

Standing Committee on The Alberta Heritage Savings Trust Fund Act

Monday, October 5, 1981

Chairman: Dr. Reid

10:30 a.m.

MR CHAIRMAN: Good morning, ladies and gentlemen. I think the committee should come to order. We have a fairly large agenda for the next three days that we're going to meet: today, tomorrow, and next Tuesday. I'd like to confirm with members that the only time that seemed to be available for a significant number of the committee was Tuesday the 13th, the day before the Legislature opens. We'll meet that morning and afternoon as well.

We have in fact some 64 proposed recommendations, a considerable number. There are some duplicates or almost duplicates, but there are prefaces and things that I really felt should not be amalgamated. In some places you will find two, three, or four similar recommendations next to each other on the list.

MR PAHL: Mr. Chairman, could you indicate what time the meeting will come to order on Tuesday the 13th?

MR CHAIRMAN: Ten-thirty in the morning -- because it's after the long weekend -- and 1:30 in the afternoon on the 13th. Nine-thirty and 1:30 tomorrow.

The other item I have to bring to the attention of the committee is that the Provincial Treasurer will be present with us on the morning of the 13th, and tentatively -- this is what was causing me the problem -- it will be at 9:30. That was the schedule that he could fit in with. So it looks as if we are starting at 10:30 on Tuesday the 13th. Now if I've thoroughly muddied the waters and confused everybody in the room, including the press, it will be 9:30, because that's when the Provincial Treasurer can come.

MR NOTLEY: Before we get into the recommendations, I just want to clarify where things sit in terms of the proposed recommendations. I haven't had a chance to look over all the recommendations. I assume there are a number of recommendations where you've put different proposals together, and that's fair enough. However, I did want to make clear to the committee that the recommendations which came to me as a result of public hearings I held, I would want to sponsor for the committee. Now there are quite a number, well over 100 -- 149, I believe. Although they are clustered into a smaller number of groups. So perhaps I could just ask you, Mr. Chairman, what you propose with respect to those?

MR CHAIRMAN: For the Member for Spirit River-Fairview, I had a little difficulty about this. I read the letter that was submitted with the document. I have a little difficulty. First of all, I'm not at all sure that the committee can receive that type of document for information. This is a document that was submitted essentially to hearings held under the auspices of one of the parties that's represented in the Legislature, but was not a submission to the committee as such. I think I would be out of order to accept a document of this type to the committee.

I have a suggestion to make as a freshman legislator. I think I've been in trouble before with the Member for St. Albert about that, haven't I. Freshperson. Speaking to, I think, what's referred to as a senior, my suggestion would be that if this is tabled, it would be better to table it in the Legislative Assembly next week rather than in the committee. Now that may create some difficulties for the Member for Spirit River-Fairview. But it's just that the function of the committee under the Act -- it's a little difficult to remain in order by my reading of the document and my reading of The Alberta Heritage Savings Trust Fund Act.

MR NOTLEY: Mr. Chairman, on the contrary. I think the question is not how members get proposals. Obviously we have a number of proposals here that come from different members, and there would be a multiplicity of ways in which they received the input that caused them to sponsor a given resolution. That's fair and proper. I don't think it's the position of the committee chairman, with great respect, to make a ruling as to how we receive the input. The question is whether or not the member is prepared to sponsor and take responsibility for a particular proposal. Whether that comes as a result of properly constituted public hearings by the committee as a whole, or constituted public hearings by one of the political parties, or someone meeting members individually, seems to me the question. And the only question from a parliamentary point of view that you can judge is whether or not the individual member is prepared to sponsor. That is the pertinent issue, as I see it, Mr. Chairman.

As to whether or not there's any problem with public hearings that have been organized by one of the political parties: I think the crucial matter is that among the panel was a member of this committee. The issue that you have to reckon with and wrestle with is whether it is appropriate to receive resolutions providing I sponsor them. I want to make it very clear that any recommendation that would come from the hearings, I would take the responsibility for sponsoring. But I think it's inappropriate to sort of set them all aside on the basis of the fact that they were public hearings organized by one of the political parties, because then we get into a reading as to where we get our information. I think that becomes a very subjective matter which goes far beyond the normal bounds of parliamentary tradition. Just as the Speaker of the House is going to have to deal with the question of recommendations that will come from the VIA Rail hearings sponsored by the Conservative Party -- and there'll be all kinds of recommendations -- I think Mme. Sauve is going to have to look at any recommendations coming from those hearings on the basis of whether or not the members party to it are prepared to sponsor it in the House of Commons. Similarly, I think that's the approach we have to take with respect to these recommendations.

MR PAHL: Mr. Chairman, I will leave to you the difficult task of ruling what is appropriate. But in terms of the mechanics: in the handout of proposed recommendations from members, I note the Member for Spirit River-Fairview has his name beside a number of them. Am I to conclude that you have already taken this set and distilled it into this package? Or are we seeing two sets coming from the member? The point I'm addressing is the mechanics of how we get our views to put forward recommendations as a member. I quite agree with the hon. member, it really doesn't matter. However, when they get before the committee, it was my understanding there's one mechanism. And it would seem to me -- well, I'm a bit confused. Perhaps if you and the hon. member could

enlighten me as to: are we seeing things twice, or have you already distilled the various sources of his recommendations?

MR CHAIRMAN: The problem I had was that the Member for Spirit River-Fairview submitted two documents. As his letter says: number one, a compilation of briefs and recommendations received during the course of the Alberta New Democratic Party's public hearings on the Alberta Heritage Savings Trust Fund; second, my own recommendations to the standing committee. Now the second document, of course, I have accepted. Those 18, I think, are in the list submitted to you this morning in various places according to their content. The difficulty I have is with the first document which is not listed as being the member's own recommendations. I think the word is "sponsorship", and that's what causes me the difficulty.

If it's acceptable to members, I can certainly get the Law Clerk to clarify this. But in the meantime, I have great difficulty accepting a document that was prepared for somebody else as a presentation to the committee.

MRS FYFE: I was thinking back to last year when a report was submitted by the members of one of the parties that had been carried out by that party. That material was circulated for information. The members of the committee hosted a meeting with the writers of the report, the consultants, so that we could clarify any points in the material. It would seem to me if recommendations were submitted by the noon deadline of Friday under the name of the member of the committee that we should deal with them as recommendations. But other information -- and I'm also still not totally clear as to the manner in which the first documents were submitted. But if they were submitted under the name, as I said, as regular recommendations, I think we would have no choice but to deal with them. But if it is information for the committee -- or briefs, or whatever the form -- then I think they could be circulated as information for the entire committee. But I don't think we could deal with them in the same manner.

MR NOTLEY: May I respond to some of the questions. Together with my colleagues in the New Democratic Party, we held public hearings in seven different communities in the province. The reason there were two sets of recommendations is that the first set of approximately 20 were recommendations which I as a member and my colleagues -- because I also happen to represent a political party; I'm the leader of that party -- strongly support. But during the course of the public hearings, people came with different recommendations, all of which were presented to me in good faith.

