

Standing Committee on The Alberta Heritage Savings Trust Fund Act

Tuesday, September 18, 1979

Chairman: Mr. Payne

10:30 a.m.

N MR. CHAIRMAN: Good morning, gentlemen. I'd like to bring to order this meeting of the Select Committee on The Alberta Heritage Savings Trust Fund Act. I would like to welcome Mr. Miller and his departmental officials.

Before we proceed with our meeting today, I'd like to indicate to the members that yesterday was an important birthday for our recording secretary, Miss Donna Ballard. On your behalf, I'd like to congratulate her on that important milestone.

With that, Mr. Miller, I'd like to subject your name-recall skill to a real test and have you introduce the members of your department for our benefit, and perhaps I could you suggest you make an opening comment relative to those programs within your department that are related to the Heritage Savings Trust Fund. Following that, as has been our practice, we'll turn the time over to the members of the committee for questioning.

MR. MILLER: Thanks very much, Mr. Chairman. It's a pleasure to be here before the heritage trust fund committee, after having sat on the other side and having participated in some of the discussions in other years. I am pleased to have many members of my department here today, so that we might be able to answer questions which might be of a specific nature.

If I might at this time, Mr. Chairman, I would introduce them. The first is Fred McDougall, the deputy minister; Charles Faquin, the assistant deputy minister in charge of public lands; Murray Turnbull, director of the land management and development branch; Darcy Yule, who is the head grazing land management person; Bill McLachlan, the head of the operations of the grazing reserves; Ron Miller, an economist with the lands division; last is Craig Taylor, manager of regional planning, resource evaluation and planning division.

Mr. Chairman, over the past few years we have had the grazing reserve program in operation. It is the only program under the Associate Minister of Public Lands and Wildlife that is funded by the heritage trust fund. We think that the program has generally been extremely well received, and that it has given the opportunity for many of the smaller farmers, particularly, who have a few head of cattle. They have been able to utilize the grazing reserves so that they could concentrate more on their grain growing, their private holdings, being able to use public lands for grazing. This has become increasingly more important as we've seen the price of land escalate. Now we find that beginning farmers, particularly some of the smaller operators, are faced with the problem that they can't increase their holdings as such because of the high capital cost, yet they can utilize the grazing reserves so that they have an income from their capital operations.

We think that the program as such has been successful. It's been an expanding program. We've taken land that has been overgrown with brush, of no

use whatsoever for anything else, and we've been able to clear that land, seed it to grass, and increase the carrying capacity to a great degree. This, along with the fencing program, the dugouts, has enabled land which would otherwise not be utilized in Alberta to be very productive, especially for the young farmers. We're impressed with the program. I leave it to the committee, Mr. Chairman.

MR. CHAIRMAN: Mr. Minister, I was going to ask: have you prepared any material that might facilitate discussion today?

MR. MILLER: Thanks very much, Mr. Chairman. It was an oversight on my part. I have some information which I would like distributed to each of the members so that they can see the extent of the program. It gives each specific grazing reserve, the amount of money which has been spent, and how the program is going in general.

MR. CHAIRMAN: Thank you, Mr. Minister.

MR. NOTLEY: First of all, as far as the grazing reserve program is concerned, Mr. Minister, I heartily endorse the statements you've made. I think it's an excellent investment from the Heritage Savings Trust Fund, and certainly from my quarter you can count on my support. And that's not something which comes very often.

MR. R. CLARK: Agreed.

MR. NOTLEY: However, I would like to refer to Recommendation 4 on page 11 of the Status Report, Disposition of Recommendations. This is with respect to the whole question of a New Pioneer program dealing with opening up additional public land for homestead in Alberta. While this doesn't come directly under the responsibilities of your department as you've undertaken it in this report, nevertheless it was a committee recommendation last year.

I'd like to begin our discussion, if we could, by asking the minister and other staff members with him as to how the department views that particular recommendation.

MR. CHAIRMAN: Mr. Miller, I might mention that we do tend to strike an informal posture here, and if you'd prefer to remain seated, that's entirely satisfactory.

MR. MILLER: Thank you, Mr. Chairman. Yes, Mr. Notley, this is a little aside from the grazing reserve program. I think everybody appreciates what you're saying. It was a recommendation that went forward.

As you're probably aware, once we get into these areas where we're thinking of homesteading, it's not as simple as it might seem on the surface. There are many underlying factors which have to be taken into consideration. One of the prime ones would be the harvestable timber, for example, which might be on that land. Perhaps, Fred, you would like to elaborate on that.

MR. McDOUGALL: I think we're looking at expanding homesteading in the La Crete area, for example, where two townships are presently under development. I guess what we're going through there is an example of the kinds of things that have to be done. We have to open the land in an orderly fashion, and there are servicing, road development, surveying, and a number of other costs

related to that. So we've been going ahead on a planned basis, trying to get away from a kind of piecemeal approach to it, proceeding with a planned program of expansion of agricultural development. One of the activities in the department, closely related to that, is the bioclimatic mapping program, which is an attempt to delineate those parts of the province that are now undeveloped which might be suitable either for cereal crop or forage crop production in the future. We're trying to approach it from a planned point of view.

MR. NOTLEY: If I could just follow along for a moment or two. My understanding is that we have something in the neighborhood of 5 million or 6 million acres of arable land that could be opened up. I think the point the minister made is an extremely valid one: with the price of land being so high in this day and age, it's very difficult in many areas of the province for young people even to think of starting an agricultural operation. I would put to the minister and the officials that perhaps we should be speeding up the process of opening up agricultural land. I realize it's a many-faceted program, that you have to look at the timber that is merchantable. It's not just a case of opening up hundreds of square miles.

I guess really what I'm raising, Mr. Minister and officials, is the pace at which we are moving. When one looks at the La Crete area, for example, there's unbelievably good agricultural land that has been opened up in the last few years. It's really quite a thing to see. It occurs to me that that is the kind of program which, if it requires funding, is an investment which might also, if speeded up, relieve some of the pressure on younger people, who right now haven't got a hope in Hades of getting into agriculture.

MR. MILLER: That's a very good point, Mr. Notley. Perhaps, Charlie, you would like to comment on how fast we should be speeding this up. There are limitations, as you're well aware, of infrastructure which has to be in place before we can develop an area. As to the speed of development, I would ask Charlie to comment on that.

MR. PAQUIN: Well, insofar as La Crete is concerned, we've completed the survey of parts of four townships which, when made available, will result in approximately 70 to 80 sections of land. We propose to commence making this available either late this fall or not too late in the new year. Again, we have to pace that availability to make it an orderly allocation of land. So I suppose we will be allocating perhaps 10 to 20 sections, and when that is properly allocated we will post the next 10 to 20 sections over a period of a couple of years.

We're also looking at some land in the general Valleyview-Sturgeon area, and some not too far from Worsley. I believe that in the next four to five years, Mr. Minister, we will be bringing on stream a number of sections of land that are found suitable for agriculture. In order to facilitate that, we have what we call the Peace River region overview, which is attempting to pinpoint these areas which are suitable. As soon as some of this is identified which has not yet been surveyed, we want to make provision to survey these.

