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*Alberta
Legislative Assembly*

COMMITTEE OF SUPPLY, SUBCOMMITTEE A
Room 312, Legislature Building

April 6, 1978
8 p.m.

Chairman: Mr. Kroeger

Department of Energy and Natural Resources (continued)

MR. CHAIRMAN: It's three minutes after eight and I think the minister says he's ready. Immediately that we finish with this department we will have Environment. I don't need to go through the approach, I guess. I'd like you to address the Chair or the minister through the Chair so we can keep the thing going easily.
Before Mr. Russell and his people come in, Dr. Walker suggested we should go till 10 o'clock and adjourn, whether we finish or not. I'll entertain the motion if that's what you want when 10 o'clock comes.

HON. MEMBERS: Agreed.

MR. CHAIRMAN: So now we're back at Vote 5. The minister is here and we'll proceed from where we left off. Is it still agreeable, Mr. Minister, that we go on the section rather than line by line.

MR. SCHMIDT: Yes, whichever way they want.

MR. CHAIRMAN: Are we agreed to that or do you want to go line by line?

MR. TAYLOR: I'd prefer taking the page.

MR. CHAIRMAN: Take the page.

MR. TAYLOR: Sure, then we can deal with anything on it. There are so many things nobody touches and you just waste your time.

MR. CHAIRMAN: Agreed on that?.

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Okay, the meeting is yours.

MR. TAYLOR: Do you want wide-ranging questions at this time, Mr. Minister?

MR. SCHMIDT: Whatever you wish.

MR. TAYLOR: I will start a question in connection with the Eastern Slopes, particularly motorcycling and snowmobiling. I was wondering if the minister could outline plans he has

in providing a reasonable area in the Eastern Slopes for the people who like these particular sports?

MR. SCHMIDT: Mr. Chairman, I suppose the easiest thing, and one of the toughest things to communicate in regard to the Eastern Slopes, was basically the total Eastern Slopes policy was designed with existing legislation. The existing legislation that covers motorcycles, snowmobilers, off-highway vehicles, four-wheel drives, of course, was The Off-highway Vehicle Act, so the total Eastern Slopes was designed with that act in mind. Of course, about 65 per cent of the Eastern Slopes is available, by choice, to those who use off-highway vehicles and, of course, restrictions in some of the other zones. One of the more difficult problems was to convince, first of all, those -- and I would think snowmobilers perhaps are the most prevalent, that they themselves do not believe they belong in The Off-highway Vehicle Act and of course that created the problem. There is some doubt as to what parts of the Off-highway Vehicle Act pertain to the motorcyclist when you are talking to motorcyclists and, of course, four-wheel drivers have to agree they are an off-highway vehicle and the act pertains to them. Of course, they have also that 65 per cent, roughly, in the Eastern Slopes of which they have reasonably fair choice of their own. The Eastern Slopes didn't provide as much of the problem as in the Calgary area that Kananaskis Park and Kananaskis Country, of course, a recreational overlay of the Eastern Slopes and the regulations there became even more restrictive than within the Eastern Slopes and that, coupled with the misunderstanding really in the Eastern Slopes policy, created some uproar from the snowmobilers and motorcyclists, and still does. But I think that for those that we've had an opportunity -- collectively we've met with the snowmobilers to bring you up to date on their. . . We now meet with the task force who are now the representatives for all snowmobilers across the province. That has made communication much easier for us. At the present time, we are reviewing some of the submissions that were made to us and that was basically that their interest in The Off-highway Vehicle Act -- that they didn't belong there, we should look at a new act for them -- that is being looked at at the present time.

Secondly, they are interested in a complete trail system. The system of seismic lines, forestry trails, forestry roads, and other trails that exist within the Eastern Slopes in zone five, Forestry, are in the position that we are trying to consolidate those that exist on maps, and there are many. Hopefully when we have sufficiently mapped those that would give us that type of flow from the south to the north, we would meet with the task force again, hopefully before next winter, and provide a system of trails that in most cases already exist and if it needs some connecting, that we can do. Some of the areas that we're doing reclamation on, areas of both reclaim and reforestation, of course, we can map those out because they won't be available at this time. But I think we can collectively come up with a pretty grandiose trail system from the south to the north that I think will be second to none that already exists. We have purchased some trail grooming equipment that we can, in those areas where there is reasonable concentration, keep a fairly even keel on the two areas within Kananaskis Country that are set aside for snowmobilers.

