8:00 p.m.

Legislative Assembly of Alberta

Title: Wednesday, April 27, 1994 Date: 94/04/27 [Mr. Speaker in the Chair]

MR. SPEAKER: Please be seated.

head: Government Bills and Orders head: Second Reading

Bill 21 Alcohol and Drug Abuse Amendment Act, 1994

[Adjourned debate April 26: Mr. Day]

MR. SPEAKER: Is the Assembly ready for the question?

HON. MEMBERS: Question.

[Motion carried; Bill 21 read a second time]

[On motion, the Assembly resolved itself into Committee of the Whole]

head: Government Bills and Orders head: Committee of the Whole

[Mr. Clegg in the Chair]

MR. DEPUTY CHAIRMAN: Hon. members, we can come to order now.

Bill 25 Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Act, 1994

MR. DEPUTY CHAIRMAN: Would the hon. Provincial Treasurer have any opening comments?

MR. DINNING: Mr. Chairman, it is indeed a pleasure to appear before you this evening, sir. I know members were seized with a rather passionate speech not only last night but reminiscent of perhaps Martin Luther King days, when he had a dream. I ask members to imagine Alberta without the heritage savings trust fund and the capital projects division. Rather than take up the valuable time of members across the way who want to . . .

MRS. McCLELLAN: Tell us how much they appreciate it.

MR. DINNING: . . . tell us their views and – the Minister of Health is absolutely right – how much they appreciate the good work that is done by the capital projects division of the Alberta heritage savings trust fund, I would simply ask members of the committee to refer back to that imagined speech and enjoy the ambience that evening created and ask them to reflect on the wisdom of those words that have only seasoned and improved with time like good wine.

Mr. Chairman, we naturally invite questions, and ministers who are here will do their best to respond to those informed questions and that debate of intellect. For that reason I would simply encourage all members to support this Bill, especially the next speaker, the Member for Edmonton-Whitemud.

Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Deputy Chairman. It is a convention in this House that each evening as these Bills go through, we go in sequence – 24, 25, 26 – but you can speak to any of the Bills. Since our discussion last night was truncated by whatever means, there are a number of issues I would like to raise with regards to the appropriation Bills and with regards to Bill 24 in particular.

Let me begin, first of all, by reiterating a number of points that we have made on this side of the House. Last night of course we dealt with the principles embodied in the budget. We argued that although we could agree with the direction of the budget, we had disagreements with the philosophy embodied in the budget numbers and the process but not the direction. Now I want to get into some more of the nitty-gritty of the Bills.

I'm going to start off easy and work up progressively for the hon. Provincial Treasurer. I find it somewhat surprising that in fact when I look at appropriation Bill 24 and I look at - it's a short Bill, although we're spending \$10.1 billion. If I look at sections 2 and 3 and 4, they deal with the financing of the infrastructure program. My question to the hon. Provincial Treasurer. When we look at section 2(1), it's administered by the operating expenditure vote in this Act for the minister of public works, supply, et cetera. If we go to section 2(2), "the Minister of Transportation and Utilities may transfer all or part of the amount authorized under this Act" from the operating expenditure. Throughout here, then, we see a focus on operating expenditure, but it was always my understanding that the infrastructure program dealt with capital expenditures. So I find it somewhat peculiar that in fact the focus in the appropriations Bill would be an operating expenditure rather than a capital expenditure. I would just like that point cleared up.

An additional point again in terms of the spirit of co-operation and input that we want to have is why when we look at section 2(3) and section 2(4) there is no cap up to the amounts that have been set aside for the infrastructure program. I mean, it appears when you read this that the hon. Minister of Economic Development and Tourism could deem anything to be part of the infrastructure program. So surely when you look at the paragraph here, you would expect there to be a cap up to the amount that has been voted or has been agreed to within the infrastructure program, and that is actually omitted from here. The absence of the cap, the focus on the operating as opposed to the capital expenditures . . . [interjection] But I still have more. There is yet more to come, hon. Provincial Treasurer.

So those are the specific points with regards to the appropriations Bill.

With regards to some of the broader issues I, too, am going to play a let's pretend or a mind game as the Provincial Treasurer did when he said: let's visualize an Alberta without the heritage savings trust fund. For that matter, if they had elected Liberals in 1971, we'd be running a very large surplus, no debt, et cetera. However, to bring us back to reality and the \$30 billion debt that we presently have, I ask the hon. Provincial Treasurer to consider what will happen when we go to Transportation and Utilities a year from now. Let us imagine that in fact gasoline taxes are increased.

MR. DINNING: They're not going to be.

DR. PERCY: Well, let us imagine that any of the dedicated revenues to the Department of Transportation and Utilities increase and that in fact the cap on expenditures by Transportation and Utilities remains in place. In fact, we look at this, and the amount that we're going to vote on for Transportation and Utilities is going to be zero. We collectively in this House will get up and say, "Yes, we're voting for nothing for Transportation and Utilities." Now, we know in our hearts, Mr. Treasurer, that there's going to be about \$600 million in expenditures for transportation. Yet what will be the net vote? It'll be for nothing. I ask you: does that make any sense? It doesn't.

One would expect that you would vote on the expenditures, then on the net vote. As it stands in this appropriations Bill, it may be the case that as the government moves to increasingly dedicating revenues to a particular department, we'll have the perverse case that you'll look at this Bill, the net vote will be zero, but the department will be spending \$600 million. That causes serious problems, Mr. Treasurer. People will ask, "Why are we spending so much time debating nothing?" They're going to say that. They'll look at the net estimates and say, "The vote is on nothing, yet you spent a day, two days debating the estimates of Treasury, and you're going to vote on nothing in the appropriations Bill." That's one issue, and that causes us a credibility problem.

8:10

The second point is that while we may disagree with the process of net budgeting, it's in place. Surely, then, let's vote on the gross expenditures and then the net. Let us get the sequence in better form so that the taxpayers of Alberta are aware that we're voting on the gross expenditures and then the net, that there is earmarking involved here. As the appropriations Bill is set out – I mean, I would think the Provincial Treasurer would understand our concern, particularly in Transportation and Utilities. It may well be the case that if expenditures fall in that department, we will both spend two days debating nothing and then vote on nothing, and the reality is that we know we're dealing with \$600 million in expenditures. There's something wrong here.

So in a spirit of co-operation I'm saying: let us deal with this in a sensible fashion. I think this will call for an amendment to the Financial Administration Act to ensure that in the appropriations Bill first we vote on the gross expenditures and then we vote on the net. That's the real conundrum, because Albertans will say, "Why are you spending so much time on nothing if that is the net vote?"

Again just look at this, Mr. Treasurer. We're voting on \$17,880,000. We know that the Department of Transportation and Utilities is going to be downsizing expenditures. We know that gasoline taxes are not going to be falling. I think it is reasonable to envisage that within the next budget year we'll be voting on nothing. That's a problem. That's a real problem for our credibility collectively in this House, because we have the responsibility to say that we have scrutinized and focused on the \$600 million in expenditures.

I would ask all hon. members to take a look at appropriation Bill 24. Just look at it. It says on page 4 that we're voting on \$17,880,000. That's the net vote. If you go to the big book – and let me just do that right now – the actual expenditures in there for that department are about \$600 million. That's what we're accountable for. That's what we debated in the estimates. That's what we should be voting on as well as, I would think, the net vote.

This is an issue that affects our credibility. It affects the way we do business in this House, and I think it ought to be addressed. We really don't care which side of the House the amendment comes from as long as there is an amendment so that next year, same time, same place, when we sit down and debate an appropriations Bill, we'll debate and vote on the gross expenditure and we'll debate and vote on the net expenditure. That makes sense, and certainly, as I say, it's something we ought to deal with now while we're still debating over a positive sum, because when it turns into nothing, that's when we get the credibility problem. That's when you'll have every single columnist up there saying, "What the heck is going on in the Legislature?"

So let us focus on the gross expenditures, then let us focus on the net expenditures, and let's get them into the Appropriation Act. So it's a constructive suggestion, and we can still deal with it now, because again, Mr. Provincial Treasurer, this is Bill 24. We're voting on the net of \$17,880,000. Next year it may well be zero. You can jimmy the books, to use an expression, to make sure it's at least a couple of bucks that we're voting on, but the principle is that we should actually in the appropriations Bill be voting on the gross. Then let's vote on the net as well, because again I think in the appropriations Bill Albertans expect us to be voting on the gross expenditure as well as the net. So we're not denying the fact that the Financial Administration Act says that there is earmarking and it can be dedicated. We may dispute the fact, but let's get the gross expenditures in here so we're voting on those too.

I have tried to make a number of constructive suggestions. Again we may bring in or we would ask the Provincial Treasurer to bring in an amendment, and it could easily be done through Bill 17, because Bill 17 opens up the Financial Administration Act. It actually deals with section 29, and this is the point where it could be brought in. The whole process would be expedited if in fact the hon. Provincial Treasurer would bring in the amendment. So that's the second point I wanted to make on the general issue of budgeting and net budgeting.

Then there is the issue of earmarking, and I'll just repeat this briefly. I mean, I do have concerns with earmarking. I want to make it clear that I'm not flip-flopping, but I think that in the case of a Bill like 21, when you're dealing with AADAC, it may make some sense, when you know you're going to have a sustained demand for dealing with addiction, whether it's alcohol or whether it's gambling, that you have a steady source of revenue for it that's off the budget cycle. So I could easily live with earmarking of funds to finance AADAC.

