Order Paper Questions

(c) As the films are made available to interested parties free of charge, no cost recovery is anticipated.

NORTHERN CANADA POWER COMMISSION

Question No. 3,128—**Mr. Clarke:**

With reference to item 7 in the notes to the financial statements of the Northern Canada Power Commission for the year ended March 31, 1980 at page 141, volume III of the 1979-80 Public Accounts of Canada, concerning cancelled projects (a) how did the loss of $59,000, relating to losses on assets not put into production occur (b) does the commission anticipate that any or all of these assets will subsequently be put into production to reduce the loss and, if so, at what location and on what date (c) for what reason was the Snare Cascades Project cancelled at a cost, in 1979, of $633,000 and what is the total cost of the cancellation (d) is the commission likely to recoup any of the loss by a redeployment of assets which would otherwise have been used in the project (e) has the commission taken steps to ensure that such cancellations will not be necessary in future and (i) if so, what steps (ii) if not, for what reason?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): (a) Loss results as follows:

Write-off of development costs for emergency generating equipment	$ 44,481.28
Residual cost of disposal of electrical control panels after removal of all usable instrumentation	30,704.85
Less: gain on disposal of assets	(16,421.13)
Cancelled projects as per note 7	$ 58,765.00

The project was cancelled following a review of the emergency standby program. The physical dimensions of the alternator control panels did not meet current design specifications. As well, certain aspects of the instrumentation were not applicable to forecast service installation. All usable instrumentation was retained in stock.

(b) None of the above will be put into production. Credit for any salvage parts is taken into account in the $59,000 cancellation amount.

(c) The total of the cancellation of the preliminary construction costs of the Snare Cascades project amounted to $1,842,-689.13. This cost was reported in financial statements as follows:

March 31, 1978	$ 1,209,673.16
March 31, 1979	$ 633,015.97
Total:	$ 1,842,689.13

The project cancellation was related to a reduction in load growth combined with forecast inflationary cost factors which would have an unfavourable impact on the unit cost of electrical generation.

(d) Yes, based upon independent consulting advice, the commission has retained the two hydro turbines originally purchased for the project in contemplation of future small hydro development.

(e) The economic viability of all projects is continuously monitored, and the best possible forecasts of future demands are made. Contracts provide for cancellation clauses to minimize any potential loss due to possible cancellation of major projects.

SEAWAY INTERNATIONAL BRIDGE CORPORATION

Question No. 3,134—**Mr. Clarke:**

With reference to the statement of operations of the Seaway International Bridge Corporation Ltd. for the year ended December 31, 1979 at page 162, volume III of the 1979-80 Public Accounts of Canada, which notes that the corporation operated at a net income of $205,124, for what reason did the corporation recently increase the tolls for round trip traffic by 33 per cent from $3 to $4?

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): The Seaway International Bridge Corporation, Ltd., a subsidiary of The St. Lawrence Seaway Authority, advises as follows: The corporation increased its tolls to ensure that self-sufficiency will be maintained. The 1979 operating profit had diminished to $70,493 in 1980, and financial projections indicated that, without a toll increase, net losses estimated at $175,000 would be incurred in the years 1981 and 1982.

JACQUES CARTIER & CHAMPLAIN BRIDGES INC.

Question No. 3,135—**Mr. Clarke:**

With reference to the statement of operations of the Jacques Cartier and Champlain Bridges Incorporated at page 123, volume III of the 1979-80 Public Accounts of Canada (a) how does the corporation explain the $5,519,409 net loss as a result of operations (b) does the corporation intend to take any steps to eliminate this loss and (i) if so, what will they be and how long does the corporation anticipate it will take to eliminate this loss (ii) if not, what rationale does the corporation have for continuing this net loss (c) what amount of the operational expenses are incurred in the collection of tolls?

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): The Jacques Cartier and Champlain Bridges Incorporated, a subsidiary of the St. Lawrence Seaway Authority, advises as follows:

(a) The revenue of the corporation amounted to $5,840,687 and the expenses to $11,360,096 for a net loss of $5,519,409. The main reason revenues have not kept pace with expenses is that tolls on the Champlain Bridge have not been increased since 1962.

(b) Yes. (i) The corporation has reviewed its financial situation and the matter is under active consideration. It has not yet been determined how long it will be before losses are eliminated. This will depend on whether future losses can be made up either by increased tolls or parliamentary appropriations, or a combination thereof. (ii) Not applicable.

(c) Operational costs amounted to $8,547,423 of which $1,193,678 were incurred in the collection of tolls.

ANNUAL REPORT OF DEPARTMENT OF SOLICITOR GENERAL

Question No. 4,181—**Mr. Robinson (Burnaby):**

Is there any mention of the Security Service of the RCMP or the department's response to the McDonald Royal Commission in the 1980-81 Annual Report of the Department of the Solicitor General and, if not, for what reason?