I'm hopeful, Mr. Minister, that we will see a fair amount of new land being made available in the next two to three years.

MR. NOTLEY: Just to follow that up, Mr. Chairman and Mr. Minister. Mr. Paquin, you indicated 10 to 20 sections for the La Crete area. Could you give us the figures for the total province that would be opened up?

MR. PAQUIN: This would be a bit of an educated guess. In the next two to three to four years we're looking at, for example, in the west Worsley area, about 12 to 15 sections which appear to be quite suitable. We're looking at 20 to 25 sections in the Sturgeon Lake area. I would imagine that we could be looking at something like 150 to 200 sections.

MR. NOTLEY: Over a period of about . . .

MR. PAQUIN: Three years.

MR. NOTLEY: Three years. So we're looking at about 50 sections a year. Would that be correct?

MR. PAQUIN: That sounds like a reasonable figure, yes.

MR. NOTLEY: Now I put to you, Mr. Minister and Mr. Chairman -- that's fine; I realize there are a lot of problems. I don't think any of us wants to minimize those problems. But we're looking at possibly 50 sections a year, which is approximately 30,000 acres. We have estimates of up to 6 million acres of arable land, so that it would take 200 years at our present progress to open up this land. I guess I would say to you, Mr. Minister, and to the officials that it would strike me that there is some room to speed up the process.

MR. MILLER: Well, Mr. Chairman, to Mr. Notley. This is only one -- you're just talking specifically of the homestead program; we have other programs. I haven't got the figures for '78-79, but for '77-78 all agricultural land dispositions amounted to over 1 million acres. So the homestead aspect is only one part of it.

MR. NOTLEY: But over the long haul it would, I presume, be a major part of it, Mr. Minister?

MR. MILLER: I'm sorry, I missed that.

MR. NOTLEY: Over the long haul it would be a major part of it. I assume that our objective in these areas of arable land would be to make it possible for young people to set up indigenous farms where, in fact, they ultimately own the land. That would be our major objective, would it not?

MR. MILLER: That is one of them. Agricultural leases and farm development sales are also part of the dispositions.

MR. CHAIRMAN: Mr. Appleby with a supplementary.

MR. APPLEBY: Thank you, Mr. Chairman. Mr. Minister, Mr. Paquin mentioned the allocation process. I notice that he's speaking in sections, and the possibility of 20 to 30 in a year and so on. I wonder if there's a procedure already established. Are these going to be allocated in units of one section? How will the allocation be made?

MR. MILLER: Mr. Chairman. I will refer that to Mr. Paquin. I would think, though, Mr. Appleby, that it would largely depend on the individual and his ability to handle a certain amount of land.

MR. PAQUIN: The usual procedure is to try to establish units, having a variety of sizes ranging from one quarter section to possibly five quarters. We try to make sure the units have reasonable access, at least on the trunk road or close enough to it that access will not be a major problem to the person receiving the land.

The reason we like to have a variety of these types of units is that if there is someone not too far away who needs one or two quarters to add to his existing unit to give him a better base, that's the type of unit that we're looking for for him. On the other hand, if we have someone who has only one quarter and could use two or three or four to give him a good land base, that's the type of variety that we like to have in our units, coupled with proximity to services -- school van routes, et cetera.

Now, the allocation procedure, of course, is that we use the local agricultural development committees to help us. For example, the reason we're going to phase in, say, 10 or 20 sections at a time is at the specific request of the local agricultural development committee, because of the very, very many applications we get for this land. If we have too much land on the market at once, it becomes somewhat unmanageable to make a proper allocation. So they've requested that we phase it in, then they can deal with a manageable area of land at one time.

MR. CHAIRMAN: Mr. Clark, is yours a supplementary?

MR. R. CLARK: Yes. I would say, Mr. Minister: how come it's unmanageable?

MR. PAQUIN: I didn't want to give "unmanageable" in the allocation process. For example, when we opened up some land south of La Crete a couple of years ago, I believe we opened up something like 50 units. We had well over 100 applications -- about 150 -- many of which are conflicting applications, and we ended up with five or six applicants on the same piece of land. With the committee helping to sort this thing out, it becomes rather difficult to deal with each unit with five or six applications, sometimes 10 or 12, on the same unit. So if we had more land, it would just complicate the process at any one time. So that's the basic reason.

MR. R. CLARK: Mr. Chairman, gosh, when we can operate a government with a total budget of over \$4 billion a year, it would seem to me that whatever steps are needed to get us to a situation where we could handle -- how many applications did you say there may be? Fifty applications?

MR. PAQUIN: One hundred and fifty.

MR. R. CLARK: One hundred and fifty. Just from the discussions we've had here this morning, and discussions I've had with people in the La Crete area and one or two other areas up north, it would seem to me that if it means getting more inspectors so that we can get the inspections done, or whatever has to be done -- I frankly don't understand how come it's unmanageable. If the local agricultural board up there hasn't got time to deal with the applications after your inspectors are there -- how long do you wait for inspectors' reports?

MR. MILLER: Well, Mr. Chairman, if I might answer Mr. Clark. One of the problems you'd run into if a lot of land was posted is that you would have applicants putting in applications for more land than they actually needed to.

When land was posted they would be putting in for all of them, when in fact all they were concerned about was one of the units, but they were spreading it out so that if they didn't get one, they would get another.

MR. R. CLARK: Mr. Minister, the very easy way to handle that is to make decisions on allocations in January, May, and October. That's no problem, if you do it that way.

MR. MILLER: In other words, Mr. Clark, you're suggesting that we would do three postings a year and select the applicants at three different times.

MR. R. CLARK: Well, there's no magic to three, Mr. Minister. But I get the feeling -- and I don't want to be unkind at all. But it would seem to me that there's no reason other than perhaps getting the services in and getting the inspections done, if the land is available, that we shouldn't be looking at -- with the kind of money we've got now. And I think everybody on this committee agrees that investment in this area, young farmers, is just first rate.

Yesterday Mr. Kroeger, the Minister of Transportation, told us it would take \$1.8 billion to get the highway system in the province kind of up to date. I guess what I'd like to know from you and your staff, Mr. Minister, is: what do we need so we could look at getting, say, 150 section a year on? I know that means a lot for roads; I know it means additional staff. But I think that's the kind of thing this committee needs if the committee feels that we really should step this thing up.

MR. MILLER: Well, I think there are one or two things you might not be aware of, Mr. Clark.

MR. R. CLARK: It's possible.

MR. MILLER: This is the appeal procedure. When land is allocated to an individual, those people who made application for it and didn't receive it are entitled to appeal to the local ag. development committee.

MR. R. CLARK: I appreciate that.

MR. MILLER: So this is one of the steps. And when you're talking about the number of dispositions that take place, in the year '77-78 the total agricultural dispositions were 7,881, so we are dealing with a large number of individuals as such. It isn't as though it's just 150.