On the other hand, I do have problems with the earmarking of such a large level of funds as we see for Transportation and Utilities, because it does generate the incentive to use it or lose it. I would remind the hon. Provincial Treasurer and other members on the other side of the House that one of the reasons we ran into a structural deficit beginning in 1986 is that in the period of the late '70s and early '80s, when the oil money was flooding in, that's the mentality we operated under collectively: spend it or lose it. Net budgeting and earmarking does generate some of the incentive for, you know, spend it or lose it. So I have concerns that when we're dealing with such large sums as in the Department of Transportation and Utilities, that may well be the case.

So I would ask that the whole issue of net budgeting be debated and that we ask ourselves: under what circumstances and what volume of funds should be in fact dedicated to a particular department? Mr. Treasurer, under Bill 24, since we don't vote on the gross expenditures, we've lost control, and this House is viewed as being less accountable. So you can kill two birds with one stone by having the gross expenditures in here, because you then deal with the earmarking and the dedicated revenue problem, and Albertans collectively could see whether or not it was an issue. As it is right now, they just see the net. So we think this is a potential problem down the road, and it can easily be addressed now by some type of amendment. We're quite willing to draft such an amendment and ship it over there, but I think it probably stands a better chance of being passed if in fact it comes from your side. That is an issue that I think should be addressed.

The other issue, of course, deals with the fact that when we're going through the estimates, Mr. Treasurer, we vote program by program by program. That's what we vote on. That doesn't make much sense when you come to the appropriations Bill and we vote on the aggregate. In fact, we don't even vote on the aggregate; we vote on the net. So, again, if we're to do away with the voting on a program-by-program basis, which doesn't make much sense because we don't use it in the appropriations Bill, you then need the gross here. So you can kill three birds with one stone. What an evening, Mr. Treasurer. By one simple change you can get rid of a number of problems and the whole process can run smoother. Those are some of the suggestions I would make.

The other issue deals with the fact that under the appropriations Bill, and because of the amendments to the Financial Administration Act, we vote on an aggregate operating, we vote on an aggregate capital expenditure, and again that gives tremendous flexibility to the departments to reallocate funds across votes. Again, since the votes themselves are meaningless in the estimates stage, let's just do away with it. If we're locked into the Financial Administration Act, if as Bill 17 does it provides more discretion at the managerial level to allocate funds, let's keep things internally consistent, and let's try and clean up the books, clean up the process now.

So with those comments, Mr. Deputy Chairman, I will conclude and turn the floor over to a colleague.

8:20

MR. DINNING: Mr. Chairman, I'm incited to rise. [interjections] I said "incited." I didn't say "excited."

Specifically to some of the comments made by the member across the way, especially as it relates to killing birds with stones, I think there is something in here under premiums, fees and, licences where killing all those birds is going to cost him more in the years ahead. He's going to need a licence to do so. I think it's important that he acknowledge that it could be a costly thing for him to do, to be using ammunition from the streets to be killing all that wildlife.

Mr. Chairman, I refer to sections 2 and 3 of Bill 24, where we were talking about the operating expenditure of those two departments. What the hon. member has got to know is that grants that are made to others for capital purposes are in the operating side of our budget. If he looks at the operating position and the operating deficit as outlined on page 13 of Budget '94, all of the capital dollars that are granted to others for them to spend as they see fit are part of the operating budget. We don't allocate, say, in the case of grants to municipalities, whether that dollar will be spent on running a program or paving a street, because we've gone more to those unconditional programs. So that explains the operating expenditure side.

Mr. Chairman, as for the cap on the infrastructure program, we made it quite clear from the start that we were participants in the national infrastructure program, not exactly what you'd call deeply or radically committed participants. We felt that \$2 billion from Ottawa, reallocated from within, not new dollars, plus in our case \$173 million found within our reduced budget, plus the yearning of municipalities to invest those dollars in their local infrastructure – that was why we went into it. Clearly, \$6 billion invested in the infrastructure in this country of 27 million people, 5,000 miles wide – even the former municipal councillor in the Rocky Mountain House area, the reeve, I believe, of the MD of Clearwater, if I'm not mistaken, would acknowledge that that is the proverbial drop in the bucket as to the needs. It's perhaps misleading of anybody to suggest that it's a major job-creation program, because it simply ain't so. Even the former mayor of Toronto, Mr. Eggleton, himself in a private moment would acknowledge that.

As for the cap on the infrastructure, there is a cap in the agreement. The federal government will contribute no more than \$173 million. As a result, it's a dollar for dollar for dollar program. The cap is there. We found \$40 million in '93-94. There's \$10 million in Economic Development and Tourism for '94-95, and we'll find the dollars that are necessary within the rest of the government's budget. This was a natural place to find it, in transportation and public works, the most likely departments that would have those dollars to be dedicated to this program when we need it.

[Mr. Tannas in the Chair]

I won't prolong the debate on an item that really should be debated under Bill 17, Mr. Chairman, but given that you allowed the hon. Member for Edmonton-Whitemud to go on at length about his concern about net budgeting, it is something that we will debate in Bill 17. He has raised the point that we are voting here on the net, as we agreed to in the fall of 1993, when we passed section 29(1.1) of the Financial Administration Act. There, subject to some innovative legal thoughts, much as that might be the ultimate oxymoron, the Bill says on page 28 of the Financial Administration Act, section 29(1.1):

If the details in the estimates respecting a supply vote that is approved by the Legislature show an item as a credit or recovery, the vote is deemed to authorize the payment of an amount equal to the aggregate of

(a),(b), and (c). The hon. member across the way, if I'm not mistaken, might have spoken in support of this notion back in the fall, and it's still a good idea. I know all of my colleagues in the caucus, and especially the Minister of Environmental Protection, were deeply committed to the notion, the concept and the 1990s concept of net budgeting. One of the strongest proponents – and I'm sure he may want to get up and speak on this Bill when the opportunity comes – the Minister for Transportation and Utilities was also deeply committed to this.

I understand the hon. member's comment, but I would always naturally refer citizens to this book, because the link between the Bill, as spartan as it is, as the hon. member would not want us to incur excessive printing costs, especially when we've gone to the extent we have in this important book – it is a different approach. The hon. member has a different approach or a different idea. I know the Member for Fort McMurray has some concerns here, and I'd welcome a quiet chat over a cup of coffee and some legal advice.

Clearly it is in the law now, Mr. Chairman. You so rightly ruled that this was the correct way to approach it because that's what the law said. I would agree with the hon. member across the way. We shouldn't have been in Committee of Supply. We should never have been voting on departments on a program-byprogram basis. The law does not contemplate that, the estimates do not contemplate that, and the Appropriation Act does not contemplate and, therefore, in fact does not require it. So I would hope that we would be more visionary and use our time more productively in future Committees of Supply when we look at various votes and estimates and not go through it on a programby-program basis, but that in fact we would move on a vote-byvote basis, as the Deficit Elimination Act, which the Liberal Party voted for unanimously when it was before this Assembly about a year ago now - I know that they strive to be consistent. They're not always successful, but they work hard at trying to be consistent

With those comments, Mr. Chairman, I'm glad to respond to the Member for Edmonton-Whitemud.

MR. CHAIRMAN: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Chairman. Again, I want to make it clear that the issue that we're debating here is not net budgeting. We can debate that in a different forum. The issue that we're really debating now is that what we're voting on is the net estimates. What will happen possibly a year from now is that the net estimates for transportation will be zero. That is what we will be voting on, and since we will be doing away with votes by program, we will then be debating nothing for a considerable amount of time in the next budget. This is in fact a minefield we can avoid now by dealing with it and ensuring that in the appropriations Bill we will be debating something as opposed to nothing. I think it's always better to anticipate a problem than have to react to it once it's in place.

So I don't want my comments to be misconstrued as my normal discussion about some of my misgivings about net budgeting. This is a more substantive issue, that as we vote, then, let us make it clear that we're voting on the gross expenditures on the appropriations Bill, because that's ultimately what Albertans will look to. What is the law? The law is this. The other is information. That's the case that I would make to do something now while we're in session and perhaps to work through the vehicle of Bill 17 as an ideal way of doing it and just to get it out of the way very quickly.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The hon. Member for Edmonton-Roper.

MR. CHADI: Thank you very much, Mr. Chairman. Boy, I'll tell you, last night when I came into the House, I rushed here. I was in the Legislature Annex listening to the debates that were going on, and, in particular, the Minister of Energy speaking. I came up here huffing and puffing. When I got to my chair, I rose to speak, and lo and behold, they adjourned debate on me. I looked at the Provincial Treasurer and he said to me, "Tomorrow, tomorrow." He goes, "You'll get your chance tomorrow." Well, it's here, Mr. Chairman. It's here and I'm thrilled to speak today on the appropriation Bills.

When I was listening yesterday to the Minister of Energy speaking to it, the minister was quite clear in the way she was going about her comments. She said – and I'm going to paraphrase, Mr. Chairman, because I'm not sure that I got the right words – something to the effect that there's a new team here. I agree that there's a new team. With the exception of about 25, there's a new team. Half of them are new, and half of them are old. I'm not talking about age here; I'm talking about the people that were here before. So this new team, this new group – you see, whenever no one wants to take responsibility for something, they say they're brand new. "Yeah, we are brand new." Nobody takes the responsibility for anything that's happened over the past eight years. From 1986 till 1994 here we are, eight consecutive deficit budgets in a row – in a row. They're lined up like little ducks. Every single one of them gave us a deficit budget.

