

Standing Committee on the Alberta Heritage Savings Trust Fund Act

2:03 p.m.

[Chairman: Mr. Ady]

MR. CHAIRMAN: We'd like to call the meeting to order, please. This meeting of the committee has been convened to vote on the recommendations. There are two items to bring to the attention of the committee prior to moving to the voting process. Those of you who may have reason to abstain from a vote, would you please leave the room prior to the vote? You can't abstain in committee. Secondly, if you want to have a recorded vote on a recommendation, please ask for it prior to the vote. Is everyone clear on that?

So without further delay I'll call the number of the recommendation. None of the numbers have changed on any of the drafts, so whatever draft you have will be correct for the purposes of the vote. I'll call for those in favour and those opposed, and our legislative secretary will assist the Chair in assessing the count of the vote.

Are there any questions on the process to be brought before the committee prior to proceeding with the vote? The Member for Lacombe.

MR. MOORE: You're not going to read them out; you're just going to call the number.

MR. CHAIRMAN: I'm just going to call the number of the recommendation.

MR. MOORE: I just wanted to be clear. Okay.

MR. CHAIRMAN: *Hansard* will fill them in.

MR. TAYLOR: I may have missed it, the request for a recorded vote.

MR. CHAIRMAN: The Chair would like you to ask for it prior to the vote being called.

MR. TAYLOR: If I may, I'd like to ask for a change, because I think it's a waste of time. Otherwise, we'll be asking for recorded votes most of the time just to be on the safe side. Rather than waste the committee's time, why not just call for a recorded vote after the vote's taken? Otherwise I can tell you now that I'm going to call for maybe a dozen recorded ones.

MR. CHAIRMAN: Thank you.

If there's objection to that from some within the committee, it's not a House rule. We can do that very easily. We'll call a second vote if you require it to be recorded.

MR. TAYLOR: I would like to suggest that it would be faster if we only call for recorded votes after the vote is taken.

MR. CHAIRMAN: If there's no objection, we'll adopt that procedure.

Any other questions from the committee? [interjection] Order please. We'll adopt your suggestion.

All right. Without further delay, recommendation 1.

1. Mr. Payne recommended that the Minister of Municipal Affairs be encouraged to develop additional initiatives to attract more private-sector investment in social housing projects.

MR. CHAIRMAN: All those in favour? All those opposed? Carried unanimously.

2. Mr. Payne recommended that the Alberta occupational health and safety heritage grant program be requested to fund research into the health and safety implications of cigarette smoking in the workplace and that related health and safety promotion campaigns be undertaken.

MR. CHAIRMAN: All those in favour? Any opposed? Carried unanimously.

3. Mr. Jonson recommended that funding at the current level be extended to the Farming for the Future program for a period of two years.

MR. CHAIRMAN: All those in favour? Any opposed? Thank you. It carried.

4. Mr. Jonson recommended that an evaluation of the Farming for the Future program be conducted to assess the need for the program relative to the industry's needs and other agriculture-based research.

MR. CHAIRMAN: All those in favour? Any opposed? Carried unanimously.

5. Mr. Jonson recommended that in anticipation of the dramatic increase projected in the demand for postsecondary education in the next decade, the merits of increasing funding to the heritage scholarship fund be assessed with a view to expanding the scope of scholarship provisions and providing assurance that current volume-driven programs will be maintained.

MR. CHAIRMAN: All those in favour? All those opposed? What's the count? All those opposed again? It fails.

6. Mr. Jonson recommended that more consideration be given to using the leverage of Alberta heritage savings trust fund involvement to attract private capital to the funding of programs such as those for housing and small business.

MR. CHAIRMAN: All those in favour? Any opposed? Carried unanimously.

7. Mr. Moore recommended that in future years the fund's interest revenue remain in the Alberta heritage savings trust fund to sufficiently offset expenditures in the capital projects division.

MR. CHAIRMAN: All those in favour? All those opposed? It's carried.

