have been prepared?

MR HORSMAN: For my review.

MR SINDLINGER: Could you give us an indication of how many people do work on these things, and what amount of time they spend on them?

MR HORSMAN: That's kind of a difficult question to answer; it's almost like asking, how high is up? I couldn't possibly answer that question.

MR SINDLINGER: Mr. Horsman, can you give us an indication of what priority your department places on recommendations received from this committee?

MR HORSMAN: A very high priority. I think it's a very, very important part of the process of determining the advisability of government policy. As I indicated, we're also very interested in the proposals made by the university presidents and the athletic scholarships . . . Those are basically three of the major considerations we are undertaking at the present time.

MR SINDLINGER: Then, Mr. Horsman, given the high priority your department gives it, can you give us some indication what your deadline will be for completion of review?

MR HORSMAN: I think it's fair to say that, as all members of this committee are aware, if any proposal is to be adopted by the government or cabinet, particularly with regard to financial recommendations, it would be part of the allocation under the capital projects division, if successful. And that will come about during the fall sitting. I'm afraid, like most budgetary matters, we'll all have to restrain our curiosity until that time.

MR SINDLINGER: I have difficulty restraining my curiosity, but I'll certainly attempt to do so. Could you give me an indication then, please, or would you please review for us the decision-making process? How does your department identify first of all between projects suggested for the heritage fund, and how does it analyse it . . .

MR KNAAK: On a point of order, Mr. Chairman.

MR SINDLINGER: . . . and what is the decision-making process for that?

MR CHAIRMAN: Excuse me. Mr. Knaak, your point of order may be anticipating the Chairman's comments.

MR KNAAK: With my colleague here, I don't always want to rise on a point of order when the opposition speaks, so I thought that since I may have to exercise that opportunity at some later time, I should exercise it now with one of my colleagues. I think we're getting into something outside the parameters of the Heritage Savings Trust Fund committee's review. I would submit, Mr. Chairman, that the actual procedures by which a minister, a department, or the government reaches a decision, are not something the Heritage Savings Trust Fund committee has authority to review.

MR CHAIRMAN: Mr. Sindlinger, would you care to respond to that point of order?

MR SINDLINGER: Yes. I appreciate the comments my hon. colleague has made, and I think they're well taken, in part. Nevertheless, I think the decision-making process is very important relative to the recommendations we make. I think we should understand the procedure used and the decision-making process that is followed in regard to the recommendations we make. Otherwise I would have to question why we even attempt to make recommendations.

MR CHAIRMAN: Mr. Clark, speaking to the point of order.

MR R CLARK: Mr. Chairman, I would endorse the point made by the Member for Calgary Buffalo. I recall the recommendations last year. If this wasn't the first recommendation the committee made, it was certainly among the first. This committee set up a subcommittee of several members to pull together a number of members' suggestions as far as scholarships were concerned. I think Mr. Stewart, Mr. Knaak, a number of us were on the committee. The minister this morning has said, give high priority to the recommendations of the committee. I think at some time the committee has to stop and take stock of itself as to the kind of impact it has or doesn't have. I suspect that this question of the scholarships may very well be a place to do that. I think, frankly, that we shouldn't have this kind of discussion on every recommendation the committee makes, but on a recommendation that I think was certainly one of the major recommendations last year, I see the discussion as appropriate.

MR KNAAK: I certainly agree that the question on what progress is being made and when we can expect an answer is appropriate. But surely the full Legislature is entitled to review the question, and the full Legislature is entitled to the notice of this matter when it's introduced into the House under the capital expenditure review of the Heritage Savings Trust Fund. Like all budgetary matters, surely this has to be introduced into the Legislature as a whole, and then presented as a capital budget item at that time. I think it's unreasonable now to expect the minister to make a presentation that will be presented to the whole Legislature in the fall.

MR R CLARK: Mr. Chairman, could I comment on the comment that was made by the Member for Edmonton Whitemud? Basically, one factor the committee has to recognize is that by the time of year the Treasurer brings to the Legislature the recommendations for expenditure, the decisions have been made. It's either a matter of whether the Assembly at that time approves those recommendations or reduces them. The member knows very well that you can't bring in a new appropriation at that time. At least, it doesn't happen. It seems to me that what we're doing this morning focusses to the minister's

attention the seriousness the committee placed on the recommendation that was made last year.

MR CHAIRMAN: If the Chair might intercede for a moment. We're really starting to discuss two and possibly three different points. Mr. Sindlinger's primary point that elicited the point of order was that there is a relationship between departmental procedures and this committee's statutory responsibilities to review the annual report of the fund. Mr. Knaak has taken exception to that connection. I would welcome additional comments on that point from Mr. Stewart, Mr. Oman, or Mrs. Fyfe.

MR STEWART: Mr. Chairman, as far as I'm concerned, this whole process of dealing with recommendations . . . We should certainly have the opportunity to discuss with the minister his position on those recommendations we have made in the previous year's review, but in my opinion, until the minister is prepared to give us a progress report and concede that they are going to act on our recommendations or have rejected our recommendations, I don't think the minister should be required to give in detail how he's arriving at that conclusion. Certainly, I would doubt that in the future every recommendation of this committee would be acted upon.