MR. R. CLARK: Mr. Minister, I fully recognize that, that you've got leases all across the province, that you've even got grazing associations -- in my constituency we've had one for about 15 years, and your fellows do a good job of servicing them. But the point I'm trying to make, Mr. Minister, is that it seems to me from what I've heard here this morning that there are administrative problems stopping us from doing this, as opposed to the land not being there. So what I'm asking you is: what do we need from the standpoint of administration? What do we need dollarwise and so on, so that if this committee says, doggone it, we really want to move in this area, what things do we have to move to make that possible?

MR. NOTLEY: Hire more inspectors?

MR. R. CLARK: Do we need \$100 million a year for services and everything? That's the kind of thing that the committee needs to know.

MR. MILLER: Perhaps Mr. McDougall could comment on that, Mr. Chairman.

MR. McDUGALL: Well, we're dealing in the province now with 44,500 -- actually, that number is out of date. I think it's now over 50,000 active dispositions of public lands. The vast majority of those, of course, are fairly routine oil well sites. Still, there are approximately 55,000 -- I think that's the current number -- dispositions active at the present time. In agricultural dispositions, we're dealing with something like 8,000 or 9,000 a year. Of those, about 4,000 -- roughly half -- deal with dispositions leading to title. As you know, not all of them give title immediately. Some of them are leases and sale arrangements or contracts leading to title.

I believe that the staff right now have all they can handle, and then some. So whatever expansion was wished to bring into this area would require additional staff. I don't think there's any question of that. It would also require a budget in the Department of Transportation for road development, and operational funds for such things as surveying.

One of the lacks that has been identified, and which is being acted upon, is the delineation of climatic zones. We all know there are parts of the province where the climate is severely restrictive to agriculture. What is not available is a good delineation of just where one switches into the other. In some parts of the province it's fairly evident: along the Eastern Slopes where the elevational rise is quite pronounced, common sense will pretty well tell you where you should stop agricultural activities and switch into something else. In northern Alberta the line is still there, but it's less well defined. So for a couple of years we've had studies under way to determine just where climatic constraints become limiting.

I think that kind of activity obviously could be expanded. It's been recognized now as a need, and we're going ahead with it. But I suppose it could be accelerated.

MR. R. CLARK: Mr. Chairman, a further supplementary. So, Mr. Minister, I understand that what the department would need is some additional allocations of funds for transportation, roads, services, bus routes, that kind of thing. I can readily appreciate that. Mr. Minister, it may not be possible today, but could you get back to the committee with -- let's talk for a moment in terms of getting 150 sections a year out there.

MR. MILLER: Homesteads?

MR. R. CLARK: Yes, in homesteads.

MR. KNAAK: On a point of order, Mr. Chairman.

MR. CHAIRMAN: Mr. Knaak on a point of order.

MR. KNAAK: Mr. Chairman, before Mr. Clark gets too carried away again -- and I really apologize for butting in -- are we on the Heritage Savings Trust Fund? I thought the only thing on the Heritage Savings Trust Fund was the grazing reserves, and now we've been talking for the last 25 minutes on the homestead program. Now, I submit to the Chair's discretion that when we're talking about the minister bringing reports back -- I've said it before -- we as a

committee are here to deal with the Heritage Savings Trust Fund. I have a strong objection to doing the same work twice. This kind of questioning should occur in Public Accounts and the budget debate. We can't do the same job in two places. So unless this is on the Heritage Savings Trust Fund, I would ask the Chairman to rule on this.

MR. NOTLEY: Mr. Chairman, on the point of order, there is clearly every right to pursue this questioning. It was a formal recommendation made by the committee last year, and if subsequent committees do not have the opportunity to review with the relevant departments the disposition of the recommendations we made, then this committee ceases to have any relevance in terms of the public. It is clearly within the ambit of our responsibilities to probe as to why recommendations were not followed up, or if there are ways they can be followed up, which is the basis of the questioning we've had for the last 20 minutes or so.

MR. CHAIRMAN: Would any other committee member prefer to speak to the point of order?

MR. STEWART: Mr. Chairman, while I entirely agree with the member's concern about the homestead program and many other things relative to public land. I think we have to address it in light of what this committee is structured for: to review programs funded under the Heritage Savings Trust Fund and recommendations for expansion or new programs. I think what we're discussing this morning is purely the department of Public Lands in total, and I don't think we should do it in that format.

MR. CHAIRMAN: Mr. Clark, to Mr. Knaak's point of order.

MR. R. CLARK: Mr. Chairman, speaking to the point of order, especially to the comments just made, the hon. member talked about new programs. It would seem to me -- and that's one of the recommendations made by the committee a year ago -- that for the committee to make some intelligent recommendations with regard to new initiatives by the government, and clearly that precedent has been established in the committee by recommendations in previous years, that members would not object to our getting some sort of price tag for making 150 sections of land available to young Albertans or to Albertans interested in agriculture. The hon. member talked about new programs; that's indeed why I put the question to the minister.

I just make this last comment: it seems to me that the policy of the government today is to get the Heritage Savings Trust Fund somewhat more allocated so that it isn't as vulnerable to some people from central Canada. To the hon. members of this committee: it would seem to me very, very appropriate at this time that we make recommendations to the government so that agriculture -- in this case, young farmers have a chance to get their portion of the fund before it's allocated to some other areas.

MR. APPLEBY: Mr. Chairman, I think the discussion, as it refers to the previous recommendation, certainly is deserving of some consideration by the committee. I think the amount of questioning we've had this morning has probably obtained for us the information that the committee requires in order to come forth with a further recommendation. If, as Mr. Clark has suggested, the department could supply some cost estimates which would be beneficial to the committee in making a further recommendation, I think that would be

useful. But I don't suppose that at this particular moment, the department and the minister can give that type of commitment. But if they could come forth with further information, I think we could follow it up with a recommendation in our final analysis of what this committee wants to recommend.

MR. CHAIRMAN: Any other comments to the point of order?

MR. PAHL: Mr. Chairman, I was basically thinking along the same lines as Mr. Appleby. I think there's a limit to how much information we as a committee can assimilate, notwithstanding our interest, perhaps, in pursuing program initiatives. So I think we would be able to make recommendations in this direction with -- and I sort of have a qualification. When you start talking about opening up new land at the margin, we may very well be subsidizing failure by putting money into this program. So I think it deserves just a little more attention than this committee can give it, other than to make the recommendation which we could hope would result in some initiatives.

Speaking to the point of order, I don't think the initiative is out of order for this committee, but I think the request to provide a lot more information other than the general principles would be beyond the ambit and capability of this committee in view of its time frame.

MR. CHAIRMAN: Before rendering my judgment on Mr. Knaak's point of order, I would like to ask the minister: could you quantify the work involved in preparing the cost estimates requested by Mr. Clark?

MR. MILLER: Well, Mr. Chairman, this is extremely difficult because of the number of factors involved. First of all, we would have to have a land-use planning study. We would like, as the deputy minister said, climatology reports. We're not sure of all the infrastructure costs. And as Mr. Pahl said, we don't want people going in on units which are not economically viable. My concern, Mr. Chairman, would be whether or not the figures that we could produce would be meaningful.

MR. CHAIRMAN: Mr. Notley, speaking again to the point of order.

