

Standing Committee on Alberta Heritage Savings Trust Fund Act

Tuesday, August 24, 1982

Chairman: Dr. Reid

11:05 a.m.

MR. CHAIRMAN: Perhaps we can call the committee to order and get on with our business, because we have to be at Treasury, Room 511, at noon. For the benefit of the Member for Calgary Buffalo, who wasn't here yesterday, the visit to Treasury will occur at 12 noon. Lunch will not be served at the Treasury Department. Members will get their own lunch after that visit and before we reconvene at 2 o'clock with the Auditor General. That's all I have in the way of announcements. Perhaps we can go to the Minister of the Environment. I'd like him to introduce the gentlemen with him, and if he has any preliminary statements to make, go ahead before we get to the questions and answers.

MR. SINDLINGER: Mr. Chairman, before you leave the announcements, I'm wondering what the status is on the responses to the questions I presented to the Auditor General. I believe last week we agreed they would be distributed prior to his arrival.

MR. CHAIRMAN: There was some discussion about written answers to the questions. I may have given a misunderstanding that they would be available. I didn't know if they would be for sure, and they are not. I spoke about this at the beginning of yesterday's meeting. The Auditor General will be here at 2 o'clock. He will bring the written information and walk the committee through the written answers and other information he will have with him.

MR. SINDLINGER: Were the written parts of the responses completed yesterday?

MR. CHAIRMAN: No they were not. I made some remarks on the subject at the beginning of yesterday's meetings.

MR. SINDLINGER: Are they completed now?

MR. CHAIRMAN: They will be completed by the time he's here at 2 o'clock. You can ask that of the Auditor General when he's here.

MR. SINDLINGER: I'm just wondering what happened to our agreement last week in regard to having them given to us prior to his appearing. It was noted that his appearance wouldn't be that meaningful if we didn't have his responses to the questions prior to his appearance.

MR. CHAIRMAN: The answers are not available. I haven't got them. I haven't seen them. He's bringing them with him. By my understanding, he preferred to do it that way because it would be more meaningful if he could walk the committee through the answers rather than have another bunch of written questions. I don't want to get into a procedural harangue just now because we have a time schedule at 12 noon. We can do it at 2 p.m., if you prefer that.

MR. SINDLINGER: Oh no, I don't want to get in a procedural harangue either.

MR. CHAIRMAN: I said wrangle.

MR. SINDLINGER: I don't want to leave the impression I'm trying to do that. I just want to know what the status is, inasmuch as we had made an agreement that we would make an effort to get them here prior to his appearance. I just want to know what happened to that.

MR. CHAIRMAN: I'm sorry, but I didn't regard it as being a commitment or an agreement. We can look at the transcripts afterwards. The Member for Bonnyville.

MR. ISLEY: Thank you, Mr. Chairman. Just very briefly on this point, I don't recall an agreement, and I think the committee would have some difficulty reading answers to questions the committee has never seen.

MR. CHAIRMAN: Perhaps we can get into this discussion at 2 p.m. when we have the Auditor General here, because it has to do with his appearance and not that of the Minister of the Environment. Mr. Minister.

MR. COOKSON: Thanks, Mr. Chairman. Perhaps I'll just introduce the members with me. As you know, Walter Solodzuk is the the Deputy Minister, Peter Melnychuk the Assistant Deputy Minister, and Jerry Kolar the Director of Finance. I really haven't anything to say, other than I'm happy to be here to try to answer any questions that may arise on the special projects undertaken through the Heritage Savings Trust Fund under the capital projects division.

MR. CHAIRMAN: Are there any questions to the minister regarding the projects out of the Heritage Savings Trust Fund moneys that come under his jurisdiction? The Member for St. Albert.

MRS. FYFE: Thank you. I'd like to ask a question related to reclamation as it affects various municipalities. I was wondering about the evaluation the minister may have on these programs. I think there's been general support from local levels of government. On the other hand, in some specific areas I think there may be a concern that the programs are moving quickly, before their ability to cope financially with certain aspects of the program. That may not specifically apply to the heritage moneys, but would the minister like to comment?

