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*Alberta  
Legislative Assembly*

COMMITTEE OF SUPPLY - SUBCOMMITTEE B  
 Carillon Room, Legislature Building

April 3, 1978

8 p.m.

Chairman: Mr. Donnelly

MR. CHAIRMAN: Gentlemen and ladies. Will you come to order, please.

I'm going to keep it very short and brief, as far as the Chair is concerned. I would ask that for any of your questions, you give me the sign that you'd like to ask a question. I would ask you to direct your question through the Chair, or directly to the minister.

Dr. Horner, if I could have you introduce your people and perhaps start with a few remarks.

DR. HORNER: Thanks very much, Mr. Chairman. I'm going to introduce some people that all of you may know, and some that you may not. On my immediate left is my chief deputy minister, Rolly McFarlane. On his immediate left is Bob Cronkhite, deputy minister of the construction side. Next to him is Ken Kowalski, the chairman of regional transportation services. On my immediate right is Ray Hayward, who is the ADM in finance and administration. Directly back of me is my policy deputy minister, Clarence Roth. Next to him, Terry Moore from the budget side of things.

I have here, though, some additional people I'd like to introduce to all of the MLAs, and that's our six regional people. Our regions are set out coterminous with agriculture, and we hope to achieve some major efficiencies and major co-ordination in the role that we're doing out there and all over Alberta. So I'd like to start from the far left. That's Charles Lindsay on the far left, the regional transportation officer in northeastern Alberta. Each one of these fellows has a particular region and each one of those regions has its particular problems, and each one will be different. Next to him is Harvey Alton, who is the acting regional transportation officer in the central or Red Deer area, and also the two I see under regional transportation services. Next to Harvey is Nestor Chorney, who is the regional transportation officer for the northwest region, which includes in and around the city of Edmonton, and as far west as Jasper. On my far right is the guy with the most territory and probably the most difficulties, Vance McNicoll, the regional officer stationed in Peace River, who's got the north or northwest to look after. Next to him is Leon Root, whom a number of you may know. Leon is now the regional transportation officer working out of Lethbridge for southeastern Alberta. Next to Leon

is Bernie Kathall, located in Airdrie and having responsibilities as the regional transportation officer for the Calgary area, which extends all the way from the Saskatchewan boundary to Banff.

I've got some other people here with me. My two executive assistants, Tom Burns and Jay Litke, and Rolly McFarlane's executive assistant, Alan Skoreyko. So I've got lots of backup and I'm sure we can provide you with all the information that's required.

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I just might add, Mr. Chairman, I wanted the regional transportation officers here to have some idea of what happens when their request for money comes to government and how it's dealt with by the Legislature. So I appreciate that opportunity.

If I might very briefly outline, if you'll turn to -- and I'm going to have troubles with numbers here because either I'm getting older or the lights are getting worse, but if you'll turn in your big book to page 305 to the first page of our estimates, I'd just like to say a word relative to each vote and give you some idea of what's changed to allow for some of the things that are happening there.

If I might start with Departmental Support Services. We're asking for \$5 million approximately, a 31 per cent increase. That increase is made up of a number of things, all of which aren't actual increases but transfers from other votes in previous estimates. More particularly, a substantial amount was previously budgeted by Government Services which we now budget for and pay Government Services for the government services that we buy from them, if you like. There's an adjustment in the salary agreements relative to the previous estimates. Another important thing when you look at those tables is that when you look at forecast, that includes not only the amount budgeted, but the amount that was spent relative to special warrants that may have been passed during the year. So that the better column is to go back to the comparable estimates if you want to know the exact sort of relationship there.

Vote 2: Construction and Improvement of Highway Systems. This is our major construction vote and has to do with the construction of primary and secondary highways. Again you have to go back to the comparable estimates rather than the forecast because the forecast includes, as you may recall a year ago when we talked about the \$19 million coming from the oil tax revenue which was dealt with by special warrant when we received it. In this year's budget, not included in the \$200 million, is an additional \$14 million that will go to primary highways that comes from the same source and will be dealt with in the same way when we receive approval. I suppose we could say "when and if". But we expect to receive it from the federal government. That's the relationship there. I've got a hot-shot accountant on my right, so if you need some more explanations of that, we can get it for you. But that essentially is it. The \$181,000 in the forecast includes the \$19 million in special warrants relative to the federal oil tax money. The \$200,000 in the amount to be voted does not include what we expect to receive this year, which is about \$14 million.

Vote 3: Construction and Improvement of Rail Systems. Primarily it is relative to the deficit of ARR and how much we will require to cover that deficit. We're a little more comfortable naturally since McIntyre have signed their contracts in the last two days in our discussions with the president of McIntyre. It would seem to be a realistic estimate of what will be required having regard to their . . . I would just point out that they are the major contributor to revenue of ARR. There is some other revenue that comes from pulp sulphur and some processed product, and there is a substantial amount of grain moving on the ARR but we don't share in that revenue.

Vote 4: Construction and Improvement of Airport Facilities. While it shows a decrease, in fact, that's perhaps not quite right. Again you have to go the comparable estimates. This has to do with some additional moneys that were required with the Wardair hangar for the (inaudible) system a year ago, so the forecast is higher than the actual estimates and you will recall that went on a special warrant. The major change in the airport facilities things is the shift from provincially owned airports, which we've now substantially completed, although there are some yet to be built, with a major emphasis this coming year on community airports as opposed to provincially operated ones.

Vote 5: Operation and Maintenance of Transportation Systems. Again it's important to

compare that with the actual estimates and not the forecast, which includes about \$1.1 million which was in special warrants which had to do with the very wet period of time

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that we had this past year, particularly in northern and western Alberta, for which there was a special warrant which is divided between operation and maintenance and the construction and improvement of the systems. About \$1.2 (million) in maintenance, the other into the actual construction and is relative to the IDs and, more particularly on the construction side, directly to Highway 58 to Rainbow Lake, which was flooded out very substantially last summer.

Vote 6: Transportation Planning and Services. This is relative again perhaps to a little flattening out in the amount of money we're spending there. That's relative to fewer commissions going around this year than there were in the past year. Although we're working very hard at these areas, we don't have to have as much money for consulting and services that we had in the year past relative to our submissions to Hall, Snaveley, and Jones and all those things that were so important.

Vote 7: Urban Transportation Assistance. While the percentage change shows an actual decrease from the forecast of 14 per cent, in fact it's an increase of \$15 million over what we had budgeted last year and that's relative to the additional \$15 million that was given to the cities of Calgary and Edmonton on the corridor throughways. This was primarily brought about by the sort of front-ending of buying the land that's so expensive in those two corridors, and required that additional assistance by special warrant. We would expect this year to put \$15 million into the actual construction, and most of the land buying should be behind us and that front-end bulge should be behind; and we'll be able to move along, I think, pretty effectively on those two throughways relative to 125 Avenue in Edmonton or the Yellowhead connection, and the Deerfoot connection in Calgary in which we're paying 90 per cent of the costs up to a maximum of \$80 million in Edmonton and \$30 million in Calgary as well.

Vote 8: Surveys and Property Acquisition. There is a major increase here and that has to do with starting to implement a new system of surveys, which becomes pretty complicated. If anybody wants to know, I'll ask one of my engineering friends. But it has to do with using satellites to improve the survey system. It will take 10 years to implement in full, but will give us a very accurate pinpoint and cheaper method of surveying, and should speed up our ability to survey property and should make it cheaper in the longer term.

The problem is that we've had a great deal of activity in this province over a number of years. So what has happened is that the original mounds are gone, and to get an accurate survey now costs a lot of money because you may have to go sometimes four or five miles before you can find the original mound and stakes. We're hopeful through -- and to use some big words here like "geodetic". Anyway, it's all tied in with a survey system that will use satellites that are now in place to give us a very accurate survey system throughout the province and which, once we've identified those things, will in fact in the years ahead substantially save us some money and improve the accuracy of our entire situation.

Interestingly enough, back in 1898 and the early 1900s they were pretty good, but they did make some mistakes. We're running into some problems in which you start out 6 inches out of line and you end up down 3 or 4 miles you can be a number of feet out of line. We're trying to correct that. You can't change the legal title system, but at least you can identify on the title where in fact the particular property is.

That, Mr. Chairman, is a preliminary overview of what we've been trying to do. Just very briefly on the policy matters insofar as the construction of primary and secondary highways, just so you will be aware of our priorities on the primary system: we don't have much flexibility because there's a constant requirement for overlay and construction which, in fact in some cases, is really maintenance or protecting the investment that we have. But essentially in the primary system we're doing that: protecting what we have,

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making a very conscious effort on some additional north-south routes, such as 922 or what will become Highway 22, Highway 36, Highway 41, all very important on the north-south basis, not forgetting of course that there is additional work to be done on the east-west ones. But the priority has to be there for those. We're continuing our work on the Mackenzie, or Highway 35. We hope it will all be under contract by next year which will give us a paved, very adequate highway to the territories.

In the secondary system, I think I said a year ago that we would and we are giving priority to three things: (1) the question of rail line abandonment -- those areas will get some priority; (2) the question of resource development; (3) the market access for agricultural products, and that sort of ties in with number 1. But those are essentially our priorities in the secondary system. There is a major increase in that system of 36 per cent. We would hope that we will have at least one project in probably most areas of the province.

I don't think I need to say anything about the APR, other than that's where it's at, and provided we're attempting to increase the tonnage over the ARR, if I can reach my objective of paying the interest, why I'll be certainly very happy about it.

I might say a word on our Transportation Planning and Services, in which we're doing a great deal of work on the very complicated question of freight rates. In the past few months we've sort of altered directions a little bit and have been dealing directly with the heads of the railways. I think that we're perhaps making more gains there than we were trying to deal with the CTC and the federal government. I can tell you that we're developing some expertise there, but it's a very complicated area that we intend to work very hard to see whether or not some major step forward can be made in that particular area. Those discussions are ongoing almost weekly, and hopefully we can have some results.