MR. NOTLEY: There are, I think, two separate questions here. The point of order was: should we be pursuing this matter? I think there should clearly be a ruling on that. It's a recommendation contained in last year's report. It is clearly appropriate that we discuss it, probe the department officials and the minister to obtain all the information which committee members feel they need. I think that's a separate issue. Then there's the question of a specific request for information. It seems to me that that's a separate matter.

But in my mind, there has to be a very clear statement from the Chair that it is in order in committee hearings for us to pursue the discussion as to the disposition of recommendations made by this committee. If we aren't able to do that, this committee ceases to have any real function.

MR. CHAIRMAN: Well, speaking to the entire committee, Mr. Notley has somewhat persuasively made the point twice that the current subject of discussion relates directly to a recommendation made by this committee in a prior year. As far as I'm concerned, that's adequate to establish its relevance.

Therefore I'm prepared to allow further discussion as it relates to that recommendation of last year.

At the same time, however, misgivings have been articulated with equal persuasion that there may be other vehicles, other opportunities, that are more appropriate for prolonged discussion of departmental procedures, the development of estimates, and that kind of thing. Therefore I would like to relieve the minister of having to comply with Mr. Clark's request for what appears to be a fairly detailed preparation of estimates for a somewhat speculative question.

With that comment, I would invite further discussion of the point as it relates to last year's committee recommendation.

MR. P. CLARK: Mr. Chairman, speaking to the Chair's ruling, in essence what the Chair is saying is that we can ask questions dealing with last year's recommendation, but that as far as asking the department for some sort of figures as to what would be needed to initiate or carry out a certain program, as I understand your ruling, that is beyond the purview of this committee. It's amazing that that ruling would come today when the minister and his officials can't tell us the information, yet the point was not raised yesterday when the Minister of Transportation was in the position to tell the committee that it would cost \$1.8 billion to upgrade the highway system in this province.

MR. CHAIRMAN: Is there any committee discussion of Mr. Notley's reservation or concern about the Chair's ruling?

MR. NOTLEY: Mr. Chairman, I would just put a question to the minister again, if I may. I think that what we want to get is approximate figures. Mr. Paquin has already told us that we're looking at 50 dispositions a year, and 150 over the next three years, if my memory serves me rightly. Clearly there must have been some work done already. You must have cost estimates. Mr. Kroeger's figures were approximate; they were ballpark figures. It would seem to me that that is the sort of information that doesn't involve thousands of dollars of extra studies. We're not asking for information to the last dollar, the last cent.

But we are asking for that kind of ballpark information which I'm sure you must already have because, after all, you're undertaking this program now. What Mr. Clark has said is: you're doing 50 a year; let's see what it would cost to do 150 a year. Surely we can obtain approximate figures on that, without having all these other detailed studies. If we can get that information, Mr. Chairman, I think that would be all we ask.

MR. CHAIRMAN: Before Mr. Miller responds to that, Mr. Pahl.

MR. PAHL: Thank you, Mr. Chairman. I think it's all very neat to have a number thrown out that says, with this dedication of dollars we can effect a program. But this would create, in my view, a lot of unreal expectations on the part of aspiring young people wanting to get into agriculture. As I understand the information, being able to provide the infrastructure to an area that is not suitable for agriculture serves no purpose. So it seems there's a little bit of getting the cart before the horse.

I would support saying that we need to have -- if the minister and his officials could give it to us -- a sort of time and magnitude of effort to say, we need this much time and this dedication of dollars to know what the

total capability would be to open it up, and the sort of time frame we could expect. But I would feel very uncomfortable indeed if we were asked to provide, on the basis of information that is just not available, an assessment that there are a million acres and it will take a billion dollars to put on stream. To me, that is not the sort of answer that is meaningful here, and I would resist pressuring the minister and his people to do that, as I understand what they've told us to this point, Mr. Chairman.

MR. KNAAK: Mr. Chairman, on the point of order and slightly diverging. I guess it was just a matter of time before I said this, whether in the House or in this committee. The Speaker made a rule in the House just on his own that the Leader of the Opposition would have two questions. But as an MLA for Edmonton Whitemud, I have a strong objection to having this committee or the House dominated by one member each from the NDP and the Social Credit Party. We have nine members here and, in total, probably don't use up the same amount of time as the two members do. I have every right, I think, as an MLA for Edmonton Whitemud, to have as many turns as they do to say my piece. Basically what I'm saying, Mr. Chairman, is that you -- and I appreciate your fairness -- have been trying to be fair to those members. But as an MLA for Edmonton Whitemud, I think that through these committees we've been unduly lenient to the two members who are not of the same party.

MR. R. CLARK: Mr. Chairman, speaking to the very direct comment just made by the learned Member for Edmonton Whitemud, I don't recall one of these meetings going to the end of the time schedule.

MR. CHAIRMAN: Is there any further comment? Mr. Appleby. Could I suggest, perhaps, that this be the last comment. Then I would like to make a comment of my own, and a further ruling.

MR. APPLEBY: Thank you, Mr. Chairman. I thought you had already made a ruling, and I'm not too sure what we're speaking to right now as far as the discussion is concerned.

MR. CHAIRMAN: Perhaps I could interject, then. A point of order was raised by Mr. Knaak. Several members of the committee have spoken to that point of order. I raised my concern as to the volume of departmental work that would be generated by a speculative request. The minister spoke to that; then I rendered my ruling. Mr. Clark then pointed out to me what appeared to him to be an inconsistency, in that the Chair accepted a ballpark estimate of highway cost estimates from Mr. Kroeger yesterday, whereas today I ruled against the preparation of such estimates because of the work entailed. There have now been two or three comments to Mr. Clark's question of consistency, although I think the relevance of Mr. Knaak's comments would be very hard to establish. Now, Mr. Appleby, and then I'd like to conclude.

MR. APPLEBY: Thank you very much. I have some difficulty in accepting at any time a suggestion thrown out that a ballpark figure should be tossed around and accepted by people as something that might be established as fact, should it become general information and discussed as such. I realize that at this time, if the department were asked to come up with figures for this sort of escalation of the program for land development, it would take a considerable amount of time. That time would not be within the time frame we have for this fall's sittings of the heritage savings trust committee. So I do not believe

it would be information we could make use of as far as recommendations this year are concerned.

I also have in mind that before another sitting of this committee, probably next fall, we would be passing through departmental estimates. This question could very well be raised again at that time, and perhaps more detailed information could be made available. I do not think that any information tossed out as a ballpark figure would be something we could or should make use of at this time.

MR. CHAIRMAN: Thank you. If I could, Mr. Clark in particular and members of the committee as a whole, I would like to repeat the Chair's ruling on Mr. Knaak's point of order; that is, questions raised by committee members which relate to or arise from recommendations made by previous committees I deem to be appropriate. My qualification or reservation is still the same: when that line of questioning develops into a speculative line of questioning that requires preparation or prediction of cost estimates, I then have misgivings. I am prepared to suppress these misgivings when the minister is able, because of the information he has, to make a "ballpark estimate". I am not, however, able to suppress those misgivings when a great deal of clerical work is generated by that request.