Four-wheel drivers: we haven't hit the main thrust of it yet, I would say we're about three-fifths of the way through the motorcyclist and it's just a matter of communication and letting them know exactly what is available to them. Funnily enough, I met with their organization as well, who are now the appointees to represent the motorcyclist across the province and we had offered to look at a couple of areas of rather rugged terrain that we could set aside for them in the Eastern Slopes, for the challenges I would assume that they like to meet in rough-trail riding. Funnily enough, their association are not interested in a place of their own; so, at the present time, they know where they can

ride, with some restrictions, and I think no problem. It's just a matter of communication.

MR. CHAIRMAN: Mr. Gogo.

MR. GOGO: Thank you, Mr. Chairman. Mr. Minister, I'd like to ask you about grazing leases to get things clear in my mind. It seems to me that it's equitable and fair that the only people who should have grazing leases in Alberta are ranchers or farmers. Do we have a definition of a farmer? That's, I guess, a question. Maybe I can pose them all and then you can respond, if you would.

As I understand it, a chap who has a grazing lease -- perhaps he wants to sell, he has some deeded land so he wants to assign that lease with that as a sale. If he's a farmer or rancher, that may well be his retirement fund, so he assigns it when he sells his deeded land. Can he assign that to a corporation or a professional, or does it have to be a farmer who uses it as a livelihood?

Finally, is there a policy within a department that says that that's what the policy will be, that only farmers or ranchers will have, ultimately, grazing leases?

MR. SCHMIDT: The lessee, first of all, in the use of Crown land, if we're talking about a grazing lease, is either a rancher or a farmer, or involved in the livestock industry in an agricultural way. Secondly, under the existing rules and regulations, he has the right to assign and, if my memory is correct, I think he has to hold the lease for a minimum of three years before he is allowed to assign it at all. The philosophy behind the assignment is that the individual who is receiving the assignment should be in the livestock business or in the agricultural field so that the end use of the Crown land, of course, is tied with the agricultural industry. The assignment, as it stands today, meets those criteria but it doesn't always through assignment hit those in a community where Crown land is available, where the need is the greatest. That, of course, is not designed in the policy. It's a matter of assignment to your family which is slightly different than to an individual outside of the local family. The assignment is covered, first of all, by a nominal sum to take care of the legal transfer and at a rate per acre, depending upon its location in the various zones throughout the province. It's rated on a per-acre base. If there are 1,000 acres to be transferred and if it happens to be that the assignment fee for that area is \$3, it's \$3 times the acreage. It's as simple as that. We try in every case to make sure that the assignee is in agriculture. In other words, I think we have a responsibility to see that Crown land, even through assignment, if it's assigned to an individual who we feel is more of a hobby individual rather than an individual who is tied with agriculture from a full-time livelihood point of view, we would, through the assignment, try to get it back into the hands of someone who is tied full-time. It doesn't always appear that way, nor does the assignment as it exists always end up in the hands that perhaps need it most. But that's the policy as it exists today.

MR. GOGO: I have one quick question. I see the difficulties in assignment where it goes to a limited liability company because a lot of people have done a real selling job on farmers to go into limited liability corporations but, to your knowledge, are there any professional corporations or real estate companies that have received assignments of grazing leases?

MR. SCHMIDT: We try to do as much background investigation as possible to see that we're achieving, really, what the original concept of assignment is. I suppose there are legal ways of getting around it. Eventually we would be able to find out.

MR. GOGO: Thanks very much.

MR. CHAIRMAN: Mr. Purdy.

DR. BACKUS: Could I ask a supplementary on that?

MR. CHAIRMAN: Okay.

DR. BACKUS: Is that not some regulation in the grazing lease that in fact that's what it's used for -- grazing? That is, nobody could sort of take a grazing lease and then leave it empty land or not use it for grazing, so that if it was taken up by a real estate agent or something like that, if he wasn't using it for grazing he wouldn't be able to hang to it?

MR. SCHMIDT: No, there are other safeguards built in. First of all, you have to be a Canadian citizen. A lease doesn't even accept landed immigrant status. A lease must be used for your own particular use. If you're talking grazing, it should be your own basic cattle. If there is any violation of any of those or if you no longer have a need for it, leases can be cancelled. Or, if you misuse a lease either from the physical misuse of overgrazing, this type of thing, it can be withdrawn. Or, if you no longer have livestock and, say, sublet it out and take cattle for pasture at so much a head, the lease can also be withdrawn. So there are many safeguards. It's just a matter that, you know we've got about, I guess, over 4,000 leases out there and there are some things going on on leases, unless they're pointed out, there is no way we would have an opportunity to know that some of these things are existing or do not exist.

