

Standing Committee on The Alberta Heritage Savings Trust Fund Act

Wednesday, October 1, 1980

Chairman: Mr. Payne

9:10 a.m.

MR CHAIRMAN: I'd like to bring to order this meeting of the select committee. In view of the fact that Mr. Notley will not be joining us for perhaps another 10 or 15 minutes, I suggest that we skip over the recommendations in Part II numbered 2, 3, 4, 5, 6, 7.

MR R CLARK: 6 was deleted.

MR CHAIRMAN: Yes, 6 was deleted or discussed or covered in our discussion of Recommendation I.5. And in view of Mr. Knaak's absence that brings us to Recommendation No. 9 in Part II.

MR R CLARK: Mr. Chairman, little had I expected to be at this recommendation so early this morning. My colleague Dr. Buck will be here later, and he was going to join me in the discussion on this recommendation.

Basically this recommendation flows from the reluctance on behalf of the Treasurer and the Premier to make available to the committee the basic information of projections as to size, earning capacity of the fund, and when we can anticipate government expenditures will get to the point where, first of all, we have to attempt to use interest from the fund and, later, when we have to be looking at dipping into the fund itself to meet the general expenditures of the province. From my point of view as a member of the committee, it's becoming increasingly apparent that that kind of information I think, one, should be available to the public but, secondly, certainly should be available to this committee. We did ascertain from the Treasurer and the Premier that the government has at least some information of this type. I think the term that was used by the Premier was that he didn't feel that it was necessary for the public to have this kind of information.

I have a very basic difference of agreement there. I recognize that these projections cannot be with a total amount of certainty at all, but I do suggest, Mr. Chairman, to you and the members of the committee, that there can be a series of optional scenarios developed that are in a position to give us a wide variety of ranges with those options included therein. It's for that reason that I have put forward Recommendation No. 9 under Part II, Mr. Chairman.

MR CHAIRMAN: Thank you, Mr. Clark. Are there any comments, committee members?

MR PAHL: Thank you, Mr. Chairman. It seems as though, although the objective of getting the information is a laudable one, it would appear that what we're really driving at here is the heart of the whole budgetary process of government. I think it's worth while for the committee to bear in mind that the allocation of revenues from non-renewable hydrocarbon sources is divided already 70/30. That is sort of a dedication of the stream of the flows. If we go beyond that we're really into the budgetary process, which I think is clearly the prerogative of the government of the day and, in fact, more appropriately that of cabinet.

With all due respect, I think that this is an indirect way of working back at something that has traditionally, and I suppose always will be, a prerogative of a government, to present its budget to the Legislature on the basis of its own information and not an assessment of what it might do but what it proposes to do.

MR SINDLINGER: Mr. Pahl has made some very good points about this recommendation, but I'd like to go a little bit further and make two. Prior to doing that, though, I'd like to refer to page 6 in the annual report. On page 6 there's a little graph called Alberta's Conventional Crude Oil Profile. It's not only an historical profile dealing with the years 1973 to 1980, but it's also a projection from the years 1980 to 1985. Inherent in that projection, I think, is the realization that this committee ought to be dealing with the future in regard to revenues as well as its past expenditures.

There are two reasons I think this is a good recommendation. The first is that we should be aware of that point in time which was referred to by the Provincial Treasurer as a crossover point. That crossover point is the point when we'll have to dip into the heritage fund to meet our annual budgetary expenditures. Unless we know that, it could be that we would be reviewing projects today which would not return income to the province until after that crossover point occurs. Perhaps knowing when that crossover point occurs, we might not be so ready to approve investments that take us to a point in time beyond which we will need that money for budgetary purposes.

The second reason I think this is a good recommendation is that I think if we can identify that crossover point -- it doesn't matter when it is -- we can demonstrate to other people in Canada that this isn't an endless procedure or process, that Alberta isn't going to be receiving money for years and years into the future, and that there is a real purpose to the heritage fund. As it stands now, I can see people in Canada saying: Alberta has all this money; they have \$6.4 billion as of the end of this reporting period, and there's no end in sight; it's just going to grow and grow and grow in perpetuity. But if we had this information showing that that's not the case, that this fund will in fact stop growing, this fund will be needed by Albertans in the future, then I think we can take away a lot of the misconception about the fund.

These types of projections have been done before by a lot of credible agencies, but they're not the ones that have the inside information that the government has. I think that if we had the government do this and come forth, not only do they have the credibility but they can speak with authority and put those misconceptions to rest.

So I believe it's a very worth-while recommendation for those two reasons: one, it lets us know when the money will be needed and in those terms we can evaluate investments and, second, it will show Canada that there will come a point in time, indeed there will be a point in time when we'll need this money.

MRS FYFE: Thank you, Mr. Chairman. I guess there are two parts to this discussion. One is the principle of this committee undertaking to employ personnel to produce projections. I don't really feel that I would support that. I believe one of the aspects against it is the time. In this point in time the fund is just nicely getting operational. We've had resolutions relating to the effectiveness of investments. Through our discussions members of the committee have argued that the fund has not been in effect long enough to really determine whether the long-term investments are the optimum amounts of interest that we can attain. Therefore, I think at some time in the future it may be worth while reviewing the fund in terms of finding the crossover

point, whatever. But I certainly don't think that at this time the information we're going to gather is going to be objective enough to really be of benefit for 10 or 20 years in the future. I wouldn't support it at this time.

MR R CLARK: Could I just respond? Mrs. Fyfe, the reason that the resolution is worded the way it is -- that the "committee undertake to employ the necessary personnel" -- that isn't my first choice either. But we were told, I think quite clearly, by the Provincial Treasurer that it was the decision of the cabinet that they didn't think this information should be made public. So even though the information is available, the only other way the committee has of getting information is to engage people itself.

The second point, Mr. Chairman: Mrs. Fyfe, if we wait 20 years it could very well be, if you take the present rate of expenditure, depending on which scenario one looks at, that the crossover point will be here before 20 years. That's why we can't afford to wait.

MR SINDLINGER: On that point, Mr. Chairman, a specific example. This graph on page 6 shows a real marked decline from 1980 to 1985, which would indicate to me that the crossover point will not be 10 or 20 years in the future but much sooner.

Consider this scenario where we're being asked or giving consideration to putting equity into a new tar sands plant that costs \$6-8 billion, which would absorb the entire fund yet would not give a payback to Albertans for 10 to 20 years in the future. This graph here indicates that that crossover point could be in five years' time. What do we do between the five years' time, when the crossover point comes, and the 10 to 20 years when we get a payback on the tar sands plant? I think that's a key question.

MR STEWART: Mr. Chairman, it would appear by this resolution that some members feel that we should undertake the hiring of personnel to produce projections which are, in a sense, a scenario, given a lot of intangibles, some of them that aren't established and are beyond our control. In developing the return to the fund, we're talking about what the projected oil negotiations are going to develop as far as income for this province. I think we could hire people who could give us a variety of scenarios of when these different points in time would arrive, with no certainty that the base figures that they're working for will be the ones that will actually occur. I think that what we're faced with here, and the responsibility of this committee on reviewing the operations of the fund, is the very fact that at this time, with an uncertain price for energy, we could conceivably -- as other members have stated -- reach a break-even point in this heritage trust fund, at a date that's established beyond our control, for the simple reason that what return we get for energy is not entirely in our hands. Consequently we could go through an exercise with a given projection on what our energy prices will be that would be completely out of line, possibly before the report is completed. For that reason I find this an exercise in futility as far as I'm concerned.

MR OMAN: Mr. Chairman, I can't support this motion, well intended though it may be. We talk about fund. We're talking about so many variables that it's almost impossible to predict. Mr. Sindlinger has indicated the graph on page 6, which is a significant graph, but it only deals with conventional crude oil. It doesn't take into account revenues that would come from Syncrude. The real money is now, as we should know, in natural gas. We haven't begun to tap the potential that's there.

As far as worrying about a crossover point, I don't see that happening for an awful long time. It seems to me that it's much better -- I have to be careful what I say here -- to be publicly I think a little bit diffuse in what we're saying about that fund. I think projections . . . Mr. Stewart has mentioned with regard to the variables of energy negotiations which are going to determine a lot of it in the short term. I can't see that we could give an accurate projection beyond three or four years.

So I would say basically not that we shouldn't be aware, but I'm not sure that I want to see this high profile.

MR BORSTAD: I think we have a duplication if we're going to get into this committee setting up a department, you might say, to review what the government is doing. Even if you did some forecasts, depending on how accurate those forecasts are, you could have false expectations by the business community, and I think that could be misleading too.

MR PAHL: Thank you, Mr. Chairman. In view of the fact that there are two sides and two views on this, and just looking at the recommendation as it now stands, I would suggest to the hon. Leader of the Opposition that perhaps this really isn't a properly placed recommendation in the sense that this is the recommendation of the select committee. If we reflect on the fact that as a committee we have, through precedent and through fact, the opportunity to hire consultants to look at whatever activities we as a committee may wish to undertake, it would seem to me that this recommendation is more properly a recommendation to the committee internally, as to where it would direct its resources. In that sense I would respectfully suggest that this could well be placed in the category of those things that we may wish to direct consultants to, rather than a recommendation of the report itself.

MR CHAIRMAN: Mr. Clark, did you wish to respond to that?

MR R CLARK: Mr. Chairman, I see this recommendation from our office being one of the most important recommendations that our office is making. As sincere as the member is, I simply think that would be delaying what I regard as an important discussion this morning to some time in the future. I think this committee has to bite the bullet. I'm not prepared to withdraw the matter, because I think it's very central to what this committee is all about.