My reason for separating them is that while I'm prepared to sponsor them -- I think they're reasonable proposals and as such should be discussed by the committee -- they are not necessarily proposals which I as leader of the New Democratic Party could identify as New Democratic proposals. They're proposals from Albertans all over the province. As a member of the Legislature, I'm quite prepared to sponsor them so that they are duly moved, and I'm prepared to take responsibility for them before this committee. I think that is the crucial parliamentary question that has to be addressed. However, I wanted to make that distinction. Because as a member of the committee, I'm also the leader of a political party. I think that distinction has to be kept in mind.

But in terms of the committee's role and, more particularly, your responsibility as chairman, I think the crucial issue is: is the member prepared to sponsor them? I am prepared to sponsor them.

MR CHAIRMAN: I was not questioning the preparedness to sponsor them, because that's stated in the letter. What I was questioning was whether I can really receive them on behalf of the committee. I see the Law Clerk is already in the books. Maybe we'll wait for some additional assistance.

MR KNAAK: We had a discussion here earlier this year. I think it was made quite clear that as MLAs we have an obligation to bring our own recommendations forth. And to the extent that we have input from anyone else, it's our obligation to distil that information and bring it forth as legislative representatives. I made a strong point that I felt my job as an MLA is to receive information from the public, but ultimately take the responsibility for my own recommendations, then run the next election on the base of my performance in the House, my recommendations, and decisions.

What we have here now is a thick book of ideas of individuals who've neither been elected nor do they have any responsibility with respect to the House. I suppose some would be just one person's thoughts. If the Member for Spirit River-Fairview wants to have a public hearing, which is a good idea -- and I too welcome input from my constituents with respect to ideas on the trust fund, it seems to me that his obligation, if he wants to put it before the committee -- and I'd feel pretty strongly about this -- is to read them, decide which he as an MLA is prepared to recommend, distil them, and present them to us in a usable form.

As a committee member, I'm not prepared to take the views of 200 people as individuals without them ever having been reviewed and distilled in a package, and without one of the MLAs who's responsible to his electorate saying I support these and recommend them on my own behalf on the base of information. So I too think we should receive them as information in some way. But I can't accept them as recommendations unless they are all the recommendation of the Member for Spirit River-Fairview, that he supports them, and that he's prepared to take the criticism for them if they are in fact not good for the public of Alberta. And I don't think that's what he's prepared to do. He's just handing us a document. It's just like me receiving 100 letters from my constituents, putting them in the book, and saying these are my recommendations for the year.

MR NOTLEY: I really must respond to that. First of all, as members will observe if they review the document, while there are a small number of recommendations from individuals, the bulk of the recommendations come from a host of established Alberta organizations -- the Alberta Federation of Labour, the Metis Association. As a matter of fact, the Metis Association of Alberta came out to three separate hearings and made submissions. It's the kind of input from organizations, without going down the list -- members can look over the information we've supplied and see the list of organizations that have made submissions. So the idea that it's just somehow a few individuals here and there is not correct. I think that has to be stated for the record, and that should be clear.

In terms of the way we deal with these recommendations, Mr. Chairman, and as a freshman member of this committee, it might be useful to look back over the last four or five years. If you do, you'll discover in reading the transcripts that members from time to time are influenced, ideas are brought forward. As a result of discussion, proposals are frequently withdrawn by the sponsoring member. The question is whether or not there is enough reason to sponsor it. I want to make it clear that any of these 140-some recommendations I propose will be recommendations that I think have sufficient

merit to sponsor. But to suggest, as the hon. Member for Edmonton Whitemud does, that somehow it has to be totally committed begs the question of how we've handled things for the last five years. We have developed a consensus. Frequently, people who've sponsored recommendations have been among those who've said, all right, the balance of wisdom in the committee is such that we are persuaded. And that's the way it clearly has to be. Surely, we're not talking about hard and fast positions in this committee. It's not the rigid environment of the legislature where you have party lines ruling what decisions are made.

So the question is: is there sufficient reason? The reason I asked this question at the beginning of our discussion was that in looking over the recommendations that have come from the public hearing, there are probably 30 or 40 that represent the summary of the basic positions. My intention would be to move one of the recommendations which most clearly represents, because I don't want to waste the committee's time going through eight or nine recommendations that are essentially the same thing. I certainly don't intend to do that. But the recommendations, I think, can be clustered. My staff has gone to a good deal of work to make sure they're set in some sort of coherent order, so members could readily follow the consolidation.

Again, I just close by saying that it is a question, in my judgment at any rate, of whether there is sufficient reason to sponsor. I will certainly give the undertaking to members of the committee that I will not frivolously propose recommendations. I don't think the process that I have gone through for the last time at considerable expense and time was a frivolous gesture. It was anything but that. Again, the reading of groups that have made representation, I think, would testify to that more eloquently than anything I can say.

While the Law Clerk is reviewing the parliamentary precedent, one point I want to leave with you is that we're not just talking about a few individuals, although there are some individual representations, but representations from groups; that it will be my intention to sponsor proposals. In the vast majority of cases, I agree with the proposals. But I don't want to convey to the committee that it's going to be a hard and fast situation, but rather typical of the way we've conducted ourselves in the past, that there is sufficient evidence the matter should be raised and discussed. If my colleagues on the committee can persuade me otherwise, so be it. As in the case of all of us, we've withdrawn; it's possible I may withdraw some of them as a result of discussion. But in my judgment all of them merit sufficient time to be discussed. I would take responsibility for the sponsorship.

MR PAHL: I think this has been a nice indulgence by the committee. But it's clear there's one precedent we need to follow that the committee agreed to unanimously: that was, to submit the recommendations by sponsorship by individual. And that clearly was done. Here we have the hon. Member for Spirit River-Fairview wanting to have his cake and eat it too. He has submitted according to the rules and according to his number, I think, some 20 recommendations in accordance with what we all agreed to unanimously as a committee. Then he comes along with lots of volume which to me would clearly be an unwillingness to do his homework and distil them down. He's welcome to get input from any part of the public sector, wherever. And I compliment him and the initiatives of the hon. Member for Calgary Buffalo in doing so. But here he wants to have his cake and eat it too. I clearly think that enough time has been wasted on this. He's welcome to do that. But he has to do the

homework and incorporate all the ideas he has into his own recommendations and not bring us his cake and the attempt to eat it as well.

To summarize clearly, the precedent is: we agreed to follow this format in earlier meetings. And he has indeed submitted 20 recommendations. Presumably they carry with them what he felt was important at the time. I don't think we should even entertain his information, this pile of wishful thinking.

MR SINDLINGER: I'd just like to ask committee members when they debate this issue whether or not they could give an indication as to whether they're concerned about the process we're following here or the number of recommendations contained in the submission by Mr. Notley. That is, if the additional recommendations Mr. Notley is bringing in from his hearings contained only one recommendation, would they still be objecting to our receiving it here?

MR KNAAK: I haven't seen the recommendations, so I don't speak on the merit of them. And I don't exactly know how many are in there, because I haven't seen that either. My point is a matter of principle. In terms of precedent, we've agreed that it's our responsibility as individuals, as MLAs, to get input from our constituents. The Member for Spirit River-Fairview mentioned that he's also leader of the party and has a greater constituency in that respect. That's fine.

Maybe I can just mention our other committee's function. I was chairman of a caucus committee on tax and tax incentives. We received 40 briefs. Now I don't take those 40 briefs and hand them to the full caucus or anything else. We as a committee distil them, take from them what we think are useful recommendations and serve the public interest, and recommend those to some other group that makes the decision. And this is analagous.