MR. COOKSON: Mr. Chairman, I could give the members a brief background and the purpose of this particular estimate in the capital fund. Recently we had a request for an extension of four years' expenditure of \$5 million per year in this area. The members might be interested in knowing the procedure we go through in order to proceed in the various areas. Generally speaking, we advertise to all the municipalities and to others across the province. We rely on them to make application for proposals for clean-up. Also, other departments are involved. We get requests from Energy and Natural Resources, Recreation and Parks, and Transportation. Each year proposals come in.

It is a little difficult to project just what will be required by way of reclamation. We primarily have to deal with projects under which there has been no formal agreement as to reclamation by companies and so on down the road. As you know, we have the Land Surface Conservation and Reclamation Act now, which requires deposits and so on for reclamation. The work we are doing by way of reclamation deals with abandoned sewage lagoons, gravel pits, certain road realignments, sanitary landfills, and mine projects that occurred prior to our legislation on deposit by way of cash and so on. Each year we proceed to do this work.

We have an agreement with the local authority. Generally speaking, the agreement requires that projects be tendered by way of reclamation, that the land be in the name of the local authority. In our agreement with them we also request that if the land is sold within a 10-year period, the province should recover their portion of the cost of reclamation. We supervise the reclamation, and it's been a very popular program with the province. We originally anticipated it wouldn't take this long to complete these old abandoned projects. But as I say, we have asked for a further four years at \$5 million per year, which was approved in 1981.

Perhaps the member might like to have some figures on the work done in '81 and '82 specifically. There were 144 reclamation projects completed. Eighty-three of these were on municipally owned land and five on publicly owned land. Fifty-six sites were in the green area. The majority of the projects were the reclamation of 22 sewage lagoons, 25 garbage dumps, and 37 industrial sites. We've published some reports on research and have some new contracts out on reclamation, which is also included in the total estimate.

MR. FJORBOTTEN: Mr. Chairman, my first question would be with respect to the headworks program taking place on the Piegan Reserve. I wonder if the minister would give us an update on where construction on that particular project is at this time. He might also want to add how we are on construction of the main canal that runs from that structure.

MR. COOKSON: I think we're making very good progress, especially with the Lethbridge Northern Irrigation District. Perhaps I can give you a little more detail on the tendering, if you wish. The tender is now out on the weir itself on the Piegan Indian Reserve. We've tendered and are in the process of construction of the channelling on the reserve to the flume. Of course we have also tendered the flume, and it is in the construction phase. Progress is being made around Keho Lake insofar as expansion of the capacity there. However, we've been held up somewhat because of the process of land acquisition. I guess that portions of the canal system from the flume to Keho Lake itself have been tendered. I think it's fair to say, Mr. Chairman, that we're making very good progress in the general area of the northern irrigation district. If the member would like more details on the contracts themselves, I could ask my assistant deputy to give them.

MR. FJORBOTTEN: That would be interesting, but you don't have to provide it today.

My next question is with respect to that. A year ago, when the minister was before the committee, he said that he was going to meet with Nelson Small Legs, look at some dams in the United States, and work towards the final decision on whether a dam would be constructed on the Piegan Reserve or at Three Rivers, or what would be done. When the announcement on the expansion of irrigation in southern Alberta was originally made, a commitment was made towards a dam, but its site was left open. The time line was put that negotiations with the Piegans would take place and, if possible, an agreement would be made to put the dam on the reserve. This is a vital concern to southern Alberta, not only for irrigation but for total water management. A figure came to mind the other day that downstream from Lethbridge, 32 cubic feet a second has sometimes been the minimum flow in the wintertime. With the dam, 137 cubic feet a second would be the minimum, so it would be important to the total water management.

I'd like to know how long you are going to allow the Piegans to come to an agreement on whether the dam site would be on the Piegan Reserve, or if we are actively considering looking at the Three Rivers site. What is our time line to get a dam constructed, because it's vital to southern Alberta?

MR. COOKSON: That's an excellent question, and I recognize the extreme importance to the area the member alludes to. We made a quick flight down to Washington with Chief Nelson Small Legs to look at several dams, in particular one on an Indian reserve, with the intention of assisting the Piegiens in assessment of the potential of a dam on their reserve in Alberta. I've had ongoing discussions with Chief Small Legs, and I think there is some correspondence suggesting that we should be as near as possible to clarifying the issue of where the dam should be located by the summer and fall of 1982. It is a complex area because, as the member knows, we're also dealing with Canada on this issue. It would be a tripartite agreement between Alberta, Canada, and the Piegan people.

