

## Standing Committee on the Alberta Heritage Savings Trust Fund Act

1:11 p.m.

[Chairman: Mr. Dunford]

MR. CHAIRMAN: All right. I'd like to call the meeting to order.

All of you are aware that Harry Sohal was a member of our committee, and I think it only appropriate in starting this round of heritage savings trust fund meetings that we just bow our heads for a moment of silence for our lost comrade Harry Sohal. Okay. Thank you very much.

Now, you've all received binders. There is an agenda that has been provided. I think you'll find that similar to the situation last year. Perhaps in my opening remarks I might just review again the mandate, and that is that this committee's mandate is to review the 1993-94 annual report of the Provincial Treasurer on the Alberta Heritage Savings Trust Fund Act and make recommendations with respect to existing and potential investments.

Now, also circulated has been a -- I was going to say the schedule of meetings, but based on our experience from years past, I might suggest to you that it is again a tentative schedule of meetings. We will try to accommodate everyone as best we can, and that certainly includes the ministers who are asked to appear before us.

My capable assistant has just sent me a note saying that it is only appropriate that we should recognize and welcome our new Liberal members, and that's quite appropriate. I guess I'm so used to seeing them in this House that I forgot to do that. We want to say welcome to Ken Nicol from Lethbridge-East and Howard Sapers from Edmonton-Glenora. Again, for the benefit of our new members, we are somewhat more informal in these committee meetings. I think you will start to see where we address people by names instead of constituencies.

Format of Meetings. I would want to suggest, given that the system we had last year seemed to work fairly well in the sense that everyone got a question and two supplementals -- we just went back and forth, starting with opposition members and then to government members, until such time as the questions were completed or the allotted time was over. Anybody care to make any comments? Carol Haley.

MS HALEY: It worked well last year, Mr. Chairman, and I'd be happy to continue with that.

MR. CHAIRMAN: Sensing consensus, then I'll proceed to handle that in that manner.

The other thing that we did: any member was allowed to read a motion for recommendation into the record at any particular time, but we encouraged them to do it either at the start of a meeting or at the end of a meeting. Any thoughts on procedure this year? Fair enough? Okay.

We've provided in the schedule already, as you see, an opportunity for debate once all of the recommendations are in, and then of course we have a special day on which we carry out the votes. My notes are indicating a deadline for submitting recommendations: usually before the day of the last meeting with cabinet ministers, which would be Wednesday, January 25, in the case of the schedule that is before you. Diane will circulate a list of recommendations to members after that last meeting. Is that satisfactory? I don't think it inhibited. Okay? All right.

In terms of the meeting for discussion of recommendations, at the first recommendation meeting sponsors of recommendations have the opportunity to amend their own recommendations. Committee

members are invited to withdraw or make suggestions for combining like recommendations. Now, when we talk about "committee members are invited to withdraw," we're talking about the mover of that particular recommendation. It would be up to them whether or not to withdraw it, but we might have a discussion of combining like recommendations.

MR. WHITE: Mr. Chairman, it seems to me that if this is a committee of the Legislature we should really be following the rules of the Legislature, which generally follow commonly accepted rules of parliamentary procedure, either *Robert's* or *Bourinot's* or one of the others. It's traditional and it can be managed relatively well, particularly when you're dealing with two items. One is withdrawal of a motion. Once a motion is made and accepted, in fact it is the property of the body, so unanimous consent is usually sought by the mover. That's a simple vote. It's not difficult to do. It appears then, if somebody else is reading it, to be done in the proper form and save a challenge later on.

The second one is that the amendment of a motion, putting an amendment forward, again is the property of the body assembled, in this case a committee of the Assembly. That can only be amended by another member, and that follows the rules also. We're not so darn stiff that it's difficult to do that, to pass it to a neighbour or somebody. It just makes it so much easier. So you speak to the amendment and vote on it, and then you vote on the motion as amended. That keeps it so much more clear. I'd suggest that is above and beyond any challenge on procedure thereafter if you do it that way. That's all.

MS HALEY: I guess it's maybe for clarification, but my understanding is that these are recommendations, not motions. If I put forward a recommendation and find out a week later that maybe I didn't have all of the information that I needed to make that recommendation and I want it withdrawn because there's no point in going ahead with a vote at the end of it, then that's my role and I should be able to do it. Now, anybody else here could have another recommendation that may be the same or different from the one that I've withdrawn, and nobody would stop them from putting it in either. It takes place in the Assembly, but it is surely my right as a member of this committee to put a recommendation forward and withdraw it later if I feel that is inaccurate or not doing what I want it to do.

MR. CHAIRMAN: Lance, do you want to reply?

