

Legislative Assembly of Alberta

Title: **Monday, May 11, 1992**

8:00 p.m.

Date: 92/05/11

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: Order in the committee, please. It is 8 o'clock and time for the committee to come to order.

head: **Main Estimates 1992-93**

Forestry, Lands and Wildlife

MR. CHAIRMAN: The estimates are to be found at page 205 of the main book, with the elements commencing at page 81 in the elements book.

Would the hon. Minister of Forestry, Lands and Wildlife like to introduce his estimates?

MR. FJORBOTTEN: Thank you very much. Mr. Chairman and members of the committee, I'm pleased to present the 1992-93 budget estimates of the Department of Forestry, Lands and Wildlife. This budget represents an ongoing commitment to the mission of my department, which is to manage Alberta's forests, fish and wildlife, and public lands for sustainability in an integrated manner and for a healthy environment that meets the needs of all Albertans.

The more than four years that I've served as minister of this department have been extremely rewarding to me. I'd like to express my sincere thanks to my deputy minister, Cliff Smith, and the department staff for the commitment and dedication they've shown to the people of Alberta in the management of our natural resources. My congratulations are particularly deserving given the difficult fiscal times we've faced, and I know that the good staff we have, with Cliff as the deputy and the ADMs and Tom Collins, did an excellent job of working to put the budget together. I'm pleased that they were able to be here tonight and be present for the estimates. I'm pleased that my staff, who come from a variety of disciplines, have proven the success of teamwork in achieving integrated resource management.

[Mr. Jonson in the Chair]

The Hon. Dick Johnston indicated in his April 13 budget that there were two key problems facing Albertans today in these difficult times: a struggling national and international economy and, of course, large deficits. The Provincial Treasurer announced in his budget a dual strategy to offset the negative effects of the global economic slowdown and to boost consumer confidence in order to stimulate Alberta's economy. The economic and the fiscal strategy outlined by the Treasurer, Mr. Chairman, is the most sensible course of action that a responsible government could take, and I commend the Treasurer and the Premier for their courage in addressing those challenges that are facing us.

I believe it's important, Mr. Chairman, that all government departments and elected officials and civil servants and Albertans in general take some responsibility in overcoming the tough economic difficulties that we're facing. My staff were challenged to present a budget for 1992-93 which matches or I could say exceeds the example set by the Provincial Treasurer. I believe this budget more than achieves that goal of fiscal responsibility. At the same time, we attempted very hard to minimize the impact on services delivered by my department while allowing us to maintain the high quality of service which the public has come to expect.

Mr. Chairman, I'd like to focus on three themes tonight. The first one is coping with tough economic times; secondly, coping with fiscal restraint and deficits; and thirdly, delivering the sustainable resource management mandate of my department. The first theme that I mentioned, coping with tough economic times, considering the state of our forest industry in 1991, is indicative of today's times. In a world where the economic community is becoming more and more integrated every day, Alberta is vulnerable, of course, to changing markets and changing conditions that affect us all in the forest products area.

Nevertheless, I have to say that I think Alberta has been more resilient to those conditions than most other provinces because we have an excellent structure and diversity and really, I think, a youth of our industry in this province. In 1991 there was a great deal of uncertainty in world commodity markets, and that was particularly evident in the forest markets. In 1991 pulp and newsprint prices suffered one of the worst years that we've had in the past decade. The chemithermomechanical pulp, or CTMP, industry and the lumber industry in 1991 certainly had an extremely difficult year.

In the midst of all those economic difficulties Alberta became involved in countervail duty investigation with the United States on softwood lumber stumpage. The U.S. has alleged that Alberta, B.C., Ontario, and Quebec stumpage rates are all too low and that Alberta's refusal to allow the export of raw logs constitutes a subsidy. As a result, the U.S. announced that they would be charging a 14.48 percent preliminary duty on softwood lumber exports to the U.S. The government will continue to seek a fair resolution to that issue, and we're working very hard. I'm complimentary to the Alberta staff that are working on it. I think that we will be successful even if it means an appeal through the free trade agreement.

The competitiveness and the relative youth and the strong financial foundations of many Alberta forestry firms has really helped to minimize the recession's impact on the forest industry. I believe, Mr. Chairman, that Alberta's forest industry with its new and modern mills is in an excellent competitive position today compared to the rest of Canada. As to the recovery in the forest product markets, we're already beginning to see increases in some of the prices. Pulp and newsprint prices have begun an upward trend, and lumber prices have improved dramatically. Perhaps the best sign of confidence, I think I can say, for the future of the forest industry is shown in the current and future investment plans of firms interested in diversifying and developing the industry, with the completion of the Al-Pac mill this next year and the several billion dollars invested in forestry and related projects.

Mr. Chairman, since I became minister in 1987, my department has been responsible for six major projects, and several other forestry projects are either completed or under construction. Many of those projects have second phases or third phases associated with them. Only the Alberta-Pacific mill is still under construction and will reach peak activity in 1992 with 3,000 workers. I re-emphasize to members: 3,000 workers. The expected start-up for the Al-Pac mill is the fall of 1993, so we'll see that construction activity continue through that period.

Forest products companies have made a significant contribution to the health of Alberta's economy and will continue to do so. It's encouraging that despite the recent recession that we've had, there's still considerable interest in investing in the forest industry in this province. For example, Grande Alberta Paper is proposing to construct a multiphase coated fine paper mill near Grande Prairie, and there are several other companies which are prepared to proceed with wood processing facilities near Manning.

Mr. Chairman, it's my hope and my intention to continue to support Alberta's forest industry in its efforts to remain competitive and to diversify. For example, to assist the competitiveness of Alberta's independent sawmills, my department is embarking on a strategy in 1992-1993 which over a five-year period will provide about 2 and a half million dollars for sawmill utilization recovery studies, and in the upcoming year \$800,000 will be made available. The goal of the strategy is to help the independent sawmill sector of the industry to attain long-term viability. A financial advisory committee will also be created to assist in reviewing worthy modernization and expansion proposals.

The second theme that I highlighted for you, Mr. Chairman, had to do with fiscal restraint and deficits. In these times of considerable economic uncertainty all government is challenged to exercise fiscal restraint yet continue to deliver a quality of service to the public. The 1992-93 budget for Forestry, Lands and Wildlife reflects my department's commitment to prudent fiscal management and to maintaining excellent services while we're doing that. I fully support the Provincial Treasurer's call for restraint all across government, and my estimates reflect our contribution and commitment to that restraint. The budget for '92-93 is \$173.7 million, which I must say, despite increasing demands on our natural resources, represents a \$1.8 million decrease, or about 1 percent, from '91-92. So it has been a decrease in the overall dollar numbers.

8:10

Where have we got those savings from? The savings have been realized in part by the reduction of 62 permanent positions, and each one of them has been done through retirements and eliminated vacant positions. We've had no layoffs. We've streamlined the administration leading to a cost saving of roughly \$900,000, and we're attempting to find more cost-effective ways of delivering our programs. We've been ruthless in looking at ways that we could try and save dollars while still providing the same level or an improved level of service. I'm satisfied in this case, Mr. Chairman, that all those reductions have been accomplished without compromising our mandate to deliver programs to conserve and manage Alberta's public lands and fish and wildlife and forest resources.

During '92-93 my department will implement user fees at 129 of our forest service recreation areas at rates similar or comparable to those that are in provincial parks. These recreation user fees are expected to generate about 1 and a half million dollars in revenue annually. The introduction of these fees will really position our forest recreation area sites on a more level playing field with similar recreation services offered by the private sector. We have often received criticism about having free campgrounds where the private sector next to them charges, and this will make it comparable. I hope Albertans will accept this new initiative as a fair and reasonable approach to offsetting some of the costs required to operate some of those popular recreation areas. Over the past couple of years the cost of operation has increased significantly while my budget hasn't increased. So either we could have closed campgrounds, reduced services, or implemented the user fees. The user fees are reasonable enough that I believe people will accept that and recognize that it's a great service, a great opportunity for them, and the few dollars it costs is worth while.

The third theme I raised, Mr. Chairman, had to do with sustainable development and natural resource management. My department finds itself now, I think, in a most challenging position given that they're asked to uphold the principles of sustainable development, sustainable resource management, that really

defined, I think, allows for prudent natural resource use while maintaining the integrity of the natural environment. There are, of course, many uses of our natural resources that my department oversees in addition to timber and the production of forest products. We oversee the management of habitat for our wildlife and watershed for our fisheries and the opportunities also for public recreation. All of those multiple resources and other uses must continue to be managed in a sustained and an integrated manner.

I'd like to take just a few moments, Mr. Chairman, to highlight several important initiatives that demonstrate our commitment to effective resource management and sensitivity to sustainable development. As a visible part of our sustainable development role the natural and protected areas program has been an extremely popular and successful program. Really I think what it does is conserve our natural heritage and directly involves the public in conservation and management. Since 1987 we've more than doubled the amount of public land that's been designated as natural areas. We had some 14,000 hectares at that time, and we've increased it now to over 35,000 hectares. I'm pleased to inform you that during the recent visit to Alberta of His Royal Highness the Duke of Edinburgh, my department committed to establishing an additional 21 natural areas within this next year. That represents an additional 15,000 hectares, or a 40 percent increase, in the amount of land protected under the natural areas status. It went from 14,000 to 35,000. Now we're adding an additional 15,000. I'm proud of the contribution which that program has made to our natural protected areas campaign, and I look forward, along with my colleagues in government, to future contributions that we in government can make in this important area.

The Alberta Heritage Savings Trust Fund grazing reserve enhancement program will progress this year into its third year. This seven-year, \$19.2 million program will produce approximately 54,000 hectares of pasture. That increases the grazing capacity of our reserves, and the public lands division will spend \$3.7 million in 1992-93 as budgeted in the Heritage Savings Trust Fund.

