

[Chairman: Mr. Kowalski]

[10 a.m.]

MR. CHAIRMAN: Good morning, ladies and gentlemen, and welcome to an additional day of the hearings of the Select Standing Committee on the Alberta Heritage Savings Trust Fund Act. We have with us this morning the Hon. Fred Bradley, Minister of the Environment.

If we take a look at the 1982-83 annual report of the Heritage Savings Trust Fund, there are a number of portfolio responsibilities that Mr. Bradley has, in terms of projects administered by the department he is responsible for. I specifically refer you to pages 14, 15, and 16 in the 1982-83 annual report. You'll see a number of projects in that report that fall completely under his responsibility. We have the Capital City Recreation Park, irrigation headworks and main irrigation systems improvement, land reclamation, Lesser Slave Lake outlet, Paddle River basin development, and a project that's administered jointly by Environment and Recreation and Parks, Fish Creek Provincial Park. You'll recall that when the Hon. Peter Trynchy was before us, we had an initial discussion with respect to Fish Creek Provincial Park.

In addition, Mr. Bradley has also provided to all members of the committee some information that was circulated several days ago. You should all have it, documents dated August 8, 1983, but circulated to all members last Friday, as I recall, with a brief background and purpose statement with respect to these projects that have been under Mr. Bradley's responsibility.

Mr. Bradley, welcome. If you have any overview comments or statements you'd like to make, would you kindly proceed? If not, we'll go directly to questions from members of the committee.

MR. BRADLEY: Well, perhaps I should give a brief overview of each of the projects and where we're at with them. There are six components within the Department of the Environment, as you have outlined, which we have responsibility for under the capital projects division. First I'll start with the irrigation headworks and main irrigation systems improvement and give some background. In 1980 the province announced a major program out of the Heritage Savings Trust Fund to rehabilitate and upgrade the headworks and main irrigation systems of the 13 irrigation districts in the province. It's been a very needed program. I was recently on a tour of our projects in the southern Alberta area with regard to irrigation headworks, and I was very impressed by the work which is being done and the quality of work, in terms of the main canals and some of the structures that are being built.

The program was for \$234 million over a 15-year period, from 1980 to 1995. Given today's financial climate and picture for the trust fund, we had an accelerated program and are now looking at stretching out some of the work we have committed to. We won't be able to proceed as rapidly as we have in the past with this needed work, due to the amount of funds available to us. But I should say that the work has been excellent. The focus to date has been on rehabilitation of the main canals, and the two canals which we are presently working on are the St. Mary River Irrigation District canal and the Lethbridge Northern Irrigation District canal. These were identified as being priorities in terms of the need to upgrade and rehabilitate those two main canal systems.

There are also some other projects we have been working on. In terms of the headworks of the Lethbridge Northern Irrigation District, it's coming along very well. It would appear it will be completed by next year. The new flume over the Oldman River is being completed, and there's ongoing work on the LNID canal. We've had some difficulties in acquiring some of the right of way needed for some of the projects, the Badger reservoir project for one, and we've also had problems acquiring the right of way

for the LNID Keho Lake storage facility, which has delayed those projects proceeding. The Crawling Valley reservoir, which is in the Eastern Irrigation District, is well under construction, so there are a number of very worth-while projects proceeding.

As I said, in terms of the seepage control work which is being done on the main canals, it's very impressive and an important part of the program, that we're able to reduce the seepage from these older irrigation canals. Some of them were built 60 years ago and needed this type of repair work and seepage prevention. Our priorities have been rehabilitation of the existing works first, and the main canal systems fit into that priority as being our first priority. Additional internal storage of existing internal storage is our second priority, and our third priority has been new or additional storage.

I think that gives a general overview of where we're at and where we're headed there. As I said, we're prioritizing some of the work we're doing in terms of the dollars that are available over the next period of years, so that's an important review that's taking place.

