

2:05 p.m.

Thursday, October 11, 1990

[Chairman: Mr. Ady]

MR. CHAIRMAN: I'd like to call the meeting to order and welcome the Minister of the Environment, the Hon. Ralph Klein, and his government officials who appear before the committee. We appreciate them taking the time to be here, and we look forward to the information that will be forthcoming to the committee.

We're here to review those projects for which the Department of the Environment draws funding from the heritage fund, specifically the irrigation headworks and main irrigation systems and land reclamation. The committee could ask questions on projects that have been funded previously by the fund. However, the Chair would request that the committee hold their questions to projects that are or have been funded by the Alberta Heritage Savings Trust Fund and would request that we don't deviate into far fields of speculation or whatever.

We would invite the minister to introduce his colleagues for the record and welcome them. If he has some opening remarks for the committee, we would welcome those, and then we'll move to questions.

MR. KLEIN: Thank you, Mr. Chairman. To begin with I would like to introduce on my far left, John Campbell; next to me, Bill Simon; and my deputy minister, Vance MacNichol, to my right.

Before I begin, I have some maps here similar to those that were distributed last year, but they're updated maps now showing the various irrigation projects and their progress status.

Mr. Chairman, I welcome the opportunity to participate with this committee again as Minister of the Environment. My department is responsible for two important programs; namely, the irrigation headworks and main irrigation systems improvement program and the land reclamation program.

The irrigation headworks and main irrigation systems improvement program not only provides water for irrigation but also provides for a wide range of multipurpose uses such as domestic water supply for area residents, municipal and industrial water needs, water-based recreational facilities, and wildlife enhancement. In short, it is the lifeline of the southern Alberta economy. The primary objective of this program is to ensure adequately sized, efficient, and reliable water supply delivery systems to all 13 irrigation districts and to the Berry Creek region in the special areas. This is to meet existing and expanded demands for irrigation and other water users. Major emphasis was placed on modernizing the existing systems to improve their operational capability and delivery efficiency and on controlling seepage from canals to minimize damage to adjacent farmland and to conserve water.

Mr. Chairman, I would like to reiterate at this time that this program is essentially a program for rehabilitation and upgrading of existing irrigation main conveyance systems. The systems were actually built during the early part of this century, and the headworks systems of some of the districts have been in operation for over 60 years now. Improvement and upgrading of these systems is necessary in order to meet not only present-day demand but also the expanding level of multipurpose water use. After six decades of continuous operation the conveyance structures in the main canals of these systems have deteriorated badly and are in poor condition. The systems' capacities were limited and barely adequate to meet the needs of the districts. Therefore, a major rehabilitation program was urgently required

in order to provide for the uninterrupted operation of these systems for a reasonable length of time.

The program to rehabilitate the headworks system was initiated in 1975 and significantly expanded in scope following the government decision in 1980 to proceed with an integrated water management plan for southern Alberta. This is a 15-year program, ending in the year 1995. Work has been initiated on all components of the program, and by March 31, 1990, approximately 74 percent of the program was complete. The total expenditure on the program to March 31, 1990, was \$433.8 million.

Construction of all internal and off-stream storage reservoirs has been completed. These include the Badger Lake reservoir, in the Bow River Irrigation District; the Crawling Valley reservoir, in the Eastern Irrigation District, which has proven to be a great sports fishing resource; Forty Mile Coulee reservoir, in the St. Mary irrigation district. The people who have set themselves up as the advisory committee are now looking at establishing that facility as a provincial park. It includes also the Keho enlargement reservoir, in the Lethbridge Northern Irrigation District. All these are now operating at full capacity.

The reconstruction of the Lethbridge northern irrigation main canal was completed in 1988. The two projects in special areas - namely, the Deadfish diversion project and Sheerness blow-down canal project - are also complete. The replacement of Pinepound Coulee syphon, a major conveyance structure in the Waterton-St. Mary headworks system, was completed in 1989. In the city of Calgary the first five kilometres of the Western Irrigation District main canal have been completed. I had the opportunity just recently to attend the opening of the Bow Waters Canoe Club, which now uses the completed portion of that canal as a major recreational resource.

Mr. Chairman, now turning to the land reclamation program, I'd like to make a few comments regarding this very, very popular program throughout the province. The government allocated money through the Alberta Heritage Savings Trust Fund to the land reclamation program in 1976-77. The current program was renewed on November 2, 1988, for a five-year period to 1993-94. As members know, the objectives of the program are basically to return lands as closely as possible to their original capability, to carry out reclamation research on industrial disturbances of land to determine methods of minimizing such disturbances, to provide for early certification of reclaimed lands, and to create local employment for many Albertans. In the last while the most common projects are municipality oriented and consist of abandoned landfill sites, sewerage lagoons, water reservoirs, sand and gravel pits, and other nonmunicipal projects, such as mine hazards, which I expect will increase in intensity over the next few years.

To March 31, 1990, a total amount of \$35.4 million has been expended on the program, resulting in almost 1,230 individual projects, mainly small projects, that previously scarred our landscape being restored. Additionally this expenditure has enabled much needed reclamation research to be undertaken, and we are now starting to get some answers as to how to minimize industrial impact on lands and to assist in determining how to reclaim land. During the 1989-90 fiscal year you will note that expenditures totaled \$2.4 million, which enabled us to continue research and complete 68 individual projects across the province, most of which were abandoned landfills.

I'm very encouraged that the program mandate has been extended. I think it's important to note that Alberta's landscape is still scarred by the remains of a wide range of past activities, such as abandoned irrigation ditches, railways, abandoned water

and oil and gas wells, and extensive sand and gravel operations on private lands. We would like to see these cleaned up and reclaimed and turned back to Albertans for recreational uses and as places of beauty.

With that, Mr. Chairman, I would be pleased to entertain any questions committee members may have.

MR. CHAIRMAN: Thank you, Mr. Minister.

The first question from the Member for Edmonton-Centre, followed by the Member for Lloydminster.

2:15

REV. ROBERTS: Thank you, Mr. Chairman. It's good to have the minister with us today through his busy schedule and all that's going on.

I would like to pose my initial question to the minister because of the land reclamation program and the precedent that has been set by the government to use moneys from the fund to assist municipalities in environmentally safe programs; in this case, land reclamation after certain waste management efforts. My question, of course, is to the minister, given the recent letter by the deputy minister to the board of health here in Edmonton and the dumping of the Aurum site as the landfill for Edmonton and region. I'm wondering if the minister could outline for us if he sees any change in policy direction, of moving in a sense away from land reclamation efforts to needing some trust fund moneys now and in the future, ever more urgently, to look at environmentally safe landfill development programs that could be developed on a regional basis, so it's not a matter of cleaning up the mess once it's finished but of using the investments and the assets of the fund to ensure that there's not such a big mess in the final analysis; in other words, assist the municipalities in finding better landfill sites that are environmentally safe and sound. Would the minister go with that policy directive with trust fund moneys?

MR. KLEIN: I don't know if we can use trust fund moneys to do that at this particular point, but certainly we have taken a step in that direction. That step has been taken here in the city of Edmonton, notwithstanding the letter that was sent by both the deputy minister and the assistant deputy minister of environmental protection services that reiterated our very, very grave concern with the Aurum site. That's a concern that has been communicated to the city of Edmonton since March 12, 1985. That was the first real communication we had to the then-mayor, Laurence Decore, saying that this was not the right place for a site of this nature and that there were opportunities for a regional solution. The communication that went to the board of health was not much different than the communication that went back in 1985. The same concerns were expressed, and as far as we were concerned, the city was unable to address in a satisfactory manner the deficiencies that we identified.

Notwithstanding that, there was a feeling that there was going to be a problem with the board of health anyway; in other words, the decision was going to be a negative decision. In anticipation of that, some two months ago the Hon. Ray Speaker, Minister of Municipal Affairs, and myself, along with the mayor of Edmonton, sat down to figure out how we could reactivate this idea of a regional system, not a regional dump but a regional, comprehensive waste management system. A further meeting ensued that involved the four . . .

MR. MITCHELL: Is that why you wouldn't bother to do the recycling?

MR. KLEIN: Are you going to let me finish?

MR. CHAIRMAN: Hon. member, please.

MR. KLEIN: Right; we'll get into this after. You've got lots of time, and there's a whole session ahead of us too.

What we managed to do was bring together the reeves of the four counties around Edmonton, all the towns around the city of Edmonton, all the cities around the city of Edmonton, and the city of Edmonton. These municipal leaders went back to their councils and without exception got approval to seek a regional, comprehensive waste management solution. As a result of that meeting and a couple of subsequent meetings with the same people, a committee of officials was formed involving the municipal districts, municipal jurisdictions, and the city of Edmonton and the province of Alberta, under the chairmanship of Archie Grover, who's the Deputy Minister of Municipal Affairs, and the co-chairmanship of Vance MacNichol, my deputy minister, to look at a comprehensive waste management system on a regional basis which involves much more than a dump, which involves the examination of modern forms of waste management, such as . . .

MR. TAYLOR: Recycling.