I have underlined the importance of the people on the reserve clarifying, first of all, whether they are interested in a dam. My understanding is that the reserve will have two votes. The first vote will essentially give the council the go-ahead on more detailed plans, estimated costs and so on, the pluses and the minuses in terms of an agreement with Alberta. I had hoped that general vote would be taken this fall. I'd have to get a further update on progress, but our own contact person down there, Henry Thiessen, the assistant deputy responsible for land purchasing, is working closely with the Piegiens to resolve that question on the reserve. If it's positive, then of course we can proceed to work out an agreement which, again, will eventually have to be ratified by the council and through Canada.

That second part will likely not take place before sometime, hopefully, in early '83. At the same time, we are still interested in the Three Rivers location. We recognize the problems of delay and are pushing forward as quickly as we can to resolve the very complex issue. We have generally agreed that if land does become available in the area, we would be interested in purchasing it; that is, land in either location that perhaps would be flooded by a potential dam. That offer is still there, but we have not aggressively pursued land purchase. That's essentially where it's at, Mr. Chairman.

MR. FJORDBOTEN: Thank you.

A supplementary, Mr. Chairman. The issue has been raised that if it were built on the Piegan site, some significant number of historic sites -- I can't recall; it's something like 80 -- would be flooded. I have some concern about the time line the minister mentioned last year and that we mention now. If this thing continues to drag on and we have to get agreement, and then we have Culture involved, more studies are done, and the dam doesn't get constructed, I hope consideration would be given to moving quickly on whatever we're going to do.

In addition to that supplementary, on the headworks program, might I ask if any consideration is being given to Willow Creek with the headworks at Chain Lakes, and if consideration is being given to upgrading from the heritage fund with respect to that particular project?

MR. COOKSON: Perhaps I could have Mr. Melnychuk answer that. If there is any consideration of any change in our original announcement, of course it would have to be approved through the regular budgetary process.

MR. MELNYCHUK: I may not fully understand the question. Willow Creek flume, which is a component of the Lethbridge Northern main canal, will be replaced as part of the overall canal rehabilitation. I wasn't clear on the connection with Chain Lakes, Mr. Chairman.

MR. FJORDBOTEN: If I might clarify, Mr. Chairman. The concern is that the flow in Willow Creek in the wintertime is too low. Something has to be done. Just having one type of structure at Chain Lakes isn't adequate. Part of the

upgrading has to be looked at there also. My question was if consideration was being given to heritage funding to do something with respect to that on the headworks program.

MR. MELNYCHUK: It's not part of the present program, Mr. Chairman.

MR. PAHL: Mr. Chairman, I want to compliment the minister and his department on the Capital City Recreation Park. Just from a user point of view, I observe that the way the project was gently laid upon the landscape, it's almost going to require a brush clearing program to hold back the vegetation in parts of the river valley that I use.

I also note that it seems to have the unique distinction of being the only project on Schedule 6 of the capital projects division that has, in effect, made money for that division. I note that that was a result of, I guess, \$40 million of expenditures in this year and a recovery of costs expended in previous years of \$148 million. Mr. Chairman, could the minister tell the committee just what constituted the recovery of costs expended in previous years and what expenditures may be anticipated in years beyond for the Capital City parks project?

MR. COOKSON: It's \$148,000, not \$148 million. Perhaps I could call on the financial administrator to respond to that particular estimate.

MR. KOLAR: The future cost, as far as we know, on . . .

MR. PAHL: I'm sorry. There were two questions. One, what constituted the cost recovery? The second question was: what additional costs are anticipated?

MR. SOLODZUK: Actually I was hoping Mr. Kolar would give me the exact definition of the term. But \$148,000 was set aside for anticipated expenditures dealing with two acquisitions of property. One was Fidelak and the other was Du-Al Blocks. Out of that \$148,000, only \$40,000 was spent. The balance, of course, reverted to the trust fund. So that's the explanation of the \$40,000 and where that money came from.