It's very worth while to have public input. No one denies that. But it seems to me it's not very worth while to take 100-some recommendations or letters that may be repetitive, may be different, may even be contradictory to one another. We had agreed that we as MLAs are obligated to get input, accept what we want to accept, then make them as recommendations as individuals and take responsibility for them as MLAs. This has not been done by the Member for Spirit River-Fairview. I don't know what sponsorship means. Either he is recommending them as a person, as an MLA of this committee, or he isn't. And he hasn't been. So I agree with the Member for Edmonton Mill Woods, that this document, although it could be very informative, should be transformed by the NDP into a useful document in terms of distilling it and bringing it to the House at some other time. Bring it forward next year, but not in the form it is.

MR SINDLINGER: Mr. Chairman, I have a confession to make to the committee. Of the 25 recommendations I have submitted, none of them originated with me. They are not original ideas of my own. I got a lot of help putting those together, and one way I did it was by holding public hearings around the province. They were not as well attended as Mr. Notley's meetings, and I doubt if they would be as well attended as this committee's meetings if this committee went around the province as well. But if you're going to make a judgment about the materials handed in by Mr. Notley, then you must bear in mind also that all 25 I have submitted come via the same route.

I think what we have to decide here is between what is legally right, if that's the process you are talking about and that is what we're debating, and what is morally right in a situation like this. I'm certain we can have the

Law Clerk come forward with ample precedents and determine for us what is legally right. But there remains the question of what is morally right; what we as legislators on this committee are morally obligated to do.

When a member of this committee refers to *bona fide* recommendations passed to this committee one way or another as, I quote, "a pile of wishful thinking", I think they're misdirected. I don't believe any of these recommendations, whether they come through committee meetings or individual members, result in a pile of wishful thinking. It's been said that some of these recommendations may be competitive. It's been said that some of these recommendations may be contradictory. Well, I might just add to that that some of these recommendations may even contain a good idea. And Heaven forbid if we in the committee took the time to go through there and find those good ideas. I think we're morally obligated to look at those. And we should take the time to look at them, if that's what's required, and not be hung up on a legal technicality in regard to sponsorship.

MR NOTLEY: I really think, with great respect, that Mr. Pahl should withdraw his comment about a pile of wishful thinking. With great respect to that member, to make that kind of statement . . .

I'll just go over -- and I think it's important; it will just take a moment -- some of the groups that made representation. Because I think the wishful thinking . . . If you're going to make those comments . . .

MR CHAIRMAN: I think the Chair can take some prerogative in this. My questioning was of the mechanism and of parliamentary procedure, not of who submitted or the content. I have not read all the document, needless to say, over this weekend since last Friday. In relation to some other remarks made, three further submissions have been submitted to me this morning by the hon. Member for Calgary Buffalo. I seem to remember the committee agreed that the deadline would be last Friday at noon. I did stretch that deadline somewhat for receiving the recommendations from the official opposition. But we had some rules that we set. I'm now going to have another procedural wrangle, I suppose, about the problem of the three submissions put in by the Member for Calgary Buffalo this morning. Again, it's not the merit of the suggestions or anything else; it's: do we go by the deadline of last Friday, because we may have other members of the committee who may wish to submit further ones subsequently. My questioning from the beginning was of the mechanism being used and whether it was genuine parliamentary procedure. I have considerable doubts about it.

I think we've heard the argument go back and forth. The comments of individual members as regrettable or otherwise don't really affect the issue at hand which is the mechanism of providing information to the committee and whether the committee can under parliamentary procedure accept that information if it is not the actual recommendation of a member. Perhaps it's time we heard from the Law Clerk who has been listening to all this discussion.

MR NOTLEY: I don't want to leave a comment unchallenged. I would certainly invite the member to withdraw his statement, because when we're dealing with groups such as the Metis Association of Alberta, the Indian Association of Alberta, the National Farmers Union, Unifarm, the Alberta Federation of Labour, the Alberta Wilderness Association, the Christian Farmers Association . . .

MR CHAIRMAN: For the hon. member, we're going through the whole list.

MR NOTLEY: . . . I could go on and on. But I think the point is well made that inadvertently or not, the Member for Edmonton Mill Woods has made a statement which is extremely regrettable for a member of this committee to make. I would invite him to withdraw his remarks.

MR PAHL: Mr. Chairman, I think I will rise to the opportunity presented by the hon. member. I can only conclude again that if the NDP first submits, I think, 20 or 22 recommendations that the member sees fit to put his name to, then adds a further pile of information I have not seen and don't think any member of this committee has seen, I would still submit that it is wishful thinking -- not on the part of the people who in good faith submitted to the hearings held around the country, but wishful thinking on the part of the hon. member and the NDP.

MR CHAIRMAN: On that note, I'll ask the Law Clerk if he has anything to say on the mechanism and my ruling as to the non-acceptability of the mechanism.

CLERK ASSISTANT: Before you hear from the Law Clerk, may I point out to you that I'm the Clerk of Committees and your principal advisor on matters of procedure, supported by my distinguished colleague the Law Clerk. I discussed this matter with you on Friday. I carefully considered Section 13 of The Heritage Savings Trust Fund Act which, as you know, provides the terms of reference for this committee. In summary, the Act says that this committee is established to examine the operations of the fund. And it has the authority where it considers necessary to make recommendations for ultimate investments. Members of the committee individually have that authority to make recommendations for ultimate investments.

In my view -- I'm quite firm in this opinion and have, incidentally, discussed this with my colleague -- the committee does not have the authority to accept the second series of recommendations presented to you by Mr. Notley. However, there is a parliamentary route to get these recommendations before the committee; that is, to table them in the Assembly, then subsequently move that they be referred to the committee. That's my best advice to you on this subject, given after careful thought and consideration with my colleagues. Anything the Law Clerk may have to say to supplement that opinion, I'm sure can do nothing but benefit the deliberations of the committee.

LAW CLERK: Mr. Chairman, as Mr. Blain said, we have discussed this point, and I agree with the principles he enunciated. The committee may only consider matters which the members propose to the committee. I have to agree with the arguments put forward that the expression "sponsor" must be used in this context not merely as somebody who brings the matter into the Assembly as a channel, which is the traditional way that private Bills are brought in. Members will know that private Bills are dealt with in a different way, because they're not public policy. A member who is the sponsor of a private Bill in that context is merely the person who has determined that it's a proper matter to be brought into the Assembly by private Bill but doesn't necessarily support it; in fact, he may speak against it. In that case, he is only a person who has put his name to it to bring it in, having satisfied himself that it's the correct topic for a private Bill. He doesn't have to support it politically.

With respect to resolutions and public Bills, the term "sponsor" which is attached to those implies, in my view, that the member is taking the primary political responsibility for arguing that issue. He may indeed be persuaded by the argument he hears back that other proposals might have a greater merit. I quite understand the point that the hon. Member for Spirit River-Fairview made in that regard. But it does mean that he has to be the primary mover of that motion.