MR. KLEIN: Recycling is part of it. Nothing has been left out: recycling, mechanical separation, landfill, incineration, composting – all the things that the Member for Edmonton-Meadowlark wants to see. This is the approach we're now taking. So we are involved.

Where the funding's going to come from and so on I think will have to be a recommendation of the officials' committee and then a political consideration – not only the province's political consideration but the political consideration of the municipal jurisdictions involved. I think that through this we're moving in an entirely new direction, but we are understanding that we've got to look at the management of waste in a different way.

MR. CHAIRMAN: Hon. member, before you ask your supplementary, the Chair was distracted when you asked your initial question, and I'm not sure that I would have allowed it because you're just way too far afield from the issue I described at the opening of the meeting. We have to deal with those items that the minister and his department have drawn or are drawing funds for from the Alberta Heritage Savings Trust Fund. It doesn't have to do with reclamation of a site that was never designated as a site, nor does it have anything to do with recycling, because the minister and his department have not drawn funding for recycling. We're stretching it into what might happen in the future, and that has to do with issues that will be brought forward when the minister will come before you in question period, in estimates, or some other forum. It does not have to do with what he has drawn from this fund or is drawing.

MR. MITCHELL: Point of order.

MR. CHAIRMAN: A point of order. I'll hear your point of order.

MR. MITCHELL: If that's the case, then, for example, why would you have allowed this committee to propose and pass recommendation 6 last year, which is "that consideration be given to establishing an interactive world-class Alberta science centre designed to positively impact education"? I mean, that

science centre doesn't exist today, no department has ever drawn funds to do it, and we are recommending that funds from the heritage fund be applied to that. You allowed us to do it, and we should be able to question this fellow and any other minister about what we might want to recommend that we spend money on.

MR. CHAIRMAN: The recommendations coming from the committee are far different than the line of questioning. The recommendations can have anything to do with what they may want to see happen with this fund; that's fair ball. But this is not the forum to discuss every conceivable idea that some member might have to happen with the fund. The Chair's prepared to use some latitude, but let's be reasonable. We now have had a question put, when the Chair was distracted, having to do with reclamation of a site that never was a site nor ever will be, apparently. I just have to ask that you focus your questions more directly on those items for which the department has drawn or is drawing funds from the Alberta Heritage Savings Trust Fund.

You have two supplementaries left, hon. Member for Edmonton-Centre.

REV. ROBERTS: Thank you. That's all right, Mr. Chairman, because these questions have to do with the fund's stated purpose, which is "to strengthen and diversify Alberta's economy," and I want to stay clearly within that frame of reference.

My question had to do with my concern about voting even more dollars through the land reclamation program when in fact, given the minister's statement, we might want to alter that pattern. That is my question to the minister; that was the nub of my initial question. Here we have this land reclamation program before us, and my basic policy question is that given that some people, for instance Jan Reimer, read the letter in 1985 which talked about the difficulties with that site and that there are other people around who don't want to be in the business of just cleaning up landfill sites but want to plan purposefully and co-operatively for comprehensive waste management systems on a regional basis, is it time to wind down these moneys for land reclamation? Has enough gone on? Are there many more projects which need that kind of money? Instead, isn't a greater priority on the need, particularly acute now here in Edmonton, for comprehensive waste management system planning, moneys for studies for different models of how this might proceed not just for the Edmonton region but for others?

MR. KLEIN: I think that is a legitimate question. I think you're actually heading in the right direction.

REV. ROBERTS: All my questions are legitimate.

2:25

MR. KLEIN: Believe it or not, unlike the guy sitting in front of you and a little to the right.

You're absolutely right. I think there's always been an acknowledgement throughout the world, at least in recent times, that we're going to have to pay at one point for past mistakes. You know, we see it in Calgary now, where the creosoting situation occurred 50, 60 years ago. We see it throughout municipalities where there are old dumps, where there weren't the environmental standards imposed many, many years ago. There's a recognition now that we simply can't let these things exist, and therefore they have to be reclaimed. I see, as you do,

that when we clean up these sites and get rid of these sites, coincidental with that we move into new ways of addressing waste management other than just creating more dumps.

To answer your question, hon. member, there are 1,800 sites that have been identified. These include garbage dumps and landfills, industrial sites, roads, coal mines and mine hazards, water reservoirs, sand and gravel pits, sewerage lagoons, and such.

REV. ROBERTS: Just as a point of clarification. Is the minister saying 1,800 sites that still need work?

MR. KLEIN: That's right; yeah. In other words, there was an inventory established some time ago of these old sites, and we've . . . Oh, I'm sorry. The total number of sites is 1,877. We've completed 1,227; left to go are 650.

MR. CHAIRMAN: Final supplementary.

REV. ROBERTS: Thank you.

MR. KLEIN: They're mostly very, very small sites, and none of them individually would take a lot of money to reclaim. But as we're doing that, I would like to, as you suggested, move into this other area. I think it's worth while.

REV. ROBERTS: Thank you. Mr. Chairman, it's not only worth while but part of my intent is to help get the minister off the hook, because given recent events it's becoming even more incumbent upon him and his department to move in this direction. The reason we had the 1,800 sites in the first place was because of a lack of either foresight through trust fund moneys or controls by the Minister of the Environment. So I'm trying to get the minister off the hook now, because a lot of pressure is on him to move in this direction and do so with haste. Also, insofar as my understanding is that he said he would do it . . .

MR. CHAIRMAN: Hon. member, you will move in the direction of your final supplementary though.

REV. ROBERTS: Yes. I'm just saying that given the sort of mess that he's in and having to deal with this situation and his comment that he will do anything possible to move with haste in this direction, would the minister recommend that we put an end to the land reclamation program, say phase it out over the next year or two, and in its place put in, I guess not a landfill development but, say, a comprehensive waste management program for the province?

MR. KLEIN: I've announced just recently. I would have liked to have seen that program start this year, but there are budget considerations. It still is that kind of program: waste minimization and recycling. The documentation has been prepared; the program is there; the funding is still a problem. Perhaps this is one of the things that, as you suggest, we can look at: as this program is phased out and we cure the ills of the past, then we can start to move in this new direction and redirect the funds.

MR. CHAIRMAN: Thank you.

The Member for Lloydminster.

MR. CHERRY: Mr. Chairman, Mr. Minister, and gentlemen with you - all experts in the field of the environment, I'm sure

– my question would be on the headworks. I see that \$37 million was expended under that program this year. I would ask the question: in view of the reclamation on the headworks and the further expansion of irrigation – and also when you expand irrigation, of course, you're looking at agriculture, crops, and as all of you know, I believe you can look over the last 20 years and you'll find that agriculture has suffered – do you believe it's a wise move to continue to irrigate more land, the way it looks to me for agriculture in the future?

MR. KLEIN: I think there has to be a rationalization to the amount of water that can be drawn for irrigation, understanding that we have a commitment to deliver 50 percent of the water that comes off these slopes to the province of Saskatchewan. So that means that in areas where there's a high demand for water, we've got to manage the resource very, very carefully and very properly. This, as you know, resulted some years ago in the South Saskatchewan River basin study, which clearly outlines the problem with respect to sharing the resource and how much more land can feasibly be irrigated without jeopardizing our own water position and still maintain our ability to fulfill our commitment to Saskatchewan. It's very limited. What the report is saying is that there is a very limited amount of land left that can be irrigated. I don't have the figure with me.

The primary purpose of irrigation, of course, is agriculture, but in recent years other uses have been identified. The system has proven to be a very, very stabilizing factor in terms of providing an assured supply of water to municipalities in southern Alberta. It's created brand-new recreational areas in southern Alberta, and I would invite any members who haven't been to southern Alberta to see these very precious resources. I was at Forty Mile reservoir about a month ago – just a fantastic lake about six miles long and, I guess, about a mile wide.

MR. TAYLOR: No trees though.

MR. KLEIN: Well, trees are being planted, and this is being done on a voluntary basis. You should see it. As a matter of fact, I mentioned earlier that there's a committee there now working at having a day-use campground now established and expanded to become a provincial park, and I think it's a good idea if it can be pursued. I think there are in excess of a hundred thousand walleye fingerlings now being reared there to be put into the lake. Now, walleye fishing has never been a major sport in southern Alberta. With the development of these lakes it can be a major sport in southern Alberta, as well as commercial whitefish fishing, not to mention the indigenous fish such as pike and perch. So it's a phenomenal resource. We see the same thing at Keho Lake, and we've seen it for some years at Lake Newell, just south of Brooks: magnificent resources that have provided entirely new recreational areas for southern Alberta.

MR. CHERRY: A supplementary, Mr. Chairman. You certainly gave me the answers to the irrigation. I guess one of the questions that has been asked of me at different times is through irrigation . . . Before I was lucky enough to get this job I always felt that irrigation was a specialty crop. The specialty crops are wheat and barley, et cetera. Since being on this committee, of course, and viewing southern Alberta and the irrigation, I guess I would have to say that it must be an expensive proposition for the agricultural sector in the south to have that irrigation and to be growing those types of crops. Would you think that was a question that should be looked at?