In terms of future expenditures under the Capital City park agreement, we still have an obligation to pick up some of the lands the city may acquire within the water conservation area. Secondly, the commitment is up to 1985. We have included in our estimates the nominal sum of \$1 million, hoping that it may be spent. It may not be spent. But the agreement was that the city would acquire these lands if and when they become available. There are still a few privately owned properties within the water conservation area that we are obligated to pick up.

MR. PAHL: Thank you. I picked up on the point that that's to 1985. Does that mean that under the present agreement if the properties are not acquired prior to that, they will be lost to the Capital Park unless something else is put into the agreement?

MR. SOLODZUK: I think that when 1985 comes, there will be a renegotiation of what happens beyond that, depending on just how many properties have been picked up. But there was a date to 1985 on that one.

MR. PAHL: Mr. Chairman, my concern is twofold: one, that the lands not be lost to the watershed -- I'm sure they were a rational part of the plan -- and, secondly, that we not put undue pressure on people to feel they have to move out or something. I assume that the purchase agreement would accommodate the

people actually living in those areas. I assume they are living in homes in that area.

MR. SOLODZUK: That was the reason we had this type of arrangement with the city, so there will be no forced taking of lands. They would be picked up as they become available when people want to sell. But I think it is important that the properties within the conservation areas be acquired sometime in the future, whenever that may happen.

MR. PAHL: Thank you, Mr. Chairman.

MR. KESLER: Mr. Chairman, to the minister. I have two questions, the first one dealing with reclamation and cleanup. In the printout in the presentation, X millions of dollars were being invested in reclamation of mine sites, et cetera. Could the minister indicate what share of that reclamation is being handled by the industry itself, and if it's necessary for heritage trust fund dollars to be used for industry cleanup?

MR. COOKSON: In any active coal operations of that nature, basically they become responsible for cleanup on their own under our land reclamation legislation. However, we're dealing now with what we would classify as abandoned sites. One of the big problem areas for our government is the Pincher Creek or Blairmore area where coal slag has been accumulating for many, many years. Of course we are dealing with other sites which were abandoned underground mine operations that subsequently started collapsing. So one has to keep in mind that any of the expenditure coming out of the Heritage Savings Trust Fund for mine reclamation deals with those that have been abandoned for some time and where there's no possible way of recovering from the original companies.

We may work out some kind of agreement in terms of the property itself if it's in the name of some company that still exists. But generally we try to establish an agreement whereby we would recover our total input into that reclamation at such time as there was a change of ownership, or we may attach a time frame.

MR. KESLER: A supplementary. As that reclamation takes place, does the company that may or may not be involved at the time have any jurisdiction over that area of reclamation once it's completed?

MR. COOKSON: Well, if it's on public or Crown land, that's one thing. But if a private company owns that land and we undertake reclamation there, we generally try to work out an agreement with that existing company whereby we can recover the costs. Now that's sometimes easier said than done. A company may say, "I worked under the rules of the province at the time of mining and I don't feel I have any commitment to reclamation; the costs would be beyond the financial capacity of our company at this time", and so on. We try to work out the best arrangement we can with an individual company. The one we're having the biggest problem with is in the Blairmore area. The majority of projects are on lands which were disturbed prior to the passing of effective legislation, which is what we're dealing with.

MR. KESLER: Have any funds been allocated to the reclamation of the open pit mining situation in Carbon County, where some problems seem to be surfacing and there have been problems for some time?

MR. COOKSON: Generally speaking, we rely on elected officials to submit requests and so on, and we process them through the system. Perhaps the

member might be interested in the ones we are working on at the present time: the Bow City strip mine and the Forestburg area, where there are about five different projects going on, one at Sturgeon in Sturgeon MD, Cardiff Echoes, and of course there's one in Taber, the town mine No. 2. Those are the present ones. The first group I gave you are actual mine sites, and then there are five listed as mine hazards: No. 1374 in Three Hills, Big Valley, Bellevue, Kelsey, the Rudy Gerber mine hazard, and one on the MacDonald property in Turner Valley.

MR. KESLER: My second question to the minister is unrelated to the first. It deals with the Premier's recent announcement of the power dam megaproject on the Slave River. Prior to this, a Lesser Slave Lake outlet project had been planned and was being considered. My question to the minister is: what effect would this new megaproject have on the previous program?