MR SINDLINGER: I'd like to make another comment too. Yesterday somebody referred to the fund's main purpose as being a piggy bank for the future, for when we need it. The preamble of the Act talks in the same terms; money for when we need it. All the statements we've heard and all the comments I've heard in this committee over the last year are that this fund is there for when we need it. The question that arises in my mind from those comments is: when do we need it? Do we need it tomorrow, five years from now, or 500 years from now? I don't know the answer to that question, but I can assure the committee members that it's possible to identify an approximate range of time when that money will be needed. Certainly there are a great many parameters that are hard to pin down. Certainly there are a great many components of the exercise: natural gas, conventional crude, Syncrude, and things of that nature. But approximations can be made that will give us a reasonable range of time when the fund will be needed. I think that's an important question to answer for Canadians.

One of the main reasons we have a great deal of resistance in Canada today to oil price increases and natural gas increases is that a lot of people don't feel that Alberta needs the money. I think if we answer this question, we can

demonstrate that there will indeed be a time in the near future when Alberta will need that money. That's the basis of our argument with Canada. Our resources are depleting, and we'll need the revenue in the future. It must be demonstrated that that future is in the near term; it's not in the year 2050.

MR R CLARK: I would like to make three points. First of all, in addition to Canadians knowing what the range of possibilities are . . . And I would comment with regard to the points put forward by Mr. Stewart and Mr. Borstad that yes, there's no certainty in these projections, but in a very crude, simple way one can look at a variety of alternatives. To oversimplify, you could take the Joe Clark agreement that was worked out for a period of time; what Trudeau has offered, as bad as it may be; take the Alberta government's last proposal; then look at government expenditures and work the three out. It's far more complicated than that, gentlemen, but one can develop those kinds of scenarios. Yes, there'll be three ranges, but one thing it will do very much is point out to Albertans that we're really in a momentary period of good fortune right now. In this committee this morning we've talked about some members saying it might be 50 years. Some members say we could put this off because it might be 20 years. I'm one of those who feel it may be quicker than 20 years.

I would never want to give the government any advice of course, gentlemen, but it would seem to me that from the standpoint of the call on the heritage fund itself, if Albertans understood what the range of possibilities were for that crossover period, there might very well be a lot less pressure by people to get their hands on the heritage fund also.

MR CHAIRMAN: Mr. Pahl and then Mr. Oman, and I would hope that we will be avoiding any temptations to get too repetitive in this discussion.

MR R CLARK: I'm sorry, Mr. Chairman, if you felt that's what I was doing.

MR CHAIRMAN: I'm more concerned about the risk.

MR PAHL: Thank you, Mr. Chairman. All I really wanted to do was point out to Mr. Sindlinger that if we are under this obligation to project the revenue and its ultimate turnaround, I suppose if we're demonstrating to the rest of Canada our need then we would have an obligation to demonstrate in detail the need or application of those funds. Again, I come back to my first point, and I do apologize for repeating, that that is fundamental to the budgetary process and the proposal of government in terms of how they manage with the mandate given to them by the people. I just can't see where one does not present an obligation to do the other. In my view that's where it becomes out of the purview of this committee.

MR OMAN: Mr. Chairman, you can talk about crossover points all you want. You've got the possibilities of a major oil discovery. We've had some major gas discoveries, which changes the whole picture overnight in one sense. You could come out with a projection possibly that that fund is absolutely going to explode. We're giving rise to false expectations that way when world conditions may change. I could see that fund exploding under certain conditions. I just don't see this as a viable operation. I'm afraid to get into it quite frankly. I think it would be better to let the Treasurer and his people, who have a pretty good estimate -- which I think they do -- of what's happening and leave it at that.

MR BRADLEY: Mr. Chairman, I just want to support what Mr. Pahl had said earlier. It seems to me that this recommendation is one which the committee would make in terms of allocating our resources, in terms of consultants, et cetera, and would not be a recommendation that we would bring to the Legislature the way it's worded. I think we should postpone this discussion until the committee itself decides where it intends to allocate future resources in terms of consulting studies.

MR APPLEBY: Mr. Chairman, I recall very well speaking to a friend of mine who was involved in research over at the university a number of years ago. I said, John, what are you doing now? He said, we're trying to project what the educational needs will be in this province down the road. I met John a couple of years later and said, how are you making out? He said, we gave up. I think that is something we could well think of in relation to this recommendation.

I think Mr. Stewart put his finger on what we really have to keep in mind when we think about something like this; that is, the intangibles. What would have happened if we were discussing this same recommendation 10 years ago, before the Middle East decided that they had the power and the product to control the oil markets of the world? As Mr. Oman has suggested, there are so many other things that can enter into the picture. New discoveries can be made. There's also the possibility of various conflicts like the ones that are going on in the Middle East right now.

I have a great deal of apprehension in thinking about building up a bureaucracy to do this very sort of thing that the Treasury, to the best of their ability, are trying to project with the information that's available as far as world happenings are concerned. I think if we went this route at the present time we would simply add another segment to our administration, which would be unnecessary and not needed.

MR CHAIRMAN: Mr. Notley, did you wish to get in on this discussion? I realize you came late and aren't aware of all the comments that have been passed, but because it is an important principle, did you wish to comment?

MR NOTLEY: My apologies for being late, Mr. Chairman. I think that the committee would do well to consider this particular recommendation. I realize, as Mr. Appleby points out, that there are all sorts of intangibles and it's, at best, an inexact science. I don't think the suggestion in the recommendation is that it's going to be an exact situation. As the Treasurer has indicated, the Treasury attempts to do this. It seems to me that the people of Alberta have some right to as much reasonable information as we can make available, recognizing that there are intangibles that may throw the estimates out somewhat. That doesn't mean that because it's difficult to do and it can't be totally exact that it shouldn't be done. If this information were made available by the Treasury Department itself, it would be perhaps a different thing. But it isn't available to the public at this stage, and it seems to me that projections of this nature would be helpful.

MR SINDLINGER: Mr. Chairman, most of the comments in regard to this recommendation deal with the methodology and the difficulty in identifying and quantifying all the parameters. There's no question that is difficult. But those things can be overcome.

In regard to the methodology, the Provincial Treasurer is now doing these things. They have regular computer runs with these projections. I guess the point is that we just can't get this. We've asked for this information, and they won't reveal it. If the problem is with the methodology, I think the

committee members' concern should be laid to rest, given that the Provincial Treasurer does this on a regular basis.

I think that some of the other comments with regard to this recommendation I would have to support too, in that rather than being made to the government or part of our recommendations, perhaps this recommendation ought to be a motion that this committee consider and undertake on its own, in terms of engaging consultants. I think it's the second best course, and we wouldn't have to do it if we could get the information from the Provincial Treasurer. In this case I guess that's what we have to do.

MR MUSGREAVE: I'd like to pose a question to Mr. Sindlinger. Perhaps he could help me understand what he's trying to project here. I sort of get the impression that the kind of financial information he's requesting is of a budgetary nature that comes down every year in the budget, and the forecasts are an integral part of this. If that's what he's saying, why doesn't he say so and we can deal with that issue separately from the heritage fund and the parliamentary process that we're involved in?

MR CHAIRMAN: I'm not so sure, Mr. Musgreave, that the longer term projections that have been the subject of discussion today in fact are a part of the budgetary process.

MR PAHL: Mr. Chairman, I beg to differ. The revenue from non-renewable resources is allocated 70 per cent to the General Revenue Fund and 30 per cent to the Heritage Savings Trust Fund. Whenever we're making projections on non-renewable resource revenue, we're making projections -- certainly for the last four years of history -- on a substantial portion of the revenue side of Alberta's budget.

MR CHAIRMAN: Are you ready for the question then? Mr. Clark, did you wish to conclude?

MR SINDLINGER: Mr. Chairman, I was asked a question, to which I wish to respond, if I may, please.

MR CHAIRMAN: Mr. Sindlinger, did you care to respond to the question posed by Mr. Musgreave?

MR SINDLINGER: Yes I do, sir. Thanks for asking.

If I could refer Mr. Musgreave to that chart on page 6, there's a little chart on that page and it shows Alberta's Conventional Crude Oil Profile. If you were to take a line beginning at the "800" and draw it at 45 degrees to the base line -- just shoot it straight across the page -- it would eventually cross that line that's declining there. Doing that, you get a year of '81. The axis isn't appropriate for this exercise, but if you took those numbers off the bottom, Mr. Musgreave, and put some other numbers on there, I would ask you and I would ask any other committee member if they could tell me what year that would be. It seems to me that members are speaking with some sort of certainty about when this thing is going to happen. I don't know when that is, and I'm sure that there are a lot of other people in this country who would like to know when that point in time is.

MR CHAIRMAN: Mr. Clark, would you like to conclude debate on your recommendation?

MR R CLARK: Mr. Chairman, just two additional comments that I'd like to make. Several members have made reference to duplication of work that's being done by the government. That's valid, Mr. Chairman, but members have to recognize that that information has been denied the committee by the Provincial Treasurer and the Premier. I make the case to the members that from the standpoint of people in Canada and people in this province, it is essential that they recognize what the range of crossover points is. We can talk about new oilfield discoveries or new discoveries of natural gas. These projections obviously have to be adjusted, just like the Treasury does. But if we can't get that information, why shouldn't the public of this province and this country have it?