2:35

MR. KLEIN: I'm sorry; could you just . . . I missed just the last part of your question.

MR. CHERRY: I guess what I'm trying to say is that through irrigation – the cost of irrigation and the expense of the crop and the return on the crop – is growing what I call the normal dryland crops versus the speciality crops in irrigation where, for example, with alfalfa you get three crops a year so your return is much higher, really a feasible operation? That would be a question, I guess, that might be better asked of Agriculture than of Environment, so I won't . . .

MR. KLEIN: I think so. I appreciate and I thank you for getting me off the hook. You're absolutely right; it ought to be better asked of Agriculture.

MR. CHAIRMAN: That's the observation of the Chair. I really believe it should be directed to the ministers of Agriculture.

MR. KLEIN: Well, not really, because you're talking about, you know . . . I have very little knowledge about heat units and so on, and this is when you actually get into the districts where the water is applied to the various crops and so on. Our responsibility is to deliver that water to the districts. Once there, then the application, of course, is decided, and that becomes more a problem for Agriculture.

MR. CHERRY: Have I another question, Mr. Chairman?

MR. CHAIRMAN: You have another supplementary.

MR. CHERRY: I want to go to land reclamation, and I want to first of all give your department, sir, credit again for the land reclamation. I think it's certainly been an excellent project, and I can relate out into the constituency I represent that, yes, land reclamation has been done. Basically, it was just started when the project started within the department itself. I also notice that on land reclamation a total of \$35 million has been spent. Has your department any caps on dollars as to . . . Is this the year it will end, or is it an ongoing project?

MR. KLEIN: Well, what we would like to do is to complete the projects that are still out there: \$35,371,000 million to completion, hopefully by the end of 1994. As was mentioned by the hon. Member for Edmonton-Centre, perhaps as this program phases out and we clean up these old abandoned sites, we can start to redirect the money to programs that will ensure that this doesn't happen in the future.

MR. CHAIRMAN: Thank you.

The Member for Edmonton-Meadowlark, followed by the Member for Three Hills.

MR. MITCHELL: Mr. Chairman, when I look at the annual report of the Heritage Savings Trust Fund, the one thing that strikes me perhaps in an almost overwhelming fashion is the fact that there is almost no money being spent by the Heritage Savings Trust Fund on true environmental projects. I say to myself, and I said it last year in this committee to this minister: isn't it interesting that the forestry products division of the department of lands and forests took the initiative, had the wherewithal to come to the Heritage Savings Trust Fund and

ask for money to build the Millar Western pulp mill. Why hasn't this department, with all the creative possibilities required in environmental policy, become an advocate for the use of Heritage Savings Trust Fund money? This committee last year laid the groundwork for that kind of initiative. I refer the minister to recommendations 3 and 5 in our report dated March 1990, in which we . . .

MR. CHAIRMAN: Hon. member, really there is another forum that the recommendations are handled through; there's another process.

MR. MITCHELL: This is accounting. We made a recommendation, and I'm going to ask, Mr. Chairman, what action was taken.

MR. CHAIRMAN: You have a response to that recommendation.

MR. MITCHELL: I want to know what he's done, and I'm asking him right now. I want to know what he has done.

MR. CHAIRMAN: That recommendation is made to cabinet. It goes from this committee to cabinet and from there to the investment division of the Alberta Heritage Savings Trust Fund. Now, when they act or don't act on it, it's their jurisdiction. I would be far more comfortable with the member asking this question of the Premier when he comes before the committee than I am of your asking the minister, because the workings behind the scenes of what the minister may or may not have done in an effort to access funding for whatever project might have been recommended in a recommendation – really, I believe it is beyond the mandate of this committee to request that permission.

MR. MITCHELL: Mr. Chairman, I won't have a chance to talk to this minister about it in this forum after we talk to the Premier. So I want to know now why it's going to have failed, because I'm sure it will have been turned down by the Premier and by cabinet. I'm sure the minister can answer it; I've never seen him at a loss for words. All I want to ask is: what have this minister and his department done to advocate wherever needs to be advocated that recommendations 3 and 5 calling for a multifaceted recycling program funded by the Heritage Savings Trust Fund and calling for an environmental investment division funded by the Heritage Savings Trust Fund – what have they done to advocate that money from this Heritage Savings Trust Fund would be spent on those two recommendations?

MR. CHAIRMAN: I'll defer the minister, if he . . .

MR. KLEIN: First of all, the concept is there; the outline of the program is there. The mechanisms for funding are not there right now, but they certainly are under consideration. This may or may not be one of the mechanisms. It's not being discounted, but we're not saying that that is the way it's going to be. There may be other combinations, other forms, other ways of doing these kinds of things. We have an idea what the dollar figure is – and I'm not about to give it now, nor do I have the authority to give it right now – but we're going to have to be imaginative in the ways in which we gain our money and perhaps look at opportunities for new revenues through comprehensive waste management and recycling. But it's there. Trust me.

MR. MITCHELL: Patience, patience.

MR. KLEIN: On the other hand, I take great exception to the only question he asked that had anything to do with the program. If this member doesn't think that decontamination and the cleaning up of dirty, rotten, old sites – some of which might be in his constituency – is an environmental program, then I would suggest his social values are a lot different than mine. I think that is one of the truest, most meaningful environmental programs that the province has ever undertaken, and for this member to say that none of this money is being used for purely environmental purposes is absolutely nonsense, Mr. Chairman.

MR. MITCHELL: Mr. Chairman, I look . . .

MR. CHAIRMAN: Just a minute. You now move to your supplementary, and I hesitate to call it a supplementary because I don't want a supplementary of your previous question. I'd really like a question more directly involved with what the minister is drawing funds from the Heritage Savings Trust Fund . . .

MR. MITCHELL: Exactly.

MR. CHAIRMAN: Right. Please proceed.

2-45

MR. MITCHELL: Mine isn't. My question, therefore, is this. I look at page 36 of the report, capital projects division, statement of amounts expended, and I'll accord the minister some dues and say okay, land reclamation: great; that's environmental. But I look down this list and I say that there are advocates for a clinical research building, there's an advocate for irrigation systems somewhere because they're getting it, there are obviously advocates for the Capital City Recreation Park, there are advocates for individual line service, there are advocates for occupational health and safety – and I can go on. And then I look at this minister and I say that there's not one thing on this list of amounts expended by the Heritage Savings Trust Fund in the last year that has been advocated newly, freshly, by this minister, despite the fact that there are overwhelming demands for new programs that could be funded by this: recycling programs, a pretty important feature of this comprehensive waste system that he's talking about for the region of Edmonton, the same week that he's just said he's not going to fund recycling for a year and a half minimum, which we've been waiting for for a year now.

So my point is, Mr. Chairman: how is it that we've got advocates who advocate all these expenditures? Where has the Minister of the Environment been for a year and a half in advocating some expenditures for the environment from this fund?

MR. CHAIRMAN: Hon. member, just a moment. Just a moment.

MR. KLEIN: I explained we're in the budget process right now. If the hon. member would just be patient – I know that's very difficult for him; I know it's very, very difficult for him – we're working our way through this. There are processes to be followed, and this may be one of the solutions or a component of the solution. But let us go through the process.

MR. MITCHELL: I've been patient since . . .

MR. CHAIRMAN: Hon. member, we cannot have a dialogue between yourself and the minister. I would like to remind the member that there are other funds in the hands of the government in addition to the Alberta Heritage Savings Trust Fund and that just because there does not appear in this report something to do with some project that interests the member doesn't mean that the minister isn't dealing with it in some other forum. So would the member please come back with his final supplementary with some well-focused question on an expenditure as outlined in this report.

MR. MITCHELL: Mr. Chairman, we know the minister isn't dealing with it in some other forum. He just admitted this week that he can't get the money to do . . .

MR. CHAIRMAN: This is not the forum to . . .

MR. MITCHELL: So I'm saying that this is the forum that's left to him. But okay; I accept your point.

I wonder whether the minister can give us an update or his thoughts simply on whether it would be practical for the Heritage Savings Trust Fund to fund a groundwater inventory program for the province of Alberta.

MR. KLEIN: Again, it might, to augment a program that's already under way to put that kind of inventory in place. I mean, I wouldn't rule it out.

MR. CHAIRMAN: Thank you.

The Member for Three Hills, followed by the Member for Calgary-Mountain View.

MRS. OSTERMAN: Thank you, Mr. Chairman. One can feel like you're in question period as opposed to sitting in committee going over the various expenditures in this most important area.

Mr. Chairman, if I could just make a couple of comments to build upon some things the minister has already said. Members of this committee were treated very royally and also had just an enormous amount of information presented to them – and the chairman was there – in a tour of the irrigation districts. I think that was most important, particularly for members who have very little experience with water management, because it isn't something that is necessarily looked at by all of us across Alberta, although I've got a tiny component of the Western Irrigation District in my area. But I think there was a time – and I now recall it, having made that visit this summer – when my father, who came from Europe many years ago, said to me that the world will sometime soon see that the most important resource that we have is clean water. Obviously clean air as well, but water management will be the thing that continues with us in perpetuity as being absolutely critical. However you look at the siting of various projects, I think that most of us are coming to realize that this is a very important area, and the minister has obviously continued his support for that, because we see it through heritage fund expenditures and, indeed, in comments that come out of his own department.