MR. HORSMAN: Supplementary on that point. Has it been the experience, Dallas, over the years, that many leases are cancelled for abuses committed by the lessee? It's a pretty rare situation, is it not?

MR. SCHMIDT: I don't know about how many. No, my involvement to date is that it's very, very seldom that someone will even bring it up and, on investigation, it may not even be true. You know, there are two sides to every story. At the present time, I think we've investigated three, and out of the three I'm aware of one is still under investigation, but there are not that many. There may be if, you know, you could lay them all out on the table and look at them, but only those that are brought to our attention are the ones we could investigate.

MR. PAQUIN: Another safeguard, Mr. Minister, is a periodic inspection (inaudible)

MR. SCHMIDT: Yes, our field men do a periodic inspection. We try and cover them all over a period of time, so we do have a double check, really.

MR. CHAIRMAN: Mr. Purdy.

MR. TAYLOR: Is Mr. Purdy's on leases?

MR. PURDY: No. Actually, Mr. Chairman, I have a supplementary question to what Mr. Taylor had asked regarding snowmobiling. Both the minister and myself attended the snowmobilers' conference in Edmonton -- when was that -- in December or the latter part of November. At that time we had discussed the separate act and snowmobile trails. The minister indicated tonight that we are thinking about embarking on a new procedure of snowmobile trails in

the Eastern Slopes area. Would there be any cost sharing in those particular type of ventures between the snowmobile enthusiast and the government, or would it be strictly a government venture?

MR. SCHMIDT: At the present time, we are looking at it more from a physical aspect of what exists rather than discussing the dollars and cents. The snowmobile task force have agreed that there is a certain financial obligation which they would be quite willing to accept in a trail-type system. They are also recommending that every machine be registered not only from a system of keeping track of them, but because of a certain amount of financial revenue which they feel could go back into the enjoyment of the industry itself. But we haven't, other than the moneys that are being expended in the Kananaskis Country for the two areas of concentration for snowmobilers, we've been perhaps spending most of our time looking at what exists, and the matters of dollars and cents -- other than we do have a slight budget for some improving and some trail equipment which was purchased. But, on the long haul, I don't think the end result will be a matter of dollars and cents as much as it will be the co-operation of what already exists and an understanding of what can be used and what can't be used.

MR. PURDY: Second supplementary then, Mr. Chairman, to the minister. The minister indicated that there may be a separate act to cover snowmobilers which I agree with and I think should be enforced. When do you anticipate this act before the Legislature?

MR. SCHMIDT: Well, The Off-highway Vehicle Act is under the Minister of Transportation. They are now redrafting or coming up with a draft copy of a new snowmobile act and, of course, if it's to be of any use to us, it will have to be ready and go before the fall sitting of the Legislature if we are going to have any value out of it for next winter.

MR. PURDY: Do you anticipate that for this fall, or you can't answer (inaudible)?

MR. SCHMIDT: Unless we run into some serious problems, the draft will be ready for discussion and hopefully for presentation.

MR. CHAIRMAN: Mr. Notley.

MR. NOTLEY: Mr. Chairman, Mr. Minister, what is the present method of classifying land; that is, determining what goes in the yellow zone and what goes in the green zone? I raise this because several years ago we had the land use assignment committee and there were some problems, in parts of the north anyway, with the way in which that committee operated and, since it's a fairly sensitive question whether land is to be in the yellow zone or the green zone, how are we now handling that?

MR. SCHMIDT: I might ask Mr. Paquin to go into that aspect for you. I guess the biggest challenge now is not how we set up the yellow, the green; it's the requests we get to have some withdrawn from the green and some to be reclassified.

DR. WALKER: Would you explain what is yellow and what is green?

AN HON. MEMBER: For John's sake.

DR. WALKER: For everybody's sake.

MR. SCHMIDT: I was going to say the green should be easy for you, John. That's the kind of land, John, that the Irish would settle in.

MR. NOTLEY: You know, it's where we start farms.

AN HON. MEMBER: He's an Orangeman growing potatoes there.

MR. TAYLOR: He wants the yellow to be orange.

MR. SCHMIDT: Mr. Cooke will give you the system of reclassification and will explain that to you.

