

Standing Committee on Public Accounts

Wednesday, December 9, 1981

Chairman: Mr. Mandeville

10:30 a.m.

MR CHAIRMAN: Good morning all. Shelley tells me that the transcript is not out from our last meeting, and she hasn't got our minutes completed yet. We'll get them to you as soon as possible. We have our Minister of Environment here. We've got some of his assistants here with him. We've got his Deputy Minister, Walter Solodzuk, right next to the minister, and then Bill Simon next to Walter Solodzuk. We're pleased to have you here this morning. If I could call on our Law Clerk to swear in the witnesses, please.

Messrs. Solodzuk and Simon were sworn in.

MR CHAIRMAN: Mr. Minister, did you want to have a few opening remarks on your department before we start questioning?

MR COOKSON: Perhaps just a word or two, Mr. Chairman and members of Public Accounts. As you know, Walter is my deputy minister of the department, and Bill Simon is largely responsible for the financial administration.

We have a fairly large department with substantial staff, as the members know, and we have a substantial responsibility throughout the province for about 13 pieces of legislation. The legislation ranges everywhere from sanitary landfills and region landfills, to areas of The Beverage Container Act, which deals with keeping the province as clean as we can. Water resources are a very large part of the department and, generally speaking, deals with most of the handling of water with the exception of the Department of Agriculture that has a lot to do with irrigation. However, even in that area we do all the permit and licencing for water use.

All our municipalities are involved with us in terms of funding for water use within the municipalities. We also have responsibilities for handling the sewage effluent as a result of use of water. It takes substantial funds from the department to administer this through the municipalities. In addition, in terms of pollution control, we have all the monitoring and so on to ensure that the water that eventually finds its way back to the system is the best we can do in terms of its use.

Another area we are involved in is a lot of the land purchasing for other departments and so on. It takes substantial funds. We're involved with land reclamation. However, there is part of this area that overlaps into the Heritage Savings Trust Fund where we derive some funds for reclamation of old sites, in terms of abandoned coal mines and this sort of thing. But it is separate, apart from our own funding through our regular budget.

Those are, primarily, Mr. Chairman, some of the areas the members might be interested in that come under my jurisdiction.

MR CHAIRMAN: Who's for the first question to the minister or any of his people? Mr. Magee.

MR MAGEE: I'd be interested, Mr. Chairman, through you to the minister, a bit of curiosity I guess as to the amount of land we eventually are going to devote to sanitary landfill around our major or intermediate cities and things of this nature. Having come from Ontario which is rolly, hilly country generally, you can always find a bluff or an area where you can deposit a lot of this type of material and bring the grade up to level, and after a few years build houses on it and carry on.

In this country, which is relatively flat on the other hand, we have to excavate large holes, fill them up, and get them above grade. It seems to me that we're -- I don't want to coin a phrase -- making mountains out of mole hills. In effect we're almost creating artificial hills in this country from the great amount of debris that has to be covered up in this landfill reclamation. Have you got any answers as to the future? How can we avoid putting so much land into reclamation projects?

MR COOKSON: It's a good question, Mr. Chairman. It is becoming more and more of a problem. For example, the city of Edmonton, with half a million, will eventually be faced with looking for another site for their present landfill operations. We've done some investigative work as to some other way of handling the huge amounts of garbage that are being created, and will be more so.

At the present time, our policy has been that we would explore the most economical way of disposing of garbage. In that respect, up until this date, we have found that the use of landfill is the most economical and practical. Because of so many of these small, inefficient, improperly managed landfills throughout the province, we have, in our own budget, substantial funds each year to encourage municipalities to go together as one. In other words, if two or more municipalities combine, we will fund the capital cost of the operation, and they will be responsible for the operational costs. There are a number of these in the province. The biggest one, I guess, is down in the area of the Member for Drumheller, where 21 municipalities combined to operate one regional landfill.

I think this policy is helping to reduce some of the land that is being sterilized. When the member mentions this, the general policy with regard to reclamation of these landfills is: if they're not substantial ones, we get funds from both the trust fund and our own budget to reclaim them, but a lot of it comes from the trust fund. We have a contract with the municipalities to recover those costs if they're sold within 10 years.

