

[Chairman: Mr. Oldring]

[2 p.m.]

MR. CHAIRMAN: Good afternoon, ladies and gentlemen. I'll call the meeting to order, please. I want to begin by welcoming the Minister of Advanced Education and would refer members to page 23 of the report. The item the minister is here to discuss this afternoon comes under the capital projects division and is the Alberta Heritage Scholarship Fund.

One comment to the members. I hope we can conclude this particular matter fairly quickly, and perhaps members will then have an opportunity to discuss the ministers we might want to call back, as well as recommendations on future meeting dates.

Mr. Minister, it has been the practice of this committee to extend to ministers an opportunity to give a few opening comments, at which time we follow it up with an open question period.

MR. RUSSELL: Thanks, Mr. Chairman. I don't have a prepared statement, but by way of comment I believe everybody in the room would recognize that is probably one of the best things we've done with heritage trust fund money; that is, invest in young people. In my view, it's been a widely known, well-used, successful program.

Until the end of March this year the fund had distributed in excess of \$40 million to young students and outstanding scholars, representing over 28,000 recipients. That's pretty exciting. At the end of the fiscal year the fund itself stood at \$139 million. In its start-up period and during its working period it has earned about equal to what it has given out, so the integrity of the capital is being maintained. We're looking at continuing at about the same volume in the future. During the current year, probably somewhere in the neighbourhood of \$9 million will be awarded to another 6,500 recipients.

It covers a broad spectrum of young scholars in grade 10 through the postsecondary system to the doctoral level of study. As you know, the Percy Page awards can also recognize groups, if a scholarship is given to a group. The outstanding ones are the Haultain awards. There are three of those for \$25,000, and they can be given to people of any age. So this is a program of recognition of achievement that recognizes excellence at pretty well all age levels from grade 10 up.

MR. CHAIRMAN: Thank you very much, Mr. Minister. Before we go into question period, you might want to introduce the people who are with you to the rest of the committee members.

MR. RUSSELL: Yes, I should have done that. I'm sorry. On my right is Dr. Henry Kolesar, a deputy minister of the department. On my immediate left is Fred Hemingway, chief executive officer of the Students Finance Board. At the end of the table is Leon Lubin, the director of the heritage trust fund scholarship program.

MR. PIQUETTE: I'd like to welcome the minister, Dave Russell, here today. My first general comment is that the way this fund is set up, we're not depleting the capital portion. I think it's the way the Alberta heritage fund should have been set up from one end to the other to begin with, whereby we work with the interest or investment portion to make sure this fund continues over a longer period of time.

As a school principal with many years in the school business, and in business as well, I realize that we do perhaps need to reward our high achievers -- for example, the Rutherford fund does that very well -- but I kind of question that the government seems in a sense only to be rewarding the high achievers provincially for university-oriented education. Perhaps we should be spreading out this fund to a larger extent. With the high cost of university now, university students are having a really tough time paying a lot of the tuition fees. Should we continue with this whole direction of rewarding only the high achievers or perhaps use this pool of money to reduce some of our high tuition costs for students who might not be financially endowed? I know we have plans whereby students can borrow money, but that money has to be repaid. When they come out of university today, a lot of young people are saddled with debts that are going to be an albatross around their neck. I'm wondering if the minister or the committee would look at reviewing the whole aspect of the Heritage Scholarship Fund, looking at a new direction in the future.

MR. RUSSELL: I wouldn't recommend such a move. Scholarships have traditionally rewarded scholarship, as opposed to bursaries, assistantships, and various other forms of

assistance which take other factors into consideration. I think the idea of using the capital fund to try to reduce tuition fees or reduce the cost of education would rapidly deplete the fund and go against the very thing we're trying to do; that is, maintain a trust fund to reward scholars. By its very name, the scholarship fund is meant to reward excellent achievement in the various categories. I think you'll see from the figures I've given you that the integrity of the fund has been defended. The awards roughly equate to the income each year.

MR. PIQUETTE: I realize we're trying to protect the integrity, and I did say that I like that kind of plan whereby we do protect the integrity of the plan. The only thing I'm questioning is that with the tough economic situation we're facing today and the lack of money that will be available to universities, maybe we should be questioning the whole aspect that we should only be rewarding a certain segment of our society for high achievement. Maybe there are different ways of rewarding those students, in terms of passing on some of this investment to the universities to provide a lower cost for all students.

MR. RUSSELL: Your proposition fascinates me. On one hand, you want to maintain the integrity of the fund, and on the other hand you want to pass it on to the universities.

MR. PIQUETTE: Not the whole pool. I'm just talking about the investment.

MR. RUSSELL: It's pretty carefully balanced at the moment. If we gave some directly to the schools, I think we'd have to decrease the number of scholarship awards that are made. We could have a good debate on that, I guess. I'm just saying that I disagree with your proposition.