But the one thing I would like to bring back -- and I'm not trying to change the subject, but to emphasize a recommendation that we agreed to in one of our earlier meetings, that any information the ministers are prepared to give this committee be given to us a week in advance, so we can have an opportunity to study it prior to coming into the chambers. I find it difficult to go through a several-page report and analyse what is in there and make a contribution to this committee, when I receive it after we've sat down here. By the same token, I think that if the minister has taken a recommendation under consideration from this committee's previous year's work, and is making some progress on it, that should be included in the handout. Then we would be better prepared to discuss it properly.

MR CHAIRMAN: Thank you, Mr. Stewart. Your point is well taken, but I share your doubts as to its direct relevance to the point of order.

MRS FYFE: I don't think I could add much to what Mr. Stewart has said. I assume that since it is a point of order, the Chair will be ruling on it, and I think we should proceed with the ruling and get on with any further relevant discussion.

MR OMAN: Mr. Chairman, it's a judgment matter.

MR CHAIRMAN: I appreciate the comments that have been made.

MR SINDLINGER: Two things. First of all, in regard to the comments just made here. I wasn't aware . . . I apologize. Was this just handed out this morning?

MR CHAIRMAN: Yes.

MR SINDLINGER: The last time we met, or the time prior to that, we had a discussion about this, and I thought we had settled that. At that time we had a 42-page handout from the Minister of Hospitals and Medical Care. We opened the back page of that handout, and there was a column there with four or five numbers in it. They were added up incorrectly; they were out 12 per cent. The next minister that appeared before us gave us a handout. I think it was about six pages. On the first page there was an error; he was out two years.

They apologized for this. I don't think it's proper or responsible for us on this committee to receive things when we sit. I don't want to be put in the position where somebody can come back in the Legislature a month later and say, well, I gave this to the Heritage Savings Trust Fund committee, and they accepted it. I don't accept these things, because we don't have adequate time beforehand to look at them, and I will not undertake that responsibility. I think that if we're to receive and consider these things, it ought to be prior to coming here.

In regard to the point of order, I'm willing to abide by what my colleagues have brought up, but I might like to ask Mr. Horsman the question in another way: we've had trouble with recommendations over the last year. Prior to last year, this committee made, I think, about 12 recommendations. Of those 12, only one was accepted by the government. That one was that a minister could decide for himself whether he wanted to bring his deputy minister into this Chamber. To me that says that this committee is missing something. That's why I'm asking for some support from you, or some indication of what your criteria or decision-making process is, so that when we make recommendations to you, they will be worth while recommendations, and will receive the consideration and deliberation they deserve.

MR CHAIRMAN: I think perhaps it's time for the Chairman to bring this discussion to a focus. You're quite correct; we have been discussing two matters. The first matter, that which elicited the point of order by Mr. Knaak, is : is there a correlation between departmental procedures and this committee's statutory responsibility to evaluate fund performance, through its review of the annual report? I don't believe the case for that correlation has been made.

As for the second point, this committee's desire to have departmental materials provided in advance of a meeting. It was discussed. Concurrence by the committee and the Chair was reached, as a consequence of which I did communicate by memorandum to the cabinet ministers that were yet to appear before the committee. I regret that that has not been honored in this present case. I regret that I'm not able to explain why it was brought today and not in advance. But I don't think that seriously undermines this committee's ability to review the annual report information, or indeed, the department's general administration of those funds, as might be determined through discussion. If in this particular instance the committee feels it is utterly unable to continue with its questions of Mr. Horsman, the Chair is left with no alternative than to adjourn this present discussion and try to arrange for Mr. Horsman to return when the committee has had a chance to read his materials. I would hope that that's not the case.

MR SINDLINGER: You're speaking in regard to two points. The first is in regard to materials handed out; the second is on the relevance of the decision-making process . . .

MR CHAIRMAN: That being a point of order.

MR SINDLINGER: Do you want to speak to the second?

MR CHAIRMAN: No. I have now made my ruling on the point of order, but would welcome further discussion on your earlier point about the requirement to have materials in advance.

MR SINDLINGER: Mr. Chairman, I'd like to make a comment regarding your ruling on the point of order, and provide some more information that I would ask you to take into consideration, if you would, please. You said you couldn't see

the relevance of the decision-making process to this line of questioning. I'd like to refer to the 1979-80 annual report of the Heritage Savings Trust Fund. On page 4, under the capital projects division, it says: "The Legislature annually appropriates funds for investment in Capital Projects Division projects". It says "the Legislature". On page 11, under the capital projects division, footnote (a) says:

During 1979-80, it was decided that the development of Government Centre South, in Calgary, would not proceed as a project under the Capital Projects Division. Since \$64,000 had been expended on the project from the Capital Projects Division in 1978-79 for planning purposes, a reimbursement of that amount was paid to the Alberta Heritage Savings Trust Fund from the General Revenue Fund.

The question that comes up in my mind is that if it says under the capital projects division -- and it does -- that the funds are appropriated through the Legislature . . . That's pretty clear to me. It says how the decisions are made. But here on page 11, it shows that a decision made by the Legislature has been undone. I would like to know that, given the way the decision-making process is laid out here, how we undo that decision? How does that happen?

MR CHAIRMAN: I assume that's a question directed to the Chair.

MR HORSMAN: I hope it's not directed to me.