The other complicating factor is the deadline the committee imposed upon itself which, I understand, was last Friday noon. The question which the Chair has to determine is whether at that time the proposals which Mr. Notley has on the table now were before the committee in his name and were they his proposals. Mr. Notley, in his address to the committee, has indicated that there are certain of the issues which he'd gladly bring before the committee, but he wasn't necessarily putting forward as his proposals. That has made the issue quite clear. Ignoring the deadline for this point of view, if they were proposals which the hon. member had brought forward wherever he got them from and made his own, they are properly before the committee. If he merely brings them in and says, I have received these, I believe they're important, but I'm not prepared to make them my proposals, then they are beyond the jurisdiction of the committee to receive.

With the overlying complication of the deadline, which the committee members accepted as an internal procedure of the committee, it may be that at the time of the deadline there were no proposals in that package to which Mr. Notley had attached his name and identified himself as the sponsor in the strict sense. I agree with Mr. Blain's comments on all other regards.

MR NOTLEY: The reason for the separation was actually to be as fair as possible to the committee. As I look over the 140-some recommendations, probably about a quarter of them bring together the major concepts which I solidly support, would be very pleased to sponsor in the fullest sense of the word "sponsor", and take responsibility for in every possible way. When I think of some of the major organizations that have made submissions -- the National Farmers Union, Unifarm, Metis Association, and what have you -- I'm totally, fully supportive of the proposals that they make.

The difficulty that would seem to me then is what we're going to do about the time frame. If the chairman has made modification in the time frame to accommodate the official opposition, what he might well consider doing is making an accommodation so I could put before this committee some of these major proposals in the same way. It seems to me that would be a reasonable compromise and one that members would support.

MR CHAIRMAN: Before we spend any more time on the matter, I'm prepared to make the ruling since the two gentlemen have given an alternative procedure for getting this to the committee. I think we will leave it for the Member for Spirit River-Fairview to table the documents in the Legislative Assembly and ask for referral by the Assembly to the committee. I think it's a satisfactory answer and will get the document into the Legislative Assembly. If the Assembly decides, then it can be referred to this committee for further consideration. Otherwise, we are going to have great difficulty in getting a report of this committee put together in the time frame we have available. Incidentally, speaking about time frames, it was a matter of approximately three-quarters of an hour on Friday afternoon that I went over the time on that, I think.

MR NOTLEY: Mr. Chairman, a question. You now have all the recommendations, including the ones from the official opposition?

MR CHAIRMAN: I had them all on Friday afternoon by about 1 p.m., and everything has been put in that document. I had them by that time. Since then I have been trying to get them ordered in some logical sequence -- the total of 64. That was typed up this morning prior to the meeting.

MR MUSGREAVE: On clarification, Mr. Chairman. Are you saying that the material you got from the official opposition came to you after 12, but you had it Friday and it's incorporated here? Is that what you're saying?

MR CHAIRMAN: My understanding was that they were having some difficulty getting the Leader of the Official Opposition in order to sign the document. In actual fact he did not sign it, but it was delivered to me. I telephoned the office of the Leader of the Official Opposition on the chance that the material had been delayed getting to me. The trouble was apparently the signature. But the material, I understand, was ready.

MR MUSGREAVE: So you had it before today is the point I'm trying to make. You had it before today's meeting?

MR CHAIRMAN: I had it on Friday, early afternoon.

MR SINDLINGER: Mr. Chairman, inasmuch as I've already confessed that the recommendations I submitted, all 26 of them -- which I also understand were the first you received from anybody on this committee last Thursday -- weren't my ideas. And inasmuch as it's common knowledge that most of them came from committee meetings or public hearings similar to those held by Mr. Notley, I then ask how you as chairman intend to handle my recommendations?

MR CHAIRMAN: As ordinary recommendations by a member of the committee as they were submitted to me from your office on October 1, 1981.

MR SINDLINGER: Mr. Chairman, I have to point out to you that there's no difference between the method by which I got my recommendations and by which Mr. Notley got his. If you're to treat his recommendations in that fashion, then you must apply a similar ruling to those submitted by me.

MR CHAIRMAN: No. I thought I made myself perfectly clear to members of the committee. It was the mechanism of getting the information not the content. Your recommendations -- and the other recommendations from the Member for Spirit River-Fairview -- came as your recommendations to the committee for consideration. We're not quibbling . . . It's not my job as chairman to rule on the recommendations; that's the job of the committee. Yours came as a document to me from yourself labelled "recommendations in regard to the management and investment policies of the Alberta Heritage Savings Trust Fund". It came from your office in the Legislature.

The Member for Spirit River-Fairview submitted a similar document with his signature on it and, in addition, submitted a second document. It's the second document that the problem exists with. The first document from the Member for Spirit River-Fairview, be it all his ideas or be it the compilation of other members of his staff or other members of the party to which he

belongs, was submitted as his recommendations. There is no problem with those.

MR SINDLINGER: Aside from the letters on this memorandum to you containing my recommendations, I have to go a little further and reiterate that there's no difference between the method by which I got mine and the method by which Mr. Notley got his.

AN HON MEMBER: That's not the point.

MR CHAIRMAN: I'm not making any ruling on how you got the recommendations. The ruling I'm making is on how they were presented to the committee, which information was presented, and which way. I'm ruling that I cannot accept the second document submitted by the Member for Spirit River-Fairview, and that's the ruling I've made.

I think the Member for Edmonton Whitemud wanted to make some remarks before we go on to considering the recommendations.

MR KNAAK: Mr. Chairman, just two points. In terms of Mr. Sindlinger, I hope he isn't now saying that he isn't supporting and isn't responsible for arguing in favor of the recommendations he's made. I don't want to hear from the Member for Calgary Buffalo that he doesn't really support the idea; it's just someone else's idea. That's the way I'm getting it forward. He'd better be prepared to support those and argue in their favor.

In terms of Mr. Notley's package, I guess I'm a little bit . . . Given the shortage of time we have in the committee, I don't like the committee being used as a political football. I suppose he has the publicity he wanted now. He knew full well that it was outside our agreed-to terms of reference in procedure. He's been here a lot longer than I have, and he should know that it's outside the procedure. We've heard both gentlemen, who've had a lot of experience in this Chamber, advise us that it's out of order.

The only thing that I guess I'm upset about is I'm sure there are good recommendations in those 146. If Mr. Notley would have distilled them, would have had to reject some, offend some people, make judgments on contradictory ones, and offend others . . . Instead of that he brings us his whole package. Now there are good recommendations in there. I'm just sorry it wasn't brought forward to us in the responsible and proper fashion so we could examine them.

MR CHAIRMAN: I think we'll discontinue the situation. This is developing into a discussion about personalities.

MR NOTLEY: I really don't think that government members make their little speeches and then cut it off, with great respect. I want to make it absolutely clear that the hearings were conducted in good faith. As you as chairman must testify too, you were uncertain. You had to consult with the two senior advisors to the committee in terms of rules. They have ruled in a particular way. I'm prepared to accept that. But I'm not prepared to accept the kind of silly comments we've had from some of my colleagues on the committee, with great respect, about rules, when in fact we had to ask our two senior people about rules -- who probably know more than the rest of the committee put together -- to give serious thought to this. The suggestion that somehow this was a political football is just nonsense and is the kind of statement, frankly, that shouldn't be made in this committee if we're going to get anywhere over the next three days.

I also reject the notion that a time frame is something we have to worry about. If we have to take the additional time, we are given a major responsibility by the Legislative Assembly and the Act. If it takes us more time and we have to have more days, unfortunately we'll have to take those additional days to do the job properly. I don't think any suggestion of time being a limit . . .