MR. COOKSON: They're a long way apart geographically. In terms of power, we're thinking of the Slave River project just announced in the last weeks. That's north of Lake Athabasca on the Slave River, which eventually wanders through the Northwest Territories and on up. The one in the Heritage Savings Trust Fund list is much further down geographically. The Slave River eventually finds its way into Lake Athabasca, but it's not really related to the Slave River project as such. It's on Lesser Slave Lake. It wouldn't have any impact on any Slave River development to the north.

MR. KESLER: A question to the minister. On the announced megaproject, what kind of heritage trust fund dollars would be involved, if any?

MR. COOKSON: As far as I know, there's nothing by way of a commitment. Any commitment would be approved by the Legislature by way of a capital fund request. There's a commitment out of the General Revenue of the province to spend \$40 million, I think, doing a basic engineering study at the present time. Our own department, along with Canada, was responsible for an initial study to indicate the feasibility. Our own department, along with other departments, was involved in a study which we tabled just recently. It was funded from the General Revenue of the department.

MR. KESLER: So at this point no heritage trust fund dollars have been directed toward that project, except for the environmental study?

MR. COOKSON: Not even the . . .

MR. KESLER: Not even the environmental study?

MR. COOKSON: No.

MR. KESLER: Okay.

MR. CHAIRMAN: Are there any more questions for the minister? The Member for Calgary Buffalo.

MR. SINDLINGER: I might ask a supplementary with regard to the last one, and before that make the observation that it's interesting to hear the minister refer to negotiations with Canada as though it were a separate entity and we're not part of it. I'm sure that's not the intention, although it would please my colleague to the right.

With regard to the megaproject, I'm wondering what role your department will have in regard to the \$40 million feasibility study, if any at all.

MR. SOLODZUK: As you know, the study was conducted by a steering committee which I chaired. Of course there is a standing committee on hydro that involves Environment, the Energy Resources Conservation Board, and Utilities and Telephones. The exact role of Environment in this particular project, aside from the mandate to do the feasibility study, is still unknown as far as I'm concerned.

MR. SINDLINGER: At what point would the Department of the Environment approach the Legislature and ask for funds from the heritage fund to assist in this type of project?

MR. COOKSON: This wouldn't necessarily be Environment. It would likely be under Utilities and Telephones. This would come by way of a request for capital funding from the Heritage Savings Trust Fund, I presume, which is the normal way of raising funds for projects of this nature.

MR. SINDLINGER: Perhaps just a final question out of curiosity. Last fall we noted that of the requisitions, if I can call them that, for capital projects under your jurisdiction out of the heritage fund, over the five-year history of the fund the appropriations were less than 50 per cent expended on average. I'm just wondering what the situation is for the current fiscal year.

MR. COOKSON: Calgary Buffalo, I just want to make sure I'm clear on that. You want to know the amounts expended or the amounts lapsed in each of the estimates for the '81-82 year, which is the year we're dealing with?

MR. SINDLINGER: No. That information is given in the annual report. I was asking for the current year, the year that's under way.

MR. COOKSON: I don't know yet. You see, we don't know the years '82-83 for sure. We're only part of the way through the year. It's really pretty difficult to know what will or will not be expended at this stage.

MR. SINDLINGER: You have no idea? You don't have quarterly reconciliations or reports indicating that you're on schedule or that you have a cash flow forecast for the year? How do your expenditures to date match up with your cash flow forecast?

MR. COOKSON: My deputy just suggested that if the member wants to get an update on progress to date, we can give him the most up to date, because there is a quarterly check on that.

MR. SINDLINGER: That would be interesting to see. If you have any cash flow forecasts which go beyond this accounting period, it would be interesting to see those as well.

MR. PAHL: Mr. Chairman, on that point, the period under examination. Isn't that what we have in statement D on page 16?

MR. CHAIRMAN: If I understood the question correctly, it was: could the minister provide a report to June 30, 1982, for the first quarter of the current fiscal year for interest purposes?

MR. SINDLINGER: That's correct. I've also asked if we could see the cash flow forecast for the remaining part of the year.

MR. CHAIRMAN: I don't understand what the member means by a cash flow forecast.