I think the land reclamation projects under the trust fund are also very worth while. We've done a great deal of work. We've done about 85 projects in the past '82-83 year on municipally owned lands, 10 on publicly owned lands, and 18 in the green areas. We've done some work with Transportation, and the other part of the program is reclamation research. We're not only reclaiming garbage dumps, industrial sites, well sites, and a number of different things, but we're also doing reclamation research as to what may be the appropriate way to go about some of these projects in the province.

I might note that in terms of the entire program of reclamation in the province from '76 to '83, and it also includes projects undertaken other than from the trust fund itself, there have been some 1,244 different land reclamation projects the department has been involved in. As I've stated, there are in a number of different areas: coal mines, garbage dumps, mine hazards, abandoned gravel pits, sewage lagoons. I think it's been a very worth-while program that has been embarked on in terms of land reclamation.

The responsibilities of Environment in both the Capital City Recreation Park and the Fish Creek park projects have been for acquisition of lands for the parks. I might note that the responsibility for land assembly has now been transferred to the Department of Public Works, Supply and Services. In the future, both of those project areas will be under that department. In Edmonton we have an agreement with the city of Edmonton whereby we would reimburse them for land which they purchase in terms of the Capital City park. That's an annual, ongoing expenditure. With regard to Fish Creek, there is an annual allocation there for the Fish Creek park. There are some properties which have not yet been purchased, and there has been the ongoing Mannix expropriation case, which is still before the courts and has been appealed. That's are basically where we're at with those two projects.

The Paddle River basin development project is well under way, and I anticipate that we will be filling the reservoir next spring. It's an important project which probably would not have been undertaken if it hadn't been for the capital projects division of the Heritage Savings Trust Fund, but it provides a number of benefits in terms of flood control in that area and benefits to municipalities downstream in terms of water supply. As I mentioned, flood control is not only for agriculture but for road systems in that area, erosion control, and flow augmentation and supply for Mayerthorpe and Barrhead, and I believe there are some important water-based recreational opportunities that will come out of that project. As I stated, they will basically be completed in time to fill the reservoir next spring. There will be some ongoing expenditures there, though, in terms of reclamation and clean-up.

The Lesser Slave Lake project was established to stabilize Lesser Slave Lake and actually has been a project which, in terms of the original estimates of what had to be done to do that, has come in at a much lower figure in terms of the work that had to be done. There's been some channellization in the area, and the current project being completed is the construction of a low-level weir at one of the outputs. This project will

basically be completed in this fiscal year.

That gives a brief outline of where we're at and what we're doing. As I was saying, in terms of the irrigation projects I visited, I was very impressed by what was being done and the need for the work that we're doing.

MRS. CRIPPS: Mr. Chairman, as a representative of north-central Alberta, I guess one of the areas I have a difficult time justifying is the amount of money spent in irrigation when there's difficulty in agriculture selling the products produced now. People just don't understand the value of putting more money into creating more agricultural products when they can't get rid of what they've got for a fair price to compensate for the cost of production.

In any case, I did have the opportunity to take a couple of tours in the irrigation area over the last couple of years, and I was extremely impressed with the irrigation projects and the work that was being done. I think I can justify it in my constituency. What I was extremely impressed with was the original development of that irrigation system. I wasn't impressed with the studies that have been done in the last 50 years; that's all that's been done. I'm glad to see that money out of the Heritage Savings Trust Fund is being used to actually rehabilitate those systems.

My question is on seepage control. What mechanism are you using in the irrigation districts for seepage control? Are you using various methods? Are you testing those methods and comparing the cost effectiveness of them?

MR. BRADLEY: Well, I appreciate your question. Perhaps before getting into the specifics, it should also be noted that these headworks projects we're undertaking in terms of the province not only serve an agricultural purpose, but there are approximately 48 municipalities in southern Alberta that rely upon these works for their water supply. There are also a number of industries which rely on these headworks systems to deliver water for their needs. A lot of this water is also used for watering stock and domestic farm animals, and farm use. There are also recreational benefits. I believe there are six provincial parks that are on irrigation reservoirs, and there are about 50 other developed recreation sites that would not be developed if it weren't for the headworks system and supply system being in place.

