



Legislative Assembly of Alberta

The 27th Legislature  
Fifth Session

Standing Committee  
on  
Energy

Department of Sustainable Resource Development  
Consideration of Main Estimates

Tuesday, February 21, 2012  
6:29 p.m.

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The 27th Legislature  
Fifth Session**

**Standing Committee on Energy**

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Blakeman, Laurie, Edmonton-Centre (AL), Deputy Chair  
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**Department of Sustainable Resource Development Participant**

Hon. Frank Oberle                      Minister

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Tuesday, February 21, 2012

[Mrs. Ady in the chair]

**Department of Sustainable Resource Development  
Consideration of Main Estimates**

**The Chair:** Well, I'd like to welcome everyone tonight. Here come some more members. We'll have a few more, I think, trickling in.

We have under consideration tonight the estimates of the Department of Sustainable Resource Development for the fiscal year ending March 31, 2013.

I'm supposed to remind members that *Hansard* is operating the microphones, so you don't need to push your button. When I call on you, it will just automatically turn on. So don't touch the buttons, in other words. As well, if you would please make sure your BlackBerrys are not going to turn on. I'll do that myself right now so that we're not interrupted.

We're going to go ahead and go around the table and introduce ourselves. I would ask the minister to introduce any of his staff that are at the table because only members and the minister can actually address.

I'll start with myself. My name is Cindy Ady, and I am the MLA for Calgary-Shaw. We'll go this way.

**Mr. Webber:** Len Webber, Calgary-Foothills.

**Mr. Johnston:** Art Johnston, Calgary-Hays.

**Mr. Lund:** Ty Lund, Rocky Mountain House.

**Mr. McFarland:** Barry McFarland, Little Bow.

**Mr. Ouellette:** Luke Ouellette, Innisfail-Sylvan Lake.

**Mr. Oberle:** Frank Oberle, Minister of Sustainable Resource Development. I'll just jump over staff to Laurie, and then we'll introduce all of the staff in a minute.

**Ms Blakeman:** Good evening, everyone. I'd like to welcome each and every one of you to my fabulous constituency of Edmonton-Centre. My name is Laurie Blakeman.

**Mr. Jacobs:** Bryce Jacobs, Cardston-Taber-Warner.

**Mr. Xiao:** David Xiao, Edmonton-McClung.

**The Chair:** Go ahead.

**Mr. Oberle:** Frank Oberle. I'm the minister. I have with me Mike Simpson, my executive director; Ray Gilmour, the deputy minister; Wendy Boje, ADM of corporate services division; Greg Kliparchuk, executive director of finance administration; Carol Chawrun, who is our executive director of communications; Darren Tapp, ADM of the forestry division; Glenn Selland, ADM of lands division; Rick Blackwood, ADM of fish and wildlife division; Morris Seiferling, ADM of the Land Use Secretariat division; Scott Milligan, who's executive director of corporate business support; Fiona Salkie, director of planning and policy coordination; Peter Woloshyn, who's the CEO of the Natural Resources Conservation Board; and Jill Mason, director of the Surface Rights and Land Compensation boards.

Did I miss anybody? I don't think so.

**The Chair:** Welcome, all.

I'll read into the record now. Government Motion 6 and

Standing Order 59.01(4) prescribe the sequence as follows for this evening: the minister or the member of the Executive Council acting on the minister's behalf may make opening comments not to exceed 10 minutes; for the hour that follows, members of the Official Opposition and the minister or the member of the Executive Council acting on the minister's behalf may speak; for the next 20 minutes the members of the third party, the Wildrose party, if any, and the minister or the member of the Executive Council acting on the minister's behalf may speak; for the following 20 minutes the members of the fourth party, the NDs, if any, and the minister or the member of the Executive Council acting on the minister's behalf may speak; and finally, for the next 20 minutes the members of any opposition party represented in the Assembly or any independent members, if any, and the minister or the member of the Executive Council acting on the minister's behalf may speak.

I think it's important for you to know that committee members, ministers, and other members who are not on the committee may participate.

Department officials and members' staff may be present but may not address the committee.

Members may speak more than once; however, speaking time is limited to 10 minutes at a time.

A minister and a member may combine their time for a total of 20 minutes. Members are asked to advise the chair at the beginning of their speech if they plan to combine their time with the minister's time. We've already checked with the Official Opposition, and that's what they're looking to do, go back and forth.

Three hours have been scheduled to consider the estimates of the Department of Sustainable Resource Development. If the debate is exhausted prior to three hours, the department's estimates are deemed to have been considered for the time allotted in the schedule, and we will adjourn; otherwise, we will adjourn at 9:30 p.m.

Does everybody understand? Okay.

Then I will go ahead and turn the time over to the minister to begin his 10-minute remarks.

**Mr. Oberle:** Okay. Hopefully, I won't consume the entire 10 minutes to start. I do have a couple of things that I want to read into the record, though, regarding this year's budget.

We have two very broad, large goals in Sustainable Resource Development: the sound and responsible stewardship of Alberta's public lands, forests, fish, and wildlife and the benefits that we can derive from the use of those resources, economic, environmental, and social benefits.

Our program expense supports the theme of Budget 2012, which is Investing in People, and growth by targeting our funding to programs and services so that people and communities can continue to work and we can all continue to enjoy Alberta's natural beauty and bounty for generations to come.

I believe that stewardship and benefits go together. For example, harvesting timber provides more than 18,000 jobs and adds \$4 billion to our provincial economy every year while mandatory reforestation and forest management activities create and maintain healthy and sustainable forests, and I believe that the province or the country, indeed many places in the world are excellent living examples of that.

6:35

Grazing on public lands supports world-famous Alberta beef while it maintains local ecosystems that evolved under grazing herds of bison. In addition, we have hunting and fishing resources

that continue to support Alberta's sporting traditions, bring families together, and contribute \$800 million to local economies. Balancing stewardship and benefits supports our standard of living and our quality of life in this province.

A quick overview of the budget. The first thing we see is a one-government approach to Albertans' priorities. I think several ministerial responsibilities are amalgamated with similar responsibilities in other ministries to create efficiency and clarity of purpose. My budget is already adjusted to reflect interministry transfers. For example, fish and wildlife enforcement has moved to the Solicitor General and Public Security. Our field enforcement officers were already co-operating with sheriffs and other enforcement bodies. This move will make for stronger and more effective enforcement partnerships. That transfer has happened already. Aboriginal consultation has been more closely amalgamated with Environment and Water although SRD remains responsible for consulting aboriginal peoples on decisions that affect them.

Investing in people to ensure that we maintain a skilled and vital workforce is key. More than half of the ministry's increase, \$6.8 million, goes towards funding negotiated salary settlements for the more than 1,700 full-time equivalent positions that we carry in this department. The remaining \$3.8 million in increases is allocated to ministry priorities that serve Albertans' interests.

Starting with public lands, with a public lands budget of about \$47.9 million my ministry is the manager of about two-thirds of Alberta's landscape. We manage surface access to subsurface resources, approving about 10,000 dispositions in a year and managing about a quarter of a million active dispositions in total. Those dispositions provide jobs today and for the future, and they're a foundation for local resource-based economies. We also manage those lands for personal and commercial recreation, tourism, urban growth, and as a resource for future generations.

This year public lands sees increases totalling \$2.21 million. Of this, \$1.15 million is to implement streamlined disposition approvals to integrate resource planning and to support integrated land management, or ILM. ILM includes developing policies, standards, and plans for sustainable multiple uses of public lands, including recreation, petroleum, and other industrial land uses. A further half a million dollars is for information technology systems under the enhanced approvals process for oil and gas disposition. Just over half a million dollars will be used to implement the new public lands administration regulation, that clarifies the rules for using public land and creates a dispute resolution process.

My ministry is charged with being a partner in building Alberta's energy leadership. We manage surface access for one-third of all upstream oil and gas development and almost all of the oil sands projects, that generate about \$57 billion for Alberta's economy.

This budget includes a new \$625,000 boost to support integrated resource planning and policy analysis and contributes to the provincial clean energy strategy. At the same time we're working across government to implement a single Alberta regulator for oil and gas.

In forestry about 60 per cent of Alberta, almost 400,000 square kilometres, is sustainable forest. In this budget forestry has a base of \$124.7 million to protect the forests from wildfire, disease, and insects and to promote forest sector jobs and stable forest communities. Because the wildfire season is influenced by so many factors, it cannot be predicted, so as usual actual firefighting operations are funded in-year as emergencies. That's been the practice for a number of years. We saw that unpredictability last year, when almost 1 million hectares burned, more than 12 times the five-year average.

In the fish and wildlife division our commitment to Alberta's fish and wildlife is unchanged, with a divisional budget of \$39 million. We recognize that responsible management of Alberta's fish and wildlife is both a legacy for the future and part of our social licence to operate today. This budget maintains our commitment to the Alberta Biodiversity Monitoring Institute and maintains last year's new \$2 million commitment to caribou recovery.