Despite the sizable decrease in the number of permanent staff in my department, Mr. Chairman, funding's been increased for some important initiatives. I could give you a couple of examples of that. The district enforcement enhancement program will be implemented in 1992-93 through the provision of \$750,000 to add nine new fish and wildlife officers and one support staff; that's 10 we'll be adding. This program, as you recall, was initiated in 1989-90 to improve officer safety and public service while increasing the enforcement activities we had against a terrible thing that's happening in Alberta today, and that's poaching. Including these 10 new positions for this year, enforcement staff will have increased by a total of 43 positions since 1989-90. Now, it might not sound like very much, but when all departments are reducing, to recognize this area and be able to get an increase in that I think is meaningful.

In fisheries management, Mr. Chairman, a number of initiatives will continue. The department's fish stocking program provides Alberta water bodies with trout and walleye from government-owned hatcheries. In 1992-93 my department will stock almost 3 million trout and over 12 million walleye into Alberta's lakes and enhance an already superior sport fishing activity in Alberta. I think the enhancement of trout in particular, stimulated by a 3 and a half million dollar renovation to the Cold Lake Fish Hatchery, funded through Alberta Public Works, Supply and Services, goes a long way in that particular program. The fisheries enhancement trust fund program will continue to enhance recreational fishing in Alberta by providing funding assistance for various habitat

development, educational and sport and fishing material. There will be 28 new projects initiated in this budget year totaling \$1.2 million.

While all that is going on, Mr. Chairman, the department will contribute an additional \$1.6 million in funding assistance for the North American waterfowl management plan. I'd like to speak on that for just a moment. As members will recall, this is a 15-year initiative, and it's a combined effort of Canada, the U.S., and Mexico to conserve, restore, and enhance important wetland and upland habitat for migratory birds and other species. Alberta has contributed roughly \$3.8 million from 1989 to 1992.

The department has also committed \$2 million this fiscal year to the spruce budworm spraying program. That is an important program that is really part of a six-year, \$10.4 million to \$10.5 million project to protect northern Alberta forests, which have a serious problem at the moment. If it goes unchecked, it could result in, my department advises me, over \$170 million in costs to the provincial economy. Where that dollar number comes from is the potential lost royalty revenues from harvesting merchantable timber, reforestation, and cleanup of debris caused by the reforestation. So my department estimates that every dollar spent on spraying avoids \$17 in future government expenditures and revenue losses. I think it's very cost-effective to make sure that program works. While we're doing it, members should know that we're using a natural soil bacterium known as BT to control those populations of budworm. It's been used successfully across Canada for a number of years, in fact about 30 years. It's been used in Alberta since 1989, and it's been tested and approved by several agencies, including Environment Canada, Health and Welfare Canada, and produces no harmful effects to human health and the environment.

8:20

Mr. Chairman, we plan to implement a two-year joint Forestry, Lands and Wildlife and Alberta Environment northern river study through the allocation of an additional \$1.1 million. Those technical studies on the northern rivers were implemented in response to the Alberta-Pacific Environmental Impact Assessment Review Board's recommendation that there be research conducted into the cumulative impact of development along the Peace River, the Athabasca River, and the Slave River systems. In over four years a total of \$12.3 million will be spent on these studies by the department and Alberta Environment, and the federal government will cover half of those costs. That program is under way, and I think it's important. We look forward to the results.

In 1992-93 the reforestation program will keep the government current in meeting its responsibilities in supporting our commitment to sustained forest management, and this will include supplying seedlings for forest industry projects and carrying out planting and site preparation by the Alberta forest service. I'm pleased to announce, Mr. Chairman, that approximately 15 million seedlings will be planted by the Alberta forest service in '92-93, and that's an increase of over 20 percent over last year. With the recently completed expansion that we've had and the modernization at the Pine Ridge tree nursery at Smoky Lake, an additional 3 million seedlings for reforestation will be produced this year bringing the total number of seedlings produced this year to 48 million. The modernization of the nursery will result in better quality seedlings for planting. Along with our newly introduced Free to Grow standards I'm confident that Alberta's reforestation efforts will remain, I really have to say, the best in Canada.

Also, the department has entered into the first year of a three-year agreement called the Canada/Alberta agreement on forestry, and it's a cost-shared agreement on a 50-50 basis with the federal

government. The program is part of the WEPA program, or the western economic partnership agreements, announced by the Treasurer in his April 13 budget. Activities that will take place because of that agreement will support reforestation and intensive forest management research and technology transfer and public information and education. The province and the federal government will each contribute \$15 million toward those activities, towards that program that will end in 1995. It's important to note, however, that the \$6.6 million that were budgeted in the program for 1992-93 appear with funding for all western economic partnership agreements in the estimates of Economic Development and Trade. I want to stress, Mr. Chairman, that the \$10 million agreement for that funding that will be spent on silviculture over the next three years will go towards reforestation in permit areas, cleaning and tending older cutover areas, and securing and enhancing the growth of new forest. The funds there will not – I emphasize “will not” – be used to pay for reforestation in areas that were harvested under forest management agreements or under quotas. None of it will be used in those areas.

Also, Mr. Chairman, in support of the agricultural community, the department intends to implement a \$4 and a half million program for water crop damage compensation and prevention. It's been a long time in negotiations with the federal government to see this program come to be. According to the new program, a waterfowl crop damage compensation agreement between Alberta Agriculture and the federal government, the level of compensation to farmers suffering losses as a result of waterfowl damage will be increased to 80 percent of the value of the crops lost to that damage. As you recall, the level previously was 55 percent. So it's a much better agreement for the farmers and I think will do a lot to enhance wildlife.

[Mr. Schumacher in the Chair]

Also, my department will maintain its strong support for the Buck for Wildlife habitat development program for the conservation and enhancement of fish and wildlife habitat. Since its inception in 1973 the program has contributed approximately \$16.4 million for 739 individual projects. With the funding coming from the special levy on hunting and fishing licences, our efforts to improve wildlife habitat conditions for Alberta's fish and wildlife will continue to be appreciated by sports fishing enthusiasts, hunters, and recreational users, and I think also that the general public will generally appreciate that. For 1992-93 I'm pleased to announce that 135 projects will be targeted for assistance under the program: 65 for fish habitat, totaling \$800,000, and 70 for wildlife habitat, totaling \$850,000.

In addition, my department has been deeply committed to getting the growing environmental movement more involved in the whole area of public consultation and government decision-making. I believe the Throne speech made it abundantly clear with the numerous references to openness and honest relationships with the public that Albertans will be given opportunities to be consulted and to participate really in matters affecting their daily lives. My department is familiar with the value the public can have in matters of natural resource management and has many years experience with the integrated resource planning program. The experience in that program has taught us the importance of basing decisions regarding management of public resources on the views and needs of the public.

On the theme of public involvement, my department will begin developing a natural resource management policy this coming year. You may recall that in the Throne speech we made mention of the policy in the context of the government's overall public

consultation goal. Opportunities for public involvement in this and other policy matters will be, I think, identified through that process by the department.

I also am pleased to announce the establishment of the Forestry Lands and Wildlife Advisory Committee, that provides ongoing advice to myself and my department on a variety of natural resource management issues. That group, Mr. Chairman, is chaired by Brian Evans, the MLA for Banff-Cochrane, and it represents 18 separate government, environmental, industry, and other interest groups who really care about the management of our natural resources. I'll look forward to working with that committee to benefit from their guidance on how the department may make better decisions concerning our natural resources.

In addition, Mr. Chairman, my department has taken steps to consult the public on the allocation of timber resources in the Manning area, and I am pleased that the results of a proactive initiative have encouraged my staff to explore other forest-related projects in the future whereby the public can be consulted prior to the allocation decisions being made.

Mr. Chairman, all these examples which I present to you tonight I think really point out my department's commitment to public involvement. However, I don't think we should always be satisfied with our past achievements, because I think the public expects, and rightly so, that our commitment will be ongoing and part of effective resource management in the future. I am particularly pleased to highlight all these initiatives, including the natural resource policy, the growth in the natural and protected areas program, and the Forestry, Lands and Wildlife Advisory Committee, as part of the government's and my department's commitment to the response to the 1990 Dancik report, or Forest Management in Alberta: Report of the Expert Review Panel.

My department has a positive outlook on the future in this province, as has been illustrated through the various programs and commitments I've announced for the upcoming year. I hope all Albertans will appreciate the challenge we face as we endeavour to maintain a high quality of service in the management of our natural resources while taking the necessary steps that we all have to take to curb spending increases and contribute to the government's management of our deficit and overall restraint program. I think this budget goes a long way to meeting that challenge.

I want to thank you, Mr. Chairman, for the opportunity to present my department's budget. I will certainly entertain questions raised by the hon. members, and if I'm not able to answer them all tonight, I'll go over *Hansard* and circulate a package of answers to questions that I can't fully address this evening. With that, Mr. Chairman, I'm open to questions.

MR. CHAIRMAN: The hon. Member for Edmonton-Jasper Place.

8:30

MR. McINNIS: Thank you, Mr. Chairman. The minister in his opening remarks acknowledged the presence this evening of his professional and senior staff, and I would like to acknowledge their hard work as well. I recognize that they do the very best they can for the people of Alberta with the legislation, policy, tools, and resources we give them.

I also want to recognize the presence in our gallery this evening of a couple of Albertans who have an interest in forest policy and are here of their own accord to witness these proceedings. I'd like to introduce Jennifer Klimek of the Sierra Club and also Brian Toole of the Edmonton Friends of the North. If you'd rise and receive the recognition of the Assembly, I think that would be appreciated.

Most of the remarks I want to make this evening deal with the broad thrust of policy in this area. There are many detailed questions that I hope to get answers to in one way or another through the course of the session, but I think the broad direction of land use, wildlife, and forestry policy ought to be the subject of a debate at this point in our province's history. Certainly in the travels that I have made around Alberta and the very many meetings that I have been involved in dealing with forestry policy, I am hearing from a lot of Albertans. They're not at all convinced that today's forestry legislation and today's lack of policy are compatible with maintaining and preserving the natural biodiversity of our province, which is really something that Albertans are uniquely gifted with.

