

Standing Committee on The Alberta Heritage Savings Trust Fund Act

Thursday, August 21, 1980

Chairman: Mr. Payne

12:40 p.m.

MR CHAIRMAN: Ladies and gentlemen, I suspect we may need the 20-minute period from now until Mr. Cookson's arrival. I want to deal with one or two matters, the first of which: I distributed at the beginning of the day a tentative schedule of meetings. You just might make a pencil notation for Wednesday, the 17th. That's the day we are trying to get the Premier. But please write that in pencil, not ball point pen. I think you can accept the other four as firm. If it's not obvious to you, my hope is that by mid-September we can be through our ministerial phase so we'll have more time than we had last year for what I regard as perhaps the more important part of our work; that is, the development of recommendations. I'm hoping we have a full month to work on the recommendations.

Any comments on this schedule, its appropriateness or otherwise?

MR R CLARK: I'm wondering if any other members here are on the committee on surface rights. They've got meetings lined up for the 4th also.

SECRETARY: Mr. Kowalski (inaudible).

MR R CLARK: Oh. You're getting Mr. Kowalski straightened out, are you? Good for you.

MR NOTLEY: Do we have any further information with respect to suggested weeks you want us to hold for consideration of the findings?

MR CHAIRMAN: No. I'd be happy to now have your observations or preferences for that recommendations phase scheduling. Could I ask Karen to make a note of these comments as they are made?

MR NOTLEY: I would appreciate it if we could set out some days, so we can begin filling in our calendars so we don't end up with unavoidable conflicts.

MR R CLARK: How does the first week in October hit people? I'm using that on the guide, Mr. Chairman, that the rumblings seem to be around the 15th of October the House is going to sit, after Thanksgiving weekend. I suppose some of us may want to get away on Thanksgiving weekend. So, if we could look at that first week in October.

MR CHAIRMAN: In addition to, or in lieu of the last two weeks of September? I was rather hoping we could use the third and fourth weeks of September as well as the first week of October for our recommendations phase, at one to two days per week. Karen, can you recall how many days we met in the recommendations phase last year? I've got it in rough notes somewhere. It might be a useful precedent for us.

MR KNAAK: While you're looking for that, Mr. Chairman, is the 17th intended to be a morning meeting? Some things are going on on the 17th. The CPA people from Ontario, or some group is coming out, some constitutional group, and will

be here all day. Then there's an Alberta Chamber of Commerce presentation of some kind in the afternoon.

MR CHAIRMAN: Okay. We have two questions going now. We'll deal with that one. The 17th happened to fit me and Mr. Adair. We checked the cabinet meeting schedule and caucus, and it just seemed to be an open day. Joe Dutton's office hasn't officially responded, but we think the Premier will be available. That's all the thinking that's gone into the selection of the 17th.

MR NOTLEY: I presume the Premier would be at 9 o'clock?

MR CHAIRMAN: Yes, rather than the afternoon, which would really shatter the day. Is anyone else unable to come on the 17th?

MR BRADLEY: For part of the day I will have to be absent.

MR CHAIRMAN: Which part?

MR BRADLEY: Probably from around 10 o'clock.

MR CHAIRMAN: So if we had the Premier at 9, you'd be here for that and miss part or all of Mr. Adair.

SOME HON MEMBERS: I'm in the same situation.

MR KNAAK: This group is a constitutional group.

MR CHAIRMAN: The last word I had from the Speaker is that they could be here the morning, afternoon, or evening.

MR KNAAK: All three.

SECRETARY: And Mr. Amerongen's office knew there was a meeting of the Heritage Savings Trust Fund scheduled for that day.

MR PAHL: He didn't really have any choice. As I understand it, they sort of said when they were coming.

MR NOTLEY: What is the problem? Is there a major problem with us meeting in the morning? We wouldn't take any more, I presume, than an hour and a half with Al Adair.

MR R CLARK: We would have the afternoon and evening for our friends from Ontario.

MR CHAIRMAN: As I recall Mr. Amerongen's memo, the recommendation wasn't that we try to do all three, but try to get in one or two, or language of that nature. I'd like to stay with the 17th, unless we lose vast numbers.

MR KNAAK: Can we stay with the morning of the 17th?

MR CHAIRMAN: That's what we're trying for.

MR KNAAK: Okay.

MR CHAIRMAN: Now, back to the recommendations schedule. Last year we were in committee 14 hours during the recommendations phase. So if you assume, say, five or six hour days, that's the equivalent of three full days. My hope was to get at least one of those in the third week of September, one in the fourth week of September, and one in the first week of October; then, hopefully, be in a reasonable position to work on the report prior to mid-October.

MR BRADLEY: After our last meeting on the 17th, don't we need about a week to put forward recommendations, circulate them around to everybody, before we get an opportunity to start to discuss them? So we have to have a week for that.

MR CHAIRMAN: The 17th is a Wednesday. If went a week and met on something like the 24th, and something like the 30th or the 1st; then mid-week of the second week of October.

SECRETARY: I know the surface rights committee is planning travel some time in September; I think the latter part of September. It's possible we'll be out two or three days during the week, and I believe they were talking about Tuesday, Wednesday, and Thursday.

MR CHAIRMAN: Who is involved in surface rights? Mr. Clark, Mr. Musgreave.

MR R CLARK: It's a bit of a bind for me, because I find myself in the situation of being the only member of the opposition on the surface rights, and I almost have to be there. And I rather enjoy being here.

MR CHAIRMAN: Well, Mr. Notley, I'm not so sure -- obviously I can't today give you a very firm indication, but I will commit to meet with Karen and Donna over the next several working days and get a tentative September/October schedule to you, once we clarify the surface rights thing, the Ontario people.

MR NOTLEY: I think what is useful -- you know, the one problem I have, Mr. Chairman, is I really think it's more than a bit of an imposition when the session is on and we have such a tiny opposition . . .

MR CHAIRMAN: Oh, no question. I don't want to go through that again either, believe me.

MR NOTLEY: We've done that in each of the years, and we've ended up having to take time during the session. It isn't the proper way to deal with it.

MR CHAIRMAN: I quite agree. If you compare this current schedule that I have put forward, in fact we're a couple of weeks ahead. I realize there will be some slippage, possibly, but even with that I am hopeful we can avoid that stress. No question about that.