MR CHAIRMAN: No, it's a question directed to the Chair, Mr. Horsman. With respect, I just have to question its relevance to the debate. It's a question that did occur to me in my reading the annual report, and I have elicited a comment from Mr. Clegg, the legislative counsel for this body. I have his answer. It was in my mail this morning. After I've had an opportunity to read it, perhaps later in the day, I will certainly make copies available to the committee for further discussion.

MR SINDLINGER: Mr. Chairman, that's not good enough. I think it's incumbent upon this committee to review the annual report and the investments and actions undertaken by the government. Now unless we ask the people appearing before us how the decision-making process is followed, I don't think we're doing our job.

MR CHAIRMAN: Mr. Sindlinger, I don't think you've established the relevance of the question of that note (a) on page 11 to the Department of Advanced Education and Manpower and its expenditures relative to the fund. That's the point. I'm not suggesting we don't discuss it. I'm suggesting that at this particular time it's quite inappropriate.

MR SINDLINGER: I'm sorry. I would agree with you on that point, that this is not relevant to this particular minister.

MR CHAIRMAN: Thank you.

MR SINDLINGER: But in regard to your ruling, I wanted to establish the relevance, because it's my intention to pose it to the Treasurer when he appears before us, and I didn't want your ruling to exclude that opportunity. Nevertheless, I think the same line of questioning could be applied to other ministers, to identify the consistency of the decision-making process between the various departments.

MR CHAIRMAN: Fine. You have of course made that point earlier. I have entertained comment by the full committee, and it is my ruling that that relevance was not sufficiently established. At the same time, that ruling does not preclude the line of questioning that you have appropriately indicated you were developing for Mr. Hyndman and his appearance.

MR OMAN: Do you want to leave the question of that principle, then, Mr. Chairman, to another time? I have some explanations, or at least some observations on the method of decision-making, but if you want it left

MR CHAIRMAN: I think I would prefer that. I think the committee would benefit from an examination of Mr. Clegg's analysis of the question. The Chairman of this committee would certainly benefit from such reading. As a consequence, I would like to defer further discussion of that matter until such time as I have read it, copies to members of the committee, and they've had ample opportunity to read it. Then I think we could have a quite fruitful discussion of the principle.

MR STEWART: Mr. Chairman, accepting your ruling on the point of order, and getting back to the material that the minister has presented to us this morning and whether we should continue the discussion of it, I think that the fact that this minister's responsibility is not that complex We should be able to consider this information at this point in time. I would accept the fact that we didn't get it in advance, but recommend to the Chair again that he take every opportunity to advise the ministers that we would appreciate getting this type of material a week in advance, if possible.

MR R CLARK: Mr. Chairman, following Mr. Stewart's point along, I'm prepared to accept information today, but I'd be less than honest if I didn't say that now that we have established that you, sir, have sent that kind of communication to ministers' offices, the next time they give this information, if some other member does it, whether it's complicated or not, I plan to move that we ask the minister to come back at least one week later, until the committee's had a chance to review the information. I think it's only reasonable that the committee, after giving those instructions to you, sir, let ministers know that we take that seriously.

MR KNAAK: Just on the comment on that. I certainly don't disagree with the general idea that if the minister wants to provide us with information which is to be discussed at that meeting, it'd be worth while to have it ahead of time. The only question is -- and I think this is a question we should decide as a committee -- is a minister obligated to provide additional information over and above the annual report to us for consideration and discussion and for the purpose of asking questions during the meeting? Now it appears to me that some ministers can go two ways. They can provide nothing, and then we rely on the annual report. That's consistent with the Act and with our responsibilities. Other ministers who are willing to amplify on the information in the report out of -- well, we have to determine whether it's a requirement or their own intention that they should provide it ahead of time. So although the general comment that Mr. Clark makes is worth while, we still have to determine, and we should determine at some point in the future, which departments and which ministers we would ask for an amplification of the material in the report, because in some cases we don't need it and in some we do. Rather than make it a general proposition, I'm wondering whether we shouldn't give the general idea a little bit more thought in discussion at some other point in time, and really develop a policy as to which departments

and ministers we would request for additional information, and then have it to us beforehand. Because if we just do it generally, it seems to me a strategy could be developed where no information is provided, because the Act says that we're to review the annual report.

MR CHAIRMAN: Thank you, Mr. Knaak. I appreciate that comment and certainly concur that it is possibly a meritorious discussion topic, and quite appropriately would belong at another time. Any further questions of Mr. Horsman related to his departmental information in the annual report or in those additional materials he provided today?

MRS FYFE: I don't think it's a question, Mr. Chairman, just a comment that I think the information provided this morning was relevant in relation to the minister taking us through the information. I don't think it was so complicated that it would have been a great advantage to have it a week ahead of time. I, for one, appreciate receiving the additional information. I think that if we hamstring our committee to say, all information must come a week ahead of time, then I would agree with Mr. Knaak, we may end up with nothing. I think if there's a serious concern with information that has come to light, that perhaps cannot be provided ahead of time; if there are important questions, there is nothing that precludes the committee from asking the minister to return. We can do this committee a great deal of damage if we try to become totally inflexible. So I would like to thank Mr. Horsman for providing the information this morning. I think it was very relevant to understanding the allocations for the library program.