The urban program: I did mention how it got the percentage things out of Kilter. You may recall that the urban transportation policy was developed and set in place for a five-year period, and that five-year period ends in 1979-80. We have made the commitment to the urban community that we would try to develop later this year policies that would go in place to follow those programs.

As you are aware, we announced in the Legislature this afternoon the essence of the program for towns and villages and the essence of the increases to the counties and MDs, which essentially average about 15 per cent but do not include additional moneys that may be available on the basis of need for resource-, market-, and recreational-based needs in which the county or municipality can show us that in fact the need is not of their ratepayers, but rather from somebody outside. Therefore additional assistance will be made available in those areas.

Again, as I indicated, Mr. Chairman, I tried to give you the overview relative to the surveys. If there's anything additional there, I'd be pleased to either answer or have one of my people do so.

I would like to suggest, Mr. Chairman, that we might go to the smaller book, which is Element Details. It might be easier to follow. I'm easy. We can do it either way. But if you'd like to go to that, it's page 166 of the element book. We can give you additional details of the various votes that are required.

With that, Mr. Chairman, I appreciate the . . .

MR. CHAIRMAN: Thank you very much, Mr. Minister. For those who came late, all I'd ask is that if you have a question, please signal the Chair and ask your questions of the minister. So we're open to entertain questions.

MR. LYSONS: If there isn't a question on Vote 1, I got a question on Vote 2.

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MR. CLARK: Mr. Chairman, I wonder if we might just start with rather some general discussion prior to getting down to the nitty gritty of each of the votes. If I might, Mr. Chairman, ask the minister the first question. Mr. Minister, are you in a position to indicate basically what work you're going to be able to do on 922?

DR. HORNER: Essentially, I think we can indicate this: I should have said that what we're trying to arrive at in the primary and secondary system is a major tendering of projects every month of the year, if you like, so that in effect we have some carry-over every year. In regard to 922, we have two contracts that are in a carry-over position. One in the Buck Lake area, and the second one south of Rocky Mountain House. We will be trying to define the routing between north of Cremona and Caroline and the relationship of the road as it goes through the Sundre area. We'll be working in co-operation with the Department of the Environment relative to the diking, and will be talking to the people in Sundre relative to that routing to ensure, one, that the present route which goes past their school and hospital -- and I agree it's not as good a route as we might get further west, but we'll have a look at the train and try to identify that routing this summer. There's an area north of Cremona which I think is ready for the final stages of putting a top on. There's an additional section in the south from Lundbreck north that we'd like to see a project on.

So in summary, Mr. Chairman, we see five different projects ongoing on Highway 922, as well as identifying some routing in the Sundre, Caroline, south of Sundre areas and trying to establish this route from Lundbreck in the south to Mayerthorpe in the north as a primary north-south connector, which will be of major use if and when the Alcan pipeline goes ahead.

MR. CLARK: Mr. Chairman, just following along if I might, what kind of time line are you looking at, Mr. Minister, for having 922 finished?

DR. HORNER: Well, I guess it depends on to what stage. We would hope that prior to construction in 1980, we at least would have an effective graded, gravel highway, not necessarily all paved because that will take longer than that. But I think with all the resources there are in the west country, that that's a very high priority.

MR. CLARK: So you're looking at something like 1980, about the time the construction on that project may be at its height.

DR. HORNER: Well, at least to have a good graded road. It may well be that the best thing is that it only be graded and gravelled until after the construction is over, then we can put the top on. We might get better service out of the road that way.

MR. CHAIRMAN: My apologies to the committee. I should have stated that there will be general questions first. Then we will go through the votes one at a time and you can ask your questions as they come up. Are there any more general discussion questions?

MR. R. SPEAKER: What do you foresee, Dr. Horner, with regard to construction costs in the coming year? You have a 10.5 per cent increase in the highway system construction vote. Do you see that much of an inflation of the cost, or because there's more work to be done there'll be a greater pressure and maybe less cost?

DR. HORNER: Well, that will depend on the tendering practices of course. The costs escalated very rapidly in '74-75 and part of '76, then stabilized. I would think that

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we'll see some increase in costs because of the cost of equipment and wages. On the other hand, the removal of sales tax on gasoline and diesel fuel should stabilize our gravel haul costs -- not that they won't increase, because the cost of equipment and all of those are components of that. But one of the things is to have a program to get as much as possible done, but not to have a program in which costs run away on you. So we hope we're in that mix. They have increased, but I would think that the 10 per cent figure is erroneous because it doesn't include that \$14 million additional and the other one does. It's a little bit hard to compare. As a matter of fact, in the primary system, there's a 25 per cent increase in actual money available for construction. In the secondary system,

36 per cent.

MR. CLARK: Over what?

DR. HORNER: Over last year.

MR. CLARK: Over last year's estimates?

DR. HORNER: Yes.

MR. R. SPEAKER: Mr. Chairman if I could. You mentioned in the Departmental Support Services that there was an amount in there for salary adjustments. I was wondering what you meant when you said that.

DR. HORNER: Yes.

MR. R. SPEAKER: Is that just a predicted adjustment or this is where the . . .

MR. HAYWARD: Negotiated settlements from last year.

DR. HORNER: That's negotiated settlements from last year.

MR. R. SPEAKER: I see.

MR. CHAIRMAN: Tom Lysons.

MR. LYSONS: Yes, Mr. Chairman. Dr. Horner, when we're paving roads and building roads, it's usually done in 10- or 12-mile sections. I wonder if you could just quickly go over that again as to why it's 10 or 12 miles.

DR. HORNER: Well, you have to take a length that's compatible with continuing operations, compatible with the kind of tender which your industry would like to see. That depends on the kind of traffic. On the Mackenzie and certain other roads, we've tendered longer stretches, but that depends on the kind of traffic you have to adjust through the construction season. There's no magic about 10 or 11 miles, except that it's, as I say, relative to managing the traffic while you're getting construction done.

MR. LYSONS: The other question, a general question: when you're planning on rebuilding a road which is going to affect several communities or only one community, are you planning on meeting with the various communities as to whether the road goes through the actual town or village or around?

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DR. HORNER: Well, yes. That's why I asked my regional people to be here tonight, because they will be meeting with all the local governments and indeed are available to meet with MLAs and others that are interested in the area. We'll be trying to be as frank and honest as we can. I just might say we're running into some problems, and they're becoming more serious, in the acquisition of right of way. Certain individuals seem to think that they're more important than the general good on occasion, and those I guess are the problems of trying to build things. We have to deal with them as they come up.

MR. LYSONS: Well, further along on that. Assuming that a town or a village would prefer that the road goes through, yet we know it probably should go alongside, do you have in your budgeting a special effort to accommodate them to get signing, or right of way, or turning lanes or anything to help these towns?

DR. HORNER: Well, I think there are two or three examples. On the secondary system, as

you are aware, the onus is on the local government to acquire a right of way.

MR. LYSONS: Primary -- I'm thinking of primary.

DR. HORNER: On the primary system, generally I would say I'm of the view that we don't build by-passes through communities unless they request it and there's pretty strong local support for a by-pass. Most of our communities out there are service centres, and to suggest that they require a by-pass too early is to suggest a situation that -- even in fact in Edmonton and Calgary, doing traffic counts and destination counts shows that, in my view, there are not many by-pass communities in this province, if any. Unless somebody can show me different, I wouldn't want to alter that particular course of action.

MR. CHAIRMAN: Gordon Stromberg.

MR. STROMBERG: Thank you, Mr. Chairman. To the minister. I was wondering, on resource development roads, what percentage of this year's budget construction-wise does that take up now? Building roads to industry.

DR. HORNER: Well, it's difficult to give you a percentage figure because that includes all the programs that we have in the primary system. We're talking about the Mackenzie, Highway 63 to McMurray, the highway down to Luscar, the highway into Grande Cache. Those are all primary roads. The whole of 922 or 22 is all considered in the primary system, so those are all resource-orientated, if you like, at least development-orientated in the sense that they're out in an area in which there's going to be development and there is a great deal of activity in the oil and gas industry. So it's very difficult to say that. We do have some additional money in the grants to counties and municipalities where they can show the need because of an extraordinary resource development in their particular counties, in which we'll give them additional help, having in mind that most of them will recoup this, once the facility is built, in the way of property tax. But there is some front-ending that may be required.

MR. CHAIRMAN: Bob Clark.

MR. CLARK: I just wondered, two further areas. One, what's the effect of M.E.L. Construction's financial situation going to have on the contracts that have already been awarded?

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DR. HORNER: Well, I think I can say generally this, and if there's any detail Bob can fill it in. But essentially we are protected 100 per cent from our point of view from the bonding thing. I think -- and Bob, you can perhaps add to this -- we're in a position where the bonding company is now about ready to take over the outstanding contracts and get them done by . . . And then it's up to the bonding company to hire another contractor to deliver the job to us. Bob, do you want to add to that?

MR. CROWWHITE: On the question of taking over, yes. The contracts will be taken over by the bonding company. They've been advised so. They have already selected by tendering themselves a substantial contractor. They're in the process of getting down to executing the contracts because there was some work started on some of them which are under claim by the receiver, and they have to be very careful. But the contractor who is interested in them is ready to move on and he (inaudible) completely.

The other question, if I may, on the capacity. If you talk to the rest of them in the industry, they say that because M.E.L. had lots of the work they had capacity to spare. So we don't really have any great rule that there won't be capacity. I think he had a remarkable effect on the market so we have to watch that.

MR. CLARK: What kind of a delay are we looking at?

MR. CRONKHITE: None.

DR. HORNER: I don't think any because of the winter season. It happened during the winter season so that by the time we can go, my information is that the bonding companies will have their . . .

MR. CLARK: Have the agreements all worked out, is that it?

DR. HORNER: Yes. So we don't see any delay.

MR. CHAIRMAN: Neil Webber.

DR. WEBBER: Yes, Mr. Chairman. I was moving to Calgary and I see there's four of us from the northwest part of the city here tonight, with constituencies there. Every time the Sarcee Trail comes up I think it's over with, until a few months I read in the newspapers again and my constituents start calling me about the Sarcee Trail. I was wondering if the minister would care to repeat some of the previous comments he's made with regard to Sarcee Trail, and going from there to the ring road in the northwest, whether or not there's any time line been established for, say, a northwest by-pass to be completed in the city of Calgary.