Okay, those are useful comments. I'll try to get back to you within several working days.

I wonder if I could ask Donna to distribute these, one of two interim reports from Western Management Consultants. They were delivered yesterday afternoon. I would appreciate the views of the committee on what action, if any, we take presently. One suggestion is of course that in view of the comments made this morning about the inadequacy of time to read documents that ministers bring with them, I assume the committee would like to have some time to read this, although it is just a status report of action taken to date. Dr. Barrett and his associates have indicated a willingness to meet with us during one of our September meeting days, to discuss not only this report but the more substantive September interim report, with the hope that their final

report will be ready prior to the fall sittings. Could I have the benefit of committee comment on what they would like to do relative to the consultant and this interim report.

MR R CLARK: I would start off, Mr. Chairman, by saying that we should take this as information, come back on September 4 to discuss where we go from there.

MR CHAIRMAN: Is that agreed then?

HON MEMBERS: Agreed.

MR NOTLEY: I think we might in our timetable have to consider an extra day to do just that.

MR CHAIRMAN: Yes. I see that as a third or fourth week of September activity -- ideally, the third week, I suppose, if it's going to influence the content and nature of the final report, which presumably will be in drafting stage by the first week of October.

All right. I would appreciate if the members would read the interim report between now and September 4, and come to that meeting prepared to discuss your preferences as to our relationships with the consultants.

MR PAHL: Mr. Chairman, I see a designation on the front page that I wonder about. Is there a position the committee should take on that?

MR NOTLEY: You mean "strictly confidential"?

MR CHAIRMAN: That's more confidential than "confidential", I guess. That designation is not there at my request, but I'm sympathetic to the intent of the consultant. Would anyone care to comment on the degree of confidentiality we should ascribe to this and the second interim report?

MR SINDLINGER: There is none.

MR R CLARK: Just let members use their own conscience.

MR CHAIRMAN: Any further comment?

MR PAHL: My comment is that we don't want to have our consultant distracted by other considerations while he is attempting to work to our direction. That would be my only caveat on opening it up. As long as we can be sure our consultant is free to work on it, there need be no confidentiality on this. I don't see anything served by opening public debate at this point in the report.

MR CHAIRMAN: Well, I have indicated to the consultant -- I'm not sure what you meant by the word "distraction", but when I define "distraction" I indicated that he should refer those to me, and I would discuss it with the committee. Okay, with those comments . . .

MR NOTLEY: I take it then that we leave it to individual committee members?

MR CHAIRMAN: Yes.

MR NOTLEY: I gather this is just essentially an interim report on the scope rather than going into . . .

MR CHAIRMAN: That's right. It's simply an outline of: here are the things we're starting to do. It's a very preliminary document, but I thought it might be marginally useful while we await a more substantive interim report in September.

MR NOTLEY: I assume that the "strictly confidential" was put on the document not necessarily because he wanted it that way but out of courtesy to us, that if it's to be released it should be a decision of our committee, not the consultant.

MR CHAIRMAN: Which is usual consultant practice, of course.

We still have five minutes or so before Mr. Cookson arrives. Perhaps we could turn our attention to the one other matter that I would welcome committee discussion of; that is, this question of how we should respond to requests from individuals and groups who have devised proposals for heritage fund investment or expenditure. The one case in point is the Medicine Hat Solar Research Foundation proposal that I have copied to you. But before turning our attention to that specific request, I would prefer to address ourselves to the general question. I would certainly benefit from committee member comments on the question of what obligation, if any, you see to respond in a public, formal, official way to such conceptual proposals. There is such a smirk behind the raised hand, I am greatly reluctant to acknowledge it -- Mr. Sindlinger, please.

MR SINDLINGER: Please don't, then. (laughter) That's a very interesting proposition, that people appear before this committee or submit recommendations to this committee for fund expenditures. The first thought that comes to my mind is the precedent it sets if we even consider this one here. If we do consider this one, we have to consider all of them. And there are many of them in Alberta today, which means that we would be here full time, year round, evaluating and considering proposals from various people. So from that point of view, I'd say no, we shouldn't even consider this and should refer it to the appropriate department.

On the other hand, I thought it was interesting this morning when various comments were made about public participation. For example, Peter Knaak this morning said, quote, Alberta citizens should have input into decision-making just as the experts do; sometimes it's hard for them to make their needs heard.

I thought that was quite interesting. Mr. Notley also made the point in regard to the Frost Hills controversy. He asked the minister what public input there was or in what way public input can be formalized. There were a couple of others as well. But what that says to me is that maybe there is a need for more public input into the decision-making for the Heritage Savings Trust Fund. Maybe there ought to be a more formalized mechanism for the public to participate in the identification of project proposals.

So I can see some merit in the consideration of this committee receiving submissions from the public. After all, we do ourselves sit down and come up with recommendations. What is there about us that makes us better suited to make recommendations than the citizen at large? When I got elected, I was quite disappointed to find out that because I'm an MLA I didn't become any smarter. I'm still the dumb simple guy I was before.

MR KNAAK: Agreed to that. (laughter)

MR SINDLINGER: So this might be a good opportunity for us to take the bull by the horns and provide an opportunity for the citizens of Alberta to identify proposed projects. On the other hand, there is the downside risk of our being

here every day, year round, trying to decide among them all, and things of that nature. Maybe there's something in-between.

MR BRADLEY: I appreciate what Mr. Sindlinger has said. Perhaps one of our recommendations should be a sort of vehicle we might recommend for input from the public in terms of proposed projects. Just on the particular question we're addressing today, I think we would be setting a precedent which would see us sitting year round if we were to embark now and take public presentations. Maybe hundreds of other proposals would come forward and request the same consideration. I think we should address ourselves as to how these public participation, or input, or proposals should come to the Heritage Savings Trust Fund for consideration. But I don't think we should at this point in time make that decision for these people to come to us.