The biggest problem with our large landfills, as the member suggests, is that they're essentially sterilized for any housing construction or any plant construction generally because of the huge amounts of gas that may accumulate for many, many years to come. So the policy has been to encourage use of them for uses other than residential in nature. The one I'm most familiar with is the Edmonton one, where they have piping infrastructure under the whole landfill. This piping system is emitting methane gas continuously, which eventually will be tapped as a source of energy. But it is a major problem.

Again, just to answer the question as to whether we're moving into any other direction, we are doing that. I've had recent reviews of the possibility of burning through regulated incineration, and I'm quite enthusiastic about it. I have had my own department look at it. We are, in fact, putting forth a proposal to a number of municipalities on this point within a week. We've noted that many parts of the United States and parts of Canada, in particular British Columbia, have gone to incineration. I think there's a point where it would be more practical to do this. Yet, the economics seem to dictate that

our sanitary landfill system of burial is probably the most economical as yet, both in terms of capital costs and operation. This seems unusual to me, even in terms of operational and we're looking more closely at those cost figures again. But we are looking at a possible change. It may be that we'll have to pilot project such an operation initially in order to get a better handle on the operational, but it is in the mill.

MR CHAIRMAN: Dr. Carter.

DR CARTER: Mr. Chairman, I'm almost tempted to ask if you might give us your discourse again on the stock market and how it effects this department. It was certainly one of the better moments of the last few days.

To the minister, I wonder if he might comment with respect to one of the areas of concern, which relates not only to the constituency of Calgary Millican but to the whole province. It's the matter of how we try to do a buffering effect between residential growth and industrial growth. In particular, of course, I have to come back to the example of Western Co-op Fertilizers in Calgary, with the whole matter of the difficult tension that exists between the area being developed around Western Co-op. I know that the producer, the industrial facility itself, was put into place a considerable amount of time before that area of Calgary became targeted for residential development. I also realize that that puts a lot of pressure upon that producer, as well as upon your own department, in terms of the relationship back into the community, but also to the whole industrial base of the city of Calgary.

I guess the question really comes, not only your comments about that kind of relationship, using that as an example, but also the difficulty there is in trying to now bring antipollution controls into place. And part of that difficulty, as well, is the fact that a lot of what appear to be problematical emissions perhaps aren't. Yet, when you look at them from the visual perspective, it's the kind of thing that's going to create all sorts of emotional and traumatic issues within the populace. At the same time, I realize, on behalf of Western Co-op Fertilizers, that they have their own difficulties trying to upgrade old equipment. How do you strike a balance, in terms of your department exercising controls which have very serious financial ramifications?

MR COOKSON: Mr. Chairman, that's an excellent question. It's one we struggle with, not only in terms of Western Co-op Fertilizers but in terms of other industries about the province. Most recently, there is a conflict between the residents and the mushroom operation at Airdrie. I can cite others. One of the older ones was the meat rendering here in Edmonton. We have a chicken operation at Bow Island in the south, which is right in the heart of the town. Now, I cite four industries; they all have different historical backgrounds. Some of them are old, established operations that did not come under any kind of regulation at the time they were established, nor was there really any proper co-ordination of planning.

I would like to think, at this stage, that we are much more refined in planning, and that these events won't happen as often as they have in the past. Perhaps I'm a realist in this respect. I find that we tend to bend at both the provincial and municipal levels, and in terms of the planning commissions, when it comes to these issues. Our legislation is perhaps not as tough as it should be on the interrelationship between industry and residential.

A classical example is one of them that I cited, where there was lots of room around this particular industry to give it a buffer, but where regulations were changed to allow residential to encroach on the area, and subsequent petitions by the residents. One has to keep in mind that even under our legislation we can't totally control odors and this sort of thing, not totally. We can only minimize it. We can't predict the vagrancies of wind direction and so on which would effectively sterilize huge areas around the industry.

As a result of those conflicts and problems, we do have a policy which will take a look at relocation under special circumstances. They have to be extremely special. One of the number one things is that the industry itself must be in such dire financial straits that the only way in which relocation can take place is by some form of funding through government. That's one route which has been pursued on occasion, but not in a wide-ranging sense. Generally speaking, it falls back on the industry.

