

[Chairman: Mr. Oldring]

[2:05 p.m.]

MR. CHAIRMAN: Good afternoon, ladies and gentlemen, and welcome to another meeting of the standing committee on the Heritage Savings Trust Fund. I want to begin by welcoming the Hon. Don Sparrow, Minister of Forestry, Lands and Wildlife, back another year. I might note that I read some good things about you and your department in last year's transcripts.

Mr. Minister, you might want to begin by introducing some of the members of the department that you have with you this afternoon. From there, we would extend an invitation for you to give some brief opening remarks. I remind the members of the committee that they'll want to refer to pages 12 and 28 of their annual report. Page 12 has some information on the grazing reserves development. Page 28 has some information on Maintaining Our Forests, capital projects division. I also would note that the Alberta reforestation nursery, the Pine Ridge Forest Nursery, is noted here, but the funding on that was completed in '84-85, and there are no funds expended in the '85-86 report. So really we're dealing with two areas, Maintaining Our Forests and the grazing reserves development. On that note, Mr. Minister, I will turn it over to you.

MR. SPARROW: Thank you, Mr. Chairman. It is indeed a pleasure to be back again this year. I hope I have good news for you. I'm looking forward to the question and answer period, and I will take a very brief time in my opening remarks. I would like to introduce Mac Forbes, who is sitting on my left. He is the assistant deputy minister of the public lands division. Murray Turnbull, director of land management and development, is in charge of grazing reserves. John Drew is director of reforestation and reclamation with the Alberta Forest Service. The other three members here -- my deputy can't be with us; he's working on budgets. His name is McDougall. Of course, in my office we have Jay Litke and Robin Wortman, and my name is Sparrow, so we've designated the department this year as the Scottish birdhouse.

MR. PAYNE: That's a fowl joke.

MR. SPARROW: We're getting called a lot of

other things.

The two items we're here to discuss are the heritage fund reserves and the contribution that the heritage fund has made to the Maintaining Our Forest program. I'd like to briefly overview both of those programs and then go into questions and answers and find out what you want to know about those issues or other items in the department.

The heritage fund reserve program was a 10-year program originally. It has been extended to an 11-year program. The total was a \$40 million commitment for increasing grazing opportunities for Albertans, which commenced in the 1976-77 season. As of March '86, \$31.5 million of heritage funds has been expended for their development. It is estimated that \$5 million will be expended for further development in '86-87, and it is proposed that about \$3.5 million be spent in '87-88, for a total of the \$40 million commitment that was made back in 1976-77.

Thirteen new grazing reserves are being developed from this program, covering a total area of about 250,000 acres, of which some 90,860 acres are improved pasture. In 1985 the program provided about 77,610 animal unit months of grazing. The decision in 1976 to fund grazing reserve development was a good one as far as I'm concerned. The program itself represented a very major expansion of the province's ongoing grazing reserve program. We have some 30 in total now, including the 13. To date under the heritage program development has advanced on all 13 of the grazing reserves so that now these are all operational. The last two were put into operation in this current year.

Generally, grazing reserves have been developed in areas where the soil is not suitable for cereal crop production. Development involves the clearing of aspen bush land and the establishment of tame forage. Fences and corrals are built to handle and control livestock. The heritage reserves are located primarily in gray-wooded soil areas where soil conditions are particularly poor. By providing land on which livestock can be grazed during the summer months, thus freeing up privately owned land for crop production, the grazing reserve program helps to diversify and stabilize agricultural economics in those areas of the province where these reserves are. Because the

demand for grazing reserve privileges is very high, it has become necessary to set certain eligibility requirements, and these favour the local small-scale rancher or farmer in a general way.

[Mr. Hyland in the Chair]

Early in '83, when I first got into public lands, we took a fair amount of criticism as far as the operating costs on some of the grazing reserves. I pointed out in my talk to you last year — and again I want to congratulate the staff for turning that around in the last three years. To date this year on the 13 grazing reserves only about .51 cents per animal unit month is on the book deficit, but if we took into consideration other types of revenue, like seismic activity on Crown lands and surface rental dispositions — because Crown lands are open and there is not a major charge to the oil companies for them -- we would have had a profit of \$1.76 per animal unit month. If you compared this grazing reserve to a grazing association, we would now be making about \$1.76 on these 13 reserves, compared to one point in the early stages when approximately \$8 to \$10 per animal unit month was being spent over and above their costs. So I take my hat off to you, Mac, and your staff. Murray, take back the message from the minister. I think the department really has to be congratulated on the good job they've done in turning it around.

There was very little increase in rates, although that was one of the ways of making sure the operations were better. We increased the grazing capacities and we decreased costs. Patrons now buy their own salt, minerals, and pharmaceuticals, and that portion of increased demand versus those types of services goes through a revolving fund. I suppose I should tell you what the fees are. In '86 they ran at \$7.10 per animal unit month in the north, \$7.70 per animal unit month in the central area, \$8.55 in the south on the dryland reserves, and \$10.25 on the irrigation reserves in the south.

Basically, that should cover the majority of the grazing reserves. Mr. Chairman, do you want to break there, or should I just cover both topics and then go into questions?

MR. DEPUTY CHAIRMAN: Mr. Minister, perhaps you would cover all the subjects. We've got a list of names for questions afterward.

MR. SPARROW: Thank you, Mr. Chairman. We'll move on to the Alberta Heritage Savings Trust Fund contribution toward Maintaining Our Forests. That has been a very good program. I would like to say that the objective that was set some five years ago has been met. I think the staff have to be complimented for maintaining and keeping their sights on that total goal and trying to achieve it. The current year will be the final year of funding from the heritage fund into the Maintaining Our Forests program.

[Mr. Oldring in the Chair]

This program was basically established to create 55,000 hectares or 140,000 acres of new softwood forests to replace losses primarily due to wildfires, energy-related disturbances, and single-purpose uses such as recreation and agriculture. That objective of meeting that target of 140,000 acres will have been met by the conclusion of the program this year. In the 1985-86 budget year some \$4.2 million was proposed, approved, and has now been spent. During that year some 16,000 hectares were surveyed, 4,600 hectares were mechanically scarified, 2,100 hectares were treated with herbicides, and some 15.8 million tree seedlings were planted through the program. The work was carried out as programmed, and the field staff are confident that the results will meet the objective that was originally set out.

Expenditures by the heritage fund through the Maintaining Our Forests program as of March 31, 1986, total some \$24.2 million. As I've said, in the 1985-86 year we are spending some \$4 million, and next year, this current year, we'll be looking at \$745,000. This item was approved in our budgets this past summer, and that will conclude the funding of the Maintaining Our Forests program. If you want to look at the evaluation of the program, all the way through the province you can find evidence of a job well done by the staff. Lac La Biche, Slave Lake, Peace River, and Footner are the main forests where tree planting has been concentrated, and the basic objective of the total program definitely has been met. I think it has been money not well spent but well invested in the Maintaining Our Forests program.