MR R SPEAKER: I have felt to some extent that we really haven't got a lot of public input at different times that we could have had. I think one of the mechanisms we might look at is, I don't think we should hear all proposals, just helter skelter, every time, because 90 per cent of them will be requests for funds that they couldn't get from some departmental agency, some ongoing funding from general revenue. What we could request from various groups is, maybe, submit a letter and we'd like to examine it. When we as a committee look at them, we can say that we think these types of requests can be funded by the department; then just refer them and say, look, the Heritage Savings Trust Fund -- we feel it doesn't meet some of our requirements, and refer them to the minister, to make their presentation there. However, if some unique ideas come up, or some different presentations, such as this solar one, then we could say, yes, we would like to hear you, and maybe start on that basis. But I can agree with Fred that if we hear all of them, we're going to be another part of the process of representation to government and will be like another caucus committee or cabinet or ministerial committee, or whatever. We could be bogged down not by new thinking but as another pressure group.

MR NOTLEY: Mr. Chairman, I think I agree with Ray Speaker. It might very well be worth while for us to consider what mechanism would be appropriate for public input. I'm not entirely sure that because we as a committee decide that we are going to vote to hear a particular group, we have to hear every group. We make selective decisions all the time in public life. If one proposal, in our judgment as a committee, we think is sufficiently useful, that as a committee we want to hear the people come in and make a proposition to us before we consider our findings, I don't think there is anything terribly wrong with that. I don't think that necessarily sets a precedent, that we're going to hear every single group that comes along. We are using our prerogative, just as two years ago we went on a field trip to look at an Alberta Housing heritage trust fund investment. We decided to do that as a committee, with no commitment to go on a field trip every year. We decided there was a reason for doing so, and we do go.

So I would hate to see us make a decision today, frankly, that would close the door on any kind of public input. If this committee is to fulfil its function essentially as a watchdog, but a function that involves making recommendations to the investment committee itself, then we not only have to be prepared to listen to the ministers come and talk to us with their officials, as we have done, but from time to time selectively, at our decision, there is a role for public input. I would think that is the kind of thing we should keep in the back of our mind, but not make a firm decision today. I would hate to see us close the door on public input.

MR CHAIRMAN: Mr. Notley, just so I'm really clear on the intent of your comments, you said we ought not to decide today. What, then, are you advocating that we do today? Think about it for a while, or . . .

MR NOTLEY: I would hate to see us make a decision today, Mr. Chairman, to say, no, we aren't going to do it. I think that would be a mistake. Basically I think we can argue that we should look at each proposal individually, and decide whether or not we want to hear them. We're not saying there will be an automatic right of everyone who has a suggestion to the heritage trust fund, that they could come to this committee. But there may be times when we as a committee feel it would be in our interest, in fulfilling our legislative function, to have that input. Now whether the solar group would fit the bill, I don't know. That's getting to a different issue. I think we have to have the latitude to make that decision as it comes.

MR OMAN: Mr. Chairman, I have some sympathy with Mr. Notley's position. But, again, it would be a matter of how you proceed. That would be where the difficulty comes in. In other words, someone in this committee would have to persuade this committee, other than the group, that we should hear them. It would have to be an approach to a member of this committee, who then would have to approach this committee. There may be unusual circumstances in which we should, but I would say that as a general rule that (inaudible). But, again, I would not want to absolutely close the door, because there may be some significant areas we should hear.

MR KNAAK: Mr. Chairman, on one slightly technical point, I was just looking at our terms of reference as amended, and although we haven't acted within our terms of reference initially, I think we did in relation to the amendment that we now have. The possibility I see for public input and one of the problems, although it's necessary, is to scrutinize it properly and to have the appropriate time to deal with that public input. I think we would have difficulty having public hearings. Then we're left with a submission, either to the Chairman or to the committee, or to a MLA who is a member of this committee, or any other MLA who would bring it forward to this committee. I think one of the steps we have to pursue whenever we have a new proposal that looks like it has merit will be to forward it -- and perhaps this is something we could discuss further -- to a department and have the pros and cons of that proposal forwarded back to us so we can review it, at least to determine whether it has any potential to go further. If we begin to act totally independently of the departmental expertise, in order to make well-informed decisions we would have to begin to hire our own experts in any particular area. I could see some problems there. I agree that it's pretty hard to be expert in all areas. We are just going to have to rely on departmental expertise in evaluating these things.

(Mr. Pahl in the Chair)

MR KNAAK: I guess the difficulty I have is whether we start with the proposal or whether we end up with the proposal; in other words, it's possible that we occasionally get a proposal coming to the committee rather than the department; we're interested in it, we forward it to the department, through the Chairman, to evaluate and it comes back to us. I can see that happening, but I can't see this committee beginning to have public hearings, or in any way soliciting suggestions. We had better remember that we're not talking about the trust fund -- I presume we're talking about the capital division of the trust fund, because with respect to the other areas of the trust fund the decisions all have to be commercially viable and earn a commercial return.

With respect to the specific proposal on solar energy, I think we should just simply forward that to the department to deal with, respond to, and take no further action with the committee, other than the Chairman writing a letter back saying it's being evaluated by the department.

MR ACTING CHAIRMAN: Just so I understand, would individual committee members be the advocates for a proposal before it gets discussed by the committee, given your . . .

MR KNAAK: My suggestion was, if an MLA approaches one of the committee members with a good proposal, it should go to the Chairman. The Chairman might mention it; then we forward it to the department for scrutiny. We get back, really, a briefing package on the pros and cons of any proposal. Then we might want to discuss it within our recommendations.

MR ACTING CHAIRMAN: Thank you.

MR KNAAK: But not to have hearings or solicit recommendations.

(Mr. Payne in the Chair)

MR R CLARK: Recognizing we have the department here, I'm quite prepared to give notice of motion that at the next meeting I move that we hear this solar group, because they are the only ones who have brought something before us, and that we not hear any other groups until our report is finished. After that hearing we will be able to make a judgment as to how we want to handle it. That really does three things: it allows us to get that group before the committee; it allows us to make a judgment on what experience we have there; and it allows everybody to think about it from now until the 4th, until we make a decision.

MR PAHL: Mr. Chairman, I would like to avail ourselves of the expertise within the department -- I think Energy and Natural Resources has a solar group, or perhaps it's within the Research Council -- prior to, if Mr. Clark would agree, making that motion, so if we're going to do this on an experimental basis we make sure we're doing one that has enough substance to it that it leads us somewhere. It may be a doubtful exercise on this specific one.