The problem the member cites in Western Co-op Fertilizers, as you know, we have a special arrangement with Western Co-op Fertilizers to bring their plant up to standard. One also has to keep in mind that there's always a negotiating process going on between government, industry and residential. It's like the chicken and egg thing. The industry itself will use this as an argument to perhaps entice government into getting involved in relocation and expenditure. They have their own ways of working the system, the same as any other group of individuals. The pressures in Calgary for residential growth and so on have caused a bending of the rules in a sense, and allowed residential to encroach on Western Co-op.

The question is: who's at fault here? Who should take the responsibility? Who should pick up the costs for relocation and so on? It is a difficult area. I've only cited one way in which we can handle that. The other way is through our own legislation, which minimizes the impact of air, et cetera. We bring both those into force.

The other thing is that when industry locates, generally speaking, they are subject to recommendations by Environment. I say recommendations, because other than that, we have no other legislative power to say you must locate here with so much distance around you to protect and buffer it. We don't have that legislative power. However, I think the planning commissions and the local authority can do it. So our policy has been, when they ask us, based on our expertise and the problems of air and so on, we would recommend a buffer.

Recently, in my own constituency we established a substantial buffer because of that. That way the company itself would acquire that additional land, and they can effectively control it. That is one policy that can be pursued. One has to keep in mind that there is the other side of the argument. I've heard it in my own constituency. We've allowed a company to effectively buffer their plant with this surrounding land and in a sense, we've given an open door to further expansion of the plant. So that's the other side of the argument. It's not an easy one. Perhaps I've given some indication to the member of some of the things we can do to minimize the problem.

MR CHAIRMAN: Mr. Kowalski.

MR KOWALSKI: Thank you very much, Mr. Chairman. I have a specific question to the minister, and it's with respect to a statement, reference number in Public Accounts Volume II, page 10.8. It deals with Vote 7, Interdisciplinary Environmental Research and Services, and specifically with reference No. 7.2.5, where the estimates indicate that Alberta Environment was given

approval to spend upwards of \$244,600 in greenhouses and growth rooms. In that fiscal year, some \$37,488 were expended. My questions have several connotations to them. The first is: I would like an explanation as to what kind of research was undertaken with respect to greenhouses. The second question is: what caused an expenditure level of \$37,000 compared to the estimate of \$244,000? And the third question I have is the general direction Alberta Environment sees the greenhouse industry moving in this province. I have a personal view in this matter, but I'd like the answers to those questions first, Mr. Chairman.

MR COOKSON: Under plant sciences, you'll notice there are a number of votes and reference numbers. I think in all those cases, Mr. Chairman, they refer to our recent development of the environmental research centre in Vegreville. As a result of that, we have projected -- of course this is '79-80 -- and estimated figures with regard to the amount of work we'll be doing in this specific area, plant research. We budgeted that amount for expenditure. As yet, because of the transition out there, and keeping in mind that we are in a sense being allocated responsibility in terms of environmental matters from the different departments -- this happens to be from Agriculture -- there are no greenhouses at the environmental research centre. There is some expenditure with regard to growth chambers. Keeping in mind this is '79-80, just at the time we were transferring, the actual expenditure was \$37,488. That's the present situation. One will see, as the research centre comes more on stream, that we probably may have to go to greenhouses as such. But primarily, that will be for research in the environmental area.

MR CHAIRMAN: A supplementary, Mr. Kowalski?

MR KOWALSKI: Thank you very much, Mr. Chairman. To the Minister of Environment. Would the minister see a direction taken by his department in the future to have, in essence, a decentralized type of research being undertaken throughout the province with respect to greenhouses? I can appreciate and understand the need for research in this particular area. And I can also appreciate the fact that much of it might be centred in the town of Vegreville in the new research facility. But I would very much encourage a number of these research modules to be located in various parts of Alberta.

As we go farther into the decades of this century and as we turn to the next century, I just simply have to believe that greenhouses will be providing an increasing amount of food to the people of Alberta. I think it's horrifying that we continue to import such massive amounts of food from places like California, to supply our people with such things as green, leafy vegetables in the winter time, when we do have one tremendous advantage with relatively cheap natural gas in the province of Alberta. I would very, very much encourage this type of research taking place and continuing, and I'd very much like to see it also occur in areas other than Vegreville, to see what the local potential would be in the area of greenhouses. I would like to know what the minister's reaction to those statements might be.