Secondly, just a minor point, but the suggestion has been made that if this information was made public it would raise false expectations, especially in the business community. I just simply have to say that business people that I associate with -- and some government members associate with the same people -- would not be so naive as to take projections, whether they came from the government or the official opposition or anywhere else, and make that the only factor for making business decisions. Frankly, though, I think business people and many others would find it extremely valuable to see when the range of these crossover periods are. I think it's regrettable that the public is being denied this information, and that's why I want the recommendation to be dealt with by the committee in the manner that's before the committee. I assure members that this work can be done. Treasury has said that it's doing it already. I firmly believe that it's very important that that information, the wide range of possible crossover points, be in the hands of the public.

MR MUSGREAVE: Mr. Chairman, getting back both to what Mr. Sindlinger and Mr. Clark had mentioned. I'm well aware that if you change the figures on the graph, the projections change, the lines change. That's nothing new to me.

When I came up here in 1975 we said that it would take about 10 years. We're still using 10 years. What would have happened if we had used that figure? It would obviously be now. We keep telling Albertans at every opportunity that we spend 70 cents out of every petroleum dollar right now of our revenue. If it's only going to last 10 years there's going to be a point when it's going to expire. Anybody with any common sense is going to know that. This is absolute nonsense that we're denying any information. What kind of information? Projections people may make or may not make, depending what the particular economist of that day decides, what kind of chart he wants to prepare, what kinds of factors he wants to put in or take out. To suggest that we're denying information of this nature is absolute rubbish. What I'm saying is that I don't think we should be suggesting that we set up a duplication of the Treasury Department to try to make, at best, educated guesses that are already being prepared by people, for what they're worth. And that's what they are -- educated guesses, nothing more.

MR CHAIRMAN: I'm prepared to take one more comment from Mr. Notley inasmuch as he's been in this discussion once and a number of members are making their fourth, fifth, and sixth occasions. We have been at it three-quarters of an hour, and I think it's sufficient debate for the point. Mr. Notley, and then I'm going to call the question.

MR NOTLEY: Mr. Chairman, educated guesses -- that's all they can be; no question about it. But this committee has a responsibility. Regardless of the deficiencies we may collectively have as a committee, we are seen as a watchdog committee. When the Act was passed in 1976 a great deal of emphasis

was placed on the role of this committee. It seems to me that while Mr. Musgreave is quite right that these projections are there, unless we have the projections, as committee members, are we really able to do our job as effectively as we can and should, and as the public must see that we are doing it? That's one aspect.

The other -- and I'll just repeat what Mr. Clark has said -- is that the public also has a right to know as much as is reasonably possible.

MR OMAN: Mr. Chairman, I know . . .

MR CHAIRMAN: I'm sorry, Mr. Oman. I want to call for the vote. Those in favor of Recommendation II.9, please indicate. Mr. Clark, Mr. Notley, Mr. Sindlinger. Those opposed? Mr. Oman, Mr. Musgreave, Mrs. Fyfe, Mr. Pahl, Mr. Appleby, Mr. Stewart, Mr. Borstad, and Mr. Bradley. The recommendation is defeated.

Hon. members, I'd like now to go back to recommendations 2 and 3 in this part. If my memory serves me correctly, Mr. Clark, when we discussed the public hearings recommendation of Mr. Notley, even though there was a reference to public hearings in your Recommendation No. 2, you suggested that perhaps it would suffice to discuss it simultaneously with Mr. Notley's public representation recommendation. Is that correct? Mr. Notley, would you care to lead off with comments on Recommendation II.3 on public representation?

MR NOTLEY: Mr. Chairman, I think that the recommendation is essentially straightforward and self-explanatory. Over the last three or four years, we have not only done the auditing job of assessing whether the investments already made have been wise -- and that's part of our responsibility, no doubt -- but as one looks back over the series of recommendations that this select committee and others in the last Legislature made, we had all sorts of other recommendations as to what the investment committee might consider appropriate areas of investment.

That being the case, it seems to me that there is a pretty strong argument for public representation at some point in the process of the operation of this committee, so that interested citizens can come and advance their ideas in the only public forum, as such, that is particularly given the responsibility and assignment of reviewing the Heritage Savings Trust Fund.

Members can say, and I'm sure they will, that these matters can be raised in the Legislature. That's true. They can be raised in the form of all kinds of suggestions in the Legislature. But, unfortunately, with the pace of normal legislative business, they frequently get lost, where the committee as it is structured, in my view, is almost ideally suited to hearing from those groups who have suggestions for investments. I would like to suggest that the proposal, both 2 and 3, makes it possible for us to get some input.

Now it's a little different from the proposal we voted down yesterday, because yesterday we were talking about a review of the entire Act and public hearings on that. What we're suggesting in recommendations 2 and 3 is a recognition of the value of public representation in our committee proceedings. I think it has merit, and that's basically all I have to say.

MR CHAIRMAN: Thank you, Mr. Notley. Are there any comments or discussion on Mr. Notley's recommendation? I realize that some of you who may wish to comment feel that you may be repeating comments passed yesterday in our discussion of public hearings, but still there is an essential difference, as Mr. Notley has pointed out. Mr. Pahl.

MR PAHL: Thank you, Mr. Chairman. I would say that the debate on public hearings would hold for the motion II.3. But I would support the option of the committee meeting earlier in the year, apropos to our earlier discussions, so that we have a meaningful option with respect to making field trips or receiving input from the public. I think it very definitely has to be something that is initiated, in effect, by the committee, presumably through a committee member, so that we are not set up to be a public hearings vehicle.

I must say that I don't support the sort of invitation to representation, if you will, that is embodied here, but I do support the concept of earlier meetings of the committee so that we do have meaningful options with respect to our wishes relative to our mandate in the area of field trips or additional information that, to this point, we have not been able to take advantage of because of a time constraint.

MR STEWART: Mr. Chairman, in looking at this resolution, I can agree with the philosophy that this committee should have its options left open to be able to look at specific issues relative to the heritage trust fund that may come up from time to time. I think we should not close the door to the possibility that on some certain issue we would accept a formal appearance by some specified group of people on an issue. But when we are talking in broad generalities of commencing our sittings earlier in the year and soliciting representation from the public on the general, broad philosophy of the Heritage Savings Trust Fund, what we're really asking for is public debate on the philosophy of the fund, at whatever level the particular interest group may decide to take issue with. I'm sure that if we're prepared to carry on the public debate about the heritage trust fund, we could be sitting here most of the year.

I would not want to close the door to the possibility of some specific issue at one time that there's controversy on. Possibly we would want to have that option left open to us. But to generalize and come out with a recommendation that would suggest that we solicit annually representations to this committee, I think we better be prepared to pack our suitcase and move in here on a permanent basis.

MR R CLARK: Perish that last thought. In the suggestion that our office put forward, I think what we would see happening is -- perhaps one might use Lethbridge as an example -- that sometime in June the committee would go to Lethbridge and really do two things. One, it would make itself available, looking in some detail at one of the projects there in Lethbridge -- a very logical one may well be the whole irrigation investment -- to spend a day or two looking at that with the Irrigation Council people, and get their input of what's happening and what should be happening.

I can appreciate that one wouldn't want to be holding hearings in seven or eight different cities across the province, but what we had in mind is that . . . And the year after that one might very well go to Grande Prairie, look at some of the investments in the northern part of the province, and then make ourselves available in Grande Prairie to a number of groups who have a broad, overall interest in the fund.

It seems to me that this committee is about to the stage now where we would find somewhat profitable some time -- and I would suggest doing it in June of the year, prior to getting involved in the hurly-burly of hearing the ministers coming before the committee and then us making recommendations. So I would see the kind of activity that our recommendation involves would be in the month of June, when one would go to one particular area of the province and follow that particular approach.

MRS FYFE: Mr. Chairman, as I read this recommendation, this is the same motion that we passed a few weeks ago in our discussions related to public representations in the committee. We did pass a motion that we would not receive public representation for a number of reasons, one of them being -- as has already been stated -- that we would be here all year simply receiving representations. I don't think that this motion says anything about field trips. It says that we would sit earlier to allow for public representations and that we would solicit representations. I think this committee has a policy on this already, so I think that's self-explanatory.

MR NOTLEY: Mr. Chairman, just a couple of observations, I think, just dealing with Mr. Stewart's concern that we would be getting into a discussion of the philosophy. That would certainly be true in the recommendation we dealt with yesterday, because that was the purpose, to sort of review the philosophy of the heritage trust fund after five years. That would not be the purpose of either 2 or 3. As I understand it, both 2 and 3 would be dealing with specific recommendations for investment. So that sort of larger philosophical question really wouldn't enter into the hearings.

The question of being here all the time: well, that really isn't a major concern. We're not suggesting that we sit around the year -- Mr. Clark has suggested in June; I have suggested somewhat earlier -- but that we begin our process so that we make access possible.

MR CHAIRMAN: (Inaudible) Mr. Notley, did you mean earlier than June when you said "earlier"?

MR NOTLEY: No, I said earlier than when we normally do, earlier than July or August.

Mr. Chairman, I have a little difficulty with some of the concern about public input, because virtually every legislative committee that I've ever sat on has had public input. I can't think of a single legislative committee that hasn't had public input, that hasn't had hearings, whether it's workers' compensation, foreign investment -- all of them have provision for public input. So why are we so concerned in this case? Is our role as a watchdog committee only to review the trust fund in the context of the hearings with the ministers, or are we not prepared to listen to public input when that input comes forward?

I've had a number of suggestions brought to my attention -- I'm sure other members have too -- from groups who have interesting proposals for investments. They're not going to come here to talk about the philosophy of the heritage trust fund. They have interesting proposals for investments in any one of our investment divisions. It seems to me that having that kind of access is totally consistent with our practice in this Legislature of all-party legislative committees holding public access meetings of one kind or another. As I say, I don't know a single . . . We even passed a recommendation -- I think in 1978, if my memory serves me right -- that we would hold public hearings on the grain handling. We never got around to doing it, but there was a motion passed, one of the recommendations, that we hold public hearings on the grain handling question.