I believe that the Minister of Environmental Protection probably wants to ask if I want him to respond to a question. Is that correct?

8:30

MR. EVANS: No, no. I just wanted to distract you.

MR. CHADI: Well, it's not the case, Mr. Chairman; he has no questions. I'm full of answers, but there are no questions.

So nobody wants to take responsibility, Mr. Chairman, for those eight consecutive deficit budgets. You know, we're not going to end there, because in 1994-95 we've got another one, and in 1995-96 another one.

AN HON. MEMBER: Oh, no, not really.

MR. CHADI: Oh, yes. Oh, yes. There are members in the House that are saying oh, no. But I have to say oh, yes, it's going to happen. It's quite clear; it says so in the business plans. I have only these books that are before me to prove my case.

The Minister of Energy went on and on about this restructuring that took place. Well, you know, Mr. Chairman, I have a daughter that's in grade 6. She brings home her math some days, and she starts to show me her math.

Chairman's Ruling

Decorum

MR. CHAIRMAN: Order. It is becoming less and less possible to hear the wise words of the hon. Member for Edmonton-Roper, and I am ascribing that to the level of secondary noise. I know it's committee. If we could whisper softly to one another as opposed to chattering loudly, we will continue to hear, then, the hon. Member for Edmonton-Roper.

MR. CHADI: Thank you, Mr. Chairman. I will try very much now to keep my voice down just a little. For a while there I had to really raise it, but not any longer. Thank you for that ruling, and thank you very much for quieting down the House for me. I respect that when you say his "wise words" because I truly believe they are wise.

Debate Continued

MR. CHADI: Now, my grade 6 daughter comes to me, and do you know what? She starts talking about her mathematics. Mr. Chairman, when the Minister of Energy was talking yesterday about the restructuring, I think my grade 6 daughter could have taken that up in math class quite easily, because it doesn't take a lot of imagination when you can just cut a budget by 20 percent and say to yourself that you have a budget of \$14 billion or \$15 billion that you need 20 percent of. It's quite clear: we need to take \$3 billion out, and that's all. So how do we do it? We just cut every single line by that amount over the next three years. There's no imagination here; there's no creativity. This is restructuring, Mr. Chairman? I think not. I think what's happening here . . .

Point of Order

Factual Accuracy

MRS. BLACK: A point of order, Mr. Chairman.

MR. CHAIRMAN: The hon. Deputy Government House Leader is rising on a point of order?

MRS. BLACK: Yes. *Beauchesne* 484, Mr. Chairman. The member has indicated that the Ministry of Energy simply went through and took line by line on a restructuring. I wish he had in fact listened. If he had listened to the comments, I'm sure he would have understood or maybe he could have asked his daughter to explain to him that in fact the Ministry of Energy has had a reduction greater than 20 percent and that in fact there was a full restructuring model in place which identified the needs of the future. I wish that the hon. member would maybe ask his

daughter to read *Hansard* to him so he would have an understanding of the restructuring model that has taken place.

MR. CHAIRMAN: Thank you, hon. Deputy Government House Leader. I'm sure the member will take that under advisement. However, a word of caution. When we ascribe exaggerated things to other members, it makes good humour but does not necessarily stand the strict scan of the critic.

MR. CHADI: I really didn't mean any harm to the Minister of Energy. If she took offence to it, I meant none, and I know that my daughter would very much like to read *Hansard*. Someday perhaps I will take *Hansard* home and allow her to read it.

Debate Continued

MR. CHADI: I'm going to continue, Mr. Chairman, to respond to some of the comments that were made by the Minister of Energy not because she wasn't describing her portfolio when she was speaking last night. She was speaking to the appropriation Bills. In doing so, I'm responding to some of the comments that were made, and those comments were quite clear, that we've got this downloading that is happening. That's all it is when we have these reductions in different budgets. I know Education is not 20 percent. I know the minister has done a marvelous job in Energy. Maybe some of the other departments could learn from the Minister of Energy how to trim their budgets down. Perhaps even the minister . . . [interjection] Look, they're all going to come running now. Rattle the cage, Mr. Chairman. Right, Nick? Once you do that, I mean, they all come out. The Minister of Environmental Protection is absolutely right; he's done a fine job as well.

Now, when we talk about downloading, we're talking about giving less to the different parties, and the different expenditures along the road are going to start to feel the effects of it. Mr. Chairman, municipalities are one area that is going to start to feel the effects of the cuts. Now, those cuts are going to be brought down to the different level; that is, to the taxpayer. There's only one taxpayer. We all know that. We've all said it long enough and enough times. Gee, if you don't understand it, if you're just saying it now, it's just natural; it just comes out naturally even if you don't understand what that means. Each and every one of us here as taxpayers of the province is going to have to make up the difference. That \$3 billion or 3 and a half billion dollars that over the next couple of years we're taking out of this economy and trimming our budgets to that effect is going to have to be made up from somewhere. So somewhere along the line we're going to pay for it. It's easy to say, "We've done our job," and just walk away and forget it. "We did our job as the government of the province of Alberta, the elected representatives of all the 2.7 million or whatever million people there are in the province and all 83 constituencies. We did our job. Now it's up to the municipalities. Come on, Mr. Mayor, can't you take 20 percent out of your budget? Come on, ID councils, can't you do the same thing? How about you, ID councillors and reeves? Come on. Get at it. Get with it. We did it." That's what's going to happen. That's what's being said now, you see. They downloaded it to somebody else, and, plain and simple, that is all that happened.

Now, I heard last night that the Liberals would say study, study, study. I mean, that's all the Liberals would say and continuously say. Well, I'm going to tell you something, Mr. Chairman. It's not a bad idea to study something. Let me tell you that I know that the government of Alberta did a study, and they'd be wise to continue doing some studies in areas of duplication and overlap to try to eliminate some of the areas where we could actually have some cost savings.

Mr. Chairman, in 1991 the government undertook an internal review of federal expenditures that appear to overlap and duplicate different activities between the feds and the provincial government. The federal government, it reveals, spends approximately \$4.3 billion pursuing the same purposes within Alberta as the provincial government - \$4.3 billion. So when we talk about taking 20 percent out of a budget over the next three years - well, goodness, whatever became of that study? Whatever became of the study that this government initiated that said that they could save \$4.3 billion somewhere, that there is overlap and duplication to that extent? Why aren't we pursuing that? Where is that dedication and conviction to eliminate it but not on the backs of municipalities and ID councils and counties? We could do it right here, and we failed to do that. We're missing the boat here. I think we have to look at areas like that and start to cut where really cutting needs to be.

8:40

The state of Texas did it. It's not hard. You know, I start talking about the state of Texas, and it's so far away. It's hard to understand why we would want it modeled around the state of Texas. But goodness, Mr. Chairman, we're modeling ourselves around New Zealand. The fact of the matter is that any jurisdiction - I don't care who it is or where they are around the world - regardless, if what they are doing is right and something within those jurisdictions makes sense and we could learn from it and we could take and borrow those ideas, then that's what we should be doing. Texas did it. One of the researchers comes forward and says: "Here it is; here's a good idea and a good example. Why aren't you doing this?" I look at it, and I say you bet; I believe it's a wonderful idea. It was an efficiency audit that was done on the internal workings of the government of Texas. They saved \$6 billion or at least identified \$6 billion, and there were cost savings in the first year alone of about a billion dollars. That's remarkable, absolutely remarkable, and anyone in this House who insinuates that we can't do it here in Alberta is absolutely mistaken. We could do it, and we should do it. I think we're missing the boat in that area.

We heard the Provincial Treasurer time and time again say that we're the only government in Canada, we're the only province in the country that is going to have a balanced budget by '96-97. But that's not true, not true at all, Mr. Chairman. I used to think that it was. I listened to the Provincial Treasurer, and I felt good about it, to be frank with you. But then I find out, oh, we're not. Then that cast a little doubt. Whenever the Provincial Treasurer tells me something, I have to think, well, maybe I'd better check his facts. Since he told me one thing that really wasn't quite true, I'd better look and find out if it is.

I find out that New Brunswick's got it. I don't care if they're Liberals, New Democrats, or whoever they are, regardless. We have a province in this country that has a balanced budget. You know what? Little old Saskatchewan sitting next to us is going to have a balanced budget by next year. My understanding is that they're going to have a surplus in the year 1996-97, a surplus. They've got now the lowest per capita debt - here, little old Saskatchewan, the lowest per capita debt in the country. Shame on us. Shame on us that we should stand in this Legislature and crow that we are the leaders and that we can run to New York and we're going to be the shining star of all provinces in this country, that countries and provinces all across the world are going to model themselves, not after New Zealand anymore. Oh, no. There's a new shining rising star here. It's called Alberta. But then little old Saskatchewan sitting next door was doing exactly that, and they passed us. Doesn't that remind you of the

tortoise and the hare; huh? The nice little quiet tortoise just snuck right past the hare. That's exactly what happened here.

AN HON. MEMBER: What would you know about hair?

MR. CHADI: Somebody made a comment about what do I know about hair. They're probably correct. It's been a long time.