Mr. Chairman, with those few remarks I would open up for questions and be glad to discuss either item or any other question that

may come forward.

MR. CHAIRMAN: Thank you very much, Mr. Minister, for that overview. We'll put all questions through you, and you can decide whether you want to answer or refer them to one of the members of your department.

MR. SPARROW: Mr. Chairman, I have some maps here, showing the location of all the grazing reserves, that you could pass around.

MR. CHAIRMAN: Thank you.

MR. NELSON: Thank you for the overview, Mr. Minister, and welcome. I have a couple of very brief questions. One relates to our forests. Considering that the Alberta reforestation area has come to an end, how will the minister continue to maintain our forests financially if no additional moneys are provided from the Heritage Savings Trust Fund? As you know, Alberta has an enviable record in the world, as far as replacing forests that are cut for different reasons or burned, by replacing at least those trees that are cut. I'm just wondering how we're going to continue to maintain that and do research and development on the projects that your people are working on.

MR. SPARROW: Mr. Chairman, Alberta is a leader in Canada and in a lot of places as far as reforestation programs, and this funding from the heritage fund is definitely targeted at those areas of the province that were over-run by fire or some other activity that destroyed the forest other than the forest industry itself. Under our forestry programs, the reforestation of those forests that are cut is the responsibility of the contractor or the lumber industry, and they do an excellent job in reforesting each and every acre that they participate in cutting. This program has filled a gap to look at all those other areas, especially old forest fire areas, that were damaged and needed reseeding.

You definitely touch a very valid point, though. We could carry on this program at very easily those figures that we've been getting from your committee each and every year. We understand the provincial problem with budgeting, and we're going through a very trying time right now, trying to identify in our own budgets where we can save or enhance our programs and not cost us more money. I think

the department has to be commended — not only forestry but lands, wildlife, and our whole division. We try to maintain, and actually have maintained over the last four years, control on spending, but we're still trying to enhance programs and get more bang for our dollar and do more for less.

In this current year we're actually spending a million less than we did in 1982. We're still looking at 5 and 10 percent cuts for next year, as every other department is. But one thing we're doing is opening up negotiations with the federal government to look at our federal/provincial funding agreement. It was started some three years ago. We're in year three of a five-year agreement, and many other provinces have received a lot of funds through that agreement. It just got started here in Alberta. It's presently about \$2.3 million per year of federal funding. We are looking at enhancement of that joint program in the years to come, and I'm hoping to negotiate next year with the federal government to enhance it and bring us up to more of an equal base compared to other provinces. The federal government of Canada has to be commended for the amount of moneys they've put into the program, and I think there's an opportunity for us to receive more of those funds here in Alberta to try and carry on this program.

MR. NELSON: Just a supplementary to the minister, if I might, Mr. Chairman. Is it suggested that the private sector will maintain to a great degree the financial obligations to keep the Pine Ridge nursery, for example, operating to the extent it has in the past to provide for the replacement of the trees that are removed by that sector for various forestry activities, albeit lumber, pulp, et cetera, so that we can maintain the replacement of those stands of timber?

MR. SPARROW: Actually, we maintain the nursery out of general revenue funds, and we feel that we will try to maintain and not cut back, unless we have to, in that area, because it's very essential that we provide that huge stock. The industry is concentrating on doing the actual work of reforesting in the field, with us basically supplying the infrastructure that's needed through the nursery. The operation of that has definitely become more streamlined and very efficient, so I believe we are going to

be able to carry on that operation even with reduced budgets.

MR. NELSON: Mr. Minister, through the Chair, you talk about reduced budgets and what have you, which is the name of the game these days. If for some reason or other we do not have funding available to replace the trees that are removed from the forests, I guess we have to consider the long-term financial implication there, that they won't have the opportunity to grow to be cut down again in X number of years or create a better environment for us, albeit for the natural fauna or what have you out there, for the collection of water, and so on and so forth. The other area, of course, is research and development, and they've done an extremely good job. For those members who haven't visited Pine Ridge, Mr. Chairman, I recommend very highly that they do so. I think it's one of the most exciting programs that we have.

The question I really want to ask is: considering all these points, the economic and environmental considerations and what have you, would it not be a priority to ensure at least the minimum replacement of those trees that are removed either for commercial use or through fire as soon as possible so that we can continue with the long-term financial aspect and/or the assurance that our environment is kept and maintained?

MR. SPARROW: You made very good, valid points. Mr. Chairman, those are very definitely the goals of the department. Prior to my getting involved, I think the department did a fantastic job in their reforestation programs, not only through the private-sector contractors doing the logging but through this program in the heritage fund committee, and this will continue. The goal is to plant and reforest every acre that has been cut. With the success ratio we've had in the last two years in the fire suppression program, we haven't lost nearly the number of trees as in the past or as in other provinces.

There is always the question of who should do the funding and how it should be done. In the softwood lumber disputes we've been doing a lot of comparing of what we're doing compared to, say, Montana across the border. That state spends a fair amount of money on reforestation after the logging has been done by the private

sector, and that has to be treated in your stumpage rates. Our stumpage rates are lower. But if you take into consideration government expenditures in other provinces or other states like Montana, you could compare us very equally with what they're doing today. Unfortunately, a lot of the argument over the softwood lumber issue is basically the difference in our dollar versus their dollar, plus the industry in western Canada, B.C. and Alberta, has modernized very rapidly and according to one report we're 25 to 28 percent more efficient.

We concentrate on reforestation in every agreement we have on expansion of the forest industry. We're presently only utilizing about 52 percent of the total softwoods in this province. We just signed an agreement taking the hardwoods up to about 17 percent, so we have a vast untapped resource. With the new expansion into hardwoods we have an exciting future for forestry in this province.

MR. McEACHERN: Mr. Chairman, I want to direct my first questions to the grazing reserves. I believe you indicated that the heritage trust has 13 new operational reserves and that there is a total of 32 reserves. Are those other reserves handled out of the general revenues, or do the local associations sort of take them over and they become independent and maintain themselves? Are we still spending money out of general revenues on them?

MR. SPARROW: We operate all 32 reserves. We have provincial staff on each of them. There are quite a number of other grazing associations or co-ops throughout the province.

MR. McEACHERN: Beyond the 32.

MR. SPARROW: Beyond the 32. I don't have the number . . .

MR. FORBES: There are some 80 associations.

MR. SPARROW: Operating elsewhere in the province. But as I said, the operating costs of the reserves are being met by the patrons. The patrons have an elected board of directors that assist our management at the local level to make the decisions as to how many cattle go on, how long they should stay on, what dates they should be removed, and what fields should be

reseeded. Every aspect of the operation has local input by a board of directors or advisory group elected by the patrons in each reserve to look at the maintenance of those areas. On top of that, we have multiple use of a lot of the areas.

MR. McEACHERN: Thank you. So I guess it should stop at these 13 new ones we've added, and the province will be basically looking after those.