I don't think, even though there is some lip service paid in some of the documents, that our lack of a forest policy is such that it recognizes the diversity of users and values which are in the forests in addition to fibre production and wood production. I'm not certain that we're today providing the mix of forestry policies and projects which benefit the many local forestry communities around the province. It's certainly anything but clear that Albertans are getting a fair return for the resources that are being cut down and in many cases exported from the province. It certainly is far from clear that this government recognizes the intrinsic value in preserving very much of our forest in a natural state. It's certainly unclear that the position of aboriginal people is adequately protected in Alberta forest policy because of their special relationship – economic, cultural, and spiritual – with the forest. It's not at all clear that the government understands its role as trustee of the forests for the long-term future. I don't really believe that the commitment to openness, which the minister referred to, has been demonstrated in policy today.

Now, as evidence for these concerns, I certainly refer to the 1990 Dancik report, which the minister referred to also. The Dancik report made it very plain that Albertans wanted a great deal more involvement and influence over the way forests are managed, that they felt that better information was needed not just to be disseminated to the public but a better information base was needed, that we need something like a conservation strategy for our forests, and that we need to have some kind of an auditing system so that Albertans have some way of knowing whether apparent policy objectives and verbal or written commitments by the government are being met.

I would like to quote in particular from the Dancik report, which states:

As owner of the forest resource, the public has a right, if not a duty, to express concern about those commitments and to request clarification of the terms and conditions of agreements with forest companies.

A very perceptive comment, in my view, Mr. Chairman: we have not only the right but also the duty to ask those questions about arrangements that are entered into by the government. I believe that those Albertans who ask those questions deserve to be treated as if they are following their public duty and not treated as if they're some kind of external enemy.

In the government response to the Dancik report, which was made available in June of 1991, there appeared to be some commitment in that direction. I again quote from the government's response.

In future, meaningful opportunities will be provided to the public to have input into all major policies and major allocation decisions that affect Alberta's forests.

That quote is found at page 8 of the document. It also says:

There must be a single point where all of a project's environmental, social and economic effects can be considered together, so that Cabinet can weigh all factors when it makes the decision whether to approve a project . . . the creation of the . . . NRCB allow for this

integrated consideration of new projects, including full public hearings where appropriate.

A pretty strong commitment, in my judgment, to embrace the overall philosophy of the Dancik report and to recognize, I think, that that conclusion comes not from academic study or from some political agenda but in fact comes from the people through the public hearing process. At the time, the minister was quoted in the media as saying that while he didn't think he had money to hire the additional staff that Dancik recommended, the department is implementing, I quote: at least the spirit of the panel recommendations. So I think it's abundantly clear that what the government told Albertans was that they were going to turn a new leaf, that there was going to be a new era of openness and a new era of involvement.

Well, I think we should just have a little overview here of what's happened in the last year or so just to see to what extent these things are happening. I have some passing familiarity with what is taking place in the Al-Pac FMA implementation process. A task force has been set up under the auspices of Gerald Cormick, who's a private consultant employed at this stage by Alberta-Pacific to review and discuss the ground rules for the Al-Pac FMA, a very important document. Now, the commitment, I would like to remind the minister and the Assembly, was that the public would have input into major policies and major allocation decisions. The allocation decision to Al-Pac was done without any substantial impact whatsoever. It's very interesting that the process for determining what public input will be is structured by a private consultant who is employed by the company that's involved, in this case Alberta-Pacific Forest Industries Inc.

Now, there is a task force which has been set up through this process, unbeknownst to most Albertans, which consists of some representatives from the company, some from aboriginal people, some from the department, some from the community advisory council, some from environmental and conservation groups, and some from trappers and recreational leaseholders. I'm at a loss to understand how these people were selected, what type of selection process was employed, because there's no policy or no regulations, no legislation that deal with that. It appears that this is something that was made up by the consultant as it went along.

I have trouble understanding, even if you grant that the representatives chosen are representative of the interests for which they are supposed to speak, why are there are no, for example, recreational users other than those who may be leaseholders in the area, no representatives of the tourism industry, which is certainly going to be impacted by logging, nobody representing agricultural interests that I can tell or local governments or indeed some of the local people who were supposed to benefit from this process. These people when they come to these meetings are told how important they are because they're on the task force; they have to come there and be prepared to act decisively, ensuring that agreements reached are supported by their constituents and principals. It's actually an old game, in my judgment, that you sort of pull people away from the constituencies they represent, isolate them, and get them to come to terms in the absence of the constituencies that they represent. Task force members are told that they can't characterize the positions or suggestions of other members in their discussions with the public or the media so that there's no negotiation in the press, and by and large it comes to transpire that most of the public is shut out of this process.

It has been my understanding that this is a process that was supposed to be carried on by the company at the request of the minister, although I wonder what kind of technical support will be available. I've been informed that Al-Pac is offering something in the neighbourhood of \$50,000 to fund this process, but from

that they're supposed to cover all of the meeting expenses and provide background, technical, and other information. If this is an example of the new regime, I'm not sure that we've progressed all that far.

Some of the participants in the process wonder how you can have a meaningful discussion about how the forest is going to be managed if you start off with a forest management agreement that says: the joint venture partners' use of the forest management area for growing, harvesting, and establishing timber is to be the primary use thereof. In section 1(d): the right to authorize trapping, providing that the joint venture parties' right to manage the area for timber production is not significantly impaired. Now, that's a pretty major allocation decision right there. When you say that the primary use of a set of lands is to be growing and harvesting timber and that other things can take place but only if it doesn't impinge upon the right of the joint venture parties to manage the area for timber production, well, that doesn't leave very much to talk about at all. That's why I think so many Albertans are disappointed that the commitment to involve the public in major policies and major allocation decisions results in this kind of a process, which I think is a mile or two short of the mark.

8:40

In fact, when you look at the ground rules as proposed by, I guess, the government and the negotiators for the company, there really is very little mention of public input into the process. The referrals that are mentioned are made to government agencies only. Other resources and other users are very plainly relegated to second-class status or third-class status at best. A lot of detailed concerns, I think, exist over this process. Now, what's come to pass according to my information is that the people who are involved in the Al-Pac process have not come to any agreement over the ground rules, but the minister nonetheless is going to impose the ground rules on an interim basis, that they're going to be within a very short period of time the law, with all of their warts and the rest of it, and it will be up to somebody to try to find some way through the process to get them changed after the fact. So I really can't see a lot of difference between the old process and the new process except that a consultant has a contract and there are a series of meetings that take place, but day in, day out the decisions are made according to schedule, and the ground rules come into effect.

Another example I'd like to refer to is the Sunpine Forest Products FMA. Sunpine was apparently awarded the timber in the Brazeau development area in 1988 in the area west of Rocky Mountain House. It's most of the remaining unallocated forest resource within the foothills region of the Eastern Slopes of the Rocky Mountains. Now, it's been about four years since that commitment was made. There's been no public involvement process in terms of the allocation decision on Sunpine. Apparently there have been some negotiations, but these are the old-fashioned style of negotiation where it's behind closed doors: somebody from the company deals with somebody from the department, and if that doesn't work very well, then the boss in the company deals with the minister.

Why are these negotiations still taking place in secrecy? Is there nothing to this commitment to the Dancik report? What is the status of the Sunpine forest management agreement at this point in time? We know that the Minister of the Environment has so far refused to call an environmental impact assessment into the project, which is the only trigger to get this issue before the Natural Resources Conservation Board. In the quote that I read earlier from the government response to the expert review panel,

it said that the NRCB was supposed to be the place where you had the "integrated consideration of new projects, including full public hearings." Well, that hasn't happened. It hasn't happened because the new regime, Mr. Minister, is the same as the old regime as far as Sunpine is concerned, unless you can convince me that I've missed something and there indeed is something else different that's going on.

In the case of Daishowa it's a very important FMA, all of which was again negotiated in secret behind closed doors and all of the rest of it. Under the government response to the expert review panel I understood that each of the forest companies were supposed to establish a liaison committee to deal with issues that interface with the public. Now, Daishowa has done that. They had virtually no way to facilitate public input into their ground rules. I understand that the members of the advisory committee had to raise quite a fuss to get a look at the ground rules. They got the next to last draft before they were made law, and they were told as members of the committee that they could not discuss them with anyone because it was confidential. Well, again, you know, how can you have people representing others who are not allowed to speak to their constituents? If somebody tried to say that to me as a member of this Legislature, I'd say, "Get out of town." You just can't do the job if you can't consult with the people you represent.

I understood that Daishowa's public advisory committee was supposed to be funded by the company itself. Then I read in the minutes of the February 11, 1992, meeting that Ken Higginbotham, representing the department, feels that forestry can probably maintain the \$7,500 we get now. Does that mean that the government of Alberta is funding the Daishowa public liaison committee from taxpayers' funds? If so, that isn't my understanding of the way that was supposed to work. I thought this was supposed to be something that was done for and by the company.

A number of Albertans took a look at the Daishowa FMA. They took a look at the Forests Act, and they had a feeling that the system that was set up to deal with that FMA was not capable of producing a truly sustainable forestry operation. So they took the matter to court for interpretation of the Forests Act. Now, we don't have the ability to canvass all the evidence here, but I'd have to say that some fairly shocking testimony came out at that trial in terms of what we do and we don't know about forest management in Alberta.