The heritage savings trust fund has been quite an instrument of discussion in this province and perhaps the country for a long, long time. It was the envy of a lot of provinces, the envy of probably the Canadian government, the federal government. It was the envy of every jurisdiction perhaps around the world that we had such a jewel in our province. Well, Mr. Chairman, it is no secret that when the government of this province put together a commission, put together a group that said, "Why don't you study the financial position of the province and report back to us?" they put together business executives and financial experts to do this review. We know that this group, called the Alberta Financial Review Commission, came back to Albertans, came back to this government, and in their report they made it very clear: one of the highlights in here was that the heritage fund creates a false sense of security. Well, this isn't me saying it. This isn't the Liberal Member for Edmonton-Roper saying it. It's not the Liberal caucus saying it. It's not the Conservative caucus saying it. It is a group of individuals, a group of businessmen and financial experts that did the review and brought it back to this Assembly, brought it back to this House. It says that the heritage fund creates a false sense of security. It said that we've got to do something with that fund. I know Premier Klein has come across and said that, well, what we should do is review the heritage savings trust fund and we're going to implement that review.

I happen to sit on the heritage savings trust fund committee, Mr. Chairman, and we had the chair of the Executive Council, who is our Premier, appear before us. He made it clear that there will be a review. If I'm not mistaken, it was clear that there would be an all-party committee that will be involved in that review. I am all in favour of it. I'm looking forward to it. I know there were funds that were already set aside in one of the departments that we debated in estimates, funds that were set aside to facilitate such a review, yet there is no review. Why are we waiting on that? I think we've got to start doing something to try to liquidate some of the debt that was created.

I know that the first priority of the Treasurer is that we would try to balance the budget, and there's nothing wrong with that. That's an admirable goal, but what's costing us in balancing this budget is \$1.5 billion to service the debt. Boy, that could go an awful long way to balance the budget, \$1.5 billion. We not only have to look at the deficit; we cannot ignore the fact that we're servicing a debt of \$30 billion or thereabouts and we're paying about \$1.5 billion to service it. So why don't we look at both things? Let's not just put our blinders on and focus on that. Let's focus on everything, if we can possibly do that. Let us focus on the debt, and let's focus on the deficit.

The liquidation of the heritage savings trust fund, or at least parts of it, after the review would be a good idea, because the review is going to be one that is going to identify the different areas where we are not making money. Where it's not feasible for us to maintain those investments within the fund, liquidate them. Take that money and plug it away against the debt. I know we'd all do it in our own households if were doing that.

A farmer would do that, Mr. Chairman. If a horse was eating 40, 50 bales of hay a winter and it wasn't giving him anything back, not even a colt in the spring, I mean, why save that mare? It's not feasible to do so. Unload her. He'd ship her off to the

glue factory so fast it wouldn't be funny. We have some of those old horses sitting right in our heritage savings trust fund. We do.

Vencap is one of them, Mr. Chairman. Vencap is a good company, an excellent company in the province of Alberta. I'm proud of it, but at the same time, we have \$200 million of this Alberta heritage savings trust fund money in Vencap. It's a concessionary loan, a concessionary loan that doesn't have to pay us back with any interest. Not at all. What a beautiful deal for Vencap, and I congratulate them for putting such a good deal together. These are the kind of people that we want in government, the guys that can make those kinds of deals. If we had them here rather than the ones that gave them the deal, I think we'd be far better off.

When we have \$200 million in Vencap, Mr. Chairman, and we write it down - and last year I think we had it at about \$127 million, because it's the present value of that future dollar. I think it goes to the year 2003, if I'm not mistaken. Oh, by the way, I think it's up this year. In this year's estimates or budget it's somewhere in the range of \$132 million. But again in the heritage savings trust fund committee the Premier made it clear that he would put together a team to at least negotiate with Vencap to try to liquidate that. Let us try and make a deal. I know when we had the president of Vencap here, the chairman, we discussed with the chairman at the time: well, are you interested? He said yes, he was. If he was - and I remember he said, "Well, it's written down to \$127 million." I said, "Yeah, but we want \$175 million." Then he looked at me, and I said, "Well, we can talk, can't we?" He said, "Sure, we can talk." Well, why aren't we talking? Let's try and get that money in.

8:50

Now, I tell you, if we can get whatever we can out of that, put it against the debt just as fast as you can say it. Lower the debt, start to reduce the servicing costs, because that is what is killing us in this province. We can no longer continue to pay \$1.5 billion. One point five billion dollars: Mr. Chairman, that's almost half the amount of money we're going to take in in personal income taxes in this province this year alone. Half. Can you believe that? Every single person that is going to pay income taxes in this province. If you were to tell somebody in this province today that - and I think the deadline is May 2, so they're going to mail those things over the weekend, those income tax returns plus that cheque. See, they're going to sign that little cheque, and that cheque is going to say, "to Revenue Canada." If you told them that half of the money they're paying in that cheque is going to go just to service the debt of the province of Alberta, they'd scream, and rightfully so. Rightfully so.

I know when I first realized what it was that we were taking in – because I didn't realize it – that we were only taking in \$3 billion in personal income taxes, that seems like a paltry sum compared to our budget.

My time is up. Thank you very much.

[Mr. Herard in the Chair]

MR. ACTING CHAIRMAN: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Chairman. I've waited long for an opportunity to address them over there. I know that day after day I've heard occasionally when I'm chatting: "When is Taylor going to talk? When is the Member for Redwater going to talk? Why has he been so quiet?" I thought it was only fair to get up and speak on the heritage trust fund anyhow, because I'm probably one of the few people that go back to the beginning of that. As a matter of fact, I was the only one in the middle '70s that pointed out that the heritage trust fund is really a triple fib, a triple lie if you want to call it that.

It's not a heritage. You get it by selling our heritage. You get it by selling our oil and gas and what was in the ground and pulling it out for the highest bidder. So you sell your heritage, and you call it a heritage trust fund.

Trust also implies that when you create a trust fund - I think, as the hon. members would, that if you've set up a trust fund at all for your children or if somebody's set one up for you, it means you can't get your greedy little fishhooks on it. It means you can't touch it. A trust fund means exactly what it says: it's in trust for something, for generations down the road. But no, what do we see? This government year after year sliding their hands into the old pockets of the heritage trust fund, getting a little of this, a little of that. That should be funded from general revenue; oh no, we'll take it out of the heritage trust fund. No, we'll loan it to our mortgage company. Our mortgage company is losing money hand over fist, and if we loan the money to the mortgage company, then they can argue that they're paying us back interest. And if they can't pay interest, that's all right. We'll take money out of the general fund. We'll give it to the mortgage company, and the mortgage company will pay the heritage trust fund, and all will be happiness and light. There will be bells ringing as we go dancing down through the cities of this nation saying, "Ah, the heritage trust fund is making lots of money."

The last word is that this is a fund. A fund. That's a fib too, which I've said, by the way. I said all this back in the middle '70s. I know you all look so young over there and full of vim and vigour. This happens when you get on the taxpayers' purse, particularly two and three times. It's a marvelous fountain of youth. Look at the hon. Treasurer. Most people wouldn't realize he's 50 years old, but he's been living off the taxpayer for the last 30 years. That's what keeps him looking so young.

Then we go on with that. As a matter of fact, the heritage trust fund is probably one of the biggest boondoggles that we've ever had. Now we're talking about taking only a measly \$50 million out of it. Well, that is a step in the right direction; I'd be the very first to admit it. But when we look at this, we have to think about what maybe should be stirring – and I think there is a bit of stirring in the back benches over there, the Deep Six or the Dead Six, whatever you want to call it there. Here's a quote from, I think, one of the ringleaders of the Dead Six, the Member for Calgary-Shaw. He says, quote – this is January 19, 1994, so it's not ancient history, although I have known that hon. member to forget what he said 24 hours earlier. Nevertheless, this is what he said:

Mr. Premier, the capital projects division consumes a considerable amount of money on an annual basis, and in light of the financial difficulties we're faced with, I was wondering if you've given any thought to curtailing such spending in the future and in particular in light of the fact that we're now utilizing consolidated budgeting.

Now, obviously that was said by a lawyer, because all he really meant was: why are we still spending money?

Point of Order Factual Accuracy

MR. HAVELOCK: A point of order, Mr. Chairman.

MR. ACTING CHAIRMAN: You have a point of order, hon. Member for Calgary-Shaw?

MR. HAVELOCK: Thank you, Mr. Chairman. I'm a little confused, but it's simply because of the statements made by the

hon. Member for Redwater. I don't recall ever making those statements, and if the hon. member would be prepared to pull them out of *Hansard*, I'd be delighted to have him confirm that. But I don't recall saying that, and certainly if he's wrong, which I think he is, I would like an apology.

MR. N. TAYLOR: Mr. Chairman, this is why I said he doesn't usually remember even 24 hours. The point is that it was raised in a question by – I won't say the name Jon Havelock – the MLA for Calgary-Shaw in the heritage trust fund committee hearings on January 19, 1994.

Debate Continued

MR. N. TAYLOR: It was a bit of wisdom. I mean, it struck through. I know he has inherited some wisdom because his father was a Liberal. I worked with him. His father was an outstanding Liberal. I know his father is very proud of him today, because there's always a light in the window because even the worst sinner will sometimes return to the fold. I don't say this in jest. I just mention, Mr. Chairman, that flashes of reason and light come through every now and again to the members of the government.