MR. WHITE: Well, the effect is that once the motion -- and it doesn't matter whether it's a recommendation or whatever you call it. It in fact is a motion on the floor. The difficulty in being able to withdraw it -- what you can get into is any one of us or any number of us can put all kinds of them forward and tie things up. The procedures in the *Rules of Order* are a thousand years old in development, and part of the reason for doing it is to get around who knows what and who's on third and what the rules are. If you have a motion that is put in error, it's not very difficult to speak to it. The chairman calls a vote and it's voted in the negative or you ask for unanimous consent to withdraw it. Who here is going to say, "No, you can't do that." It just seems to me that it's so much easier to follow and not ever be challenged. The *Rules of Order* are there. There is no reason not to follow them. I can't really see any reason whatsoever not to follow them, Mr. Chairman.

MS HALEY: Well, with respect I disagree. When we bring forward recommendations, there is no vote at that time, during the beginning or end of a ministerial statement or question period in here.

Therefore, it is not the property of the whole. It is still the property of the member who had introduced it, and I feel that it is my right to bring a recommendation forward and withdraw it if I feel the need to do so. [interjection] I care. We had no problem with it last time.

1:21

MR. HERARD: Mr. Chairman, I didn't see too much of a problem with what we did last year. I thought it went reasonably well, and from my reading of the previous years of this committee, that's the way it was done as well. I think it probably was done to avoid a lot of time spent amending each other's motions because we don't necessarily like this word or that word or whatever. It seems to me that a member has all the opportunities until after the final meeting that we have with a minister to make recommendations, and once the recommendations are made, then they're voted on on the appropriate date. I think that's the appropriate procedure for this committee. If we get into all sorts of debate with respect to whether or not we like the way this is worded or that is worded, well, that's the property of the person who moved the motion as to whether or not they wish to amend it. We could get into endless discussions back and forth on the wording of recommendations, and I don't think that's the way this particular committee is intended to operate.

MR. CHAIRMAN: Any further discussion? Well, having heard no motion, I think we'll proceed. If we run into some difficulties, I'm sure we can find a way to accommodate any concerns that you might have.

Okay. Any other business that anyone would like to bring forward?

DR. PERCY: Were we on Other Business?

MR. CHAIRMAN: Yeah.

DR. PERCY: Two issues. The first is that shortly there will be coming the review of the market value of the fund. I guess that will go directly to the Provincial Treasurer, and our ability then to discuss that report will be when the Treasurer is here. Or will we have an opportunity before that?

MR. CHAIRMAN: Well, technically we're here to discuss the '93-94 report. I would suggest to you that there won't be an opportunity, you know, to really discuss those in this format. If the Treasurer refuses to discuss it, he would have no obligation to discuss this.

However, I might just bring to your attention once again that under my chairmanship last year -- I would propose to deal with it in the same manner this year -- I didn't rule with an iron fist in terms of what you wanted to ask, and if any minister or any witness that we have in front of us wishes to answer the question, then that's fine. If they choose not to answer and look to the chair for direction, then I'll rule the question out of order.

DR. PERCY: The second question. I realize that we're bound by legislation to hold these meetings and review the 1993-94 operation of the fund, but I am also aware that there is a review to take place. It would be very nice if in fact you could collapse one into the other. As opposed to thinning your resources and spreading them all out, it would be nice to focus it and kill two birds with one stone.

MR. CHAIRMAN: Well, the format for the review has been publicly made. It will be done by an all-party committee, and I'm sure the government will want to stand behind that. However, there is, to my knowledge, still ongoing discussion as to the size and who

the particular people will be on that review. While I have used the term in the past, especially with the distance I have to come, of "killing two birds with one stone," I don't know that it will apply fully in this case. In other words, what I'm saying to you now is that I'm not sure that the committee that will be reviewing the future of the heritage savings trust fund is the same as this committee which reviews the history of it.

Danny.

MR. DALLA-LONGA: Yeah. Just to follow up on Mike's point about the valuation report that's coming out. I would beg to differ that it does relate to this year-end here, the '94 financial statements, in that the valuations, the figures, that are contained in here could be affected by what some of those values come out as in the other heritage savings trust fund report. In fact, valuations for financial statements often do come after the fact. If we look at the purpose for which this committee is assembled under 14(3), just briefly:

The annual report shall be deemed to be referred to the Select Standing Committee for review and a report concerning the investments of the Trust Fund which may contain any recommendations of the Committee concerning those investments or any alternative investments.

I understand that the Treasurer may very well not want to disclose the contents, but I think it has relevance for this year-end.

MR. CHAIRMAN: Well, I'll try and be as accommodating as I can. Who was first? Carol Haley.