MR. PIQUETTE: You didn't mention the capital works program. The Alberta heritage fund does cover some of the capital costs of Advanced Education. Not at all? So in a sense there is no relationship here with some of the cutbacks we're going to be facing in terms of Advanced Education capital projects?

MR. RUSSELL: The only Advanced Education

capital that I'm aware of is the medical research trust fund, which is separate from this one. It has used some of its income to construct two medical research facilities on the university campuses in Calgary and Edmonton. Other than that, I don't know of any other capital projects.

DR. KOLESAR: Just \$9 million a few years ago.

MR. RUSSELL: Oh yes, those two old ones, which are mentioned on page 23. They're learning resources; they're not capital in the sense of bricks and mortar.

MR. GOGO: With regard to the scholarship fund, Minister, I've had the opportunity of being able to present to recipients of both the Rutherford and the Louise McKinney. I think it's absolutely marvellous, and I would hesitate to disturb in any way how that's being done. My understanding is -- Mr. Hemingway would know -- that there's \$140 million or something in student loans. Surely that matter is looked after. With this we're talking about merit, as I understand it, and I strongly endorse it.

A question, though. I had a letter recently from a constituent whose son was the recipient of a Louise McKinney award for \$3,000. I presented it to him. They understand that they're penalized in that the youngster has a student loan for X dollars. Upon completion of studies, that student loan is handled a certain way, one of which is -- and I'm not so sure whether it's the Canada or the Alberta part -- that there's a forgiveness clause, a remission clause, and so on. If the youngster receives the McKinney award of \$3,000, on condition of course that it's used for continued education, then in their perception they're penalized in effect on the student loan side because they must include that as income.

I have no quarrel with that in principle, Minister. However, if somebody is not competent, doesn't get the Louise McKinney award and gets a larger student loan to complete their studies, there's a forgiveness clause that they don't have to pay it all back. In effect, that creates the impression that the winner of the McKinney award is being penalized. Would you respond to that.

MR. RUSSELL: You've explained it very well,

and some people will argue that. At the present time, we don't agree with those arguments, because the amount that's available for student loans does have a cap on it and is given to the most needy. In assessing relative need, of course, you look at all income, the ability of your family or your spouse or your own income to reduce the amount of the loan that might be given, and scholarships are counted as part of income, if they're going to be used for education.

The second part comes in later, when the student completes his education, if he or she benefits from a remission. I suppose in some cases an example might be used whereby there's a perceived inequity. I don't agree with that, because surely a student who wins an achievement award and then has to borrow less is better off.

MR. GOGO: That may be overcome partly, Minister, if we give a fancier scroll along with the cheque. That might even offset that.

Minister, with regard to recipients of the scholarship fund, could you explain to the committee what requirements, if any, there are on recipients in terms of residency requirements in the province of Alberta or simply because they are attending an Alberta postsecondary institution or indeed the Rutherford in the high schools?

MR. RUSSELL: It varies among the different categories, and I'm going to ask Mr. Lubin to answer that question.

MR. LUBIN: Basically, residency is determined by parents. If the parents do not reside in the province, the student would then have had to have worked in the province for 12 months or be married to an Albertan who is working. The only exception would be under one of the graduate scholarship programs, the Ralph Steinhauer, where we do advertise across Canada to encourage graduate students to come and take graduate study within the province. It's open to Albertans as well as to other Canadians.

MR. GOGO: The final question, Mr. Chairman, so I'm clear. I'd prefer to stay with the McKinney award thing. Let's say they were taking optometry, veterinary medicine, or architecture as a specialty -- something that's

not in Alberta. The Louise McKinney award can then be not only received but utilized, because as a condition you must continue your education. Can it be utilized in one of those other institutions during your studies?

MR. HEMINGWAY: Yes.

MR. GOGO: So the student is not penalized.

MR. HEMINGWAY: No.

MR. GOGO: Okay.

MR. LUBIN: They can qualify while they are attending outside the province if a program is not offered in Alberta. They can qualify in all their years of veterinary medicine, for example, as well as being nominated from an institution in Alberta for their pre-vet years.

MR. GOGO: Thank you.

MR. HAWKESWORTH: Mr. Chairman, last evening I had a pleasant evening at the 20th anniversary performance of the Alberta Ballet Company at the Jubilee. One of the people recognized was Ruth Carse. I see from this list of the Frederick Haultain prize that she was recognized, as well as the Alberta Ballet Company, in 1984-85, and I think it's quite appropriate in view of the way that company has evolved over the years. I know that both the minister and I and many other Calgarians have had many pleasant evenings in the new Centre for Performing Arts in Calgary. So a significant investment has been made in the arts in Alberta, and I'd like to commend the government for many of those investments that have been made over the years.

When I look at this Frederick Haultain prize, I'm wondering if there's ever been some consideration of perhaps expanding it to make it available to more young people who are engaged in or want to study the performing arts or the fine arts. Maybe some of the other awards are earmarked for students in that line of endeavour. With the kind of emphasis that's been made in Alberta on expanding and promoting the arts, has there been some thought to also helping those young people who in a few years time will be the stars but would need that kind of assistance or recognition now in order to carry on in that line of study?