So it seems to me, Mr. Chairman, that all recommendations 2 and 3 do is to make the case that there is a right of access by the public -- and I think there should be in this kind of society -- to the committee as a whole, not just to individual members, but to the committee as a whole.

MR BRADLEY: Mr. Chairman, in dealing with this motion I appreciate the intent in which it was put forward, but I have similar concerns to other members of the committee with particular regard to the number of representations which would come to us. I think we would find that there are a number of organizations which would wish to put forward proposals to us and bring forward their submissions.

Rather than passing the resolution today or a recommendation that we should go forward and seek this at this time, I'd rather see us look at each individual request on its merits and determine from that point of view whether we want to hear representation for a particular group, rather than putting out an invitation for broad response from the province, or else look at a means whereby we could sort through proposals so that we could determine maybe we'll hear one or two representations a year. But to open the door on a broad basis, I think we would find ourselves in the circumstance that a month sitting five days a week would not be enough time to hear the broad range of proposals that would come forward that such an offering or invitation would precipitate.

MR BORSTAD: In looking at Mr. Clark's recommendation, that isn't what he just said. You said something about your motion meant that you might look at one project in the south and maybe one in the north and that type of thing, but I read it as public hearings throughout the province and many of them held in the same year. I could support one specific project to get picked and do some hearings on that, wherever it might be, whether it was in the north, south, or central. But I couldn't support it as meetings totally across the province, as the motion now stands.

MR CHAIRMAN: Are you ready for the question? Those in favor of Recommendation II.3, please indicate. Mr. Clark, Mr. Notley. Those opposed? All remaining members in the chambers.

Recommendation No. II.4, dealing with Investment Personnel: Mr. Notley.

MR NOTLEY: We had a little discussion about this at the last meeting, but my understanding is that the motion that we passed can't bind the committee in the future. I think that the information that was requested was reasonable. The recommendation makes due note for regard for the privacy of those involved.

I would just point out, Mr. Chairman, for members of the committee that in the 1977 hearings of the committee, the same information was requested from the then Provincial Treasurer and, holy cow, we got the whole shot. We got names, we got backgrounds, we got everything Mr. Sindlinger asked for last time. That's all in the minutes of the Heritage Savings Trust Fund of 1977.

I'm not suggesting that we should go quite as far as the Provincial Treasurer was willing to go in 1977 because, as I say, we have everything: names and the backgrounds of every one of the people. But I do think that the request we had for information last time was a reasonable one, and I don't think we can make intelligent decisions as committee members unless we at least get that. That's the reason, quite frankly, for the recommendation.

MR SINDLINGER: Mr. Chairman and Mr. Notley, I also have in front of me the Standing Committee on The Alberta Heritage Savings Trust Fund Act, minutes of meeting Wednesday, September 14, 1977. I also have before me the Provincial Treasurer's comments in regard to the people who were handling the fund. I'm familiar with these things, and I think it might be beneficial if Mr. Notley would read those things so the other members will be apprized of the comments

that the Provincial Treasurer made at the time in response to the request for information on those people administering the fund.

MR NOTLEY: I don't think it would be appropriate for me to read it, but I do have the minutes here. If any of the members would like to read it over, by all means, I have the pertinent minutes.

MR CHAIRMAN: I think that would be the more desirable approach. Mrs. Fyfe.

MRS FYFE: Seeing as we discussed this matter before at some length, I guess it gives me some concern that we go through it again. Personally, I do not see that knowing the qualifications and experience of all the personnel is going to make this committee more effective in looking at the results and performance of the fund. I think that is a personnel matter that is handled within a department, and it has appropriate channels. And I guess I feel rather annoyed about having to discuss this one again.

Let's take a look at the resolution. If we look at the first part of it, "that the Committee request the Provincial Treasurer to provide annually to the Committee both an organization chart governing personnel responsible for management of Trust Fund [improvements]". I think there was nothing wrong with providing an organizational chart, if that would assist members of the committee. But to get into the individual experience and qualifications, I am very, very opposed to. Therefore I would move an amendment that we delete the last four and two-thirds lines and end the resolution "for management of Trust Fund investments".

MR CHAIRMAN: Any discussion of Mrs. Fyfe's suggested amendment, which is a deletion of all the words after the word "investments"? Mr. Pahl.

MR PAHL: Thank you, Mr. Chairman. I support what Mrs. Fyfe is saying. I think there is a point at which the minister responsible has to stand or fall on the details of the department, and that was my intention in the earlier debate, to make that point. I would just suggest, Mr. Chairman, that -- and I'm supporting the amendment that was put forth by Mrs. Fyfe -- it might be tightened up a bit more and would read in its entirety "The Committee request the Provincial Treasurer to provide annually to the Committee an organization chart governing personnel responsible for management of Trust Fund Investments". I would certainly support that, without qualification.

MR CHAIRMAN: Discussion of the amendment? Mr. Notley.

MR NOTLEY: Well, Mr. Chairman, it seems to me that Mr. Pahl can say that the minister has to stand or fall on the basis of the competence of the people who are working, and that's true. There is a ministerial responsibility, and the Provincial Treasurer bears that on his shoulders. But, at the same time, so must the credibility of this committee stand or fall on how we do our job. I don't see how we can seriously do our job unless we have an idea of the organization chart, which is what is requested here and which, incidentally, was given in 1977, and at least we have a summary of the expertise of the people who are doing the job. We're talking about billions of dollars. Again, in 1977 the Provincial Treasurer was very forward in making all this information available to the public and to the committee so the committee could make a judgment.

I'm not suggesting we go that far, but I think it is important that we have the summary. Because if we aren't keeping pace with the very best men and women we can find to do the job, then that is a matter that this committee has

to be concerned about in our watchdog role, in our review role. Therefore, it seems to me that what the amendment is going to do is strip one of the most important elements of this proposal from it so that we'll just have a flow chart. That's very interesting, but it's going to take away from the effectiveness of our job, it seems to me.

MR OMAN: Mr. Chairman, I wanted to clarify in my own mind what the amendment would do. What amendment do we have on the floor now, by the way? Mrs. Fyfe's amendment?

MR CHAIRMAN: Yes.

MR OMAN: Because Mr. Pahl also . . .

MR CHAIRMAN: No, Mr. Pahl's was simply a fine-tuning of that, deleting the word "both".

MR OMAN: Well, there were some other aspects he put in there, I thought, too.

MR CHAIRMAN: And "as a matter of course".

MR OMAN: And that's now included in the amendment?

MR CHAIRMAN: Yes, for discussion purposes.

MR OMAN: Perhaps Mrs. Fyfe could clarify what would be on that organization chart. Are we talking about an organization chart which would list the names of the people who were responsible for certain activities? It's not clear to me. And would that chart then go along with their qualifications?

MRS FYFE: Mr. Chairman, if I could respond. It's not my motion. An organization chart, in my mind, does not have names or personnel but has the positions. What we should keep in mind is that there is a Public Service Commissioner. There is a structure in place that has qualifications for positions throughout the whole civil service. I see no difference in providing names and experience in this department as in child care workers, which are equally as important. They're not dealing in billions of dollars but they're dealing in lives. And I think it's a precedent that's totally unfounded. I'm very, very opposed to this. I think that that breaches the confidence of the employees that we have. And what we're concerned about is performance, not the individuals that are hired for those positions. That is already a responsibility of the minister involved, and I think that totally breaches our responsibilities.

MR OMAN: Mr. Chairman, to follow up then on that response, I guess what I'm interested in here is whether that chart, for instance, would indicate what the minister would require in that position. Now it may not point and should not point directly to the person involved, but if the minister would say we require certain qualifications and these are what they are for this position, then I think I would be satisfied. If it doesn't, then I don't think I would.

MR SINDLINGER: Mr. Chairman, I'm having a great deal of difficulty understanding some of the comments and at least the motivation behind some of the things I'm hearing this morning. Now the Provincial Treasurer Mr. Hyndman, when he was here, said that he would willingly make this information available to us. And I have to go to what Mr. Notley brought up earlier in

supporting his recommendation, the minutes of a previous savings trust fund committee meeting. The Provincial Treasurer talked about Mr. Splane, Mr. McPherson, Mr. Swanson, Mrs. Belch, Mr. Fulcher. And he said what their academic training was. He said what their responsibility was in the department. He said what their career experience was. In essence he was giving us full disclosure. It was open government. And that's what I'm a little bit concerned about here today.

I believe that in order for us to make decisions, we have to have adequate and sufficient information. I don't believe that we can make decisions in a vacuum. And what we're doing here is asking for more information: open government, full disclosure. And this is the third recommendation we've dealt with this morning that deals with full disclosure and open government. The first two have been voted down, and I don't know why. We are denying ourselves access to information. I don't know what the motivation is. I believe that we ought to be putting people before party in these matters. I believe that we ought to have principle before politics.

Another member spoke about obligation today. We do have an obligation here, in very practical terms, to ensure that there is full disclosure in regard to the heritage fund. And I believe that these three motions that we've directed our attention to this morning lead in that direction. I supported the first motion that was turned down and, for the record, you should know that I abstained on the second one. Not all the other members voted against it. I abstained. And I support this recommendation in its entirety. I support it in the Legislature and I'll support it outside. I don't think there's anything more important to this committee in fulfilling its responsibility to ensure that we get all the information there is in order to make responsible decisions.