In 2012-13 we will continue working with industry and stakeholder partners on implementing Alberta's new woodland caribou policy with on-the-ground recovery planning to manage and recover the species. Responsible management also supports and sustains hunting, fishing, trapping, and watchable wildlife as enjoyable personal and family activities and as commercial endeavours that contribute to about \$800 million a year in our economy.

Hunting also is a valuable wildlife management tool both for populations and for disease. Hunters are vital to the success of our surveillance for chronic wasting disease in deer. Hunters and anglers are also dedicated conservationists. Their activities bring them close to the land, and they recognize its many sensitivities. My ministry is pleased to provide support to the Alberta Hunter Education Instructors Association, which recognizes outstanding conservation-minded individuals through its annual WISE awards.

I already mentioned that enforcement is being consolidated in another ministry. My ministry retains other programs aimed at minimizing conflicts between people and wildlife. That includes essential education programs like BearSmart, wildlife monitoring, and advice. In fact, seeking and taking advice to protect crops and silage from wildlife is a prerequisite for ministry-funded compensation.

This budget also includes increases for other priority areas. The Land Use Secretariat receives an increase of \$200,000 in a budget of \$6.9 million to implement the Alberta land stewardship regulation, that addresses the public's need for timely reviews resulting from a regional plan. An example is reviewing variances. The ministry's information management and technology program receives half a million dollars for interface enhancements related to the provincial regulatory enhancement project, that will create a simplified upstream oil and gas regulatory regime in Alberta, and the Natural Resources Conservation Board receives an increase of \$120,000 in a budget of \$6.4 million for monitoring and enforcement under the Agricultural Operation Practices Act.

To conclude, this is a responsible budget to help balance sound stewardship of Alberta's public lands, forests, fish, and wildlife with the economic, environmental, and social benefits that Albertans want and expect. We are working to maintain the health and wealth of our renewable natural resources for the people of Alberta for now and into the future. I ask for your support in this budget for Sustainable Resource Development for 2012-13.

I'll conclude my remarks there, Madam Chair.

**The Chair:** Well, you did very well. Under a minute left. Very good. You get a star.

I'll turn the next hour over to Ms Blakeman, representing the Liberal Party.

**Ms Blakeman:** The Official Opposition.

**The Chair:** The Official Opposition. Sorry.

**Ms Blakeman:** That's okay. Thank you.

I'm hoping to go through this with questions in the following areas around the ministry priorities, the land-use framework, forestry, particularly Castle-Crown, wildlife, grizzlies and other bears, and zoo standards. Then I have some miscellaneous

questions, which are always the most fun, that we'll get in at the end.

You mentioned the decision to move enforcement from SRD to the Solicitor General. I am wondering if this was tied to the reduction of staff two years ago; 112 positions were taken out of the 2010-11 budget, I think.

Secondly, how does the minister see this working? I guess you must have done a business case to justify the moving of the enforcement officers out of your department and to Solicitor General. What was the business case? Did you do any modelling that would have given you some sort of prediction as to how this was going to work?

**Mr. Oberle:** Well, first of all, it's not tied to a budget or staffing reduction two or three years ago. I certainly wasn't the minister then, so I can't comment on whether the idea was born at that time, but to the best of my knowledge it wasn't. This is tied to a belief in government that a number of our staff perform functions in more than one ministry.

6:45

With the enforcement division of fish and wildlife they are peace officers, and they are trained in other areas of law. They carry firearms. They require similar training as the peace officers that reside under Solicitor General. Although the decision was taken some time ago and the move just happened recently, I believe that the thinking was that there would be some efficiency in having those members housed there. At the same time they perform functions within my ministry and will continue to do so. It's just a simple matter of what side of the fence they reside on and who they're paid by, but the training requirements are such that they are often blended with the Solicitor General's staff.

**Ms Blakeman:** Okay. So I take it there wasn't a business model or business case done for this, and there wasn't any modelling done for it.

**Mr. Oberle:** I didn't say that. I can only say that it was done before I became the minister here. We model all the time. I think that was done. I didn't say it wasn't done. I just said it wasn't done since I've been the minister.

**Ms Blakeman:** I understand that, but you do have staff with you that you can call upon for answers for anything that happened before you took the ministry over. If there was a business case, then I'd like to see it, and I'm assuming since it's implemented now, I don't have to FOIP it to get it. If you would supply it as part of this particular process through the secretary, I'd appreciate that.

Who will these wildlife officers answer to?

**Mr. Oberle:** Madam Chair, I might sort of interject here to say that, you know, I'm prepared to venture afield into policy areas, but I think we're supposed to be reviewing our business plan and budget tonight.

If you could refer me to which page of my business plan or budget you're talking about right at the moment, that would help me.

**Ms Blakeman:** I will do my best to do that. The FTEs that I referred to earlier do appear in one of the three documents that I have in front of me, so when I run across it again, I'll reference it for you. The concept of the enforcement and moving that you raised, and once you've put it on the table, it's on the table, and I can ask questions about it. I took your initiative on that one.

**Mr. Oberle:** Well, we're not actually in a court of law. We're in the budget review here. Maybe the chair could hold me accountable when I venture . . .

**The Chair:** Hon. members, I will make the point that we are talking about the estimates for the 2012 year. I know that you're referring back to a prior year, but if you could contain yourself to the budget for this year, that's what we have under consideration tonight.

Thank you.

**Mr. Oberle:** And I'll try to do the same.

**Ms Blakeman:** Sure. But this is where it got implemented, so if it's been implemented here . . .

**The Chair:** Well, you can ask about implementation, but to ask him about things that happened prior to him taking over the ministry – I would say, let's stay within the 2012 estimates for this year. If you're talking about the implementation this year, I think that's an appropriate question.

**Ms Blakeman:** Fair enough. But we're talking about a budget that was developed, and I wanted to know how you arrived at this point, and I'd like to see the paperwork that supports it. I don't think there's anything wrong in asking for that. If you don't want to give it to me, fair enough. But that's how we got to this point. He raised what he was doing, that we're doing enforcement here.

**The Chair:** Hon. minister, can you answer the question on the specifics of the question for this budget year?

**Mr. Oberle:** I think I did. The paperwork doesn't form part of our budget submission this year, and I don't have it before me.

**The Chair:** Okay.

**Ms Blakeman:** To whom do these officers answer? How does that work now? If you have somebody coming out of a different department, if there's a call to those enforcement officers who are now under Solicitor General, how does it work?

**Mr. Oberle:** The calls that would come into my department were never directed at an enforcement person. They would come to a department office, often to a fish and wildlife office. We still have fish and wildlife staff that will receive those calls. If it requires enforcement action, a call will be placed to the Solicitor General. I can't honestly tell you right now who the responsible individual is, what umbrella they fall under over there, but they're in the Solicitor General's department. I should add that we have a memorandum of understanding that allows those officers to serve my department in areas of problem wildlife, communications, and those education activities that they did before.

**Ms Blakeman:** Okay. I'm going to move on. I'll just leave it on the record that it's still not clear to me who gives them the order to come and do something and where the chain of responsibility is if something goes wrong. If a wildlife officer does something wrong in serving whatever they're supposed to be doing, where does the buck stop?

**Mr. Oberle:** They are peace officers that serve the Solicitor General's department, and they are supervised and their employment contracts and everything reside with Solicitor General. They just provide services to my department, but they answer to a group in Solicitor General. All I was saying was that I don't know which particular individual over there.

**Ms Blakeman:** Okay. Thank you. That was a good answer.

The next series are referring back to your mandate letter, which is publicly available and does dictate what the forward motion of your department is to be, and I'm assuming your budget is prepared under the auspices of that mandate letter. I have a copy of it here if you need it, but I've written all over it, so I'm assuming you know what you're doing on that one.

The specific priorities that are listed here are around reviewing the Alberta Land Stewardship Act, the infamous Bill 36, and it seems to be dealing with consistency with existing expropriation legislation. What's the plan with the Land Stewardship Act? We had it come in in 2009. We had amendments in 2010. Now it's mentioned again specifically in your mandate letter. Is there a review to take place in this budget year under that mandate?

**Mr. Oberle:** Well, let me point out to you, hon. member, that the mandate letter is dated November 3, 2011, which was a time when it was, perhaps, not as clear as it is just today what the plan is. I think today for the first time we can speak about that.

You are aware, of course, that the Premier formed the Property Rights Task Force. We travelled around the province and listened to Albertans and their concerns. The report is tabled. The environment minister, who is the co-chair of that with the agriculture minister, tabled our response to that today. It does not include Bill 36, the Land Stewardship Act.

I have been in a holding pattern, I guess would be the best way to describe it, with the Land Stewardship Act itself, the lower Athabasca plan, the South Saskatchewan plan until that whole area became clear. We are now going to move ahead with legislation, and I am not going to do any changes to Bill 36. We're going to put in a bill that will override, if you will, any concerns that people may have had with Bill 36. It clarifies that people, no matter what the legislation, have access to consultation, compensation, and the courts. At this point I don't have any changes to make to Bill 36, which means that I can proceed with the planning.