To move to another question, there was some start on a program in the grazing reserves to make some of that land available for private buyers, and then a moratorium was put on that. I believe those were in the south part of the province. You get a different situation in the northern part of the province. At least, I would like to ask to what extent they're different. It would seem to me a possibility that some of the land in the north -- I know you said it was a gray-wooded zone and that most of those lands are not really fit for cereal crop production. But does that hold true through all the reserves? Is there land in the grazing reserves in the northern regions that could be turned over to cereal crop production? I know you're already dropping that in the south and that we agreed on a moratorium on that. What about in the north? Is the situation different?

MR. SPARROW: Yes. If you look at the normal growth in the province, it started in central Alberta and we're gradually working into the Peace River area. They are definitely two different programs, though. Grazing reserves have never been looked at for posting or for conversion. That was miscellaneous land throughout the province that was put into grazing leases and then was converted to cultivation leases, with or without an option. But it is definitely a different topic as far as the lands we're talking about.

These reserves have always been operated by the government with local advisory committees. They could be converted into grazing associations, and in several areas the opportunity is there for the patrons to take over the operation if they wish. Somehow they always become more effective than government operations. That threat has been one of the aspects that has really made the grazing reserves become very economical, because we've said that you have to compete and not be

subsidizing cattle compared to the grazing associations or private grazing leases.

The issue you're talking about primarily is the grazing lease conversion. We put the freeze on in the last Speech from the Throne. We're looking at having some public input sometime in January or February in southern and central Alberta and re-evaluating that south and central program after that input is received.

In the north, though, it is proceeding. There is a fair amount of land that has been under grazing in northern Alberta that is being converted or can be converted to cereal crops as a higher or better use. They're looked at on an individual, parcel-by-parcel basis prior to that conversion taking place.

MR. McEACHERN: So that's still proceeding in the north. When some of these leases are up for sale to private individuals, what is that process? Do the people operating it have a sort of automatic in to purchase first, or is it up for general bidding? How do you do it?

MR. SPARROW: There are two very different ways we dispose of land. When you have unoccupied land -- no one is on it and there is no lessee tied to it -- there are four different ways the land goes out. It's by tender, by auction, by posting in specific areas where we want to look at the use by beginning and new farmers or expansion of existing units in that area, and then by posting with a draw system so that everybody who is interested goes into a draw, with us setting the market value of those lands. So there is definitely an open and free system, and there are those four ways for our staff to work with it.

[Mr. Hyland in the Chair]

When a lessee has had land for a number of years and has cleared it, fenced it, and been allowed to cultivate it and put it back into grazing -- we've allowed them to cultivate it and take two crops off but then put it back into grazing, because it is a grazing lease -- he has a fair vested interest in making the land what it is today. So in the policy change we allowed him first option to convert it from a grazing lease to a cultivation lease, with or without the option to purchase. Our advice to him is that he should go to a cultivation lease because the rates are quite a bit less; they're 2 percent of

the market value of the land. If he goes to purchase, though, he can purchase it with 10 percent down and the balance over up to 20 years but at 8 percent funding. It's a lot less costly for the farm unit to stay at a cultivation lease than to move into the ownership aspect, but in many cases the pride of ownership urges the individual to go that extra step.

MR. McEACHERN: Thank you.

MR. CHERRY: Mr. Chairman, I guess my question would be on the community pastures. There was so many dollars set aside for the clearing of land; I think it was \$40 million.

MR. SPARROW: Yes.

MR. CHERRY: Could you tell me approximately how much has been spent, and do you see down the road that if all the dollars are expended, it would be re-funded?

MR. SPARROW: Yes. About \$31.5 million was spent as of the end of the '85-86 budget year. We're looking at spending the balance of those funds up to the \$40 million in the next two years: about \$5 million in this current year, '86-87, and about \$3.5 million in '87-88 to bring it to the \$40 million. That will definitely finish all the work that is planned for those 13 reserves. Definitely we have to look at and continue to look at the other 32, because regrowth is a continual problem to us and we could use funds to go back over all the existing reserves and bring them up to their maximum utilization. Rather than opening new ones, those would be the first dollars I would ask for if the dollars were available to put into the program.

It's something we should address. Maybe in a future year, Mr. Chairman, prior to closing this program out of your heritage fund, we could make a presentation to you and show you what the opportunities are for expansion. There is continual demand for more grazing reserves and for more money to be spent on clearing the regrowth and solving the regrowth problem. Any ones we can provide will continue to go down if you don't keep working away at that regrowth problem.

MR. CHERRY: I understand that the process is an association and that X number of cattle

producers are in the association for any lease. I'm just trying to get the criteria. If Doug Cherry comes along as a cattleman, he may not be able to get in on that lease unless a vacancy exists. Is this correct? I guess what I'm saying is that if there were 20 producers in there with 1,000 head total and I wanted to come in, I would have to wait my turn. In other words, what I'm trying to get at is that they're not being overgrazed. Is there sufficient supervision that they don't become overgrazed?

MR. SPARROW: Yes, very definitely. The local advisory committee with our staff are continuously looking at which field should be grazed and looking at that overgrazing. With the drought we had in southern Alberta, we ran into one or two problems where we possibly overgrazed. But if you fly over and look at a grazing reserve and look at a private-sector lease beside, you can always tell which one has more forage on it; it's going to be the grazing reserve. If anything, because of the fish and wildlife department and the input of other divisions, we are protecting a lot of that grazing for wildlife to some degree, and there is a little sponge there in certain years. It's not 100 percent utilized by cattle. We always try to maintain enough so that we have a good start in the spring and enough through the winter for other types of ungulates.

[Mr. Oldring in the Chair]

MR. CHERRY: I guess my last question would be: in the association itself, if the lease holds 1,000 head and you and I were in it, would you get 600 and me 400, or how does the process work?

MR. SPARROW: You mentioned that in the first one. Each year ads are run in the local papers. Applications are taken by our staff, and the advisory committee goes through each and every application. Very definitely there is an excess in a lot of areas, and the numbers of cattle each individual is allowed in there are continually being adjusted to try to accommodate more people. But it gets to a point where you can't accommodate them all.

Maybe, Mac, I could have you — I don't get into the detail of how you get a person on there. How many grazing reserves have an excess of applications, and how do you sort

them out?

MR. FORBES: Basically, except for the far north we always have more people interested in getting in than what we can accommodate. Each year we have what we call allotment meetings which are held in February, and the applications of those who have applied are reviewed by the advisory board that Mr. Sparrow made reference to. These are representatives of the patrons. Maybe five or six sit down with our staff, look at the available grazing, look at what has been allotted to the existing members to see if they've got any surplus, and basically if there is room to accommodate a few more — and there's not too many in that category anymore — they're looked at on the basis of relative need, how close they are to the reserve, and of course to ensure that they are, in fact, a livestock producer. Those who have the greatest need and appear to be able to make the best use of the reserve are accommodated, assuming that there is the capacity. There are not too many reserves left where there is additional capacity other than these heritage reserves, where of course each year there's new pasture being made available. So that's where we are able to accommodate new people. The 20 nonheritage reserves are basically fully subscribed, and there's no latitude unless an existing member drops out.