8. Mr. Cherry recommended that the performance and mandate of the Alberta Family Life and Substance Abuse Foundation be assessed to ensure that its objectives do not duplicate those of the Alberta Alcohol and Drug Abuse Commission.

MR. CHAIRMAN: All those in favour? Those opposed? It's carried.

MR. TAYLOR: I'd like a recorded vote, please.

[For the motion: Mr. Cardinal, Mr. Cherry, Mr. Fischer, Mr. Jonson, Mr. Moore, Mr. Musgrove, Mr. Payne]

[Against the motion: Mr. Ewasiuk, Mr. Mitchell, Ms Mjolsness, Mr. Taylor, Mr. Woloshyn]

MR. CHAIRMAN: Okay. Thank you.

9. Mr. Cherry recommended that a cost versus results review be conducted on the occupational health and safety heritage grant program.

MR. CHAIRMAN: All those in favour? All those opposed? It fails.

10. Mr. Cherry recommended that an examination be conducted of existing private-sector interaction and involvement in heritage-funded technology research organizations, such as the Heritage Foundation for Medical Research and the occupational health and safety heritage grant program, and recommendations be made as to how this interaction could be improved.

MR. CHAIRMAN: All those in favour? All those opposed? It fails.

11. Mr. Cherry recommended that a review be undertaken of the impact and success of the Alberta heritage scholarship fund in increasing attendance in Alberta postsecondary institutions.

MR. CHAIRMAN: All those in favour? All those opposed? It fails.

12. Mr. Fischer recommended that consideration be given that the net profits from Syncrude be exempt from section 4(2) of the Alberta Heritage Savings Trust Fund Act, which states that the net income of the fund shall be transferred to the general revenue fund, thereby allowing Syncrude's net profits to be returned to the Alberta heritage savings trust fund.

MR. CHAIRMAN: All those in favour? All those opposed? It's carried.

13. Ms Mjolsness recommended that the Alberta heritage savings trust fund be restructured as follows:

- (1) The current divisions of the fund be consolidated into two divisions, being
 - (a) the securities and investment division, which would hold the assets currently held in the commercial investment division, the Canada investment division, and cash and marketable securities and would earn market rates of return for the purpose of revenue transfers to the general revenue fund and
 - (b) the Alberta research and development division, which would hold the assets currently held in the Alberta investment division and in the various research funds of the capital projects division and would be directed to long-term research and development programs in human and natural resources as an investment to benefit future generations of Albertans.
- (2) Annually the Provincial Treasurer present to the Legislative Assembly for its approval the policy directions and objectives and the budget for the fund's two divisions.
- (3) A legislative office be created called the trustee general, whose office would have trust and fiduciary responsibilities for the management of all financial assets of the fund to ensure all investments were managed in accordance

with policies approved by the Legislature. This office would be responsible to the Legislature through the Standing Committee on the Alberta Heritage Savings Trust Fund Act and would be responsible to table an annual report with the Legislature.

- (4) The Standing Committee on the Alberta Heritage Savings Trust Fund Act hold annual hearings with the Provincial Treasurer, the trustee general, and the Auditor General to ensure the fund is benefiting the people of the province of Alberta, and the committee be empowered to call all such witnesses as it wishes to appear at these hearings.
- (5) A broad series of meetings and public hearings be held to receive further input on this proposal to increase the effectiveness and accountability of the fund.

MR. CHAIRMAN: All those in favour? Those opposed? It fails.

14. Ms Mjolsness recommended that in accordance with the recommendations of the Auditor General, deemed assets and deemed equity represented by deemed assets no longer be reported on the balance sheet but rather be reported in a note as completed or ongoing capital projects.

MR. CHAIRMAN: All those in favour? All those opposed? It fails.

MR. TAYLOR: May I have a recorded vote on that?

[For the motion: Mr. Ewasiuk, Mr. Mitchell, Ms Mjolsness, Mr. Taylor, Mr. Woloshyn]

[Against the motion: Mr. Cardinal, Mr. Cherry, Mr. Fischer, Mr. Jonson, Mr. Moore, Mr. Musgrove, Mr. Payne]

MR. CHAIRMAN: Thank you.