**Ms Blakeman:** Okay. No changes to Bill 36. You are going to bring in new legislation, I heard you say, I think.

**Mr. Oberle:** I'm not, but there will be legislation forthcoming.

**Ms Blakeman:** Okay. Not under SRD.

**Mr. Oberle:** Right.

**Ms Blakeman:** Part of my question here is that the regional plans were set up to each take two years to roll through. We've had a hiatus, a slowing down, a pause in both the lower Athabasca and the South Saskatchewan. Given that we have seven, it was going to take us 14 years to get complete land-use plans across the province, so we're now about six months behind that. In this budget – and if you want to be specific, I guess we'd be looking under vote 3, Land Use Secretariat – is the minister expecting to proceed at the same pace?

**Mr. Oberle:** It's maybe just a hair early to answer that because I've just discovered that I don't need any changes to the legislation to move forward, so now I'm focused on planning. I've asked the department for a new schedule around the development of all of those plans. But, no, I most certainly do not think it's going to take us 14 years to get through those plans. I would like to accelerate that pace. I think in fairness, though, the suggestion that it takes two years to do a plan – we haven't been able to do a significant amount of work on planning for the last quite a while

because of the property rights debate that went on. So I'm not sure that it really requires a change in pace; it requires us to get back on pace.

6:55

**Ms Blakeman:** Okay. Your land-use framework performance measurement appearing on page 76 of your business plan has regional plans approved by cabinet: target year 2012-13, 1; 2013-14, 1; and 2014-15, 1. So you're expecting to get through the next three. I'm assuming the first one is Athabasca, the second one in '13-14 is South Saskatchewan, and the target in '14-15 is something else, the one that we don't have yet.

**Mr. Oberle:** Right.

**Ms Blakeman:** You expect to complete those?

**Mr. Oberle:** I do.

**Ms Blakeman:** Okay. Thank you. That's great. Those are the questions I had on that. Now that we have a bit more certainty, that certainly helps us.

Okay. We'll go backwards a bit here. I'm still on your mandate letter. Where in your budget would I find the details on designing and implementing an initiative to make Alberta Canada's leader in energy efficiency and sustainability?

**Mr. Oberle:** You won't. I'm participating in discussions. I participate in a crossministry, sort of, ministerial working group, but the budgeting for those other initiatives will fall under Environment and under Energy as appropriate. None of it falls on mine.

**Ms Blakeman:** Okay. What has the minister's role been in the implementation of the recommendations from the Task Force on Regulatory Enhancement to date?

**Mr. Oberle:** Well, we're still proceeding with that. We haven't tabled any legislation yet, so to date it has been discussions about how it would work, what staff goes where, what legislation and regulations have to come forward yet. It will certainly have an impact on my department – and we'll be losing staff to the new regulator – but it's discussions at this point. We have to table legislation and regulations to authorize the process.

**Ms Blakeman:** Is that included in the budget that we have before us?

**Mr. Oberle:** I don't think that requires any budget, actually. Once the regulator is up and running, it's not within my budget. It doesn't happen within this calendar year.

**Ms Blakeman:** You're losing staff to that, so how many FTEs move from your department to that?

**Mr. Oberle:** Seventy staff.

**Ms Blakeman:** Seventy staff will move?

**Mr. Oberle:** That's 7-0. Yeah.

**Ms Blakeman:** Wow. Okay. I'm sorry. Part of what I was trying to understand was: is the money, or lack of it, or your time and discussions or your staff time and discussions around this expected to complete in this budget year?

**Mr. Oberle:** Yeah. That's the hope at this point. We will be tabling legislation to enable this.

**Ms Blakeman:** Okay. Are you able to give me any other information about how it will roll out other than the staff transfer?

**Mr. Oberle:** Not right at the moment, no. There will be legislation tabled. We expect that we will move staff later this year or early next, and the thing will develop over 2012.

I would point out to you, hon. member, that Alberta has a pretty thorough regulatory framework. It's a very busy province. There are a lot of things happening on that landscape, and we can't just simply fold up our tent and come out with a new regulatory system and then feel our way through it. It has to be fully functional when it hits the ground, and there are a lot of people working on legislation and regulations to enable that to happen, but we can't unveil it until it's ready to go.

The point of this is certainty and clarity for industry. The last thing we want to do is mess that up.

**Ms Blakeman:** Does it include accountability and transparency for the public?

**Mr. Oberle:** Absolutely.

**Ms Blakeman:** I look forward to it.

Okay. The minister doesn't know how much it's expected to cost, and it doesn't come out of your budget anyway, so that's not germane to this.

**Mr. Oberle:** Well, I don't think cost is the issue here. Organization is the issue. We have a full regulatory force out there right now. We review dispositions and issue dispositions. I don't think it's a major cost item. It's a reorganizational item and an efficiency item.

**Ms Blakeman:** I'm going to move on to the connections between the throne speech and the budget that we have before us. One of the things I was really curious about when I heard that throne speech is that the

government is committed to the development of northern Alberta as a prosperous and attractive place to live, work, and play. It will initiate a comprehensive northern Alberta development strategy to help the region continue to grow and develop in a sustainable manner with an outstanding quality of life,

to which I went, "I thought we had a Northern Alberta Development Council," and I went on that handy-dandy computer thing and, gosh, we do. Its mandate is to

encourage economic growth and community development by:

- Fostering entrepreneurship, economic diversity, investment and technological innovation.
- Supporting sector development in [the areas of] transportation

blah, blah, blah,

- Support initiatives to increase ... skill ... in partnership ... employment and lifestyle opportunities.

What has the Northern Alberta Development Council been doing all these years if we now have to have a northern Alberta development strategy? Or if they are different, how are they different? If they flow one from the other, how?

**Mr. Oberle:** Well, I'm sure the hon. member will realize that the Northern Alberta Development Council falls under Finance, as probably will the economic development strategy for the north. I will participate inasmuch as I'm a huge champion of the forest industry. My department certainly participates through land-use planning, issuing of dispositions, and other things that enable responsible development. That will be my role. But none of the

initiatives you mention fall within my ministry, and I'm kind of stuck for answering your question.

**Ms Blakeman:** No. That's very informative.

**Mr. Oberle:** Well, I haven't been involved in developing that discussion other than to be absolutely ecstatic, as I'm sure you're not because northern generally means somewhere north of Edmonton-Centre, but it puts my constituency front and centre in that discussion, so I'm always happy about that. The fabulous constituency of Peace River, by the way.

**Ms Blakeman:** You can't have fabulous, but I'm sure that there are other adjectives you can come up with. We have the beautiful Rocky Mountain House, so I'm sure you can work on something.

Okay. You don't have anything to do with either of those. All right. That's interesting in itself. I'm assuming there that if you have nothing to do with this, there's no money allocated from your area in any budget line that goes toward that strategy.

**Mr. Oberle:** You're talking about the northern development strategy? No. The NADC is funded directly out of Finance, I believe.

**Ms Blakeman:** I don't know. It doesn't say that on its website. It comes up as itself.

Okay. Next, then, we're going to look at the business plan. This is page 75 to 78. In this minister's view, what is the core business of this ministry? Every time I read something in here, and listening to you speak, it seems to have a double focus, but it never ends up being a double-focus. Perhaps the minister could unroll that one for me. What is the core business?

**Mr. Oberle:** Well, it's just a neat little trick we have that we double focus without double focusing. At no times did my fingers leave my hands, hon. member.

We have, quite simply, a double goal, which is that our ministry is to sustain the wonderful natural resources we have on that landscape: forestry, fish and wildlife, our natural beauty and heritage out there. At the same time we're supposed to responsibly develop it. Some would interpret that as two goals, some would interpret that as maybe crossed goals, and some would interpret that as the same thing.

**Ms Blakeman:** Okay. What areas does he think need to be worked on in this fiscal year, supported by the budget that he has brought forward? What areas do you think need to be worked on to more closely achieve that double goal?

7:05

**Mr. Oberle:** Well, I think the budget pretty clearly lays out a role of spending across all the divisions that we have, and that's what I intend to use as my priorities going through this here.

Clearly, as we've just discussed, the land-use planning, the land-use framework has to move ahead. While we've had some interesting challenges in the last year, I have yet to talk to a single Albertan anywhere – and I've asked a lot of people, even at those property rights meetings – who thought that long-range planning was a bad idea. I'm very encouraged by that, and that is our priority moving forward.

At the same time, we don't have the luxury of one priority and let's focus the department on it. We have some challenges. Caribou, sage grouse: we have a lot of challenges on our landscape. The very fact that those two goals occasionally create conflict, as in the Castle that you mentioned earlier: we have to

manage and balance land use against other uses on the landscape and other desires for land use on that landscape.