DR. HORNER: Well, let me say two things. Number one, the establishment of the RDA in both Calgary and Edmonton was to protect the right of way, if you like, or a transportation and utility corridor for the future, which I think is just good business. In the northwest portion, to deal with it first, we now have general agreement with I think everybody involved of the routing of that northwest corridor through land that I think the Shriners own. There are not many options there but to stay away from Bowness and to come in and have a connection between 1 and 2 in through the northwest, and also to have a space in that particular corridor for some major transmission lines that are required or are now building. So that's been identified and I think there's general agreement on it.

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As far as the Sarcee Trail is concerned, we don't consider it a high priority, although the final judgment on that is the city's. But I think that as far as we're concerned, we think that the southeast by-pass can be handled by Highway 22. That's kind of a misnomer -- some of the numbers on our roads in this province need to be changed. If we've changed some, we should change some others. But the road that goes west from south of Midnapore to Priddis and pairs up and connects onto Highway 1 is an effective southern by-pass for the moment, until things are clarified as to the ambitions of the Sarcee people themselves, relative to their proposed urban development. It would be my view that part of the negotiations for that urban development would be a routing for a southeasterly by-pass to the city, probably through the reserve. But again that's open to negotiation. The present Sarcee Trail in Calgary has some difficult terrain and environmental problems, that I don't think anybody collectively wants to see a major development in that area.

MR. CHAIRMAN: Bob Clark.

MR. CLARK: Dr. Horner, what work do you plan this year on the Yellowhead?

DR. HORNER: There are major improvements east of Vegreville. We're trying to do some work in there. Of course the major thing through the city of Edmonton. There will be some strengthening programs on various sections of the road. That's an ongoing program. We are acquiring the right of way for an extension of the four lanes to the connection at what's now called 57, the Drayton Valley road -- which I would like to make 22 eventually -- and to Entwistle. We don't see any additional four-laning west as sort of just a gradual progression, but rather that four-laning should be done on both sides of population



centres initially to allow for, particularly in the summer time, the trailer traffic to be able to move over and allow traffic to move more freely.

The other major project is in the town of Edson. There's a major contract in progress, or out, relative to the coupling in which we're doing one way going west down the present highway, and the couplet coming back east a block south of that. This has all been agreed to with the town and we're ready to go on that. Those are the major areas on the Yellowhead at the moment.

MR. CLARK: So that would leave the area, if my memory's accurate, in the Vermilion-Vegreville area there, which is still pretty narrow in spots.

DR. HORNER: That's right. Bob?

MR. CRONKHUTE: Five-year program.

DR. HORNER: Yes, I think some of these major highways have to fit into our total priorities. We're gradually improving them and will gradually as we go along. The next area that will get attention is that curvy section -- it's not Mundare it's the other one -- it's Mannville that we're looking at.

MR. CHAIRMAN: Alan Hyland.

MR. HYLAND: Thank you, Mr. Chairman. Dr. Horner, if I can get back, and maybe Bob can answer it too, onto the M.E.L. Construction bit as I do have an interest as a couple of the contracts were in my constituency, namely Number 61 and -- this could be the wrong number and I have a feeling it is -- 897, but I don't think that's right Bob from Seven Persons south to Orion?

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MR. CRONKHUTE: That's pretty close.

DR. HORNER: That's close. It's 897.

MR. HYLAND: I can understand what you said about the 61 because M.E.L. has gone so far and completed the job and there's a portion left to do, but my question is about the other one where they're just in the midst of their gravel crushing job, so the bonding company will take over from that spot as well?

DR. HORNER: Yes. We're fully protected. The bond company, as Bob has said, has tendered themselves to fulfil their obligations and have selected a very reputable contractor who has the capacity to take over the job.

MR. HYLAND: Thank you.

MR. CHAIRMAN: Ray Speaker.

MR. R. SPEAKER: Dr. Horner, my question's first a general one with regards to the actions of the regional engineers, and then secondly it would lead to a specific one. In general, have the regional engineers a bit of flexibility with funds in the instances . . .

DR. HORNER: Yes.

MR. R. SPEAKER: Oh, very good. I was going to say in the instances where two or three municipalities couldn't agree as to a route of a highway and then you know what my specific question is.

DR. HORNER: Well we don't call them engineers. We call them transportation officers. They're going out there with authority and money to back up that authority.

MR. R. SPEAKER: Okay. My specific question is in regard to the concern relative to the county of Vulcan, Taber, Lethbridge, and the route from Lomond into Lethbridge.

DR. HORNER: No. I think some of those have been tendered haven't they?

MR. R. SPEAKER: And require some of the flexibility you're talking about.

MR. CRONKHITE: I think what you're saying is that there's going to have to be a major part of the decisions steered by the department where there is not an agreement.

MR. R. SPEAKER: Right.

MR. CRONKHITE: I think that's right.

MR. R. SPEAKER: That's what I'm saying. And I'm just saying it only can be solved by some flexibility and I appreciate that statement.

DR. HORNER: Well they have that and they'll be able to do it.

MR. CHAIRMAN: Eric Musgreave.

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MR. MUSGREAVE: Dr. Horner, my question's probably along the same lines. Representing a constituency that likes to get to work in the morning and is being frustrated in the inner city of Calgary, I was wondering do you have any ability to put the pressure on the city to, for example, twin the bridge at Langevin or upgrade the Crowchild or build a bridge at Shaganappi or build an interchange at 16 Avenue?

MR. CLARK: Let's listen to this carefully.

DR. HORNER: Well we're making . . .

MR. MUSGREAVE: Or do you leave that up to the city?

DR. HORNER: . . . pretty substantial contributions to the city. But the projects to go ahead with are the city's choice. Then we're just concerned that, you know, there's adequate and responsible engineering and that kind of thing. But the question of where they should build and how they should do it surely has to be the responsibility of the city. We try to work with them relative to their total overall transportation plan. My assistant deputy minister in urban transportation who heads these, what we call urban mechanism meetings, and Bob and his people come in from the engineering side. I have to say that I'm very pleased with the kind of mechanism that we have been able to set up with them. But again, in no way are we taking away from the city councils in either Calgary or any of the cities identifying their priorities.

MR. MUSGREAVE: Well, let me just ask you what your reaction is in view of an experience we've had on the interchange at 16 Avenue and 14 Street into which the province, I would suggest, has put hundreds of thousands of dollars in studies. The city of Calgary has removed several houses that have been taken off the tax rolls. Traffic continues to build up and it's the Trans Canada Highway involved. Having been an alderman, I know what their position would be. But are we able to educate them and lead them and guide them along the wayward path and make them feel any better?

DR. HORNER: Well, we're capable of encouraging them along the right lines, but if they want to -- and I'm aware of the area that you're talking about -- but the decision as to the type of interchange at 16 and 14 surely has to be the city's. Our concern is, number

one, after the other experience on the so-called Split Diamond that they have to be fully and adequately signed. With respect, the people of Calgary have to appreciate the signs are there for a purpose.

MR. CHAIRMAN: Gordon Stromberg.

MR. STROMBERG: Yes, Mr. Chairman. Do you feel that there's a need for another transportation corridor through the parks to British Columbia, such as the Howse Pass?

DR. HORNER: Well, I've been in favor for some time on the Howse Pass route and we have completed the David Thompson, which would be the natural connector in central Alberta. On the other hand, the question of the Howse Pass route is -- we're getting into the province of British Columbia's jurisdiction and would have to have not only their concurrence, but that of the federal government. The federal government from their part are visibly involved in what they call west coast access studies. We could solve that very quickly if they would turn over to the province a transportation corridor through Banff and Jasper, and perhaps through Howse Pass, and we'd have three transportation corridors which to be

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practical and pragmatic are there. There's all kinds of national park and unspoiled wilderness that wouldn't be affected that might give us some more effective transportation corridor if they were returned to the provinces.

MR. STROMBERG: Supplementary discussions have been going with British Columbia and the federal government lately, have they?

DR. HORNER: Well yes. But that's an ongoing discussion with the federal government. The practical, physical people in the federal government agree with me. The national parks people don't.

MR. CHAIRMAN: Now we move to Vote 1: Departmental Support Services. Are there any questions?

MR. MUSGREAVE: Do you want us to move it, Mr. Chairman?

MR. CHAIRMAN: Pardon me?

MR. MUSGREAVE: Do you want us to move the numbers of votes?

MR. CHAIRMAN: No, just agree. Bob?

MR. CLARK: Mr. Chairman, getting down to some of the nitty gritty. Dr. Horner, with regard to looking at the object of expenditure, I notice that manpower costs, mainly salaries, have gone up some 31.5 per cent over the estimates of last year. Staff increase of some 10.1 per cent. What's the difference?

DR. HORNER: Well, staff didn't increase. That's transfers internally. The total increase in the departmental manpower is 9 and that's split between the safety branch and the Motor Transport Board. But because of the regionalization, we have transferred people around and in the support vote there's a substantial number that are transferred from another vote, from maintenance as a matter of fact.

MR. CLARK: So we'll find . . .

DR. HORNER: A corresponding reduction.

MR. CLARK: Well, I have a little difficulty when one looks at salary increases -- I think you'll find it's something like 10 per cent. Yet when we look at the overall manpower

costs, it goes up some 31.5 per cent, if you look at estimates of last year to estimates this year.

DR. HORNER: Now are you talking about the total manpower?

MR. CLARK: Yes, I am.

DR. HORNER: What page are you looking at?

MR. CLARK: For Vote 1.

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DR. HORNER: Well Vote 1 is what I'm talking about in the sense that a major portion of that is a transfer of maintenance people into the regional setup. But there are no increases.

MR. CLARK: Where do we find that reduction?

DR. HORNER: That reduction would be in the maintenance program itself.

MR. CLARK: Which is Vote what?

DR. HORNER: Five.

MR. McFARLANE: It's an overall adjustment, Bob.