MR CHAIRMAN: Was that the form of a formal recommendation?

MR PAHL: I'm sorry, I was responding to Mr. Clark's intent to make a motion to hear that group, and recommending that that group not be heard until the information you have is in some way referred to the department for at least cursory analysis of the content.

MR CHAIRMAN: Perhaps I could do that while you, Mr. Clark, are considering your September 4 motion.

MR R CLARK: Then I can put my notice of motion on the floor now and that will give members a chance to think about it.

MR NOTLEY: Mr. Chairman, I don't have any problem with the notice of motion and the Chairman, in the next week or 10 days, contacting the department and asking for a review, in this particular instance. But I think it would be a mistake for us to say that the procedure we will use for a group that comes to us, through a member of this committee, and says they would like to be able to make a presentation, that there would be an automatic filtering process

through the department. That may be the decision of the committee, but it seems to me that has to be the decision of the committee on the basis of the request of the proposal. I don't think it should be automatic. Keep in mind that the public perceives us, hopefully perceives us, because this was our intention -- we are a watchdog committee, and we're to listen to the ministers and the departments; that's true. But we're also to be more than that. So to say that we will automatically refer everything to the department before making a decision, is not something we would want to prejudge at this stage. The thing perhaps we could prejudge is that, rather than people just writing letters ad infinitum to the committee, the only way we would consider hearing a group would be if a member of the committee would formally propose a motion, that Mr. Clark has given notice of. Then on the basis of whether the committee thinks that is valuable or not, we would decide to hear the group, refer it, whatever the case may be. But I think it would be a very serious mistake, as far as this committee's perception by the public is concerned, to say we will automatically go to the department and get their opinion. We may very well decide in certain instances that we don't want to do that; we want to hear the group first and then we'll go to the department, rather than the other way around.

MR CHAIRMAN: Before I invite Mr. Knaak to make his comment, it seems to be we've had a variety of very interesting and useful comments. Speaking for myself, I would appreciate a few days to reflect on these various comments. Some of these thoughts are new to me, particularly the most recent one from Mr. Notley. Perhaps there might be wisdom, as a committee, in simply deferring any decision, and perhaps even deferring any further discussion, until September 4. By that time we will have had the benefit of some reflection. Then perhaps we'll be in a better position to address that question.

HON MEMBERS: Agreed.

MR SINDLINGER: Could you just review what the September 4 thing is?

MR CHAIRMAN: Mr. Clark has given notice of motion, that he will bring to the September 4 meeting a motion that we entertain on a trial basis a procedure whereby we as a committee will be open to such proposals, and those we deem meritorious we will in fact hear -- presentations from those who are advocating the proposal. Then there has been a secondary discussion as to the timing of any departmental review, whether before or after such presentation. I'm suggesting there is perhaps merit in deferring any decision, and perhaps even any further discussion, in light of the fact that we do have some departmental officials here, until September 4. I will try to schedule perhaps 30 minutes for discussion. I did indicate to Mr. Knaak that I would hear him.

MR KNAAK: Just for the record, Mr. Chairman, while you were absent, prior to Mr. Clark making his notice of motion, I made a recommendation that this (proposal) not be heard and that in fact this particular proposal be forwarded to the department for review, which then, when Mr. Pahl left the Chair, was supported by him. So we really have two conflicting proposals now before us. I just wanted you to be aware of that for September. So it wasn't one suggestion that we all thought was a good idea.

MR CHAIRMAN: If the committee is prepared, I am prepared to leave this unresolved conflict until September 4.

HON MEMBERS: Agreed.

MR OMAN: Just for clarification with regard to our terms of reference. Mr. Notley said we are a watchdog committee. The contrary is: are we an initiative committee, which I think is really the question. I'm not sure that our terms of reference allow us to do this sort of thing.

MR CHAIRMAN: We'll record that question.

MR MUSGREAVE: Mr. Chairman, when I heard about this proposal, I guess I had somewhat the feelings of Mr. Sindlinger, that these people would be coming here today with this solar energy proposal, and we had no information or didn't know what the government was doing.

MR CHAIRMAN: You're not reading your mail, Mr. Musgreave.

MR MUSGREAVE: Would you let me finish?

MR CHAIRMAN: Certainly.

MR MUSGREAVE: It would help if the mail went to my office in Calgary, rather than sit up here. What I did was approach the Research Council, and I have a summary of what the government is doing in the area of solar research. We are working with the Department of Energy, as well as the Research Council.

MR CHAIRMAN: Do you have sufficient copies for the committee?

MR MUSGREAVE: I'll give them to you and you can distribute them. I won't be here September 4; that's why I raised it.

MR CHAIRMAN: I see. I'm sure the committee would like to have copies of that, Mr. Musgreave. I'll use this opportunity to ask Donna to distribute copies of subsequent correspondence I've had with Mr. Roger Breault. I just felt that the committee had nothing to go on; I admit that freely. That's not a function of the Chair. The quality of the input was very, very poor. I got one newspaper clipping and one list of people in the Medicine Hat area who have agreed it would be a good idea. So I contacted Mr. Breault and asked him if he could provide us with more data. I gave him an outline of the kinds of information that I thought you would find useful in making some assessment. The response I got to that request is being distributed, and I won't comment on its adequacy or otherwise.

With that then, I'd like to apologize to Mr. Cookson and his departmental colleagues for involving them in matters that aren't directly relevant to the Department of Environment. However, Mr. Cookson, as is our normal procedure, as you are aware I'm sure, would you be good enough to introduce to the committee the department officials who are with you today. Then perhaps if you see fit you could make an introductory comment on those expenditures from your department's appropriation that relate to the heritage fund.

MR COOKSON: Okay, thank you, Mr. Chairman. I guess most of you know Walter Solodzuk, deputy of the department. Bill Simon is one of our people in the department who does most of the bookkeeping work that's responsible in the funds that we handle.