MR COOKSON: Well, because of my instinctive nature as a private enterpriser, I have very little problem with the suggestion the Member for Barrhead has made. We really are in the early stages of the development. In fact, I've asked my deputy to reassess the total operation of the environmental research centre at Vegreville to highlight and improve efficiencies there. Also, the early statement of the Premier about the centre was that we wanted it to become a

centre of excellence in terms of environmental research -- a centre of excellence not only in Canada, but known throughout North America and perhaps the world. One has to keep those objectives in mind in terms of any kind of decentralization.

While I'm on my feet, I just might add that we do, through our department, transfer substantial amounts of funds to the Research Council of Alberta. In turn, they contract out a large amount of research in the environmental area, not just specifically dealing with, for example, botany and so on, but in a general nature. I will take note of the comment of the member and make sure it follows through the system.

MR CHAIRMAN: Any further questions to the minister? Mr. Batiuk.

MR BATIUK: Mr. Chairman, there's been a lot of controversy over diversion of water here recently. Could the minister tell us whether, if any of the rivers in the north were diverted, there would be many locations where the water would have to go uphill?

MR COOKSON: Well, I think the Premier made a very clear statement in the House about water diversion, Mr. Chairman, although I'm certain the Chairman himself would be glad to hear a little bit more about that, keeping in mind the location he represents. In terms of water going uphill, the Member for Vegreville, in a little serious vein, I think it was indicated at one time that if a low dam were constructed on the Peace River and they had to transfer water, there would have to be a head of 600 feet achieved before we could run it by gravity. But I admit, it is tough to run water uphill.

MR CHAIRMAN: Any further questions to the minister? We don't want to let him get off that easy. There's got to be some more questions to him. I think the hon. Member for Lac La Biche-McMurray was the member who suggested we have the Department of Environment, and I see he's not with us today. Mr. Kowalski.

MR KOWALSKI: Thank you very much, Mr. Chairman. I'll accept your invitation to ask an additional question. It deals with a particular problem the deputy minister of Environment is very much aware of. It's the continuous flooding problems that seem to occur along the Pembina River. I would like to know if there was any attention paid by Alberta Environment, in the fiscal year of the public accounts we're currently looking at, to a long-range solution to the problem along the Pembina River. I have discussed the matter with the deputy minister on several occasions and pointed out to him that as we go down the next decade, the next 10 years at least, I sincerely hope that collectively we'll be able to arrive at some kind of solution that would avoid the frequent types of flooding that seem to occur along the route of that particular river. I recognize that there are some real soil problems, with weak banks and the like, but my specific question would be: is there a continuous look by Alberta Environment at the problems of the Pembina River?

MR COOKSON: I'll have Mr. Solodzuk answer that. He's very familiar with the operation.

MR SOLODZUK: Well, Mr. Chairman, if we look at the period under review, I think the expenditures at that time were mostly focussed on the Paddle River and probably some diking on the Pembina. However, that is for the year ended March 1980. Following the meetings we had in the area, at which of course you

were present and were the Chairman, there's an additional look for flood control on the Pembina River. I just don't have the exact details with me today.

MR CHAIRMAN: Mr. Magee.

MR MAGEE: Mr. Chairman, while my colleague from Barrhead was concerned about flooding, my question to the minister is one dealing with the reverse situation, the drop in the level of water in numerous lakes throughout at least central Alberta. I'm wondering if he has any opinions relative to why this is happening. I refer to Gull Lake and Sylvan Lake as examples. Both happen to be close to where I and also the minister live. He's probably got some opinions on it.

I'm wondering whether the continuous drilling of oil wells, and there's a great proliferation of them in central Alberta, are having any effect. Has the department been able to prove whether there's been any detrimental effect to ground water being diverted into underground water systems because of our continued oil activity? It's something that's been of curiosity to me for some time. And of course, if you own a boat and you take the bottom out of it a couple of times on some rocks, you get even more agitated. So, I'd like some answers, if I could, in that respect.

MR COOKSON: It's a good question, Mr. Chairman. My experience with the lakes, in the short time I've been in the ministry, is they're either up or down. It's as simple as that. We get calls from one area -- the Member for Drayton Valley chuckles about that, but I can think of one in particular in her own constituency. It's either a call from a resident that they're too high, or a call from the residents that they're too low. Or it's a call from the farmers that we're running water through there and causing problems. So, it's a continual problem.