Mr. Chairman, the Dickson dam – and whatever facets of that, whether there was anything funded down the road from that – is an example of a water management scheme that now sees potable water delivered to a number of communities in the Three Hills constituency, as well as many other communities down from it. These communities would not exist as they are

today if it was not for that dam. Again we get into the balances about the problems that are caused in flooding land and so on, but water is still absolutely a basis for life. So anything the minister can do to encourage the work in his department and all of his colleagues and our committee members, continuing to leave no stone unturned in terms of water management, will pay great dividends into the future.

Building on that, Mr. Chairman, I'd like to ask the minister – I'm trying to keep him away from agricultural questions. Goodness knows, those of us who are involved in agriculture have a hard enough time explaining what might happen in the future and what grain prices and other crop prices are going to be. I wonder if the minister, through the department, has a multiyear plan that is used in terms of making requests that could be funded through the heritage fund by virtue of the programs that are already there in water management, in the irrigation area, and, of course, land reclamation. Is there a multiyear plan that looks at, say, a balance between community use, irrigation use, and so on? Is that type of thing in the making, only to be slowly reeled out, as it were, for committee scrutiny and overall government expenditure scrutiny, however that balance might occur, whether it comes from the heritage fund or whether it comes out of general revenue, so that we can fit all of these pieces together?

MR. KLEIN: There is a plan. That plan is constantly being monitored. It's submitted from time to time to the Water Resources Commission, where it's updated and recommendations are made to the minister. This is communicated to the water users – the irrigating farmers, the municipalities, organizations such as the Fish & Game Association, Trout Unlimited – to define and seek their recommendations and their input also on how the resource can be used wisely and properly.

MRS. OSTERMAN: That as well, Mr. Chairman, just for clarification, would include, then, potential recreation and all of that. All of those components come together: is that my understanding of your response?

MR. KLEIN: The whole concept of irrigation has changed from your father's time, when he first came here, to that of multiuse. That is the premise now for irrigation and water management, especially in southern Alberta, multiple use and how you balance one against the other.

MR. CHAIRMAN: Supplementary question?

MRS. OSTERMAN: Yes, Mr. Chairman, a supplementary, and just one.

Building on that same theme and looking at your land reclamation – and to some degree it touches on a question already raised that the chairman had a bit of a problem with, but I think it is directly related. As you mentioned, there are still 600 and some sites to be reclaimed, and we know that many of the practices which were in place at one time, probably 40 years ago, that caused these sites to be in the condition they are in have now been abandoned. There are obviously very strict rulings with respect to that, but in trying to minimize how much of the heritage fund has to be continually used – because obviously there are always going to be sites somewhere in the province where their use is finished and they in fact must be reclaimed. That being the case, you have described to some degree, for instance, a minimization of waste, a comprehensive policy that will minimize, for instance, garbage dumps. In the

same vein, is there any change to be seen in the future in the sewage lagoon situation? Does the minister feel comfortable with the cost of reclamation of sewage lagoons, and will we be continuing in that same vein in terms of handling the liquid waste, if you would, in the future?

2:55

MR. KLEIN: Well, certainly . . . We've done 10 sewage lagoons this year. These were old and in some cases not even primary treatment lagoons; they were simply gathering ponds. There are very few of these left. I can think of one, and that's probably in Derwent. Do you know where Derwent is? No? Anyway, Derwent is north and west of Lloydminster, and I went up to have a look at it. It's simply a discharge into a slough, where there's a notion that - well, this is really enhancing the duck population. Nonetheless, it's a community caught in a very, very special circumstance.

So with respect to sewage lagoons, I think we've cleaned most of them up. The requirements now for a village, a town, or a city are much more severe, much more strict than they were years and years ago, and the facilities that are being built now are being built to last. They're being built in such a way that they can be expanded upon, where you can go from a primary treatment system to a secondary treatment system to a tertiary treatment system. So because of new standards I don't think we're going to face the problems in the future that we have faced in the past with respect to sewage lagoons. But there are very few of those left to be cleaned up.

MRS. OSTERMAN: Mr. Chairman, just a point of clarification. I also mentioned if the minister was satisfied in terms of the cost, that it is an economic and appropriate thing to do for this kind of reclamation. I don't know whether the minister had those figures there in terms of the cost of the 10 lagoons.

MR. KLEIN: Yeah; \$4.2 million it has cost to clean up those lagoons.

MR. CHAIRMAN: The Member for Calgary-Mountain View, followed by the Member for Ponoka-Rimbey.

MR. HAWKESWORTH: Thank you, Mr. Chairman, and welcome to the minister. It's been a few years since I was last in the position of asking questions of Ralph Klein - a different place, a different forum - but I'm pleased to have him here this afternoon to have a discussion on his department's involvement in the trust fund.

Mr. Chairman, I've noticed that in recent years in the private sector we've seen a modest growth in mutual funds that use a variety of screens for making investments to meet social or environmental objectives, in some cases an environmental screen to ensure that companies that are invested in are environmentally friendly. That's one of the screens or tests that is sometimes used in some mutual funds in the private sector. So it kind of prompted me to look at the investments that are being made by the trust fund and, sort of along the same lines, to see if any mechanism might exist in the review process, in reviewing potential investments that the fund might make and the financial assets portion of the fund to ensure that they're environmentally friendly.

I see, for example, that this past year \$40 million of shares were purchased in Alberta Energy Company under the Alberta investment division. I see that close to \$4 million was invested last year in OSLO; some money was invested in Nova Corpora-

tion. I was just wondering whether any screening might exist to ensure, for example, that environmental impact assessments are completed; in the case of OSLO, a commitment that an environmental impact assessment would be done by that project, or in the case of Alberta Energy Company, if they have some major projects underway, that environmental impact assessments might have been done by them. I'm just wondering whether any such mechanism might exist in the review process of those sorts of investments.

MR. KLEIN: You're talking about the potential future use of Heritage Savings Trust Fund money. I really can't see a situation, unless it's a government initiated project, where the proponent wouldn't pay for the environmental impact assessment. In other words, for OSLO, certainly the proponents of the project would be expected to pay for the project.

MR. HAWKESWORTH: Okay. I have a feeling my question maybe was not made very clear then, Mr. Chairman. In reviewing whether to make an investment into a project - let's say OSLO - not whether the trust fund would pay for the environmental impact assessment itself but as a condition of investing in that project or in that company with heritage trust fund moneys, is there any mechanism in the screening process that would insist or require that an environmental impact assessment be done by that company or by that project as a condition of the investment being made or prior to the investment being made or something like that?

MR. KLEIN: What you're saying - or at least I think I get the meaning of what you're saying - is that . . .

MR. CHAIRMAN: That's stretching it pretty far on your question to the minister. Could you refocus your question? I really don't want to rule you out without a question, but if I understand it, your question asked if it was a condition of the department that they would not invest in a project unless there was an environmental impact assessment as a component. I just really can't see how we can quite reach to an expenditure, past or present, in the report that we're dealing with here.

MR. HAWKESWORTH: Mr. Chairman, I'm not trying to be difficult. I'm looking at the Alberta investment division investments, so these are investments, as an example, being made in Alberta. As I itemized in my preamble, some of them have been within the past year, and so I'm just wondering . . . No one has ever tabled for the committee what conditions or policies drive the decisions made on various investments, if there's any kind of screening done, if there are any criteria in particular that any of these have to meet. I don't know whether such a mechanism exists, and if such a mechanism doesn't exist, that's fine. I'd like to go on to my next question, if that's the answer.

MR. CHAIRMAN: Let me just give you some clarification on that. We have certain members who come before the committee when we allow a pretty broad spectrum of questions, those being the Treasurer, the Auditor General, and the Premier. But when it comes to ministers, who have a direct responsibility and a very focused responsibility, then in fairness the questions should be better focused to their department. The Chair would be more comfortable if you would follow those guidelines a little closer.

MR. HAWKESWORTH: Well, Mr. Chairman, again, I'm not trying to be difficult, but in terms of any sort of environmental

review of commercial investments made by the trust fund, it would seem to me that the cabinet or the investment committee would look to the Minister of the Environment for advice or that his department would be involved perhaps in a potential review. I don't know what review is undertaken for any of these investments prior to the investment committee making those investments, so I just thought it would be within the competence of the Minister of the Environment to tell us whether any such screening mechanism exists, and if it doesn't exist, that's okay. At least I'd have an answer, and I could go on to another supplementary in regards to that. If a mechanism does exist, great; I'd be happy to know that too, or even if they're looking at creating such a mechanism. But it's within the Department of the Environment, it would seem to me, in investment committee decision-making to address such a mechanism if it existed, and that's why I'm just asking the Minister of the Environment.

3:05

MR. DOYLE: A point of order, Mr. Chairman. Can we have order back here?

MR. CHAIRMAN: Point of order . . .