MR CHAIRMAN: Thank you, Mrs. Fyfe. I can only repeat the comment I made to Mr. [Knaak] following his comment. Now, do you have a question of the minister?

MRS FYFE: Yes.

MR CHAIRMAN: Good. Let's have it.

MRS FYFE: Related to the institutes of technology that do not come under public boards, I'm wondering if there has been any consideration of expanding library material that would make their programs equivalent of the universities' and the public colleges', or are their budgets sufficient that there does not seem to be a great need in this area?

MR HORSMAN: First of all, I want to assure members of the committee that if there's anything in this documentation that leads to additional questions, I'd be only too happy to return at a future date. I must say that I'm sorry that the information wasn't given to you earlier.

However, in answer to your specific question, I'm operating this program on the basis of a capital allocation that was made prior to my becoming minister of this department. It was a three-year program, \$3 million per year, specifically aimed at universities and colleges, and really, that's all I can report upon. With respect to whether or not I am prepared to recommend that this original decision of the Legislature be expanded to include the technical institutions -- if that's part of your question -- the answer at this stage is no, that they will receive their library funding as provincially administered institutions, through the regular budgeting process. Of course, that material is available to all members of the Legislature during the estimates of my department. But at this stage I must say that I'm not prepared to recommend that we change the allocation that was originally made some two years ago. Hopefully, that answers your question.

MRS FYFE: Thank you. Mr. Chairman, one further comment. When funds from the Heritage Savings Trust Fund are expended in a specific area, such as this project, is there any flexibility within the universities' and colleges' library systems that books or resource material acquired through this program can be lent or used through other public libraries in the province, so not only registered students have access to the material, but those who may be involved in research projects, or whatever?

MR HORSMAN: Yes, the materials do form part of the interlibrary loan system, which has been well established now, amongst the colleges, universities, and public libraries. Therefore, it becomes material usable not just by students, but indeed by members of the public. Now access by the public to institutional libraries, of course, is a matter that is determined by those institutions. But in most cases, I believe, that is available to the public. Certainly I know many instances where it is. Indeed, the college library in smaller communities forms a very important part of the overall library resource available to the general public. So these materials are available to the public -- in the larger sense -- if that's your question.

MRS FYFE: Thank you, Mr. Chairman. I think that satisfies the concern I have that these public funds don't simply become the property of one small group, but can be accessible to Albertans as a whole.

MR R CLARK: Mr. Chairman, going back to the discussion that we had earlier with regard to the matter before that was ruled out of order. I conclude from the comments you've made, sir, and also from the comments the minister has made, that the recommendation is under very serious consideration by the minister, that the minister has given high priority to the recommendation made by this committee, and that the minister has not disregarded that recommendation, as of today.

MR HORSMAN: That is a very accurate summary of the situation that exists. May I just add that I believe recommendations of this committee . . . I want to touch on one point. As minister, I can only deal with recommendations directed to me. To my knowledge, this was the only specific recommendation from this committee last year affecting, or potentially affecting, my department. I was a little disturbed by Mr. Sindlinger's line of questioning about other recommendations, because, as a minister, it is not my responsibility to deal with those other recommendations that might have come forward. But I can assure the members of the committee that this recommendation has a great deal of merit. I thought that the members who had worked on it had used their imaginations very effectively. But at the same time, it is part of an overall process, and I have to examine the opinions of others who would be directly affected. I had already requested opinions from the university presidents; I have requested similar opinions from the colleges sector. And of course, I have to take into consideration, particularly with the athletic scholarship portion, the ruling of the Canadian Intercollegiate Athletic Union with respect to the provision of athletic scholarships. So that ruling was indeed a very important factor that had to be taken into consideration in developing any proposal. So while it's true that recommendations of this committee are of great importance, they aren't the only recommendations that will affect the outcome of deliberations on policy matters of this nature.

MR R CLARK: Mr. Chairman, can I follow by a supplementary question? My correspondence or discussion with the universities, with the colleges, have

found both groups highly supportive of the basic principle. Recognizing that the athletic . . . What's the name of the organization across Canada, Tom?

MR SINDLINGER: CIAU.

MR R CLARK: . . .the CIAU . . .

MR HORSMAN: The Canadian Intercollegiate Athletic Union. If we can avoid the use of acronyms, it's very useful.

MR R CLARK: As a result of the decision made by that very excellent group, and recognizing, Mr. Minister, that British Columbia has been involved in athletic scholarships for some period of time -- Simon Fraser . . . And from the people in that very fine organization within Alberta who now are even more enthusiastic about the idea of athletic scholarships, in the canvassing I've done, from the three groups that are mentioned, I have found nothing other than pretty enthusiastic support for the basic recommendation.

MR CHAIRMAN: That of course was not a question, but did you wish to respond to the comment, Mr. Minister?

MR HORSMAN: I think I can agree that there is a great deal of support for the recommendation of last year's committee.

MR CHAIRMAN: Mr. Sindlinger, I see that I have your name on one of my lists, without a tick mark beside it. Does that suggest that you have an unanswered or unposed question?

MR SINDLINGER: Yes, sir.

MR CHAIRMAN: Would you pose it now, please?