MR. RUSSELL: I'm not aware of any restriction on a student enrolled in a fine arts program at a postsecondary institution, and as you say, that may apply to some of the performing arts as well, probably all the performing arts. So if they win a standard scholarship, they can use it for the course of their choice. There are three categories, though, in the Haultain: arts, sciences, and humanities. They're pretty broad, and as far as I know, the juries that choose those winners in each of those categories have a very wide, sweeping flexibility. Again, I'd ask Mr. Lubin or Mr. Hemingway if they want to comment on that.

MR. HEMINGWAY: I could add, Mr. Chairman, that with the exception of the Haultain Prize, to this point there has not been an award specifically designed for fine arts students. I should add, however, that the winter session students at the Banff school are eligible for the McKinney awards and in fact do receive them from time to time. So we have that part covered, but there has not yet been any specific program designed for fine arts students.

MR. HAWKESWORTH: I'm just noticing — I believe the Jimmie Condon award is for athletic excellence, for example, and there are some others geared for academics and so on. When I saw the one category for the arts, I could find it only with the Sir Frederick Haultain Prize, and as I saw the recipients, it tends to recognize those who have made accomplishments or have made a contribution to the arts in the province. I was wondering if some thought had been given to the young people on the other end of it who are just coming into the arts. Is that one I could say we should have a look at and give some thought to as far as looking at the use of this fund in future years?

MR. RUSSELL: Yes, but again I wouldn't want people to miss the point that a student who perhaps wins three Rutherfords as he or she goes through high school, for example, could apply those to tuition fees to the University of Calgary fine arts department or the Faculty of Engineering. So I think they're treated equally.

MR. HAWKESWORTH: My last question has to do with the overall contributions each year to all these awards. It's based on an endowment of \$100 million. I take it that the funds to be

applied to these scholarships come from the rate of return which that fund achieves each year. Does the money available go up if interest rates go up, and does the amount available drop if interest rates drop? Is it flexible from one year to the next between the amounts of money available to contribute?

MR. RUSSELL: The income obviously fluctuates with interest rates. The awards over the past five years have been slowly growing sort of along with the population, and therefore the gross amount also goes up. I can give you a quick summary from '81 and '82 through to this current year. In '81-82 there were 4,295 awards for \$5.9 million; the next year, just under 5,700 awards for \$8.6 million; the next year, 6,100 awards for \$9 million; the next year, 5,900 awards for \$8.2 million; and the next year, 6,100 awards for \$8.3 million. We're estimating roughly 6,500 awards for the year we're in, for about \$9 million. So you can see that's roughly followed the economic cycle and the growth cycle of Alberta for the past five years.

Those early endowment funds benefitted by — you will recall the era of 18 and 20 percent interest rates. When they were gearing up and getting started, a couple of those endowment funds made a lot of money, which was added to their capital base. As I mentioned earlier, we now have \$139 million instead of \$100 million after all those years of operation. So although interest rates are going down, we're getting it on a bigger capital base. We've been lucky; so far it's balanced out pretty well.

MR. HERON: Mr. Minister, your response to the former questions in part answered my question; that is, the market value of the fund and some idea about the order of magnitude of the various scholarships. I would like to say that I had the very pleasant opportunity of personally presenting 18 Rutherford scholarships at the Spruce Grove high school and seven at the Stony Plain high school and of talking a bit about Alexander Rutherford, the former Premier and first Minister of Education and the first university president. But I think it's most important that the teachers are very, very positive about this program. I use an example one teacher gave me. Some students in grade 10 make a deliberate choice to try and up their marks to 80 percent in an attempt to get the Rutherford scholarship for those three

years over, say, selling hamburgers part-time. So it does affect their decision. It is an earned sort of reward, and I couldn't be more positive about the concept of it.

You mentioned that the market value of the fund was \$139 million. I'd just like to know if it is in fact endowed in perpetuity to preserve and protect this concept into the long-distance future. You also mentioned that it was affected by high interest rates in the early years. I am wondering if it is in a diversified portfolio of marketable securities or deposit instruments. Is it trustee'd? Who makes the investment decisions on this fund?

MR. LUBIN: I'd be pleased to try and respond, Mr. Chairman. With respect to diversification, it has mortgage funds, deposit funds, and things that are relatively fluid or liquid for purposes of the cash flow that we anticipate each year. Initially, when the fund started, most of the funds were in deposits. The deposit interest rates were very high, and we got a very good start.

MR. HERON: Question two was: is it trustee'd, or who makes the investment decisions?

MR. LUBIN: I'm sorry. The Treasury Department handles all the investment decisions in handling the entire portfolio.

MR. HERON: What was the average rate of return, say, for the last year?