The other point that has to be made fairly clearly: the reason for the separation was courtesy to the committee. It would have been very simple. The idea we get that somehow my staff or I didn't take the time to bring these together is sheer nonsense. In a matter of five minutes, I would designate the ones that I would be more than happy to sponsor in a total way, meeting all the concerns of the Law Clerk and the Clerk Assistant of the Assembly. So there's no question about that. The reason we did it this way was because these organizations had come in good faith to public hearings. I wanted the fact that their concerns had been brought forward and transmitted to the committee in that particular light. I would have been very happy to have done precisely what Mr. Sindlinger did and sponsored them, so you might have had another 25 or 30 recommendations. You wouldn't have had all 146, but you might have had another 25 or 30 recommendations. That was done on the basis of courtesy to the committee, and I do not want any inference left that it was done for any other reason.

Mr. Chairman, with respect to the ruling from our two senior advisers, I would ask both gentlemen if they would advise both me as a member of the committee and all committee members as to what route can be followed. Normally a motion could be put forward in the Legislature under private members' motions which will be talked out. Can this be moved at the time we deal with the report of the Heritage Savings Trust Fund formally in the House so the move to refer is part of that debate? What I'm getting at is I don't want to see a motion. I think it would be unfair to the people who've made submissions if the only way a motion can be put in the House is during opposition day, where we have a very, very strict time frame and a vote is not required. That's a specific question I'd like either gentleman to respond to.

CLERK ASSISTANT: First of all, the Law Clerk and I thank Mr. Notley very sincerely for his complimentary remarks, but there's one important point I should make. Neither the Law Clerk nor I are in any position to rule. We're advising the committee. I wouldn't want it to appear in the records that we're making rulings.

In relation to your question about the timing of the motion, my best advice to you is this. As I said, the parliamentary route open to you to request that these recommendations be referred to the committee is that you table them in the House, then subsequently move that they be referred to the Standing Committee on the Heritage Savings Trust Fund. This would be a motion which requires notice. If I follow you correctly, you wanted to know if this motion could be made at the same time that the committee report is received. Is that the substance of your . . .

MR NOTLEY: I would like some advice from either one of you on . . .

MR KNAAK: Mr. Chairman, on a point of order. It seems to me we're dealing with the Heritage Savings Trust Fund. You've ruled that this is inappropriate for the Heritage Savings Trust Fund. Mr. Notley should meet privately with the two gentlemen afterwards and find out how to get it into the House. Let's get on with Heritage Savings Trust Fund business.

MR NOTLEY: On the point of order that you've ruled on. Part of that point of order is that another vehicle is available. That other vehicle which is available should be made available not just to me as a member of the committee but to the entire committee. My request for that information is not only for my benefit but for the committee members' benefit as well.

CLERK ASSISTANT: The answer to that question very briefly is yes. If the committee asks for the recommendations to be referred to it, that could be done in or at the time of the report.

MR CHAIRMAN: On that final note, I think we had better get down to the 64 recommendations.

MR MUSGREAVE: Along with the hon. Member for Spirit River-Fairview, I've been on this committee right from the start. We didn't have the benefit of the advice of the Clerk of the Assembly or his legal adviser. If you go back and look at the minutes, we were fairly free in our deliberations and listened and responded to all committee members. Quite frequently, I found myself agreeing with the hon. Member for Spirit River-Fairview and being voted down by the other 13 members of this committee. I think we should proceed with the recommendations we have before us. If we have time, we should consider other recommendations coming forward. We should allow the hon. member the time to distil them so he can make them concise. If we can deal with them, let us deal with them. I think it's important that the integrity of this committee be maintained and suggest we start with what we have before us right now.

MR CHAIRMAN: I've already made a ruling on the matter. I think we'll stay with the ruling.

MR MUSGREAVE: What I'm saying, Mr. Chairman, is that as time goes on and we proceed with our work, we may find we have time to deal with it. If not, we stick with your ruling. I'm not challenging your ruling. What I'm saying is that in the past this committee has worked effectively together. We've had our discussion. Let's get on with our job.

MR MACK: I think we would be doing a disservice to the committee, by and large, if we allowed to go unsaid the very important comments made earlier, or certainly insinuation, where the committee or a member of the committee was disregarding certain groups or organizations with respect to their concerns and submissions to the committee. I think it should be clearly stated on the record that the arguments put forward by the hon. Member for Edmonton Mill Woods were not a reflection of the groups that made the presentations but the manner in which they were brought to the committee. For the record, I think that should be clearly stated, simply because we do respect all those groups. It was not stated in the face of those groups but the manner in which the material was brought to this committee.

MR CHAIRMAN: I thought the Member for Edmonton Mill Woods had made the point. Can we now proceed with the beginning of the recommendations. As you will see, I have tabulated them according to General Recommendations, Capital Projects Division, Alberta Investment Division, and Energy Investment Division.

I'd like to thank the two members for their advice and help before they leave.

CLERK ASSISTANT: I might supplement our advice by one parting comment before I leave you in peace. That this, as I said to you, was advice. In the final analysis, the supreme authority is a committee decision.

MR CHAIRMAN: Thank you, Mr. Blain.

Before each recommendation, I have placed the name or names of those who put the recommendation forward. I think it would be a courtesy to those unable to be here at any given time that any proposed recommendation -- if the proposer is not here that we defer discussion of that proposal. Then any person who has put forward a proposal in the usual manner will at least get a chance to properly put their feelings to the rest of the members of the committee in the discussion process.

The first proposal was put forward by the Leader of the Official Opposition. We'll now go to the second one put forward by the Member for Spirit River-Fairview. Would Mr. Notley like to address that proposal at this time?

MR NOTLEY: Mr. Chairman, this is a proposal I've made now for a number of years. It's very straightforward. There are differing views on the basic function of the Heritage Savings Trust Fund. When the Act was passed in 1976, the emphasis was equally on diversification and saving. I have always felt, and I think *Hansard* would show, even in 1976 that the emphasis should have been on diversification. I think our long-term responsibility is to provide for future generations a broader tax base which will produce revenue for government but, more important, produce jobs for people.

Perhaps this was most eloquently put at our Grande Prairie hearing by a young farmer who came out concerned about loans from ADC, concerned about many of the problems he'd encountered. He said, what are you people doing with the Heritage Savings Trust Fund? He said, you know, investing in people like me, investing in jobs, will make me a taxpayer in 20 years. I don't want, 20 years down the road, to line up at the welfare office to get my share of the Heritage Savings Trust Fund. I want to be working. I want to be producing. I want to be a taxpayer. I think that summed it up rather well.

Members of the committee, the emphasis has to be on diversification if we're going to really use the heritage trust fund in the most imaginative and useful way. I would just cite -- I don't know whether government members have had an opportunity to review the Foster report, but it also confirms that this is a unique opportunity for us and that we can't miss the boat. And we can't miss the boat in terms of the use of the heritage trust fund to diversify the economy of Alberta.

So for those reasons, this is restating the position I've taken before. But I feel even more strongly about it today than I did in 1976.

MR KNAAK: I wonder if I'd be permitted to just ask a couple of questions, then reserve my comments to some subsequent time. If so, I would like to ask the Member for Spirit River-Fairview how he would like the Heritage Savings Trust Fund to be used to diversify the economy, then to give some particular examples of proposals he would like to put forward and see happen. In other words, is he trying to buy some industries? That's really the question. If he isn't, what other suggestions does he have?