Mr. Chairman, I'll perhaps just touch on six areas that would be of general interest to the committee. These are the primary six areas that the trust fund provides some funding to us for. One of course is the irrigation headworks improvement work. That is the responsibility of Environment and has

been for some time. In other words, we're responsible for taking care of the supply of water to the headworks of the irrigation district. From there on, Agriculture takes on the responsibility of distribution of the water. So we receive funds for that. There was at one time \$200 million allocated for irrigation improvement to the headworks: \$80 million, I think, was Agriculture; \$90,110,000 was Environment. And, of course, we have in the Oldman report, which has been outstanding for some time, hopefully will culminate soon, and I'll be able to very shortly issue a statement as to the position of our government on funding from the trust fund on the basis of the Oldman report.

Under land reclamation, we had allocated from the trust fund funds that would deal with some of the reclamation problems that occurred prior to our initiation of legislation, which now requires a deposit fund. Under that deposit fund, any new land disturbances come under the general expenditure of the department plus what the people responsible for the disturbance must commit. So that any reclamation we do, generally speaking I guess, would be prior to I think around 1972, and it's land reclamation that takes into consideration abandoned coal mines and sand and gravel areas that have been mined in the past and not reclaimed. I suppose a fair amount of our funding goes towards reclamation of old sewage lagoons and sites throughout the province, along with any other land reclamation disturbances that we think should qualify for improvement. It's an excellent program, and we're making good progress in using these funds for that.

The other area that should be winding down pretty well is the Capital City Recreation Park, which at one time I think we allocated about \$34 million. The Capital City Park, for the members who aren't familiar with the province, is an area that is located along the North Saskatchewan River through the city of Edmonton. We have made, I think, good progress in developing the park. It's virtually completed. It's officially open with the exception of a few outstanding properties which, rather than go through the route of expropriation which I don't think is necessary, we simply pick up as they become available.

The Fish Creek Provincial Park is under a different kind of agreement in that in that area we are simply acquiring the land, and the parks and recreation take over the construction of any capital facilities. The property is pretty well purchased with the exception of three or four properties that we attempted to negotiate and we failed to do so. Those properties are under expropriation proceedings. Once that is terminated, we'll have an idea of the total cost of the Fish Creek Provincial Park.

The Paddle River basin development, north of Edmonton, is an area that has been a tremendous problem agriculturally and otherwise for many, many years. Funds were made available from the Heritage Savings Trust Fund for eventually controlling the Paddle River by means of a dam construction and rechanneling work. I can give you some more detail on the progress we're making in that area.

Last, but not least, the other project that we have used funds for out of the trust fund is the Lesser Slave Lake outlet project. Lesser Slave Lake in the north -- a large lake -- is subject to water level fluctuations, which has been a major concern in the western end of the lake, a large area which has used a good part of it for agriculture. Detailed studies took place and concluded that we could control the lake a little better than nature was doing. At the present time the work is ongoing there, and I can give you some detail as to the breakdown in costs on that one.

So, Mr. Chairman, those are the six major areas that the Department of Environment deals with under the heritage savings trust.

MR CHAIRMAN: Thank you, Mr. Cookson.

MR R SPEAKER: The obvious question for me is with regard to the Lethbridge Northern Irrigation District and the headworks improvement on the Oldman and the Oldman study report. In the spring session, after a number of questions in the Legislature, it was indicated that we'd have an answer fairly shortly then. Last fall I think it was somewhat similar, and now today again. Are we talking about an announcement in the next month or two? I believe the settlement with regard to the headworks for Lethbridge Northern delayed the decision this time. Are there any other complications that can arise to delay the decision?

MR COOKSON: I think, Mr. Chairman, my answer in the spring was that it might be a late spring. No, we've had progress . . .

MR R CLARK: No spring at all.

MR NOTLEY: Chance of an early fall.

MR COOKSON: We have a memorandum of agreement, as you know -- I think it was made public a week ago -- with Peigan Reserve. Hopefully there are no hitches in that exercise that does involve both ourselves, the Peigan people, and the federal government. It has to involve, of course, approval at the federal level. I would say in answer to your question that within several weeks -- I think the tentative date is August 29 to make the press statement and formal release on the Oldman report.

MR R CLARK: Mr. Minister, last year in the course of the discussion on land reclamation, reference was made to an oil sands reclamation study dealing with the tailings of the oil sands project. At that time, you said it would be hopefully spring of 1980, according to the transcript. It's quite possible I could have missed the report, the one being done by Technic Consultants of Calgary and a group from West Germany. Has the report been made public?

MR COOKSON: Yes.

MR R CLARK: Could we get a copy?

MR COOKSON: Sure. Moreover the report was considered at a meeting in Calgary with all the different interested parties in the oil sands development, so there was a total review of the report. I imagine if it's not in the library, we'll sure make it available in the library.

MR R CLARK: Can you make a copy available to the Chairman then?

MR COOKSON: Sure.

MRS FYFE: Mr. Chairman, I'd like to ask a question related to land reclamation of old coal mines. I had asked the department during the year about situations where there is a surface cave-in of old shaft. I'm not just too sure of what the final response was from the department, but specifically I wonder how you make decisions on which of these shafts would qualify or, if it becomes a public health hazard, is it no longer the responsibility of your department?

MR COOKSON: Perhaps Walter could add to what I have to say in terms of how we determine these applications and procedures and so on. Most of the applications that come before us, generally speaking, come by way of application by a municipality. We require in the process of reclamation that

we enter into a joint agreement with the municipality, and that joint agreement is designed to permit Environment or the general revenue of the province to recover the cost of reclamation if the land is, for example, sold within a specific period of time following the contract. So what happens generally is that it has to be an application and a joint agreement between ourselves and the municipality. Now, on occasion, we are faced with a situation where there is a human hazard because of something such as you described, and it is not within a municipality and/or local improvement district, for example. I guess, Walter, it would be fair to say in those particular cases we have made a special arrangement and then, based on the inspection and examination by our professional people, we would proceed to reclaim the property. But I think I'm right in saying that that property would then revert to the name of the Crown, but I stand corrected on that, Walter.

MR SOLODZUK: I think, Mr. Minister, you're quite correct. But the first and foremost criteria is (a) it has to be abandoned and no one really lays claim to that mine or shaft or whatever it is. Secondly, it has to be in the domain of public land, whether it is Crown land or whether it is owned by some local authority or municipality or something. If in fact it is private land, we do not apply the fund. So if it's owned privately, it will be the person who owns -- I don't know the specific case that you're referring to, but if it's privately held land the person who holds that land will be the one responsible for maintaining the safety of that land to the general public.