I'm sorry; the Chair was distracted. Some of the members are complaining of being distracted by other members, so perhaps we could show some consideration on that.

MRS. OSTERMAN: Mr. Chairman, I don't know whether it's a point of order, but I have a question in terms of relevance. I think it's really important to question all the environmental issues that may be relevant that come before us as a result of heritage fund investment, and I would agree with the hon. member who's raising it to that extent, but he is asking a question that appropriately has to be asked to many ministers. If we're investing in hopper cars, there isn't going to be an environmental issue. How can a minister make a sweeping statement that there is or is not an environmental review? I think it's inappropriate for this minister to answer that question. He can only answer questions where there is an environmental concern, and I'm concerned that the question may be addressed and expectation put that this minister answers it.

MR. CHAIRMAN: The Chair has asked the member to focus his questions more directly to the responsibility of the minister. If you would, please.

MR. HAWKESWORTH: Mr. Chairman, I'm just asking whether any mechanism exists in the review of potential investments to determine how that investment chalks up against some environmental criteria that might have been established. If such a mechanism doesn't exist, fine; I'll go on to the next question. But I'm looking at how environmentally conscious the decision-making is in regards to the entire trust fund, because this is a trust fund on behalf of the people of Alberta, who have a great deal of concern about the environment. I think it's a perfectly valid policy question to ask whether those considerations play any role at all in making individual investment decisions of the fund.

MR. CHAIRMAN: Hon. member, your question may be valid, but I believe you have to ask it of someone who has overall jurisdiction of government policy. Primarily, the Premier would be appropriate, because that would become a policy of the government. The question that you're asking - it would

necessarily have to be a policy of the government that they would not make an investment in any project unless there were an environmental impact assessment, and that's your question. Now, it can be a policy of the Department of the Environment to their heart's content, but the government would necessarily have to make that decision as a policy.

MR. HAWKESWORTH: Mr. Chairman, I'm not trying to be difficult, as I said, but when it comes to the government's environmental policies, I would naturally look to the Environment minister to be the spokesman for the government's environmental policies, and if you're telling me that he isn't, then I'm at a loss. I mean, yesterday the Provincial Treasurer was here. There were some members wanting to get in who didn't even get the opportunity to talk to the Provincial Treasurer, so the same may happen with the Premier, and we may not get any . . .

MR. CHAIRMAN: Hon. member, just a minute. The minister has agreed to try to deal with your question so that we can move on with the business of the committee. But, please, with your final supplementary, focus your question.

MR. KLEIN: As we move into this whole area and get a better understanding of sustainable development, in the future and even now the environmental weight is a very, very important factor in determining the complete or overall economic viability of a project. Yes, there would be a tremendous amount. You mentioned some projects like OSLO, and perhaps there might be others down the road. There would be very, very significant input from the Department of the Environment relative to the economic viability of that project based on its ability to perform in an environmentally safe manner. In other words, what I'm saying is that it wouldn't be very reasonable to fund out of this fund or any other or participate in a project that could be denied its licence three years down the road because it's an environmentally unsafe project or it's not capable of fulfilling its environmental obligations.

MR. HAWKESWORTH: Mr. Chairman, the Alberta Heritage Savings Trust Fund through the commercial investment division is a shareholder in a large number of Canadian companies, some of them in the area of mining, others in the area of paper and forest products. The Provincial Treasurer gave us a list yesterday, and they include things like Abitibi-Price, Canadian Forest Products, and Denison Mines. Inco, for example, in Sudbury is another blue-chip stock in which the Heritage Savings Trust Fund is a shareholder. Is there any policy within the power that's provided to a shareholder in any company that would mean the Heritage Savings Trust Fund would have some of those shareholders' rights by which the fund would try to influence management in any individual company to perhaps encourage them to adopt more environmentally sensitive policies or practices, or is there any policy within the fund to divest themselves of certain kinds of companies and redirect that investment into more environmentally friendly companies? Is there any kind of policy to look at that investment division?

MR. CHAIRMAN: Hon. member, you're really asking the minister to make a decision to change things that are even out of our country potentially. This is far, far afield. You're asking him to boycott, or if he does boycott, investments in companies that might be in the United States or Europe or whatever. Please, hon. member, let's deal with the realities of this report.

MR. HAWKESWORTH: Well, Mr. Chairman, we're owners of these companies by virtue of the investment in the Heritage Savings Trust Fund within these companies. I'm just wondering whether there's any environmental emphasis in deciding whether to put money into this company or that company or whether it has no bearing whatsoever on any decision-making to invest in this company or that company.

MR. KLEIN: Well, with all due respect, Mr. Chairman, you know, I think we're moving far afield, but there is such a thing in this world as common sense. You look at a company and you say . . . [interjections] Well, you should laugh because you know the least about common sense of anyone in this room.

Really, in this day and age it's dictated by public will, by political will that environmental concerns in the spirit of sustainable development have to be given at least equal weight to the economic concerns. In other words, you simply wouldn't invest - you don't have to have a written policy - in a company that is not going to be environmentally responsible, because there is no assurance that that company is going to get a permit down the road.

3:15

We know, for instance, that if OSLO goes ahead, that project will be subjected to a very complete environmental impact assessment. As a matter of fact, we have already announced that there will be, perhaps under the auspices of the NRCB when that legislation is enacted but certainly with the involvement of the federal government and the government of the Northwest Territories, full public hearings and so on. If it's shown that this project can't proceed in an environmentally safe manner, then I think we would have to take a very, very good hard look at our investment in that project, and so would all the other investors.

MR. CHAIRMAN: Just as a point of clarification . . . [interjections]. Just a moment. Order please.

Just as a point of clarification, I'm sure that in the minister's response he's referring to projects he would recommend from his department where the government is an active participant and investor as opposed to a passive investor which we might find in the marketable securities division of the fund. Thank you.

The Member for Ponoka-Rimbey, followed by the Member for Westlock-Sturgeon.

MR. JONSON: Yes, Mr. Chairman. On the matters before the committee, I'd like to ask with respect to the reclamation program and, specifically, with respect to Syncrude. Perhaps given the answer to the question, I may not have supplementaries, but is the Syncrude site one of the sites covered by this program or by agreement with the Department of the Environment?

MR. KLEIN: No, this wouldn't be one of the sites. Syncrude would be a contributor to a reclamation fund to ensure - and this is all done through agreement - that lands are reclaimed in accordance with a policy and regulations that have been set down by the department. No, this wouldn't cover projects like Syncrude. It wouldn't cover any resource development project, as a matter of fact. Oil companies, whether they're in the production of synthetic crude or conventional oil and so on, are responsible to the department to reclaim their properties.

MR. JONSON: Okay.

I do have a supplementary, Mr. Chairman. All right, that's not covered under these particular investments. What is the record of compliance or record of co-operation on the part of local governments with respect to this program of reclaiming gravel pits, landfill sites, and so forth? Is there any difficulty in getting the co-operation of local governments?

MR. KLEIN: No. Most local governments are delighted to enter into a program of this nature. I think a good example, if you ever have the opportunity, is to take a stroll through the river valley in Red Deer, where there are a number of reclaimed gravel pits and so on that have gone from very, very ugly spaces to, really, things of beauty. When you know you can get that kind of help to enhance an area the way the Red Deer River valley has been enhanced, I think it's not hard to get very enthusiastic municipal participation.

MR. JONSON: Okay.

MR. CHAIRMAN: Thank you.

The Member for Westlock-Sturgeon, followed by the Member for Lacombe.

MR. TAYLOR: Thank you, Mr. Chairman.

AN HON. MEMBER: Get ready, Ralph.

MR. TAYLOR: It's an easy one: the notice on the responsibility for headworks and budgeting and so on. My assumption of headworks is getting the water from the river to the canal system. In view of the fact that court cases are now imminent about whether the Peigans will own or not own the river bottom between the headworks of the LID or the weir and the dam, has the minister any alternate plans or are there any headworks plans if the water has to be delivered around the Peigan Reserve rather than allowing the surplus water from the Oldman to run through the reserve to the headworks? In other words, if you have to put another set of headworks in, what will it cost us?

MR. KLEIN: Well, there are options, yes, because there is an obligation to provide water to, I think, somewhere near a thousand users plus municipalities and so on in the LNID. We hope that we can establish first off - and I say this in all honesty - a long-term, lasting relationship with the Peigans that will honour for all time the agreement that was put in place in 1981 whereby the province paid the Peigans \$4 million plus \$350,000 a year, escalating, for free and unrestricted access to the weir. Unfortunately, we saw what happened with the Lonefighters situation. That has settled down somewhat, and hopefully we can get back to talking to the chief and council and so on about the fulfillment of that commitment.

There is always the possibility, of course, that something like this might happen again - we hope it doesn't - and therefore options have been put in place. All I can tell you, hon. member, is that the options are very, very expensive. It doesn't involve just one. There are two or three. I just don't have them here. Certainly there is pumping, there is putting a canal around, there's pipelining, but all these things are very, very expensive.

MR. TAYLOR: Would it be a hundred million, a hundred and fifty million?