MR NOTLEY: The answer would be a number. Certainly I would see acquisition of at least one major sector. And that, if the member has had an opportunity to read through the recommendations, will be coming up. We can invest some \$700 million in power facilities in other provinces. It seems to me only logical

that we acquire ownership of the private investor-owned utilities in this province. So that is one area of acquisition.

But the bulk of the fund, frankly, I would see a major restructuring of it, if not to change the present composition at least to ensure the future generation of revenue. We're now looking at about \$20 billion over the next five years as a consequence of the energy agreement, 19.2, if we stay at the 30 per cent. But the bulk of this would go into a new Alberta investment division. I would see major increases, for example, in the funding of the Alberta Opportunity Company, major increases in the funding of the Agricultural Development Corporation. These would be designed, as a matter of fact, to substantially expand the private sector, especially the small-business private sector.

There are other recommendations contained here, without getting into discussing all my recommendations under point 2. I think the member will find other ones will be down the road. But the major acquisition that I see at this stage would be the investor-owned utilities. But we'll be coming to that, Mr. Member.

MR D ANDERSON: Unless the wording of this resolution changes, I reluctantly would have to vote against this particular motion. I find that a difficult position since I agreed with most of the preliminary remarks and, indeed, some of the subsequent remarks of Mr. Notley. I certainly agree that diversification has got to be one of the major goals of the Heritage Savings Trust Fund and that we have to look at all possible means of doing that.

In the subsequent comments, I'm not sure what the hon. member meant by more money to the Alberta Opportunity Company and the Agricultural Development Corporation. It was in fact my understanding, through the questioning of the minister, that the Alberta Opportunity Company had received as much money as it required to deal with the applications submitted to it and the criteria established. I have a recommendation later on, as I'm sure the hon. member does, that may indeed move towards further diversification. But I feel the savings aspect of the fund is of equal importance and indeed that we have to keep those two goals as primary goals. For that reason, unless the wording was changed, I'd be willing to reaffirm that diversification was a goal of the heritage fund. But to clarify, that diversification is the primary objective would be a bit too strong for me.

MR KNAAK: Needless to say, I found the answers extremely interesting in two ways. But I can see why there are some problems with the answer. Let me just point that out. The acquisition of the utilities company has nothing to do with diversifying or strengthening the Alberta economy. It just changes private ownership to public ownership. The other two suggestions made were: the Alberta Opportunity Company which already has all the funds it can expend and same with the Agricultural Development Corporation. So those three suggestions really aren't any suggestions in terms of diversification.

There's a reason that it's so difficult to make those suggestions. It is not easy to use money to diversify the Alberta economy. We have in fact a very strong energy sector. Because of that, a lot of resources are being channelled into that. Those industries that are starting up, almost brand new, have an extremely difficult time competing. Needless to say, it is still the primary objective as a government to diversify the Alberta economy and to do everything possible to enhance that diversification, given the extremely difficult environment in terms of affecting that diversification. We cannot buy industries, set them here, and in any way hope that that would give us a

permanent, strong economy. They must be spontaneous. They must be built on our strength. Again, I think it's very important that the government diversify the Alberta economy, whether or not we have the Heritage Savings Trust Fund.

I want to speak to this motion in terms of what aspect the Heritage Savings Trust Fund has to play in diversification. As far as I can see there's very little, unless we talk about investing the fund in areas that the private sector would not invest in. So far it's true. We have a policy where the government does invest in Alberta-based companies both in terms of equity and in terms of lending over \$1 million at commercial rates. But it's so important, I think, not to confuse the functions of the fund and the functions of the government generally. The Alberta investment division has as one of its criteria that any investment must diversify or strengthen the Alberta economy. So those investments have, and I certainly support that.

But the purpose of the fund is to have savings in place and to build infrastructure under the capital projects division which will facilitate growth in the future and will permit the government to maintain lower tax rates than they otherwise would when the non-renewable resource revenue declines. What the suggestion basically means to me is that we spend the fund either on subsidized interest loans or some other kinds of subsidies for the purpose of attracting more firms to Alberta. That has an additional problem at this time, because all we're doing is increasingly heating up the Alberta economy. We're not really creating a lot more strength for existing Albertans. What we're really doing if we begin to subsidize more than we're already doing, is shift population from other parts of Canada to Alberta. When the buoyant oil and gas industry declines, we'll have a lot of problems here if we force it.

I think there are other possibilities that don't require the spending of the Heritage Savings Trust Fund, like tax incentives, like looking at venture capital funding, like looking at the possibility of expanding Alberta Opportunity and Agricultural Development further. But it should be remembered -- and perhaps the Member for Spirit River-Fairview has forgotten -- the loans from the fund to these two corporations are at market rates and in fact the subsidy is under government programs. There's no problem with that. But I really object to the thought and the suggestion of using the fund to subsidize on a grand scale or buying of industries for Alberta. It will not build our strength. Because of those -- although I agree with the goal that as a government we must set as a priority to diversify the economy -- I can't see spending the fund in attempting to do that.

MRS FYFE: Just very briefly, because most of the comments I was going to make have been covered by the previous two members. But I think it's worth while re-emphasizing -- it's been stated twice -- a third time, if members of the committee do not fully appreciate that subsidies to small business or agriculture come through legislative appropriations and not through the trust fund, then it has to be stated again and again until all members understand that fact very clearly.

If we did not have the savings trust fund within the province, we certainly would not have funds available to lend to the respective corporations that are assisting Albertans through home mortgages, through support for small business, through support for the family farm. Each of these areas benefit because of the savings aspect. To remove the savings aspect of the fund which would diversify the economy, as I believe the underlying intention is to spend

the fund, then I think we will serve no useful purpose for the people residing in this province. So I certainly cannot support the recommendation.

MR MUSGREAVE: Mr. Chairman, I have difficulty responding now after all the debate that's gone on. I would make a couple of points, though. First of all, on the power, I think the hon. Member for Spirit River-Fairview will remember that he and I agreed on one issue, that there should be some method of investing in the power industry. However, my suggestion was that huge capital investments are required for generating this system. I understand there's a study under way in northern Alberta now where we could get involved with the private sector on an investment of this nature. I saw it as a method whereby if we had, say, Alberta Power or tri-Alta running a large power plant that they could, in effect, provide power to cities and towns throughout Alberta at a subsidized rate that would be picked up by the government. This would be one way we could help the municipalities in their ongoing problems of revenue.

However, I would not be supportive of the idea that we buy out the power companies. The fact that we may have loaned money to other power companies in other parts of Canada is part of the Canadian investment fund which said we would lend money to governments or Crown agencies in other parts of Canada. If it happened to be that they were power companies, I can't see what any problem is in us following that tack.

On the matter of diversification or savings, frankly, I think both are equally important. I don't think we should be trying to switch the fund from one category to another or trying to emphasize one part of it over another. I think they're equally important.

MR PAHL: I compliment the hon. member on part of the intent of the recommendation; that is, to struggle for more diversification in our province. I think the question that needs to be asked when you struggle for more diversification is: what kind of economy will best serve the needs of Albertans? In addition, when you struggle to diversify and make investments, you want to be assured that the developments invested in have a realistic chance of success. So, in my view, that sort of puts a limit on turning the Heritage Savings Trust Fund into a spending fund without having some qualifications.