MR. LUBIN: I'm not aware of the average rate of return. We're not generally supplied with that information. I know we did have a net increase from what our expenditures were.

MR. McEACHERN: Mr. Chairman, I would like to change the direction slightly. The first question would be a little bit along the line of some of the things that Leo was asking about. I'm a little concerned that as we move into a period of restraint, we may see a . . . I guess this fund will stay intact and continue to be used for the people at the top end who can qualify for it, but we're probably going to see a tightening and squeezing of sort of average students and the ones that don't quite qualify for the fund trying to get into universities and that sort of thing. I know we have a grant and loan system and all the rest of it, but I see all

those things probably being squeezed in the near future and tuition fees going up. Yet we have set money aside and sort of said that these people at the top will be sheltered from that. I wonder just how realistic that is. Maybe the squeezing should be done all the way across the board, if we're going to squeeze, which is what I see coming.

MR. RUSSELL: There are a number of divisions in the heritage fund, and the idea is to share those revenues and resources with as broad a base of Albertans as possible. There are special segments and subdivisions of the fund, and this is one such special one. This is a scholarship fund to reward excellence. It was never meant to be anything else. I believe the problems you allude to — that is, the increasing costs of education per se and maintaining capital facilities and a good program of student financial assistance — are the responsibility of the Department of Advanced Education and really not part of this subdivision of the heritage fund.

MR. McEACHERN: I realize that. Nonetheless, it's part of the overall picture of the system we live in.

The second question is more general. As Deputy Premier and as somebody who has sat on the cabinet of the government for a long time and therefore on the heritage trust fund investment committee, I'm wondering what your feeling is about holding the debentures for Crown corporations in the fund. That makes up some \$7.5 billion of it. In some ways . . .

MR. CHAIRMAN: The Chair would remind the member that Mr. Russell is here this afternoon in his capacity as Minister of Advanced Education to discuss the Alberta heritage scholarship fund.

MR. McEACHERN: I'm sorry, but I don't really see why Mr. Russell wouldn't be able to answer this question for himself. You keep trying to limit the debate, but surely this committee has to make recommendations to the government about the whole of the fund, not just such a narrow little part. A man of his expertise and knowledge and years in the cabinet should surely be valuable to this committee, and I don't understand why you don't want to share in that. If he doesn't want to answer it, I understand that.

MR. R. MOORE: On a point of order. Mr. Chairman, it isn't a question of whether Mr. Russell has a choice. He's here to answer questions related to the heritage trust fund, and we're here to ask questions. We haven't had the opportunity to do it, and I think we should adhere to it. Mr. Russell hasn't even entered this. You're bringing him in and saying, "Why doesn't he do it?" I think that's our choice as a committee.

MR. McEACHERN: What I'm saying is why would any member of the investment committee of the heritage trust fund be reluctant to answer questions about the whole of the fund rather than just a very narrow little — it's not worth taking two hours on these three questions when we've got a man with a lot of knowledge about the fund because he's been part of it for so many years. I cannot possibly understand why you want to limit it to that. It does not make any sense.

MR. CHAIRMAN: It makes a lot of sense. I think the Chair has shown a lot of flexibility throughout the hearings to date, recognizing that a number of ministers have appeared in front of this committee and we haven't been able to get through all the questions.

MR. McEACHERN: We will today easily.

MR. CHAIRMAN: Certainly we could broaden the debate to focus on a broad range of subjects, but we have a task in front of us. We have a minister here for a specific reason, and I think we should address that this afternoon.

MR. McEACHERN: You realize that we will finish with this gentleman very early, whereas we didn't get to finish with some people and they will not be back.

MR. HYLAND: On a point of order, Mr. Chairman. If we approach everyone as we're approaching Mr. Russell — for example, he's Deputy Premier and a member of the investment committee of cabinet — then we might as well start over. We've missed Mr. Horsman, and who else from cabinet? They're part of the investment committee.

MR. McEACHERN: Bring them on.

MR. HYLAND: Are we going to subpoena everybody, the whole cabinet, and talk about it?

MR. McEACHERN: If that's what it takes to do the job, I agree.

MR. GOGO: Mr. Chairman, on the point of order. If the hon. member wants to raise that, I think it's probably in order to raise it, but it should come at the conclusion, based on your direction of the questions related to the item under discussion. We can make the determination at that time.

MR. McEACHERN: Then I would defer my last two questions until everybody has had their questions about these three things, if that's okay. That would certainly be acceptable to me.

MR. CHAIRMAN: Anything further on the Alberta Heritage Scholarship Fund?

MR. HYLAND: Mr. Chairman, to the minister. Mine just relates to the discussion. Two or three questioners this afternoon have talked about people receiving funding from the scholarships to go to university. Unless I'm wrong, the funding could be used for any postsecondary education; i.e., junior college, et cetera. Is that not right?

MR. RUSSELL: That's right.

MR. HAWKESWORTH: Mr. Chairman, I want to shift the focus just a bit here. Heritage learning resources and library development: has funding under those two programs basically been concluded?