I think that we have a bunch of priorities, all funded. I'm very happy that this year we were able to sustain, actually, an increase in our budget, which is the first time for a while.

**Ms Blakeman:** How exactly does the minister make those trade-off decisions? It's referenced here in your strategic plan: "Sustainable Resource Development endeavours to ensure that trade-off decisions respect the right mix of economic, environmental, and social opportunities and benefits at the right place and time." What is the template that you use to achieve that?

**Mr. Oberle:** Well, I don't think there's any template to achieve any balances. Could I just ask you to refer me to the exact place you just read that?

**Ms Blakeman:** Page 75, second paragraph from the bottom. There are two single lines and a paragraph. It's toward the end of that paragraph.

**Mr. Oberle:** Yeah. Okay. The balance would be achieved in that we are able to sustain a number of uses on the landscape and still maintain our natural heritage. You have to recognize that you're managing an unknown system. You can't say up front that I need to have . . .

**Ms Blakeman:** I recognize that, Minister, but surely you have some sort of decision-making model that you use. Or do you approach each situation with a wide open kinda heh sort of attitude? I just cannot believe that. I'm sure that there is something that you use. Are you not able to share it?

**Mr. Oberle:** With respect, I don't approach any decision with a wide open heh attitude.

**Ms Blakeman:** That's my point. So what do you use for the decision-making model?

**Mr. Oberle:** Well, look, every single resource development is different, and it happens on a different patch of ground, which is incomparable to a nearby patch of ground. It has a different mix of wildlife species on it, and it has different hydrology issues and watershed issues and all sorts of things. Yeah. Every resource development has to be considered in that light.

**Ms Blakeman:** And you don't rank water and safety of water above anything else, or is everything in the mix and of equal priority? You must spend years making decisions if you go into each new situation with no template to work from, no checklist.

**Mr. Oberle:** We know quite a bit about our wildlife resources and our forestry resources and the shape of our landscape out there and its water resources. We make decisions based on that. But I don't have a little rule book that I open up and go: oh, situation A-1; therefore, I do this. There is no such thing.

**Ms Blakeman:** Okay. Moving on to the fiscal plan on page 55 under bonuses and sales of crown leases.

**Mr. Oberle:** Fiscal plan, page 55?

**Ms Blakeman:** Correct. It's under the general fiscal plan, under economic outlook or something. Where money comes from. Under revenue highlights for the government.

**Mr. Oberle:** Okay. You're in the government general macro stuff there, not within my department.

**The Chair:** Hon. member, could we please stay within . . .

**Ms Blakeman:** Are you not responsible for land sales?

**Mr. Oberle:** Actually, kinda not. I recognize you're outside of my plan, but I'll attempt to answer your question if you ask it.

**Ms Blakeman:** Well, I'm sorry. Perhaps I'm misunderstanding. Under vote 4.3, land dispositions, in your budget do you not, under the Land Use Secretariat . . .

**Mr. Oberle:** Okay. You're talking about land sales.

**Ms Blakeman:** Yes.

**Mr. Oberle:** Land sales are conducted by Energy. It's an auction process, and that revenue is brought in by Energy. Once a company "purchases" – and I hate that word because they don't actually purchase the land, they purchase rights to access that land – then they approach my department and I issue a disposition that allows them access under conditions. But the actual land sale is conducted by Energy.

**Ms Blakeman:** Okay. What you will be developing under your land-use plans also has something to do with land sales, particularly of public land, does it not?

**Mr. Oberle:** In a way. I mean, the land-use plan would identify where we're going to allow oil and gas development, and then companies would request from Energy that those lands be posted. They're auctioned, and then those companies would approach, in this case, the new regulator and get dispositions on that landscape.

**Ms Blakeman:** Okay.

**Mr. Oberle:** Where the land-use plan would intervene is, for example, in the lower Athabasca, where there are protected areas identified. We won't sell oil and gas dispositions within those areas. We won't sell land, and we won't issue dispositions after the land sale.

**Ms Blakeman:** Okay. We've talked about the regional plans, so let's go to forestry in the Castle-Crown.

**Mr. Oberle:** Sure.

**Ms Blakeman:** Now, this area is designated as a special management area, specifically under the West Castle wetlands ecological reserve and the 104,000 hectare Castle special management area in the C5 region.

**Mr. Oberle:** Right.

**Ms Blakeman:** So, what was the science used? On the SRD website – and I'm sorry I didn't print that off – it talks about: the C5 plan was prepared with extensive public input and meets nationally and internationally recognized standards for sustainable forest practices, including measures to protect watersheds, biodiversity and recreation.

If I need to attach this to a budget document, this is likely to be under 5.2, wildlife management, or 4.1, public land management, or the Land Use Secretariat or the forest management.

What was the science that was used in that plan, that is what you rely on now to make decisions when you get into a decision like the Castle-Crown? Part of what I was putting out to you in the



question that I asked you in the House was that you don't have enough staff. There hasn't been enough staff in that particular area to develop the information that's part of the contract or the something or another orders for how the Spray Lake Sawmills proceeds.

**Mr. Oberle:** I guess maybe there's a little bit of misconception on my interpretation of what you were asking me there.

**Ms Blakeman:** Yes. I think there was.

**Mr. Oberle:** First of all, I don't agree with you that we don't have enough staff. I'm pretty sure that you could make a case that if we had a teacher and a teacher's aide for every child in Alberta, our educational outcomes would be quite a bit higher.

**Ms Blakeman:** I'm not making that argument, sir. I'm talking about what's in the SRD budget today.

**Mr. Oberle:** So you would have to agree that, you know, there's some balance, and you have a number of people, and you do the job that you can do, right?

**Ms Blakeman:** Well, I guess I'm a bit curious. If the contract or the orders say – I'm sorry; I can't remember the technical term – to provide maps of denning animals . . .

**Mr. Oberle:** I was going to go on and talk to you about that.

**Ms Blakeman:** Okay.

**Mr. Oberle:** I didn't realize what you were talking about in the contract, but I think I do now. A lot of the forestry activity, the planning that goes on in our province, is under a forest management agreement, where companies are responsible to do the planning and the mapping. In the C5, Spray Lake has a quota there. The Crown retains the responsibility for management planning.

**Ms Blakeman:** Yes.

**Mr. Oberle:** So is that what you were referring to?

7:15

**Ms Blakeman:** Yes. Is that not under your department?

**Mr. Oberle:** It is.

**Ms Blakeman:** Okay. Then we're straight.

**Mr. Oberle:** Okay. Then we're straight.

So that's what we do. I think that that's an excellent management plan. I think it was prepared by professionals, and that's why we have professionals in our province, and I stand by it. I can tell you that some years ago, before I was elected as an MLA, in my own forestry career, because I co-chaired the Alberta conservation strategy ecological management team, I was asked to go to Harvard University to help the department explain what it was we were doing in Alberta. We were called there on two issues. One was the ecological management strategy, and the other was the C5 management approach, which was recognized at Harvard as a very innovative way to drape multiple land uses on a sensitive landscape.

**Ms Blakeman:** Okay. You still haven't answered the question. If it's the Crown's responsibility and it falls under your department and the contract with Spray Lake Sawmills says that you are to

provide the maps but no maps were able to be provided because they don't exist . . .

**Mr. Oberle:** Well, I'm not sure what particular maps you're referring to.

**Ms Blakeman:** Then use your side to refute what I'm saying, that you do not have enough staff to be able to maintain that wildlife mapping, nor have you taken advantage of any other possibilities, like using volunteers, to do it.

**Mr. Oberle:** If you're saying that we had contracted with somebody to provide maps and we didn't do it, that we're in fact in breach of contract for something, I'm just simply not aware of that. I'm very sorry, hon. member. If you can provide me with evidence of the government being in breach of contract, I'd be more than happy to follow it up. I just am not aware of any situation where we've failed to meet our obligation.

**Ms Blakeman:** Yeah. Okay. I'll get it for you.

**Mr. Oberle:** Okay.

**Ms Blakeman:** The information I have is that the ministry was meant to survey the land and notify the logging company of bear den locations, and this was not possible.

**Mr. Oberle:** Well, typically bears don't den in standing timber like that. They don't den in merchantable, mature timber like that. They den up on slopes that get open sunshine in the spring months.

**Ms Blakeman:** Well, if they den under log falls . . .

**Mr. Oberle:** South and southwestern slopes.

**Ms Blakeman:** . . . or in a logging area, they'll go under the slash piles. They den all over the place. But if you don't know where they are, I don't know how you can possibly claim to be protecting them when the logging company goes out there and they've got nothing from your department to be able to identify where the den sites are.

**Mr. Oberle:** Well, as I say, now you're alleging that we're in breach of some form of contract, which I'm not aware of, so if you could provide me with them . . .

**Ms Blakeman:** Well, it's the orders. I'll find them for you.

Okay. I'm going back to the science questions now. How is the cumulative effects analysis used to understand the development footprint when you're looking at, again, those cases of controversy or conflict in your mandate, which happens all the time, as you say, in your department? What's the science that you're using out of the cumulative effects analysis?