MRS FYFE: In the situation I was speaking about, Mr. Chairman, there was both public and private land, part of it owned by the municipality and part of it owned by a number of different individual landowners, but the cave-in there resulted in the deterioration of the old mine shaft. You know, it covered quite a large area.

MR SOLODZUK: I'm sorry, Mr. Chairman, I couldn't comment much further on this unless we get into the specifics of it, and I'm not really personally aware of it.

MRS FYFE: I don't want to do that. I'm just wondering whether this did apply to this program specifically, so I'll come back to that.

MR COOKSON: I have for anyone's information a list of the funding that we have applied to mine hazards, and it may be of value to you. In this case too it's a situation where it could be public or private or either. So there are cases where we have a combination. Can you name the specific . . . ?

MRS FYFE: Starky.

MR SOLODZUK: Oh, the Starky one.

MR COOKSON: It's not on this list.

MR SOLODZUK: No, that's Starky, just east of Namao -- in that area.

MR COOKSON: We can get that information.

MR SOLODZUK: Or west of Namao.

MR COOKSON: Right. We can get that information.

MR NOTLEY: Mr. Chairman and Mr. Minister, just on the Paddle River basin development. How many acres in fact are going to be, shall we say, stabilized from the periodic flooding as a consequence of this \$20 million investment?

MR COOKSON: On the Paddle River?

MR NOTLEY: On the Paddle River. Do you have any . . .

MR COOKSON: Yes, I can give you some ideas. There are some figures on the project. The Paddle River covers -- well, it runs through about 30 miles of flood plain, and it periodically inundates about 25,000 acres of agricultural land. So the project is really designed to rectify quite a bit of that problem.

MR NOTLEY: Just to follow that along a bit, Mr. Chairman. The 25,000 acres would be the total which would be affected by varied periodic flooding, I presume. What would be the number of acres that would be affected by severe enough flooding that there would be a real problem to the operations of the farming throughout the area?

MR COOKSON: Perhaps, Walter, you could break that down a little bit, because we base our flooding on 1:100 and 1:50. I don't know what's the breakdown on the Paddle River.

MR SOLODZUK: Mr. Chairman, I don't have the figures written down here, but if I can just go from recollection I would think that the 25,000 would be the upper limit.

MR NOTLEY: The reason I raise that is we've been talking a lot about cost/benefits in this committee. On the basis of 25,000 acres, we're looking at about \$800 an acre for very periodic flooding, and I think to get a real indication of the cost/benefits, we should know what we're looking at in terms of severe flooding once every five years, once every 10 years -- that sort of thing. Because at some point, one has to balance off a flood control project of this nature versus buying the land.

MR COOKSON: Mr. Chairman, I'll just add that I think one has to be careful that you don't fall in the trap of saying that that's the only cost/benefit to the thing. Because in this particular situation, we're looking at a water supply for the town of Mayerthorpe; we're looking at downstream erosion control; we're looking at river-flow augmentation and water supply for the town of Barrhead; and we're also looking at water-based recreation. So it's pretty complex.

The Deputy is just suggesting there is a cost/benefit study available. We do that I guess on all our dam structures if you'd like to . . .

MR NOTLEY: Could that be made available to the Chairman?

MR COOKSON: Sure.

MR CHAIRMAN: Well, if there are no other questions . . . Mr. Notley.

MR NOTLEY: With respect to Recommendation 6, I think that we made last year, I realize that parks and recreation would be dealing with this too, but we're talking about man-made lakes and lake-deficient areas of the province. There would have to be some work done by the Department of Environment, so perhaps,

Mr. Minister, you could bring us up to date on what if anything the Department of Environment has done with respect to this recommendation.

MR COOKSON: Well, Mr. Chairman, on that point we've had some recommendations made to us from the committee, and I was just reviewing them because there is a certain procedure that's followed. Maybe I can give you the present position of the department, even though it doesn't come out of the trust fund moneys which were recommended. Insofar as the recommendations, they as yet have not been acted on. They will be part of the Provincial Treasurer's presentation in a month or so. And we support it, the concept. There will be some funding, hopefully, made available for it.

We have a current policy on use of lakes, natural and man-made, for recreation. And, again, this comes under our present funding. Under the present funding, the local authority requesting assistance in developing a recreational reservoir must acquire all the right-of-way and pay 50 per cent of the capital construction cost and assume the O and M. Of course, because of the cost involved, we don't have that many applications. So we support the policy, the recommendation, and I guess it's just a matter of time until we see what comes out of the final approval through our governmental process as to what we can do to expand that.

MR NOTLEY: So at this stage, Mr. Minister, what you're saying to us is that there's a very modest program severely limited by funds now, but that within a few months, a year or two, there'll be an announcement of a program that you'd recommend for heritage trust fund investment.

MR COOKSON: That's right. I don't know whether you could say it's totally by funds because it also involves the local authorities putting up a portion of the cost. It might be interesting to know that, for example, in the Calgary region there are three projects that have been delayed because of the lack of funds at the local level. We could meet their funding if they could meet their share. I haven't got the specifics. Do you know, Walter?

MR SOLODZUK: I haven't got the specifics.

MR COOKSON: But we have a position paper on these kinds of projects that we've tried to deal with all along. The cost sharing I guess has been too much for the local authorities.

MR R CLARK: Just following along the same question, Mr. Minister. The kind of situation I'm thinking of is, more frankly, in the town of Carstairs where -- you're very well aware of the sewage situation, a situation where they're looking at making that over into some sort of a lake. I take it that they own the land around the lagoon now, and they're going to sell the old one. Under the existing program, it would be a fifty-fifty cost-sharing kind of thing. What the committee recommended last year, and I take it what the department is (inaudible) to is a situation where the department would take on much more of that responsibility.

MR COOKSON: That's probably correct. Again, I haven't got the specifics, but obviously the present shared program is working.

MR R CLARK: It just is impossible for a town to take on that.

Just dealing with a question last year in the course of committee discussion, Mr. Minister indicated that he felt there would be a need for about five more years for the land reclamation projects. Mr. Minister, that

should allow you four years now. Are you just about on target? Is that what the department's present thinking is?