MR. RUSSELL: Yes, for many years.

MR. HAWKESWORTH: And they have been for some time now. I take it that there are no plans for continuing or expanding it or for carrying it on.

MR. RUSSELL: Those two programs were under the capital projects division and were treated like any other capital project, a park or a dam. When it's finished, it's done.

MR. CHAIRMAN: Any further questions pertaining to the Alberta Heritage Scholarship

Fund?

MR. R. MOORE: Mr. Chairman, if there are no other questions related to the heritage trust fund, I move that we adjourn.

MR. McEACHERN: Hold on a minute. I thought it was more or less agreed that I could ask my two questions at the end of the discussion on that part. I really don't think it would hurt us to hear the answer of this minister on a couple of questions about the overall fund.

MR. CHAIRMAN: The chairman doesn't feel that the question asked earlier is pertinent, but I'll certainly extend the opportunity to the minister if he wishes to answer it. I believe it would be more appropriate for either the Treasurer or the Premier.

MR. GOGO: With respect, Mr. Chairman, I thought that at the conclusion of the questions to Mr. Russell we would discuss the merits of what Mr. McEachern wants, not that it was de facto he would proceed.

MR. McEACHERN: In other words, it's not decided yet.

MR. GOGO: That was my understanding. I'm in the hands of the Chair as to how we proceed.

MR. McEACHERN: I thought I just heard the Chair rule. If everybody has accepted that, may I ask them? Thank you.

One of the problems we discussed with the Premier and the Treasurer was misconception. There was some talk about misconceptions about the value of the fund and misunderstandings across the country. When you start asking Ontario to help out with the oil industry, you find that they're saying, "Use your \$15 billion heritage trust fund first," and that sort of thing.

I've been asking a number of ministers a lot of questions and thinking a lot about this. I guess I've been looking at it this way, and I'd like your reaction to it. About \$7.5 billion of the Alberta division of the heritage trust fund is in debentures to Crown corporations. There is a problem with the value of those debentures, in the sense that to maintain the idea that they are earning 14 or 15 percent for the fund, we

have to subsidize at least three of them that are losing money. At least three of the Crown corporations are in a certain amount of trouble. If you take the \$2.4 billion in the capital division that is not recoverable, you come up with almost \$10 billion of the \$15 billion fund that really gives a bit of a false impression. All other provinces have Crown corporations too, but they don't set them aside in a heritage trust fund and then say, "We've got this money here in this big savings kit."

It would seem to me to be prudent and reasonable to think about funding these Crown corporations straight out of general revenues, bypassing the fund. In other words, take that out of the fund and not claim we have this \$15 billion portfolio sitting there, which gives other people the idea that Alberta is somehow still rich and fat, even though we're having a certain amount of economic trouble right now. I wonder what your reaction is to that thought.

MR. GOGO: On a point of order, Mr. Chairman, before the Deputy Premier responds. I believe Mr. Russell is now being asked questions relative to being a member of the investment committee and not the Minister of Advanced Education.

MR. McEACHERN: Yes.

MR. GOGO: If that's the case, I as a member of the committee do not see the necessity for Dr. Kolesar, Mr. Hemingway, or Mr. Lubin being here. I assume that's Mr. Russell's choice. As a member of this committee I don't feel it's necessary for them to remain.

MR. RUSSELL: I was going to make a comment right now that may resolve this. I don't think I should answer those questions. As an active politician I don't mind giving an opinion on anything to anybody, but I think the terms of reference of the committee are pretty explicit. The fact that I have the title of Deputy Premier is not the same as being a minister with an oath of office and departmental responsibilities. The Deputy Premier thing is simply a designation given to me by the Premier. As such, I don't really see that I should go into those kinds of questions with respect to the management of the fund, which really belong to the leader of government, the Premier — I understand he will

be back if you wish him — or the Treasurer. So I'd prefer to stick to the terms of reference of the committee.

MR. McEACHERN: I guess just say then that I raised the question with you, and perhaps I'll quickly raise one more and let you think about it and answer it another time. How much should the fund be separated from the purview of the Legislature? That seems to be another important question. We're at a 10-year time for the fund, a time for review. We've had a lot of money in that 10 years, and we're moving into a period when we don't have much money. It seems to me that it's time to re-ask all those kinds of questions. I'll leave them with you.

MR. CHAIRMAN: Again, the Chair is having difficulty with the direction of the questioning. To bring this to a conclusion, I'd like to thank the minister for appearing before us this afternoon in relation to the Alberta Heritage Scholarship Fund. Certainly it is one of those good-news items amongst many good-news items in the trust fund report. We thank you and the departmental people for being with us this afternoon.

The Chair would appreciate direction. There have been indications of this committee's wanting to call back at least two or three ministers who have appeared before us. If I could have some direction there, perhaps I can proceed to see if it's possible to make the necessary arrangements.