MR. CHERRY: Thanks, Mr. Chairman.

MR. HAWKESWORTH: Mr. Chairman, I appreciate the overview the minister has given us this afternoon. Just following up on a previous question, the conversion of these grazing leases in northern Alberta to private lands, I don't know whether I understood your comment.

MR. SPARROW: They're not grazing reserves but grazing leases that are in the conversion policy. They're not the same lands we're talking about in this heritage fund; they're other lands.

MR. HAWKESWORTH: Okay. I wonder if you could maybe go into that just a little more to clarify for me the difference. Has the department over the years outside of the Heritage Savings Trust Fund created these grazing reserves and then leased them out?

You talk about grazing leases; you're also talking about grazing reserves under the Heritage Savings Trust Fund, and I'm not sure what the . . .

MR. SPARROW: I guess we've got to get that confusion. The money that was spent here by the heritage fund is definitely on the 13 reserves, which are big plots of land that the government is maintaining and operating, and they're not being leased out or sold. None of this money was even involved in any other grazing lease out there. Most of the grazing leases out there are individual leases. Farmers came at some time to the department, had individual leases, and improved them themselves or through some other programs. We have other programs in regular budgets to assist farmers. They're allowed to convert those leases from a grazing lease to a cultivation lease only if the land is suitable.

MR. HAWKESWORTH: Then why is northern Alberta exempt from this moratorium and southern and central Alberta are not?

MR. SPARROW: Very definitely the lands in northern Alberta — it's a lot newer area than the lands in southern Alberta, and there's a lot more land. Any of the criticism that was coming from the conversion policy was primarily from the Calgary area and Red Deer and south, because there's a limited amount of open space in Crown lands in comparison to the north. Therefore, the freeze was primarily put on central and southern Alberta until such time as the program could be communicated and discussed and any recommendations that people had on it could come forward to be considered. There's a very definite need in southern Alberta to acquire additional environmentally sensitive lands near towns, along rivers, and for habitat. At the same time, a lot of lands there are presently under grazing leases and could be more suitably put into cultivation leases. It has been history that if you have a cultivation lease, it's land available for sale. So it isn't that it has created a new sales program but that that category, a cultivation lease, always has been for sale.

The only change in the policy was made a year ago and basically was the process. We allowed the lessee to have the first right to request that certain lands be converted from a

grazing lease to a cultivation lease, primarily because he had improved it: built the fences and dugouts, cleared the land, picked the rocks, and made it what it was worth. We felt that he definitely should have the right to cultivate it on a continuous basis if it was going to be cultivated on a continuous basis. But they're definitely different lands from these lands, and there's no way these funds even get mixed with those. It's a separate program totally.

MR. HAWKESWORTH: Once the conversions have been completed by transfer of title and so on, is it public information how much the sale was for or what the tender was that was approved? I suppose that at an auction it would be public, but what about these three other options to dispose of land? Here you're getting rid of Crown land, public lands; perhaps it's . . .

MR. CHAIRMAN: A point of order by the Member for Cypress-Redcliff.

MR. HYLAND: I'm a little concerned. Because of the area I come from, I would very much like to get involved in this exchange, but it's not in the grazing reserves. I can understand that the Member for Calgary Mountain View, not being associated with the industry, wouldn't know the difference, the cut-off point, in these two, but I'm just concerned that we're getting into something that's not covered in the two or three parts of the trust fund we're looking at. We're something a little bit outside of that, and it looks like it's tied with it, but it isn't. I know it's hard to understand. As I said, I would very much like to get into the discussion, but knowing it's not in the trust fund makes it difficult for me.

MR. CHAIRMAN: The Chair recognizes that the Member for Calgary Mountain View perhaps was going beyond the parameters of the trust fund report, but the minister was kind enough to respond and provide, I think, a helpful description so that we could all better understand the difference between the grazing reserves development program and grazing lease conversions. But perhaps we can get back to the trust fund report.

MR. HAWKESWORTH: If you're going to rule the question out of order, perhaps I could use my last question here, at this point in the

proceedings, to ask the minister what sort of spraying program, if any, his department is using or evaluating in terms of promoting coniferous growth in forests or reducing hardwood growth in forests or vice versa. What kinds of spraying and evaluation of spraying is the department doing, perhaps in conjunction with this Maintaining Our Forests?

MR. SPARROW: Very good questions. The federal/provincial agreement addresses this issue very well, and we're doing test plots throughout the province for the treatment of forested lands versus what you could say is spraying. The majority of the plots are very small. They're being done on a test basis to accumulate data to make sure that we know all the best positive ways of maintaining our forests after we seed them. There's no use seeding a crop and spending massive amounts of money from the heritage fund planting trees, like we have done, and then not letting them follow through with the 50-year growth period that it takes to get them to be a harvestable crop.

Very definitely farming activities throughout the province are improving every year with the research they do. The different types of treatments that are necessary for assisting that long-term growth and the eventual harvest of that crop have to be looked at. The majority of these programs are jointly federal and provincial, and they're looking at the various types of hand operations and mechanical on-ground treatment. Very little has been done with, for example, aerial spraying.

Maybe my expert in forestry can add to that. I'd ask John Drew if he could comment further.

MR. DREW: Sure. Through the funding of the Alberta heritage trust fund we've established about 50,000 hectares of new conifer plantations. As the minister has mentioned, as in any gardening situation the establishment phase is the first but not necessarily the only cultural activity that needs to go on to create a productive forest. Of the federal/provincial agreement money, \$2.13 million has currently been allocated to reforestation. The bulk of this activity is in the maintenance of the plantations that have already been established under the Maintaining Our Forests system. So I want to assure you that we expect to see 50,000

hectares of productive conifer plantations resulting from this investment. The department has made the commitment to bring that through.

With regard to the question of herbicides, we are looking not just at chemicals. Our goal is to successfully reforest and manage four conifer plantations, and herbicides are one of a number of tools that we're looking at in this regard. We're also looking at some mechanical and manual cleaning of these forests. Depending on the situation, really there is no blanket treatment that's appropriate. So there is a need to explore, and we are doing so, again, under another avenue of the federal/provincial agreement, to explore and compare the veracity of using chemicals in some situations. But I want to assure you that our approach to herbicides is not a broad-scale, blanket application.

MR. R. MOORE: Mr. Minister, I'd like to back up to that area the Member for Lloydminster brought up, and that's the method of selecting those who participate in a grazing reserve. We hear a lot of complaints out there about its becoming an exclusive club. Once you get in there, you may go through the process as outlined, but it seems like the same ones are always in there. You can be a legitimate cattleman out there with a legitimate need. In the eyes of those that have that, their need is just as great as those who are involved in that grazing reserve, but they never seem to be able to get in. What is the percentage of new ones coming in, or do these old ones just repeat and repeat? Is the idea to get on it, like the welfare list, and once you get on it, you can stay?

MR. SPARROW: Before I ask Mac to mention that, I've had complaints when some people were cut off on the other side of the fence. I do know that they look at the overall operation of the individual and his need. After that need has been met, I've seen people ask to be removed, and that's also a complaint. So they're not in there permanently.