MR. SINDLINGER: I'm sure the minister understands it. Every department sits down at the beginning of the year and says: here are the projects we're going to undertake this year; we'll be required to spend this much money on this date, this much money on this date, and this much money on that date, therefore we will require money on these dates to meet those commitments. It's just like normal budgeting, where we sit down and say that we have so much income over a year and we've got these expenses for food and shelter; each time the first of the month comes up, we'll have to have a cheque to pay for those things.

MR. CHAIRMAN: I'm trying to get the question down for the benefit of the minister and his staff. The appropriations for the Department of the Environment under the capital projects division are listed in the left-hand column on page 16. The second column is the amounts which have been expended, and the lapsed appropriations are in the third column. Does the member want to know what has been expended subsequent to March 31, 1982, up to the end of June, and then what the department is projecting will be spent out of those appropriations up to March 31, 1983? Is that the question?

MR. SINDLINGER: Yes, sir.

MR. CHAIRMAN: Right. Thanks.

MR. COOKSON: If I understand the question correctly, in the fall of '81 we in the Legislature, through capital projects, approved funds to be expended in '82-83. Essentially you're asking for those figures that were established for the '82-83 year, and then an up-to-date quarterly on what has been expended of those figures to this time.

MR. SINDLINGER: Yes, sir. That's what I'm asking for. The reason is that after going through the previous annual reports, we find that on an average over the previous five years, less than half the appropriations were expended. I'm trying to determine what type of prudent planning is being done to ensure that funds that are being requested and appropriated are in fact required.

MR. COOKSON: We'll do the best we can on that.

MR. PAHL: Mr. Chairman, on a point of order. I think the question is entirely legitimate if we look at statement D and ask why those appropriations lapsed. We're really not doing a review of the future. With respect to my committee colleague, I think the question could be addressed by asking the question with respect to the lapsed appropriation of the past year. Surely there's a reason you leave a certain amount of funds on the table with respect to headworks improvement, land reclamation, or whatever. I think that's a much more productive exercise and is appropriate to our mandate, rather than trying to do this into the future. That's the role for the committee next year.

Our mandate is to look at the period under review, which is the year ended March 31, 1982, and I would certainly support my colleague in terms of looking at past history. But I hesitate to think that the committee should be asking the minister to go beyond and reach into the future when a lot of this construction work is seasonal. If someone doesn't want to sell when you want to buy, obviously, as we heard in terms of Capital City Park, you can't spend the money. So I would feel much more comfortable, Mr. Chairman, if we would

deal with the period under review by a mandate of this committee rather than the future.

MR. SINDLINGER: On the point of order, Mr. Chairman. I'm quite comfortable with whatever is convenient for the minister and his department to provide in regard to this matter. It's not a very critical matter, but there's an important principle here, and that's with regard to asking questions about things in the future that have not yet occurred.

I think back to the Kananaskis project, which was originally presented to this Legislative Assembly as a \$40 million project and is now in the range of \$300 million. The issue is the commitment the Legislative Assembly is being asked to make in regard to the future. I don't think it would have been responsible for the committee at the time to say, well, we'll just deal with the subject area of the \$40 million and not the additional \$260 million. In the three years I've been on this committee we've never been restricted to just asking questions about the past, because sometimes the past really is irrelevant. It's what comes after. Certainly the significant part of the Kananaskis project was that which came after, or what was about to happen in the future: the \$260 million compared to the \$40 million.

So in regard to this particular request, whatever the minister is comfortable with satisfies me. With regard to the principle, I don't believe the committee should be restricted in any way in asking questions about the Heritage Savings Trust Fund.

MR. PAHL: Mr. Chairman, I detect that as being a slightly different tack from the tenor of the question asked, and fair comment. If the member is asking for the estimated final cost of the six projects under the responsibility of the Minister of the Environment, that's a fair question. I believe I asked that question with respect to Capital City Park. So really all we have to do to fulfil that question is simply do the same thing down the list. I think that's entirely in keeping with the tenor of the committee to this point. However, to ask the minister -- and I can't quote directly, but I'm sure Hansard will show that the question was asked -- to [give] cash flow requirements, dollars expended to date . . . That's quite a detailed analysis and hardly productive when you're looking into the future and, in the main, dealing with what I understand to be seasonally determined projects.