15. Ms Mjolsness recommended that the Alberta government develop a strategy for the early repayment of the Alberta heritage savings trust fund loan to Vencap Equities Alberta Ltd.

MR. CHAIRMAN: All those in favour? All those opposed? It fails.

16. Ms Mjolsness recommended that so long as Vencap Equities Alberta Ltd. continues to hold an Alberta heritage savings trust fund loan, its mandate be restricted to making investments in Canadian-owned, Alberta-based businesses that contribute to economic diversification.

MR. CHAIRMAN: All those in favour? Any opposed? Carried unanimously.

17. Ms Mjolsness recommended that in light of the substantial investment of the Alberta heritage savings trust fund in the Pine Ridge Forest Nursery, the nursery continue to be owned and operated by the government of Alberta.

MR. CHAIRMAN: All those in favour? All those opposed? It carries.

18. Mr. Woloshyn recommended that except for the various research funds, no further expenditures be made through the capital projects division; that the division be phased out, no longer reported as deemed assets of the Alberta heritage savings

trust fund; and that outstanding commitments for future budget years be made through the general revenue fund and the capital fund.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

19. Mr. Woloshyn recommended that in addition to being the first minister to appear before the Standing Committee on the Alberta Heritage Savings Trust Fund Act, the Provincial Treasurer be called to appear a second time after all other ministers and the Auditor General have appeared.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

MR. WOLOSHYN: Could we record that one, please?

[For the motion: Mr. Ewasiuk, Mr. Mitchell, Ms Mjolsness, Mr. Taylor, Mr. Woloshyn]

[Against the motion: Mr. Cardinal, Mr. Cherry, Mr. Fischer, Mr. Jonson, Mr. Moore, Mr. Musgrove, Mr. Payne]

20. Mr. Woloshyn recommended that all transactions which involve borrowing from the heritage savings trust fund by other government funds or agencies be separately disclosed in the financial statements or notes and that the source, amount, and purpose of the borrowing be identified.

MR. CHAIRMAN: Those in favour? Those opposed? The Liberal caucus hasn't voted.

MR. TAYLOR: What are we doing here? Recommendation 19?

MR. CHAIRMAN: We're on recommendation 20. I'll call the vote again. All those in favour? Those opposed? It fails.

21. Mr. Woloshyn recommended that the segmented information attached as a note to the audited financial statements be expanded to include a breakdown of the income earned on each investment of the Alberta investment division of the Alberta heritage savings trust fund.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

22. Mr. Woloshyn recommended that the Alberta heritage savings trust fund end its funding commitment to the Alberta Family Life and Substance Abuse Foundation and that instead adequate funding from the general revenue fund be provided to the Alberta Alcohol and Drug Abuse Commission to enable the carrying out of its mandate.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

MR. WOLOSHYN: Could we have that one recorded, please, Mr. Chairman?

[For the motion: Mr. Ewasiuk, Mr. Mitchell, Ms Mjolsness, Mr. Taylor, Mr. Woloshyn]

[Against the motion: Mr. Cardinal, Mr. Cherry, Mr. Fischer, Mr. Jonson, Mr. Moore, Mr. Musgrove, Mr. Payne]

23. Mr. Woloshyn recommended that the government of Alberta stop using the Alberta heritage savings trust fund to provide loans at below commercial rates to foreign-owned companies such as the Alberta-Pacific joint venture, which seriously harms the fund's future investment income.

MR. TAYLOR: Could we record 23?

MR. CHAIRMAN: Yes. Those in favour? Those opposed? It fails.

[For the motion: Mr. Ewasiuk, Ms Mjolsness, Mr. Woloshyn]

[Against the motion: Mr. Cardinal, Mr. Cherry, Mr. Fischer, Mr. Jonson, Mr. Mitchell, Mr. Moore, Mr. Musgrove, Mr. Payne, Mr. Taylor]

24. Mr. Musgrove recommended that a foundation of \$5 million be set up from the Alberta heritage savings trust fund and the income be used for research in gerontology.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

25. Mr. Mitchell recommended that the Alberta heritage savings trust fund be liquidated in order to pay down the Alberta government's debt.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

MR. TAYLOR: Record it, please.