MR. CHAIRMAN: The minister doesn't have the number.

MR. TAYLOR: Mr. Chairman, he said "very expensive." To a member of this government, very expensive is a hell of a lot more than it would be maybe to you or me, and I just wanted to know what it was. I wanted to put a quantity on it.

MR. KLEIN: Well, hon. member, you know, when you're talking about digging a ditch around, I think you personally have enough engineering experience and knowledge and so on to know that you're talking about a major pipeline. Then you can have an idea . . .

MR. TAYLOR: Oh, I'm happy with your answer. He was the one that butted in. I'm sorry, Mr. Chairman. Can I go on to the second question? I'm happy.

MR. CHAIRMAN: Your supplementary.

MR. TAYLOR: The other is the question of land reclamation. I'm a little bit bothered here. In the report it states that surface disturbances are the result of man-made activities. Work under this project has focused primarily on restoring abandoned garbage dumps, sewage lagoons, gravel pits and mine sites throughout Alberta.

But you do argue that you have a responsibility to restore land which has been disturbed as a result of man-made activities. The department, to their credit too, Mr. Chairman, has also set up as a backgrounder a committee - I believe it's under the Member for Cypress-Redcliff - on wetlands. Is it the preservation of wetlands? They set up a committee just recently. I think it was under the Member for Cypress-Redcliff. There's a committee out there anyhow looking at the preservation of wetlands.

MR. KLEIN: Could be the Water Resources Commission.

MR. PAYNE: That's right; Hyland is chairing it.

MR. CHAIRMAN: Hon. member, I believe the committee you're searching for is one that is chaired by Al Hyland, the Member for Cypress-Redcliff. However, search as I might, I can't find a reference to that committee in this report.

MR. TAYLOR: This is why I'm bringing it up. It's on page 23, halfway down the right-hand column. It says that the responsibility is for surface disturbances as a result of man-made activities. One of the man-made activities that's been most prominent in the last 50 years has been the drainage of our wetlands. We have a committee talking about the restoration of wetlands, so I was just wondering whether the Minister of the Environment in his land reclamation budget will be taking on the restoration of wetlands, which is getting rid of man-made disturbances. In other words, besides your garbage dumps and sewage lagoons and gravel pits, how about the restoration of wetlands?

3:25

MR. MOORE: We don't want to infringe on Ducks Unlimited.

MR. TAYLOR: This guy keeps mumbling away. We'll have to give him the mike so we can all hear him. All I hear is a distant rumbling, like thunder.

MR. CHAIRMAN: For clarification, are you . . .

MR. KLEIN: I can't speak for another department, but I understand there is a very, very extensive program in conjunction with Ducks Unlimited and Forestry, Lands and Wildlife to do precisely this kind of thing.

MR. TAYLOR: But what we have here, Mr. Chairman . . .

MR. CHAIRMAN: Is this for clarification, or is this a supplementary?

MR. TAYLOR: What I'm trying to find out, Mr. Chairman, is if what we have is a minister in charge of reclaiming land and then another department called Agriculture going around screwing it up and ruining it by draining it. After Agriculture has buggered it up, does he have the responsibility of reclaiming it?

MR. KLEIN: You know, even the hon. member knows that the Department of Agriculture doesn't go out and buy itself a backhoe and travel around the country digging drainage ditches. Farmers do that.

MR. TAYLOR: It does. No, it does that.

MR. KLEIN: Farmers do that.

MR. TAYLOR: The Department of Agriculture does that.

MR. CHAIRMAN: Order, hon. member.

MR. KLEIN: People who are irresponsible and have no concern for their neighbours are the people who do it. We put in regulations and try and catch the bad guys to stop them from doing it.

AN HON. MEMBER: The farmers are bad guys.

MR. KLEIN: No. We're talking about the 1 percent or maybe less than 1 percent who have no concern for their neighbours and the impact. Those are the people who do it.

MR. TAYLOR: How can you as a cabinet minister . . .

MR. CHAIRMAN: Hon. member, are you dealing with an initial supplementary?

MR. TAYLOR: I've got one other question, and I'm just . . .

MR. CHAIRMAN: Please ask it.

MR. TAYLOR: I'm just saying: how can this minister say that when his department wants to put a road through Lily Lake? If anybody's trying to screw the environment, it's him. They vote to shut down a game farm so they can put a road through a lake, and then he runs around, clothes himself in white, and makes holy sounds about filling in dumps.

MR. KLEIN: This department has never said that we want to put a road through Lily Lake. This department says that that project will be the subject of an environmental impact assessment.

MR. TAYLOR: You voted to shut down the game farm.

MR. CHAIRMAN: Hon. Member for Westlock-Sturgeon, you asked the question and he answered it.

MR. TAYLOR: All right. I got the answers I wanted so far, not that I liked them.

The other one is: it was reported in the press the other day that there are 1,200 orphaned wells. This tags onto the Member for Ponoka-Rimbey's question, which was a good one: the interface between the oil industry and this department on reclaiming land. An orphaned well is a well that nobody can find the owner of, which is quite common. If you're a small company and a well costs \$15,000 to abandon and you've got \$5,000 in the bank, you take a powder. I think the chairman is familiar with that too. So there are 1,200 of those orphaned wells out there. Nobody wants them. Now, is the Minister of the Environment in his cleanup scale going to do anything about that? What plans are in place for that?

MR. KLEIN: You know, it's amazing what you find when you look hard enough and these things are brought to your attention. A task force has been set up in conjunction with Environment and the ERCB to get a handle as to how we're going to address this situation. Perhaps it will be an extension of the HELP program, Help End Landfill Pollution, which is a general fund program that has identified polluted orphaned sites that haven't necessarily been the result of oil well activity. There are a number of solutions that could be found, and perhaps the extension of that program could be one of them.

MR. CHAIRMAN: Thank you.

Member for Lacombe, followed by the Member for Calgary-Fish Creek.

MR. MOORE: Thanks, Mr. Chairman. To the minister on the reclamation program. First of all, I was totally amazed to see that the socialists want it phased out and the money used somewhere else, because that's a very, very important program, one that has been well received right across the province.

AN HON. MEMBER: What are you referring to?

MR. MOORE: I could draw you a picture.

MR. CHAIRMAN: Please proceed, hon. member.

MR. MOORE: In the previous discussions the minister said that as the reclamation program is phased out, we'll move into these other areas. Just prior to that they said there were 1,800 or 2,800 sites identified right across the province. Does he mean there is a move to phase it out before those sites are cleared up, after they've been reclaimed then that money will be allocated to some other move?

MR. KLEIN: We would like to see this program to its completion in 1994. There are something like 600 sites that have been identified that have yet to be reclaimed under this program. When that program is finished, then we can perhaps give consideration, but it's a policy matter. It's going to have to be a matter for government to say, "Okay, we're out of this business now, but if we want to prevent this from happening again in the future, perhaps we can redirect funds in another direction or to projects that will ensure that this kind of degradation doesn't occur again, into waste minimization and recycling and all the other kinds of programs."

MR. MOORE: Supplementary, Mr. Chairman. In regard to utilization of heritage trust fund money in the reclamation program, I remember something about a cost-sharing reclamation program with the federal government that was agreed to a year ago or two years ago in Charlottetown. Do you know anything about what transpired in that?

MR. KLEIN: Again, that has to do with orphaned sites, hon. member. There are actually two programs that deal with this. The Heritage Savings Trust Fund program is to deal with small sites normally that have come about through municipal neglect and lack of rules and so on over the years, things that were thought to be normal 15 or 20 years ago within a municipality. The HELP program is another program that's funded out of general revenues, and it's matched by the federal government – not entirely matched, but there are federal funds that go into it. We're looking at 50-50 eventually, but I think it's something less than that right now. Nonetheless, we'll be getting some of that money for the first time this year to assist with some of these orphaned sites.

These are fairly major projects. These are not projects that cost, you know, \$20,000 to \$30,000. We're talking about projects like the Domtar site in Calgary, the old creosoting plant, where a major contamination has occurred as a result of simply no regulations 50 to 60 years ago. The owners of that plant, of course, have long since disappeared, and you try and assess liability even to the last traceable owner, which in this case was Domtar. But again, that's very, very challengeable, so you say as a government, "I guess we're going to have to have a responsibility." First, we have to have a responsibility to decontaminate that site, and secondly, we know we're going to have to pick up some of the costs because we can't find the people who were originally responsible for the mess. The national government has recognized this as well. I think we've identified about nine major sites in the province of Alberta that will have to be reclaimed that are heavily polluted. Throughout the country there are probably a couple of hundred such sites – God knows how many. The federal government has recognized that there is indeed a national responsibility to participate with the provinces to help clean up these sites. We'll be getting some of that money for the first time this year.

3:35

MR. MOORE: Another supplementary, Mr. Chairman. One of the things about these sites that is drawn to my attention: after they're reclaimed, what do you do with them? You know, your department and other departments say, "You can't use it for this; you can't use it for that." It's creating quite a bit of concern. We put on two feet of clay and a nice layer of black dirt and it grows good grass. But you can't build anything, you can't do anything with the sites, and it's a major concern out there. Is there anything being done on that?