MR. PAYNE: Mr. Chairman, I must admit that I don't have a clear picture of how many ministers we would like to have back, but I infer from comments made in earlier meetings of the committee that we're talking about possibly four or five. It seems to me that if we could regard next Wednesday, the 26th, which is a cabinet day, so all the ministers will be in town and not at the First Ministers' Conference or whatever . . .

MR. CHAIRMAN: What date?

MR. PAYNE: Wednesday, the 26th. Perhaps we should consider, at least for discussion today, designating that day as — what will we call it? — a cleanup day, and bring these three, four, or five ministers in for perhaps an hour apiece with some kind of debate limitation like one or

two questions per member. Then we could proceed forthwith into the recommendations phase.

MR. CHAIRMAN: Is that agreeable?

MR. McEACHERN: I find that an interesting thought. I had sort of given up on getting four or five ministers back and was thinking that we might just submit one or two questions to each or maybe, if really pressed — if you had three you really wanted to ask sort of thing — I'd have them do written answers. But if we could have a cleanup day of an hour each, there are about four ministers I would like back, if we could look at names.

MR. PAYNE: Who are they?

MR. McEACHERN: Mr. Shaben, Mr. Crawford, partly because of the half hour short, and one of the Agriculture people, probably Shirley Cripps.

MR. GOGO: I'd like the Treasurer.

MR. McEACHERN: Yes, I would like either the Treasurer or the Premier back. That's one of the major ones. It seems to me there was one more. Perhaps Dr. Webber is the other one I was thinking of.

MR. PAYNE: Mr. Chairman, I don't recall unfinished business with Dr. Webber.

MR. McEACHERN: Maybe I could review the . . .

MR. PAYNE: If I may, Mr. Chairman, what we are talking about, though, is four or five. We could easily take care of those on Wednesday.

MR. McEACHERN: Wednesday of next week.

MR. PAYNE: We had that date set aside for debating recommendations, so possibly we could use it for this cleanup session and then proceed forthwith into the recommendations.

MR. PIQUETTE: Some clarification on the recommendations. Do they have to be — is it a verbal presentation we make from the recommendations?

MR. NELSON: Recommendations in written

form.

MR. McEACHERN: We bring them here and discuss them one at a time.

MR. NELSON: That's for the chairman, the day before.

MR. GOGO: I think Leo was asking the chairman a question.

MR. HYLAND: Leo was asking about recommendations.

MR. PAYNE: He's asked a question about procedure for submitting recommendations.

MR. GOGO: Do you want to repeat it, Leo?

MR. PIQUETTE: I just want to have some idea of how the recommendations are going to be handled by the committee. When and how do we ...

MR. CHAIRMAN: We discussed that briefly in our organizational meeting, and I think one of the most important things to remember about the recommendations is to please have them typewritten for submission ahead of time.

MR. PIQUETTE: Okay. On the same day or the day before? We have to know.

MR. CHAIRMAN: I think the first opportunity to submit them would be Tuesday morning, November 25.

MR. PIQUETTE: Okay.

MR. McEACHERN: All recommendations on Tuesday morning?

MR. CHAIRMAN: No, but again I think the process has been such that they'll be read into the record at that time and not discussed until the following meeting.

MR. GOGO: On that point, Chairman, would it not be contingent upon the final time the ministers are here? I would think there would be recommendations emanating from their responses. They'll certainly be entertained after Wednesday, won't they, as long as they meet the format you've outlined?

MR. CHAIRMAN: Don't forget that there's also a meeting on Tuesday, November 25, from 10 a.m. till noon to discuss recommendations. For some of you who have recommendations pertaining to ministers we're not calling back, I think it would certainly be appropriate to submit them at that time.

MR. NELSON: If I might, Mr. Chairman, if you want them read into the record the day prior to the meeting, I think members should have them ready for introduction on Monday so that they may be discussed on Tuesday, because Tuesday morning will be a lost morning if we're just going to introduce motions, recommendations, or resolutions, whatever you want to call them, without some discussion taking place. If members wish to introduce their resolutions on Monday, I think they should be available for discussion on Tuesday, which we have set aside.

The other comment I wish to make — and then I won't have to get up again — is that if we're to have these ministers in on Wednesday ... I think that in practice we've had some very long dissertations and really some speeches made prior to questions and debate on the questions. I think we're going to have to limit that to questions, period, without great big long dissertations. Otherwise, the hour the minister is here is just going to end up being a debate.

MR. GOGO: A short preamble.

MR. NELSON: I recommend that if there's some preamble, it be limited to about 20 words or less and give the question so that all members may have an opportunity to discuss this.

MR. McEACHERN: You couldn't do it, Stan.

MR. HYLAND: Mr. Chairman, earlier during this trust fund session we had a discussion about having recommendations typewritten. We might be able to do more than just read them into the record. In the last committee, sometimes recommendations were put together almost as you were saying them, and thus you wanted to get it written out before you debated it. In this case we may be able to cut down that time if we're turning in written recommendations. We may be able to read those into the record and start to debate them immediately. If a person wants his

recommendation passed, you can easily have 15 copies made and circulated to the members as you introduce it.