They must feel bad as they sit there with a fund that has been put together by selling our oil and gas, quite often at cheaper than world prices, in order to put it to the side to be managed. I want to go back again to what I said in the middle '70s. I would challenge the Member for Calgary-Shaw to look it up, because I said that not only is it the heritage trust fund but, worst of all, a trust fund. Can you imagine, if you were setting up a trust fund, that you would give it to a bunch of politicians to manage? A bunch of politicians. Liberal, Conservative, NDP: it doesn't matter what the name is; there's not a civilization on the globe that would trust a bunch of politicians with managing a trust fund, yet we did that. We did that just so that the cabinet ministers and the Premiers of the day could get their jollies by running barefoot through the scrip and the money once a week or once a year, whatever it was. But the point is that it's not a heritage trust fund. There's nothing about it that's a fund or is managed as a trust. It's one of the worst things that has ever happened because it inveigled, it encouraged this government and their forefathers and other people in government to go spend loosely, because they always thought they had a heritage trust fund walking along behind them that was going to bail them out. It has been the worst thing that this government could ever have done.

If the oil had been left in the ground, it would have been there to sell. If we had spent the money - and this is the other thing about the heritage trust fund. Even though that money belonged to our taxpayers, belonged to their parents and to their grandparents and to the pioneers, what did this government say when suddenly the revenue came in? Not like Alaska or not like any other - maybe like you would have done with your own family if you had largess and won the Irish sweepstakes. You might have said, "I will spread it amongst the citizens." But, no, this government said: "Gee, the citizens are too stupid to know what to do with it. We're going to look after it. We're going to put it in a little old kiddy bank account, and we're going to look after it. We can't trust them, because we know what will happen with the citizens. They'll take it and they'll spend it. They'll spend it all over the place. Can you imagine? They might even buy Gainers shares or something foolish like that. The citizens would have just thrown it away right and left. We have to preserve them from themselves."

You only have to read the Bible to know that it's easier for a camel to pass through the eye of a needle than a rich man to enter the kingdom of heaven. The Tories adopted that as a campaign

plank. They didn't want one rich citizen out there. They didn't want one rich citizen. "We're just going to put it in our little trust account and look after it for you. We might loan it to our own mortgage company or our own opportunity company." What a great name: Alberta Opportunity Company. Wasn't that a perfect name? Can you see that? Opportunity for everybody with blue and orange underwear or who had a friend in government to get their little greedy paws into the heritage trust fund. So what's happened to the money today? It's disappeared. It's gone. We're down to maybe \$5 billion. We spend what? Twelve billion dollars a year? All we ask the people over there is to cut out the charade. Take the money and pay it down on the debt. Pay it down on the debt.

9:00

You've been asked that. You've been asked for it publicly. You know, if you took your little \$5 billion or \$8 billion and paid it down on the debt, 10 percent interest is \$800 million a year. That's a lot of money. You heard the House leader say today that you've had a whole hundred hours to debate \$10 billion of expenses. Well, did you ever figure that out? That's a hundred million dollars an hour. A hundred million dollars an hour. Who but a bunch of politicians, be they Liberal, Conservative, or NDP, would think they could spend a hundred million dollars an hour intelligently? Even Esso won't go through that, but we have the leader of the government saying, "You've had a hundred hours." My God. Pardon the expression.

Mr. Chairman, when it comes to the heritage trust fund, if there's ever been a charade, a canard, or anything that has been worked on the public of the day, it has to be the heritage trust fund. There's no way, shape, or form. Even the Member for Whitecourt-Ste. Anne couldn't spend it on paving.

MR. TRYNCHY: Sure I could. Try me.

MR. CHADI: Don't bet on it.

MR. N. TAYLOR: Don't bet on it. He could, yeah.

This is all the heritage trust fund has done. We go looking at the different items now. They've cut back some, but we're talking about Farming for the Future. Well, Farming for the Future was spending \$4.8 million. That's not very much money. How far would \$4.8 million go on the farmers of Alberta? Well, I have a little farm sitting out there, and I suppose that maybe I could get, if you divided it out, something like about \$500 or maybe \$300. It's not worth it. Why are we spending?

Irrigation rehabilitation and expansion. Our farmers down there don't want handouts. What they'd like you to do is get your hand out of their pocket. Why don't we do something about the electrical energy rates that the farmers have to pay to do their pumping? Why don't we do something about the energy taxes that the farmers have to pay? After all, it's their oil and gas, but we take a royalty out of it, and then we pass it on to the farmers and tell the farmers, "Well, I'm sorry; everybody has to pay the royalty." If there's anything that we as citizens of Alberta should have, it should be the right to use our resources at cost rather than having to pay a tax through it.

You know, you look at many other areas, Mr. Chairman. Let's go on to the other one. This government has delayed initiating a public review of the heritage trust fund. There is where the Member for Calgary-Shaw could be quite helpful, in being part of that committee studying the heritage trust fund. We should be touring this province and asking them, "Do you want to keep the heritage trust fund, or would you like to liquidate it and pay down debt?" As a matter of fact, you not only ask them that, but you might take a vow that you won't manage any more heritage trust funds, that you won't manage any more funds, because if there's anything that has hurt our reputation, it has been the way we've managed the fund.

Now, there's one last point I want to make on the fund, Mr. Chairman, and that is that it has left the impression - and this is maybe the worst thing. Not only did it mislead the politicians and the government over there to spend on grandiose projects all the way from Gainers to canola plants to magnesium plants to whatever things would come along. Whatever any capitalist would not dare put his money in, these people strode forth and slapped the money on the counter and said: "You can't chicken us out. We know we're going to put our money down. We're going to make lots of money. You don't really know how to run business, you people, because we in the government have this heritage trust fund." They took it as a reflected glory on themselves, as if it made them good managers. What they didn't realize was that they were just liquidating what God put here before they put it in. Now, I know it's been often said that God put the oil in the ground but He didn't choose to reveal it until the Tories were elected, but I'll question that. There's nothing in the Bible that says that at all.

We move on a little bit farther, and the last fact I wanted to draw on was the fact that it gave people in Ottawa and Quebec and everywhere the false idea that we had a rich society out here. We didn't. You know, the Quebeckers weren't stupid enough to put all their electrical energy things into a heritage trust fund and go around with their chest out as if it was something that they had done themselves. They weren't dumb enough to do that. Ontario wasn't dumb enough to put all their gold and nickel mining assets into a big fund and say, "Hey, look how tough we are, how smart we are." We were the only people - the only people - dumb enough. This often happens with the nouveau riche. You know, we couldn't buy a Cadillac for every one of the cabinet ministers over here, but we could give them a heritage trust fund that they could brag about as if it were some sort of an indirect way of expressing their manliness, you know, as they waddled back and forth, hooked their thumbs in their pocket, and pulled this old Texas hat down over their head and said, "We've got a heritage trust fund, and you don't have it." They were just dumb enough. Everybody said: "Oh, you have, eh? Well, we'll subtract from the grants that come out to make an equal economy across the country. You've got the heritage trust fund." So it has set us back for years in federal/provincial negotiations.

Now, Mr. Chairman, I could say much more, but I notice now that they're having trouble digging out from what I've already given them. So thank you very much.

MR. ACTING CHAIRMAN: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thanks very much, Mr. Chairman. I just wanted to make a couple of observations. They stem largely from the session on April 18 when we were dealing with the estimates for the department of transportation. I just prefaced my comments by saying that I understand that the Chairman made a ruling on that night. It was appealed to the Speaker, and the Speaker made a ruling, and that was upheld. I wanted to make some observations, and this, I expect, is going to be my last opportunity to touch on what was the subject of our discussions on April 18.

Members will recall that the hon. Member for Fort McMurray rose on a point of order and had suggested that the vote we were about to deal with would be a nullity. Now, I think all members have acknowledged that it's certainly nice to have the additional information the government gives us in terms of net budgeting. It's a useful means of having the information presented. But I think we have to be clearer, and I want to reassert what I think is the position of this caucus, Mr. Chairman: that what happened on April 18 was a nullity. I just want to set out for the record the reasons why this caucus felt it was a nullity. When some creative Albertan decides to go to court and have that particular estimate set aside, that particular vote set aside, I think Albertans are going to start looking at Hansard, they're going to start asking why the legislators that they pay participated in an exercise which resulted in a nullity. What we're talking about is in fact at least \$1.2 billion that I think are at stake. My concern is that it's the taxpayers of Alberta that are going to have to pay to defend that vote, and ultimately the taxpayers are going to have to pay more because I believe that the government will not be successful in attempting to defend the vote. The reasons would be simply this.

MR. ACTING CHAIRMAN: Hon. member, I hesitate to interrupt you, but we're having some difficulty hearing, and I don't have a hearing problem. So if we could just keep it down, please.

MR. TRYNCHY: Can you hear us?

MR. ACTING CHAIRMAN: Absolutely.

MR. TRYNCHY: Well, that's better than him.

MR. ACTING CHAIRMAN: Go ahead, sir.