We get accused, though, of the closed shop idea. I think there's a lot of confusion between us, a grazing co-op, and a grazing association. The some 80 associations out there all have a set of bylaws and rules and regulations. We deal with them in trying to make sure that they

also look at the needs of new and beginning farmers and of other farmers who have that need in an area. It's a hard question that's continually addressed by the local committees. We also try to encourage those other associations, whether they're federal, provincial, or local co-ops or on other lands, to try to use and maintain maximums per participant and to try to serve as many as they can.

Maybe the true answer is more, and that's to address the issue of whether we're providing enough service. If we look at the capital costs that have been put in by the heritage fund, there were 13 new grazing reserves in the province in the last several years. They're doing a fantastic job. As I mentioned, there are 250,000 acres on them, and we've only taken up to 80,000 acres of improved lands. There's a whole bunch more land on those same reserves that could be expanded.

To try to accommodate people in central and southern Alberta, if they can't fill up the northern ones, we allow a trucking allowance over 100 miles, I think, to try to encourage people even from central and southern Alberta to participate in them, because the lands were there. The reserves were in lands that we had available.

Maybe you could further address the actual process, Mac. I don't get involved. I try to leave that up to local committees and local staff, because it is a contentious issue. I know what you're saying; I get the complaints too.

MR. FORBES: I think it would be fair to say that on the general revenue funded — in other words, the nonheritage — reserves, the 20 older ones are basically fully subscribed and basically consist of people who tend to be smaller-scale livestock producers who have pretty well always depended on that reserve to round out their economic unit, if you like. I think it would be fair to say that on those 20 older reserves there are very few new members being taken in except under the range improvement program, which is a cost-shared program that is available to associations holding grazing leases. The improvements created by half of the government funding have to be made available to new members, so we have that built into it. As new pasture is created on the existing reserves, half of the government's share of the funding is available to new members. Of

course, on the heritage reserves there is new pasture coming on every year, so there are quite a number of new members coming in every year.

MR. R. MOORE: Mr. Chairman, another question while we're looking at meeting the demand for grazing leases or properties. We in the government have a program of allowing pasture rights to farmers in the green area. I'm referring to west of Caroline and in the Seven Mile Flat. A lot of complaints come to me in my area. Some quarters say that allowing farmers to go in there in the summer and put in so many hundred head of cattle is taking away from the wildlife and overgrazing the area. Another thing is that it's a fragile ecology; they get into the streams and are endangering the fishing potential of the area. Some quarters feel very strongly about this. We allow that, and we also have the grazing reserves. Are you considering increasing the grazing reserves and transferring that area out of the green area into proper grazing reserves rather than just allowing farmers to go into the green area and turn cattle loose?

MR. SPARROW: Yes. One of the objectives in the '77 and '84 Eastern Slopes policy and the integrated management planning system that we're doing at a local level, especially from Rocky Mountain House south, is to maintain the existing levels of grazing, not to increase. The heritage funds that were used for grazing reserves just north of Rocky, like Medicine Lake and that, allowed us to shift some of the grazing into those new reserves. So very definitely the building of these 13 new reserves has taken a lot of that pressure off and allowed the opportunity for increased grazing through proper management on reserves. In many cases it has decreased grazing in the forested areas through permits.

As for management of the forested areas, thank God we have farmers willing to put cattle in there. There's nothing worse than having massive amounts of grass in the spring or fall, and the touch of a match could remove your whole forest. Ranchers with that type of permission are doing the public of Alberta a very good service in fire prevention. I've been into areas where we did not allow grazing, and it was a massive fire hazard. We've had to look at ways of doing something about it. Willmore

Wilderness Park is an example of that. There's no grazing in that area, and we really have to look at a maintenance program. Environmental groups, fish and game, and all those different types of groups are looking at us to do controlled burns as a way of getting rid of that undergrowth that would be so detrimental to the whole area if a match were struck. So there are very definitely positives.

I think our staff are to be congratulated. We very seldom get complaints about where the areas have been changed. There is one in the Rocky area where one of the ranchers did some improvement. You most likely got letters like I did through your fish and game club.

MR. R. MOORE: I'm well aware of it, Minister.

MR. SPARROW: Our staff were right on it and found out what the issues were, and I think the fences are mended. There's always that pressure on us from the different user groups in the province saying, "My use is more important than your use." It's a delicate topic all the time.

I think it's interesting and very useful for me as minister to have the Fish and Wildlife Advisory Council. When we get a touchy issue like that, we talk it over with the many user groups in the province, thrash out compromises, and come to a consensus of multiple-use concepts. Alberta is really leading in Canada. A lot of other governments, even from the United States, are looking at our integrated management planning process, whereby we try to address the long-term use of public lands like you're talking about. There are always 25 people with different ideas of how to use that piece of land.

MR. R. MOORE: Mr. Chairman, I want to get back to the grazing reserves and their relationship with the private sector. Is there any comparison between the grazing rates you're charging for reserves and the grazing rates in the private sector? How do we compare? I'm concerned that we hear a lot of people say that there is an unfairness to those who provide their own pasture or pay the private sector, that we're being unfair. Is this justified, or is it just a figment of imagination, like we heard here earlier in the day with a lot of misinformed people trying to mix leases with reserves and coming out with an unfair

assessment of reserves?

MR. SPARROW: I have stated the rates we're charging. In various parts of the province those rates are low. In other parts in the last couple of years grazing rates have depended on the market. Grazing rates in the private sector fluctuate more than ours do. I've tried to maintain no increases in grazing fees. That would be the last resort to balance, to make sure we're not subsidizing grazing reserves. I think we're due for an increase. The private-sector rates have continued to increase, and I'm going to be recommending to my colleagues, through the budget process, that we have an increase.

It is always a question, and it varies in different parts of the province. Our goal is to try and make sure that we aren't subsidizing cattle on an operational basis. But you're right; the capital construction is a different matter, because on a grazing lease the grazing association is responsible for their capital construction. We assist them through general revenue funding up to a maximum of \$22,000 per project under our range improvement program, but that's very small in comparison to the massive amounts of money we're putting into grazing reserves on a capital basis. So if you look at the capital and all of the costs involved, some of that criticism is justifiable and we should be increasing our rates.

MR. R. MOORE: Thanks very much, Mr. Minister.

MR. PAYNE: Mr. Chairman, I don't have a question but rather an observation and a possible suggestion. Without wishing to embarrass my learned and knowledgeable colleague from Calgary Mountain View, I would like to use the fact that he expressed some uncertainty with respect to the grazing reserves development program within the capital projects division and the grazing lease conversion program that's been the cause of so much controversy, particularly in Calgary. The fact that one of our colleagues who is very well read and very knowledgeable is confused — heaven help us. I suspect that in my own constituency and certainly in the city of Calgary there is widespread uncertainty or confusion about those two programs.