MR. KLEIN: You can return the site to agricultural use if, indeed, that's what it was. A sewage lagoon or a refuse site in a rural area can be returned to agricultural use. I have a list here, and some of them I've seen personally – very, very imaginative things. An abandoned sewage lagoon at Lac La Biche is now a walleye rearing facility. Three abandoned gravel pits in the city of Red Deer – and I mentioned that earlier – were reclaimed in conjunction with the urban parks program and were enhanced for intensive day-use areas in Waskasoo Park. An abandoned coal mine in Bow City south of Brooks now is a fishing pond and a staging area for Canada geese. It's also used

as a recreational area by Brooks and surrounding area residents. An abandoned garbage dump in Grande Prairie is being developed for recreational purposes.

This gives you an idea of what happens to these sites after they're reclaimed. There's always a use. Some of them are just reclaimed, seeded over, with some trees planted and, depending on how they fit in, are just maintained as restored natural areas.

MR. CHAIRMAN: Okay. Thank you.

The Member for Calgary-Fish Creek, followed by the Member for Edmonton-Centre.

MR. PAYNE: Mr. Chairman, in the land reclamation section of the heritage fund annual report, page 23, the encouraging statement is made, and I now quote, that "funds continue to be committed in support of research projects concerned with improving land reclamation methods." I'd like to indicate to the minister and his officials that I am personally very supportive of this type of research. I frankly think it's an excellent heritage fund investment. I suspect that the members of the committee in the Assembly today would be interested in learning of some of those research projects the minister or his department might feel are the most promising.

MR. KLEIN: Well, in order to properly utilize reclaimed properties, you have to conduct quite a bit of research into, first of all, how to best bring the restoration about, what the properties of the restoration are, and what the end product is going to be. This involves some research and development. There's been a tremendous amount of that done, about \$500,000 worth of research.

I can give you an idea of some of the projects that have been undertaken. One of the research programs was to develop data to support the use of spoiled materials as a subsoil in terms of their subsoil productivity - in other words, contaminated materials or materials that have been subjected to a certain amount of contamination be replanted and reseeded, and what kind of flora and fauna and so on they can accommodate.

Here's another one that's very, very topical today, because we see quite a controversy now in Okotoks. Not that I don't want to raise it for the benefit of the opposition, but it's there. That is a research project to evaluate the amount of drilling waste, for instance, that can be disposed of in a landfill operation without providing environmental degradation; research to return agricultural land to a productive state after coal mining operations - two very, very noncomplementary activities that could come together through reclamation - research to evaluate the salt tolerance of selected native grass species for use in disturbed sites. These are the kinds of programs that have been funded, and they've been very, very significant programs in terms of enabling the government to fulfill its mandate to reclaim these sites.

MR. PAYNE: Thank you.

This is an aside question to you, Mr. Chairman. Would it be appropriate to request from the minister at some point a summary of those projects? If it's not a confidential document, I wouldn't mind learning at some subsequent occasion what some of these other research undertakings are.

MR. KLEIN: Well, I have no problem with that. As a matter of fact, these are some of the good-news stories that perhaps could make for some interesting news items as well. I don't mind sending these things out to the world, because I think it's

good and it's positive and the projects are imaginative and they've all resulted in something good for this province.

MR. CHAIRMAN: The Chair would ask that the minister send whatever he feels appropriate to the chairman, and I'll see that it's distributed to the member. Thank you.

MR. PAYNE: Mr. Chairman, also on page 23 in that same section the equally encouraging statement is made that "most municipalities throughout the province have participated in the [land reclamation] project." Obviously, as a Calgary member I'm somewhat interested in the extent to which Calgary has participated in this project. Is the minister in a position to ballpark what percentage of those 1,227 sites that have been or are being reclaimed were sited in Calgary, or, alternatively, could he indicate some of the major land reclamation projects that have been undertaken in the Calgary area?

MR. KLEIN: I'm just going to have to go back. We've got a breakdown of pretty well all of the communities that have been participating. Calgary didn't participate in any last year. I guess we got them all fixed up when the former mayor was there. We've got the Calgary bridge piers, the Nose Hill Park gravel pits. Both of these I was involved with. We assisted, though not out of this fund, with the Imperial Oil refinery site. So there have been three major projects in Calgary, but it's not a significant portion in terms of the overall percentage.

MR. PAYNE: Mr. Chairman, I wonder if for my final supp I could shift gears to the subject of flooding damage control. We learned from the annual report that the Paddle River basin development, which I guess was completed three years ago, and the Lesser Slave Lake outlet, which was completed five or six years ago, appear to have been quite successfully done, and I'm wondering if the minister could confirm whether in fact the job that they were designed to do has been done and, more importantly, have there been any negative impacts on the environment as a consequence of their construction and subsequent operation?

MR. KLEIN: No, there have been no major complaints. That project seems to be working, although there are other problems there that are not related to the Paddle River dam. I'm talking about the East and West Prairie rivers and some of the silting problems that have occurred and so on. We're going to have to address that down the road. The Paddle River dam and its function seem to be working quite well.

MR. PAYNE: Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for Edmonton-Centre, followed by the Member for West Yellowhead.

3:45

REV. ROBERTS: Thank you, Mr. Chairman. Just on a point of order - could I begin by raising a point of order? I have been concerned about your rulings in terms of the latitude which questions can take. I think part of my concern is that, in fact, so many questions can be addressed to the Premier or the Treasurer and so few addressed to these particular ministers, yet we have equal time for both. I mean there's not enough time to deal with the number of questions that you think should rightly be going to the Treasurer and not to these ministers. I'm just wondering: is there some mandate or some terms of

reference for this committee that substantiates your interpretation of how these questions go? I think what other members have been asking is using the ministers' expertise and their role in cabinet to help us work through a number of other questions, not just those pertaining to these programs.

MR. CHAIRMAN: The Chair may stand corrected, but the understanding is that the purpose in calling ministers or others in front of this committee is to get an accountability of funds that they have spent or are spending from the Alberta Heritage Savings Trust Fund. It is not my understanding that this is a policy-making committee other than through the mechanism of the recommendation process. If the Chair is in error on that, I stand to be corrected, but that's my understanding of the purpose of these hearings: to give the committee members an opportunity to ask questions of Mr. Minister. What did you do with the money that you drew from the heritage fund last year? It's an accountability session. I leave you with that understanding.

REV. ROBERTS: That seemed to be a matter of just tradition and precedent, because certainly there are a number of questions which I think could legitimately be put. I just wonder why . . .

Anyway, I've tried to find one that I think bears within your definition of accountability. It has to do with the land reclamation program and the site at the town of Picture Butte. I recall the Minister of the Environment saying last year at this time that \$400,000 was spent to reclaim a site in that town, as we were aware, primarily to be used for a proposed Gainers hog slaughtering plant in the town. My understanding was that of the \$400,000, \$230,000 came from the fund and \$170,000 came from the town. Since that time town officials have said that they've been reimbursed \$170,000 by the government. So I'm wondering what all that means. Is there no longer a commitment to follow through on that hog slaughtering plant now that the government in fact owns Gainers? Where did the money come from to reimburse the town that amount? What is the status of this whole project under the fund in terms of the accountability of the minister?

How's that, Mr. Chairman?

MR. KLEIN: Well, as far as I know, the cost of the reclamation was \$320,000, and we gave \$230,000 to the municipality under the program, as a reclamation program. The fact that the business deal with respect to the pork processing plant fell through really has nothing to do with the reclamation. It was intended to reclaim it specifically for that project, but the fact is that that land now remains reclaimed as a useful piece of property for whatever business development opportunity might occur in the future.

REV. ROBERTS: Well, it's hard to believe that the minister would use this amount of money to reclaim that site in such a way without having the deal with Peter Pocklington on the land. I'm just wondering why it was done in such a fashion and why it's now left, for what other purposes.

MR. KLEIN: Mr. Chairman, I don't want to argue with the hon. member, but we didn't deal with Mr. Pocklington; we dealt with the municipality. The municipality felt that this was a project that would qualify for industrial land use. It was a piece of land that was subjected to significant degradation, and they wanted it reclaimed. Under the program they qualified. They

were given the money to reclaim the land. It was the municipality that entered into an agreement with Mr. Pocklington. We didn't deal with him.

REV. ROBERTS: Well, there are certainly matters of interpretation around that.

MR. KLEIN: Our department did not deal with Mr. Pocklington.

REV. ROBERTS: But certainly the Treasurer might have and others who tried to work that deal through.

I'd like to pursue just another quick matter which was left in my mind after our tour of the irrigation districts. I agree with the Member for Three Hills that it was a very fine and informative tour. I guess it's just a jurisdictional question I have, Mr. Chairman, about where Environment's jurisdiction stops and Agriculture's jurisdiction picks up, or even public works for that matter. As I understand it, of course, the Oldman River dam itself was under the jurisdiction of the Department of the Environment, albeit not through the trust fund, but now that has been switched to Public Works, Supply and Services. Why is it not that the irrigation districts be under the jurisdiction of public works as a way of developing these rehabilitation projects, in that the Department of the Environment focuses only on environmental protection issues that may result as a result of the rehabilitation projects themselves? Would that not be consistent, since the dam is under public works, to have irrigation districts under public works as well?