MR. CHAIRMAN: Perhaps to get this discussion under control, would it be satisfactory to the committee if I look at the transcripts of Hansard on this discussion, discuss it with the minister, and we will provide appropriate information in written form in due course?

MR. SINDLINGER: Mr. Chairman, I wonder why we couldn't settle this right now. The question as you summarized it was quite acceptable to me. From the nods I was getting from the other side, it appeared that it was acceptable to them. I always felt this conversation was under control, Mr. Chairman. You seldom let it get out of control. So I don't see what the issue is. If something has to be decided, I would prefer it were decided in the open by the committee, rather than somewhere else where we don't have access to the basis for it. If you would summarize the issue at hand, as you so often successfully and succinctly do, perhaps the committee could then decide on it without it going outside.

MR. CHAIRMAN: Perhaps we could look at the transcript. I'm quite happy that we are entitled to look into what could be called "lapsed appropriations", because they are listed in the report. Now some of those lapsed appropriations may well be for funds it is the intention of the department to

spend in the present fiscal year. Let's keep the language straight. I can accept that anything relating to those lapsed appropriations is a valid concern of the committee. I can discuss it with the minister, and we can provide the information in written form rather than have the minister and his people try to do it on an *ad hoc* basis right now. From the amount of paper being shuffled, I think we're going to be looking at three different documents and may well have to correct them subsequently.

MR. SINDLINGER: Mr. Chairman, I don't mind the approach you're taking, but just for the record, it's not the lapsed appropriations we're really concerned with; it's the projects. Some of the projects are of a continuing nature, and it may be that some of the appropriations are lapsed on an annual basis. To clear up a point, they cannot be carried over into the next term, as I understand from a previous response from the minister. Once they are lapsed, they are turned back into the Heritage Savings Trust Fund.

It's the nature of the project that is at issue here and not really the amount of dollars. That's why the cash flow forecast becomes very cogent to this discussion. From the responses we get from the minister, even though it may in fact be a detailed analysis, I would disagree that it would hardly be productive. I think it would be productive in demonstrating that the department now has a handle on these projects, and their appropriations are in fact reasonable appropriations. It might have been said in the past that whereas at least 50 per cent of them lapsed on an average, they were unreasonable. I'd like it to be demonstrated otherwise.

MR. PAHL: Well, Mr. Chairman, I guess I would like to have an opportunity to question not what's reasonable in the future but what's reasonable in the past in terms of . . . As I understand the member's concern, the issue seems to be: is it reasonable that certain appropriated amounts have lapsed in the past accounting period? That same question will be asked next year with respect to the current year. So I guess it's a matter of whether you ask the question and make the judgment on expenditures with facts or with projections.

Mr. Chairman, I think the hon. member is really not talking about a cash flow, because cash flow relates to income and income is not an issue with respect to the department's stewardship of these funds. It's a matter of expenditure flows and expenditure requirements. So in terms of the precision of the language, we're a little off there.

But I think really the question has relevance in terms of the lapsed appropriation. We can't make judgments about lapsed appropriations in the future year until the year has expired. I think we could examine the question, if he wants, with respect to statement D and be within the mandate of the committee. Obviously the department has made a projection with respect to its requirements for funds. That legislative appropriation was made last fall. I think it would be entirely appropriate for the department to come back and show us those. I don't think that will be particularly productive. So let's deal with the period we're supposed to deal with.

MR. CHAIRMAN: Let's deal with the period of 30 seconds. We're due at the Treasury Department as of now, so I'm going to have to adjourn this meeting. We'll reconvene at the Treasury Department. We'll have to come back here with the minister in due course. We have no alternative because of the appointment.

MR. SINDLINGER: I don't want to bring the minister back for this trivial matter -- well, not really that significant a matter -- so . . .

MR. CHAIRMAN: We have no option. We have an arrangement with the Treasury Department which has been made for some time. I have to adjourn right now.

MR. KESLER: I have a question for him. He can come back and answer it.

MR. CHAIRMAN: If the committee can agree that we don't have to have the minister here to continue the discussion about what we're going to ask the minister [inaudible].

MR. KESLER: I have a couple of questions I'd like to ask him.

MR. CHAIRMAN: Then the minister will have to come back.

The meeting adjourned at 12 noon