MR. COOKE: The land use assignment committee existed up until about a year ago and was basically aimed at looking at allocation of land along the border of the white zone, the yellow zone, the green zone. Again, I am not the resident expert on those zones, but basically the green zone was established in 1948 to identify the area that is withdrawn, basically, from settlement and is primarily the permanent forest land base of the province.

What we've done over the last 18 months is to try to develop a better planning process, I think would be safe to say, for public lands in general. Specifically one of the problem spots we were having were these zone changes or these zone differences. We are at a point now where we have been using the existing process for about 18 months. It's turning out to be quite a bit more satisfactory in that it takes the planning to a much more localized level basically, both from the point of view of the government staff and also from the point of view of getting the input from the local area, basically.

MR. NOTLEY: Could I just follow that up, Mr. Chairman, to the minister and Mr. Cooke?

AN HON. MEMBER: I'm not still clear, if I may, on which are yellow and green.

MR. NOTLEY: Do you want to sort of explain the zones first, then I have a couple of follow-ups.

MR. COOKE: I'll let Mr. Paquin do that.

MR. PAQUIN: This is a map of the province and it basically shows three colors: the green, the yellow and the white. The green is the area that Mr. Cooke has just described as the basic forest land base of the province. The white is the area which has been settled for many, many years. And the yellow area is the area in which active settlement of some significance is still taking place: homesteading and farm development sales and leases. So that is what we mean by the green, yellow and white zones.

MR. KIDD: So actually the yellow zone doesn't have any relationship to the land capabilities; it is just what has been done.

MR. PAQUIN: Oh no, I think it has a lot to do with the capabilities too. For example, where you see this fringe area between the white and the green here, the green-zoned land is basically non-arable and not suitable for general agriculture. Now the fringe area may be suitable for grazing, and there is a fair amount of grazing taking place. This is not to say there isn't a bit of fluctuation on the zone boundary that can still take place. But basically in this area the land is not suitable for general agriculture.

In the yellow zone over here we still have a fair amount that is not surveyed, and the 7 million acres that Mr. Steele was speaking of the other evening when the question came up is basically located in what is the yellow zone and the fringe area around the yellow zone in the Peace River region. I think this is the area that Les and his people are primarily interested in finalizing or adjusting boundaries from time to time.

MR. NOTLEY: Okay. I wonder if I could just follow that up then. The problems, Mr. Cooke realizes, in part of northern Alberta several years ago was that there seemed to be a lack of local knowledge, and then people got hold of maps and found that land that they had in their name suddenly was in the green zone which they were more than a little irate at learning. My question really is: what is now the procedure? You mentioned local input. Is that being done through the ADC advisory boards? Is there going to be a process where there will be meetings in each of the regions that area affected as boundaries are being considered? What I'm really getting at: has there been a formalized procedure in the department that is in place in all these examples?

MR. COOKE: Yes, there is. The local involvement is basically obtained from four sources: first of all, from the members of the Legislative Assembly; secondly, through the regional planning commission where that is relevant, it is not always relevant; thirdly, through the municipal councils, either the county or the MD or in some cases the ID advisory council; and fourthly, through certain specific interest groups, and the ADCs are always included in that particular category. So those basically are the four sources. We've utilized the present approach for about 18 months now and we're just in the process of formalizing it in a documentary form. We have found that a lot of the difficulty created in the past came out of the fact that it wasn't clear to people where they were being expected to participate, or where they might participate, and what the process basically was. We're attempting to overcome that now by committing the thing to writing in fact.

MR. NOTLEY: So there will be formalized guidelines that will be written down that will apply in all cases?

MR. COOKE: Yes.

MR. NOTLEY: What is the reason then and to what extent are there -- I realize there will be modifications from time to time between the boundaries, but there were fairly extensive modifications in this one example. Why would that take place?

MR. COOKE: Sorry, I don't . . .

MR. NOTLEY: Between the green zone and the yellow zone.

MR. COOKE: Why would there be extensive adjustments?

MR. NOTLEY: Yes, in areas that had been settled. That was one of the things that puzzled the local people, that there would in fact be a redrawing of the boundary in a settled area.

MR. SCHMIDT: You mean a change from yellow to green?

MR. NOTLEY: No, an area that had been yellow but was tentatively put in a green zone. My question really is: to move from the guidelines for public participation to the guidelines for allocation . . .