We had experts testifying that you don't need to have wildlife in the forests; you can have a perfectly good forest with no wildlife whatsoever. At the end of the day the courts agreed that there was no way of establishing with today's policy and legislation - in the first place, there is no explicit statement of forest policy in Alberta. We have the Forests Act, and we have a bunch of statements here and there, but we don't have an integrated forest policy statement for the province of Alberta. I think the courts agreed that there was no way of establishing that with certainty. All that they said, and this is really the technicality that allowed the minister to get off the hook in terms of what he had done, is that the Act says that these instruments are supposed to be designed to create a sustainable forest, and whether they do or they don't is not something the courts can decide upon. As long as they're apparently designed that way, then that's good enough to satisfy the terms of the Forests Act. Well, I say that's not a good enough Forests Act and that's not a good enough forests policy, and we in this Legislative Assembly ought to get busy writing a Forests Act and a forests policy which will do the trick.

Now we learn that having won the court case on that technicality, the Attorney General informs me that the Minister of Forestry, Lands and Wildlife is demanding a pound of flesh, some

retribution from those environmental groups who brought this matter to the court for clarification, some \$250,000 more or less. The minister has justified that by saying that you have to be responsible for your actions, so he feels justified in going after his pound of flesh on the basis that the people responsible ought to be responsible for their actions. He knows very well that that would have the effect of bankrupting some of the oldest and longest standing environmental organizations in the province. Now, that might be convenient for the government. I think it would be politically stupid, but if that's the direction that he's intending to go in, it indicates to me the furthest thing possible from the commitment to a full, meaningful opportunity for the public to have input into all major policies and major allocation decisions. You know, for people who the Dancik report says are doing their civic duty to be gone after in that fashion by a minister of the Crown I think is unbecoming, unseemly, and very unfortunate. I wish he would reconsider, because, Mr. Minister, you're responsible too, and if the effect of your action is to bankrupt those organizations, that's your responsibility as well.

8:50

What about the forestry allocation decision in respect of the Peers mill, the quota which was auctioned by the creditors of A & V Logging last Thursday? The minister essentially wiped out the hamlet of Peers by taking away the condition that timber be manufactured in a 35 kilometre area of the town. The difference in bids between the one company that was prepared to maintain the forestry operation in Peers and the winning bid was approximately \$800,000. For \$800,000 the minister sacrificed a community in our province. I suppose that might be vaguely understandable if the \$800,000 reverted to the taxpayers of Alberta, but it doesn't. It goes to some combination of the Royal Bank, the federal development bank, and Irene Vanderwell.

Now, that's an oddball sort of a decision, in my view, that it's more important to have \$800,000 in that pool than it is to have a hamlet of Peers, but what I think is worse is the minister's effort to justify that decision on the basis that he somehow got the highest price ever for a timber quota in the province of Alberta. What is it that Mr. Leithead and the Alberta Forest Products Association are trying to convince the Americans of in this timber dispute? I happen to agree with the minister that it has a lot to do with whether or not we're prepared to export our logs, but when we go around in a semipublic way bragging about how much more a quota is worth in the market than we provide it for from Treasury, I suggest that there is no principle left that won't be thrown over the side when it comes time to justify a decision which is very difficult to justify. I think it's outrageous, in fact, that a minister of the Crown has the authority to say whether a hamlet lives and dies under the Forests Act. To lift the quota or impose the condition is the decision of one person, and that's a tremendous amount of authority to give over the lives of the community. This minister tries to convince the Legislature that they asked for it, that the people in the hamlet of Peers wanted to commit economic suicide. Baloney they did. Virtually all of them signed a petition over the weekend saying: hell, no; we did not ask you to kill our village, thank you very much; we would like to survive.

We also have the question of improvement districts 17 and 18, which are fed up with their lack of return from forestry operations. Again Albertans are saying they want some local economic benefits. The people who are on those advisory committees have been told by senior staff from Forestry, Lands and Wildlife and transportation that they can address the problem by giving them more taxpayers' money to build more roads. Well, isn't that a

little bit like buying silence with provincial tax dollars? I think the action that's been taken by IDs 17 and 18 is the result of their belief that they're being forced to bear costs of pulp mill development without a corresponding benefit. They're really fed up, I think, with a system in which they lose timber, they lose employment opportunities, and they face environmental damage and considerable expense without any compensating revenue.

How much time is left?

MR. CHAIRMAN: Four and a half minutes.

MR. McINNIS: Well, we've barely scratched the surface, and there's so much more I would like to deal with: why it is, for example, that the department continually underestimates the expenditure that's required for fire fighting; why the estimates are down this year when we've had to have special warrant year after year to cover off the cost of that; why it is that the wildlife branch, the poor sister of the department with 19 percent of the budget, has a research budget that appears to my figuring to be not much more than \$3.4 million out of a \$176 million department or something less than 2 percent; why it is that there's still no action on the caribou rescue plan after these many years; why so many parts of our province which are known to be critical wildlife habitat are being allocated on the single-use forestry model.

So I have to say, you know, that when I compare what's being said to the public on the Dancik report and so many other things with the performance, I think there's a gap there, and for that reason I would like to declare a want of confidence in this minister. Now, for the most part this is done by reducing the minister's salary to a dollar, but because of the particular circumstances of this minister and this department I move that the minister's salary be reduced to \$3 because I believe what we've got here is a 3 dollar bill.

Minister's Salary

Moved by Mr. McInnis:

Be it resolved that the minister's salary, vote 1.1.1, be reduced to \$3 in the Department of Forestry, Lands and Wildlife.

MR. McEACHERN: Mr. Chairman, the Member for Edmonton-Jasper Place has quite rightly pointed out that the minister talks a good story but doesn't always deliver. It seems to me that the 3 dollar bill idea is quite appropriate because, of course, there is no such thing as a 3 dollar bill. That means that he won't even get the dollar that would normally be the amount. So the 3 dollar bill analogy is a very appropriate one.

The minister when he first stood up this evening talked about how the mission of his department was to develop a sustainable forest industry. Well, I guess I ask: has he been able to do so? Of course, the answer is no. Is he on the right track to do so? Well, maybe. I think one of the things that he should be looking at a little more closely is the experience of the Scandinavian countries. The Scandinavian countries are now in the second and third generation forest regrowth. You don't grow a crop of trees in one year and then mow it down and start again like you can with wheat fields, yet to a certain extent this minister seems to think you can mow down your forests like they were wheat fields and then regrow them. Now, they take a lot longer to regrow, and you cannot in any way compare the regrowth to the original old growth forest. You've lost incredible numbers of species. You have no assurance that the soil will be able to regenerate that fast that amount of growth that the government is planning. The experience seems to be in the Scandinavian countries that the third

time around particularly you get a stunted growth by comparison to what you were getting in the first crop. Anybody that plants grain three years in a row on breaking should understand that. The first crop is always the best. If you don't fertilize, the second crop isn't quite as good, and the third crop is not very good unless you do something about some crop rotation and some fertilization. I think the minister has some kind of a notion that you can farm forest lands much in the way you farm wheat fields, and I think it's a mistake.

He also said that one of their missions was to make sure that we have a healthy environment. Well, I don't think he and the Minister of the Environment have been taking very good care of the environment in Alberta. We certainly have a long way to go.

I think the greatest danger to the forests that the minister poses is his FMAs, his handing over thousands of hectares of land to big corporations and then saying, "Here, it's yours to manage for the next 20 years" – surely that's an abdication of responsibility no matter what the terms – and then with some kind of an almost automatic renewal at the end of 20 years if they wish, if they haven't already mined it to the point where it's not worth renewing and they don't decide to just leave because it isn't paying off.

9:00

The minister spoke at some length about how the Treasurer in his budget had addressed the challenges of stimulating the economy. It wouldn't just be, would it, that the reason for switching from the talk of a balanced budget over the last several years to stimulating the economy – that wouldn't have anything to do with the fact that they failed miserably and did not balance the budget and so tried to make a virtue out of a difficulty that they were just unable to fulfill their promises about a balanced budget? It wouldn't be perhaps that this is what you might call an election budget, would it? I mean, it has far more to do with that than any sort of repentance on the part of the Premier that somehow he's now got to start stimulating the economy because he's got to save Albertans who are in trouble. Certainly Albertans are in trouble, because this government has been in power for 20 years and has messed up the province.

Yes, these are tough economic times, and the minister was bragging about how the forestry industry is doing so well under these tough economic times. Couldn't be that we overexpanded in the forestry industry just at the wrong time, could it? Couldn't be that that's the case, could it? It seems to me that what this government did was look around the world and say: "We've got to diversify from agriculture and oil. Let's see; what else can we do? Oh, well, we could chop down our trees and give them away to somebody." And so we run out to the world and say: "Look, corporations, come; we'll help you. We'll pay you to take our pulp." That's about what it amounted to in the Daishowa and Al-Pac types of contracts. I might remind the minister that I quoted in this House an article – I think it was from the *Financial Post* of about three years ago – that in fact we were moving into forestry just at a time when there was going to be an oversupply of pulp. That's one of the reasons that the prices were down last year and that we sold more pulp than ever and got less money for it. It doesn't take any genius to look ahead, and yet the minister rushed ahead and wanted to sell off our pulp at an incredible rate. That's not exactly what I would call sustainable development.

Mr. Chairman, I think the Member for Edmonton-Jasper Place hit it right on when he said we should be saving some dollars from the budget. We should just reduce the minister's salary to \$3 and make it a 3 dollar bill so that we don't have to give him three 1 dollar bills. I think that would be an appropriate remuneration for

the success he has had in running the Forestry, Lands and Wildlife department in this province.

MR. CHAIRMAN: The hon. Member for West-Yellowhead.

MR. DOYLE: Thank you, Mr. Chairman. I listened closely to the Member for Edmonton-Kingsway, and I must agree that the Member for Edmonton-Jasper Place is on line with proposing a notice of motion such as this when I see the way the Minister of Forestry, Lands and Wildlife treated the people of Peers in the last couple of weeks. That's more money than those people will be making if he doesn't change his mind and give it to the proper company that will generate jobs within the community of Peers and get that mill up and running.