MR. DICKSON: Thanks very much, Mr. Chairman. I just wanted to mention again the authorities that had been used by members that had spoken to this point on April 18, Beauchesne 933 and 936 and Standing Order 57. Two interesting arguments were raised by representatives of the government on that evening to defend what happened in terms of net budgeting. The first one was an argument of estoppel asserted by the Deputy Government House Leader. The second one was the argument advanced by the hon. Provincial Treasurer that related to the Financial Administration Act. So what I wanted to do quickly was just deal with both those arguments. One of the difficult situations with the rules of this Assembly is that the person that raises an objection that challenges the legality of something that's being undertaken by the government doesn't have the last word. In effect, what happens is that you're able to make your point, make your submission; the government ultimately has the last word. So that's why we have to take these opportunities when we get them.

9:10

Firstly, dealing briefly – because that's all, I say with respect, the argument of estoppel deserves. Estoppel, Mr. Chairman, is a pretty well-established concept in law. What estoppel means is simply that if A makes an assertion to B, and in reliance on that assertion B then proceeds to act to his or her detriment, A is then estopped from coming along and asserting a different situation, a contrary fact. Well, if we look at the facts here and certainly the facts that were before us on April 18, it's clear that there's been no acting upon any assertion. Indeed, there was no assertion. All we had was the fact that certain votes took place. There was no one that I recall who ever represented on behalf of this side of the Assembly that we were prepared to waive any arguments that might exist with respect to the proprietary or the legality of what we were doing. In fact, the problem with the estoppel argument – and it's simply this: what happened was a nullity. It was a nullity. It was void ab initio, and that means it can't be ratified. It's not something that was voidable that could have been ratified after the fact.

So when some Albertan challenges the legality of what's happened and what's put at risk is billions of dollars of government expenditure, it's absolutely important that it be on the record that at least the Official Opposition acknowledges, recognizes, and urges the government to do something better and do something different. There's no argument of estoppel, no argument that holds up.

The second argument that was advanced related to the Financial Administration Act, and the Provincial Treasurer in fact as I recall hung his hat on section 29(1.1). I have to say, Mr. Chairman, that I'm disappointed that when the Treasurer threw out that section, he didn't explain what the section meant. Because to all Albertans that take the time to read the section, it's absolutely clear. It's not ambiguous at all. Section 29(1.1) does not nor can it inferentially extinguish rights that are conferred by the tradition, by the rules of this Legislative Assembly, by other authorities. The only way it could extinguish that practice of voting on supply votes would be by absolutely clear, explicit, unambiguous language. We don't find that in 29(1.1). The point, I think, is this: if you look at section 29(1.1), all the section addresses is the consequence of a supply vote, the effect of a supply vote. It doesn't redefine a supply vote. It only discusses the consequences and the aftermath.

Now, I acknowledge section 29(1.1) talks about a credit or a recovery but only as a feature of the details in the estimates. If you read the section in its totality, what it says, and I quote:

If the details in the estimates respecting a supply vote that is approved by the Legislature show an item as a credit or recovery, the vote is deemed to authorize the payment of an amount equal to the aggregate of \ldots .

Then it goes on to set out some sections. That's the end of the quote. But the key is that all it does is say that if in the details that were part of the estimates it deals with the net budgeting thing, then there are certain consequences that flow. It doesn't authorize a vote that's contrary to the Standing Orders. It doesn't authorize a vote contrary to *Beauchesne*.

So with respect, just to summarize what we've got, what happened on April 18 was a nullity. It was void. There's no argument of estoppel. There's no defence of estoppel. The government isn't saved by the Financial Administration Act. In fact, what we've got is a potential liability, a huge liability to the taxpayers of Alberta because the government hadn't done their homework, Mr. Chairman, because the government hadn't presented the information in a way that conforms with the law of the province of Alberta.

I guess the other observation I want to make is that we have other evidence of sloppy practice. One of the things I found in dealing with Bill 18 is that this is one of the few provinces that hasn't defined Treasury Board, Mr. Chairman. The very Act that the hon. Provincial Treasurer attempted to use on April 18 to defend the vote on a nullity in fact mentions Treasury Board, but there's no definition. Most other provinces in Canada have specifically defined what Treasury Board is. They've given it express authority. They've defined it either to be a committee of cabinet – what's interesting in Alberta is that we don't have that kind of legislation.

So we've got some significant problems here, Mr. Chairman, and I think we just want to do our job as the Official Opposition in terms of raising those concerns and alerting the government. We'll have to deal with the consequences and the fallout at some point down the road.

Thanks very much, Mr. Chairman.

MR. VAN BINSBERGEN: Thank you, Mr. Chairman. I have just a few short comments here regarding something that caught my eye in this particular Bill, and it deals with the section Agriculture, Food and Rural Development, which is just a section of the capital projects division. In that particular section there is an item that is of great interest to me, and it has to do with the grazing reserves enhancement. Now, I know that the Treasurer is fully familiar with all these details, but I would think perhaps I ought to ask the Minister of Environmental Protection, who is so keenly interested in all the things that are going on here tonight, if he could clue me in on a few things here. So, Mr. Chairman, with your permission, I will ask the minister if he would be so kind as to answer a few questions on grazing reserves enhancement.

Your government and that of the Environmental Protection minister is spending \$3.7 million and change on that particular item, grazing reserves enhancement. The program is designed, just to kind of point a way to the minister, to redevelop 55,000 hectares of pasture on 21 grazing leases where bush is regrowing. Mr. Chairman, I wanted to ask the minister if perchance some of these grazing leases could be found in my particular riding, specifically near the hamlet of Brûle, because there is a great problem there for the outfitters, who primarily make use of these grazing leases, in that the bush is regenerating at an alarming rate, and it is pretty costly for them to try to deal with this problem themselves.

While I'm talking about that particular corner of the province, there is an additional problem there, Mr. Chairman, about which I have already corresponded with the minister, and that deals with the problem of roadkill on the Alberta Resources Railway track. That particular track is operated by CN and has been for a long time. Ever since that line was built, CN has duly paid the outfitters there who have lost horses that were killed by the trains certain sums of money, but all of a sudden they have decided that isn't going to be done anymore. So I've asked the minister if he could possibly look into that. I'm not sure whether he's done so, but maybe this is a good time to get a response.

So, Mr. Chairman, that's all I had to say. As you notice, I am the epitome of brevity once again.

Thank you.

MR. ACTING CHAIRMAN: The hon. Minister of Environmental Protection.

9:20

MR. EVANS: Thanks very much, Mr. Chairman. This is very interesting. I never in my wildest dreams contemplated that I would have the opportunity to speak on behalf of the hon. Provincial Treasurer, my good friend the hon. Provincial Treasurer, during his estimates on appropriation Bills. But that's a very interesting way to bring this up.

Hon. member, you're talking about the grazing reserves enhancement program, \$3.712 million, but if you take a look at Bill 25, that's under Agriculture, Food and Rural Development; okay? That is a program that is being administered by my colleague, and I'll certainly bring to his attention your concern about where that money is going and what it is being used for.

Your question about $Br\hat{u}le - I'm$ sorry; I don't have the answer tonight, but certainly I'll take a look at where we are in getting an answer back to you and try to move that ahead as quickly as I can.

MR. ACTING CHAIRMAN: The hon. Member for St. Albert.

MR. BRACKO: Thank you, Mr. Chairman. I rise to speak briefly to the heritage fund estimates. It has been a process that we have watched and looked at over the years. The results of the heritage fund are a concern to many of my constituents, and I thank the Treasurer for answering questions they'd asked previously.

The questions I do have, again, maybe should be to the Minister of Energy. If the Husky upgrader needs more funds, will money be coming from the heritage fund to supply needs that may come up in that undertaking, that upgrading process at Lloydminster? I know that a lot of money has gone into it. It looks like it's been a lose/lose situation, lose for the taxpayer and lose for the government. I guess the seniors would like answers on the Lloydminster upgrader: the amount we've put into it from the heritage fund and the return we've received on the upgrader.

Another question I do have. As a review of the heritage fund process is supposed to be going on or will be going on shortly, our position of course is to sell off the heritage fund and pay down the debt, which would save us money and enhance our children's futures. We now look at lodges that have been mortgaged from 25 to 50 years, and we're paying for them three or four times over. As I mentioned, the one in St. Albert, a \$2.2 million lodge, we end up paying \$8.8 million over 25 years. We see throughout the province hospitals that are on 15- to 25-year debentures that are costing several, three or four times the cost if they had been paid off right away. We see close to 1,200 schools on debentures also, and some of them will not be paid off till close to the year 2020. Is the Treasurer looking in the review to paying off these debentures to save money in the future?

The other question they had, I guess, from St. Albert goes with the spending. If we had spent at the rate of inflation, today we would probably have \$20 billion to \$30 billion in the heritage fund, and they would like answers to why that did not happen, why we overspent.

With that, I will conclude, Mr. Chairman.

MR. ACTING CHAIRMAN: Are we ready for the question? The hon. Member for Edmonton-McClung.

MR. MITCHELL: Thank you, Mr. Chairman. I have a few comments to make about the heritage savings trust fund. These comments will build an argument, make the argument that we should in fact sell the heritage savings trust fund.

I want to establish first for all of the new government members, the ones who have bought the party line, that the heritage savings trust fund is not, Mr. Chairman, what it appears to be. The government set it up a number of years ago to accomplish a number of objectives. Well, one of them was that it would be sold somehow or the cash in it would be used to create jobs. Clearly that's not the case, because that cash has been committed elsewhere. It would be used to diversify the Alberta economy. If you look at the assets of the heritage savings trust fund, you would be hard pressed to see where more than about 10 percent of them have gone to anything that could be legitimately construed as diversification.