MR R CLARK: I just must confess I have real difficulty believing what I'm hearing this morning. What took place in the first debate we had this morning is the government saying it had the information on the projections but was not prepared to make them available. Some of the government members supported that position, and the committee was denied that information. Now, on this motion here, we have a situation of in '77 or '78 the Treasurer at that time giving to the committee the information that's being asked for in this motion. Last week the Treasurer offered to give the same information, and we're really turning that down as a committee. It seems to me the whole public idea of government is more in the direction of more and more information being made available, more and more open and above board and public. And here we're taking a step backwards from what the Treasurer has offered to do. We're taking a big step backward from what was done in '77. I just simply can't understand what members are thinking of.

MR STEWART: Mr. Chairman, in looking at this resolution and the debate that has taken place, recognizing that the minister previously gave us this information, and at a previous meeting this year had agreed to do it again, I've got to look at the exercise and the responsibilities of this committee and what we're trying to achieve. I do not believe that I, as a committee member, should be asking for information that I can't properly utilize, just for the sake of obtaining it. I think that the organizational chart and how the department functions in the investment committee of the Heritage Savings Trust Fund is information that I could utilize. But when I sit here as a committee member and want the qualifications, the academic training of the people that are working in the Treasury Department specifically on this issue, I'm asking for information that I can't utilize. I don't see myself sitting in judgment on the personnel in that department. I don't think I'm qualified.

I don't think this committee should be addressing itself to the academic qualifications of the people that are performing that function.

I think the Heritage Savings Trust Fund and its success depends on the integrity of the government that's handling it and the minister responsible. The personnel will obviously not be static; they will change. And to the best of that department's ability, I presume that the best men that are suited for that performance will be used in doing so. I don't think this committee is going to be sitting in judgment on whether the academic qualifications are to its liking. I wonder what our alternatives are if we questioned the academic qualifications of some certain individual. Sometimes performance and experience have got more to do with a person's ability than his academic training.

So I think in this resolution we're asking for information we've had before. I don't see that we've had any physical way of assessing it or recommending that certain personnel in some other department or walk of life would be better suited to doing the job that these people are asked to do. So I think we're really creating an illusion of not having public disclosure when we're asking for something that we can't utilize.

MR CHAIRMAN: Mrs. Fyfe, with a point of clarification.

MRS FYFE: Mr. Sindlinger said that in the previous motion he had abstained from voting. I was not aware that there was the prerogative of a committee member to be able to abstain, unless perhaps that committee member had some particular conflict of interest, which they would have to state. It was my assumption that in the House and in the committees you either voted for or against each motion.

MR CHAIRMAN: I'm sorry, I can't comment. We have had abstentions in this committee in earlier votes. But I regret I can't knowledgeably respond. May the Chair take that question under advisement and report back?

MR R CLARK: Might I simply say on the point raised by Mrs. Fyfe that whether it's within the rules of the committee or not, all one has to do is look around how members vote in the committee, and quite often not all members vote. It's been a practice, whether it's right or wrong, in this committee that some members abstain on various questions.

MRS FYFE: I'm sure, Mr. Clark, that there is a policy that if a person actually hasn't put their hand up that they have supported the motion. I would very much appreciate clarification because, if it gets a touchy issue, it's nice to be able to sit back and not be able to take a position so you can report back to your constituents.

MR CHAIRMAN: The Chair will undertake to do so. Mr. Notley.

MR NOTLEY: Well, Mr. Chairman, I think the simplest thing on that question is just to check with the Law Clerk, and I'm sure we'll know what the precedent is.

Mr. Chairman, dealing with the amendment, I can appreciate some of the rationale behind the concern expressed the other day of the privacy of the people who are doing this work. However, let's just stop and think this one through a minute. The privacy of the people who are doing the work: their salaries, we know what their salaries are. Their salaries are printed in the Public Accounts. So we know what their salaries are. We have due regard for the privacy. Three years ago we had the Provincial Treasurer, who I don't

agree with politically but I respect his judgment, and if he was really concerned about the impact that this was going to have on his department, he wouldn't have given us the names and the background and the qualifications and the experience. He did that, no problems. He didn't make a fuss about it. The other day we had the Provincial Treasurer say he's quite prepared, with due regard for privacy -- he made that qualification; that was fair enough, and that's one of the reasons that it's put in the recommendation -- that he would make this information available.

Now Mr. Stewart says he's not sure that we could properly utilize this information. Well I don't know whether the committee could properly utilize this information or not, but if it is requested and the Provincial Treasurer has indicated that he's prepared to make it available, surely it is one of the things that is relevant to our deciding whether the trust fund is being handled well or not. Because the experience and qualifications of the people who are doing the day by day investments have got to be a crucial question that we consider when we examine the trust fund.

So I really find it difficult to understand what the concern is. If the Provincial Treasurer last week had said no, there's no way we could do, it's going to wreck the department, it's going to create personnel problems, it's going to make it difficult to attract competent people to do the job, then I would think twice about it. But that isn't the experience. That isn't the experience. And on that basis, Mr. Chairman, I don't see how this committee can have any serious credibility, doing our watchdog role and passing an amendment which would delete a simple request for information which we already received three years ago, and which any one of us, for that matter, could go out and get if we wanted to. But it's a question of whether it would be made available formally to the committee. MR CHAIRMAN: Before entertaining further comments by Messrs. Bradley, Clark, and Pahl, I wonder, Mr. Notley, could you answer a question I have? Of course I wasn't a member of this committee in 1977, so I'm ill-acquainted with the experience to which you and Mr. Sindlinger have referred. But at the time, did the 1977 committee members, on receipt of that biographical or resume type of information, have subsequent discussions? Or was it for the, shall I call it, personal examination of the members of the committee?

MR NOTLEY: As I recall, it was for the personal examination by members of the committee. Again, Mr. Chairman, I wouldn't want to emphasize the importance of that. Personal examination of members of the committee during the hearings may or may not lead to recommendations.

MR BRADLEY: Mr. Chairman, there has been a great deal of debate this morning on a number of the previous recommendations and how they are handled. In my remarks or discussion on this particular amendment, I'd like to go back to the first resolution which was defeated this morning. It was mentioned in debate this morning as being one of principle. The first motion which was defeated could have requested the provincial government to provide this information, and it didn't do that. I think it was clearly a duplication of information that could be available if the committee wished to request it in a formal way from the Provincial Treasurer.

But getting back to the specifics of the question before us this morning, I believe the Public Service Commissioner's office has the requirement in terms of advertising for the positions available of what is required, what qualifications are necessary to fill those positions. I think that sort of information is relevant to this committee: the qualifications which are necessary to fill those positions which are advertised. I think the amendment this morning fulfils that.

I think we should be here, in terms of this committee, reviewing the performance of the fund. Really the judgment factors, in terms of the fund, are the bottom line: what is the return? It's not who is managing the fund; it's how the fund performs. That's the real question this committee should be reviewing, not the personnel who may be advising the Provincial Treasury. We are really here today to review the fund; that is, what the return is to the fund and to the people of Alberta. We review, really, the decisions made by the investment committee of the fund, which is the cabinet. So we're really here to review the performance of the fund. This other information, although it may be interesting, it's the performance which is important, not these other questions that are being brought up this morning.

MR R CLARK: I'm really pleased to have a chance to speak right after Mr. Bradley, because that is the real nub: the performance of the fund. If one looks at it on the rate of gain last year, this fund fell 1.1 per cent behind inflation. I, for one, on the committee am not very pleased with that kind of track record last year. That's what amazes me about this committee, that it doesn't seem to want to take the information the Treasurer wants to give to it as far as the qualifications are concerned of the people who are giving the government advice on investments.

Secondly, Mr. Chairman, a point that has to be made: if you compare this fund with the Alaska fund, investments funds at some universities, and funds that are being set up in some jurisdictions in the United States, we are not performing very well. In Alaska and some other areas they have made some significant changes in the organization of their fund. My information is -- I'll have to check with my colleague Dr. Buck, because we discussed this when we were in Alaska last winter -- that it would be unheard of there for members of their -- not Legislative Assembly, but the comparable group -- State Assembly not to be able to get the background from the standpoint of experience of the people who are recommending to the government their investments. Whether this committee wants to admit it or not, we're in a situation of having to acquire some of the very, very best possible people we can find anyplace in the world, to look at the investment prerogatives for Alberta. Frankly, I don't think we've done that.

Members may be satisfied with the kind of rate of return we have had this year. I, for one, certainly am not. I think that goes right to the point that Mr. Bradley made: performance of the fund becomes the issue. We should be looking at this question of qualifications and are we getting the best possible people we can find anyplace in the world, because that's the kind of competition that we're up against.

MR PAHL: Mr. Chairman, I am on the points and I support the points made by Mr. Stewart and Mr. Bradley. In responding to Mr. Clark's concern about the performance of the fund and relating that back to the individuals making the investments, I think he has to remember that the funds that he is comparing the performance of the Heritage Savings Trust Fund to were not limited by the caveat that they were not to be in equity investments. Quite frankly, I would think that the trader who was limited to bond investments that could have done any better would have to -- I'd certainly be curious about his qualifications too.

I think the point to the committee is that what we're really interested in is the mandate of this committee. I think we suffer serious credibility if we are, for whatever reasons, trying to find out just how far we can go with frivolous requests for information that is not on point to our mandate, and is used to, if you will, have the potential to go on witch hunts that have nothing whatever to do with this committee's mandate.

MR OMAN: Mr. Chairman, there's a bit of a philosophical aspect that has come in, obviously, to the discussion this morning on a number of issues. I hear -- I guess the word is "bogeyman" of open government being thrown out. It's a good term and it's a very popular term, obviously a term the news media would certainly promote. I understand that, and that's their business.