I appreciate, Mr. Minister, that the public

meetings that have been proposed by you and your officials have nothing to do with the grazing reserves development program, but could I humbly suggest that when such public meetings are held, recognizing that you will be dealing with the grazing lease conversion hostility in some parts of Alberta, you take advantage of that opportunity to resolve the kinds of uncertainties that have been expressed on a couple of occasions today?

And if I could ask a nonheritage fund question, could I simply ask while we're on it when the proposed meetings are in fact scheduled for Calgary?

MR. SPARROW: Yes. I think it's worth spending a few minutes on the issue, Mr. Chairman. I'll be glad to. I would invite any member — if there presently is a club or organization in your community that wants to talk about any of the public lands programs, we have a communication bureau and speakers that will come to meetings. I'll go to as many as I can to talk about any topic and especially that one. That's the process; you can phone our office any day of the week.

With reference to public input, we are planning about five or six public meetings throughout the province in January-February, and those meetings will be well advertised to the public.

If you go back to just prior to the election, there was a lot of controversy about the issue. A lot of times it is the confusion of trying one program versus the other and what's really happening. It's unfortunate that we do have a communication problem. I have to admit that. I take full responsibility for it. When I put out public announcements and press releases, there is a tendency for me to say that I've done my job; I've communicated. But that's not the fact of life in our modern world. Sitting down with the weeklies association and their president and board of directors, we discussed this one day. They admitted to me that they only printed 1 percent of the government news releases, so we do have a communication problem. Through public meetings and speakers' bureaus we are addressing that issue. We also print our own monthly magazine. Facts about the program are continuously put in there on an updated basis, and we'll gladly put anybody on the mailing list who wants to get on it.

Very definitely we've got to go into

Calgary. We're organizing some meetings just to discuss the issue. We want public input. If new ideas should be addressed, if there's something wrong with the policy, let's address it and change it.

Mr. Chairman, one of the big problems in central and southern Alberta is that there is a lot of demand for all types of land and there is a very limited amount of public lands. One of the problems we have is that the lands we're talking about, which are only about 5 percent of the total grazing leases in the province of Alberta — we have some 5.3 million acres of grazing leases, and only about 5 percent of them are eligible to move from a grazing lease to a cultivation lease, with or without option to purchase. That's a mechanism of financing, because cultivation leases have always been available for sale.

At the same time, we have a massive demand for acquisitions of lands that are in the private sector that should be brought back into the public domain for long-term tourism, recreational, or habitat enhancement projects. A good example of one was that we, along with Fish & Game and Habitat Canada and Ducks Unlimited, bought a ranch in southern Alberta along the irrigation lakes for 5,000-odd acres of habitat enhancement. There have to be some balances. You're bound to have criticism in certain parts of the province if there is a lack of supply. We're trying to address the lands throughout the province that are most suitable for the highest and best use, that are more productive for agricultural use on a continuous basis, prior to opening up new lands at a much higher cost not only to the taxpayers of the province but to the individual who participates.

I'm looking forward to having many meetings. If anybody in this room wants to get me to talk about the subject, I'm glad to get into it. Just ask my staff to get my time. If I can't, I'm sure Mac or one of the boys would be glad to come out and talk about it, because there is a lot of confusion on the issue.

MR. NELSON: Can I get in on that? I have already asked the minister to do that. We have one in Calgary on December 3.

MR. CHAIRMAN: The Chairman appreciates the additional information on a complex situation.

MR. SPARROW: Sorry I took so long, Mr. Chairman, and got off the topic. I'm to blame again.

MR. CHAIRMAN: Perhaps if the Member for Calgary Fish Creek has some supplementaries, we can get back on track again.

MR. PAYNE: No supplementary questions, Mr. Chairman, just one additional off-track comment. I'd like to thank the minister for some very helpful observations. I'm sure I speak for the Member for Calgary Mountain View as well as myself in saying that we would welcome these opportunities for public input.

MR. HAWKESWORTH: The Member for Calgary Mountain View can speak for himself.

MR. PAYNE: We welcome these opportunities for public input. It's certainly a pleasure to assist the minister with his difficult communications task.

MR. McEACHERN: Mr. Chairman, I'll make no apology for raising the issue, as I guess I sort of started it off. I think there are parallel programs going on, some out of the department and some out of the heritage trust fund. Sometimes it's a little hard to know where one starts and the other stops, particularly when you know that the one started from the heritage trust fund gets passed on, in terms of operating and ongoing costs, to the budget of the department. I make no apology for having raised it, and if there was some confusion that followed later, that's okay.

In fact, one of my questions this time around is: to what extent are the heritage trust fund grazing reserves — we have some 13 now, but 30 or more have been developed overall — creating costs that the general revenue budget has to pick up, not only in this area but in the reforestation area as well? I wonder if you would comment on that a little bit.

MR. SPARROW: Hopefully, the capital works on the grazing reserve funds spent by the heritage fund will not cause increased long-term operating costs to general revenue. Our goal is that if those funds are spent well and our operations are managed well, the operations of the reserves should look after themselves and be paid for by the patrons participating. That's

why I suggested a minute ago that we're at the stage where we need a slight increase, because the private-sector levels are a little higher. We will try to maintain an ongoing profit or at least break even, I've been telling staff for the last three years. I'm going to start saying that we have to make a profit. We do have a return on investment to look at, and that's the funds you put it into the capital base.

As for the funds going into the reforestation program, which we discussed earlier, we're very definitely looking at a long-term crop. If we can get it growing well for harvest in 40 years rather than 50 or 60, we have to look at the mechanisms that can be used for treatment to allow that more rapid growth to take place so that those forests are here for your kids and mine to harvest.

MR. McEACHERN: My second question relates to a couple raised by others about who is in and who is out of the grazing reserves board, or whatever the term is, the local committee. If the long-term goal is self-sufficiency or at least breaking even or making a little money, it would seem to me that as more people want in, perhaps that gives the government a better chance to change the terms and/or back out. For the ones where there is pressure for new people to get in, those benefits should be shared with more people or fewer benefits given, whichever way you want to say it, such that we're not perceived as continuing to subsidize the same people all the time. Would that not be the central direction to move when there is pressure for new people to come in and there doesn't really seem to be much room for expansion?

MR. SPARROW: The heritage fund reserves are quite different from the 20 that were produced earlier. A lot of the original patrons of those other reserves put a lot of effort and work into them in a lot of ways. The same with the grazing associations — the local people have made them happen, along with government assistance. So there is that element of vested interest, if you want to call it that.

MR. McEACHERN: Or right.

MR. SPARROW: It is something we're continually addressing, and if anybody has any better ideas of how the staff should handle that,

we try to get that democracy to work at the local level through the boards of directors at that local level. They know the participants and the farmers in that area a lot better than we do, sitting a couple of hundred miles away from them. We rely on that board of directors to have that proper input to our staff to look at new patrons.

We would be able to accommodate more in those areas if we properly addressed the regrowth situation and improved the grazing in those areas. So a continuous management objective is to try to accommodate the demands people put on our department, and it varies from year to year. Unfortunately, in certain parts of the province we don't have any land to make new ones, and that's a problem. We're going to have to start buying or acquiring it.