But in terms of your specific question, yes, various methods have been looked at. One of the difficulties we have in terms of lining our canals is the temperature we experience in our northern climate versus some other irrigation projects in southern climates. They don't have to deal with the frosts that we have to deal with. They've looked at various research that's been done as to what type of lining would be the most effective, given the type of conditions we have to work in. So various methods have been looked at. Because this lining is a long-term investment and we expect these canals to be in place and the rehabilitation we're doing to have a life expectancy of 50-plus years, what we're doing is to ensure that the seepage control is effective for that sort of time frame.

What is being utilized is a 20-mil PVC liner in the areas which have been identified that require seepage control. The canal is basically excavated, the liner is rolled out on the canal, and then there is approximately a foot of gravel deposited on top of the liner. That is the method being used. There are other methods: cut-off curtains, which is a partial liner, where you put the liner down into an impervious layer. So if the area is, say, a sandy soil, which the water obviously would seep through, you put the same type of plastic lining from the top of the canal down into an impervious layer so that it doesn't get into a clay layer and it doesn't seep into the sandier material.

MRS. CRIPPS: Thank you. My specific question was: is any testing being done, and what loss is there — or was there — due to seepage at the present time, percentage-wise?

MR. BRADLEY: I don't have a specific percentage I can give you. It varies with different districts, and there have been problems in different districts. The seepage is not only from the main canals, but there's also seepage from some of the canal systems within the districts themselves. But the districts are addressing that problem, and part of the emphasis in terms of the rehabilitation of these works is that we're concerned about the seepage and also the loss of water by seepage, and what effect it has on agricultural land. So the rehabilitation emphasis has been to control this seepage.

Agriculture has a program, also under the Heritage Savings Trust Fund, to assist districts, and they apply those dollars and do the work in the districts as to the priorities which they identify. But the research has taken place in terms of which are the most effective methods. In the smaller canals they are using concrete, but that isn't felt to be effective when you get into the larger canal structures.

MRS. CRIPPS: What is the ongoing cost to the provincial budget over the next 20 or 40 years, or whatever? Is there any ongoing cost because of the moneys being spent out of the Heritage Savings Trust Fund?

MR. BRADLEY: The commitment to date was made in 1980. I shouldn't speak for the Minister of Agriculture, but there were two components. One was the rehabilitation of the main headworks and canals, which is a \$234 million commitment, and those dollars have been adjusted to inflation. The same in Agriculture: there was \$100 million. The Environment commitment was over a 15-year period, 1980 to 1995. The Agriculture commitment was for five years.

MRS. CRIPPS: Mr. Chairman, my question wasn't: out of the Heritage Savings Trust Fund. What are the implications for the provincial budget of ongoing operating costs because of any work we're doing in the Heritage Savings Trust Fund?

MR. BRADLEY: The operation of the main canals and the headworks system is under the General Revenue budget of the Department of the Environment. I don't have those figures with me today, but there is an ongoing operating cost to government in terms of operating these works.

MR. GOGO: Mr. Minister, it's a pleasure to have you here. When Alberta Environment comes before this committee there are many great temptations to deal with many issues involving Environment, all the way from the supply/management technique raised by the Member for Drayton Valley to the recognition that although we have the cleanest air and water in the country, it's only come about by a pretty high price tag with regard to loss of jobs. But maybe that's another day.

I wanted to raise a question regarding what I thought was an election promise by the Premier in 1975, I think February 10, that we would spend some \$200 million in irrigation in southern Alberta to bring another 300,000 acres on stream for irrigation purposes, from 500,000 to 800,000. But looking at the terms of reference, I think that's primarily the responsibility of the Minister of Agriculture, whom we'll see on Monday, and I think your responsibility really lies with water supply, building headworks, and so on.

Because Lethbridge Northern is in the heart of my riding, I have a deep interest in what progress is being made, and I was interested in your comment about the rehabilitation of existing, as well as upgrading any storage. Looking at the report we're dealing with, the total expenditure now is some \$85.6 million out of what was originally a \$200 million commitment, I think, now adjusted for inflation to \$234 million.