DR. HORNER: The number of people -- 31 in total. I don't know how they got those by me. That includes some of the four new provincial airports that have to be set up. There's a small increase in the Motor Transport Board and safety branch. And the two occupational health people that we were required to put in on legislation.

MR. CLARK: Well, just let me go back and ask the question once again. From looking at estimates of last year to estimates of this year I can see there is an increase in staff -- something like 10 per cent.

DR. HORNER: Yes, but that's a transfer of staff from the maintenance vote into the . . . and from Vote 5 to Vote 1.

MR. CLARK: Okay. But why is the total manpower cost going up 31 per cent in that Vote?.

DR. HORNER: Because as you are aware, the major manpower cost in maintenance is the ongoing maintenance people. If you move some of those out of there into the support service, as we have done to support the regional system, then it decreases in Vote 5 and it moves into Vote 1.

MR. CLARK: But Dr. Horner, if you move 10 per cent of the people over, there shouldn't be a 30 per cent increase in manpower costs.

DR. HORNER: Well, that includes your wage people to take care of in the summertime, and you've got a major move of people into the regional system to allow us to deliver the service that much better. And, as I said there aren't any increases other than those places that we have identified. Let me put it this way to you: if you look at the maintenance of these rural local highway systems, maintenance of primaries, the increase is not substantial because of that transfer to Vote 1.

As Gary has pointed out, the regional costs that are transferred total about \$500,000. Now, on a total vote of \$5 million that has a 10 per cent increase. Naturally on a total

vote of some \$44 million the impact is much less in the transfer.

MR. CLARK: What's the reason, Mr. Minister? When we look at supplies and services, travel expenses, and hospitality. Notice hospitality up 212 per cent in this vote, travel expenses up 309.

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DR. HORNER: Again that's a transfer from maintenance to support the regional operation as we see it. That's meeting with the local governments, travelling and becoming aware of all of the problems in those areas and as you note in the 1.0.13 in regional administration and the other areas are where the major thing is going to be. The question of supply is a difference in accounting as I noted earlier in that something like -- and I'm sorry the lights aren't very good for my notes here -- but that's \$246,765 which was formerly budgeted by Government Services which is now in our budget.

MR. CLARK: That's where it talks about purchases of fixed assets. Is that what you're . .

DEPARTMENT OFFICIAL : Well, computer services would be charged back directly to us.

MR. CRONKHITE: The 246 relates directly to purchase of fixed assets.

MR. CLARK: Mr. Chairman, if I might. The \$17,000 grant, who or what organization is that destined for?

DR. HORNER: Where are you looking in?

MR. CRONKHITE: On page 309.

MR. CLARK: Page 309, under grants.

DR. HORNER: That's our contribution to the roads and transportation association of Canada.

MR. CLARK: And if I look at 1.0.2, I know the chief deputy would be disappointed if I didn't ask this. I see a 44 per cent increase from the estimates last year to the estimate this year.

DR. HORNER: That's an increase in travel and professional services so in other words, consulting.

MR. CLARK: \$44,000?

DR. HORNER: Yes.

MR. CLARK: What kind of consulting people, for what purpose?

DR. HORNER: Oh, a variety related to both sides of the department if you like, relative to an assessment, as an example, of our rail relocation studies. On that particular side the question of additional input that we may be required to do to the CIC relative to not only VIA Rail but follow-up on the Hall commission. On the construction side again the question of the use of consultants to evaluate programs and projects.

MR. CLARK: Dr. Horner, why is it being handled that way this year when, if I recall correctly, you used, when you were getting ready for the Hall report and Snavely, and so on, we didn't use the chief deputy minister's office as the place to lodge the funds.

DR. HORNER: Yes, because that was the specific sort of responsibility of the policy development side in which we used Trimac, a variety of consultants and whose reports have

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been, I think, all made public and are available. But I think you come to a stage where the chief deputy minister has to have flexibility to look at both sides of his department and to evaluate what's happening.

MR. CHAIRMAN: Can we move to Vote 2?

MR. CLARK: Well, not just quite that quickly.

MR. CHAIRMAN: Well, I wasn't quite sure what you were doing, just tapping your . . .

MR. CLARK: I was trying to understand the logic of the minister's argument. I'm going to have to ask a question again.

The question is just basically this. Then, Dr. Horner, you're saying that over last year to this year you are asking us to approve another \$44,000 for the chief deputy minister really as far as an assesement of one side of the department as opposed to the other and some outside contracting. Is that it? You're asking us to approve an additional \$44,000 for the chief deputy minister this year because he wants to look at both sides of his department and some outside contracting? I guess I'm saying specifically, what's the outside contracting?

DR. HORNER: Well, I thought I just referred to that. I think the follow-up relative to the Hall commission, the submissions that we may have to make to PRAC, which is Prairie Action Committee instead of the Prairie Rail Authority, and the other matters relative to, I think, all modes -- air, and as I mentioned earlier, an assesement of the entire rail relocation problem and the grade separation problem which is causing us some concern and which touches a variety of areas in the department. The federal government has made a change in the amount of contribution and has lumped the old rail-grade crossing fund with any money they had available for rail relocation and rail relocation studies and urban transportation into one smaller contribution which amounts to \$10 per capita over a five-year period, which is \$2 per capita per year which is \$4 million, which will hardly build you a reasonable grade separation -- it might in certain areas.

So you can appreciate that we're going to have to evaluate very closely how we deal with these particular matters. I'd point out, though, that in 1976-77 we actually voted more than the chief deputy minister used and that was because we primarily used funds from the policy side in making these policy presentations frankly to the various commissions that were then travelling. Then it went back up and our forecast for this year is \$113,000, so there is some increase but I think it's warranted in the overall picture in trying to mold all these modes together.

MR. CLARK: If we can just follow along Mr. Chairman, I look down at 1.0.10, Management Advisory Services, and frankly that's where I thought we'd find the Hall stuff and so on.

MR. CRONKHITE: That's in-house management.

DR. HORNER: Yes, that's primarily in-house management, not necessarily where we make any presentations to Hall or otherwise. Those presentations all came out of the policy development side and were . . . These are such services as training and development in-house, library, a variety of those kinds of normal management functions.

MR. CHAIRMAN: Can we move on to Vote 2? Vote 2, Tom Lysons.

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MR. LYSONS: Yes, I'm very interested in the north-south highway section primarily 41 and 36. I wonder if you would just elaborate just a bit on that.

DR. HORNER: Well, we normally spend a great deal on 36 primarily on the oiling area, and that will continue but we will have, I think it's . . . my memory serves me correct, three pavement projects on 36 this year and one north of Duvernay, one in the Hanna area, relative to the developments at Sheerness, one further south in the Taber area on 36. As far as 41 is concerned we will be continuing to upgrade again. There will be a variety of projects on 41. We've finally completed the link and it now runs all the way down and connects to 48 at Medicine Hat and down to Wild Horse on the southern boundaries. Depending on the kind of tendering we get, and our capacity to do the job, additional projects will be let on 41 this year.

MR. LYSONS: If I may, Mr. Chairman. The bridge link-up at Elk Point, over the North Saskatchewan River, maybe a (inaudible).

DR. HORNER: Well, we're going to start on rearranging that connection at Elk Point. That's a difficult physical one, but we're going to start this year on rearranging the approach to the bridge there.

MR. LYSONS: I'm not an engineer but it almost looks like the road should have gone straight ahead at one time instead of curved up over the hill. Is that perhaps . . .

DR. HORNER: We're going to try and do something there. That's a difficult one and will be costly and therefore it has to be staged.

MR. STROMBERG: Yes, in Vote 2, Mr. Chairman, I was wondering if it would be in order. I just can't seem to find it in Vote 2, but on the page opposite to it, it makes reference to safe, efficient and effective road systems. Could I ask a general question on what is being spent this coming year on overpasses?

DR. HORNER: Well, as I mentioned earlier, we've got some problem there because we're not going to get the kind of assistance that we had before from the rail-grade crossing fund. We have at the moment overpasses under construction at Penhold on 2. We're looking at a flyover in the Crossfield area. We're completing the Beiseker interchange on 2. We're doing some preliminary work on the one that will connect 22X or that road south of Calgary. We're doing some engineering and we'll probably get started on an intersection at Brooks on 1. The demands for an additional overpass at Blackfalds are going to be there. The people from Red Deer would like an additional overpass to get into the southwest corner across the highway. That probably will move up in priority depending on the overall plan of the city of Red Deer.

So there is a continuing demand for overpasses throughout the system. I think we have to take into consideration the amount of traffic that really supports major construction of these overpasses, because they are not cheap. Relative to rail/highway separation as I've said, we're having a look at that. It's going to be a problem because we're just not going to have the support from the federal government that we've had in the past for those separations. We'll be having a continual program of our own, particularly on 2 and perhaps on 16. We're working some on the Ardrossan overpass as well.

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MR. STROMBERG: Supplementary, on the picking of the priorities of overpasses, does the accident rate fall into this? Like, when their death rate reaches a certain number, is that when an overpass gets priority?

DR. HORNER: Well, I'd like to correct that impression right away. Ninety-five per cent of

the accidents in this province have no relation to the state of the road whatsoever. They have a great deal of reflection on the state of the driver. You know, if we start . . . Sure, I think that overpasses or grade separations do effectively stop some people from killing themselves, but surely it's more a matter of the transportation load that these systems are carrying that should be the overwhelming priority in establishing when these overpasses should be built.

MR. R. SPEAKER: I wanted to refer to highways 23 and 24. During our pre-session meeting this year, I ran into sort of a new type of representation. The oil tankers are hauling oil from down into the Champion area up through to Calgary. Ed Mossleigh of my riding indicated that every five minutes one of these oil tankers is going through town. It related to the representation that we've had before with regards to widening the shoulders on the total road. My question, sir, is twofold. One, with this new type of traffic that we're having with the tanker traffic -- does that increase the considerations on the road? Is there any special amount of funds set aside in the budget for that type of thing? Because it is a unique problem and I'm not sure how long it's going to last in that sense.