MR SINDLINGER: First of all, a comment in regard to athletic scholarships, following on what Mr. Clark had to say. It's not the universities in British Columbia, but the British Columbia government that provides athletic scholarships. It does not provide them to the universities or colleges, but to the individuals, so that they have the freedom to choose where they wish to go. They're in the amount of \$2,000 per student, for any student who makes an intervarsity athletic team.

A question I would like to pose -- or maybe it's just a point of clarification. But in the exchange we had earlier, I missed the date that you said you would advise the committee of the disposition of its recommendation in regard to scholarships.

MR HORSMAN: I can't give you a date.

MR SINDLINGER: Can we expect something prior to the new year?

MR HORSMAN: Well, a Bill appropriating funds from the capital projects division will be brought before the fall sitting, and if this proposal, your proposal, were to be accepted this year, you would certainly know by the date that that Bill was brought before the Assembly, whether or not it had been adopted.

MR SINDLINGER: Mr. Horsman, does the Bill that you propose to bring before the Assembly incorporate the essence of the recommendation made by this committee?

MR HORSMAN: I didn't . . . You're really fishing, Mr. Sindlinger. I can assure you that I don't bring forward the capital projects appropriation Bill. That is brought forward by the Provincial Treasurer, as I'm sure you're aware.

MR SINDLINGER: But will it not be upon your recommendation that this is included in that?

MR HORSMAN: You're still fishing, and I'm not going to give you the answer.

MR CHAIRMAN: A question that the minister might have an opportunity to respond to, Mr. Clark?

MR R CLARK: I was simply going to make the additional comment that I assume from the exchange we've had here that the universities, the athletic people, the colleges are in favor, the committee's in favor, and the minister's supportive; it'll be a question of whether the minister can convince his colleagues in the investment committee. That's going to be the challenge for the minister.

MR SINDLINGER: I'm sure he's up to it.

MR CHAIRMAN: Inasmuch as the last three or four contributions have been closer to comments than questions, I have to assume that the interrogatory phase of this deliberation today is concluded. With that, Mr. Horsman, I'd like to thank you and Mr. Kolesar for spending this hour with us. It was useful not only in this committee's review of your department's expenditures related to the fund, but there was some useful discussion of principle that I am free to admit isn't directly related to your responsibilities, but I hope that you enjoyed your spectatorship of it.

MR HORSMAN: Thank you, Mr. Chairman and members of the committee. Yes. And I recall my membership on this committee in prior years, and I am encouraged to see that things haven't changed. [interjection] Or improved.

MR CHAIRMAN: Despite the very best efforts of its Chairman. Thank you, Mr. Horsman.

MR CHAIRMAN: If hon. members would now like to turn their attention to the question of the Medicine Hat solar research proposal, I'd refer you to my memorandum to you of September 9, as well as copies of correspondence that I've circulated to you from that group, dated May 23 and August 18, and then Mr. Musgreave's memorandum of August 21, which was written in his capacity as chairman of the Alberta Research Council. With those materials before you, I would like to open discussion now. By way of reminder, we had a preliminary discussion related to the proposal. If my memory serves me correctly, that discussion took two forms. First, a discussion of the general principle of a group with a recommendation for investment or expenditure from the fund being given a public opportunity to review such proposal before this committee; second, the specific proposal from the Medicine Hat solar research group. The Chair would benefit from direction from the committee as to its desires regarding procedure; i.e., would the committee prefer to discuss the general principle, and then move from it to a discussion of the specific, or otherwise?

MR STEWART: Mr. Chairman, I think that we are talking about policy on how this committee is going to function. I am not speaking specifically to this one proposal we have before us. I'm talking in the general terms of whether this committee would set up a policy where groups would come before this committee with recommendations. I feel that this committee's function is very similar, again, to that of the total Legislature, to a degree, and the Public Accounts committee. I would feel very uneasy about the philosophy of having the expectations of every group in this province that feels it has a legitimate reason to ask for funding from our Heritage Savings Trust Fund. I think we would be opening the door to a floodgate of people seeking the opportunity to come forward and present their case. I would find it very difficult to sit in judgment on which ones we accepted and which we refused. I think that if there is a case to be made for a specific project, the information should be brought forward by one of our members. The documentation to satisfy the committee should be studied, and the decision made. I would be very nervous if we got into the position where we were raising the expectations of each individual group in this province, that they could come and make their case before us.

MR CHAIRMAN: Mr. Stewart, just for clarification. When you said one member bring it forward . . . During the ministerial phase of our deliberations, or during the recommendations development phase?

MR STEWART: The recommendation phase.

MR OMAN: Mr. Chairman, I don't know whether I'm addressing the general principle or the specific here, because they mold into one; the general came out of the specific. But looking at Mr. Musgreave's letter from the viewpoint of the Research Council, it seems obvious to me that there's a fair amount of solar research either now in progress or planned. I don't know whether the people from Medicine Hat were aware of this. My concern, I guess, is what are the channels of communication for something like this? I don't think we want to throttle them, because some good ideas may come up out of there. But it seems to me this isn't the committee, because by inviting them to come to a committee like this, we may be raising their expectations. Therefore, first of all the observation I have is, no, they should not come here, initially at least. If they have tried all the channels with the government, such as the Alberta Research Council or the proper people -- and perhaps who those are can be clarified. I'm not even sure if we should be acting as a court of last resort. Personally, I would find it interesting, perhaps stimulating, but I'm not sure if that's what we're really involved in here at this point.