MR. McEACHERN: I guess I was suggesting you might start backing out then. When enough people wanted to get in, it would seem to me that somehow the economic resources would be available for other groups to take it over.

In my last question I want to get back to forestry for a moment. I'm glad to hear the minister say that we're doing more and better in Alberta than anybody else. But I read an article the other day, I've forgotten by whom, saying that in Canada generally -- and he was not exempting Alberta, in spite of favourable comments he had heard in Alberta -- we are just not anywhere near coming to grips with the whole problem of forests: cutting them down and replenishing them in any kind of ongoing way. Perhaps it's going to take many years to see the effects of whether or not we will be able to handle it. What's going to be the case 10, 20, 30, or 40 years down the road? Certainly the more we can do, the better.

MR. GOGO: Wasn't that in the Sierra Club's monthly report?

MR. McEACHERN: I can't remember where I read it. It was just the other day. They were saying that somehow we've not really got on top of it, Alberta's claims notwithstanding.

In any case, the question I have about the report has to do with federal funds being available. From what I've heard the minister say, it looks like we've missed several years of funds. Were we going alone and didn't get too many of the programs other provinces had been

picking up? What happened there? Can we now start getting funds that others have been onto for three or four years?

MR. SPARROW: With reference to your opening remarks, I have to stand up and say that Alberta leads anyone in North America in reforestation and advances that have taken place in the last 10 years.

MR. McEACHERN: The question was: is it enough?

MR. SPARROW: Undoubtedly, when you get a total report on Canada, you always see Alberta skipped in that report. Maybe other provinces have expanded their forest industries without reforestation being a major component of every management agreement that is signed. So very definitely we lead in that area. If we've done anything, we've protected that forest very, very well.

Your second question was on the funding. There is definitely an opportunity for us to expand the agreement we put in place three years ago. Other provinces have needed assistance in the past, and I don't begrudge that. We need assistance now too. Unless this committee can continue to keep funding me, I'm going to be looking anyplace I can to get funds to maintain those programs.

MR. HAWKESWORTH: Mr. Chairman, I guess if I've left an impression of being confused, the thing I've been grappling with, not only with this department but with a number, is when the same programs and kinds of activities are being offered through general operating budgets of departments and through the Heritage Savings Trust Fund. It raises a lot of questions in my mind as to exactly what the rationale is for doing it under one fund as opposed to another. To follow up the previous question to the minister, my question is: what criteria have been used by the department in order to fund this grazing program under the Heritage Savings Trust Fund, and what criteria are used to implement improvements under the general operating costs of the department?

MR. SPARROW: I think our predecessors of the day have to be congratulated for their forethought back in '76, when this program started. We specifically set out to increase the

number of reserves, to find ideal locations and construct 13 new reserves. Those were identified, and over the years those funds have been spent specifically on those new reserves. As they became operational, the operation became part and parcel of our program under general revenues.

As I stated earlier, the completion of this program has not increased our budget in the last four years. Our general revenue budget has been maintained at its 1982 level without any increases. I think our staff are as efficient and fine-tuned as we can get them, and we are still looking at trying to maintain a better service for less cost by looking at the efficiencies of operations.

They're very definitely two separate programs. If the committee does not wish to vote us funds like this in future years, the job still has to go on as far as maintaining those reserves or trying to accommodate the needs of the public of Alberta, and we're going to try as hard as we can to find ways to do it. So if I come back with a program to a future committee, I would hope that you seriously look at identifying more and new programs.

MR. McEACHERN: But the committee that will decide will be the heritage trust fund investment committee, which is the cabinet, not this committee.

MR. SPARROW: Your recommendations to that heritage committee are very seriously looked at each and every year. I've sat there. If you don't recommend it, I can't even get it on their topic. They may make the final decision, but the seeds of your report, Mr. Chairman — if you agree that this is money well spent, the seeds of your recommendations are very important.

MR. CHAIRMAN: The chairman would note that 70 to 80 percent of the recommendations from this committee in past years have been implemented.

MR. HAWKESWORTH: Mr. Chairman, I find it interesting that the fund was originally set up with resource revenue that was directed away from the general revenues of the province but that in many instances, at least as far as the division of deemed assets, they ended up being spent on very much the same kinds of things that general revenue has spent money on, in any

event.

I'd like to ask a follow-up to a previous question about the use of herbicides. Through the minister — is it Mr. Drew?

MR. DREW: Yes.

MR. HAWKESWORTH: Either the minister or you might answer this.

I take it that this evaluation is going on as far as mechanical clearing and cleaning in the various plantations you referred to. I guess they're not bananas; it left the impression that we were a sort of Central American or South American country, but I know that wasn't intentional. In terms of the mechanical clearing and cleaning versus herbicide use, at some point those evaluations are likely to be completed, and I wonder if you could tell us approximately when you expect that to be done and if those evaluation studies would be released to the public.

MR. SPARROW: On quite a number of the projects that happened in the last . . .

MR. CHAIRMAN: A point of order from the Member for Pincher Creek-Crowsnest.

MR. BRADLEY: Could the member relate his question with regard to the Heritage Savings Trust Fund investments?

MR. HAWKESWORTH: Yes. We asked earlier about Maintaining Our Forests. My other question was about Maintaining Our Forests . . .

MR. McEACHERN: And the experimental chemical and mechanical means of clearing the forests.

MR. CHAIRMAN: Perhaps if we can continue. The minister was willing to answer it.

MR. SPARROW: Mr. Chairman, to me it's a very valid issue. We are walking before we run with reference to the treatment of forests and the types of systems. Every project that was approved last year and the year before is well documented. Those facts are available for anybody who wants to get at them. We have had no major emphasis on the treatment or spraying in the province. All the projects last year were looked at as research and

development and will continue to be for several years. It's a field that has not received a lot of research and development in the last number of years and definitely has to be concentrated on to get the facts so that over the next 50 years we can make sure that forests are maintained and regrown for future generations. That's an objective we have to maintain, that what we have today we leave for our [descendants] in the future. It's only through that research and development that we're going to get the best techniques to do it with.

MR. HAWKESWORTH: That's fair enough, but as those studies are completed and evaluated, particularly on nonherbicide use of cleaning and maintaining or enhancing the growth in these forest stands, are they going to be released to the public for their input and reaction and participation?

MR. SPARROW: Documentation is in the files on any of the programs that have taken place, and from time to time, as they're completed, definitely the reporting will be done. There's such a variety of different methods and different people involved that it isn't going to all come in one report, but the facts are there and it can be done.

Mr. Drew, is there any planned approach to the reporting of the test plots on a continuous basis that we could address?