DR. HORNER: Well, I'd put it this way, it's not just unique to that particular area. It's right across. What we are trying to do is to set aside some funds in the MD and counties budget in which we could give them additional assistance for local roads. We'll gradually upgrade the major highways and in your particular situation Highways 23 and 24. But I hope that you will appreciate that once we go into a widening program on these highways that are now two-lane paved without shoulders, we're talking about expenditures equivalent to reconstruction of the road.

I'm willing to listen to the priorities of the various areas, but my own view is that for one year or two I'd like to see us get along with those narrower paved roads while we get on with paving some other roads. Now, I know that in my area if I were to suggest that I go out and widen a particular paved highway because it didn't have any shoulders, I might not come back, literally, physically, because there are so many other roads that require some treatment. So, it's a balance of trying to maintain the investment we have, expand the paved system and meet the needs of a particular area. You know, I think we've got a substantial increase in our budget and we'll try to make it do as much as we possibly can.

MR. R. SPEAKER: There have been some accidents on the road in the last year, so I think that raised the interest quite a bit.

DR. HORNER: Again, when somebody says that the road caused the accident, would you do a favor for me, and tell him it wasn't the road. It was the guy behind the wheel.

MR. R. SPEAKER: Not in this case.

DR. HORNER: Well, you know, we have people investigating the accidents and there are just too many single vehicle accidents to . . .

MR. R. SPEAKER: I don't want to debate that question.

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DR. HORNER: You know I'm amazed by the reports I'm getting on the accidents.

DR. WEBBER: Mr. Chairman, Vote 2.5. I notice a substantial increase in the construction of campsites and rest areas which I'm glad to see. I wonder, Mr. Minister, if you could give us the comments related to that, whether the emphasis is on rest areas or campsites, where this construction is going to take place, and possibly the reasons for the substantial increase. Is it related to attracting tourists, or safety, or what?

DR. HORNER: Well, it's a little bit of a misconception there. In fact, what happened last year was that we didn't spend the amount of money that was voted. Therefore the increase,



I think, was in fact in the budget last year, something in the neighborhood of \$400,000 and it is now moving to \$601,000.

The campsite areas. The improvements will be in the following ones: Irvine, east of Medicine Hat; Wetaskiwin rest area, a small completion; the Oldman River; Lawrence Lake; Cowley airport, where we turned the Cowley airport into sort of a guiding airport and have developed a small campsite there for the glider pilots, etc; Woking, up north; Trapper's Cabin out of Swan Hills; south of Mayerthorpe; one northwest of Fox Creek. Whether or not we will go into building the kind of very major rest stops that we have in Wetaskiwin is a matter that we have to evaluate yet. We do have the land in the Carstairs-Crossfield area for one on the other side of the road going south and we do have some development plans for that area. We haven't moved it ahead because a development like Wetaskiwin is a major expenditure. So this is a whole variety of improvements through a variety of rest stops throughout the province rather than concentrating on any particular one.

MR. LYSONS: Yes, on the Yellowhead Highway, you mentioned to a question from the Leader of the Opposition that we'd be having some major improvements from, I believe it's Lavoie to Mannville. Have you considered rather than widening or straightening those corners, that a new road system be built through, leaving the old road as is and putting a new road system through there?

DR. HORNER: Well, I think that will be one of the consideration whether or not you . . . At the same time if you can utilize the investments you have, it's a major saving and you can extend your budget that much further to get more projects done. So we'll evaluate that but I would think we'd use as much as we can of what we have.

MR. LYSONS: Well the reason, if I may mention that, is that it seemed to be a bad experience, because of the weather primarily, from Vegreville to Mundare with the widening and changing of curves. I would really urge you to take a good hard look at completely building, even if we had to slow the traffic down in the meantime, because of the amount of accidents. Big trucks are just piling up there pretty regularly.

DR. HORNER: Well, we'll have a look at it. But you know, the curves were put there originally because of difficult engineering terrain, and to then say we're going to take them all out is maybe a very, very expensive proposition and might not be relative to the priority that the area deserves. We'll have a look at it.

MR. CLARK: Dr. Horner, with regard to the program 2.1, I notice under the code 300, contracts for construction, and \$111,000 here is composed of \$3,000 last year. That's with regard to program 2.1 in the code, contracts for construction.

DR. HORNER: What element are you talking you? Is it 2.1 or 2 . . .

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MR. CLARK: 2.1.

DR. HORNER: That's a sub-program and I just don't . . . We have a little problem in identifying . . .

MR. CLARK: It's construction and improved highways, program support services. And then under the code 300, contracts for construction, \$111,056 as opposed to \$3,000 last year.

DR. HORNER: I'm sorry, you're not reading out of the same documents that I have.

MR. McFARLANE: You've got some research information there, Bob, that we don't have.

MR. CLARK: It may be quicker if I come over and showed you.

DR. HORNER: I think you've got the same document we've got here on the table.

MR. CLARK: It's the blue book, Dr. Horner. We just tear it apart for each department.

DR. HORNER: What page are you on?

MR. CLARK: Page 1, serial 167.

DEPARTMENT OFFICIAL: We'll find it.

MR. CHAIRMAN: Okay, Bob?

MR. CLARK: Yes, they're going to get the information.

MR. CHAIRMAN: Gentlemen, we are going to move to Vote 3 -- Construction and Improvement of Rail Systems.

MR. CLARK: Dr. Horner, looking at this particular vote, it may not be the place to raise it. But in a situation like the rail line that is to be abandoned from Crossfield west to Cremona, and the road that goes from there west to the Madden area where they're taking elevators out and so on. What does the future hold for a situation like that?

DR. HORNER: Well, as you know, we've been down and talked to the people there and made the commitment that if and when the line is abandoned, we would give them priority in moving their grain. The fact is that from that particular area a great deal of grain now moves by truck into the interior of British Columbia. We've been having discussions with both the Pool and Pioneer relative to a concept of an off-line elevator in the Cremona area and using those other elevators at Dogpound and Madden as storage facilities tied into the total concept. I guess I'd have to say that we are still in the process of discussion and negotiation with the elevator companies for one; and secondly, relative to the resource development that is going on in the area, whether or not in fact the railways will want to, in the final analysis, abandon that particular stretch of line. I wouldn't want to say that to give any particular undue expectation but I think there's a possibility. Again, I can only make the commitment that if it is abandoned, additional priority will be given to that particular area to upgrade the roads.

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MR. CLARK: Because the last word I had from the CPR was they were going to abandon the thing as soon as they possibly can, and the kind of maintenance work they've done on it is absolutely zilch.

DR. HORNER: No, there has been no abandonment order as yet. I think that's the key because I think the CPR would reverse themselves if there was a major sulphur extraction plant at the other end of the line.

MR. CLARK: If you can use your good auspices not to build one but to work towards one, it would certainly be appreciated by the people in the area because they've just lost quota up there again.

DR. HORNER: I think you'll recall when we met with them that we have a commitment to improve the weight standards from south Cremona on 22 to the Trans Canada to move that additional grain that might be required.

MR. CLARK: I think the problem though is from Crossfield west basically.

DR. HORNER: We'll certainly have another look at the area and we'll continue to monitor when the abandonment comes in and trying to work with Energy and Natural Resources. But

sometimes until the development becomes public knowledge we have to . . .

MR. CLARK: I'll wait with bated breath.

DR. HORNER: Well, don't.

MR. KING: I was just wondering why there wasn't money under 322 for legal costs for a battle against the federal Department of Transportation.

DR. HORNER: Transportation Planning and Services is where you'll find the money that we use to do those kind of things. This is more directly related to physical things, as you can see. It's primarily the ARR but is also the balance of the relocation of the Edmonton study frankly in Vote 3.23 and the other money that is required and is relative to rail line abandonment -- the whole freight rate issue is all under transportation planning.

MR. KING: If you remarked about it before my entrance I won't ask you to repeat it, but if you didn't can you synopsise our current situation with the federal government respecting rail line rights of way on abandoned line?

DR. HORNER: I can say this. As you are aware, Mr. Lang has announced that he has an agreement, whether it was a forced agreement between the CP and CN, but that only covers certain lines. Those lines are the B lines, so-called B lines, which were authorized for abandonment following the Hall report. That agreement that he has with CN and CP does not cover the so-called C lines which were either ordered abandoned prior to Hall or additional lines that in fact may be abandoned subject to action of PRAC. We have, as you know, caveated all of those lines because we believe that they are a provincial responsibility and that we stake our case on the Natural Resources Transfer Act of 1929-30 in which there is a paragraph that says that Alberta and Saskatchewan essentially should be provinces like any other provinces. So they were there from the time of Confederation and that of course meant that the provinces have control over public lands within the province. Therefore that is our position. We would anticipate that once we get control

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of some of these lines, and we intend to, that the disposition of those lines would be handled in the same way as we handle any other public land; that is through the local agricultural development committees in the area as to who might buy or lease or the ultimate use or uses of that particular abandoned right of way. That's the way the situation is at the moment. We are having ongoing discussions directly with the two railways that are involved, particularly with those lines that are outside the agreement they signed with the federal minister.

MR. KING: What's the essence of the agreement that the two of them signed with the federal minister?

DR. HORNER: They signed that they would turn over the B line rights of way that were abandoned in consideration of the \$100 million they received for rehabilitation.

MR. CHAIRMAN: Move on to Vote 4 -- Construction and Improvement of Airport Facilities.

MR. R. SPEAKER: Could you outline what the projected projects are for this coming year?

DR. HORNER: As I noted in my preliminary overview, the emphasis will now swing from -- after the completion of Pincher Creek, Rocky, Edson, Jasper, Hinton, Fort Chipewyan, High Level -- from provincially owned to those that are more of a community nature. Some of those that will be involved will be a small contribution to a very active group in Hughenden -- this was a gravel strip that the MD built with a lot of help from the local people that are involved, and we're making a small contribution to upgrade it a little bit: access road, wind sock, signs, signals, and that kind of thing.