In fact, under the Forests Act, Mr. Chairman, article 26 says:

When in the opinion of the Minister it is in the public interest to change any provision or condition or the area of a timber quota, timber licence or timber permit, the Minister may

- (a) alter or vary any provision, condition or area of, or
- (b) cancel

the quota, licence or permit 30 days after serving a notice of his intention to do so by registered mail on the holder of the quota, licence or permit.

Well, Mr. Chairman, going through some court documents, I haven't seen where the minister sent any registered letters to the receiver. Perhaps I don't understand this that clearly, but it seems to me that within 30 days the receiver would have to be served notice by registered mail that the conditions were going to change. In fact, there were only two weeks, I believe, that the judge gave the two major companies – one a former deputy minister, another who holds a \$120 million corporate debenture – to lobby the minister to have him change that condition, thereby allowing in people who had the full intent of not creating jobs in the Peers area but moving those jobs to another area; in fact, moving the wood to an area much farther than the 35 kilometres that was in special condition 12.

So until the minister changes his mind, I think \$3 would be fair, because that's much more than the people of Peers and area will get if he doesn't give it to the person who opens that mill and supplies jobs within the Peers area and allows the wood to be manufactured within the 35-kilometre area.

Thank you, Mr. Chairman.

MR. McINNIS: I would just like to elaborate with regard to this great gulf between the rhetoric of public involvement in closed-door decision-making. There do appear to be some exceptions. You know, when the government can't make its mind up, then we have things that are public-inputted beyond death. For example, in the Yuen Foong Yu polyboard dispute in the High Prairie area, the government was unable to come to a decision as between some interests within the caucus, so they may very well have fiddled both opportunities by the board. The position as I understand it is that the government has said, "Jeez, we can't figure this out, so we'll let both of you guys go and apply to the Natural Resources Conservation Board independently of the government, and they'll make a decision, because we can't make a decision within our caucus." I think that illustrates the point that they only consult when they don't really know what it is they're going to do. When it comes to, for example, the northern reserve area of Procter & Gamble, which the company forfeited on account of their failure to meet the commitments that they made under the forestry management agreement, there's all kinds of room to consult because the government really doesn't know where it wants to go.

It's kind of interesting that a few years ago when we were discussing these matters shortly after I was elected, the minister was saying: "Well, we had to sign all these FMAs, and we had to give away all this money. We had to give away all the free infrastructure. We had to give away all the loan guarantees. We had to give away the FMAs. We had to give, give, give, give, give, because we had no choice. We had a very tiny window of opportunity to get into the forest industry, and that window was closing on us real fast, so we had to get in there and give away Alberta." Well, now all of a sudden there are projects left, right, and centre. There are three, four, maybe more that want to make use of that northern Procter & Gamble reserve area. We've got Grande Alberta Paper company that wants to utilize the northern Procter & Gamble area as well as the deciduous timber from the southern area, what I guess they consider to be the reconstitution of the offer that Procter & Gamble walked away from when it shelved its expansion plan; no end of consultation on that because the government doesn't have a clue which way it wants to go. Now there's somebody from Calgary who wants to open up an oriented strandboard in Grande Prairie utilizing the deciduous timber from Procter & Gamble's southern FMA. I suggest that the government only consults when it doesn't really know which way it wants to go, and I think those particular instances are a pretty good illustration of that.

I also would like to raise the concern which a lot of people in the Grande Cache area have about the way our system of quota and forestry management agreement encourages overcutting but underutilization of timber. The people in Grande Cache are convinced that some of the good quality sawlogs, which are needed to keep that Grande Cache mill in operation, are being chipped, shredded, and pulped. Good quality sawlogs. Now, that's borderline criminal. We shouldn't have good quality sawlogs that are cut into tiny pieces and made into pulp and shipped overseas or into the United States on that basis. Good quality sawlogs should be manufactured in Alberta, and the chips and the sawmill residue should be pulp, but under current policy it appears that managers of an FMA could indeed reduce sawlogs to chips without penalty. Now, that's not something that Albertans would agree to if they had a choice. It's not something that could possibly result from the public having input into major policies and major allocation decisions that affect Alberta's forests, but it's something that does go on in our province today.

9:10

It seems that the people of Grande Cache in this particular instance are losers because they found that after the detailed forest inventory was done, the amount of timber that was available to them for the operation of that mill was considerably less than was indicated at the time. The harvest area block known as E-8 was presumed and reported to be of sufficient magnitude to accommodate a mill of the size built in Grande Cache. Well, the manufacturing capacity there is 600,000 cubic metres annually. In the past year the detailed forest resource inventory studies show that the forest they are allocated can only produce about 270,000 cubic metres of sawlogs. So they've got a sizable gap there, between 600,000 and 270,000 cubic metres. Again it comes back to the overwhelming sense Albertans have that not enough information is available in order that decisions can be made properly. If that information is not communicated properly – and I know the minister may be raring up to give his speech about what a terrible deal this Grande Cache mill was; from the outset he likes to blame it on the public hearings. Well, you can't blame the public for the fact that the forest was identified as having 600,000 cubic metres of sawlog production annually compared with 270,000

actual. That isn't the fault of something that came up at the public hearing process.

I hope in the course of this evening, speaking of 3 dollar bills, that the minister will finally get around to clarifying where this government is going on public lands management. In the very first question period of the current legislative session I asked him about the proposal that comes from certain elements within the cattle industry to transfer the management of Crown lands from the department of public lands to the Department of Agriculture, with my understanding that the public lands branch has always had a multiple-use mandate whereas the Department of Agriculture has a mandate which is more single-industry driven. There is, I suggest, widespread concern about that proposal. If my mail is any indication at all, a lot of Albertans are very concerned at what the government may be contemplating. At that time the minister left the door open: he didn't say yes; he didn't say no. What he said was: it doesn't matter. Well, in fact, to a lot of Albertans it does matter. I'm hoping that somewhere along the line the minister will find it in his heart to come forth with a process that will allow people who have an interest in that area to have some questions answered but also to state to the government for the record what their concerns are and what they would like to see done about it.

MR. CHAIRMAN: The Member for West Yellowhead.

MR. DOYLE: Thank you, Mr. Chairman. Speaking to the motion from the hon. Member for Edmonton-Jasper Place that "the minister's salary, vote 1.1.1, be reduced to \$3 in the Department of Forestry, Lands and Wildlife," I wouldn't say that should be a permanent salary, but it certainly should be for some time, until he repents of what he did not only to some of the citizens of Alberta but to many of the people in the Peers area who fought so hard to keep that community going over the years. It was not their fault that the mill went into receivership, and perhaps it was not the fault of the times, but the true fact is that that mill is in receivership.

On February 6 the minister wrote a letter in regards to A & V Logging, the mill at Peers. I quote:

Price Waterhouse, the receivers for A&V have been advised that I am not prepared to remove the 35 km manufacturing condition associated with A&V's timber quotas.

I am pleased at your company's interest in [this] mill.

That was signed by the minister himself, and I tabled that letter in the Legislature. That was on February 6, Mr. Chairman.

On March 27, a letter signed by the deputy minister, C.B. Smith, reads, and I quote:

The Minister of Forestry, Lands and Wildlife is not prepared to remove special condition number 12 of the Coniferous Quota Certificate E010009 at this time. Should the assets of A & V Logging be retendered, the special condition would be removed and the retendering could be advertised on that basis.

That was signed by the deputy minister.

Then lo and behold, Mr. Chairman, from March 27 to April 2, another letter from Alberta Forestry, Lands and Wildlife signed by C.B. Smith, and I quote:

After careful consideration of information received since my letter of March 27, 1992 and the representation made by various interested parties I am retracting that letter. The Minister of Forestry, Land and Wildlife is not prepared to remove special condition 12 of Coniferous Quota Certificate E010009.

That was signed by the deputy minister. That was on April 2, 1992, Mr. Chairman.

On April 9, 1992, seven days later, and I quote:

This is in reply to your letters dated April 3 and April 7 regarding sale of A&V Logging's assets. There still seems to be some uncertainty over the Department's position with respect to special condition 12 of the Timber Quota Certificate No. CTQE010009.

My letter to you dated April 2, 1992 stated that the Minister of Forestry, Lands and Wildlife was not prepared to remove special condition 12. I would like to reconfirm this and add that the Minister is also not prepared to consider any amendments to the condition. This reflects the position of the Honourable LeRoy Fjordbotten, Minister, Forestry, Lands and Wildlife and the Honourable Peter Trynchy, MLA for Whitecourt.

Now, this was on April 9, 1992, Mr. Chairman, signed again by the deputy minister.

Then 20 days later, on April 29, 1992, another letter, and I quote:

This is to advise that the Minister of Forestry, Lands and Wildlife has agreed to remove special condition 12 of the Coniferous Timber Quota Certificate E010009 once the assets of A&V Logging have been auctioned or retendered.

It shall be a condition of the sale that every tender or bid contain a proposal outlining the employment opportunities that the bidder will make available to individuals residing in Peers and the immediate vicinity. Notwithstanding the acceptance of any other offer by the Receiver, the Minister reserves the right to withhold his consent to an assignment of the Quota, including but not limited to withholding his consent to an assignment to the highest or any other bidder if that bidder's proposal is not satisfactory.

The quota may be auctioned or retendered on this basis.

That was signed by the deputy minister.

Well, Mr. Chairman, it looks like the minister changed his mind the odd time or somebody changed his mind. We know who changed his mind the last time. When the bids came in, one bid came in in the area of 1.8 from Millar Western, a company in Whitecourt that has \$120 million of corporate debentures that is participating until October 31, 2009, and the other one was from a smaller company that wanted to start the mill up. Millar Western indicated that they did not want to start the mill up. They wanted to leave it to the owner to auction off or some agreement like that. The other company, which has no taxpayers' dollars, only their own dollars, which worked hard to keep the economy going in the Lodgepole area and other areas of the province, was the only one that really qualified when it went to tender the first time, but the judge for the receiver, I understand, allowed those other two companies to lobby the minister to remove this condition 12. Who are those companies? The one that has \$120 million does not want to open the mill; the other one is under the management of his former deputy minister of forestry with some assistance from the brother-in-law of one of the other people who want some funds out of this particular mill. So this was not fair to the people of the Peers area.