My question, Mr. Minister, is: would you advise the committee — because I know you've met with the 13 irrigation districts; certainly the seven in southern Alberta — if it was correct when you said you don't know at this time how much of the balance of the \$234 million can be committed in the next few years from the heritage fund? Was that a

statement you just made?

MR. BRADLEY: Yes, until we go through the budgetary process this fall. And I can't predict for future years what dollars may be available to the trust fund; it depends on where our revenues come from. That's something probably better dealt with by the Provincial Treasurer.

But as to the schedule, I do know that we can't proceed as quickly as we have in the past. I think in 1980 there was a great deal of optimism, and we accelerated our programs and moved ahead fairly quickly in terms of the work we were doing and had a number of projects under way in terms of engineering design and land acquisition. The realities of today are that we have to await the budgetary process and prioritize our projects in terms of proceeding. We just can't proceed with all of the projects that we'd like to proceed with, given the limitation in terms of the number of dollars that are available.

MR. GOGO: Mr. Minister, I wonder if you could clarify for me — it seems to me that Dr. Platt on the committee made recommendations, and your predecessor Mr. Cookson made an announcement, as I recall, regarding either off-stream storage or a dam, et cetera, being constructed by 1990, as I recall. The location was undetermined. Was that project part of the \$200 million commitment in 1975?

MR. BRADLEY: If you want to go back to those commitments, in 1975 there was a \$200 million commitment both on the supply side of irrigation headworks and in rehabilitation in the districts, and it was split \$110 million with Environment and \$90 million with Agriculture. In 1980 that was reviewed and enhanced, and this is where we got the \$234 million, plus another \$100 million for Agriculture.

In terms of the specific question, an on-stream storage reservoir or a dam on the Oldman River was not part of the funding approval of the \$234 million, so it is not part of the projects that we currently are authorized, in terms of expenditure, to proceed with.

MR. GOGO: I guess the difficulty I have is with the question of supply and how it relates to the dam. The final question, Mr. Chairman, to the minister: with your activities from the heritage fund in irrigation works, is there a commitment in any way with the federal counterpart, the former PFRA, or is this exclusively within your department and within the province of Alberta in terms of jurisdiction?

MR. BRADLEY: There was an agreement signed in 1973, I believe, in which a number of the PFRA projects were turned over to the provincial government. There are still some outstanding commitments in terms of projects which they, under the terms of the agreement, are required to rehabilitate and then turn over to us. One example of that is the Bassano dam. But the intent of that agreement was to turn over the works which they had and were operating and some of the works that the districts themselves were operating in terms of the headworks structures, and main supply canals would become the responsibility of Alberta Environment.

MR. MUSGREAVE: Mr. Chairman, to the minister. You mentioned under land reclamation that the project, in your opinion, was worth while. I'd like you to tell us, worth while from the point of view of what, removing eyesores or hazards? How did you come up with this conclusion?

MR. BRADLEY: Some of the projects that have been done to date — reclamation of sewage lagoons, for example; from an environmental point of view, that is certainly a desirable thing to do and, in a lot of cases, it has been done by our department beyond

what a municipality itself might be able to undertake or afford. But we took that commitment and, from an environmental point of view, it's certainly worth while. The other environmental area is in terms of municipal garbage dumps. To date there have been some 245 garbage dumps reclaimed throughout the province under this program and some 118 sewage lagoons.

The reclamation research as to techniques on how we go about reclaiming, particularly in terms of plains coal mines areas, is very important. I think you will recollect the discussion that took place with regard to the Camrose-Riley project, I believe, which was to be a large coal-fired electrical generating system in that area. There were a lot of concerns expressed about reclamation: how we go about reclamation after a project of that size and its impact on agricultural lands. Some of the research that is being undertaken by the trust fund is looking at those specific kinds of questions.

Mine hazards: there have been 105 mine hazard type of projects which have been undertaken, again from a safety point of view, which are very worth while; and 22 abandoned coal mines, which would have been coal mine operations which predated our present Land Surface Conservation and Reclamation Act. Then there are a number of other industrial sites, a number of other various types of smaller projects: erosion control projects, in some cases seismic lines which prevent erosion. So I think all in all, it's been fairly significant not only from an aesthetic point of view but also from an environmental and a safety point of view.