We are now finalized on a joint airport between Milk River and Warner in which we hope both communities will be involved. There will be an upgrade in Fort Macleod. Again one of the major projects will be the joint McLennan-Falher airport which will be halfway between the two. After the resolution of the two communities, I think that we've agreed and they've agreed on the particular area and we'll be going ahead with that one. We've just let a contract relative to paving and lighting Coronation, Castor, Valleyview, Swan Hills, Hanna, Beaverlodge, Spirit River, Two Hills, High River -- are the major ones in the community section of the program.

In the northern section we'll be upgrading at Jonder Prairie. Before we finalize that one -- it's on a federal Indian reserve and the land is ideal but as you may appreciate it's very rapidly expanding agricultural area. Sandy Lake, Graham Lake are two that we'll be upgrading as a request of Forestry in the north.

Industrial ones that are scheduled to have some improvement is Camrose. The major development in the industrial side will be Rainbow Lake. You may recall that last spring in the flooding we had some problems, had to go in and pack it. We hope to rebuild or upgrade it from gravel to paved and lighted. It has priority because of the isolated nature of this thing.

We are looking at an upgrading in Lloydminster and that depends on the development in Lloydminster relative to the heavy oil, and have looked at a couple of sites there and we'll be talking to Saskatchewan relative to who builds it. Grande Centre-Cold Lake is also one of the special purpose ones. We've now just finalized an agreement with the Department of National Defence as far as the major commercial traffic is concerned. They've allocated a runway to us. We will have the advantage of the control tower and all of the other auxiliary facilities. We are very pleased that we were able to complete that

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agreement which also includes a lease of land on which we can erect a modest terminal down the road for civilian use.

The other major one will be Grande Cache and we have moved ahead and the contract has been let relative to the clearing and preliminary work. But Grande Cache will be a new 4,500 by 100 foot right of way, paved and lighted and there is some access that we have to build out to Highway 40. But again it has priority because of the nature of the community. So those are the major ones that will be involved in the vote.

MR. KING: Have we been approached by the federal government respecting any funding for the improvements of the terminal at the International Airport?

DR. HORNER: No, we have made the suggestion that the improvements at the International Airport might be facilitated if they adopted the policy or attitude that in fact, private enterprise might be able to build and lease, if they were prepared to lease to private enterprise. And we have made that suggestion on numerous occasions. I've had representations from the city of Edmonton and from the Chamber of Commerce and their air committee and whether or not we could do something similar that we've done relative, or are going to be doing relative to Lethbridge and Grande Prairie. We are certainly open to a proposition from them but to date they have not accepted that.

MR. KING: Who is they? The city of Edmonton?

DR. HORNER: No, the federal Department of Transport.

MR. KING: We have set a precedent as I understand it in the arrangements that have been made at Cold Lake for the lease of land, prospect of developing a terminal there at a federal airport.

DR. HORNER: Yes, but we are dealing with another department of the federal government there. We are dealing with National Defence and they didn't want us developing a major

airport in close proximity to the Cold Lake Air Base and therefore were willing to sit down and discuss and negotiate and finalize an agreement whereby we could use one of the runways and their control facilities, so that they would in fact control the air traffic in the area, which is pretty reasonable. So, that's a different department we are dealing with.

MR. KING: Maybe if Otto Lang is too intransigent to deal with, we should deal with Mr. Danson on Namao. I would like to know at what point the position of the federal Department of Transport with respect to development or lack of development at the Edmonton International Airport is going to be judged sufficiently serious by the Department of Transportation that we would make an initiative, rather than waiting for an initiative from the federal government that is never going to come.

DR. HORNER: I don't think that's quite true, because I think we've already made that initiative and . . .

MR. KING: They haven't responded, though.

DR. HORNER: We've made the initiative and rather than the precedent of Cold Lake, I would rather look at the precedent of Wardair, the hangar and also the agreements that we have

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on Lethbridge and Grande Prairie which are the real precedent relative to the federal Department of Transport, as opposed to National Defence in Cold Lake.

MR. KING: The city of Edmonton and the Chamber of Commerce should be aware that you made that proposal to the federal department?

DR. HORNER: Yes, they are aware of it and we are meeting again in the very near future with the air section of the city of Edmonton.

MR. CLARK: Dr. Horner, have you got the agreements finalized with the feds on Lethbridge-Grande Prairie arrangements and could we get copies of the documents?

DR. HORNER: Yes, I've signed them. As soon as we get them back I don't see . . .

MR. CLARK: That might be two months. Can you get us copies as soon as they are?

DR. HORNER: I hope not, we're ready to go to tender. As soon as my counterpart signs them. As soon as they sign, it will be made public and we'll see that you get copies.

MR. CLARK: Briefly, what are the guts of the agreement with the feds?

DR. HORNER: Essentially, it's a lease arrangement of the land that they own to us in which we put up the building and we rent space for their needs. They operate it and maintain it and pay us rent. The airlines that operate out of them will also pay rent, as well as the concession areas and so on. There is a buy-back agreement involved in it, in other words, because it is a national or federal airport in that sense. That's really the nuts and bolts of it. But we're quite willing once we get the signature from Ottawa -- a press release will make them public.

MR. CLARK: I take it that the basic reason for going ahead in this route was a means of speeding up the construction of the new airport terminals in both places.

DR. HORNER: Yes, you know the activity that is now going in both Grande Prairie and Lethbridge and the kind of facilities that are presently there are not adequate to handle everything and the federal government wasn't willing in the near future to allocate funds

for the construction for those terminals.

MR. CLARK: With the same kind of thing for Red Deer?

DR. HORNER: Red Deer again is a little different in that Red Deer was not a national airport in that sense. However, we're near completion of an agreement, again with the Department of National Defence for the turnover at that land to us. It has been delayed somewhat because we're going to have to almost redesign the air strip because it will be in our industrial category and not in a national airport area. We would like to see if we can't get 5,000 feet of runway so that it has the capacity in the future to take 737 and executive jets. We're in the process of doing that. As soon as we finalize the overall design of the airport we'll know where we can put the terminal building. We hope to move on it later this spring.

MR. CLARK: So you expect to be going on that this year?

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DR. HORNER: It has been delayed because it's in a different category than the other two. We're about ready to go to tender on the other two.

MR. CLARK: And have you made basically the same kind of proposition as you did for Grande Prairie and Lethbridge to the feds as far as the International Airport here is concerned?

DR. HORNER: That was a similar thing that I was answering to Dave King. Yes.

MR. CLARK: And I take it from your answer to Mr. King you indicated that . . .

DR. HORNER: They (inaudible)

MR. CLARK: In no sense at all?

DR. HORNER: Really not, no.

MR. CLARK: And you've had meetings directly with Mr. Lang?

DR. HORNER: Yes, many.

MR. CLARK: Yes, I know many, but on this matter specifically?

DR. HORNER: Well their intention, whether you agree with them or not, is that they feel that, well we can involved in the smaller airports such as Grande Prairie and Lethbridge, that for us to step into an international airport is another matter.

MR. CLARK: Well I know you'd never want to make an announcement on behalf of Mr. Lang, but what kind of a time line is he looking at or has he indicated to you that Edmonton is going to look at then?

DR. HORNER: Well, we kept expecting that they would be going ahead with the major thing, primarily on the custom section, to get through clearance and that kind of thing. I think it's fair to say that certainly the western support staff of the federal department have got plans that are ready to go as soon as the Treasury Board gives us the support that is required.

MR. CLARK: Are we looking at, Dr. Horner, \$10 million or \$5 million or is it . . .

DR. HORNER: No, you're looking at much more than that.

MR. CLARK: \$50 million?

DR. HORNER: Between \$25 and \$35 million. They've allocated something between \$11 and \$13 million this year for sort of internal improvements.

MR. CLARK: But that won't give us any of the kind of additional facilities that are needed. And how long did you say Mr. Lang's time line was?

DR. HORNER: Well, he's never given me a specific time line because he hasn't got approval of Treasury Board, I guess. But the nature of the construction that would be required and the planning and others matters that have to go in until they have done a fair amount of

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planning, and I would think that they are looking at a three-year time line minimum for new physical facilities.

MR. CLARK: That's once they get approval from the Treasury Board?

DR. HORNER: Yes. Of course, if you want to sort of speed up pre-clearance the question is whether or not you can have a make-do situation in the interim. And that involves the agreement of the U.S. people and so it becomes more complicated than what we have in Lethbridge and Grande Prairie, in that the U.S. is involved and has to give approval to the kind of facilities available. Otherwise they won't put in pre-clearance.

MR. CLARK: But once, whoever the federal government might be, gives the approval, it's a three-year period, basically?

DR. HORNER: I would think, on a physical basis.

MR. CLARK: And would be something in the vicinity of how many million dollars again?

DR. HORNER: Between \$25 and \$35 million. One of the reasons that it slowed down was that the original plans were for substantially more than that. I think with some justification they said, well whoa, that's a little bit too rich for us, after their experience in Mirabel and Calgary.

DR. WEBBER: This relates to the air terminal building in Calgary. Well there seem to be two terminal buildings in Calgary, one PWA terminal building and the other one. I was just curious as to why they seem to be separate and you have to go outside and go from one to the other, if I'm not mistaken.

DR. HORNER: Well I think that's a concept that you'll see in a lot of international terminals in that they try and separate international traffic from domestic traffic. Essentially Pacific Western is a domestic carrier whereas the other ones are major international carriers. While I think that's a legitimate attempt on their part, you know, I think there are some other things you could complain about with the terminal there, but I don't think that's one.

DR. WEBBER: I wasn't complaining. I was just curious.

DR. HORNER: Essentially that's a separation of the local/domestic traffic from the international traffic. Again, you know, that's really responsibility of the Federal Minister of Transport.

MR. CHAIRMAN: Can we move on to Vote 5?

MR. CLARK: Mr. Chairman, just before we do that. Dr. Horner, the story is making the rounds that the federal government is planning for the old airport in Calgary, that

they're going to dismantle portions of that and it will be used in some of the federal endeavors here in Alberta as far as the airport facilities. Have you been involved in those kinds of discussions and hearing about what their plans are as far as the old airport facilities in Calgary?