9:20

Last Saturday I received a call in the morning to see if I could attend a meeting in Peers with many concerned citizens. There were some 35 to 40 people gathered who wanted to lay their concerns on me. They weren't getting much results from their own MLA because he was waffling on the subject also. Mr. Chairman, I understand the citizens of Peers and area began on Saturday afternoon, sometime after 1 o'clock, with a petition, and by 5 o'clock last evening, which would be May 10, 1992, received some 405 people who wanted to clearly state their objection to the removal of clause 12. With some other petitions that had been circulated earlier, there appeared to be some confusion as to what they were signing, and some people misunderstood the clause 12, but I assure you that all the constituents of that area now very

clearly understand what happened when they removed clause 12. In fact, if the minister or any of his colleagues would like to drive to the town of Peers, there's a tombstone planted there now as you turn into the town of Peers, and it says: Recession Flats – Clause 12 buried here. The only thing they didn't put on it is the person who actually killed clause 12. It was the Minister of Forestry, Lands and Wildlife. So why should he be paid any more than \$3 if he can use these heavy-handed tactics to kill a small community like Peers?

Mr. Chairman, the Forests Act I guess allows them to. Under 26 it says:

When in the opinion of the Minister it is in the public interest to change any provision or condition or the area of a timber quota, timber licence or timber permit, the Minister may

- (a) alter or vary any provision, condition or area of, or
- (b) cancel

the quota, licence or permit 30 days after serving a notice of his intention to do so by registered mail on the holder of the quota, licence or permit.

Mr. Chairman, this quota was in the hands of the receiver. When it was auctioned, from one auction to the other was only somewhere over two weeks' time span. The minister wouldn't have had time to serve a 30-day notice by registered letter to the receiver. So there seem to be some problems with the way the minister handled this particular incident.

In the next couple of days when the minister has to look over these tenders and decide who gets them, I hope that he would certainly make sure that whoever gets the quota in the Peers area, if that wood is harvested and manufactured by local people, that that sawmill is up and running in Peers. Anything less than that is not fair to the community of Peers, the surrounding area, and the town of Edson. In fact, today I understand the town of Edson faxed the minister a letter of their disappointment with the decision. I'm sure the minister also received many of these letters that I have today, because they are addressed to him and CC'd to me. I quote from one:

The majority of people in the area were not in favour of dropping or amending special condition #12. People feel they were lied to, to acquire names for that petition. If you would like names you could call me at [a certain number.]

Our improvement district never held a meeting to assess how we felt. Also, the receiver's meeting was advertised the morning of as a loggers' meeting. Some people discovered its true purpose through word of mouth. Rating the applause, the vast majority at that meeting were also not in favour of dropping or amending the condition.

As an effort to salvage the jobs in the area,

it goes on to say that she and her husband were helpful in getting these 400 and some signatures yesterday. Some were talking conflict of interest and kickbacks and all that, but I would doubt that that would be something the minister would take part in. But, very clearly, the auction that was advertised on May 1 should have had special condition 12 in it, and it should not have been removed by the minister.

Also, Mr. Chairman, speaking to the notice of motion by the hon. Member for Edmonton-Jasper Place "that the minister's salary, vote 1.1.1, be reduced to \$3 in the Department of Forestry, Lands and Wildlife," I would like to bring something else forward that the minister should be . . . [interjection] Another hon. member has been saying some words behind me, and it distracted me for a moment there. Perhaps he would like to take his place and stand up in support of this motion.

Mr. Chairman, I would like to say that the minister's salary should be on hold until he takes a tour in the Whitecourt area with Tom Opus and his partner of the great job they're doing in horse logging, logging by horses. Mr. Opus and his people log around

one acre a day by selective harvesting in co-operation with the staff of the forestry department, with six people working. The clear-cutting in that area does 50 acres a day, and they employ eight people. Mr. Opus's operation with the horse logging is rather unique. He has come a long ways since I was a young fellow and used to log by horses the big oak trees in Ontario and occasionally maple trees, when they were dying and we needed them for wood. Mr. Opus has a wagon drawn by three horses, and on that he has a picker with a gas motor. When the tree fallers drop the trees, only the selected trees, he comes along with his three horses hooked to this wagon, starts up his motor, picks them up, and takes them out right to the edge of the forest, the same as anybody else would do if they were harvesting with big equipment.

The things that are left are all the evergreens and all the other trees that will be generating in the future; they're all left there. The only roads that are made through this forest are made where the alders are, where the short trees are, and they are pushed in with Cats so the horses can clearly get in and out of there. They're not straight roads; they wind through the bush where they're not harming any other trees. In about five years, Mr. Chairman, the same operation can come back.

If horse logging was allowed to be used in many of these forest areas – there are some areas where you could use heavier, bigger equipment, but horse logging could be used in many areas for selective cutting. In fact, if they were cutting 50 acres a day with six people, that would be 300 people you'd employ, 300 people plus all the spin-off jobs. It would help these people who are caught on the rolls of welfare to get out in the country, enjoy the outdoors, and put in a good day's work. They'd probably feel much better about themselves. Many of them would like to work; they just haven't had the opportunity. In that same 50 acres, Mr. Chairman, the people with the mechanical equipment only employ eight people. So although horse logging was a thing of the past, perhaps it also may become something of the future. I'm sure the Minister of Agriculture would be pleased by the increase in sales of horses, with probably better breeds of horses for doing this very strenuous work.

So, Mr. Chairman, I'd hope that the minister would review the policies of Tom Opus and his people, who are now working on private land because they didn't get any more Crown land in the last little while, and the change in the weather kind of put them on a higher spot.

9:30

Also, I'd like to say, while we're considering this reduction in the minister's salary by the notice of motion by the Member for Edmonton-Jasper Place, that he mentioned earlier that in this year's estimates he was going to only put in nine new officers and one support staff. That's a ratio of 9 to 1, Mr. Chairman. I wonder if the minister feels that nine officers could not better operate if they had a little more support staff, where they could be out in the field more and not have to spend nearly as much time doing their paperwork.

Mr. Chairman, I would think if the minister had looked around in some other ministers' departments, perhaps he could have found a little bit of deadweight there at the top that he could have shaved off and perhaps put that money towards increasing those officers to about 90, which is about what they need for fish and wildlife officers. There's poaching going on. These officers can't possibly keep up with the amount of poaching that goes on. I see them. I've had the opportunity to catch people with nets in the McLeod River, and these people are out there all over the place. We don't have enough officers to protect our fish and wildlife, and we must

have more officers in the field. Along with that, for every 10 we must have at least, I would say, two or three support staff to do the paperwork and to let these officers spend more time out in the areas that they have to protect.

Also, Mr. Chairman, in recent years I spoke with the minister about the protected areas around the Emerson Lakes, between Edson and Hinton in a triangle. There are eskers in that area that are very much in need of protection. Those eskers are, of course, much like hoodoos, but they're pushed up more in hills. They're very high, probably 800 or 1,000 feet up. You can walk up them, walk along them, and you can see five or six very clear lakes. The department of forestry has a very well kept campground there. I might say that I am in support of the minister of forestry charging for some of these campgrounds, because surely somebody can pay something for the expense it costs to look after many of these remote campgrounds. But I would like to see the minister of forestry turn that campground over to the Minister of Tourism, Parks and Recreation and make a small provincial park around that area before Weldwood climbs over the hill, takes too many trees out of there, and allows that countryside to erode too much.

While we're talking on the motion by the Member for Edmonton-Jasper Place about the minister's salary being reduced to \$3, perhaps it could stay there, Mr. Chairman, until the minister actually puts at least a 10-kilometre peripheral rim around Jasper national park on the east side. Not too long ago, some of the members of the department that are sitting above me here will recall, somebody shot a bighorn sheep in the Cadomin area. Indeed, it was a very serious crime, but there was some question as to exactly where the boundaries were. They were somewhere up on top of the mountain. So I would hope that the minister would consider putting a bigger rim at least 10 kilometres outside Jasper park and not let these wood butchers go in there and clear-cut the forest close to Jasper park.

In fact, Mr. Chairman, as you travel Highway 40 to Grande Cache, the part that's paved, when you get close to Grande Cache, right along the highway there – Highway 40 runs very close to Jasper national park – the trees have been cut between the park and the highway. Now the woodland caribou are coming out on the highway. Many have been killed in the last couple of years, and many people are concerned that we have to find a better way of protecting the woodland caribou if they indeed are going down in numbers. We have to find some better protection for them.

In regards to the motion from the Member for Edmonton-Jasper Place for \$3 in vote 1.1.1, I would say that the Minister of Forestry, Lands and Wildlife must also pay particular attention to the amount of fish that are actually in the creeks. In the Auditor General's report there appears to be no real tally as to how many fish there are in the creeks and in the rivers and how many of each species are in there. I would hope that the minister would get a better count on these fish, and I'm most pleased to see that he has said that he's going to increase the trout and the walleye stock. Of course, being an avid walleye fisherman, Mr. Chairman, I am that fortunate catching walleye that I have to limit my catch until I eat some. I appreciate that the minister is increasing the stock in the walleye population. They are one of the best fish that Alberta could pride itself in protecting.

Mr. Chairman, the cutbacks some years ago from a limit of 10 walleye was a very positive step by the minister of the day. He cut them back from 10 a day to three a day. I can see now in one of my favourite lakes that I fish in . . .

AN HON. MEMBER: Is that all you do, fish?