MR. MUSGREAVE: Mr. Chairman, a supplementary. You still haven't answered my question. Have the lands been put back — I'm talking now primarily of the surface — into economic use, or are they just being tidied up?

MR. BRADLEY: I guess you have to look at the future use of these. In a lot of cases, municipalities have made use of them in terms of recreation sites and those types of things. You have to be careful as to what you might physically put on a garbage dump, what type of structures you might want to put on there, for example. There has to be a lot of care and caution as to whether you wish to locate, say, a residential subdivision on a reclaimed garbage dump. It's probably not recommended to do that. So a lot of them have been recreation oriented in terms of their future land use, from a garbage dump point of view.

MR. MUSGREAVE: The last supplementary, Mr. Chairman. Mr. Minister, you mentioned your concern about the lack of funds to continue on the same rate of expenditure as we have in the past. Can you assure us that present regulations are being enforced within your department so that we won't require future expenditures from the heritage fund to clean up garbage dumps, sewage lagoons, coal mines, and things of that nature, which really should be the responsibility of the persons who created the hazard?

MR. BRADLEY: A lot of the work that's being done, as I said, is on sites that predate the Land Surface Conservation Reclamation Act, and that's in terms of the industrial sites. So there weren't regulations in place which required reclamation of these industrial sites. We now have that legislation, and any industry which has been approved since that time is required to meet those types of standards. Any existing industry is required to meet these standards from I think '63 or '73 onwards. There are two dates involved there.

The sewage lagoons and garbage dumps are services we have been providing to municipalities. In terms of our revenues over the next period of years, this is again a project which we may be winding down in terms of future commitments.

MR. NOTLEY: Mr. Chairman, I'd like to go back to the question Mr. Gogo raised with respect to water management on the Oldman system and the question of whether or not

there should be a dam constructed. The minister indicated that he did not anticipate that any of this \$234 million would be used for the construction of a dam. Of course, there's been a good deal of controversy in southern Alberta about the possibility of a dam either at Three Rivers or several other locations.

Perhaps the minister could bring us up to date on that question: what planning there has been, if any, and also relate that to two other aspects of this issue. We have an apportionment agreement with Saskatchewan in terms of water management. As things now stand, will there be sufficient flow going into Saskatchewan to meet our commitments without the construction of a dam? Is that now reflected in what the minister has told us, that the dam isn't required? The other part of that question, Mr. Chairman — and it's almost too bad this committee doesn't have both the Minister of Agriculture and the Minister of the Environment here, because I think the amount of water needed depends to a certain extent upon the efficiency of the irrigation system.

Can you hear me now?

MR. BRADLEY: I'm having a degree of difficulty.

MR. HYLAND: Mr. Chairman, we seem to have lost half the speakers, and it's tough to hear somebody.

MR. NOTLEY: Can you hear me now?

MR. HYLAND: Yes, that's better now.

MR. NOTLEY: Okay.

The other part of that question is the amount of additional acreage that has been cited by Mr. Gogo — but we've discussed it before in the committee — that could be brought into irrigation. Are we in a position now where we can meet current requirements, reasonable expansion, and do so within the context of better utilization of the water as opposed to building another dam on the Oldman system? That's the first question.

MR. BRADLEY: Well, I think your first question was a number of questions, which is fair. I had great difficulty hearing the first part of your request, but I'll try to deal with it. You asked about the status of an Oldman reservoir, about the apportionment agreement and being able to meet the apportionment, and about better utilization and additional acreage and if that could be done without the construction of a reservoir.

In terms of the trust fund, I guess what we're currently dealing with is a part of an overall program, although there aren't funds allocated at this point in time for the construction of a reservoir. I think in terms of southern Alberta, in looking at the longer term needs and particularly looking at the Oldman system, it is a priority to have an on-stream storage reservoir in place on the Oldman system to meet current and future needs.