Therefore, to repeat the ruling, I'm prepared to accept discussion and questions relating to resolutions made by previous committees, but I prefer that questions or requests not be directed to the minister and his department when an inordinate amount of clerical work would result from such a request. In so doing, I recognize the logic of Mr. Clark's question of Chair inconsistency, but under the circumstances and in light of all the comments that have been made, I think that's the most reasonable position for me to adopt. Mrs. Fyfe, is this a new question?

MRS. FYFE: I'd just make one comment in agreement with the ruling of the Chair. I don't think there is an inconsistency in the ruling. The fact is that a previous minister did have information available for this committee. In this case, if we are requesting information from a particular department that requires considerable expenditure in funds, and certainly in time allocation, I don't think it's something we can request on an individual basis. If the committee as a whole agrees to some in-depth studies that would be useful for recommendations for next year, for some time in the future, then I think it's something the committee must participate in in a decision-making role.

But I think that your ruling has been consistent. If this point were to be pursued, and in agreement by the entire committee that it would be most useful, then I think that's a different story. But you have been consistent.

MR. STEWART: Mr. Chairman, while the discussion that has carried on here today is entirely relevant to the department of lands, I think this committee should be addressing itself to specific programs that would qualify for funding from the Alberta Heritage Savings Trust Fund. I don't think we should generalize to the extent that the total land program, or the department of lands budget, should be a heritage trust fund priority.

With this in mind, I think I can well support any additional programs that are specified to be funded from the Heritage Savings Trust Fund for a specific reason. I think the reasons that have been made here in the comments this morning about the development of lands for beginning farmers are something that we can address ourselves to. But I don't think we should be looking at

the total development of the homestead program or anything else under that one specific funding source unless we can identify what the committee feels is a specific program that's not entirely carried on at this time. We've heard discussions here this morning, and reservations by certain members that our department of lands program of bringing on additional public lands is lagging to what they feel the needs are. I don't think we can justifiably say that the total additional funding of the department of lands should come under the Heritage Savings Trust Fund. I think there's a definite area; I think we should be specific in what we're asking or trying to develop.

MR. CHAIRMAN: Mr. Appleby, is yours a new question?

MR. APPLEBY: A new question.

MR. CHAIRMAN: Okay, additional comments to the ruling of the Chair. Mr. Clark.

MR. R. CLARK: Mr. Chairman, I simply have two comments. In the course of your ruling, Mr. Chairman, you indicated you had several misgivings about the question I posed to the minister. I can appreciate that, Mr. Chairman; I may not agree with it, but I can appreciate that.

I would simply want to say that I have some very serious misgivings, Mr. Minister, when it will take the kind of work that you outlined today so that you could give some kind of ballpark figure to this committee as to what's needed. I'm amazed, truly amazed, that we'd have to get involved in all the kinds of studies that have been outlined here, and that it would cost all that amount of money, to give us some kind of ballpark figure as to what we'd have to do to be able to triple our effort as far as getting that land on stream. So I have some very real misgivings there.

MR. NOTLEY: Mr. Chairman, first of all, I think you've clarified the first point of order to my satisfaction. Clearly we have the right to pursue these questions.

Secondly, there's the question of your misgivings as to the kind of information requested. You indicated that where ministers are prepared to give it, as Mr. Kroeger was yesterday, that would be fine. I must confess that I am sure that kind of information must be available in ballpark terms, because you're going to be doing it over the next three years. I would just invite the minister to give us that information.

But I think the other point, Mr. Chairman, is very relevant. One of the procedural recommendations we made last year, on page 15 of our report, was that this committee "be empowered to hire professional staff assistance and to contract independent analyses" et cetera, in order to allow us to do the job. So I don't think we should somehow think we're just going through a rapid-fire exercise here, and we're just going to be general.

I would agree with Mrs. Fyfe that if we decide we want to explore an area in depth, it should be a committee decision. But that may well mean that we will ask a department to obtain in-depth information. I think the point would be that that should be a decision of the committee by a motion from the committee.

Mr. Stewart talks about being specific rather than general. I think that's true, but if you're going to be specific rather than general, you have to have a data base, an information base, to be specific on. If we're going to do the job properly, I would hate to see us in any way restrict our scope. It may

require a specific motion, as I say, Mr. Chairman, to achieve that. But where information can be made available -- and I just have to say again that I'm sure the minister would have approximate information for us.

MR. CHAIRMAN: Mr. Minister, did you wish to respond to Mr. Notley's comments?

MR. MILLER: Yes, if I might, Mr. Chairman. It's just not all as simple as Mr. Clark and Mr. Notley would have us believe, because when we do a planning study of a region, we're not looking at it only from an agricultural point of view. There are also wildlife and recreation possibilities, and there's the forestry aspect. So when you say, well, what's the cost for a given area, you also have to look at the infrastructure, the educational opportunities. This is all taking place when we do the planning study. And no two areas are alike.

When we talk about opening up an area for homesteading, it's a major undertaking. We have to have concern for these other aspects. When they want a ballpark figure, well, this is extremely difficult to arrive at unless you know what is specifically designed for that particular area.

So my concern is that there's a tendency to oversimplify. If you go over all Alberta, it's a vast province that varies so much from one area to another that it's hard to put a dollars-and-cents figure on it. In regard to highways, Mr. Chairman, certainly the minister can put a figure on it. If he takes the number of roads and the cost per mile, he can come up with a figure. But that's just not simple in this department.

MR. R. CLARK: That's why that department is going to get money and yours isn't.

MR. CHAIRMAN: This has been a useful discussion, which I as Chairman have appreciated. I think it will benefit all the committee members. I'm not entirely sure it has illuminated to any extent our understanding or appreciation for the stewardship of the department over those heritage savings trust funds that it has allocated to it. I hope that the remainder of our question period could perhaps be aimed at such illumination.

MR. PAHL: Mr. Chairman, to the minister. I note that the Blackfoot grazing reserve has an area of some 25,000 acres. I think here's where we can perhaps get an appreciation of competing land uses. That area is awfully close to Edmonton Mill Woods and a lot of other constituencies -- the whole metropolitan area of Edmonton. I think there's a need for recreational areas within reasonable proximity to the cities. Given that this area is rather large, what are the opportunities of enabling some additional land use, either by phasing the use of grazing versus recreation, or by enhancement? I just feel that perhaps that the recreational needs of the urban area have some claim on that land, relative to the grazing reserve.

MR. MILLER: Mr. Chairman, possibly I could call on Craig Taylor, who is with the regional planning resource, to answer that in detail. If you would, please, Craig.

MR. TAYLOR: We have been working on the Blackfoot grazing reserve plan for a little over a year now. The concerns in the area have been recreation; grazing, obviously; maintaining wildlife habitat. The plan itself in relationship to the planning team -- that is, the agencies involved in

managing those resources, including recreation development, have come up with a recommended plan. Out of that 25,000 acres, approximately 12,000 will be developed into cleared pastures. The remaining sections of land will remain with their natural tree cover. The types of pastures in the pasture development itself, the open pastures: there will be considerable areas left for wildlife habitat and that type of thing that would not be suitable for clearing for grazing. The plan will be forwarded into our approval mechanism; it is in that stage right now.