MR KNAAK: Mr. Chairman, I want to speak to the principle, but before I do, I want to ask a preliminary question of the Chair. The Heritage Savings Trust Fund Act sets out the parameters. If I remember my law correctly, it is that a committee cannot wander outside those parameters or be subject, really, to an injunction restraining it from acting outside those parameters, if someone in the public or anyone else wishes to impose that on us. In other words, we can't just wander around where we'd like to go, in terms of our discussions. My question is: Mr. Chairman, have you obtained an opinion from the counsel to this committee whether the parameters of this committee as set out in the Act permit us in law to have public hearings. And if the answer to that question is yes, we can . . . Well, I'd like to discuss the principle anyway, so maybe I'll go into the principle, and await your answer after my comment.

Although it's tempting to become informed in this way on possible investments for the Heritage Savings Trust Fund under the capital appropriation, I think if such a step were taken by this committee, it would

become a full-time job for sure, because there are a lot of good ideas out there. In addition, this committee would then require the services of an analysis group, which would mean this committee itself would have to have a bureaucracy established really to make an assessment of the proposals, in addition to our just listening to them. They would have to provide us with almost detailed or specific answers to our questions and related to the report. We in fact have a whole government in existence now. The normal procedure for any kind of recommendations for anything the government should do is through their MLA or to the minister. And it's worked for hundreds and hundreds of years, throughout the parliamentary system. So although this committee is a watchdog committee of the expenditure of the trust fund, and we've expanded our terms of reference to include recommendations on investments or alternative investments, I think it'd be a big step, and a step that I think it is impractical for this committee to begin having public hearings. I think the kind of information and the kind of suggestions for investments should follow the normal route: the MLA, the minister, and then the government department. So although it's tempting and would be interesting, from a practical point of view I think it's impractical. I would suggest, as a matter of principle, that we cannot hold public hearings.

MR CHAIRMAN: If I could then respond to the question directed to me before taking Mr. Clark's question or comment. No, I have not elicited from counsel for the Assembly a response to this specific question of the statutory appropriateness of entertaining presentations. But in response to my question regarding the appropriateness of field trips and some other questions of principle that I was exploring a year ago, as a new chairman, the Law Clerk did make this observation:

In my view the committee does not need any specific instruction or authorization from the Assembly to travel to another part of the province to collect the information it needs.

I'm assuming therefore that if it's not inappropriate to go elsewhere to obtain information it needs, it's not inappropriate to obtain that information within these chambers from someone making a presentation. But that's simply an inference on my part, based on a memorandum dealing with or perhaps related to another subject.

MR KNAAK: The analogy would be similar to suggesting that the House could move outside of these chambers and gather information, or suggesting that in fact people could come into the House to make public recommendation to the Legislature as a whole. I'm not sure whether they're identical situations either. But we don't really need to address the legality of the question if we as a committee agree that it's impractical or something else.

MR R CLARK: Mr. Chairman, I have really two comments. First of all, referring to the point made by the Member for Edmonton Whitemud, that if we were to open this thing up, this committee would become a full-time job. No one wants that. But when we look at the batting average of the committee, it wouldn't take long for groups to recognize that this wouldn't be the first place you'd come to as far as getting your recommendation approved by the government. Secondly, and more seriously -- although I would hope the committee would take part of that seriously -- I'm not suggesting, by any stretch of the imagination, that the committee go out and advertise that we're going to hold public hearings, and everybody with an idea that they think should be funded from the Heritage Savings Trust Fund come before the committee. I don't think anyone has made that kind of suggestion. At least it certainly hasn't been my

intention, in any comments I've made, that we should be advertising in the paper like a select committee does, for groups that want to get money from the Heritage Savings Trust Fund. Mr. Chairman, with great respect to my colleagues on the committee, I think that's an improper assumption. But it does seem to me that there are occasions when specific proposals will come forward, that for one of a variety of reasons have not been successful in acquiring funding elsewhere, and that it doesn't seem to me impossible at all that this committee would ask a group, like this one from Medicine Hat, to meet with the committee. I think we could do a pretty good job of watering down their expectations by simply telling them how successful we've been in the past.

So the question of giving them false expectations, I think isn't a problem. I think the committee should not -- I emphasize should not -- get involved in soliciting proposals from all across the province. But I think from time to time the committee should be prepared to meet with groups that have an unique proposal. That's a judgment we as a committee have to make when suggestions come forward to us. As I recall, the only other proposal like this that came forward was from a group in the Peace River country that the committee agreed to meet with one or two years ago, and then we could never find the time to meet with them. I frankly think that the committee may find sitting down with this group from Medicine Hat helpful. I did on an earlier occasion indicate to you, Mr. Chairman, that it would be my intention to move a motion that we meet with this group from Medicine Hat, hear them out, and then decide how the committee would handle future proposals like this. But to make it very clear: I'm not suggesting at all that this committee get involved in publicly advertising for everybody who has a bright idea for the Heritage Savings Trust Fund.

MR CHAIRMAN: Would Mrs. Fyfe or Mr. Sindlinger care to comment? Then back to Mr. Oman.