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DR. HORNER: I've tried to ascertain from them what they were going to do with it and I haven't been able to get a definitive answer at all. I'm interested that they were going to use it in some other airport in Alberta.

MR. CLARK: I was going to ask you, which one?

DR. HORNER: Again, that's a subject we're not really responsible for. But to my knowledge they haven't made any definite decision on it. I don't know, other than the improvements they are making to Fort McMurray, of any major work they're doing on any other federal airport in Alberta.

MR. CRONKHITE: I think the carrouseles may be moved to Grande Prairie (inaudible)

DR. HORNER: Bob tells me the carrouseles may be moved to Grande Prairie.

MR. CHAIRMAN: Then may we move to Vote 5 now. Operations and Maintenance of Transportation Systems.

MR. STROMBERG: Mr. Chairman, reference is made to maintenance of campsites and rest areas. Are there any increases planned in more campsites and rest areas or are we just holding it as is?

DR. HORNER: Well essentially, as I noted, this is mainly upgrading ones that are there, and not expanding to any great degree any new ones at the moment. In the whole campsite area, I think the question has to be addressed as to . . . We have been attempting to, particularly in two areas -- those campsites that are within a village or town's boundary we have been turning over to those towns and villages to operate under an agreement with us. In addition to that, we have a number of senior citizens' groups that are looking after some of these campsites for us. In general the 240 some odd campsites I think are really a tribute to the province and we are not developing any substantial new ones.

MR. STROMBERG: Well still on that same subject, what arrangements are made for policing of these campsites? Is there an agreement with the highway patrol or the RCMP?

DR. HORNER: In certain areas the local regional people will be talking to the enforcement people relative to patrolling these, because in the summer it becomes a problem with vandalism and so on. They attempted last year by using STEP, and hope to do it again this year, in the major ones where vandalism has been a problem, that we'll have people on almost 24-hours a day. This is the best way to prevent vandalism in those campsites, to have somebody with some authority there, and I'm sure my regional transportation officers will be looking at that.

MR. HYLAND: Thank you, Mr. Chairman. I think more than a question I'd like to give Dr. Horner's department a bouquet. As many of you know, I guess it would be about half of my constituency was involved in somewhat of a storm, with substantial drifting and road closures and such. When the county asked for help -- and I might say when they asked for it officially, when they quit asking for it and talking about it through the media and came to me -- I went to Dr. Horner. The start of their assistance was about four hours in coming. And I think I have to commend the department and three of the gentlemen here tonight who made it possible, and I must commend the department for their quick action and



their extremely quick supply of equipment and manpower to help out the county. It was

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beyond -- one might say 75 per cent of the roads were blocked literally. And in an area with some 2,200 miles of road, to end up with about 1,500 miles virtually impassable -- with good portions of the road blocked.

On behalf of the people in the county, I'd like to get it on record to thank the Department of Transportation and the minister and the director of transportation services, and the regional engineer for their assistance.

DR. HORNER: Thanks very much, Alan. I think that our people did respond very quickly, and indeed so did disaster services in working together along, I might add, with the co-operation of some equipment from the Waterton National Park. The feds in case of emergency were able to work with us. Well, it's not all bad, and I think it was a pretty effective job done. The next think is that disaster services are down there now watching the flooding situations. However, I think all the dugouts will be filled.

MR. STEWART: (Inaudible) construction of weigh scales. Is there any development on Highway 14 in the Wainwright area? You allocated an area (inaudible).

DR. HORNER: Which one was that, Charlie, again?

MR. STEWART: East of Wainwright.

DR. HORNER: Is that on junction . . .

MR. STEWART: No it's east (inaudible)

DR. HORNER: No. Not at the moment. We'll check on that. The ones I have are Redwater, Red Deer, Dunmore, down at the south of 41 on the junction of 41, Fort Macleod, Strathmore. But we'll check on it for you, Charles, and see where we're at on that one on 14.

MR. TRYNCHY: On the same thing, Dr. Horner. Any notice of scales in the Edson area on Highway 16?

DR. HORNER: Yes, there's one west of Hinton.

MR. TRYNCHY: The Edson people were asking me.

DR. HORNER: There's one west of Hinton, and that pretty well covers, you know, west people coming in. We've had some preliminary talks with British Columbia, but it's never really developed, in which we talked about on the major accesses between the two provinces that we'd think about a joint operation of a weigh scale, but that hasn't come to pass as yet.

MR. CHAIRMAN: Now we can move to Vote 6. Transportation and . . .

MR. STROMBERG: Oh I had one more question, Mr. Chairman.

MR. CHAIRMAN: You've got to raise your hand up, Gordon if (inaudible)

MR. STROMBERG: Motor Transportation Board. They were holding hearings into the Greyhound bus franchise and we sure had enough problems with Greyhound down there at Bashaw. I was wondering if the outcome of those hearings has been finalized?

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DR. HORNER: No, it hasn't been finalized. The board is still holding the hearings. The summations will be given in the next few days and then the board will have to make a decision relative to that application by Diversified to run from Calgary, Edmonton, Fort McMurray.

MR. KING: Are we on Vote 6 now?

MR. CHAIRMAN: I'd like to get onto Vote 6. We'll look at Vote 6, Transportation Planning and Services.

MR. KING: Can you give us a statement on urban transportation, planning and services?

DR. HORNER: Well, in this area, which is under an assistant deputy minister in which we work with all of the cities. Naturally a great deal of our time is spent with the major metropolitan areas of Calgary and Edmonton, and occasionally meet separately with the smaller cities to encourage them to develop their total urban transportation plan and as such is a continuing sort of policy matter relative to their needs.

As you may be aware, in 1974 we developed a five-year program for urban transportation assistance in which the urban areas received grants for the arterial road programs in the amount of \$6 million for Calgary, \$6 million for Edmonton, and \$6 million divided up amongst the other smaller cities in the province. In addition to that we made available to Calgary and Edmonton a capital grant of \$7.5 million for each of those years for mass transit assistance on the capital side. In addition to that we're making a contribution to their transit deficits at the rate of \$3.33 per capita. In addition to that Calgary and Edmonton also benefit from very major expenditures relative to what we call the corridor or the throughway programs in Calgary and Edmonton. And the final thing in the policy which has been developed a year ago was to help the cities in the early days of the fiscal year by providing 50 per cent of these funds as soon as the interim supply was passed, and substantially helping them in front ending. And as I noted in my ministerial statement today, we're now extending that to the rural counties and municipalities as well and we think it's of substantial help to them.

So in this particular vote, this is the planning area, what we call our urban mechanism meetings that are held between my people and the various cities, individually and then jointly.

MR. KING: What's the position of your department on the request of urban municipalities that since we have vacated the field of gasoline taxation, there should be enabling legislation that would allow them to enter the field if they chose?

DR. HORNER: Well, I don't think that's, from a personal point of view, a practical way to do it. The cities again are service centres for a great many people in the province and a great many industries that aren't necessarily located within the city boundaries, and therefore it would be a very difficult thing to administer and really wouldn't be that effective.

I would like to point out that we're now up to somewhere in the neighborhood of \$65 million alone in direct transportation contributions to the cities of Alberta, which is not far from the \$95 million of the total tax that's involved.

I would also point out that the cities themselves will benefit substantially from the removal from the diesel and gasoline tax in their own operations and in their tendering operations for construction in the coming year. It's hard to identify and quantify but because it was involved and complicated because it grew up, but the cities were still

paying the 3 cents a gallon on diesel and gasoline tax in spite of getting some preference in the past. And so they will benefit from that, as well as the levelling out in the gravel haul and in construction generally because of the removal of the tax.

MR. KING: The same kind of question with respect to air transportation policy. In terms

of a policy of the department, what in the long range is going to be the relationship between the second level air carriers in this province, notably PWA, or exclusively, and the third level air carriers like Time Air, Gateway, and others?

DR. HORNER: Well, I would see the eventual thing -- and there's a position paper floating around from the federal government trying to identify their policy in this area, and it hasn't been firmed up by the federal government. On the other hand, we would hope to see an expansion of our third level carriers into and using some of the provincial airports that have now been constructed. There has been some delay in getting air navigation aids into some of the areas, but I am hopeful that Jasper/Hinton will be started to use in a commercial way, Pincher Creek as soon as we get the air traffic control equipment that's on order and has been backed ordered, if you like -- that Pincher Creek, Calgary, Lethbridge, which Time Air has, will be put into effect.

I would hope that we can develop an operation in which Pacific Western would be a regional carrier and serving western Canada and all of the major cities there, and that the third level, if you like, would be the feeder airlines, feeding the jet transportation system on an inter-city route.

MR. KING: Can you suggest the criteria by which a division would be made between the territory of feeder airlines and the second level? Is Cold Lake for example a second level service point or a third level service?

DR. HORNER: Well, I think that depends on what happens there. It certainly, if the development takes place, as some envision it, it's obviously going to necessitate jet communications, and I think that I see as dividing between regional and third level as to the nature of the aircraft that is used to service the area. In other words, that the smaller jet 737s or F98s, DC9s, which are ideal for short route inter-city jet communications, would be the regional level -- turboprop, Otter. Using the other airports would be the third level and the shorts, of course, which are now in use, feeding into the jet service.

MR. KING: Can third level air carrier service be provided to those small centres, let's say 4,000 or 5,000 people, without some kind of subsidy from the provincial government?

DR. HORNER: Well, that's been an ongoing situation, and to date we tried it and asked for request for proposals. We didn't feel that those requests really adequately fulfilled our objectives and therefore didn't go forward with them. But I'm hopeful that down the road we can, that it will be viable to have certain types of aircraft feeding in from a variety of our airports, including initially Cold Lake and Lloydminster, Drumheller, on the east side perhaps Brooks, on the west side Pincher Creek, Rocky Mountain House, Edson, Jasper-Hinton, Whitecourt, in the north Rainbow Lake and High Level of course which is now on PW flight and tying them into the other areas.

So, it's a complex matter at the moment which we're trying to resolve, but it has a question of viability, and we're mixed into the area because while we're providing a lot of the physical things, the allocation of licences has so far been the prerogative of the federal air transport committee under the CTC. That complicates things somewhat.