On the other hand, I think it should be recognized that we as legislators are not here -- that's not our first calling, in effect. Our first calling is to act in the public interest. I think that's our responsibility. There may be a time when facts should not be out in the open or some areas of facts, for a period of time. I think it's a matter of timing. The reason I voted against the previous motion is that I didn't think it's in the public interest at this time to have that committee set up as far as the heritage fund is concerned. So I think it's a judgment. I have to ask myself, is this in the public interest?

When it comes to this particular issue, I have to come down on the side of the motion that is here. It does not seem to me that there could be any harm done in the public interest with regard to the revelation that the motion indicates. Some of it has already been done. I think the parameters of the people who are involved, protected personally, is meaningful information to the public and to us to know. Because I can't see any harm being done in it, therefore I would support the motion as originally put forward.

MR NOTLEY: Mr. Chairman, I really must take exception to the suggestion Mr. Pahl has made that this kind of request is a search for frivolous information. I just can't think of anything less frivolous when we look at the question of the operation of this fund. I'm not going to rehash the argument over what the final yield was; we've gone over that. But I don't think there's any question that when we're talking about billions of dollars, we want to be satisfied that we have the very best, the most qualified people we can find. If that involves paying them substantially more than they're getting, I think that case can be made and we should be doing it.

It seems to me that for us to be able to make some of the judgments that are necessary, this kind of summary information is essential. The suggestion that it is just a witch hunt or a frivolous exercise to try to invade the privacy of the people involved is just not fair. We're talking about the money of the people of Alberta -- billions of dollars. And the people of Alberta look to this committee to be a watchdog, to be able to review and pass judgments on how valid the investments are. That's one of the reasons it's an all-party committee. It's not a caucus committee; it's an all-party committee. That's the reason we meet in public.

That being the case, Mr. Chairman, this information is just very, very crucial. To pass the amendment, I just say as honestly as I can to the members -- you have the majority here to do it. But don't do it. Don't do it. You will very seriously erode the credibility of the committee in the eyes of the people of Alberta if we pass this amendment. I respect the motives that Mrs. Fyfe has raised, the concern for privacy. I respect that. But that has to be balanced against the responsibility of managing billions of dollars and the fact that almost all this information is public in any event.

MR CHAIRMAN: Are you ready for the question?

MR SINDLINGER: I have to take exception with what Mr. Pahl has said as well. I don't believe that any of the recommendations in here, in this booklet we have, are frivolous. I don't believe that any of the requests that committee members make are frivolous. I do agree with him in regard to one point he has brought up. That's the question of credibility. I don't believe that if we

don't ask these questions -- if we, the committee, do not seek out more information for decision-making -- that we will have the credibility that we should have as legislators, not as politicians but as legislators.

Mr. Oman made the point that we as legislators ought to act in the public interest. I agree with that. We should be acting in the public interest. I believe that anything this government does is in the public interest. I don't believe we can take categories and say, this is not in the public interest. I believe that the people of Alberta and the people of Canada have a right to know what we're doing, what has been done with the fund, and what is planned for that fund.

I urge my committee members, colleagues, not to vote for this amendment, and to support the recommendation as it stands. I think this is a critical point in the history of this committee. We have to demonstrate to our fellow legislators, not our fellow party members, that we're acting responsibly and are extending the best effort that we're able to in adequately reviewing and assessing the performance of the heritage fund.

MR MUSGREAVE: Mr. Chairman, I'm surprised that we would now be getting into a debate on party loyalty and our position in the House as a representative of our constituents vis-a-vis being a politician. I thought, maybe naively, that I was a politician; that's why I'm here. If I'm not a politician, then I shouldn't be here.

As far as the performance of the fund is concerned, obviously it has its difficulties in that it is not allowed to invest in equities. It's very easy to say that the inflation rate is higher, but anybody with any knowledge of investments knows that common stocks are the best hedge against inflation. But I would suggest that even that can have its difficulties. Somebody who would have thought that Massey Harris was going to turn around last year could have bought millions of dollars worth and they would be looking pretty sad today. On the other hand, they could have bought millions of dollars of Ranger Oil and we would point to them and say what fantastic people they are; the stock has more than doubled in less than a year.

What I'm saying, Mr. Chairman, is that there are a lot of variables. It's a large sum of money, and I appreciate that. But what I also appreciate is that it's a very difficult matter to invest money, invest it wisely, and get the best rate of return consistently. You can't always do this, particularly when we live in troubled times, as we do. When we have unsettled conditions in the Near East, the whole thing could blow up and all this exercise we're going through would look like nonsense.

As far as the information is concerned, I think it's rather interesting that, while we're given all this information about the background of the various people, what did we do with it? Nothing. Nothing. Not a thing. So much for having information that is going to help us do our job. If it was so critical, why didn't we suggest that there be changes made to the calibre of the individuals who were doing the investing? I didn't hear any recommendations of that nature.

I would support the amended motion and would suggest that if members of this committee want to debate party loyalties and party discipline, party affiliations, there is another place and another forum to do it. I would urge those members to so conduct that debate in those forums.

MR APPLEBY: Mr. Chairman, if I could just interject here. We've heard a lot of discussion. It's been ongoing all the time; we haven't had much opportunity to do any thinking. I'd suggest we have a 10-minute adjournment at this time.

MR R CLARK: Before we do, with regard to the comments made by Mr. Musgreave I think if the hon. member will take the time to check, he will find that I was the member who asked for the information in '77. That was the first year the committee met, if I recall, Mr. Musgreave. The information was asked for, I believe by me. I'll check that out, and if I'm wrong I'll refer back to the committee and correct the record.

At that time I, for one member of the committee, was satisfied with the people who were there. That's why I didn't make any recommendations for change in that area. If I wasn't the member who asked for that information, I'll correct the record. But I want that clearly understood. I think that goes to the point that was raised earlier about frivolous information being requested.

MR CHAIRMAN: On that note, why don't we have a 10-minute adjournment? We have been in chambers for 90 minutes.

The meeting recessed at 10:37 a.m. and resumed at 11 a.m.

MR CHAIRMAN: Mrs. Fyfe, would you care to close debate on your amendment to Recommendation II.4?

MRS FYFE: Thank you, Mr. Chairman. I would just like to mention that by receiving the organization chart, we would then have the positions for the total function, as I said before, of the positions as set out within the Public Service Commission, with job descriptions and qualifications for each position. So it gives the committee the structure that is required within the responsibilities of investment. I have thought about this very carefully, and I do not think it would be of any further benefit to the committee to have the qualifications of the individuals when we're going to have the qualifications of the job. In order to protect the personnel directly involved, I close debate.

MR CHAIRMAN: Those in favor of the amendment? Mr. Musgreave, Mrs. Fyfe, Mr. Pahl, Mr. Stewart, Mr. Bradley. Those opposed to the amendment? Mr. Clark, Mr. Notley, Dr. Buck, Mr. Oman, Mr. Sindlinger. In view of the fact that we have five members supporting it and five members against, the Chairman will cast his vote -- in favor of the amendment.

Those in favor of the recommendation as amended? Mr. Pahl, Mrs. Fyfe, Mr. Musgreave, Mr. Bradley, Mr. Stewart. Those opposed to the amended recommendation? Mr. Clark, Mr. Notley, Dr. Buck, and Mr. Sindlinger, Mr. Oman. Once again we have a 5-5 vote. The Chairman will cast his vote -- in support of the recommendation as amended.

Moving to Recommendation II.5, Mandate of the Select Committee -- I'm sorry; Mr. Sindlinger?

MR SINDLINGER: I would like to speak on a point of privilege please, Mr. Chairman. I feel, as I'm sure all members here do, that as legislators we have a great responsibility in the work we do here. I feel that responsibility is even greater at this time in our country's history. I think we have a very severe strain on Confederation. We've just gone through the Quebec referendum, where they dealt with the matter of separation. Now we're dealing with a matter that could be very divisive, east against west. I hear comments and statements by reputable and credible people in this country, western Canada in particular, saying that western Canada should separate. I've also heard Albertans say that Alberta should separate. I don't advocate or hold to those points of view, regardless of what happens. I feel a great

responsibility not only to my constituents and the people of Alberta but also to the people of Canada.

I believe that one of the biggest symbols today of that divisiveness, of that crisis in this country, is the savings trust fund. We can talk about the price of oil and about natural gas exports, export taxes, and things of this nature. But for most people in Canada what they focus on is the heritage fund. It's a great symbol of the wealth Alberta has now. On the other hand, to people in Canada it's a symbol of what's been taken from them. I think it's incumbent upon us to demonstrate to them that we're not taking from them, that we're simply participating in the economic development of this country, and our strength contributes to their strength.

Last year I was one of those who argued very strongly in favor of getting consultants to help us obtain information that would assist us in assessing the fund, the fund performance. Some of the arguments that were presented then bear a striking similarity to the arguments that have been presented today in regard to the three motions we've just heard. At the time I supported the recommendation that we get consultants to help us get more information to assist us in our job, I pointed out that it wasn't my objective to snipe or to find potholes in government policy or to find problems, to embarrass the government or any ministers. What I wanted to do was to get expert opinion and advice on the fund which would, in my opinion, back up what I had been saying. That was that the fund was doing good things, that it is well managed, and that benefits accrued not only to Albertans but to all Canadians; to demonstrate to Canadians that the heritage fund wasn't a pile of money that was hoarded in the basement of this building, that it was capital working throughout the country. Indeed, that's where most of it is: working throughout the country for the benefit of Canadians.