**Mr. Oberle:** Kind of hard to answer. Typically cumulative effects, I think in the way that you're thinking about them, would involve air or water emissions, something that would be monitored by Energy. In my department you would look at cumulative effects on a landscape, as in disturbances that remove a certain amount of vegetative cover on a landscape.

**Ms Blakeman:** Or sediment or the effect on certain populations of wildlife or fish.

**Mr. Oberle:** Right. So you would be looking at a number of disturbances on landscape. That's what causes sedimentation

opportunities. Or removing vegetation decreases evapotranspiration, which could increase groundwater flow, spring flows, those sorts of things. That's all modelled. There are watershed models that do that.

**Ms Blakeman:** Okay. And your department has used the modelling on the Castle special management area?

**Mr. Oberle:** Yeah. I'm modelling up front and monitoring after the fact.

**Ms Blakeman:** Okay. And those are available publicly?

**Mr. Oberle:** I believe so, yeah.

**Ms Blakeman:** Yes? Do you want to consult your staff?

**Mr. Oberle:** Well, the management plan is public, right? All of the information that went into the management plan is in there, so have a look. If you've got any questions about a public management plan, ask me.

**Ms Blakeman:** Good. Thank you. Okay. I was specifically looking for sediment transportation, watersheds.

**Mr. Oberle:** Okay. We don't model sediment because the way you would deal with sediment is to put in proper stream crossings and prevent logging equipment or other equipment from encroaching upon the riparian area to prevent sedimentation. Right? That's an avoidance strategy, not a minimize or mitigate strategy. You want to avoid activities within a stream that cause sedimentation. That's about proper stream crossings and the proper marking of waterways that's done on the ground prior to harvest.

**Ms Blakeman:** Okay. Good.

The grizzly bear protection. It looks to me like there has been an increase in mortality in the population of grizzlies in Alberta. That's going from the status of the Alberta grizzly bear in Alberta. The last recorded time was 21 grizzly deaths in 2010, of which 17 were human caused. The whole point of this – and you just mentioned part of it – is avoidance, and the big part of that is avoiding human contact with those grizzlies and, frankly, other bears. How much of the total allocation for grizzly bear management in the budget is specifically for the BearSmart program? Of course, that's going to come under 5.2, wildlife management.

**Mr. Oberle:** Well, \$140,000 this year for BearSmart, bear aversion, intercept, feeding, and relocations.

**Ms Blakeman:** Is that up or down from last year?

**Mr. Oberle:** It's down from last year. I won't have the staff costs from the fish and wildlife enforcement officers this year because those will be borne by Sol Gen. I think it's probably about a wash there.

**Ms Blakeman:** Okay. Do you expect the same amount of activity?

**Mr. Oberle:** What activity? Human activity?

**Ms Blakeman:** Yeah. Well, whatever the BearSmart program is supposed to be dealing with. You're not expecting fewer bears to get killed. About the same, or more?

**Mr. Oberle:** I'll just read this here. The BearSmart program was

initiated in 2006. Right? It's an information program to inform people on how to avoid creating conditions that could attract bears. I expect the same amount. We have programs in Bragg Creek, Cadomin, Canmore, Crowsnest Pass, Edson, Fox Creek, Grande Cache, Grande Prairie, Hinton, Mountain View county, Nordegg, so certainly all of the eastern slopes. We also have grizzly bear issues in the far north and in Swan Hills, Slave Lake, and we have education activities in Slave Lake as well.

**Ms Blakeman:** If that BearSmart program was started in 2006 and we're now looking at the 2012-13 budget and the mortality rate of bears is increasing, I think I could be arguing that it hasn't been a very successful program. Is the ministry looking at anything else?

**Mr. Oberle:** Well, there are a number of ways you could look at that. It is concerning, believe me, to my department that the number appears to have jumped. We have an increased incidence of bear issues in the far south with the agricultural community. There looks to be an increasing population in the south, although we haven't been able to confirm that yet, but certainly they're down in the agricultural zone much more than they used to be.

Part of the exercise here is education, and BearSmart has been a valuable program. We have work to do on public access to forested land. Unfortunately, we have a population that enjoys hiking and other activities in bear areas, and we can't just simply close the forest, so we have education signage. We need to close roads where we can, but it's going to be very difficult to prevent hiking interactions with bears.

**Ms Blakeman:** I understand that. I think my issue around this, having watched it from afar and now closer up for a number of years, is that it's not so much the interaction with the humans. It's the fact that we keep encroaching on their space by building access roads, seismic lines, oil and gas development. I mean, you're from up north. I've spent a fair amount of time, between you and me, and there is a lot – I mean, the place is just covered in different access routes to go into what used to be, probably, pretty difficult land to get into. So I think that has more to do with it than actually coming across a hiker. Is there any kind of commitment from the government in this budget and looking forward on the three-year revolving budget to in fact work on closing more roads, letting the seismic lines grow over, and just getting less access?

7:25

**Mr. Oberle:** Well, then I would argue sort of the opposite side of what I just argued, which is that I can't say for sure that the bear population is increasing in the south, but I also can't say that we have any evidence anywhere that the bear population is declining. Yes, we have had some interactions that are concerning; yes, we need to keep on our education efforts; and, yes, we actually do need to have a better access strategy, much of which I'm hoping will come out when we start doing the forested landscapes. We'll get more clarity out of the land-use planning process. I'm anxiously awaiting what the South Saskatchewan will have to say about some of the foothills areas.

This is not a problem that can be solved overnight. It takes work and education, and we are not going to shut Albertans out of their public landscapes because they love them.

**Ms Blakeman:** Yes, I understand that, but I do think that there is a loser in this battle, and it's not the humans, and it's not the development of oil and gas and forestry production. It seems to be the wildlife.

What is the status, then, of the Y to Y, the Yukon to Yellowstone wildlife corridor? Has there been any activity from any members of your staff? Yes. Someone at the back is nodding and flipping through his binder.

**Mr. Oberle:** I'm not sure what you mean by the Y to Y and my staff involvement. The Y to Y is an initiative by some environmental groups mostly out of the United States, from my understanding. We don't support that. We will develop our own protected areas strategy in Alberta in accordance with our needs in Alberta and in accordance with our land-use planning processes in Alberta. End of story.

**Ms Blakeman:** So you are not interested in having your staff meet with them or co-operate in any way, shape, or form?

**Mr. Oberle:** Actually, I just met with them the other day. I never said that at all.

**Ms Blakeman:** Okay. Then help me understand. If you're going to do it in Alberta, you would do a made-in-Alberta solution?

**Mr. Oberle:** I think you're very well aware of the land-use planning processes available to Albertans. You're also aware that as many Albertans that you could fit in a room, that's how many different opinions you would have about how you should manage or protect landscapes. Somebody has to have a process to strike a balance there. That decision is going to be made by Albertans for Albertans in our land-use planning rooms. But I'll talk to and listen to anybody that has an opinion on land use. I'm fascinated by it myself.

**Ms Blakeman:** Okay. That's an interesting answer to the status of that.

How is the ministry doing or what do you forecast in this budget year on activity around poaching and poachers being caught and followed through?

**Mr. Oberle:** Well, I have just discussed the enforcement officers that we have in the field. Although they now report to a different ministry, we will have the same number of enforcement officers. We still have all the phone lines available, and we'll rely on that system.

**Ms Blakeman:** Just so that I'm clear in my own mind, although there were cutbacks in the number of FTEs that this department had, including in enforcement, I take it that there is no plan in the three-year rolling cycle here to go back up to the number that you had before. Someone is madly scribbling beside you.

**Mr. Oberle:** We're stable for staffing right now. To the best of my knowledge, they'll be stable on the Solicitor General side as it relates to those particular field enforcement staff. We had no cutbacks at all this year. Next year's budget will bring what it brings, but I'm not planning any cutbacks in the staff nor increases at this moment.

**Ms Blakeman:** Can I just confirm that the role that the fish and wildlife officers are expected to play will remain the same but that now they phone somebody in a different department to come and do the second part of the job instead of turning to a colleague that was sitting beside them?

**Mr. Oberle:** Well, in a lot of cases the colleague wasn't actually sitting beside them. The person that answers the phone is rarely in the situation room. If you're talking to a biologist, that's different

from a field enforcement officer, and they're often housed in different places. Maybe there will be some growing pains, but I'm expecting a seamless transfer there.

I've got to say that I've got a great deal of respect for the job that those fish and wildlife officers do. I approach this with a little bit of trepidation because in my experience with them some of the best work they do isn't actually enforcement. I really like it when I'm fishing at the lake in the summertime, and they pull in in a pickup and wait for the first little kid to walk across the parking lot, as you see all the time, with a little fish like that. They'll gather that kid and a few others around and explain why we catch bigger fish and why that's important and how that works in our breeding program and everything else. "Now, run along and tell your dad what we just told you." That's way more effective than giving people tickets. I think they're highly effective.