For example, with the LNID this year, this is the first time they've had to actually cut off users of water in their district on two occasions. We are looking at a course in that particular district, expanding the internal storage at Keho Lake. That will assist them to some degree. But when I was down there recently, the canal systems which were being redesigned in terms of that particular system will have a capacity of some 1,500 cubic feet per second. I hope you don't mind if I talk in the imperial language of measurement, because that's what I'm familiar with. I think the rated capacity of the existing canal is 800 or 900 CFS, but the flows from the Oldman system were only at 240 CFS. So even with additional storage at Keho, given the flows of the river and when the peaks are and to give the security of supply that's necessary particularly for that district and other uses downstream, an on-stream reservoir is required.

Now in terms of the apportionment agreement, I just might raise with the committee that the Water Resources Commission will be holding public hearings on the South Saskatchewan River basin program and the various planning options that may be available to us to meet our various commitments there. How we meet that apportionment agreement will certainly be addressed in terms of those planning options, but I do believe an on-stream reservoir will be required to meet all the current and future needs and requirements in that river basin.

MR. NOTLEY: Mr. Chairman, perhaps we could just follow that along for a moment. The initial question was for the minister to give us an update on the department plans. He tells us it's not part of this \$234 million that we'll be spending over the duration of this commitment. But he then tells us it's a priority. A priority in what way? A priority for what year? The year 1990 had at one time been cited. What are the options at this stage in terms of moving on this?

MR. BRADLEY: Okay. You asked specifically about on-stream storage. Our priorities are threefold. The first is to rehabilitate the existing systems in terms of increasing the efficiency of use of water, the seepage, bringing those problems under control through rehabilitation so that you can bring these lands back into production. So rehabilitation is our first priority. And in terms of looking at the future and in terms of sizing these canals, if it's required to upgrade the capacity, it can only be prudent that that is undertaken when you're doing the rehabilitation. So you up-size the canals in terms of the identified additional acreage within districts which can be irrigated: intensification within the districts. So rehabilitation of the existing systems is the first priority. Let's put them into proper operating shape to increase the efficiency, use of water, and prevent the seepage problems.

The second priority has been to look at additional storage or upgrade storage projects currently within districts. This is where Keho fits in, where we would increase the size of Keho. So the second priority is additional storage by increasing the size of current storage within districts. Our third priority would be looking at additional storage within the districts and on on-stream reservoirs. But basically our commitment is only with regard to off-stream storage. So I guess an on-stream storage reservoir would be the fourth priority at this point in time.

MR. NOTLEY: Mr. Minister, can you give some indication of your planning at this stage? You said that many of these projects have slowed down, but we have had figures bandied about and years attached to different options. Perhaps you could bring the committee up to date on the planning at this stage.

While we have you before the committee, to what extent is there very close integration of planning between your department, which is entrusted with the supply of water, the Department of Agriculture, and the irrigation districts, with respect to upgrading the systems? As I understand it there's a significant difference between the operation of Lethbridge Northern, as an example, and the St. Mary system, in terms of efficiency. To what extent do we learn from one irrigation system and incorporate changes in others? What is the planning mechanism by which you bring together different agencies — your department, the Department of Agriculture, the irrigation districts — in the planning process?

MR. BRADLEY: When you talk about "within the districts", the questions you are raising are really the responsibility of the Minister of Agriculture. But to respond, there is the Irrigation Council of Alberta, which basically handles that prioritizing and looking at requests from irrigation districts. There is a representative of Alberta Environment on the Irrigation Council. That's the planning mechanism in terms of the work within the districts.

MR. NOTLEY: That's the entire planning mechanism in terms of the department? The point I'm trying to get at is that the amount of water that we have in the system is your basic responsibility. You have to take into account the apportionment agreement with Saskatchewan, you've got to take into account the industrial uses; you've got to take into account all the other facts, including irrigation. But the key thing obviously must be that we integrate the planning process to upgrade our irrigation system as much as possible and make it as efficient as possible. I understand that there is quite a difference in the efficiency of the irrigation system. Some of that can't be helped, I agree. But some of it is a difference in management of the systems.