I felt then, and I feel now even more so given the constitutional crisis coming up, that it is very important for us here to demonstrate to Canadians that that fund is working in the best interests of Canadians, that there is not only economic efficiency, but social equity as well. If we can't demonstrate to Canadians that this is the case, I don't think we're aiding in this energy crisis and constitutional crisis as well. I think we have to lay those questions to rest. To do that, we have to have all the information we can possibly get. We have to have adequate information to make responsible decisions. We cannot make decisions in a vacuum.

So I'm personally very disappointed, and I'm dismayed at the actions this committee has taken. I have been with it for a year now, and I wish that I could say that I . . .

MR OMAN: Mr. Chairman, on a point of order.

MR CHAIRMAN: Mr. Oman has raised a point of order on the point of privilege.

MR SINDLINGER: I'm coming to the point very quickly, if Mr. Oman would just bear with me for a second, please.

MR OMAN: I think it should be debated immediately, Mr. Chairman, so that some idea -- it seems to me that we're running through the argument here of the previous discussion. I don't think that's valid as a point of privilege.

MR CHAIRMAN: Mr. Sindlinger, could you perhaps come to the point of your point of privilege, and then conclude?

MR SINDLINGER: Yes, I'm just about there. Thank you very much, Mr. Chairman.

I think over the last year, and indeed over the last three years, this committee has been finding its way, feeling its way. The fund is new; it's unique in the world. People didn't really know what to expect. In fact when it was established, no one in their wildest imagination had expected it would reach the point it has reached today. I think the committee has been doing the same thing: developing over the three years, trying to find its role.

But I'm very disappointed, and I'm dismayed about the decisions we've been making in regard to information. I find it incredible that we would deny ourselves access to information that has been freely offered by the Provincial Treasurer and that was given to us before.

MR CHAIRMAN: With great respect, Mr. Sindlinger, these are all points that you and others have raised on more than one occasion in this morning's debate. I don't believe a point of privilege serves as simply another forum to repeat comments made in debate.

MR SINDLINGER: I don't wish to do that, Mr. Chairman. I thank you for your indulgence so far, but I wanted to let you know what my feeling was and why I was doing it.

In regard to the recommendations we have before us for consideration, I believe they are all sincere, well-intentioned recommendations. I think they're good ones. At this time I would like to say that I support all the recommendations that are before us today.

Given the role that the committee has placed upon itself, I don't feel that in the next two days' deliberations on the recommendations that I can participate in a meaningful way or contribute to the deliberations. Therefore I feel it would be more worth while for the committee, so that I don't take up any more of its time on what some members have called frivolous requests, and I'll therefore vote now and support all of them, and absent myself until you are through the deliberations and move on to something else.

Thank you, Mr. Chairman.

MR CHAIRMAN: Mr. Notley, would you care to comment now on Recommendation II.5?

MR NOTLEY: Mr. Chairman, Recommendation II.5 is a recommendation that I have made because I've been a little concerned about our ability as a committee to really review investments and alternative investments by restricting our examination just to the material within the annual statement of the committee. I think that in order to do that job properly, we have to have no restrictions at all in terms of being able to review. In fact, we've done that in many ways, Mr. Chairman, in our examination. We have flitted from examining things exclusively in the report, to going back and going forward. Again, it's all part of this "feeling our way" that Mr. Sindlinger talked about. But so there is no misunderstanding, when information comes up I think that information, as long as it's relevant to an investment of the fund, should not be restricted to any given year, but to our responsibility to examine that investment which is now part of the portfolio of the fund.

So I want to make this recommendation so we would in fact clear the air in terms of our jurisdiction. I've watched it for three years. We get into sensitive areas and all of a sudden one of the arguments comes up: we can't do that because it's not in the report. Well, if it's relevant in our role of reviewing the investment, I think we should be able to do it.

MR BRADLEY: Mr. Chairman, with regard to what the purview of the committee is, it's clearly presented in the legislation, which is passed by the Legislature. As such, I believe that's what the committee has to follow. To go beyond what

is laid out in legislation I don't think is the mandate of this committee. It appears to me that's what this recommendation is suggesting.

MR NOTLEY: Mr. Chairman, I'd like to answer that. Section 13 of the Act can be read several ways. What I'm saying is that -- you know, one could read it that it is only the material that is within this report. And we've argued this in past sessions of the committee; I'm not sure since you've been chairman, Mr. Chairman, but I think in the first, '77, through to '79 it was argued several times.

MR CHAIRMAN: Mr. Notley, you've made that comment in light of Bill 77 and the amendment last fall, in which the phrase "and alternative investments" was added?

MR NOTLEY: Yes. The purpose of this recommendation, in my view, is to expand the area of our examination so there is no ambiguity or uncertainty at all, so that perhaps in the year 1985 we can look at everything from that particular year back to 1976, when the heritage fund was first established.

MR PAHL: Mr. Chairman, I listened very carefully to that elaboration on the recommendation. I note that we have, in practical terms, with the passing of Recommendation I.5, really addressed that concern of the hon. Member for Spirit River-Fairview, by talking in monetary terms, because in fact that's what we're about here when we review the fund. So I would question whether, in light of that recommendation, we would need a general statement such as this and which seems, if you will, to direct our legislation. If there's a recommendation that our legislation be changed in a specific way, I think that's another matter. But I don't quite know how to handle the statement rather than the recommendation.

MR CHAIRMAN: Any further comment or discussion?

MR R CLARK: I would just simply say that I think this is part of what we've been discussing all morning. I would hope, even at this late date, that members of the committee would see the wisdom of letting at least this much light in.

MR STEWART: Mr. Chairman, this recommendation, without a great deal of thought on how it is worded, leaves me in great difficulty to come to a conclusion on what the ultimate results of such a resolution would imply. The broad wording would almost make it difficult for me to view down the road how this resolution, if accepted, would put the responsibility on this committee to view projected investments without limitation. That's the wording at the bottom of this resolution. I find it very difficult, without some study, to visualize the implications of this down the road. I find it a very broad statement that I might be able to agree to in principle. Without due reflection, I would hesitate such a broad statement in a resolution. If we wanted to work on specifics, I'm prepared to discuss them. But a resolution of this nature opens the door to the type of review that this committee would get itself involved in.

Without due reflection, I would not be prepared to endorse such a broad recommendation as a resolution.

MR NOTLEY: I wonder if I might just clarify a couple of things. In listening to Mr. Stewart, I think there's a bit of misunderstanding. In actual fact, what we're saying here, ". . . the Committee confirms that nothing is the

Act limits" -- limits. In other words, we're not saying that we are automatically going to have this review. That becomes a question of judgment on the part of the committee. We may or we may not in a given year decide we want to do X, Y, or Z. What we're saying, in terms of interpretation, is that we don't want any limitation. It really then becomes a question, in exercising that, whether the committee wishes to or not. It's not the kind of situation we got into with public hearings, where we would have an open invitation and everybody could come. It's very much like the concern we had last time, that I think Mr. Stewart, among others, addressed: that if it's a case of going and having one particular hearing on a particular subject, that would be fine.

That would be the case here, Mr. Chairman. We're saying that nothing would limit. In other words, if the committee, by a majority vote -- it would have to be a majority vote -- particularly wanted to examine something in a little more detail, but crossed over years -- because we're not talking about just the last four years; as this committee goes on and the heritage trust fund goes on, we're going to be talking about, presumably, decades at some point -- we would be able to do that. It would be the prerogative of the committee. What I'm saying is that the interpretation should be clear in our minds, that nothing limits it just to this report. That doesn't necessarily mean that we're going to run out tomorrow and in every single case go from X to Z. It doesn't imply that's what our tactic would be, other than to say that, given the decision of the committee to move, we have that purview.

MR OMAN: Mr. Chairman, I have some problem with the committee confirming its own terms of reference or interpreting them. This isn't clear to me. In other words, I don't know that the committee has the right to say this is what its terms of reference are. That's why I have a little trouble with this wording.

MR CHAIRMAN: I don't know that I can resolve your uncertainties there. Let me assure you that in the two years I have been associated with this committee, very few members have had any reluctance to comment on the terms of reference.

MRS FYFE: Mr. Chairman, I was going to make a point that Mr. Oman made also, that the committee confirm its limits. I have some question about that also. In addition, the motion seems to be rather innocuous as you first read it, but I'm concerned about the intent of the motion. If the intent in the future is that we will spend time each year reviewing previous years' investments which certain members, in their privilege of bringing motions in, could take up an extremely large amount of time, to the detriment of the rest of the committee's work, then I have very serious concerns about it.

On the other hand, if at some point in the future, relating to a motion we discussed yesterday, we wished to look at, say, a 5- or 10-year investment review, then I don't think I would wish to be limited. But it's the intent of this motion that frightens me. I suppose it's maybe more the wording. But I certainly could not support it in its present form.

MR BRADLEY: Just to get back in, Mr. Chairman, I believe the wording of the motion really begs an amendment to the Act and, as such, perhaps that specific amendment should be proposed to the Legislature itself. I have the same difficulty other members have expressed, that this committee can confirm something which is in legislation and then interpret it as such. The breadth of this resolution today really begs an amendment. I'd like to see a specific amendment put forward to the Legislature rather than approach it in this way,

the committee confirming its own mandate. I don't think we should be doing that. The Legislature confirms our mandate, not the committee.