The other part of his recommendation -- and I think the stronger part of it that I object to -- is the suggestion that diversification of the fund would mean that the major criteria for investments in the Alberta investment division would be the objective of diversification. Well, at my count, \$1.7 billion is dedicated to providing affordable housing and shelter for Albertans. Quite frankly, if the recommendation was put in place, then obviously that money would lose out to some other criteria. Perhaps buying out the utility companies, I think, was a recommendation. That wouldn't really add anything to the Alberta economy that's already there. I think we'd have to look at something new. I wouldn't be prepared to throw the public's money at something new at the expense of the support we're providing for housing for Albertans.

MR CHAIRMAN: Perhaps the Member for Spirit River-Fairview would like to conclude the debate on this particular one.

MR NOTLEY: Well, a number of interesting comments. Let me just respond, first of all, to Mr. Knaak's suggestion that public ownership of the power companies

would just be replacing public ownership with private ownership. Of course, that begs the entire question of public ownership, which we'll get to a few recommendations down the road. But one of the major arguments traditionally for ownership of private utilities is the value of an integrated publicly-owned system so you can plan for the capital construction for the entire province that's required. I don't think there is any more important aspect of diversification than having an adequate power source and the cheapest possible power source for future development. So I don't see that as inconsistent at all.

The more important point that several members raised was diversification being forced. In a sense that is rather strange coming from members of the Progressive Conservative Party, because one of the real legacies that this party has given to the country was forced development. There would have been no Canada had there not been forced development. If we had left it up to the private sector to build the railroad, the first transcontinental railroad, it would never have been built. Every single member who has the foggiest notion of Canadian history realizes that is true. There would have been no Canada had there not been forced development. And that was something which we can either credit or lay at the doorstep of Sir John A. Macdonald.

I think the Foster report said it very well, that we have a fund. And that if you're going to be serious about diversification -- sure it's the obvious policy of government. But do we mean to say that an \$8.5 billion fund, soon to be \$30 billion over the next five years plus interest, is not going to be part and parcel of that strategy. I would suggest that even for a political party that has concerns about public intervention in the private sector, there has to be a major role.

We had the argument presented that the increased funding for the Alberta Opportunity Company and the ADC is somehow not necessary because both ministers told us the agencies had all the money they needed. Now really, Mr. Chairman, what do we expect them to say? The fact of the matter is the rules you set up for loaning can ensure that you have no problem with the money available. But if you changed the rules somewhat, in terms of making these agencies lenders of first call as opposed to last resort or modifying that, you have a totally different situation. As most of us from rural Alberta know, who've had to talk to legitimate local businessmen, who've gone to the ADC and been turned down for one reason or another, not because they were a good business risk because banks could pick them up but because they were turned down. And to suggest that we have all the money we need in the Alberta Opportunity Company, I don't know where . . . Well, I know that is just simply not correct, and we could do a much better job -- both agencies could do a better job if there were more funding available in this part of diversification.

Mr. Pahl raises the question of housing. If we get into diversification, we're going to take all the money away from housing. I don't really think that's an option at all. When one looks at the future growth of the fund, it's a question of where you place the emphasis. But you could even make the argument that a strong housing industry is part of diversification. It happens to be a major factor; lots of jobs in the housing industry, as we all know. If that industry is jeopardized because of inability to get capital in the market place, quite properly we as a province have a larger public sector involvement in housing than any other province in the country. I support that. I think that's an example of intervention, if you like, in the private sector that is necessary and can be juxtaposed with the other objectives of

the fund and, for that matter, reconciled with the objective of diversification.

So I come back to this sort of fundamental point I want to leave with the committee. At the moment, we have a vast amount of fund tied up in short-term bonds which, from a savings point of view, represent a good solid conservative approach. We're talking about where we go in the future with the increased revenue. It seems to me we're going to be missing the boat entirely if we don't take up the principal recommendation of the Foster report and shift the emphasis to diversification.

MR CHAIRMAN: Perhaps on that note we can ask the question. I detected considerable sympathy with the idea of diversification. I think the difficulty I heard -- and perhaps the vote may show this -- is with making it the prime concern, major criterion, for investment of the Alberta investment division. Perhaps we can put the matter to a vote at this stage and proceed.

Those in favor of the recommendation put forward by the Member for Spirit River-Fairview? Those against the recommendation? The recommendation is defeated.

We'll now go to Recommendation 3, put forward by the Member for St. Albert.

MRS FYFE: Perhaps this is an expansion of a recommendation I put forward last year. In giving this concern some thought over the past year, I feel it's extremely important that we continue to try to communicate the nature and the results of the fund to Albertans. Too often -- and I notice in some of the recommendations put forward -- it's put forward as the fund of the government of the province, which is simply untrue. This fund belongs to the people of Alberta. In assisting the people of Alberta in understanding the results of the fund, I would like to see us prepare -- and I've used a very general term "suitable report", because I did not want to be more specific in the type of report. But what I envisioned was a report that would be very basic information, would be understood by the average householder, and not the complicated kind of annual report that we print.

So, in summary, I would look at a fairly simple -- not lengthy is what I mean -- fairly short report, but it would give just basic information as to the nature of the fund, the areas of investment, how these various areas of the fund benefit Albertans in total nature from investment, and the individual projects that have been approved and are a very specific benefit across the province. I move the third recommendation.

MR CHAIRMAN: Perhaps in view of what the member just said, we could consider this recommendation with Recommendation No. 4, because this sounds much more similar than I thought. Is that agreeable to members of the committee? And then we put a composite recommendation together out of recommendations 3 and 4 for discussion and for voting.

MR PAHL: It was my recollection that these two recommendations really were discussed and agreed to in previous years' work of the committee. I thought they were embodied in concrete results in two ways: first of all, the advertising campaign to help inform Albertans, particularly as to applications of the fund and where the money was being invested; secondly, my recollection was that we had recommended the annual reports which to my mind are quite readable by the interested observer and complement very well, if you will, the mass media campaign. It was my understanding we'd ask that these receive perhaps wider distribution.

Before I could, if you will, repeat the recommendation, I'd like to raise a question. Perhaps you could answer, Mr. Chairman, as to whether these -- we obviously know the public media campaign is under way, but has there been a wider distribution of the annual reports? The danger I see in these two recommendations is that we might be indulging in just a little bit of overkill if our previous recommendations have already been put into effect or are being put into effect.

MR CHAIRMAN: I think one difference that applies here is the previous recommendation was a broader distribution of the annual report. Both these recommendations, to my mind, appear to suggest the production of a different document, and one of the suggestions is that it be distributed to all households in the province. So I think it is a different recommendation from that of last year. Now the degree of distribution of the present annual report, I suppose we could check that with the Provincial Treasurer.

MR MUSGREAVE: The reason I put this motion forward is that when the Heritage Savings Trust Fund was first debated in the Legislature, there were members of the government party -- and I'm not one of them -- who were concerned that we were going against the parliamentary tradition of how public funds are spent. Usually what happens is Executive Council or cabinet, through the Provincial Treasurer, prepare a budget which is presented in the House. It's debated, voted on, goes through estimates and all the rest of it, and finally becomes law, then the government is empowered to spend the money.