MR. PAHL: Supplementary. I appreciate the availability of wildlife habitat, which I understand is in effect a competing use for the grazing. I would wonder whether the planning has any more specific -- and I appreciate also that wildlife are, if you will, a non-consumptive recreational use, in the fact that they're there by themselves. But is there anything else in the plan for that grazing lease that would relate more directly to recreational opportunities for the citizens of Edmonton and area?

MR. TAYLOR: In the plan certain areas have been identified that we have suggested would be developed for access to that area, particularly related to trail use in the winter -- cross-country skiing and snowmobile access. Snowmobiling would be allowed in certain areas, not competing with the wildlife on a yearly basis. The trails would, in effect, be developed within the non-development area -- that is, the area remaining in tree cover, which is a little more than half of the grazing reserve. The kind of actual development of trails, et cetera, will probably be recommended to be left to those agencies responsible for recreation development.

MR. STEWART: Mr. Chairman, to the minister. The grazing reserve program, as it's now established and funded through the Heritage Savings Trust Fund, limits the opportunity for the development of Crown land throughout the province to areas where there are blocks of land that can be assimilated together and brought into one unit. I feel that the scope of this plan precludes a lot of opportunities for development and improvement of Crown land. We have grazing associations, individual leases in many parts of this province that have almost lost their capability of production due to tree growth. Spreading to more individuals in this province the opportunity to utilize Crown land to its potential has been stalemated through lack of program.

I feel that an expansion of the grazing reserve program to encompass grazing reserves and individual leases -- and I was thinking specifically of the smaller leases, a lot of them on the fringe area, where there can be an additional amount of Crown land absorbed into a lease program -- warrants consideration. I do believe this is one area where a lot of Albertans can participate, where the grazing reserve program is restricted to the type of situation that has to be developed in order to utilize this particular program -- makes it difficult to establish them in great numbers. I do believe that the program warrants expansion in this regard.

I think a lot of young farmers who have less than economic units could have the Crown land which they have at their disposal upgraded to the point where it would give them an economic unit. I think we should be giving consideration to this in our exploring of ways and means of utilizing the Heritage Savings Trust Fund to a greater degree in agriculture.

MR. MILLER: Thanks very much, Mr. Stewart. I do agree. I think one of the things we've run into in the last few years is that on the Crown lands in particular, the amount of grazing available has been decreasing because of the way that the brush and trees have moved in and taken over from the grasslands. One of the things we're going to run into before too long is blocks of land which can be set aside as grazing reserves. There are a number of grazing associations scattered throughout the province. If they were upgraded -- in other words, if we went in and brushed, piled, and then seeded that land into grass, and if we perhaps put in dugouts and some fencing -- the carrying capacity could be increased dramatically. If that were so, it would make more land and units available, cow-calf units, for some of the younger farmers who are presently short of pasture and can't get into the associations because they're pretty well filled up. This would give them the opportunity to participate, as well as in the grazing reserves. I think it's an excellent idea.

MR. KNAAK: Mr. Chairman, to the minister. Mr. Minister, is there any scope in the grazing reserve program to clear land for cultivation, then lease out the cultivated land on an individual basis? And while I have the floor, so to speak, does the rate charged for the grazing reserve program pay a return in any way on the capital expended to bring the reserve into shape? If it doesn't pay a return, does it at least cover the operation of the grazing reserve?

MR. MILLER: Two excellent questions, Mr. Chairman. In answer to the first, that isn't part of the program now. The program is basically designed for the utilization of grazing lands. No thought has been given to, as you suggest, setting Crown land aside for people who want cultivated land to grow grain.

With regard to your second question, I would refer that, if I may, to Mr. Paquin.

MR. PAQUIN: The present charges for the grazing reserves, the operational aspects, do not return any money on the capital costs, and they do not fully cover the operational costs.

MR. KNAAK: Supplementary, then, Mr. Chairman. Mr. Minister, in this grazing reserve program, is the land used only that of sufficiently high quality for grazing and not sufficiently high for cultivation? In other words, my question is: is there any land being used which would be good for the higher productive use -- production of crops -- that has now gone into grazing? I guess the next question is: is there any policy to review the grazing program so that at least the operation of the grazing program would be covered by the cost? I guess my point really is: like Mr. Pahl, I'm a little afraid of luring young farmers into farming, thinking it's easy or enjoyable. In a small operation it can be very difficult. I for one would be reluctant to induce too many people to go into farming when it's not that easy to be profitable in that.

MR. MILLER: Yes, it is possible that some of the land that has been set aside for grazing reserve and has been cleared and seeded down to grass might be able, in some instances, to grow some grain crops. One of the things we look at when we establish grazing reserves is that we don't go in and completely clear the whole area. In other words, we do selective clearing and leave wildlife habitat, for example, particularly around the water courses.

With regard to whether or not it would ever become self-sufficient, I would think that we have a young program in terms of years it actually has been established. One of the things we ran into with many of the grazing reserves was start-up costs. Because of the fact they were new, in many instances it takes a little while before they get their full utilization. I would hope that we would come closer to being able to come to a break-even point of view.

With regard to the small farmers and an economic unit, this is one of the benefits: rather than the beginning farmer having to put his capital into acquiring more land for pasture, he is able to utilize these reserves. The way cattle prices have increased in the last few years, we hope that it's going to make quite a substantial difference to the income he'll be receiving from his farming operation.

MR. BORSTAD: Seven of 10 of these grazing reserves are in northern Alberta. I'm interested in asking one question. I realize that the reserves as they stand now are probably under a quota system, and each farmer is allowed to put only so many cattle on that reserve. I notice there are two new reserves in the planning stage. Are there plans to enlarge the program more in northern Alberta in order to enlarge our cattle industry?

MR. MILLER: Perhaps, Mr. Borstad, either Charlie Paquin or Bill McLachlan would like to answer that. They have a better idea of the specific locations of these reserves.

MR. PAQUIN: I think I'll ask Bill to answer that one.

MR. McLACHAN: Mr. Chairman, as Mr. Borstad has stated, I believe there are seven new grazing reserves in the Peace River country. Presently the four operational reserves are at Wanham, Whitemud, Valleyview, and Kleskun Lake. There are some limited means of expanding these present operational reserves to increase their carrying capacity. As far as the the present heritage trust sites are concerned, when they're fully developed they'll be about 50 per cent of the area shown on the right-hand page of the table in the handout. So we're looking at possibly up to 60 per cent in some cases, depending on the site and the terrain.

As for expansion of new grazing reserve sites in the Peace River area, we'd probably be looking at something that Mr. Miller alluded to: looking at some of the larger grazing associations whereby the department could develop the grazing association and operate it either as we do a grazing reserve or by some other means that might be devised.

As for coming up with new sites for grazing reserves, in the way we look at a grazing reserve as being a fairly substantial size, some 10,000 acres plus, there are really not too many sites in the Peace country that we can consider suitable. At the present time, based on the applications we are receiving for grazing in the Peace country, one could say that the Peace country is saturated with grazing reserves for the foreseeable future.