MR. BRADLEY: Again, you're getting into questions within the irrigation districts, which are the responsibility of the Minister of Agriculture. The overall planning process with regard to the river basins themselves is currently under way, and I've already alluded to the South Saskatchewan River basin planning program.

MR. CHAIRMAN: I have no additional members who have indicated to me an interest in raising further questions. However . . .

MR. NOTLEY: Mr. Chairman, just one comment. The reason I raise this is that I get back to Mrs. Cripps' question. We're putting a lot of money into this system and, as a northern MLA, I'm prepared to support that. But I think we have to make sure that that money is as efficiently invested as possible. One of the things that concerns me as I go down there is that I hear that there are significant differences in the efficiencies of these systems, and part of that would be the management of the systems.

In addition to the very substantial investment we are putting into the upgrading of these systems — as I understand it, the minor canals — we also have the 86:14 funding formula. Now that gets into the Minister of Agriculture. On the other hand, when we have the minister's department doing reclamation or draining land in the north, we have a 75:25 funding formula. We have raised the difference between those two formulas before in this committee. But the point I just want to underscore is that while there's a good deal of general sympathy in the province as a whole for the irrigation investment, I think we want to make sure our planning process guarantees that that investment is as prudently administered as possible.

MR. BRADLEY: Without getting into a lengthy response, the Irrigation Council looks at the various districts in terms of the work they're doing and in terms of the \$100 million investment. Before those funds are allocated, the Irrigation Council looks at that very carefully. The Irrigation Council is made up of private citizens, plus representatives of departments. But one must understand that in the comparisons you're making between districts, different districts were developed at different paces and have undergone different management — and that's appropriate — and have had different funds available to them to do this irrigation upgrading and rehabilitation. So it varies from district to district as to where they're at with regard to rehabilitation. But all the districts are committed to this, and certainly are appreciative of the commitment of the province to assist with this rehabilitation. The benefits are far-ranging beyond irrigation itself in terms of the overall program — as I said, municipal water supply.

When you look at irrigation, 4 per cent of the arable land base in the province is under irrigation, and the figure used is that approximately 20 per cent of the agricultural production comes from that. Particularly in dry years like this, I think we see the benefits for other agriculture producers too, in terms of forage, et cetera. But the planning is co-ordinated.

MR. GOGO: Just a quick question, Mr. Chairman. Reference has been made to the 86:14

formula, Mr. Minister, and the Member for Spirit River-Fairview raised the question of 75:25. It intrigues me. If Mr. Notley's position is that southern Alberta should be 75:25, I'd be interested in seeing him expand on that at some point.

MR. NOTLEY: We'd like to see 86:14 north. [inaudible]

MR. BRADLEY: I don't want to get into the details of that, because actually one program is in my department and the other is in the Minister of Agriculture's, and there may or may not be similarities with regard to what you're doing. One is that you're applying water; the other is that you're draining water. They drain water in southern Alberta too, and in many cases when they drain water it's done under the 75:25.

But that whole question of the program you allude to is up for review, and I'm sure the Minister of Agriculture will welcome those questions and advise you as to the status of where he's at with regard to that whole program.

MR. HYLAND: Mr. Chairman, my question to the minister relates partly to what was just now discussed, and drainage. With regard to the problems with funding things now, with the economy and that — if and when it improves, does the minister see on the horizon any programs relating to drainage in northern Alberta, changes to the program, and possible changes where the drainage directly helps individual farmers? I'm thinking mostly of what wouldn't come under position paper 5 or position paper 15 — I forget which is the right number.

MR. BRADLEY: Currently position paper 5 deals with an updated 75:25 in terms of drainage, I believe. In terms of actual on-farm drainage, there is not a program in existence today. I think that's where you were coming from. In terms of the restraint period we're in, I do not see any new programs forthcoming during this period of restraint.

MR. HYLAND: Then I guess this may be forecasting budget and may be out of order, but once we get through this problem do you see any programs relating to on-farm drainage?