MR. McDOUGALL: What may have happened -- I don't know the specific cases but the particular committee that was functioning at that time looked at climate, land capability, and also environmental and there was a period of time when on that committee water course areas were put into the green even where (inaudible), perhaps ill-advisedly but that was what was done. Now I think it is important to remember the policy effect of zoning into green does not affect private lands. All it means is that further public land will not be sold. The Environment Department wanted to be sure in these cases along water courses that public lands would be retained along water courses. For that reason where water courses traverse settlements there were, theoretical if you like, but zoning into green. It would not affect private lands that were already private holdings in that area. But it certainly would have affected any further sales. Now I'm not sure of the specifics but I guess that is maybe what happened.

MR. NOTLEY: I think that probably could be -- we're talking about along the Clear River. The problem though -- and I'd just like to elicit a little more information from you gentlemen on it. The problem I think local people were concerned about is that while you could classify an area as theoretically a green zone for water course reasons and what have you, if you happen to have land there, that may be all right for you to have the land, but what does it do to the resale value of that land when it is now stuck in a map that says it is in the green area. You know, it's obviously is going to have a very significant adverse impact, or at least that was the way people reasoned, and I think with some justification, on the value of the land. So I guess it just relates back to the public participation process, how we're going to make sure that if there are modifications in those boundaries we don't find that land loses its value in the resale sense without the people being appraised of it.

MR. SCHMIDT: I think to further complicate the understandings of the individual in the same type of area and philosophy is that in some cases where reasonable planning commissions exist are also doing some studies and are coming up with some overall broad policies that would affect some of the mapping and the planning that they are doing. From the public's point of view there is an overlap because their planning is in a very broad general way, but they're working under The Planning Act itself which deals directly with deeded land and does not affect Crown land because Crown land is not affected by The Planning Act per se. So that was one of the basic reasons we had to stop and re-assess the direction we were going, because we had a double set of values. Really what it was doing was creating a certain degree of animosity amongst those who held deeded land, that someone was designing and planning the basic land use for something of which they owned. Both were correct, but it was a matter of communication again. Of course tied, which you're well aware of, in the north is the studies that are going along and following the valleys and how it could affect the grazing and the stability from an environmental point of view. So, you know, it would be quite easy for us from a public lands' point of view if we had a total inventory of the land capability of all the Crown land in the province, but we haven't. If we hired every available individual in the private field to carry this out, we couldn't complete it in eight years. So what we have done is started an inventory, but we're doing it tied on the fringe areas of existing settlements because that is where the demand naturally will be immediate. Hopefully we will create and build an inventory classification of our own, but it is going to take time. But we're doing it

in those fringe areas where there are existing communities now because that is where the demand will be.

MR. CHAIRMAN: Mr. Clark.

MR. CLARK: Mr. Chairman, there are really three areas, but I will just touch on one of them right now.

Mr. Minister, I would like you to explain to me, if you could, how it can be that people can have a grazing lease on their land and at the same time there will be merchantable timber which all of a sudden Forestry decides needs to be or should be harvested. What's the process that's used to determine which priority there is, whether it is grazing or whether it is the harvesting of the forest. I refer very specifically to a situation you're well aware of in the MD of Rocky View and the area just to the west of the MD of Rocky View where some people who have held a lease in the area for a number of years on the banks of the Dogpound in the upper limits there, held a grazing lease, were away on holidays, came back and the timber had been taken off. Who really makes that kind of decision?

MR. SCHMIDT: Is that within the Eastern Slopes, or outside of these?

MR. CLARK: Yes, within the Eastern Slopes.

MR. SCHMIDT: It's within the Eastern Slopes? They held a grazing lease or a grazing permit?

MR. CLARK: A grazing lease.

MR. PAQUIN: I was just going to say I guess there were two parts to the question, but the first part -- in the grazing lease regulations there is a provision that . . .

AN HON. MEMBER: Would you speak a little louder, Charlie?

MR. PAQUIN: Sorry. In the grazing lease regulations, Mr. Clark, there is a provision . . .

MR. CLARK: Just a little louder please.

MR. PAQUIN: I say in the grazing lease regulations there is a provision whereby if there is merchantable timber on the grazing lease the department can issue timber permits for the harvesting of merchantable timber. Now in this specific case I think Mr. McDougall is familiar with it and perhaps you could take it from there, Mr. . . .

MR. CLARK: Okay. I would be very interested in knowing just exactly what happened, and I'm sure Mr. McDougall is quite familiar with the case.