If we could move the sites we have in the Peace country to the west-central part of the province, it would be great, because we just do not have suitable sites to develop grazing reserves in the Edmonton region. One can say that the province is large and all that, but I know that when I started working on this program two and a half years ago, my main concern was: where the hell were we going to find the sites to build the reserves on? The biggest single problem we still have is finding a suitable site to put a reserve. At the present time it's still not economic to develop muskeg lands or heavy peat

lands for reserves. This may in fact be an area we can look at 10, 15, maybe 20 years in the future. But at the present time that's just not economic. As has been pointed out, the costs of operation are not now being returned by what we charge.

So as far as expansion of new grazing reserves in the sites, as far as reserves as we look at them now, I do not believe we can -- there might be a possibility of one or two more that we'd look at in the Peace River country. Beyond that, we'll be looking at consolidation of existing grazing leases to private individuals, either singly or jointly, or grazing association leases and some consolidations there.

MR. BORSTAD: Sure, the grazing reserves are in northern Alberta, but it's my understanding that they're now at capacity. Isn't that right? Aren't they on a quota system, or am I misunderstanding it?

MR. McLACHLAN: At the present time, the number of applications received -- the only place that really would be considered to be vastly oversubscribed would be our Whitemud grazing reserve in the north Peace. At Kleskun Lake last year we pretty well took everybody who applied, and almost the same situation at Wanham. That seems strange, but that's basically the way it was last year. This year, who knows what will happen as far as the Peace country is concerned? I think we can pretty well handle the number of applications received.

Now there's something that should be said here: when we have a reserve in a particular area and it is pretty well to capacity, people tend not to apply to put livestock into it, because they don't feel they can get in. This year we may be advertising to see if there are other people who might be interested. If we indicate there is availability on each of those reserves, we'll have to look at that and see if we could advertise and possibly bring in more patrons that way. But Valleyview is small, and we seem to be handling the number of requests we're getting; it's building. At Wanham and Kleskun we're presently handling what's being applied for.

MR. BORSTAD: Mr. Chairman, you mentioned that there weren't any more sites. But it seems to me that some of the grazing leases are so huge; I know a few that are townships in size, but they're all bush. They have no carrying capacity, so the fellow has thousands and thousands of acres tied up. Maybe something could be done in that area to improve the carrying capacity.

MR. McLACHLAN: This is certainly a possibility. I think the carrying capacity for most bushlands in the Peace River country is somewhere in the neighborhood of 5 to 8 acres per animal unit per month. On our grazing reserves in the Peace country, our carrying capacity is somewhere between 1 and 1.5 acres per animal unit per month. So you can see that if the brushlands are converted to grazing purposes, you can have a tremendous increase in the carrying capacity.

There are costs involved when we start developing even on grazing leases. I'm sure that our friends in the forest service, the Department of Environment, the fish and wildlife people would all have lots of advice as to how much land they would allow us to clear. We've done some studies on a couple of grazing associations in the Peace River country, and by the time we put in all the fudge factors with the other departments' concerns, we were really not increasing the overall carrying capacity of that particular lease. This wouldn't stand true for every lease, but it will for quite a few of them.

MR. CHAIRMAN: Mrs. Fyfe, is yours a supplementary?

MRS. FYFE: One supplementary and one separate.

MR. CHAIRMAN: Okay, let's take your supplementary and then Mr. Motley's supplementary. We'll return to your new question.

MRS. FYFE: Right. We met with a group of cattlemen one evening, and this was the concern of one gentleman in or near the Edson forest, I believe. He had a grazing lease, but was not able to remove any of the trees, and said that the carrying capacity on that lease was minimal and almost useless. Have you had discussions with the forestry section to look at where leases are in effect that sufficient growth could be removed to make them more viable. I think he was talking about a fair amount of aspen; I may be wrong. I was just wondering what discussions you've had or what discussions have taken place.

MR. MILLER: Mr. Chairman, if I could refer that question to our forestry expert, Mr. McDougall.

MR. McDOUGALL: Well, I guess that's the reason we want to do land-use planning before we go ahead and start clearing. Clearly, as Mr. Knaak has pointed out, the grazing reserves themselves don't fully return operational costs. On the other hand, if we have a young stand of, say, coniferous timber, it's returning a net benefit at very little input cost. So the question arises: should you clear young coniferous growth for grazing reserves? To date, the decision has been no. On the other hand, there are some 20 million acres of public lands which are occupied primarily with brush and poplar, and certainly the green light has been given to go ahead and improve those areas.

So the present kind of working policy in the department is that we will clear off brush and poplar areas, but we will not clear coniferous growth, spruce and pine. When we're clearing poplar and brush, that again has to be done with some discretion, not to clear everything off or large tracts, to keep some cover for wildlife; also of course for grazing benefit as well, shade for the cattle and one thing and another. So it raises the whole issue of doing it properly and land-use planning. That's the way we're trying to proceed.

I'm not familiar with the particular lease you referred to at Edson, but if there was coniferous growth on his lease, it is highly likely that he would be turned down in terms of clearing it. If it was poplar or brush, quite frankly we're encouraging people to go ahead and improve that kind of cover.

MRS. FYFE: Just one further then. If it was coniferous forest, I'm sort of wondering about the wisdom of leasing this land. There seemed to be some expectation on the part of the cattlemen that this land would be more useful than it has been.

MR. McDOUGALL: I think several things could have caused that. One is that the lease itself may go back a long time. In some cases the coniferous growth may not have been evident some years ago, and has grown up now to the point where it is. Quite frankly, many leases were issued in the early days without proper and thorough, and there were large areas of coniferous timber included within leases. Gradually, as leases come up for revision, we try to avoid that conflict.

But quite frankly, it doesn't really hurt to have some coniferous timber within a lease. The cattle won't hurt it once it gets to a certain size. But we would like to avoid having it cleared.

MRS. FYFE: Some of these leases, then, are re-evaluated when they come up for renewal?

MR. McDOUGALL: Yes, they are.

MR. MILLER: If I might just supplement that answer, particularly to Mr. Knaak. When we clear brush from a lease and seed it down, it increases the carrying capacity so that in effect we have more money coming back into the government. It's something like having a house and putting in improvements; then you can charge more rent. This is one of the aspects I just wanted to lay out: by this improvement, there is a return that comes back to the government.

MR. NOTLEY: Mr. Chairman, I just wanted to follow up this question of new grazing reserves. The suggestion was made that there really isn't much room to move in west-central; also there was no mention made of northeastern Alberta. But I wonder, Mr. Minister, if we could just be brought up to date on the situation in both west-central and northeastern Alberta. Mr. Borstad made the point: would we be able to take some existing leases and brush those, so we could develop grazing reserves? In west-central Alberta it would seem to me that you would have an obvious area of demand for grazing reserves; similarly, in northeastern Alberta a substantial need for grazing reserves.

The other supplementary comment I wanted to make, Mr. Chairman: I was a little concerned about one of the questions about leasing out cultivatable acreage in grazing reserves. In the two reserves in my constituency, I know that in one there is very little agricultural land. But in the other one there was, as a matter of fact, a good deal of land that was farmed at one time. People went broke farming it, but it was farmed. But I can't think of anything worse for a grazing reserve than to have parts of it leased out. The problems that that would create in management of the grazing reserve would be absolutely incredible. Once you made commitments to lease out parts of it for cultivation, you might very well get into the situation where there's a demand to use the grazing reserve, and quotas would have to be slapped on because we've got part of it already farmed out for cultivation purposes. Once we decide that an area is a grazing reserve, it seems to me it has to stay a grazing reserve.