The heritage savings fund was a reversal of this in that the cabinet or Executive Council was, in effect, going to spend the money first, then tell us how they'd spent it. Some very well-known Progressive Conservatives, as well as members of the opposition who were opposed to this, spoke up both in the House and in caucus. As a means of trying to assure the public that the fund was being handled properly, this committee was created as a standing committee of the Legislature. I feel this committee has an obligation to make sure the people of Alberta understand what the fund is.

I know there's a difficulty here in where our responsibility commences and that of the Provincial Treasurer and through him the Executive Council. We all get constant reminders of the big amount of money up here and how it should be spent. Then when you give simple little examples of the relation of the fund to the size of our provincial budget or how much the deficit of the federal government is running at, these kinds of things . . . Or if you say to a person, if you had one year's salary in the bank would you think you were the richest man in the world? They say, absolutely not. When you put the fund in perspective, it becomes more clear to the citizens.

I think this committee should take on the responsibility to ensure that the brochure the government puts out and the kind of advertising they do with regard to the fund is acceptable to this committee as a standing committee of the total Legislature. That was my thrust. I think this report is great. But, with the greatest respect to Mr. Pahl, we're not all as well educated as the economists on this committee. It's a nice report, looks pretty, and I can work my way through it, but I know a lot of householders couldn't. But if they had a little reminder with their utility bill two or three times a year saying what the heritage fund does, how it works, and things like that, I think this is what might help us more to defend the fund. In effect, that's what I'm saying. I think this committee has a responsibility to defend the fund and make sure it keeps working for the people of Alberta.

MR CHAIRMAN: The Member for Spirit River-Fairview -- and I think I know what he's going to say.

MR NOTLEY: I may surprise people. Well, Mr. Chairman, I don't have any objection to the production of a brochure. But I would say to both Mrs. Fyfe and Mr. Musgreave that they're going to have some real difficulties getting a brochure that would be acceptable to all members of this committee, because we're dealing -- both recommendations now -- with subjective questions. We can go beyond the objective. The objective is rather dull and humdrum, but it's there. The facts and figures are there. Nobody is going to quarrel with that.

For example, we get into Mrs. Fyfe's recommendation: "that this report emphasize the savings nature of the Fund". I just heard Mr. Anderson say that diversification was as important as savings, but we're going to emphasize the savings nature of the fund. That's a subjective question. Do we or do we not? Then we get to Mr. Musgreave's proposal: "the Annual Provincial Budget, the Federal Budget, and the future capital investments required in Alberta and in Canada". Future capital investments required in Alberta and Canada? You can't get any more subjective than that. That's very much a debatable question.

If we're going to be putting out this brochure under the auspices of the committee, then we'd better have a lot of committee meetings to go over the wording of it. Because it's either going to be one of the most dull and drab pieces of material ever produced or we're going to have some pretty fundamental differences, because there are differences: the differences in this committee over what the fund should be and what the fund is; for that matter, the differences in Alberta. And to try to put it together in such a way that would be committee as opposed to government advertising, what the government wants to do in terms of government advertising, they must take responsibility as the government. But if we're talking about this committee, which is an all-party committee, then it had better represent the best synthesis of our collective views. I suspect that may take some time.

MR D ANDERSON: On a point of clarification to either of the two sponsoring members. Could they indicate -- I just don't see it in the two motions -- whether or not this is indeed intended as a communication from this committee, or is this to be a recommendation to the government for communication in this area?

MR CHAIRMAN: My interpretation of these two recommendations is that this is a recommendation to the investment committee of the Heritage Savings Trust Fund. Perhaps I could suggest -- as chairman, take some prerogative here -- that I attempt to synthesize from these two recommendations one recommendation. Would it be acceptable to members, because of the nature of this committee being a legislative committee, that a provision be put in the recommendation that any brochure that is produced have the approval of this committee? Now that's quite a jump from what has been suggested by the two members. Maybe they'd like to get back into the debate.

MR MUSGREAVE: Mr. Chairman, what I'd like to suggest is that we -- providing the hon. member to my left agrees -- get together with you to put these together as one resolution and bring it back to the committee for their consideration.

MR CHAIRMAN: Is that agreeable to the rest of the committee?

MRS FYFE: Before we adjourn, I just want to make a few comments that were raised, if I may. The comments made by the Member for Edmonton Mill Woods suggesting perhaps that the advertising and the annual report are sufficient communication, I would feel that this simply moves in a different area. The advertising is useful from the point of view that it communicates a number of areas in which trust funds have been spent, particularly in the capital projects area. The annual report, because of the cost of distribution of such a report, I don't think that's feasible to try to distribute that to all households.

So the nature of the recommendation is to provide communication that will be a service to the people of Alberta in understanding what is rightfully theirs. Because the growth of this fund is something that gets a lot of media attention, a lot of attention across the province, I think it's imperative that we assist Albertans in understanding exactly what the nature of the fund is and where the money in this fund is being invested.

I think the Member for Spirit River-Fairview suggested there may be some problems with the committee emphasizing the savings nature of the fund. Well, if we examine the actual name of the fund -- the Alberta Heritage Savings Trust Fund -- and look at the words in it, it's not the "heritage" in the fund that I think is important to communicate. The "trust" may be important, but we're elected in trust and make decisions in the trust of the people of this province. It's the "savings" that is the nature in the name. And that has nothing to do with the previous discussion we had on savings versus diversification. That has nothing to do with the nature of this resolution.

As far as bringing the report back to the committee, I think I'll agree with the Member for Calgary McKnight who suggested we reword it. Perhaps we can take a look at the approval of the committee and the recommendations.

MR CHAIRMAN: On that note, I think we'll adjourn. The committee will come together again at 1:30 this afternoon.

MR NOTLEY: [Not recorded] so we can make other commitments?

MR CHAIRMAN: Well, we have been meeting up until now from 1:30 until 3:30. I don't think that's going to be adequate timing from now on. So have the members any specific times that would suit them for adjourning this afternoon?

MR SINDLINGER: I would also ask if we could reconvene a little bit later. The reason is that we'll be given an opportunity over the lunch hour to go over all these recommendations. As you know, each member has only seen those that he presented prior to this morning. I would like the opportunity to read all these prior to coming back in here again, because obviously some of these recommendations could be referenced to other recommendations in this report as well.

MR CHAIRMAN: Any other remarks about timing?

MR D ANDERSON: Just on a personal basis, I would prefer to reconvene at 1:30. I have some obligations later this afternoon that will take me out of this committee's meeting. So, personally, I would find an hour and a half long enough to go through these resolutions for this afternoon's discussions.

MRS FYFE: I wonder if the chairman is preparing to schedule meetings after the session starts, so we can continue our deliberations on the recommendations.

MR CHAIRMAN: I think we'll see how time goes before we make that decision. Some of these recommendations may take very little time, and some may take considerable discussion. It's a bit unpredictable as to the timing that we'll be carrying on. I would prefer that we start at 1:30. Obviously, we are not going to get anywhere near completing the recommendations this afternoon; it's only a matter of reading the next few for this afternoon's meeting. So if we meet at 1:30, would members prefer 4 or 4:30 for adjournment? 4 p.m. adjournment -- 1:30 to 4 p.m.

Thank you.

The meeting adjourned at 12:10 p.m.