MR. DREW: The amount of herbicide work that's gone on in Alberta has been infinitely small. Relative to the 21 million hectares of productive land that we manage, the total cumulative area that we treated with herbicides would not exceed 5,000 hectares. So we're talking about an infinitely small area. We are in the process of evaluating the use of herbicides, not just from the effectiveness on release or the effectiveness on the growth of the subsequent crop but also looking at reassuring ourselves provincially of the federal registration process, that we can in fact use these chemicals without environmental impact. We are proceeding slowly with this, looking at the comparative treatments between mechanical — and when I say "mechanical," we're essentially looking at using disks in the front end so that as the conifer crop is established and grows, there is no need to release it — and some manual release

techniques as an alternative to perhaps using chemicals.

The aftercare is required in our forestry not just to secure that conifer forest that we've established, but also there are some terrific opportunities that we can take advantage of. Our reforestation program has been successful because we've met our objective, which was established in '66, to replicate the wild forest where we have logged it. We are meeting that objective. We are now at a point of recognizing that perhaps under management there is an opportunity to increase the growth of that forest by a factor of about six. We are really trying to understand where we can take advantage of that opportunity, and the majority of the federal/provincial agreement that Mr. Sparrow has mentioned is going to be focussed in that direction. We're investigating that avenue of opportunity.

MR. SPARROW: When you realize that there is that possible multiple of six, you've got to say that all methods have to be evaluated and they're all valuable tools required for the proper and effective management of the forests. We can't let that opportunity go by without making sure that research is done.

MR. McEACHERN: But the public will in fact want the report.

MR. DREW: The primary piece of work that is being undertaken in Alberta on herbicides right now is the vegetation management project in Grande Prairie that is being funded under another avenue of the federal/provincial agreement. In that study, which will be ready in five years, there are various methods being assessed and also, I think, about \$500,000 is being invested in environmental impact assessments. That information will be released certainly in a final report form and as information is available. Release of that information has not been scheduled at this point in time, but certainly there will be final reporting on that, and that will be a public document.

MR. HAWKESWORTH: Thank you.

MR. R. SPEAKER: Mr. Chairman, just a comment to the Member for Calgary Mountain View, first of all. When the grazing lease

concept was put into the Heritage Savings Trust Fund, we had quite a large amount of funds to start working with and disburse and we as members came in with a long shopping list with a number of ideas. Your former leader and myself as well recommended support of the grazing lease concept because we felt it could build in terms of accelerating that program and providing some kind of heritage in terms of rural economic capability or assisting farmers in their own pursuits as such.

At that time we also discussed that very concern: where are we moving? Are we just extending the General Revenue Fund into the Heritage Savings Trust Fund? That was something we found difficult to deal with on many occasions. You'll look at various examples through the heritage expenditures and run against that. I know we raised it as a concern once in a while when the cabinet committee came back with certain recommendations.

MR. HAWKESWORTH: I appreciate that.

MR. R. SPEAKER: I just add it as information and not to try and justify what happened, but it did happen that way. I think your observation is correct and that at this point in time we might as well reassess that question. But when the money was there, it was even more difficult to assess it, because you could do so many things and there was a demand and it seemed like a neat out.

To the minister and his officials, in terms of the grazing program in the south and in my constituency specifically, I've had no criticisms. Certainly the people using it are very pleased with the management and the relationship with the department, so I am a little short of questions at this point, in terms of seeking information. Everything has been satisfactory.

MR. SPARROW: We have been addressing the opportunity for increasing the reserves in southern Alberta, because there is a demand with the use of irrigation, and expanding the Bow Island grazing reserve. We have discussions going on on a continuous basis of just how that expansion should take place. Some of the reserves in southern Alberta, especially the ones under irrigation, are too small for an operating unit. We could operate

twice as much land and cattle with the same number of men and the same operating costs, and we're trying to address that. In some cases we're even looking at saying, "Let's sell one, dispose of it, and use the funds to acquire additional infrastructure on others." There is a demand in southern Alberta.

MR. HYLAND: Just to say partly what the previous member has said. I wasn't on the committee, but I remember the early discussions we had with committee members. If you look at this map of grazing reserves, there were very few grazing reserves north of Calgary that small-holding, family-type farms, whatever you want to call them, were able to get into. This plan was a way of developing reserves further north so that the small-type "family farms" could participate in grazing reserves. It has taken awhile to develop.

MR. CHAIRMAN: Just before we adjourn . . . Sorry. Member for Calgary Mountain View?

MR. HAWKESWORTH: It was about tomorrow's agenda.

MR. CHAIRMAN: Perhaps we can first of all thank the minister and the departmental people with him for appearing before the committee. We appreciate the answers and the information you shared with us and certainly want to wish you continued success with your programs next year. Please feel free to stay if you would like but also to leave, as we know you are busy people.

MR. SPARROW: Thank you very much, Mr. Chairman. It has been a pleasure being back with your committee. I'm looking forward to coming back next year.

If I can get a plug in for one of my other divisions, we'd like you all to get involved in Wildlife '87 in 1987. If you've got any leftover funds you don't know what to do with, we sure have a pile of projects, some 380 of them, being lined up to look at habitat enhancement throughout the province. We're looking at getting local sponsor groups involved. We're trying to zero in and really do a job in '87 on habitat enhancement, especially in central and southern Alberta.

MR. CHAIRMAN: Thank you for that

information as well. We know how efficiently you expend the funds you receive.

For the information of the committee, we've had a request from the Hon. Shirley Cripps, Associate Minister of Agriculture, to appear at 12:45 tomorrow, if that's possible, instead of 10 a.m.

MR. McEACHERN: I can't see that that would be a problem for me. How about you, Bob?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: If that isn't a problem, we'll go ahead and proceed with that. If there's time afterwards, perhaps we can read some additional recommendations into the record.

On Thursday we will again be receiving new recommendations. Perhaps we'll also have an opportunity to discuss some of the recommendations that were submitted today. I would also like to advise the members that Mr. Shaben, the Minister of Economic Development and Trade, has agreed to appear before the committee again on Thursday at 11 a.m.

I mentioned earlier that the Treasurer was going to be out of town this week. I wasn't able to arrange to have the Premier here either. The Premier has solid commitments on Wednesday and is going to be out of town of Thursday. So I will be trying to get the Premier or the Treasurer on at a future date.

MR. R. MOORE: It's 12:45 instead of 10 tomorrow.

MR. CHAIRMAN: It's 12:45 tomorrow; 10 a.m. till 12 and 2 till 4 on Thursday.

MR. HAWKESWORTH: Our session at 10 o'clock in the morning has been cancelled?

MR. CHAIRMAN: Tomorrow.

MR. HAWKESWORTH: It will go from 12:45 to, I presume, 2:45, or all the way till 4 o'clock?

MR. CHAIRMAN: The minister will be here for an hour. As I say, if there are more recommendations ready at that time, we could take that opportunity to table those.

MR. HYLAND: Bob's point is that we might as well think that we're here from 12:45 until 4

o'clock.

MR. HAWKESWORTH: I just wanted to find out.

MR. CHAIRMAN: If there are no further items, I will entertain a motion to adjourn. Moved by the Member for Lethbridge West. Thank you very much, everybody.

[The committee adjourned at 3:43 p.m.]