A third objective was to produce income that would replace diminishing nonrenewable resource income. If you look at the income in the heritage savings trust fund, Mr. Chairman, it is very, very suspect largely because a huge chunk of it comes from Crown corporations which pay the interest on loans and debentures to the heritage trust fund and can only do so because they are subsidized by the general revenue fund. [interjections] loud in here. While I have the microphone, hon. member, I hope that at some point you'll tie this into the appropriation Bills that we have before us.

MR. MITCHELL: Well, it happens to be on the heritage trust fund, Mr. Chairman.

MR. ACTING CHAIRMAN: But I understood your opening remarks to say that you wanted to speak about the dissolution of the fund, and I don't think that's what we're here to deal with.

MR. MITCHELL: Well, what we're here to deal with is the disposition of funds in the fund, and one of the dispositions would be to dissolve the fund. So I'm arguing against what it's being used to do, what it's being proposed to do, and I'm arguing for another model of the utilization of the funds.

So it isn't what it appears to be, Mr. Chairman, because it is largely based upon circular accounting. As much as two-thirds of the income that the Treasurer claims is earned by the fund is income paid by way of interest by five Crown corporations. If you assess over the last number of years what those Crown corporations have paid in income to the fund, you will find that it is largely equal to the amount of money that they have lost in their operations.

So how do they pay the income to the fund? They are subsidized by the general revenue fund. This is how it goes. They are subsidized by the general revenue fund so they can pay interest to the heritage savings trust fund. The heritage savings trust fund counts that as income and takes that income and pays it to the general revenue fund, which in turn pays it to the Crown corporation so it can pay the heritage savings trust fund. What that says, Mr. Chairman, is that in fact almost two-thirds of the income that is claimed by the fund is subsidized by the general revenue fund. It is tautological. It is circular accounting.

What's very interesting, Mr. Chairman, is that if you add up the losses of these five Crown corporations over the last eight or nine years, you will find them to be in the order of \$3 billion. Do you know how much these Crown corporations have paid in income over the same period of time? About \$3 billion. Do you know how they've done that? They've been subsidized by the taxpayers to do it. Do you know why that's happened? One reason and one reason alone: so the Treasurer, so this government can say: "Aren't we brilliant investors? We are making all this money on these investments that we did on your behalf." In fact, they're not. They're subsidizing it so they can say it.

The second thing is that as much as half of the assets of the heritage savings trust fund are loans by the fund to government itself. It's simply the left hand of government loaning money to the right hand of government; that is, of course, through these Crown corporations. Well, this has been defended in some senses by various Treasurers who have said: well, this is a way of doing social programs. Well, then, let's call it social programs. Let's fund it like every other province in the country has funded social programs. Let's not use this artificial way of funding programs that don't really bear any relationship to their real cost but make the government look good, or so it would think, because they can say that they have invested this money so well on our behalf.

What is very, very frustrating about this, Mr. Chairman, is that the assets of the heritage savings trust fund are not what they appear to be. We would be very lucky to find \$6 billion or \$7 billion of real assets in that fund. But do you know what we do? We have made the heritage trust fund a millstone around our neck. You know why? This is why. Because we have communicated to the rest of this country that we have this huge fund, that we are rich. When it comes to negotiating with Ottawa, Ottawa says: "Don't come to us and ask us for your fair share. And by the way, don't expect us not to treat you differently under equalization payments than we treat other provinces, and by the way, don't expect us to in any way, shape, or form think that you have financial problems, because you're rich. How do we know? Well, you have this huge heritage savings trust fund."

9:30

We should look at Quebec. You know, they have a heritage savings trust fund that is bigger proportional to their population than ours is to ours. You know what it is? It is the caisse de dépôt. It is their pension fund. They don't call it a heritage savings trust fund. They don't say that it is this huge, huge resource of wealth. They say that it's a pension fund belonging to a number of public servants. But do you know what? They use it and invest it in the way that we should have used and invested the heritage savings trust fund. And do you know what, Mr. Chairman? Their pension fund, which is their heritage savings trust fund, does not have a \$9 billion deficit. It is liquid. It is flush. They have covered their responsibilities.

The point I'm making, Mr. Chairman, is that they don't brag about their fund. They don't tell the world they're rich. When they negotiate with Ottawa, do you know what? They negotiate successfully. I'm not bitter about that. I'd say that we should learn something from Quebec. But you know, if you went to Ontario, and you asked a group of people in a community hall, "How many of you are aware that there is a heritage savings trust fund in Alberta?" do you know what? Every one of them would put their hands up. You bet they're aware of it, because these guys have bragged about it, how rich Alberta is. If you went into that same hall, and you said, "How many of you are aware that Quebec has a heritage savings trust fund?" do you know what? Not one hand would go up, because Quebec is too smart.

These guys have telegraphed to the rest of the world that we're rich, and the real irony is that we're not. The assets in the heritage trust fund are bogus by and large. Half of them are gone. The fact of the matter is that two-thirds of the income in the heritage savings trust fund is circular accounting supported by taxpayers. The fact of the matter is that management in this province thinks that they've got money they don't have, and frontbench cabinet ministers think they have money they don't have. Why don't we sell what's left of the heritage savings trust fund and pay off some debt? Wouldn't that be a reasonable thing to do?

Do you know what, Mr. Chairman? The fact of the matter is that the real earnings on that \$7 billion, if you scrape away all the subsidized earnings - and I know Medicine Hat is listening to this, and I appreciate that - the real earnings are about 4 and one-half percent, the real earnings on \$7 billion of assets, the real assets. However, we can find \$7 billion of loans on which we're paying 9 and 10 percent. That's 4 and a half percent different. That's like having a loan on which you're paying 4 and a half percent more than you're earning on the same amount of assets in your savings account. Well, you take 4 and a half percent differential, you multiply that by \$7 billion, and how much is that, Calgary-Montrose? Do you know how much that is? That's about \$300 million. Well, why don't we just sell that off and take the \$300 million in reduced interest costs, debt servicing costs every year? You know what that would be? That would be 10 percent of the deficit that this Treasurer is trying to do away with.

Instead, what we get are all the disadvantages of the fund and not that advantage. We tell the rest of the world we're rich when we're not. We can't negotiate with Ottawa. We get beaten by Quebec, who's much smarter in the way they negotiate. We pay more interest than we're earning on the same assets, and we send a message to management that makes them think we have money that we don't have.

This heritage trust fund is anachronistic. It is time it was gone. It was based upon a fundamental arrogance that the government could spend money more wisely than the people who earned that money. It just seems so out of sync. [interjection] Well, it's their resources. It's their resources. So here we have a cabinet minister saying that he should keep money that belongs to the public of Alberta and spend it more effectively. What a remarkable admission. What a remarkable admission.

The fact of the matter is, Mr. Chairman, that this fund may have been an idea worth considering, may have been in the mid-70s, but it is an idea whose time has come and has certainly gone, if it was ever here. It should be sold, and we should have more faith that the people of Alberta can manage and spend that money better than any government can.

My point is, Mr. Chairman, that at the very minimum – at the very minimum – if you won't sell it, then review it. The Premier says that he won't make a promise he can't keep. How many times has he promised that he's going to review this? How many times has the heritage savings trust fund committee with the Conservative majority recommended that it be reviewed? Review it. Find out what Albertans think about it, and they will tell you what we've been hearing: sell it. It's not doing us any good; it's doing us harm. It's time it went.

Mr. Chairman, that is the message that we have to get through to this government. I hope that some of them are listening, and on that note, I'd like to call the question.

MR. ACTING CHAIRMAN: The question has been called. Hon. members, we are on Bill 25, Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Act, 1994.

[Title and preamble agreed to]

[The sections of Bill 25 agreed to]

MR. DINNING: I move that the Bill be reported, Mr. Chairman.

[Motion carried]

Bill 24 Appropriation Act, 1994

MR. ACTING CHAIRMAN: Are we ready for the question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 24 agreed to]

MR. DINNING: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

Bill 26 Appropriation (Lottery Fund) Act, 1994

MR. ACTING CHAIRMAN: Are we ready for the question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 26 agreed to]

MR. DINNING: Once again, Mr. Chairman. I move that the Bill be reported.

[Motion carried]

MRS. BLACK: Mr. Chairman, I move that the House now rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. SPEAKER: The hon. Member for Calgary-Egmont.

MR. HERARD: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain Bills. The committee reports Bill 24, Bill 25, and Bill 26.

MR. SPEAKER: Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? It is so ordered.

head:	Government Bills and Orders
head:	Second Reading
	(continued)

9:40

Bill 23

Provincial Offences Procedure Amendment Act, 1994

MR. SPEAKER: The hon. Member for Calgary-Cross.

MRS. FRITZ: Thank you, Mr. Speaker. The amendments to the Provincial Offences Procedure Amendment Act, 1994, are the result of the deliberations of the committee formed to examine how the justice system handles provincial offences.

This committee was composed, Mr. Speaker, of representatives of the Department of Justice, the Royal Canadian Mounted Police, and the Alberta Association of Chiefs of Police. The committee considered suggestions which came from police agencies, chambers of commerce, the Northern Alberta Development Council, municipalities, and concerned individuals. All of the proposed amendments deal with minor provincial offences, offences which use the part 3 procedure. For these offences the maximum fine cannot be more than \$400 and the defendant is not liable to imprisonment. These types of offences are the most numerous in Alberta. They consume a great deal of valuable police and court time, which could be used for more serious matters if the system were improved. These amendments will preserve the right of the defendant to a fair trial while at the same time remove unnecessarily costly procedures. The police, the Crown, and the courts will be able to make better use of existing resources. The defendant who wishes it will still have his day in court.