[For the motion: Mr. Mitchell, Mr. Taylor]

[Against the motion: Mr. Cardinal, Mr. Cherry, Mr. Ewasiuk, Mr. Fischer, Mr. Jonson, Ms Mjolsness, Mr. Moore, Mr. Musgrove, Mr. Payne, Mr. Woloshyn]

26. Mr. Mitchell recommended that the Minister of Technology, Research and Telecommunications be required to report to the Standing Committee on the Alberta Heritage Savings Trust Fund Act the amount of money invested by Alberta Government Telephones in NovAtel between 1983 and 1990 inclusive.

MR. CHAIRMAN: Those in favour? Any opposed? Carried.

MR. TAYLOR: A point of order, Mr. Chairman. I got behind you. Recommendation 25 was recorded, and it failed.

MR. CHAIRMAN: That's right.

MR. TAYLOR: And 26 is recorded as yes?

MR. CHAIRMAN: It was unanimous.

27. Mr. Taylor recommended that the Alberta Heritage Foundation for Medical Research be instructed to host a yearly one-day forum at which a cross section of renowned and knowledgeable people in bioethics would be requested to speak.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

28. Mr. Taylor recommended that funding be provided from the Alberta heritage savings trust fund to the northern development branch for a bursary program for northern Albertans with a

target of a minimum of 30 percent native content in that program.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

2:13

MR. TAYLOR: Record it, please.

[For the motion: Mr. Cardinal, Mr. Ewasiuk, Mr. Mitchell, Ms Mjolsness, Mr. Taylor, Mr. Woloshyn]

[Against the motion: Mr. Cherry, Mr. Fischer, Mr. Jonson, Mr. Moore, Mr. Musgrove, Mr. Payne]

MR. CHAIRMAN: The Chair will have to vote. Opposed.

MR. TAYLOR: It was that close?

MR. CHAIRMAN: It was 6 to 6.

29. Mr. Taylor recommended that the occupational health and safety heritage grant program and the Alberta Family Life and Substance Abuse Foundation be merged into AADAC.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

MR. TAYLOR: Could I have it recorded, please?

[For the motion: Mr. Ewasiuk, Mr. Mitchell, Ms Mjolsness, Mr. Taylor]

[Against the motion: Mr. Cardinal, Mr. Cherry, Mr. Fischer, Mr. Jonson, Mr. Moore, Mr. Musgrove, Mr. Payne, Mr. Woloshyn]

30. Mr. Taylor recommended that the Agricultural Development Corporation be liquidated and the government instead supplement private capital loans by way of sliding-scale guarantees and interest subsidization, disposing of all commercial assets at competitive pricing, as was done by Alberta Mortgage and Housing Corporation.

MR. CHAIRMAN: All those in favour? Those opposed? It fails.

31. Mr. Taylor recommended that the Alberta Heritage Foundation for Medical Research set aside funds to pay tuition and a portion of living allowances to those students in the medical faculty who would be willing to serve in remote rural and native settings for five years after graduation.

MR. CHAIRMAN: Those in favour? Those opposed? It fails.

MR. TAYLOR: Record it, please.

[For the motion: Mr. Mitchell, Mr. Taylor]

[Against the motion: Mr. Cardinal, Mr. Cherry, Mr. Ewasiuk, Mr. Fischer, Mr. Jonson, Ms Mjolsness, Mr. Moore, Mr. Musgrove, Mr. Payne, Mr. Woloshyn]

MR. CHAIRMAN: Thank you, members of the committee, for your attendance. Thank you for your attention and the expeditious way in which we were able to conclude the business of the day. The Chair in conjunction with the legislative secretary will move as

quickly as possible to put together the annual report and endeavour to have it tabled on time. Thank you again.

The Chair would entertain a motion for adjournment from the Member for Bow Valley. All those in favour? The meeting stands adjourned.

[The committee adjourned at 2:15 p.m.]