MR COOKSON: Mr. Chairman, I was hoping that that was the route we were going. But it's rather interesting now that there are a few signs out there saying that the heritage trust fund has contributed towards reclamation, there are a few more of them starting to show up. We have done approximately 100, and that information is available to anyone. The Deputy suggests they are coming in all the time, and we may be facing possibly another 100. I just might suggest that we do the reclamation for different departments, for example, the Department of Transportation. The information I have now is that they will not require further funding after '81-82. And energy and resources -- they think that funding will not be required after '82-83. Recreation, parks -- '81-82. But in our own department of course I think it's fair to say the majority of the reclamation projects come through Environment. I would venture to say a good portion of the additional ones will likely be involving Environment, and they'll be involving sewer, sanitary landfills in particular because as rapidly as we can we are going towards regional-type sanitary landfills. And where we establish a regional fill, we end up with five, six, seven, maybe as high as 10 or 15, dumps that have to be reclaimed. So the answer is that we may be still facing 100, and they continue to come in.

MR R CLARK: So we should look at this not as a program that will be finished in four or five years but something that will likely be ongoing for another four to five years, that'll be eight to 10 years.

MR COOKSON: Yes, but I think we would make a re-application if we go beyond what was considered a likely program and ask for further funds.

MR R CLARK: But your best thinking now is that there will be a need for re-application, extension of the program.

MR COOKSON: I would think so.

MR SOLODZUK: Well there is a decline in certain areas. However, as it becomes known, there are more coming in in the areas of the old sewage lagoons, you know, in municipalities and old reservoirs. As far as the mine hazard, we feel it's coming down. We did 23 mine hazards this year, or the period under review, and we feel that they're dropping off. We feel again, as the minister indicated, that the old gravel pits by the Department of Transportation are getting kind of cleaned up along the highways now. We feel also that the reclamation required for gravel pits and whatever in the green zone is falling off. But I would think that it would have to have a periodic review as to the need, whatever that period should be, on a yearly or seven years or even a five-year period. But there should be a review.

MR OMAN: Mr. Chairman, I would like to ask the minister about the water resources areas. The larger question I guess -- and maybe he's not ready to make any statement about this -- is the main diversion from the north to the south. I assume that the moneys, if that ever came to pass, would probably have to come out of the Heritage Savings Trust Fund.

MR NOTLEY: And then some.

MR OMAN: And then some. But more specifically, there has been a proposal for Buffalo Lake, which is low, that there be some diversion, I think from the

Red, to pump it up, and maybe two others. Are there some live possibilities, and would this also be heritage money?

MR COOKSON: Maybe I can answer in a roundabout way to indicate what we are doing in the department towards lake stabilization. We do provide funds for certain projects throughout the province, and you cite Buffalo Lake as an example. If we proceed to, for example, increase the level of that lake -- I'd rather use that term rather than necessarily stabilization, because we're finding it difficult in some areas of the province to artificially stabilize lakes, especially if they're downstream from one another, because what we do in one lake impacts on what happens in another lake. The outlets, if they're not sufficient capacity, you still can't stabilize the lake because the heavy rainfall will bring the lake up a considerable height, and the outflow won't permit it to flow faster. So it's really a difficult area that we explore for some lakes. In fact we have made a policy decision that in some cases there's no way that we can, even by funding, stabilize certain lakes. People should be aware of this in terms of construction and planning commissions, and not allow construction too close to what we would consider an unsafe high level.

Going back to the question of Buffalo Lake -- and I have one in my own constituency, Gull Lake -- there are some lakes that can benefit from inflow, and we have a policy on that which requires a minimum ownership by the public. That is to protect the shoreline so that all people will have access. That policy is in place, and if we can meet all the other criteria which require shared operation and maintenance by the local authority or the people who reside and get the benefit. If those criteria are all met, we do provide in our own regular funding for, in this case, increasing the level of lakes which are starting to lose their depth as a result of inland, isolated, no inflow-outflow type situations caused by the Ice Age. So I would think that as long as we can meet the funding and that policy, which I think should be in place, we shouldn't have any problem in terms of our funding because there are not that many that need to be dealt with.

MR R SPEAKER: The Fish Creek Provincial Park in Calgary. In the report it's mentioned that a total of \$6.8 million was spent on the purchase of land. Does that include all of the purchase for Fish Creek? I think a year ago we talked about the Mannix property being purchased and the Shaw property. Does that purchase that property as well? Is Fish Creek as of now at its optimum size?

MR COOKSON: Yes, with the exception of those areas that are under the expropriation, Mr. Chairman. The estimated acreage of the Fish Creek Park is 3,200 acres, give or take.

MR R SPEAKER: Which doesn't include the Mannix or Shaw properties?

MR COOKSON: Yes, it includes the Mannix property of about 326 acres, and there are five smaller parcels which as yet are outstanding, about 90 acres, which also would be included in the 3,200.

MR R SPEAKER: The expropriation procedures haven't been finalized at this point in time?

MR COOKSON: No.

MR R SPEAKER: So the sum of money for whatever that settlement is isn't included in the \$6.8 million?

MR COOKSON: Well, remember that the -- Mr. Chairman, I can give you some breakdown figures on what has been expanded yearly. The figure that you're quoting is the figure that was spent in '79-80.

MR R SPEAKER: Right. It'll be new funds, this year's funding, that you're providing.

MR COOKSON: Yes. The committee might be interested that we've had quite an exercise in this thing. We have just completed an examination for discovery, after a long tedious exercise, and it goes to court now in January, maybe with a little luck. Perhaps the lawyers here could define that time a little closer.

MR NOTLEY: Mr. Chairman, if I can just follow along. The figures we have in Schedule 3 on page 34 do not include the amount that he had to -- I understand in an expropriation procedure we have to put down our last offer, do we not? Is that included in the \$21,713,000 on page 34, or is that something that presently we can expect if and when the . . .

MR COOKSON: Let's put it this way, Mr. Chairman. While I can give you the breakdowns that has been expanded each of the years since '76 -- and those figures add up to about \$25.5 million. Included in that figure is the initial offer to them.