The written dispute mechanism allows defendants who wish to dispute a charge to send in something in writing instead of going to court. The police and other witnesses still have to attend for trial. In most cases these trials resulted in convictions anyway. If you're serious about wanting a trial, you will get one, but like the police and the other witnesses you will have to attend.

There has been a problem of defendants, Mr. Speaker, pleading not guilty and then not showing up for the trial without any valid reason. A trial is held in their absence, but the police often have to waste the whole morning or afternoon waiting in a courtroom until the defendants who are there are finished with their trials. What this amendment does is put such persons in the same position as those who get a ticket and then don't do anything about it. If the paperwork is in order, a conviction will be granted by the court without a trial. Section 38 of the Act will allow such a conviction to be easily set aside if the defendant fails to appear through no fault of his own.

Service of tickets for offences where the owner of a motor vehicle is being charged has been a costly problem for police forces and municipalities. These are such tickets as photo radar speeding and parking infractions. The personal service now required is very expensive and often ineffective. Because of cost factors, persons who do not reside in the local community often escape free when they commit such infractions; it is just too expensive to personally serve out-of-town offenders. As well, there are many cases where persons who get parking tags are successfully avoiding service, which brings justice into disrepute.

As the owner of a motor vehicle you are legally required to maintain your current address with the registrar of motor vehicles. Under this amendment service can be made at that address by ordinary mail. Again there is an easy mechanism provided to set aside any conviction entered if the defendant did not actually get the summons.

Mr. Speaker, finally, we are introducing a very limited use of affidavits for speeding infractions. [interjections]

MR. SPEAKER: Order. The hon. Member for Calgary-Cross has the right to deliver her speech in a serious atmosphere.

MRS. FRITZ: Thank you, Mr. Speaker. In police speed monitoring operations there are often three or more officers involved: the operator of the radar, who runs the machine and witnesses the speeding; the interceptor, who pulls over the vehicle indicated to him by the operator; and the issuer, who gets the driving documents and writes up the ticket in accordance with the information he gets from the operator, the main witness who will still be present in court for the trial. The subsidiary witnesses will be able to give their evidence by affidavit. A copy of the affidavit will be given to the defendant prior to the trial date. If the defendant wants these witnesses to be present, he can apply to the court, which can order them to attend. This type of evidence, Mr. Speaker, is already used in criminal proceedings where the evidence of the breathalyzer operator is received in the form of a certificate instead of attending at court in person. By this amendment, police will be able to make better use of officer time, since the evidence of the interceptor and the issuer is usually not disputed by the defendant.

I am pleased to put forward these amendments, Mr. Speaker, which will result in a more effective justice system while maintaining the right of a defendant to a fair trial.

Thank you.

MR. SPEAKER: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thanks very much, Mr. Speaker. I will be voting in support of Bill 23 in principle at second reading, but there are some concerns that I want to outline in the next few minutes.

You know, if we back up and talk a little about the background to this, I've had an opportunity to talk to a number of police chiefs and police commissions over the last number of months, and I know that there's a good deal of interest in this. There's a lot of concern with the costs that we have now in our provincial court system in terms of bringing in police witnesses, but we're fooling ourselves if we think that simply allowing affidavit evidence to be adduced in lieu of the police officer giving testimony is going to eliminate the very substantial costs that municipalities are now incurring because of the requirement of viva voce evidence from police witnesses.

When I've spoken to police chiefs or chairpersons of police commissions or Crown prosecutors, I think what's often recognized is that there have to be a number of things done, Mr. Speaker, to try and incorporate efficiencies into our provincial court system. Let me highlight some of them. In Lethbridge and Calgary they are now using computers in their remand courtrooms. These are the courtrooms that fix trial dates and preliminary dates and so on. Although we're not talking about those kinds of offences in this particular Bill, what I understand from those jurisdictions that are using computers to track availability of police witnesses and schedule dates and so on is that this is making a substantial saving. So I think before we remove the right to counsel that an accused has for any kind of an offence, we want to make sure that we've explored all of the alternatives. I'm not satisfied that we've been as aggressive in looking at some of those other alternatives as perhaps we ought to have been.

I'm also mindful that in Calgary a value-for-money audit was done. The report was released I think a year ago. One of the things that was found in the city of Calgary was that when it comes to scheduling police witnesses, administratively we just don't do a very good job. We have too many police officers that end up – trials are set when police officers are on days off, on vacation, on course, whatever, and that problem isn't going to be solved by this Bill.

So I think that what I'm anxious to see is that we look at the lessons we learned from the Calgary value-for-money audit in terms of the scheduling of police witnesses. I'm anxious that we look further at ensuring that through the use of computers and appropriate software we can do a better job scheduling Crown witnesses. I think that's important.

Another observation is that the offences we're dealing with now, at least in terms being able to introduce affidavit evidence instead of viva voce evidence from police witnesses – speeding, section 70, 71(1), 71(2). For those offences, what's interesting is that in the city of Calgary, for example, typically there's only one police officer involved giving evidence. In the city of Edmonton, because of a different practice, typically you have a minimum of two police witnesses: you have somebody doing the intercept and then somebody monitoring the radar unit. I think it's important for police forces also to find ways within their own system to be able to economize on police time. I think that has to be addressed as well.

The amendment and the changes brought in by Bill 23 I really lump into two categories. We've got some what I'll call housekeeping provisions, and then we've got the one that provides for evidence coming in without a police witness. Just in terms of the housekeeping provisions, the amendment to section 33(2) which deals with the case where an accused pleads not guilty and then fails to appear in court for trial – I think that's a positive move. That makes good sense.

9:50

With respect to the three cases that involve an offence notice being sent by ordinary mail instead of the current requirement to effect personal services, once again I think that's a positive move, and I can support that.

Now, I have one concern, and that's the version that if the accused fails to appear after entering a not guilty plea, then the

court doesn't have to proceed to hold a trial ex parte, as they do now, but the judge has the power to simply enter a conviction without hearing any evidence at all. The concern I have is that if we look at the Bill, contrary to what I understood the Member for Calgary-Cross to say - and maybe I wasn't listening carefully enough; I'll be happy to look at Hansard. What I understood her to say was that there is some provision that if the accused fails to appear for some good reason, for some bona fide reason, there'd be provision for setting aside the conviction. Well, hon. members, that's not in Bill 23 unless I'm missing a page. There's nothing in there, and I think there has to be provision that if I'm charged with speeding, which is always entirely likely, and I don't show up in court because of a medical reason or a funeral or some legitimate excuse and a conviction is entered, there should be some opportunity for me to be able to set aside the conviction. It's not so different than a provision for a default judgment under the Rules of Court in civil matters. There should be that kind of provision. It's not in Bill 23, and that would be one of the amendments that I'd encourage the mover to consider when we get to the next stage.

The other comment I'd make is that there is a provision that things can be sent now by ordinary mail instead of personal service. The problem we run into there - and certainly we see this all the time with service of civil process - is sometimes it simply takes too long. People end up getting an envelope the day they're supposed to appear in court. That's not fair; it's not reasonable. What there ought to be is a minimum time built in so that if the notice goes out by ordinary mail, it has to go out at least 14 days before the appearance, or 10 days or whatever. The time is negotiable. I think that's another amendment that would make this fairer. Even though we're only talking about offences with a modest fine and there's no potential for imprisonment, I still think there's just a basic element of fairness here, and I think that we can allow the shortcut in terms of affidavit evidence without simply ignoring some fair treatment of those people that are charged. Just occasionally, Mr. Speaker, sometimes those people have good defences and are entitled to be able to raise them.

The only other observation I make is that section 6 – actually, I've got a couple of other observations. Okay; just moving on from section 6, which I guess I've touched on already.

I'll just summarize by saying that I think that the amendments that are required to this to make it a fairer Bill would be, firstly, to require a minimum period of notice for the proposed section of 38.1(3); a provision that if a conviction is entered in the absence of the accused without hearing evidence, there is opportunity for the accused to apply to set aside the conviction upon application; then, finally, incorporating a time period for notice by ordinary mail with some positive obligation or readdress if it comes to the attention of the Crown that the recipient, the addressee, did not in fact receive the mail.

With those comments, sir, I am happy to sit down and let anybody else speak to it that has a strong interest in speaking to this Bill. Thank you.

MR. SPEAKER: The hon. Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you. I'd just like to be brief in my comments. I, too, would like to offer my support for this particular Bill. I've had the opportunity to sit across the bargaining table from members of the Edmonton Police Association on behalf of the city of Edmonton, and I know that one of the concerns is in terms of costs. Although the Member for Calgary-Buffalo has indicated that this Bill may not completely address the problem, I think it does begin to do that.

My only comment that I offer is in terms of the section that deals with regular mail. I would suggest – and we can look at that as we get into Committee of the Whole – that perhaps at least single or double registered might be a better way of sending out the information.

So thank you for bringing this forward.

MR. SPEAKER: Is the Assembly ready for the question?

HON. MEMBERS: Question.

[Motion carried; Bill 23 read a second time]

[At 9:58 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]