MR. GOGO: Before we amend them.

MR. HYLAND: Or accept or reject or whatever. I think we could speed that up quite a bit with the understanding we've accepted, that they're going in written.

MR. PIQUETTE: You're not going to automatically reject all our recommendations.

MR. NELSON: Probably, but don't worry about it.

MR. R. MOORE: Mr. Chairman, I think the recommendations are the most important part of our hearings, and we're saying that we're going to rush them, debate them, and vote on them in the same day. I disagree. I think they should be in written form, read into the record, and one week later we will come back and discuss them.

I have to disagree with the Member for Calgary McCall. He said it would be a wasted day. If my memory serves me, we usually have about 70 or 80 recommendations. If they all read them in on Tuesday and give a simple little explanation of why they put it in, we'll have a full morning. I don't see that it's going to be any different, that we won't end up with 70 or 80 recommendations to be entered into the record. Then give the entire committee a chance to look at them for a week and see the implications, because these are the results of our meeting here all fall. We want to give careful consideration to those recommendations, so I think they should lay over for a week after they're read in and then opened up to debate and vote.

MR. BRADLEY: My thoughts are similar to Mr. Moore's. I think we should at least have some opportunity to look at the recommendations that are submitted before we start to debate them so it's not a sort of shotgun start on Tuesday morning, debating the recommendations without having some time to consider them.

The other thought I have is that perhaps we shouldn't entertain recommendations until after we've had the final session on Wednesday with

the various ministers who come back, although I suppose the suggestion was made that those ministers we aren't calling back -- we would have those submitted on Tuesday. I was going to suggest that the deadline to submit recommendations could perhaps be for our Thursday session. Have the recommendations come forward and distributed on Thursday and then come back on some subsequent date, perhaps next Thursday, and discuss the timing for the committee to come back and discuss the recommendations.

MR. PAYNE: Could I get in on that specific point, Mr. Chairman? I'm happy to wait if that's a problem.

MR. CHAIRMAN: No, go ahead on that point.

MR. PAYNE: As a former chairman of the committee, it's true that there may be 70 or 80, but if we've got any kind of chairman, he can get that down to half, because a lot of independently submitted recommendations will be parallel or similar. He can combine one, two, or three with that process, and he needs time to do that. So I agree with the proposal of Mr. Bradley that we not regard Tuesday as a quick-start day.

MR. PIQUETTE: I would agree with what Mr. Bradley indicated, that really Thursday would be a good time for the submission of recommendations. I would maybe take exception to what you're saying about the chairman looking at them by himself and saying, "Well, these are parallel; let's combine them." Let's have them all in front of the committee, and then I think it's very easy for all members to say, "Well, these two are the same; let's cut them down by a half, a third, or whatever the case may be," and leave it to the chairman to make a final decision on those. I would rather see that we have every individual member's recommendation on a first-sight basis and then go on to making some sense out of all of them together.

MR. PAYNE: That's not inconsistent with what I said. All he could do is say, "Here's recommendation 1," and beside it are four names, because these four individuals all submitted the same one rather than have four guys all speak their identical -- it just saves

time, that's all.

MR. PIQUETTE: The other thing I want to ask here -- and it's more of a clarification about the workings of the Alberta heritage fund committee. I was looking at the recommendations from past years. What kind of authority does the committee have over the cabinet, order in council, in terms of saying, "Well, we make decisions independent of this committee"?

MR. CHAIRMAN: Nothing.

MR. PIQUETTE: They're recommendations only.

MR. R. MOORE: We report to the Legislature.

MR. PIQUETTE: All we are is simply an advisory...

MR. GOGO: Mr. Chairman, perhaps I could pass Mr. Piquette a copy of section 14 of the Act, which answers his own question.

MR. PIQUETTE: Okay.

MR. CHAIRMAN: It's interesting to note, though, that I believe 70 to 80 percent of the recommendations of this committee have been implemented over the years.

MR. PIQUETTE: But isn't it part of the government's responsibility to also advise the committee, at least to get their feedback on what we think of some of their actions in terms of the use of the trust fund?

MR. CHAIRMAN: That's what we're doing.

MR. PIQUETTE: That's the question I have.

MR. HAWKESWORTH: Mr. Adair will be our guest on Monday afternoon. I don't know whether that will take the full two hours, but I think the experience with most of the ministers has been that the two hours go very, very quickly, and we usually end up having lots of questions unanswered because we don't get to everybody. It would seem to me that if we leave Tuesday morning to submit the recommendations and perhaps read them into the record, then by Wednesday we'd also have

some of the ministers coming forward. They might want to comment if they have had a chance to review those from the previous day; I don't know whether or not that's physically possible with Hansard. Then allow the last opportunity on the Thursday, if there are any last-minute recommendations, particularly in view of some things that might come out of the cleanup with the ministers the previous day, and leave that as the deadline. The following week or into December, whatever, you could call the committee back together or pick the day on which we'd go through the recommendations. Perhaps in the interim you would have collated or somehow amalgamated some of them and maybe even informally have done that outside this committee with various members of the committee, and then wrap it up in terms of the final decision on the recommendations early in December.