They also spend a lot of time in schools, and we've been assured through MOU that those activities will continue. So I'm comfortable with where we are.

**Ms Blakeman:** Okay. Can we talk about Guzoo?

**Mr. Oberle:** Guzoo? Yeah.

**Ms Blakeman:** There's the piece of paper coming towards you now. There we go.

**Mr. Oberle:** Thank God somebody knows where all the paper is.

**Ms Blakeman:** I've been on this file since 2004. That place is still open. What is going to happen here?

**Mr. Oberle:** Tough to say right now. We decided to decommission the zoo.

**Ms Blakeman:** You did? Congratulations. Thank you. Wise move.

**Mr. Oberle:** You're aware of that decision already. That was taken some time ago. We had to go before a court for a judicial review. While the decommissioning order is under judicial review, there's not much I can say about it. But the court agreed to an adjournment, or a postponement, in late December. Currently it has not been rescheduled. All I can tell you right now is that the department has made it clear that we intend to proceed there. But we're before the courts right now. I can't talk anything more about that particular case.

**Ms Blakeman:** Yes. I don't want to get you into trouble on that one, but can you reassure me that the department didn't request the adjournment?

**Mr. Oberle:** Yeah. We didn't request the adjournment. I really would rather not say anything more about it. I can tell you, and I fully expect you would agree with me, that every one of us, including the owner of Guzoo, is entitled to their day in court. That owner is seeking that.

**Ms Blakeman:** He has certainly taken advantage of every single possible democratic right that is afforded to him, and I hope he enjoys it briefly, because I have been there.

**Mr. Oberle:** I have not, and I'll say that up front.

**Ms Blakeman:** I have, and I would dearly like to see this place closed.

**Mr. Oberle:** I will make the commitment that I have every intention to visit. I just haven't had the opportunity yet, but I will go there.

**Ms Blakeman:** I hope it will be too late for you to visit.  
So outside of the legal requirements . . .

**Mr. Oberle:** I'll take a picture of myself standing beside the padlocked fence if that's the case, then.

**Ms Blakeman:** That would be great. I just hope you continue with vigour, with some muscle and some dedication to pursuing the closure of that particular place.

Okay. Now I'm into the odds and sods, which is the fun bit. The FTEs. Now, I looked through here in your budget documents for the FTEs that are assigned to each area, and I found one notation about FTEs. It didn't tell me how many were in each area. Can I get a list from you? Unless your amazing lady on the end there can give me a page number where it details that for me.

**Mr. Oberle:** It's actually on page 270.

7:35

**Ms Blakeman:** That would be the Natural Resources Conservation Board. That's the only place I could see it mentioned in all of your pages. I cannot actually find it.

**Mr. Oberle:** So what is this document out of? Okay. I'm holding before me a listing of the FTEs that adds up to 1,703 FTEs here.

**Ms Blakeman:** Great. If you would like to provide a copy to the clerk, she can provide it to all of us, because the question I'm going to ask you is: how do your FTEs break down and by which budget allocation or department or program? That's exactly what I'm looking for, and if it's provided through the clerk, then it's provided to everyone.

**The Chair:** We'll be happy to provide a copy if the minister will give it to the clerk. Yes.

**Mr. Oberle:** All right.

**Ms Blakeman:** Then everybody gets it. Thank you for that.

Also under capital investment on page 267 of what I would call the budget, the government estimates, it goes through capital investment in the different areas, and frankly there's capital investment in just about every area under your ministry. So can I get an idea of what this capital money is being used for, with the exception of the inventory purchases for wildlife management, which, I think, are pretty straightforward? And the Surface Rights Board and Land Compensation Board don't have any, but almost everything else does except for the Land Use Secretariat. Could I get an idea of what this money is being used to purchase?

**Mr. Oberle:** I think probably most of it is taken up by the air tanker bases and the forest protection facility upgrade program. We have bases around the province where we reload air tankers, dispatch air tankers from, right? We're doing some work there: asphalt surfaces to accommodate a larger tanker, replace and expand existing concrete loading pad.

**Ms Blakeman:** Which vote is this under? I'm sorry.

**Mr. Oberle:** That's under forestry. That particular item is \$7 million.

**Ms Blakeman:** Okay. So under capital investment, vote 1.5, corporate services, you've got \$40,000 in there for capital. Under 2.1, wildfire management, you've got \$14 million and change.

**Mr. Oberle:** That would be the \$7 million of air tanker bases, and then another \$5 million of that is forest protection facility upgrade. We have buildings that are used in forest fire activities: camp shacks, towers, those sorts of things. So there's another \$5 million of upgrades there. That would explain \$12.1 million of that. Then the rest are inventory purchases, consumables, and that sort of thing.

**Ms Blakeman:** Yeah. You've got \$1.3 million for that at the bottom. So you've still got some coming.

**Mr. Oberle:** Yeah. That's land stewardship, though.

**Ms Blakeman:** And then under lands, vote 4.1, public land management, you've got \$902,000; rangeland management, \$200,000; and land dispositions, \$5 million.

**Mr. Oberle:** In land dispositions the \$5 million would be the land stewardship program. That would be purchasing land for conservation and stewardship needs.

**Ms Blakeman:** So the Crown is the ultimate owner of those lands?

**Mr. Oberle:** Yeah.

**Ms Blakeman:** It becomes public assets?

**Mr. Oberle:** Yeah.

**Ms Blakeman:** So this is not going through land trusts?

**Mr. Oberle:** Land trusts are external. We can work with land trusts, and we have been working with land trusts in assisting them in their planning, assisting them with the costs of establishing conservation easements. But in a lot of cases those trusts are dealing with easements. We're not paying them to purchase lands. We're assisting them in their costs and assisting them in putting in easements, but we're also purchasing lands.

**Ms Blakeman:** Okay. I'm going to get you to expand a little bit on that because my understanding is that, you know, it's costly for land trusts to be able to agree to take a piece of land that's been offered to them. They're going to have to investigate whether it's appropriate and whether they can manage it appropriately and whether it's in a reasonable space and all of those things. That can cost them up to \$25,000 per offered donation. Are you helping them with those kinds of costs?

**Mr. Oberle:** Yeah, we are. There are three costs that they bear. They have those upfront planning costs. They have the actual legal costs of establishing an easement. They have the – well, four, really; they occasionally purchase land, and then, subsequently, monitoring and reporting on whether or not whatever restrictions are being adhered to. We do the upfront costs. We assist them with that. We assist them in placing easements on property, and then the program to this point has been to assist them in the costs of monitoring as well. We don't do land purchases for trusts other than land purchases for Crown ownership.

**Ms Blakeman:** Right. Okay. No. They're usually donations if they're to a trust.

**Mr. Oberle:** Exactly. Most of them have very significant funds that they monitor, and they're using our funds to leverage theirs or the other way around. You know, they have a multiplier there.

**Ms Blakeman:** The last little bit was the fisheries and wildlife management. Again, capital investment: fisheries, \$38,000; wildlife management, \$659,000.

**Mr. Oberle:** Part of that is, again, equipment and inventory purchases. We have movable capital assets – boats, quads, snowmobiles, those sorts of things – for any division that has field activities in it. We're also doing some upgrades to the Raven Brood fish hatchery, so planning and design funding. Much of this funding has already been approved, and the funding is now resident in Infrastructure. Let's see. We're looking at a total of \$1.25 million over two years, that's already been approved, and the budget has already slid over to Infrastructure. We've got further requests into Treasury Board for additional funding going forward.

**Ms Blakeman:** Okay. Does the minister have any discretionary funds in any of these votes?

**Mr. Oberle:** Gee, not that I'm aware of. No. I don't have discretionary funds. We have grant applications that come to us through the year that we have to review. I wouldn't call those discretionary, though. They're budgeted for, and many of them we know of. You know, they're sort of recurring like the Fish and Game Association, the Alberta Conservation Association, those kinds of grants. The Alberta Biodiversity Monitoring Institute would fall under that definition as well. We have annual commitments there. So that falls under grant funding, and I wouldn't call that discretionary; it's really a commitment there.

**Ms Blakeman:** Could I ask you about the three DAOs that you have?

**Mr. Oberle:** Yeah.

**Ms Blakeman:** I don't think they actually turn up in your budget documents because they'll be . . .

**The Chair:** Excuse me, hon. member. I'm sorry. The hour has expired. You both have brought new meaning to the words "go back and forth," sometimes over the top. You did a great job, but the hour is over.

I'd like to call for a five-minute break to allow members to have an environmental break here. We'll reconvene in five minutes, and we will go to the 20-minute time period for the member of the third party.

**Mr. Boutilier:** That's the Wildrose Party.

**The Chair:** Yes, the Wildrose Party.

[The committee adjourned from 7:43 p.m. to 7:48 p.m.]