MR. BRADLEY: As I said, we're in a period of restraint, and I think each of the ministers is reviewing what is taking place in terms of activity within his own department. When you're into restraint, you're not looking at very many new programs. You're looking at your own departmental responsibilities and looking at restraint, I guess. I'm not looking at new programs at this point in time; I'm looking at ways of improving the efficiency and effectiveness of existing programs without incurring additional expenditures.

MR. CHAIRMAN: Mr. Bradley, I want to take my cue from several words that were used in the last exchange between yourself and Mr. Hyland, with respect to efficiency. Under the Alberta Heritage Savings Trust Fund, there is one project that has received some attention in the Legislative Assembly, outside this committee, and inside this committee in previous years. It's the Paddle River dam.

Several weeks ago, the Hon. Bill Payne, Minister without Portfolio, appeared before the committee. His major responsibilities include the communications of the heritage fund. It would seem to me that by way of communications, we could do a number of things. We can tell everybody what's happening, we can create an interest among people that there's an investment for today and an investment for the future, we can put up signs; we can do all those things. But I am really critical of the administration of that project with respect to the payment that's being provided to a number of contractors, subcontractors, and individuals who are working on that dam.

This is not a new problem that's existed only in the last couple of months. It existed

in the previous fiscal year and, if my recollection is correct, it also existed in the fiscal year previous to the one I've just mentioned. Surely if we're concerned about a positive response to expenditure by the Heritage Savings Trust Fund for the projects that we have agreed to, not only by way of recommendation in this committee but in the Legislature itself, one of the major responsibilities we have, and you have as a minister of a department, is to ensure that there is efficiency in the administration of those contracts.

It's my view that you are the responsible minister for the implementation of that particular contracting project. If I'm wrong, please correct me. I have less a question than a statement to make. I think there's a great deal of additional work that has to be done in terms of contract management and in terms of delivery of the dollars provided to the people who have done the work in the most efficient and effective manner possible.

MR. BRADLEY: I'd like to respond to that question because, yes, I agree there is a problem out there. As to where the responsibility lies, it's a very complex matter. As you will well understand, there has not been any delay in terms of the forwarding of funds by the department to the main contractor. Those funds have flowed. What you're talking about is contractual obligations between a contractor, his subcontractor, and the individuals that subcontractor may have do work for him. You get into contract law. These are legal questions. There are legal remedies under the Public Works Act.

Basically it comes down to that a number of these claims have been disputed. In that case, we have put the funds forward. They're currently in court, and the various claimants — it's before the court in terms of: are these legitimate claims? If the claims aren't disputed we would, in terms of a holdback, proceed to pay out the claimants. But these are disputed claims, contractual obligations — contract law — between the contractors, subcontractors, and some of the tradespeople working for them. It's very difficult for government or the administration of a department, other than to play the mediation role we have attempted, to move these things forward. But when they end up being legally disputed as to the legitimacy of some of the claims, the dollars have been forwarded to the court, and the court will decide on the legitimacy and the payout.

MR. CHAIRMAN: My second question relates to a decision that will have to be made before too long with respect to a hazardous waste plant in the province of Alberta. My question is not with respect to the location or when the decision will be made. But when that decision is made, do you anticipate that funding for that particular plant will come under the General Revenue Fund of the province, or will there be a request made to the Heritage Savings Trust Fund?

MR. BRADLEY: No, currently it's under the General Revenue Fund.

MR. CHAIRMAN: You do not anticipate that you'd be making a suggestion or proposal that it should be funded under the fund?

MR. BRADLEY: I don't know what conversations this committee had with the Provincial Treasurer, but I do not anticipate that I would be making such a request.

MR. CHAIRMAN: Fine.

Are there additional questions from members of the committee? If not, thank you very much, Mr. Bradley. If all goes well, we anticipate meeting with you again one year hence.

We'll adjourn, ladies and gentlemen, until the next meeting, which is scheduled for 2 p.m. on Monday, September 26, with the Minister of Agriculture.

[The meeting adjourned at 10:55 a.m.]

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