MR. DOYLE: I haven't had the opportunity, mind you, to go fishing much the last three years, but I assure you I'll be fishing this weekend if I can get a break. I'm looking forward to being at the walleye catch at Slave Lake in the hon. member's riding to bring home the big prize. [some applause] I needed that, Mr. Chairman.

Mr. Chairman, increasing the population of the walleye is a very positive step on behalf of the minister, and of course those who are trout fishermen will appreciate the enhancement of I believe 3 million trout from the Cold Lake hatchery.

Mr. Chairman, many of my constituents are very concerned about the amount of spraying of herbicides that goes on. The test plots that were originally established for testing the herbicides in the FMAs have now been expanded. Their fears are that they'll be expanded until everything is sprayed by herbicides. I want to express that to the minister, that herbicide spraying must come to an end if at all possible, although I did see where he was putting in some more money – I believe he said \$2 million; he can correct me if I'm wrong – on some spraying of the budworm.

Mr. Chairman, I would hope that until the minister clears up some of these things I've requested from him, we would leave his salary at the fee of \$3. With that, I would like to hear what other people have to say.

MR. MITCHELL: Mr. Chairman, I rise to speak on this motion but reluctantly, only to make sure that I get a chance to speak generally on this minister's estimates. I'm not going to address specifically the motion of a \$3 salary, which I think is cynical and really little more than vexatious. I would like to talk about a variety of specific questions that I'd like to ask the minister, but I'd like to start with just some general comment first.

Clearly, Mr. Chairman, I am concerned with this government's forestry policy over the years. Since the government announced its aggressive pulp mill development policy, I and my caucus have been vocal in our opposition to the manner in which that policy has been developed and the manner in which it has been implemented. We called originally for a moratorium on all pulp mill development until a number of conditions were met, amongst them the notion that pulp mill development would have to be benign environmentally. Clearly, we have gone now beyond that, but it seems to me that some of our greatest concerns are being realized. The fact is that if there was a justification that this government could argue for its pulp mill development, it was only that it had some kind of economic development impact. That, among other things, was a question that we raised. It is questionable, highly questionable, and now we are starting to see the answer to that question: would the world want to buy bleached kraft pulp in the future? Well, it is now of course becoming the future, and clearly we are seeing the world say, "We do not want to buy bleached kraft pulp any longer."

9:40

There's a recent report that the United States general administration office, with its \$300 million annual paper purchasing budget, is now considering whether it will buy bleached kraft pulp paper any longer. We saw a report late last year by the Canadian pulp and paper manufacturers' association saying that European demand for bleached kraft pulp was declining and that this was causing serious concerns for the industry. The minister didn't have to be a genius three or four years ago to say: "You know, tomorrow won't be like it is today. The world is changing. Environmental demands, among other things, are such that the world markets for this kind of paper will begin to diminish." They are, in fact, beginning to diminish.

I think it is very revealing, Mr. Chairman, to look under vote 3.8.2., which is one of the few elements in this minister's budget that in fact has an increase in expenditure anticipated. It's interesting to note that that vote is for Trade Promotions. It is up over \$1 million, or a 335 percent increase, and we have to ask ourselves the question why. There are no coincidences. I would argue that the answer to that question is probably that this minister has begun to realize that markets are drying up for that kind of product and he is now beginning to promote on behalf of the industry markets for that kind of product. I believe that the increase in that vote is very, very revealing.

It's interesting to me as well, Mr. Chairman, that in the minister's opening comments he says that he has increased reforestation by 20 percent. That doesn't seem to be consistent with what the minister has been saying in previous years, where under his new Free to Grow standards there would be no net loss, and that would imply that of course he was doing reforestation to keep up with the cutting each year up to this year. If that's the case, where would there be room for a 20 percent increase? If in fact his reforestation policy has been keeping up with forest cut, timber cut, where does the 20 percent increase come? It either comes by way of a recognition and acknowledgment implicitly of something the minister has failed to acknowledge in the past, and that is that in fact he's had a 38 percent backlog of reforestation because it wasn't working – that hasn't been acknowledged in the past – or he hasn't been keeping up with timber cut in more recent years and is now acknowledging that he has to increase reforestation if he is to catch up.

I'm not convinced. I haven't been convinced in the past, and I'm not convinced now that reforestation is working the way the minister is saying it's working, that it is keeping up with the timber being cut. We all know that no matter how much reforestation goes on, we don't replace forests. When I look at the government's forestry development policy, I do not see an acknowledgment of the need to set aside sufficiently large tracts of boreal forests, old growth forests in this province to preserve that ecosystem in this province.

We have heard a great deal over the years as well, Mr. Chairman, under the rubric of forestry policy, that FMAs are reviewed by the public. Forty meetings were held in northern Alberta with the public, but these were coffee parties. They are not public review of an FMA. We do not see the FMAs until they are signed. By any stretch of the imagination that is simply too late.

I believe that there is an inherent conflict of interest in the department which makes it very, very difficult for the minister to structure an objective forestry policy that takes in a broad range of perspectives and a broad range of uses of our forests. What is that conflict of interest? It is, Mr. Chairman, that on the one hand the minister is responsible for the protection of forests and the wildlife that inhabit them; on the other hand, he has a forestry industry development branch which is responsible for exploiting those forests. Clearly, Mr. Chairman, it would be more logical for that particular branch to be in the department of economic development. One can hardly imagine what the department of economic development does if it doesn't have things like forestry industry development and tourism and so on. Forestry itself could more properly be integrated in with the Department of the Environment. We would reduce the number of government departments, reduce unnecessary expenditures, streamline government operations, and put the protection of forests where it should properly be, within an Environment department with the proviso that that Environment department would work properly. Of course, that's a pretty important proviso.

My general concerns expressed in the past are reiterated this evening, Mr. Chairman. We do not have confidence in this minister's forestry policy. There are huge gaps. Elements of it that he is said to have delivered upon – reforestation – he is now raising serious questions about. The markets for bleached kraft pulp are in question. I believe that what we are beginning to see is a forestry policy, such as it is, unraveling before our very eyes.

Specific questions. With respect to vote 1, Departmental Support Services, I note that the minister budgeted nearly \$20,000 for Payments to MLAs. I would like to know which MLAs and for doing what.

Under Fish and Wildlife Conservation, vote 2, it is encouraging to see that there is an increase of 16.9 percent and that that is for waterfowl crop compensation. Clearly there are some problems in administering that program: having to wait till the end of the year, for example, to claim back the money from the federal government. Not an overwhelming problem, but I would like to know: could the minister confirm what he expects will be the recovery of losses, what percentage of losses will be recovered – our information is that they will be in order of 80 percent – and will he please at least discuss what his expectations are for encouraging farmers to in fact reclaim or maintain wetland areas? If they are only going to be 80 percent compensated, I guess while that's a pretty significant amount, is it significant enough to ensure that they will maintain wetlands or in fact even reclaim them? It's clear there's not really a direct incentive for reclaiming wetlands. Could the minister please comment – because I know he said that he's putting a priority on wetlands – on what he is doing specifically to encourage the restoration of wetlands, not just the maintenance of the ones we have got but the restoration of wetlands.

I would like to argue that the 43 percent decline in Commercial Wildlife Management at face value appears to be good, provided that the money that is being reduced in the government's budget is being picked up by industry. The remaining \$96,000, it would seem, should also be paid for by industry. I wonder whether the minister could explain why that isn't the case, why there would be anything in a government budget for the management of commercial wildlife.

Fisheries Management. Fish Culture, vote 2.3.6, is up 11 percent. My belief is that that's a worthwhile initiative, but I would like to know how it is that that money is going to be allocated. Our concern is that there should be, among other things, adequate stocking of lakes in northeastern Alberta. Our information is that nearly 60 percent of the sport fish caught in Alberta are caught in the northeast but that restocking initiatives do not reflect that proportion for that area of the province. It could be, of course, that rivers and lakes in that area sustain the population of fish adequately, but I'd like to know for sure whether that's the minister's analysis. Specifically, 60 percent of the sport fish caught in Alberta come from the northeast, whereas only 26 percent of the walleye fingerlings raised under our walleye pond program were used to restock lakes in that region.

Habitat Management, up 24 percent. That can be viewed as being positive, certainly given that without habitat we lose wildlife, so the minister is to be encouraged in that. But I would like to know: will this Habitat Management increase help to designate and manage more areas of old growth forest, which I believe are in jeopardy in this province, given the forest industry development policy of the government?

9:50

Under vote 3, Forest Resources Management, Recreation Area Operation and Maintenance is up 6.8 percent. To what extent will

this increase of \$600,000 be covered by increased fees? Does the minister have it in mind that he will try to recapture that growth? Did the department get corporate sponsorships to help fund wilderness camps in the Crowsnest Pass near Caroline and Athabasca that were threatened after last year's budget cuts?

Reforestation. Despite the fact that the minister says it's up 20 percent, funding is down 7.6 percent, and Silviculture Planning and Operations, in particular, is down 37 percent. I wonder whether the minister can answer how his government is fulfilling its requirements in reforestation under these budget cuts. I'm reminded of the letter from Mr. Denney of the industry association last year raising serious doubts about whether the government in fact had allocated sufficient resources to maintain its responsibility under reforestation in this province. If reforestation were somehow up 20 percent, I guess I would be encouraged, but I would like to see how that jibes with the minister's budget cuts in this area.

With respect to Forest Protection, in particular Fire Suppression, why is the budget only \$12.5 million for 1993, Mr. Chairman? I note that last year the budget was over \$30 million, and in each of the previous three years respectively the budgets were \$33 million, \$23 million, and \$51 million. Reports are that we have already a particularly dry season, and after four consecutive years of underbudgeting, why would it be that the minister would budget only \$12.5 million this year and ensure an almost certain special warrant? I would like to know how the minister can budget an amount this low.

There is no money budgeted for forest research, and I would like to quote the Dancik report, recommendation 124, in which he stated,

The Forest Research Branch of the Alberta Forest Service should be substantially expanded to address immediate needs . . . A tripling of staff . . . would be appropriate. Much of the work of the branch should be managed . . . to address immediate, short-term, practical problems.