That's just a thought based on some of the comments I've heard expressed this afternoon. I think it would be workable from our point of view too.

MR. CHAIRMAN: The Member for Calgary Fish Creek.

MR. PAYNE: I've had more than my share today.

MR. McEACHERN: I would like to urge us to move full speed ahead next week for the simple reason that I have already pushed my holidays back one week. [interjections] I haven't had a holiday in a while, and I'm going to take a little holiday from December 1 until the 12th. I would like as much of this as possible completed by the end of next week. If you must go into the week after, I appreciate that, but I certainly don't want a slowing down on Wednesday and Thursday. If necessary, I'd rather sit Friday. I've spent a fair amount of time and effort on this committee, as you well know. Maybe you haven't agreed with me a lot of times, but I've put a lot of effort into it, and I would like to be here for as much of the recommendations, at least the first ones. I hope we would get the major recommendations up first and get some good debate on them before I go. I'm not going to change my holidays again. Obviously, you people are perfectly able to handle it. Bob and Leo can take up our case.

MR. GOGO: It won't be the same without you, Alex.

MR. McEACHERN: I know you'll feel very bad. But you see, you did indicate a November 27 cutoff, so I assumed it was fair enough to move away on a holiday on December 1.

MR. BRADLEY: I have to make a similar observation to that of my colleague here on my right. I have some commitments in early December. Based on our November 27 cutoff, I've got a number of commitments in the first two weeks of December. I don't know if other members have. I understand there are other members who are away. I think we have to see if we can't accommodate as many people as possible in terms of when we schedule this recommendation phase. I think we did that in terms of the original setting up of these dates, and I think we should have some indication as to what those dates will be when we get into this. Obviously, it's going to take us longer than the time we've already scheduled.

MR. CHAIRMAN: If I can make a couple of suggestions, it appears that we are going to have to add at least one extra date for recommendations. We have a morning meeting on November 27, ten till noon. Perhaps we could add an afternoon meeting, from two to four, for recommendations.

Looking ahead at my own schedule, might I suggest December 11, another full day of meetings as well.

MR. McEACHERN: I've got an alternative suggestion that might be of some help if we're talking about having these people back on Wednesday. I had suggested earlier that we could do some of the questions in writing. Some of the ministers have said they would send us information. Before we get into recommendations, I would really appreciate it if the committee could ask those ministers for their answers to some questions that were raised in committee. They said they would produce some paper for us. Maybe instead of having Wednesday taken away as a day of having the ministers in, other than perhaps the Treasurer or the Premier — I think it would be most valuable to have at least one of those back one time. But maybe we could submit our remaining few questions — and I would urge

everybody to keep it really short and pertinent — to the other three or four ministers in writing this week and have those back early next week. Maybe we could proceed in that manner. It would save Wednesday as a day when we could get on with discussion of recommendations rather than taking all day for the ministers. What I'm saying is that it would be a faster way to get answers in terms of committee time.

MR. GOGO: I've seen the itinerary of cabinet members, Mr. Chairman, and some of them are extremely busy. For them to be able to produce — I think the member is entitled to a good answer to a good question. I would think that if you as chairman could contact their offices now ... The Member for Calgary Fish Creek mentioned that cabinet day they are in town. If they have ample notice to be here, I'm sure it would be more satisfactory to the committee if we could have them in for an hour than to have officials trying to write letters back.

MR. McEACHERN: Okay.

MR. GOGO: I endorse your comment about December 11, Mr. Chairman, if we need that extra day.

MR. CHAIRMAN: Any further discussion?

MR. HAWKESWORTH: Just so I'm clear in my own mind, Mr. Chairman, you're adding two hours on the afternoon of the 27th.

MR. CHAIRMAN: Right, and December 11.

MR. BRADLEY: The recommendations must be submitted by the morning of the 27th, is that it? What day is for the recommendation?

MR. CHAIRMAN: Thursday, November 27, will be the cutoff date for recommendations.

MR. HAWKESWORTH: That's fair enough. Could I clarify one last question? For Thursday, the 11th, would you see us booking both ten to twelve and two to four, in case we need the full ...

MR. CHAIRMAN: Yes.

The initial introduction of recommendations will still be November 25 in the morning. We

won't discuss recommendations on the same day they're submitted.

MR. R. MOORE: I move we adjourn. I'm half way to the door, Mr. Chairman.

MR. CHAIRMAN: You're half gone? Is that what you're telling us? Any further discussion? We stand adjourned.

[The committee adjourned at 3:02 p.m.]