MR. KLEIN: It's an interesting question, and I guess it's open for debate. You might have your opinion, but it's the opinion of the department that irrigation is a very, very significant part of an overall water management program. I guess the same question could be put that, well, if we're going to get out of it in the south, why not get out of it in the north where the problems are totally different but are certainly environmental problems? They're perhaps seen more as environmental problems in the north because we're talking about torrents of water coming down. We're talking about land being stripped away as a result of this and the changes to watercourses, the silting and the detrimental effects on lakes and so on. But that's all water management. That's all water management just as the low supply of water in the south is a total problem of water management, and that is to ensure that we can have wise use of the water, wise multiuse of the water.

REV. ROBERTS: Are you going to take the dam back as part of that?

MR. KLEIN: No. That's all part of the program. I mean, it relates very, very much to the environment and the proper use of water.

REV. ROBERTS: Why does public works have it?

MR. KLEIN: That's how it works, right? It's very, very much a part of Environment. Management pertains to the quantity of water; it pertains to the quality of water; it pertains to the multiuses of water. I think that in the broad sense of water management, it is very, very much an environmental concern.

MR. CHAIRMAN: Thank you.

The Member for West Yellowhead.

MR. DOYLE: Thank you, Mr. Chairman. Due to the lateness of the hour I won't leave any hanging questions for the minister. It's always a pleasure to sit in the same Chamber with the former mayor.

I'll stick with land reclamation, Mr. Chairman. It states that the work under this project includes primarily focusing on the restoration of the abandoned garbage dumps, sewage lagoons, gravel pits. The question of the mines was something that I had in my mind. I would hope that these are not mines such as those west of Edmonton that are left in a horrendous mess by a company that is producing electricity in that area, or in fact with that mining company. Do these moneys go for that mine? Could you tell me, site specific, where these mines are?

MR. KLEIN: These would be very, very small mines. Basically you're talking about the huge mines, Wabamun and Genesee. No. Those companies are responsible for the eventual reclamation of that strip-mining. Very, very small ones, hon. member. Again, they're in the same category, perhaps, as what's left of the sewerage lagoons. We have the Bellevue coal waste piles, the Hillcrest coal slack cleanup, and unspecified mine hazards - small cave-ins and so on. Basically, these have been kind of abandoned mines located in municipalities.

3:55

MR. DOYLE: On the irrigation headwaters, Mr. Chairman, having worked in that area for several years, I was quite impressed also by the tour and how much has been advanced in the irrigation systems in southern Alberta. But the heritage trust fund has put some \$40 million into a reforestation nursery and maintaining our forests. I, of course, have the fortunate opportunity to live in a riding where we're not short of water and only because of industry are becoming short of trees. I'm wondering if the minister is considering using some of these trees that were raised by heritage trust fund money to put shrubs or trees in that particular part of the country, that would not in any way hurt the irrigation system, to build a stronger resource to protect our fowl and wildlife. In fact, it could enhance both.

MR. KLEIN: Well, we're doing some forestation, not reforestation, along some of the main canals and around the headworks and so on. The city of Calgary is a very good example, and we mentioned Forty Mile Coulee and Keho reservoir. We're doing a significant amount of forestation, planting new trees where trees didn't exist before. Where those trees come from I really don't know, but they could be coming out of this particular program.

MR. CHAIRMAN: Supplementary.

MR. DOYLE: Yes, Mr. Chairman. I was more concerned about putting trees along those irrigation ditches in southern Alberta. I was almost lonely for trees when I was on that tour down there. It's quite bare. I believe that the government owns the land beside the irrigation ditch.

MR. KLEIN: It's being done where appropriate, understanding that you've also got to have some degree of flexibility and leave the ditches somewhat open for the ditch riders and inspectors and so on. In other words, you can't totally crowd it.

MR. DOYLE: My final supplementary, Mr. Chairman.

MR. CHAIRMAN: You have one more supplementary.

MR. DOYLE: Yes. I was impressed that the pickerel stock in fact is increasing in the irrigation systems in southern Alberta. It's something that's been needed for a long time. Is the Environment minister making sure that no other sewages or anything that will affect those canals would harm those newly planted stocks of pickerel in those southern lakes?

REV. ROBERTS: Point of order.

MR. CHAIRMAN: Point of order.

REV. ROBERTS: Just to allow the minister time to answer this question and many others that are forthcoming, I would like to move that we extend this session till 4:30 this afternoon.

MR. CHAIRMAN: I'm not sure that's a valid point of order.

REV. ROBERTS: Well, it's almost 4 o'clock, and there are other questions. I'd just like to extend the time until 4:30.

MR. CHAIRMAN: Just a minute. I'm not sure that's a valid point of order. The point of order would have to deal with the issue of business that was being transacted that was contrary to some procedure. The member was putting a question which was . . . You're not questioning; you're dealing with a point of order that's not related.

REV. ROBERTS: Yes, it is. The procedure is that we'd normally close at 4. I'd just like to move that we extend the time until 4:30.

MR. CHAIRMAN: On that point of order, the Member for Ponoka-Rimbey.

MR. JONSON: Mr. Chairman, I'm not trying to be an expert on this, but having maybe a little bit of knowledge of it, I understand that the legislative committees follow, generally speaking, except where they have previously established other rules for themselves, the rules of the Assembly. It is not a point of order to interrupt a speaker to make a motion.

MR. CHAIRMAN: That was the point of the Chair.

MR. JONSON: Procedures with respect to time and adjournment are already established. When a speaker is finished and another speaker gains the floor, then such motions can be made.

REV. ROBERTS: Is there a motion for adjournment?

MR. CHAIRMAN: There has not been a motion for adjournment yet. We were going to finish the line of questioning that the Member for West Yellowhead was dealing with. He was in the process of dealing with his questions, and we've now used up much of his time. However, with concurrence of the committee I would like to let him finish his question.

MRS. OSTERMAN: Mr. Chairman.

MR. CHAIRMAN: On that point?

MRS. OSTERMAN: Yes, on that point, Mr. Chairman. I understand that the minister has to be out within a couple of minutes, and the minister is the one in whose hands we rest right now in terms of scheduling.

MR. CHAIRMAN: In view of the fact that the meeting was called from 2 until 4 and that was the advice given to the minister, before any consideration could be given to extending the hour . . . We may find ourselves sitting as a committee with no minister. We would have to give that some consideration.

On this point, the Member for Lacombe.

MR. MOORE: This meeting was called for 2 o'clock to 4 o'clock. The minister has made his arrangements, and he has to go, and there are many of us who have to go. That is what it was set for, and that's what it's advertised for, and that's what we're here for. If the people that are so concerned about their questions got off the pot and instead of making political speeches in front . . .

MR. CHAIRMAN: Order, order. I understand your point.

Now, could we finish? Do we have the concurrence of the committee to finish this line of questioning?

MRS. OSTERMAN: If the minister concurs, Mr. Chairman.

MR. CHAIRMAN: Does the minister have time to finish this line of questioning, which might take one or two minutes?

MR. KLEIN: I can finish this question.

MR. CHAIRMAN: This is the last supplementary.

MR. KLEIN: Certainly. No problem.

MR. CHAIRMAN: Please proceed.

MR. DOYLE: Yes, Mr. Chairman. I find it quite unfortunate that with the Environment minister we can't address questions like recycling, composters, and particularly the environment, so I'll stick strictly to the question.

Is this new pickerel stock that is going in the reservoirs and perhaps the canals in the irrigation system being protected against some environmental damage?

MR. KLEIN: Well, yes. At Forty Mile Coulee the rearing pond is adjacent to the reservoir. The quality of water in the main canals is monitored constantly. There are problems, as you know, from time to time with agricultural runoff that provides nutrients to the irrigation systems. We're doing some interesting experimentation there with another kind of fish, the grass carp, and I've talked about that before, to use a biological alternative to a chemical application. We're doing as much as we can to make sure that those artificially created lakes where we're introducing fish, in particular pickerel or walleye, are maintained in as pure a fashion as possible. You'll find that the water there is very, very good. There are nice beaches now starting to develop, and we don't hear complaints of swimmers' itch and so on. We try to make sure that the quality of water, because this is for municipal as well as recreational purposes, is maintained at as high a quality as we possibly can.

MR. CHAIRMAN: Thank you, Mr. Minister. We were a few minutes late starting today. I appreciate the fact that the minister has seen fit to give us a few minutes on the bottom end of our time. We appreciate him being here with us today and the information that he's given to the committee, along with his government officials that have accompanied him.

The Chair would accept a motion for adjournment. The Member for Three Hills.

MRS. OSTERMAN: I so move, Mr. Chairman.

MR. CHAIRMAN: Thank you. All those in favour? All those opposed? The meeting is adjourned.

[The committee adjourned at 4:05 p.m.]