MR. MILLER: Mr. Chairman, I would be inclined to agree. I think what Mr. Knaak was probably alluding to was an area of Crown land set aside that could be apportioned out to people who wanted to raise feed for their livestock. As you point out, Mr. Notley, I could see where you'd have tremendous problems trying to have cultivated land within a grazing reserve as such.

Mr. Chairman, I would like to point out, for the benefit of some on the committee who might not know, that the grazing reserves are operated as a government operation. Grazing associations are co-operatives operated by the people who are utilizing them. I just wanted members to be aware of that difference.

MR. NOTLEY: Could I just ask a supplementary question about the location of future -- particularly with respect to northeastern Alberta?

MR. MILLER: Mr. McLachlan.

MR. McLACHLAN: The only heritage project we have going in northeastern Alberta is the one at Wolf Lake, roughly 20 miles north of Bonnyville. This summer a land-use study is going on in the Cold Lake region, which comes all the way down to the North Saskatchewan River and west, I believe, nearly to Elk Point. The boundaries might not be exact, but that's the general region. We've had two of our staff working in the area most of the summer doing an assessment of the potential for development as far as the land is concerned. There are about eight grazing associations in that region which control most of the land, plus one or two small Indian reserves -- Frog Lake and Tulliby Lake, I believe it is.

So there's some potential for development of a reserve in that area, providing that the land can be assembled either by not renewing some of the leases for associations or individuals when they come up for renewal, and allowing them privileges once the reserve is developed. But as far as a specific site that has been set aside at the present time for a new grazing reserve in the east-central part of the province, there isn't one.

MR. R. CLARK: Mr. Chairman, my supplementary really comes from a comment made by Mr. McDougall, dealing with the fact that both the leases and the reserve program don't pay their way. I think that's generally agreed upon. My question, though, Mr. Minister, just as a matter of interest, would be: does the forestry department pay its way? Mr. McDougall, I simply ask it as a matter of interest. My information is that it certainly doesn't. Just so we have some kind of balance.

MR. McDOUGALL: No, it doesn't.

MR. CHAIRMAN: Does the minister wish to respond? Mr. Knaak with a supplementary.

MR. KNAAK: Well, just a matter of clarification. The hon. Member for Spirit River-Fairview imputed some kind of suggestion I had for slicing up the grazing reserve, and the minister correctly interpreted my question. That wasn't the question I asked. The question I had was whether, under this program, it's possible to set up what would be in effect a cultivation reserve program, where you have not only grazing reserves but reserves in a different place where you have land that's useful for cultivation, and deal with it the same way you do with the grazing reserve. That was the question; I believe I have the answer.

MR. PAHL: Mr. Chairman, I really am compelled to make an observation.

MR. NOTLEY: Land banking in Saskatchewan.

MR. PAHL: When they start talking about carrying costs of bush being 5 to 8 acres per animal, and grazing leases 1 to 1.5 animals per acre, my origins are in a part of the province, Hanna, where 40 acres to the animal is the norm. Back in the days before we had the advantages of green belts and all this money and all this government, there weren't very many animals being carried on all this bush. So I just wanted to restate my concern that we leave an impression, or we make recommendations in this committee that would suggest that here is this great, untapped potential for agricultural land use. I

think that for a lot of reasons we need to be a little cautious in sort of suggesting that here's this new land rush we have available. I felt compelled to make that point, Mr. Chairman.

MR. CHAIRMAN: Mrs. Fyfe, did you wish to raise your new question?

MRS. FYFE: Thank you. On page 50 of the trust fund report, there are the figures that were appropriated and the amounts expended till March 31, 1979. In the case of land reclamation, more than 50 per cent of the funds were not expended. I wonder if you could give us an idea of why there were such large amounts remaining at the end of the fiscal year.

MR. MILLER: Mr. Chairman, that's under the Department of Environment, not under this department.

MRS. FYFE: But with grazing reserve development?

MR. MILLER: Well, I don't have the book in front of me, but the reclamation is Department of Environment.

MRS. FYFE: There's grazing reserve development too, which has a very large amount that was not expended.

MR. MILLER: I'll refer that to Mr. Paquin.

MRS. FYFE: The legislative appropriation was \$3,958,000. The amount expended was \$1,759,000, and the lapsed appropriation was \$2,199,000.

MR. PAQUIN: Bill, I believe you have the reasons for that.

MR. McLACHLAN: Yes, I was responsible for the program in that particular year. When we do a budget on the heritage trust program, we try to include all the things we might possibly do in a particular year. If you don't put the money into the budget, you just don't have it to do what you might want to do. This particular year, some of the reserve planning processes didn't proceed as rapidly as they should have. The Rocky Mountain House area didn't go ahead; the Three Creeks one didn't get on stream as quickly as it should have; the Manning one was dropped; Blackfoot, the one adjacent to Edmonton, didn't start. The figures there as far as clearing alone was concerned would probably be well over \$1 million. Some of the work in the Peace country didn't get done that year because of the high moisture they received; it rained and rained just about every day.

So some of the work wasn't completed as scheduled. The whole thing is a sort of domino in reverse, I guess: you have to do one thing first before you can do the following. The figures in this year's budget are probably going to be even worse, because we didn't get the work done the year before.

MRS. FYFE: So in your budgetary process, you rebudget for last year plus the work you hope to do this year?

MR. CHAIRMAN: Mr. Miller, did you wish to comment?

MR. MILLER: Just to say that weather is quite a big factor in regard to the amount of work that can be done on a reserve in any specific year. So it's hard just to estimate what's to be done.

MRS. FYFE: You said that this year you may be worse off. I would hope that as we have more experience in this area, the budgetary figures might be a little more true to fact. I think that more than 50 per cent left unexpropriated is really a large amount.

MR. MILLER: I appreciate your concern, and perhaps we can put more effort into spending the money.

MRS. FYFE: Touche.

MR. CHAIRMAN: Perhaps on that aggressive and ambitious note, Mr. Minister, I would like to thank you and your department officials for appearing.

MR. R. CLARK: Mr. Chairman, Mr. Knaak's had a chance to ask all his questions, has he? We're quite prepared to sit during the noon hour if you want to.

MR. CHAIRMAN: Mr. Clark seeks reassurance that you've had full opportunity to ask your questions. Would you give him that reassurance so that we could go to lunch?

MR. KNAAK: Mr. Clark, like always -- really his comments aren't that relevant, and they're usually out of time.

MR. CHAIRMAN: Well, we'll excuse that perhaps unfortunately partisan note, and again express gratitude to the minister and his department officials. I'd remind the members of the committee that we reconvene next Tuesday afternoon at 1:30 for the purpose of meeting with Dr. Horner. May I have an adjournment motion?

MR. NOTLEY: So moved.

*The meeting adjourned at 12:05 p.m.*