MR NOTLEY: I see. So at this stage, we're not sure what the eventual resolution of that will be except it's likely to be substantially more than we have offered. The 1980 figure here says \$21,713,000. The \$25.5 million you're reporting, Mr. Minister, is money that has been expended subsequent to the end of March 31, or is it money that has been expended by the department other than from the heritage trust fund?

MR COOKSON: No, in that \$25.5 million, Mr. Chairman, we're including what we think it's going to cost during this current year, what has been spent in '81 already.

MR NOTLEY: I see.

MR PAHL: Mr. Chairman, I want to, first of all, commend the minister and his department for the Capital City Recreation Park which, to all preliminary examination, seems to be a great success. I note that the park is now operated by the Department of Parks and Recreation, and at the opening your colleague extended an invitation for municipalities to take over that park. I'm just wondering whether in general terms that model is sort of a legitimate agreeable one for these sort of capital projects on behalf of the citizens of Alberta, and whether the operating costs of that park will present any burdens to the municipalities on an ongoing basis. I guess I'm trying to address, Mr. Chairman, for the whole committee the idea of not only do you have to have the capital cost of these things but you also have to reflect and be able to sustain an operating cost. I wonder if you would give some indication of what sort of costs Capital City Park, for example, will accrue over its life or on an ongoing basis.

MR COOKSON: Mr. Chairman, to answer generally I think probably each park or proposed park of this nature would have to be dealt with -- well, it would be nice if we could make them all, in terms of funding, equal, but we're dealing with different situations. I guess I'm getting out of my area because it

really would have to be dealt with by parks and recreation, the Hon. Peter Trynchy.

But to answer with regard to the Capital City Park here, the province has purchased the land and also done all the major capital construction as part of the agreement. In the case of Calgary, Fish Creek, it's a provincial park. What we have done is purchased the land, and parks and recreation then made arrangements with regard to the capital costs jointly with the city of Calgary. They are two different parks, and I guess the point is that, as we possibly expand this program to other communities of that nature, we will have to work out something that's basically acceptable to the province and to the municipality concerned.

Going back to the Capital City Park agreement, it was jointly worked out between our government and the city. Initially we pick up a fair amount of the operational costs, and then again I don't have with me the shared cost. I think it might be in the area of a fifty-fifty shared cost at some point, where the two parties, subject to further negotiation, share in the operation. There's one problem with the Capital City Park that we all have to be alerted to and it's a problem of not crossing the t's and dotting the i's. There is a difference of opinion as to the policing procedure. At the present time, as you know, the city of Edmonton is not prepared to use the same formula that was used in Fish Creek Park, and as a result we haven't been able to assist in the funding for the police maintenance. We simply said it's the responsibility of the city, and I guess that's where it lies at the present time. But I would think that our government would negotiate what would be a fair and balanced agreement between the two parties concerned, and it wouldn't be an undue burden on the part of the city.

One of the reasons for shared cost is shared use of a facility. That might have to vary according to its location and according to its usage. I think the best way to solve that is to simply sit down with the municipal authority and work out what is a fair and reasonable agreement. And if it breaks down at a later stage, well, agreements can be changed.

MR R CLARK: Mr. Chairman, I'd just like to ask one last question. When you're dealing with Syncrude and Alberta's interest in Syncrude, what kind of studies are being carried on by the department, either heritage fund money or otherwise, as far as sulphur is concerned and sulphur dioxide and acid rain? I really ask the question as a result of the Syncrude question and the possibility of more plants in that area. Then also I suppose, Mr. Minister, what's happening in your own riding -- the Joffre situation there.

MR COOKSON: Mr. Chairman, some of the funding is coming out of our reclamation program for different research projects. Approximately \$1 million is being spent out of the trust fund on research projects. In terms of different types of research, perhaps I can run through these to see if there is anything that comes out specifically from the Heritage Savings Trust Fund. Just let me also say though that, in addition, whatever is in here, we do expend a considerable amount of funding. I think probably Environment is doing more research than perhaps any province in Canada in the various areas. We have a special committee jointly now with Saskatchewan that will be monitoring on an ongoing basis SO₂ emissions all across northern Alberta and Saskatchewan. We also have as yet the operation of the oil sands environmental research program, which was a joint program with the federal government up until a year and a half ago, when they pulled back on their funding. We're continuing to fund -- I'd have to check to see, but I think it's in the area of \$3 million a year. A lot of their work is maybe not just specifically in terms of sulphur emissions but all of the problems involved in reclamation, et cetera.

On the research out of the trust fund, I don't know whether one could really pin down -- for example, there's a soil reclamation study; there's the role of organics in the salinization process in reclamation; selection of native grasses; plains hydrology and reclamation; and establishment of the biological activity in oil sands tailings and, in this case, also coal mine overburden; chemical characterization of ash -- well, that's specifically in the power plant stations. Yes, just to note that AOSERP is heavily involved in both air and SO-2. You know, if anyone wishes perhaps a breakdown in the work that's being done in or outside the trust fund, but since we're dealing specifically with the trust fund maybe I could get an update on the specifics on this.

MR CHAIRMAN: I believe Mr. Clark has a supplementary.

MR R CLARK: Yes, in fact that's my supplementary. If the minister would pull together all that's being done in this area relating to sulphur emissions and make it available to the Chairman.

MR CHAIRMAN: Any further questions of Mr. Cookson? Mrs. Fyfe.

MRS FYFE: Have there been any results of the research into algae growth in the lakes? I don't know if it was funded at all through these moneys, but . . .

MR COOKSON: Well, we are doing a special study of the problem I guess at Lake Wabamun on the algae growth. We have a biologist who is working full time to see what is involved, because Lake Wabamun has been a source of problems for a long time. I'm not sure whether we can solve the problem practically, but that would come outside of the trust fund funding. But we could check too to see if there is anything within the trust fund.

MR SOLODZUK: No, there isn't.

MR COOKSON: There's nothing specific in the trust fund.

MR CHAIRMAN: On behalf of the committee then, Mr. Cookson, I'd like to thank you and your department officials for being with us today. I'd like now to adjourn the committee for one hour, with a reminder that we're due back here at 3 o'clock with Mr. Planche, the Department of Economic Development.

The meeting adjourned at 2 p.m.