**The Chair:** We're going to go ahead and hear from the member of the third party, or, as he says, the Wildrose Party. He has opted to speak for 10 minutes, and then we'll give the minister 10 minutes to reply if he needs that time. Anyway, we will begin when you're ready.

**Mr. Boutilier:** Thank you very much. Congratulations to the minister in his new portfolio. With that . . . [A timer sounded] Is my time up, or is it just beginning?

**The Chair:** It went so fast.

**Mr. Boutilier:** Okay. In your minister's mandate letter from the Premier she talks about a couple of things. First of all, she talks

about serving Albertans, but she also talks about innovative approaches that will be needed to deliver results. In that she makes reference to innovation and fresh ways of thinking. With that in mind my first question is: what are examples of innovation and, more specifically, fresh ways of thinking that your ministry has shown in terms of how that implements in a positive manner in Alberta? I also ask the question: does the Castle-Crown fit into this new way of thinking?

Pertaining to your issue on priorities within your ministry, it talks about priority initiatives and performance measures. I, the Wildrose would be interested in knowing when you will implement the Task Force on Regulatory Enhancement recommendations such as an outline on a road map over the next quarter and next year. Also, specifically, one of the key recommendations is creating a single regulator for upstream oil and gas and coal. As you know, comments have been made that Saskatchewan is leaving Alberta in the dust in this regard. From your minister's experience, obviously, I'm sure you're working in innovative manners to prevent that from happening in the future.

I would also ask what work has been done on the implementation of policy, plans, and execution of strategies regarding public lands and renewable natural resources, which I think is very important all over Alberta.

Also, I think it's important to note that when it came to the issue of forest fires, in looking at the numbers, the numbers show that the average over the three years was close to about \$300 million, yet this year once again the budget is stubbornly low at about \$125 million. I'd like to understand if, in fact, they are expecting within Sustainable Resource Development that there will not be as many fires this year and how they determined that based on the three-year rolling average. Also, does this translate into, you know, our being unprepared for the future relative to the situations that took place, for instance, in Slave Lake?

Now, Albertans clearly believe that the situation that took place in Slave Lake is certainly nothing that we would want any community to suffer. But if the numbers were budgeted more on what the average is, I'd also like to know: pertaining to the enterprise risk management plan, do you have one for forest fires and other areas of risk? Clearly, this year going forward it's important to recognize that there is the appropriate number of dollars being put into risk management to ensure that Albertans are adequately prepared.

Now, I don't know if this is a way of hiding a deficit. I would hope not. The deficit is only, I think, about \$800 million. The question is that if you look at the way we look at and bank mid-year and you take a look at what's been taking place, clearly it's going to be over a billion dollars. That is a question that I think Albertans are asking.

Now, your mandate letter talks about reviewing the Alberta Land Stewardship Act to ensure full consultation and consistency with legislation and access to the courts. Of course, within the Wildrose we always approve of government copying our policy; we take that as a compliment. Clearly, the government didn't spend last spring doing anything significant, nothing except Bill 10, which amended the Alberta Land Stewardship Act. I have to ask if in fact this was considered a waste of time. How many chances are Albertans supposed to give you when it comes to how many times you are going to be what I view as denying the right – call me a fearmongerer, but the next thing we know, you're reading our policy book, which I take as a compliment. I want to say that that's good. It's been said that it's important to listen to Albertans. We've seen examples of that, but clearly the question is: which Albertans are you listening to? I think it's important to

listen to them all: those who agree, those who don't agree, and some who are in between.

I noticed that the Land Use Secretariat is budgeted to receive about \$6.8 million, which is up a bit from last year but down from the \$13 million in '10-11. Is this because you're putting the land-use plans on hold until you figure out how to fix Bill 36 for the second time? The business plan says that you plan to roll one out this year, the South Saskatchewan plan, if I understand this correctly, but how you are supposed to roll that out and fix Bill 36 at the same time is a question that Albertans have been asking us.

As you know, there are a lot of angry landowners out there right now. I'm sure you have heard that. Clearly, I've attended some landowner meetings as well. I might add that I specifically attended one down in Eckville not that long ago. Other members were there as well. I know the Member for Rocky Mountain House and, in fact, the Member for Innisfail-Sylvan Lake were there as well. In my judgment, that meeting was very reflective of the dissatisfaction that was taking place even though this was a different minister. In my judgment, it was clearly a beacon saying: it's important for the government to listen to our concerns. So I will bring that to your attention as well.

7:55

Also within the priority initiatives it's so important to set out a road map for the future of when we can expect recommendations, I mentioned earlier, but also when it comes to developing and implementing responsible forest health and management strategies that diversify our forest age classes, maximize forest productivity, timber utilization, and revenue for the benefit of Albertans. One of the questions I ask there: are there any plans to expand private woodlots when it comes to one of your goals?

Also, it talks about the opportunities for developing and implementing strategies that maximize Albertans' enjoyment and experiences derived from hunting, fishing, and trapping. In doing so, pertaining to the uses of public land, being able to see that road map over the next period of time I think is important in the execution. It also talks about providing emergency response services for wildlife control and implementing pre-emptive strategies in a co-ordinated and responsible manner to ensure continued public safety. Of course, a more greatly developed road map on that is very important as well.

In terms of last year's satisfaction there are some areas, of course, that showed a reduction in the satisfaction of Albertans. At the same time there were some areas where it showed increases. I commend the minister for the areas where this is a recognition of satisfaction from Albertans, but clearly from what I have witnessed in some of the issues of land-use management, Albertans are not happy, not pleased, and they're looking for this government to listen.

Now, I also think it's important to recognize the Member for Rocky Mountain House as well as others. At one point the ministries of environment and SRD, Sustainable Resource Development, were in fact one ministry. Actually, I'm sure the minister supports this member in balancing budgets. It's just a fiscally conservative thing to do. In balancing budgets, one would ask the question: how would he intend to go about balancing a budget for the entire province through his ministry? For instance, one example would be merging the ministry of environment back with Sustainable Resource Development.

Even further, a question asked of me by Albertans has been: what percentage of your ministry's staff work in Edmonton, and what percentage actually work out in the front lines all across Alberta? That number, we think, is reflective of either a centralized or a decentralized way of thinking. We believe that the

more that you have front-line troops that are out there serving Albertans in a more decentralized manner, right in where the action is, can be helpful. Again, my question is: what percentage of ministry staff are based in Edmonton, and what percentage are based throughout the province of Alberta? I've heard from my sources that 55 per cent in the forestry are based – wouldn't it be better if, in fact, many of them were on the front lines? I will be eager to hear your responses to that.

Thank you.

**The Chair:** Thank you.

Hon. minister, you have 10 minutes to respond to the questions.

**Mr. Oberle:** Certainly. Thank you very much. Well, hon. member, I guess there are as many statements or assertions in there as there are questions. I would like to tell you that seeing as how you mentioned a number of times that Albertans aren't happy and that you agree with listening, then maybe you took a page out of our policy book. We have been listening. Maybe you'll consider that the next time that you're ridiculing us for having gone out and listened, specifically on the Property Rights Task Force.

With regard to our taking a page out of your policy book I honestly thought that Wildrose and policy were kind of oxymorons, that they probably shouldn't appear in the same sentence, but that of course would be my opinion.

With respect to innovative approaches I think this department is but will most certainly be in the future all about innovative approaches. I think we have some big challenges on our landscape, and I think we have some excellent professionals in the department that will rise to meet those challenges. We have the regulatory process, for example, the enhanced approval process. On Castle, yes, there's some new thinking involved there and some science brought into management planning that wasn't before. The consolidation of First Nations consultation with environment is another example.

You asked about the priorities. There was a series of questions there. It's unfortunate you weren't here when the hon. member from the Official Opposition began because there was quite a repeat there. We talked extensively about the single regulator, when it's happening. We're looking at legislation in 2012 yet, a full implantation in 2013. We will likely begin to transfer staff in 2012 even. We're taking our time on that; it's got to be right. We can't just roll out a regulatory process that's got some lumps and bumps in it and fix it along the way. It's got to be right when we roll it out. It's a very busy province, and we need to ensure that that business not only can continue but is actually more efficient than it is today.

You asked why the forest fire management budget is as it is. I think that in my short time here I've already been involved in this debate a number of times with your party and with the Official Opposition party. That is quite simply that somewhere along the line somebody made the decision that in the annual forest fire budget there's a base budget to begin preparedness, to man up, to make sure all of our equipment is in order and purchased and all our staff are hired, but the actual forest firefighting costs are funded out of emergency as we go along. I don't think there's any province that has done it better. We could take a rolling average – all that would ensure is that we're wrong every single year – just as a projection.

One thing about funding it out of the emergency fund is that all of our spending gets reviewed in supplementary estimates. If we budgeted everything up front, then that wouldn't be the case. We actually kind of get a double review on what we're doing there. I

have no comment because I don't approach this from an accounting point of view. I think that's up to the accountants and the Auditor General and other tall foreheads to do. I like to approach it from a practical point of view, which is: are we ready? And I think that most assuredly we are. Not just our department but a lot of public servants and a lot of Albertans out there did a fantastic job last summer. What we encountered could have been a lot worse without that. I think we're ready.