MR NOTLEY: Mr. Chairman, it seems to me that -- I want to go back to a couple of points. Mrs. Fyfe has raised a point about: are we not getting into a situation where we automatically have to review past investments? I would just want to make clear that the intent is not to give any right to any member to automatically review past investments. The question is that, should the committee decide to do it, and members have to carry the judgment of the committee, then I think we should not be limited in going back or going forward, in terms of reviewing investments. That's the intent of the motion.

Mrs. Fyfe also raised the point: would that not waste time, because members would bring these things in? Well, I suppose as we look at our legislative duties, Mr. Chairman, from time to time it may occur to us that other members are wasting time. We tend to think that, I suppose. Although we're all honorable members, from time to time it may occur to us that other people are wasting time. But in a legislative committee and in a legislative setting, it seems to me that the right to raise those questions should be there. The judgment of whether we do anything, whether we go back in time, really is going to be the prerogative of the committee to decide. If I want to go back to 1977 and discuss certain things about Kananaskis, for example, that's the sort of thing we'd have to carry the judgment of the committee before we did it.

The point Mr. Bradley raised is a good one. I would argue that because of the wording of Section 13(3), it is sufficiently ambiguous that our interpretation is important. I certainly would not object to an amendment to this recommendation, that we recommend that our terms of reference be clarified so that nothing limits -- in other words, that Section 13, Subsection 3, be reworded so nothing in fact would limit our ability, on the basis of a majority decision of the committee, to look at past investments. If members found that wording more appropriate, I certainly would have no objection to that kind of amendment.

MR STEWART: Mr. Chairman, in listening to the debate on this resolution, I'm left with the thought that this legislative committee is a creature of the Legislature. If our guidelines are not clear, I think they should be clarified in the Legislature rather than in the committee. I would recommend that if we want a clarification of our mandate and what the Act spells out, this should be done in the Legislature and with proper debate by the members who feel strongly on the issue, and that we be governed accordingly. If that is the intent of this resolution, I think it would be to the advantage of the members who want clarification to do it in that parameter.

MR CHAIRMAN: Any further discussion?

MR NOTLEY: On that point, that's certainly one option. An individual member could -- I could produce a private member's Bill, for example, and we could deal with it that way. But I really don't think that is quite as effective, frankly, as the committee itself recommending that the Legislature take action if members feel that there is some value in the principle. I happen to think there is. If you don't think there's any value in the principle, fine: vote it down. But if the principle is a valid one, that we should clarify it so that nothing limits -- and we're making it subject to the judgment of the majority of the committee -- our ability to examine investments from the trust fund, if we think that's a valid principle, it should be contained in the report.

The point Mr. Bradley made about the wording, I think that could well be rephrased, that the committee recommend that Section 13, Subsection 3, be clarified to confirm that nothing in the heritage trust fund Act limits the purview of the committee. That would certainly be a reasonable amendment. But if we favor that kind of principle, then it should be presented to the Legislature as a recommendation within that sense, rather than an individual member feeling strongly about it. If you don't think it's an important issue, vote it down. I happen to think it's an important issue.

MR CHAIRMAN: Mr. Bradley, just a point of clarification for the Chairman. Have you in fact brought forward an amendment to the recommendation? If not, I'll proceed to call for the question.

MR BRADLEY: Mr. Chairman, perhaps my remarks require some clarification. The intent of my remarks was that I was suggesting that perhaps the member who brought this recommendation to the committee would introduce a private member's Bill in the House to clarify exactly that point. It was not that I in fact support in principle what is being suggested here. I think it's too broad in terms of projected investments without limitation. That's a pretty broad brush, I would think.

MR CHAIRMAN: Those in favor of Recommendation II.5? Dr. Buck, Mr. Notley. Those opposed? Mr. Oman, Mrs. Fyfe, Mr. Pahl, Mr. Stewart, Mr. Bradley. The recommendation is defeated.

Recommendation II.7, Investment Update: Mr. Notley.

MR NOTLEY: I think there is an error there, where it says "suffer" a conceptual change. I'm not quite sure that I mean that. I think "undergo" is what I had in mind.

MR CHAIRMAN: Would members amend the recommendation accordingly, and replace the word "suffer" with the word "undergo".

MR NOTLEY: I think that's fairly straightforward, Mr. Chairman.

MR CHAIRMAN: Okay. Any comment?

MR OMAN: I wonder whether the last two words -- I don't think I would be in agreement with this suggestion. Whether the mover would like to do it or not, or sees the value in it, the last two words might be taken out. In other words, it would simply be related to the committee and the committee could do with it what it wanted.

MR BRADLEY: On a point of clarification, it says "projected investment estimates". Is that in terms of the capital projects division? I haven't seen any projected investment estimates in the Alberta investment division in terms of the Legislature passing those estimates. I'm confused there. Does that relate to the capital projects division?

MR NOTLEY: In actual fact it would be dealing with the capital projects division.

MR BRADLEY: Surely the proper place for examination and scrutiny of those estimates is in the Legislature, in the fall when they are presented.

MR NOTLEY: Mr. Chairman, in addition to that, this committee has the ongoing task. We are given an assignment, which is a very important one, by the Legislature. Where there are conceptual changes, it should be reported to this committee. It should obviously be reported to the Legislature when the capital estimates go through, but it should also be reported to this committee. That becomes one of the things we must assess. Remember, before the estimates even come in, our report must be laid on the table. That is the way in which the Act is worded. Our report must be submitted before those estimates can be dealt with by the Legislature. So where there are conceptual changes in a program, those conceptual changes should be reported to the committee so if we wish to make relevant recommendations, we can.

MR BRADLEY: But surely, in terms of the legislative process -- perhaps someone might be able to give me some education on this point. It's not in terms of my understanding that where that sort of thing happens in any budgetary process, the estimates in the fall is a budgetary process and reviewed during that budgetary process. I'm not aware of any estimates of any department undergoing this sort of review which is being suggested here. I think it would be a departure from parliamentary procedure, a significant departure. Perhaps someone might clarify that for me.

MR NOTLEY: Mr. Chairman, I really find it difficult to understand how it could be a major departure from parliamentary procedure. What we're saying here is where projects in the capital projects division that have been accepted by the Legislature, which are contained in our report -- and we have a responsibility to review that report -- where there has been a conceptual change, then surely that information must be reported to the committee. Otherwise, what are we doing as a committee? What are we doing as a committee? If we have a report, and there are conceptual changes and that isn't reported to us, then really the whole process becomes completely irrelevant. To say that this can be brought up in the session, fine; that should be. But I would remind Mr. Bradley, Mr. Chairman, that it was very, very carefully stated in the House by the Premier the route in which we would deal with these capital estimates. They would be dealt with after the report of this committee was tabled in the House. With that in mind, how in heaven's name can we seriously do our work if there are conceptual changes and they aren't reported?

Now, we may very well decide not to act on it; that's fine. And I agree with the suggestion Mr. Oman made that we take out "review"; I don't think that's necessary. But I think it should at least be reported to us.

MR BRADLEY: Mr. Chairman, I have no problems with the conceptual changes being reported to the committee. In fact I think that is probably not a bad idea. But what flows from that in terms of the budgetary process and precedent, I am very concerned about.

MR CHAIRMAN: I'd like to ask the question, then, on the amendment, unless Mr. Pahl wants to comment.

MR PAHL: Thank you, Mr. Chairman. I guess I would make the editorial comment that perhaps that was one of -- looking at that "suffer" might have stimulated my remarks as to the nature of some of the recommendations. I can support the recommendation as amended. I think a lot of the intent is carried and incorporated in Recommendation I.5, that we have already addressed. To that extent I could support it.

MR OMAN: Mr. Chairman, I would suggest that we take "projected" out too: "That, where project investments . . .". There seems to be a repetition.

MR NOTLEY: Could we change "suffer" to "undergo" and "related" to "reported", and drop "for review"?

MR CHAIRMAN: It now reads, with these various changes -- Mr. Notley, did you respond to Mr. Bradley's concern over "projected"?

MR NOTLEY: That's fine. "That, where project investments . . ."

MR CHAIRMAN:

That, where project investments undergo a conceptual change involving significant alteration of projected investment estimates, such changes and resulting estimates be reported to the Committee.

MRS FYFE: To make it clearer, I think we should leave "projected capital projects", and leave the word "investments" out, because it's the project itself that actually changes conceptually and not the investment as a result of the change. I'm in support of the concept, but in my mind that would make it clearer.

MR CHAIRMAN: You're suggesting replacement of the word "projected" in the first line with the word "capital"?

MRS FYFE: "That, where projected capital projects undergo a conceptual change".

MR CHAIRMAN: In the third line?

MRS FYFE: No, in the first line.

MR CHAIRMAN: Would you read it again, please?

MRS FYFE: "That, where projected capital projects undergo a conceptual change".

MR OMAN: Just "capital projects".

MRS FYFE: Yes. ". . . where capital projects undergo a conceptual change".

MR PAHL: Then you'd have to be consistent and change the last "investment" to "capital estimates". In the true sense of the word, a lot of our capital funds would maybe be investments in the future but they wouldn't be considered investments in the sense of earning a return, such as Capital City Park.

MR CHAIRMAN: Mr. Notley, could I ask you to incorporate these various amendments and attempts at fine-tuning?

MR NOTLEY: What we have at the moment, as I understand it, is:

That, where capital projects undergo conceptual change involving significant alteration of projected capital investment estimates, such changes and resulting estimates be reported to the Committee.

MR CHAIRMAN: Those in favor of the recommendation as amended? Carried unanimously.

Mr. Pahl has suggested that perhaps we should adjourn on that high note, and I think it's an entirely meritorious recommendation. We stand adjourned until 9 a.m., Tuesday, October 7.

The meeting adjourned at 11:38 a.m..