MRS FYFE: I don't think you can meet with one group and say that you're not setting a precedent. I think it's the principle that we discussed previously, and I'll repeat what I said. I do not think this is an appropriate route to go for this committee. If it's important for us to gather information, we have a variety of sources available to us. But access to government and the spending of government funds . . . I think it has to go the conventional route of MLA or appropriate committee that would be established to look at energy or whatever. But with the Heritage Savings Trust Fund, I do not think that we could set a precedent and meet with this group. No matter how important solar energy is, there are an infinite number of groups we could be meeting with. Just take a look at the capital projects. If it's solar energy, then next month we would meet with the northern Alberta children's hospital foundation, and the following month we would meet with a group wishing to improve oil sands technology, and the list would go on. Is that the role of this committee, to evaluate? I don't think we have the capability, the skills, or the expertise to decide what is appropriate and what isn't. That's why we have the structure within government, to assess, analyse, evaluate, and make recommendations on expenditures. Therefore, I am opposed to it. While I'm not opposed to the idea of solar energy research in any way, shape, or form, I do not think this is the route the group should be encouraged to seek, but there are other routes that could be effective.

MR CHAIRMAN: If the Chair may be permitted a question for clarification, Mrs. Fyfe. When you say that this is not the appropriate route, but perhaps an MLA is, do you include an approach to an MLA who is a member of this committee, with an attempt to suggest or persuade that he or she bring it forward to the

full committee in the recommendation phase, if that individual MLA was so persuaded? I'm not trying to put a thought in your mind, but when you make a reference to an MLA, would it include that use of an MLA?

MRS FYFE: I think an MLA, as representative of this committee, can put forward any recommendations that that person may wish to, during that stage of our deliberations. We can discuss recommendations, and if at that time the committee wishes to seek information, that may be an appropriate way, if that one MLA wishes to do so. But I was speaking in reference to the MLA in geographic terms; people in an area have access to their own MLA. If it crosses over constituency boundaries, they have access to more than one MLA.

MR OMAN: Mr. Chairman, I was thinking about the old saying that the rules are made for the exceptions, which I think has a lot of truth in it. It seems to me that we ought to make a general ruling here that that's not what this committee is about. I could foresee where an MLA was approached and an investigation was made, whereby members of this committee could say unanimously, hey, here's something we really ought to hear. I think as a committee we can make that decision at the time. But it seems to me that as a general rule we'd be wise to say, this is not the function of the committee. At the same time, as indicated before, I think it should be clearly established what the route is for these people to take, and that they should take it, that that's the way they should go. If it seems that as a last resort, this committee ought to be approached, when they've exhausted all other things and it's clear that there's a possibility here for investigation, perhaps we could unanimously agree.

MR KNAAK: Mr. Chairman, Mrs. Fyfe really made the comments that I wanted to make with respect to the MLA's function in bringing something forward -- just his role as an MLA, not as a member of the committee. It'd be his own recommendation, after being convinced it's a good idea; it wouldn't be a presentation on behalf of a group.

MR CHAIRMAN: And what would the MLA do with that?

MR KNAAK: The idea that I think Mrs. Fyfe proposed, and what I'm suggesting, is that the normal route that anyone takes now in approaching the government is either to approach the MLA or the minister directly. For instance, if someone approached me and suggested a good idea for the investment of the capital portion, I don't think I should be entitled to bring it forward as a suggestion on behalf of some group. I would have to convince myself that it was a good idea, do my own research, and then take the risk in this committee, bring it forward as an MLA, suggesting it as a recommendation. That would mean that I have already convinced myself, have done the research, and so on, and then take the risk of having it approved or rejected as a colleague of this committee. I think that's the way it works in all things. An MLA makes a suggestion to his colleagues with respect to some idea that has been introduced to him. I don't think we as a committee have any special functions in assessing investment decisions suggested to us by outsiders as a committee, even though we as MLAs might have a special or particular interest in inquiring or soliciting ideas for that which will help us in our participation in this committee. The other fear I have goes back to Mr. Clark's point. In the past -- and I should say that with respect to the constitution of this committee -- the record of acceptances of recommendations has not been determined. I suspect that it will be a lot higher. I don't know whether that's right; one out of 11 was suggested . . .

MR SINDLINGER: One out of 12.

MR KNAAK: One out of 12. I don't know whether that's right or not. But one thing we as a committee have to realize is that we are today six members. We do not have information sources as good as some of the other people who review our recommendations. I can't see how, even if we all had IQs of 185 and all the information, we could have all our recommendations accepted. As a group of six, we just don't have the ability or capacity to be able, say, to persuade a caucus of 74, that our suggestions are the right suggestions at this particular time. So the fact that only several are accepted I think is an exceptionally good record. I think that's really exceptional, because there is a big group that we have to convince, who also have their own information and their own background.

MR R CLARK: I have better luck with my caucus.

MR CHAIRMAN: Mr. Sindlinger.

MR SINDLINGER: Thank you, Mr. Chairman, for inviting me to participate in this very important decision. I'd like to come back to a comment raised by our learned colleague in regard to the law, relative to our wandering from the terms of reference. I've referred to 13(3) of the Act, which in my opinion, sets out our terms of reference. That section is quite explicit, in my judgment. It says that we are to review the annual report and make recommendations in regard to the investments reported in that annual report. The point in law that . . .