You've asked: does this help hide deficits? Again, we're dealing with accounting rules here. I don't specify the rules. I design the program or support the program that my staff need to implement fire activities on our landscape, and I think they do a remarkable job there.

You asked: what are we doing with the Land Stewardship Amendment Act? Was Bill 10 a waste of time? Most assuredly not. You asked who we're listening to. That was, again, another point. We're listening to Albertans. We had the Property Rights Task Force go out there. Bill 10 was not a waste of time. We can see the effects of those changes.

What are we doing now? I'm planning to get the land-use plans up and running. We have to move ahead with the lower Athabasca, and we have to move ahead with the South Saskatchewan. The lower Peace is a priority because of our issues with caribou. The North Saskatchewan is a priority. We've got a lot of work to do, and we're getting on with doing that work.

You asked why the Land Use Secretariat was down from \$13 million a couple of years ago. I think there were a lot of start-up costs involved in that. We're marginally up from last year. I don't see any reduced level of activities there.

You did point out a number of times that there are some angry landholders out there right now. You know, I'm fully trusting you won't again criticize us for being out in the public and talking to and listening to Albertans as you so soundly did over the last few weeks. I'm glad we'll get that level of support there.

You asked a very interesting question about private woodlot expansions. That, of course, would come from your experience down east, as would mine, where woodlots form a very significant amount of the wood supply. In New Brunswick it's 50 per cent. In Nova Scotia it's over 50 per cent. Of course, the amount of privately held forested land in our province pales in comparison to the Maritimes, and we've never really had an active woodlot program.

8:05

We do have all sorts of extension activities through the university, through in-kind support from our department. There's a woodlot association operating. There's a woodlot model forest out there. So we are doing some support there, but right at the moment, as I say, there's a very small amount of forested private land which contributes to our annual allowable cut right now. Most of the forestry that happens on private land right now, I would suspect—I don't have the figures before me—probably has to do with the activities of companies like Al-Pac, who actually are reforesting their own private land.

You pointed out that environment and Sustainable Resource Development were amalgamated at one time and asked how I would go about balancing the budget. Would I remerge those two departments? I guess you could make the argument that you could merge all of the departments into one superministry, thereby saving ministers' salaries, but I think you'd agree there are some inefficiencies in that. I think that if you were to talk to the forestry operators in the north, they would quickly and savagely explain to you the problem with amalgamating SRD and Environment. It was not a well-received change in the forestry community, which

is why it was rolled back. Forestry is a big business in our province. It requires the attention of a full ministry. That was recognized, and it was rolled back. In addition, environment is in itself a full ministry, and the activities are enough to keep a full department busy. So, no, I would not go about reemerging those departments.

How I would go about balancing the budget is exactly the budget and business plan that we've laid before the Legislature, which I'm sure you're going to support because you support moving to balanced budgets.

You asked what percentage of the staff are in Edmonton versus the percentage in the field, a really interesting question, and it's useful to a point. Certainly, we have to make sure that we have field staff, but you would recognize, of course, that most of the staff that we have in Edmonton are engaged in different activities than those staff in the field. We're not monitoring field activities from Edmonton. We have research and other functions in Edmonton, but our numbers, our 70 per cent, would directly support field delivery.

That's about where the buzzer went off if my notes are correct.

**The Chair:** Well, you really only had a minute left, so that was perfect timing. Thank you for that.

We do not have a member of the fourth party or any private members here, so for the next 20 minutes we'll be moving back and forth. Any members at the table can ask a question. Then we'll move back to the opposition party that's still here at the table, which would be a member of the Wildrose Party. I open the floor now for any members around the table that would like to ask a question of the minister.

Mr. Lund.

**Mr. Lund:** Well, thanks. Thanks for the overview.

I'm curious. In the budget on line 6, the quasi-judicial land-use and compensation decisions, is that tied to the land-use framework? Is that where the compensation is going to . . .

**Mr. Oberle:** I'm sorry. Could you just point me to the line in the budget?

**Mr. Lund:** Number 6.

**Mr. Oberle:** Oh, I see. Quasi-judicial land-use and compensation decisions. No. Those would be the budgets of the Natural Resources Conservation Board, the Surface Rights Board, and the Land Compensation Board.

**Mr. Lund:** One of the things that I'm getting a lot of criticism on is the surface rights and the land compensation.

**Mr. Oberle:** Oh, you must be in the wrong room. If you're getting a lot of criticism, it can't be about this department. Sorry.

**Mr. Lund:** I won't respond to that because I was at the meeting in Eckville.

**Mr. Oberle:** Hey, I had to try.

**Mr. Lund:** The one thing that is really starting to bother a lot of people is the compensation issue and where it comes in at. When they talk about market value, the definition of that is a willing seller and a willing buyer, and in so many of these cases we've got neither at the table. I can think of things in the Land Stewardship Act. If the czar decides that they're going to take land for aesthetic reasons, for example, that individual that owns that land is probably not going to be satisfied with the reduction in the value of the property, and that's what they're entitled to under the act.

If they go to the Land Compensation Board, they then get into this market value issue, which is way below what could be the value of the land. The prime example that we've got is when AltaLink was out there trying to get easements for the power line, everybody was upset with it. As soon as we met with the proponents and told them that they had to get that compensation up, the noise disappeared. Now, we're going to run into a huge problem if we start taking land and then referring it to the Land Compensation Board. I guess what I'm asking you is: are we going to open that act up and review it so that landowners can get the proper compensation, not just the market value?

**Mr. Oberle:** Well, that's a difficult question to answer right now. What I can tell you is that we are going to address the concerns that we heard from our Property Rights Task Force and from other places in a comprehensive manner. I can tell you that in the property rights meetings that I was in, people talked about consultation and access to the courts, access to the Expropriation Act without mentioning what the level of compensation was. They want compensation; they didn't say what the level was.

Where they were concerned was the ability – and I'm almost loath to say it because I don't want to in any way interpret what came out of that. The record of those meetings, which was publicly released, is the record on what those meetings held. My interpretation was that there was angst about development. People wanted some assistance when it came to dealing with the Land Compensation Board or the Surface Rights Board or other processes that were on the landscape, and up until now they were required to get a lawyer or some other adviser to help them through it. That was the overriding concern that I heard.

You know, I think it'd be difficult to make a case that you could go to a system other than market value. I mean, that is the basis for all of the land transactions that happen in Alberta. However, you can recognize beyond that that people incur costs or inconveniences, particularly when their land is expropriated, as you put it, against their will. I haven't seen a suggestion about what else we could do there. I noted that people overwhelmingly held up the Expropriation Act as a method to deal with the purchase of their lands.

I think it's open for review, but we can't cherry-pick it. It's got to be part of a comprehensive response.

**Mr. Lund:** Yeah. That's why I asked about the surface rights as well as the land compensation because the two go hand in hand. I can give you a very simple example. In our own farming operation if somebody came along and decided that they were going to expropriate, let's say, 300 acres of our farmland, we have got an

operation geared with the proper machinery, the proper manpower. We've got the investment in order to handle that amount of land. As soon as you take some of it away, there goes our efficiency, and that is just not fair. The country is getting absolutely full of those kinds of examples.

**Mr. Oberle:** I wholeheartedly agree with you, Member. You will recall that I made the exact same argument about forestry in a number of our meetings on the matter. It would be quite possible to remove enough tenure to make a mill not only less efficient but, in fact, nonviable. In my mind, that has to be part of the compensation.

8:15

I would say that for the actual land the formula is relatively easy. You would have to consider how you deal with zoning. Market value is a fair process for the actual land, but you have to recognize that there are business costs, impacts, and other things. Most people that use public land or buy private land do so to form some business around it very often, and you jeopardize their business model by changing their rights to that land. So I wholeheartedly agree on compensation.

What the government said today was, certainly, that active consultation is a key to going forward. We did in fact commit to look at what is appropriate compensation, and that includes reviews of the Expropriation Act and the Surface Rights Act going forward and the Surface Rights Board and the Land Compensation Board. We will do that.

**Mr. Lund:** I was not aware that there was any of that.

**Mr. Oberle:** And the third piece of that is the creation, of course, of the property rights advocate going forward.

**The Chair:** Thank you.

Are there any other members that would like to speak?

Seeing none, pursuant to Standing Order 59.01 the estimates of the Department of Sustainable Resource Development are deemed to have been considered for the time allotted in the schedule.

I'd like to remind committee members that we're scheduled to meet tomorrow, February 22, 2012, to consider the estimates of the Department of Energy.

Thank you very much for your time this evening. I understand that the minister is going to be in the back of the room if any of you have any further questions afterwards.

Thank you.

[The committee adjourned at 8:16 p.m.]