Yes, this would require extra funding, but in the long run – and maybe not, in fact, in the long run – the dividends would more than pay for this level of what I would call an investment in the management, the successful protection, in fact, of our forestry resources. Why has no money been budgeted for research this year? Will money be allocated now that the Canada/Alberta Partnership Agreement in Forestry has been signed? Those would be my two questions in that area.

I would like to ask the minister a question about what steps he has taken to pursue alternative funding mechanisms for research. Has the minister taken, for example, specific steps to increase revenues from industry for forest research?

Point of Order Relevance

MR. HYLAND: Mr. Chairman, point of order.

MR. CHAIRMAN: Order please. The hon. Member for Cypress-Redcliff is rising on a point of order.

MR. HYLAND: Mr. Chairman, point of order under 23(b)(i). When the hon. member started his speech relating to the estimates, purportedly on the amendment before us, he made reference to the amendment, and I would guess that that was probably 12, 14 minutes ago and has made no reference to the amendment. I think he should get back on the reference to the amendment so we can get it voted on, and then the rest of us that are on the list might get a crack at speaking on the estimates too.

MR. CHAIRMAN: The hon. Member for Edmonton-Meadowlark.

Debate Continued

MR. MITCHELL: Thank you, Mr. Chairman. I would like to mention the amendment. [interjections] Well, it gets to be silly after a while, Vegreville.

The question that I would like to reiterate about forestry industry development is under the vote – I mentioned it earlier, but I would like to reiterate. It's a question of trade promotions.

MR. CHAIRMAN: The member should try to relate his comments to the amendment, please.

MR. MITCHELL: Thank you. I'm going to draw a conclusion about this amendment.

AN HON. MEMBER: We'll have to measure his performance so we can test . . .

MR. MITCHELL: Yes, I'm testing him. I'm testing the minister on the level of his performance. If he can answer two or three of these questions, we'll pay him.

The question I would like to ask is – and this is a question of the credibility of the minister and whether or not in fact he is up to the pay that the Legislature provides him – why have trade promotions gone up over \$1 million this year, or a 335 percent increase? Mr. Chairman, I want to know specifically what those trade promotions are going to promote and whether in fact this is a response to declining market demand for bleached kraft pulp produced by the kinds of pulp mills that this minister has promoted. This is a very, very serious issue because it relates to criticisms and speculation of several years ago that in fact the markets for this pulp would collapse due to environmental pressures around the world, and sure enough there's indication that that is occurring. I'm wondering whether this is indication that the minister is responding to that particular occurrence.

With respect to Public Lands Management and Land Information Services, is there a possibility, Mr. Chairman, that revenue could be increased under this vote? That is to say, are there ways that fees can be charged so that the taxpayers don't have to pay for this? In particular, I raise the question that I have raised year after year after year after year, and that is: what happens to the found windfall profits that grazing leaseholders receive simply from oil companies and seismic companies that pay for access to this grazing lease property? My contention and my caucus' contention is that that should be public money and that the grazing lease price to the farmer should be adjusted to reflect inconvenience but that found money of that nature should come to our public coffers.

Designation of natural areas: the minister indicated a commitment in March of this year to establish 21 new natural areas within the province within the coming year. I would like to know when we are going to see what areas are going to be designated. I would like to have some assurances that they will be of a substantial size so that they will be self-sustaining. I would like to know specifically when Alberta is going to join the endangered spaces program. I note that only Alberta, New Brunswick, and Quebec still have to make a full commitment in that regard.

This designation of natural areas was one of the important recommendations of the Dancik report, and the minister is to be congratulated for acting on that. I would like to know what progress is being made in implementing other recommendations of the Dancik report. In particular, Mr. Dancik emphasized the need for a forest conservation strategy, wildlife monitoring, and management program enhancement. It's almost two years since

this report was presented to government, and I would like to see what other recommendations, particularly in those areas, that the minister is responding to.

10:00

The conservation of wildlife habitat: the Dancik report was critical of the lack of a forest conservation strategy and a strategy under the forest conservation strategy for wildlife management. He was particularly concerned about the need for an inventory of fish and wildlife populations, especially for nonpriority game species, for which there is scant information. A survey of professional foresters in Canada indicated that 55 percent of Alberta foresters consider that wildlife management in Alberta is a serious problem. What steps specifically is the minister taking to improve that situation, and in particular is he considering setting aside areas – his natural areas, ecological reserves, and so on – within the forestry management areas before those forestry management areas are designated and signed? Of course, there's not much area left in that regard.

I am concerned that, for example, Iron Point, Egg Lake, Christina Lake, Caribou areas, as well as areas along the Clearwater River and the lower Christina Lake, should have been exempted from the Alberta-Pacific FMA.

**Point of Order
Relevance**

MR. HYLAND: Mr. Chairman, point of order.

MR. MITCHELL: I mentioned the amendment again, Mr. Chairman.

MR. CHAIRMAN: I assume the hon. member is asking that the Member for Edmonton-Meadowlark be relevant to the motion before the House.

MR. HYLAND: Yes, Mr. Chairman.

MR. CHAIRMAN: Hon. member, would you kindly relate your remarks to the motion before the committee?

Debate Continued

MR. MITCHELL: There are so many unanswered questions, Mr. Chairman, that one can only wonder whether the minister is, in fact, earning his money. As I proceed through these questions, I am trying to get to the root of that.

I wonder whether the minister could indicate what he is doing specifically to preserve stands of mature white spruce in the Peace River valley and in other parts of northern Alberta.

Public input into forestry management agreements is one of the most serious issues facing this minister today, an issue which he has, I believe, avoided, Mr. Chairman. It is not enough for the minister to say that what he has done constitutes formal public participation; it is not. It has been little more than coffee parties where companies bring their glossy brochures and their glossy overhead slides and tell people things, people who do not have the resources nor the advantage of a structured meeting, properly chaired, properly reviewed, within which they could have significant and substantial public input.

I would like to specifically know why the Sunpine FMA has been discussed behind closed doors. I want to know whether the government will require an environmental impact assessment of this site and an NRCB review of whatever site it is that Sunpine, I guess, eventually comes to. I would like to know specifically

how the minister is going to structure public input into the forestry management area for this project.

Integrated resource plans: Mr. Dancik indicated that FMA allocations and other forestry management decisions should be made in the context of the integrated resource planning system. However, Mr. Chairman, time and time again integrated resource plans have not been completed before FMAs have been signed. That is certainly the case in Al-Pac, that is certainly the case in Daishowa, and we have a wonderful opportunity now, with the Procter & Gamble FMA being up for grabs, where in fact the government shouldn't proceed with that FMA anyway, but if they do, they could ensure that integrated resource plans are finished before they allocate that FMA. Will the government make the commitment to do that?

The Al-Pac infrastructure: the government undertook, began to do work to build a new route south of the Grassland connector to the Al-Pac plant. After \$100,000 worth of work the government made the right decision and decided to go back to the existing road, which could be enhanced for considerably less money. Could the minister please indicate why it is that they ever thought in the first place that the road south of the Grassland connector, linking it to Highway 55, had to be pursued as a possibility, why they simply didn't do the cheaper and the less environmentally damaging initiative in the first place?

Community forests: why is the government not willing to experiment and allow a community forest such as that requested in the Deadwood-Dixonville area? Why would the government not allow that experiment to proceed as an alternative possibility for the management of forests within this province?

Mr. Chairman, it is getting late, and I will allow other members a chance to speak.

MR. FJORDBOTTEN: Mr. Chairman, I have a couple of comments with respect to the motion.

First of all, I want you all to know I love my job, and if the shoe was on the other foot and I was making a motion on the salary of my New Democrat opposition critic, I would have reduced the \$3 to at least \$1.

Nevertheless, having said that, in speaking to the motion, I would say that if you look at the budget of Forestry, Lands and Wildlife for this year and look at the savings that we've been able to achieve, Mr. Chairman, I would like to make a comment on one specific one only, and that is to do with forest fire fighting. Yes, there is a reduced budget somewhat, and we have relied previously on special warrants if it was a bad year. In this year we have what I believe is a reasonable budget, coupled with a number of initiatives that we're making and that I'm excited about, that I believe save us a significant amount of money and would certainly warrant more than a \$3 salary. What I'm speaking about is infrared scanning, which is technology that was not available before the Gulf war, which is now available. We have leased the equipment, and it fits in the nose of our bird-dog aircraft and can see down through smoke or anything and can pick out the hot spots in a fire. Now, previously when you sent a water bomber in through smoke, you couldn't find where the hot spot was and so you dropped the load. The cost of each load dropped is significant in some cases, depending on the retardant load and where it was loaded. It could be up to \$3 a gallon, which comes to about \$6,000 a load, and then if you don't drop it on the right spot, you've wasted that load. With this technology we can zero right in on it and drop the load right where it should be. We believe that on a bad fire day, we could save up to \$250,000 a day just having that technology only.

Mr. Chairman, there's a number of those initiatives like that that because of restraint and budgets and trying to maintain the staff and maintain the quality that my department is known for, we can make cost savings in many different areas, and we intend to do that.

I don't know if it's unusual, but I would ask hon. members to vote against this motion.

MR. GOGO: Mr. Chairman, I move the committee rise, report progress, and beg leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. SCHUMACHER: Mr. Speaker, the Committee of Supply

has had under consideration certain resolutions of the Department of Forestry, Lands and Wildlife, reports progress thereon, and requests leave to sit again.

MR. SPEAKER: Having heard the report, do members concur?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

MR. GOGO: Mr. Speaker, by way of information, the House will sit tomorrow evening, sir, in Committee of Supply, dealing with the Department of Health.

[At 10:09 p.m. the Assembly adjourned to Tuesday at 2:30 p.m.]