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MR. STROMBERG: Mr. Chairman, under economic development strategies, I understand your department has taken a look at the proposal of an Arctic railroad. I was wondering how far that had advanced?

DR. HORNER: Well, we didn't have a look at the Arctic railway but that was a proposition that was put forward by Mr. Justice Hall, and has been put forward by other people prior to that, relative to being an alternative to the Mackenzie Valley line. Well, if you want to daydream, I'd suggest that you have a look at the map of northwest Canada and Alaska, and suggest that you might develop a railway from Hay River to Fort Simpson and across the range of mountains to the Yukon River and follow it up to Fairbanks. I'm sure the

Alaskans would appreciate that, and it would give them a much valued and hoped for overland railway route to the lower 48, as they call it up there. And I would see that as a more logical proposition than the airline to the Arctic.

MR. STROMBERG: Still under economic development. A very detailed study was given to us of the proposed Fort McMurray to Fort Chip highway. Would that become a reality and if it does, in what kind of frame?

DR. HORNER: Yes. The study is primarily a surface corridor routing study in which they identify two major routes, one west of Lake St. Clair and the other one on the east side to the shore of Lake Athabasca. So that's pretty preliminary and it's put out there for discussion by anybody that wants to have some views on the routing and the corridor that in fact we should follow. My own personal preference at the moment is to go to the shores of Lake Athabasca and try and develop a route into the northeast corner of the province, which is our section of the Canadian Shield, and down the road may hold some resource development that will be important to the province.

MR. CHAIRMAN: Gentlemen, at this point we have two choices. Do you want to make a motion to adjourn and have the minister bring his support staff back on Thursday or would you like to continue and finish it up?

MR. LYSONS: I move we continue.

MR. R. SPEAKER: I second that.

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Vote 7.

MR. STROMBERG: Mr. Chairman, I had one other question, if you don't mind. On research, does that come under your department? The money that is spent on research -- well I'm thinking of the sulphur that was used on our highways in the last year or two as a base.

DR. HORNER: Well, that particular research on the sulphur thing was done jointly by ourselves with contributions from the Research Council and AOSTRA relative to the use of sulphur as a replacement or additive to asphalt, and those programs are ongoing. Our primary responsibility is to get it down, and then evaluate its worth afterwards. The research that's noted there is primarily relative to such matters as -- I should have mentioned in outlining the urban development policy that there is a substantial amount in there for research into urban transportation problems. The DATS system in Edmonton was a

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product of that, and other research into various modes of travel rather than construction research as such.

MR. STROMBERG: One last question. The lighter-than-air vehicle: has that been working out fairly well?

DR. HORNER: Well, we have not spent a great deal of money in that area. However we have perhaps catalyzed interest in it by others, including the visit to Alberta by Goodyear and a major presentation to industry in lighter-than-air in Calgary last summer in which they made their proposition to various people, and particularly the resource development area, and indeed discussions which have lead to NASA of the U.S. picking Alberta as a area that they would like to do some basic planning. So we expect NASA to be here later this year.

MR. McFARLANE: They'll be here this summer.

DR. HORNER: This summer. We're not contributing any money other than we're giving them moral support. We think we should look at all of these modes. They'll be working with our Research Council, that's the national Research Council of Canada, and it's a matter of putting a variety of people who are interested in this mode together and seeing what they can work out.

MR. CHAIRMAN: Gentlemen, Vote 7.

MR. R. SPEAKER: With regards to rapid transit, Doctor. Edmonton has received, I think, something like \$45 million or something. The total cost was projected over \$300 million.

DR. HORNER: Well, that's the projected cost for the first initial leg and you will recall I was very specific in our response to Edmonton at the time that they passed a city council resolution that they were going ahead with the northeast leg, and our response to them at that time was that before we went further into the so-called \$300 million proposition, that we would want an evaluation of how the northeast leg was working out and how it was operating. So, I think that in fairness everything was put on the table at the time, and until we see how it is going to operate, and how the city is going to develop it we won't be making additional commitments in that area.

MR. R. SPEAKER: When you talk about it, what type of a time frame are you looking at -- over the next five years?

DR. HORNER: Well, we have said that we will develop an ongoing program for the next five-year program later this summer, and by that time the northeast leg should be in operation. We'll see how it's operating, get some feel for it, where they are going, and whether or not the very major expenditures can be endorsed.

MR. R. SPEAKER: The city of Calgary hasn't initiated any program, I understand. What type of a commitment has the government to Calgary for rapid transit in the future?

DR. HORNER: A similar commitment that have to Edmonton. But again the only commitment we made to Calgary was the \$7.5 million capital that they could invest or use. In Calgary's case they did invest a substantial amount of it and draw the interest and they did use some of that capital for their major bus garage at Garden Springs. So that's the only commitment we have to Calgary and it's similar to the one that . . .

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MR. R. SPEAKER: Have they any type of a long-term projected program in that area?

DR. HORNER: Well, they have gone ahead and approved the initial stages which is what we call the southern route, which is down the CPR tracks south of -- I'm sure you know where I'm talking about -- down to Midnapore. Well, that's a decision by the city of Calgary and that's where they have committed their money to. But they in the longer term talked about another leg up to Crowchild and so on.

MR. CHAIRMAN: Vote 8, Surveys and Property.

MR. KING: Oh, one last question on 7. Can you tell us the status of the base line road development between Sherwood Park and Edmonton? What are the plans for that?

DR. HORNER: It's ongoing and is in the program. One of our problems there is the maze of pipelines and utilities that are in the area. I had suggested to the engineers why they didn't in fact make an elevated road and just put piles in the ground and miss the pipelines. But Bob could tell you more about that.

MR. CRONKHITE: We have brought the (inaudible) standard to be used (inaudible) where it exists to the refinery. We are still in the final stages of negotiations with Imperial

oil on separation of their railway spur, and there's the main line (inaudible). We're going to a design which will stand (inaudible) with reinforced (inaudible) instead of going under a massive pipeline (inaudible). And it's in the stages of being started.

MR. KING: There will be construction this year?

MR. CRONKHITE: From 50th Street, which is the city limits, out to 34th Street. You can break in two parcels because of the complication of the railways. The first phase would be from 50th Street to 34th Street, starting this year.

MR. KING: That first phase would be completed next year?

MR. CRONKHITE: Yes. That's the target dates that we (inaudible) appropriations.

DR. HORNER: Again that's one of the real problems -- getting the right of way in certain areas like that one with the railways, pipelines, when all the other utilities are in there. It's a difficult one to do.

MR. KING: When the agreement was made with the city for capital assistance for rapid transit, were there any design criteria established for that? My question is, why in a relatively short space there are four level crossings for a rapid transit system?

MR. CRONKHITE: Well, that was their design standards. They are going to probably go through phases where they will link the signalization so that the rapid transit will change the phase, stop the cars at the intersection, which is a European system. I expect that at some time we'll have to separate a number of them -- maybe all of them. They will synchronize the signal lights for the car traffic with the flashing lights of the railway so that you give precedent to rapidly moving and frequently moving trains, which would go through very quickly. We have a sample of that down on Highway 2 at Ellerslie where we've linked the railway flashing lights on the road coming in to the Ellerslie junction with the highway signals.

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MR. KING: Is that the same synchronous system that failed when the GO train in Toronto hit a bus?

MR. CRONKHITE: I'm not too sure. I don't think it is the same. It simply says that if a train is coming along, it won't turn the light green for cars to come. It's pretty important to have them in.

DR. HORNER: Well, it's either that or grade separations at every one of them, and you know then how much physical money do you pour into it?

MR. KING: What Mr. Cronkhite is saying that in phases they're going to pour that physical money into it in any case and they're going to put in grade separations.

DR. HORNER: Well, yes. He's saying down the road that eventually as your traffic increases -- we feel that, you know, it's like the Calgary-Edmonton corridor. You know, one of the real constraints to developing rail passage there is the is the 147 crossings.

MR. CHAIRMAN: Gentlemen, Vote 8, Surveys and Property Acquisition.

MR. R. SPEAKER: Earlier you mentioned this new concept of surveying. Is that related on page 323 to Purchase of Fixed Assets? Are you purchasing a satellite?

DR. HORNER: No, no. It is related, as I understand it, to computer programming and that kind of equipment that's required to get it off the ground.

MR. R. SPEAKER: Very quickly, though, the need of a satellite -- what satellite?

MR. CRONKHITE: Actually the satellite is simply a way of being very accurate in checking the spot on the ground. One of the troubles with the legal survey is that it's legal, but it's inaccurate. But once done and registered it became law, but to try to make a refined and accurate match, you have to go back and tie the points down. That's why the township system has to be retained for title but it's very difficult to draw real accurate maps for those massive developments such as the tar sands or irrigation and the large city growth where they don't follow any section lines. So you triangulate. You can accurately tie by triangulating with the satellite which is up there, and it's simply moving around but they know exactly where it is.

MR. R. SPEAKER: Do you rent space from the satellite or do you make some agreement?

MR. CRONKHITE: No. We simply use the satellite to tie down some monuments and very strategic points which you can use from that time on. It's only a method of getting the control points on the ground accurately, very accurately.

DR. WEBBER: Is this the Telesat annex?

MR. CRONKHITE: Yes. Shall's used it. The federal government will do a lot of the -- what do you call it? -- first level accuracy, which will help set up the main monuments and then we'll triangulate from there.

MR. R. SPEAKER: I think what I was just interested in was just how do you use the satellite.

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DR. HORNER: It's there and you just use it. That's not what costs the money. It's a computer thing. This was worked out with the professional surveys association who made the first presentation and then our people who were responsible had responded. We think that to do the entire province -- this is a modest start on a multiyear program to get it all done.

MR. CRONKHITE: The whole of the tar sands area is pretty expensive stuff, and identified and accurately tied down using the satellite.

MR. CHAIRMAN: Gentlemen, could I have a motion to report. All agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Motion to adjourn?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Thank you, gentlemen.

(The meeting adjourned at 10:17 p.m.)