MS HALEY: With all due respect, Mr. Chairman, I believe we have a very specific mandate with regard to this committee, and I prefer we just stick to the mandate. If there's another committee that's being appointed or is going to be appointed, then let them do what they're supposed to do. You can't just roll everything in to save time for a committee. It doesn't work that way.

MR. CHAIRMAN: No. I think you've answered the roll-in aspect. I think what Danny's bringing up, though, is the earlier matter. We have a report in front of us that has financial statements, and we're going to probably be presented at some time during these hearings with a value statement, and I guess it'll be my responsibility to try to deal with that in as prudent a manner as we can.

MR. HERARD: Mr. Chairman, I think the government has been quite clear with respect to the review of the heritage savings trust fund in that the first step in that review was the independent evaluation of the assets. That particular review is under way, but I don't believe it to be the mandate of this committee to look at that. I think it will be the mandate of the committee, whatever that committee may be, as soon as it's announced to look at the review of the heritage savings trust fund as a totally different thing that is not part of the Alberta Heritage Savings Trust Fund Act, and it's not before us today. I don't think it's a matter that we should even be discussing because it's a totally separate review, as announced by the Premier.

MR. CHAIRMAN: Howard.

MR. SAPERS: Thanks. Without prolonging this too much, Clint, I'm encouraged by you saying that you'll allow some latitude, and I would hope that you would go further and even encourage the Provincial Treasurer, when he graces us with his presence, to expect to have some questions about the value of the fund. Certainly the 1993-94 annual report, which is our mandate, starts off right after the Provincial Treasurer's report with a narrative entitled Just the Facts. That narrative contains 13 questions. Most of those questions and

the attendant answers deal with the value and the potential for disposition of the assets of the fund. So it certainly is within the content of the report. The Treasurer believes it to be within the purview of the report; otherwise, I assume it wouldn't have been printed and circulated. So I see it as part of our mandate. I'd like to encourage you to prepare the Provincial Treasurer for that, and I know you will guide our questions appropriately. I think it's just fair that we have a chance to discuss, if not some other committee's business, certainly our own business, which is about the assets of this fund.

1:31

MR. CHAIRMAN: Michael.

DR. PERCY: No. That's fine.

MR. DALLA-LONGA: Further, I would encourage you, Mr. Chairman, to seek outside advice to see whether in fact it is common to look at valuations done after a particular year-end in terms of drawing some conclusions as to whether the figures in that particular year-end, in this case March 31, '94, were in fact valid. I would think you'll find that what we're asking is not out of line at all.

MR. CHAIRMAN: Well, maybe I can clear this up a little bit. Certainly in the past, when you have a witness in front of you such as the Treasurer and you have the financial statements in front of you, you've always been able to ask those questions, and I would anticipate that there would be no difference.

MR. DALLA-LONGA: It's the answers.

MR. CHAIRMAN: Well, I understand that, yeah, it's the answers that might be different. The unique thing about our investigation as it takes place now and in December of '94 and January of '95 is that we have a parallel initiative that's taking place, which is to review the future. Of course, one part of that, then, was to have the valuation. We would springboard that review from that report. I can just say again as your chairman that I will try to provide some latitude, but we are not going to use up time of this committee discussing the valuation report by four investment dealers.

DR. PERCY: Well, just a final comment on this. It's been interesting to hear the statement of history that the review of the heritage savings trust fund was a planned exercise, when the reality is that for the last two years we've been told it's going to happen, that it's going to take some particular form, but what I've heard from several hon. members here today is that it was always planned it would be first and this independent review would follow subsequently. Well, it appears to me that the government is making it up as they go along, because at each step along the way, it's always been: "Well, something's going to happen soon. We'll announce it in February. We'll announce it in June." While I'm willing to believe that there may be ex post some coherence to the structure that's emerging, I think it's a bit insulting to kind of rewrite history and say for the last year and a half that this has been a very planned exercise and we know exactly the process that's going to be followed. So I'll accept that I know what's happening now, but it certainly doesn't have the degree of planning and rigour that some hon. members have suggested is the case.

MR. HERARD: I look forward to the debates that we're going to have with Dr. Percy adding a little colour to this whole thing, but I think it's just an indication of what would happen or could happen if we went to amending other people's motions. Enough said.

MS HALEY: I would just like to clarify something. I heard my hon. colleague suggest that the numbers in here may not be accurate, and I guess I just take a little bit of exception to that. We do have an Auditor General coming in, and perhaps we can question him as to the accuracy or not of these numbers.

MR. CHAIRMAN: The chair did not hear him say that.

MS HALEY: I did.

MR. CHAIRMAN: Any further discussion? Any further business? Okay. Hearing none, we'll adjourn.

We'll reconvene, then, at 2 o'clock for the Hon. Steve West, Minister of Municipal Affairs.

[The committee adjourned at 1:35 p.m.]