You have two questions. One, first of all, on the impact of the oil industry on the groundwater as such. The Environment Council of Alberta was asked at one time to take a look at this. They did some subsequent investigation, consultant work, et cetera, and concluded that there was not sufficient evidence to indicate that the oil industry had any impact whatsoever on the groundwater situation to require public hearings. I think that's pretty significant, in that the Environment Council of Alberta, generally speaking, leans toward public hearings on issues. But the technical knowledge that the ECA put together indicated that hearings were not necessary. The industry had very little, if any, impact on the groundwater.

The lakes are an ongoing problem, Mr. Chairman. I don't know whether it's an unusual year this last year, the hydrolysis or what ever, but it's a very complex area. For example, Buffalo Lake is in my own constituency. It is thought that it may be draining underground to an area in the area of Halkirk, to give you the underground flows. We have a major branch of the department that monitors and records all well drilling, et cetera, so we have some pretty detailed knowledge now of the groundwater situation. Even then, it tends to baffle us at times.

The Gull Lake area: a classical shallow lake from the ice age, no great inflows or outflows, large surface area, very shallow, and the loss in two or three days can be very substantial on hot days. As you know, as a government, we agreed to pump into that particular lake. We estimated it would take, I think, 15 years to bring it up a foot and a half. But, bringing that lake up a foot and a half brings it up a substantial distance on the beach surface

itself. It's interesting to note, whether by grace or by God, that that particular lake is actually showing an improvement. We have other lakes, Pigeon Lake has been too high. We are cleaning out on it and eventually dropping it back down to normal. It doesn't have any major, really substantial inflows. There just doesn't seem to be any clear cut, single explanation of the combination of events that cause this.

Buck Lake is another one. Our own Sylvan Lake has been high. I think it's low right now, in terms of complaints by residents. But we've found in the department that we're sometimes tampering with God's intent, to put it bluntly, with regard to these lakes. If you look over the history of the whole thing, they do go up and down in terms of cycling and so on. I think all we can do is minimize the impact, and in doing that it substantially reduces the criticism from the public in general. But we can only minimize that.

MR CHAIRMAN: Any further questions to the minister or any of his staff?

Just before we accept the motion to adjourn, I'd like to take the opportunity, on behalf of the committee, to thank the minister and his staff. It must be almost a vote of confidence for the small number of questions we had to your department this morning, Mr. Minister. We do appreciate your coming here and making yourself available, with you help. I'm hopeful that this should be a precedent in the House, that we're speeding up and making up for some of that lost time we had yesterday and the day before.

MRS CRIPPS: On that point, Mr. Chairman, I'd just like to note that the opposition [inaudible].

MR CHAIRMAN: That's right.

MR McCRAE: Mr. Chairman, I don't know whether you plan on having a meeting next week or not, but I would think, having regard to the state of the House right now, it appears we're winding down. We may or may not be in Assembly at that time, but we've had a good committee meeting this fall. We've gone through the auditor's report. I think we've addressed all his concerns fully, and we have an appreciation that if there isn't the departmental or governmental response that he would expect in the coming year, he would make note of that in his next annual report. What I'm saying is: I think we've gone through his report very well. We've gone through all the departments with the exception of one that we had on our list. The one that has not yet come up was one listed by one of the members of the opposition, and I gather he wanted to talk about future programs rather than the '79-80 year. So really, I don't think there's anything more on our agenda.

I would suggest, Mr. Chairman, that we probably don't need a meeting next week. I don't know whether the opposition members -- I'm disappointed they've not made this a priority item this year, but that is their choice. They haven't been here a great deal. I don't think our members particularly want to meet again next week, having regard to the time of year, the type of session we're having, the winding down, the late nights and so on. I think each of the members would appreciate some more time at their desks to catch up on correspondence, constituency calls, and so on. So I would make a motion that we not meet next week.

MR CHAIRMAN: We have a motion on the floor. All in favor?

HON MEMBERS: Agreed.

MR CHAIRMAN: Carried.

I'll accept a motion to adjourn. Mr. Batiuk.

The meeting adjourned at 11:10 a.m.