MR CHAIRMAN: That provision was amended in the fall sitting, Bill 77.

MR SINDLINGER: To take us outside the scope of the annual report?

MR CHAIRMAN: Yes. May I read the amendment to you, Mr. Sindlinger?

MR SINDLINGER: Again, my learned colleague over here says it's a matter of judgment, and that's what I'm referring the question to. Have we not already set a precedent in regard to wandering from these terms of reference initially, and if so, that doesn't it follow that we can go on to inviting people in here? Which leads me to the question, how far should we go? Should we go all the way or not at all? Then there's the question in my mind: what makes us more qualified to identify and select investment opportunities for the fund, as compared to all the other people in the province of Alberta with the research and resource capabilities at their disposal?

MR CHAIRMAN: Is that a rhetorical question?

MR SINDLINGER: I guess so.

MR CHAIRMAN: Mr. Clark, are you in a position, perhaps, to frame your view in a motion?

MR R CLARK: As I indicated earlier, I'm quite prepared to move that this committee extend an invitation to the southeast Alberta solar energy research group to come before the committee.

MR CHAIRMAN: On the assumption that we have had considerable discussion as to the principle, and the specifics to a lesser extent, as incorporated in Mr. Clark's motion, could I ask for a show of hands or some verbal indication of

those in favor of this motion? Mr. Clark. Those opposed? The remaining members of the committee in the chambers today.

MR KNAAK: Mr. Chairman, I would like to make an alternative motion, that this committee not hear public representations. As a matter of comment on that motion, it's merely to say that it really relates to the principle that we've discussed, whether as a matter of principle we should or should not have public hearings regarding investments of the capital portion of the trust fund. We're still talking about the capital portion, and I don't know if that motion clarifies that.

MR CHAIRMAN: The way I have your motion, Mr. Knaak is: that this committee not hear public representations.

MR KNAAK: Regarding investments of the Heritage Savings Trust Fund. And it basically rests on the principle we discussed initially.

MR SINDLINGER: I wonder if the mover might, in his concluding comments, indicate to us why there is a necessity for this motion at this particular time. In my opinion, circumstances may change in the future, where we would not want to find ourselves painted into a corner and be restricted by this motion.

MR KNAAK: The only reason for putting this motion forward at this time I think is to have a public communication that we're not considering public representations to the committee at this time. It's open to the committee at any time after passing this one, to rescind this motion. Because these matters have come forward, I think there's an anticipation that this committee may open up the doors to representations regarding investments. The reason for putting this motion forward is to set out clear parameters for the next little while as to what we intend to do and to close the door. I really think it's not a good use of the committee's time, to reconsider that item at that time. The whole purpose of this resolution is to prevent this committee, for the time being, from really accepting each one for discussion, on a one-to-one basis, until we as a committee resolve again to reconsider it.

MR R CLARK: Mr. Chairman, might I ask Mr. Knaak. The motion you just made -- and I violently oppose it -- would not stop myself or any other member, when a proposal comes forward, from bringing it back to the committee, and we could have a debate as to whether we wanted to change the motion we just passed this morning. I just would have to say to you with all sincerity that I appreciate that you're trying to establish a guideline for the committee, but I just think it's wrong in principle for us to say we're not going hear public representation. I just could not support that kind of motion, under any circumstances. Frankly, I think it would do damage to the committee if we passed that kind of motion this morning.

MR KNAAK: Mr. Chairman, on the question of whether it would enable each member to take a suggestion and bring it forward. Right now, as members, we cannot bring forward suggestions that are given to us. As I understand it, Mr. Chairman, all we can do during the recommendation phase is to make our own recommendations to the committee, not the recommendations of somebody else. And we have to present them as our own recommendations. That's the only time we really discuss investment decisions or alternative investments for the committee. And it can't be brought up at any time other than during the recommendation phase. So I think it does limit the scope and the kind of time we spend on those matters.

MR STEWART: Mr. Chairman, I'm of the opinion that we have set the precedent that we have two functions: one is to review the actions and functions of the Heritage Savings Trust Fund -- that is one function. The second : we have set the precedent of developing recommendations at the end, after we've reviewed with each minister his administration of the fund. We've set the precedent that recommendations for investment are done in the second phase. Now speaking to the motion from the Member for Edmonton Whitenud that we establish, by motion, that we will not have meetings or hearings from groups before this committee. My feelings on this, because we are barely a quorum this morning -- we're talking about a major policy establishment for the committee -- are that the motion not be voted on this morning, but be held over and voted on at our next meeting, when possibly more of our members would have an opportunity to express their views before we voted.

MR CHAIRMAN: We have a deferral motion. Do I have support from the committee members for that deferral motion from Mr. Stewart?

MR OMAN: I wonder if the member Mr. Knaak would consider an amendment to his motion, would not, "as a general rule", which then leaves a bit of a crack.

MR CHAIRMAN: If this committee agrees with the deferral motion, that's a point, as well as others, that could be made. Okay. I appear to have some nonverbal indications of support for Mr. Stewart's deferral motion. I'd like now to adjourn the committee for one hour, at which time we will meet with Mr. King and his departmental officials. Thank you.

The meeting adjourned at 11:35 a.m.