MR. McDUGALL: Well, as you related the incident, Mr. Clark, the cutting that allegedly took place or commenced while those people were on holidays in fact was authorized by permits which had been issued several years ago. We believe that the grazing lessee was aware of the fact that the timber had been issued. Now I think that particular situation got wrapped up with some other complexities, a proposed pyrolysis plant and some other things, which kind of clouded and confused the issue. Strictly looking at the timber

harvesting issue, there was really ample pre-warning that the timber was going to be cut. The grazing lease itself contains the provisions described by Mr. Paquin. The timber was mature and the grazing potential after the removal of the timber was improved. So that in the long run, allowing for one or two years of disruption, the grazing potential of the lease will be better than it was when it was under dense lodgepole pine.

MR. CLARK: Could you run that past me again? You're telling me the grazing potential was increased?

MR. McDOUGALL: It will be very shortly; the grass growth will improve. We checked into -- there was correspondence of course in this case and we had the grass samples analyzed at the university. Results of that analysis are available. Certainly the type and kind of grass coming in after cutting is superior to that which was there before. We've taken (inaudible) and can establish that the volume of grass after cutting is much greater than it was before.

MR. CLARK: Could I just follow that up, Mr. Chairman, to Mr. McDougall. Mr. McDougall, how are people notified that you've decided that on their grazing lease, which they planned to use for some time, someone is going to come in and (inaudible) the thing off. We might argue whether there is going to be more grass or less grass down the road, but I suspect we would agree that for the next two or three years there is sure as heck going to be less grass. How are people notified of that kind of a situation?

MR. McDOUGALL: Before any timber can be sold, whether it is on the grazing lease or not, it has to be publicly advertised for a minimum period of two weeks -- if it is a large sale, a month or even six weeks; but normally from two to four weeks advertised.

MR. CLARK: Are the lessees advised it is being advertised? Do they get a copy of the advertisement?

MR. McDOUGALL: No, they're not specifically copied.

MR. CLARK: So they just read it in the local paper or wherever it might be.

MR. McDOUGALL: Yes, that is right. They are advised when a timber permit is issued. They are advised of the fact that it has been issued and the name and the address of the person to whom it was issued. Similarly, the timber permittee is advised of the name and address of the grazing lessee and the conditions of any timber permit issued on a grazing lease, which always do contain the clauses requiring closure of gates, the fact that any improvements cannot be disturbed. All of these are enclosed as conditions with the timber permit.

MR. CLARK: Just one more comment and question, Mr. Chairman. I think to pinpoint the situation: here you have people who plan on using grass that they're paying for, that they have had under lease for a number of years. As you explained the situation, there is a public advertisement, within two weeks the timber can be up for sale. Now these people aren't notified. By means of the fact they have the lease for a number of years, whether it says in the fine print or not, they rather assume they're going to have the use of that grass for the length of the lease. As far as I know there is no provision for those people to be notified. It seems to me one of the things that obviously we should have learned from that experience there is the very least we can do for these people who have

the lease is to be notified the timber is going to go up for sale, so in fact they have some input to the department before the darn decision is made. Also, so they can make some alternate plans for the grass that is not going to be there for the next two or three years. I don't know where this slipped between the lines. But if you're the people out there who have been counting on that, whether they were notified in the past or not, the fact is that's where they are today. So, Mr. Minister, my suggestion to you, if I could be so direct, is that it seems to me this system should be altered somewhat so that if you're going to put timber up for sale that's in a grazing lease, only common courtesy that the people who have the lease should get a copy of the advertisement as far as the timber going up for sale. At least that would flip a red light for them. They would have a chance to get hold of you as the minister or the people in the department. If they could talk you out of putting the timber up for sale, all well and good. If they can't, at least they have had their day in court.

MR. SCHMIDT: Certainly something that should be considered.

MR. CHAIRMAN: Mr. Taylor.

MR. TAYLOR: Yes, there are two points.

First of all in connection with this white, green and yellow. I find it difficult how you can be so definite in those areas that you have marked on the map. Because in those areas, just glancing at it from here, I can see I think it is in the green some pretty good farming areas and it is not shown at all. And I can see some of the white places where it should be green. Why is it so definite when it really isn't that definite in real life. Because if you have a good going farm operation in that green there are restrictions there that just aren't there. In an area where you have good farming operation why don't you show the white on the green so at least it doesn't give the impression that that is a total forest where you have the green. I have trouble following the map in that respect; it is too rigid.

MR. SCHMIDT: I think I would agree. That's one of the things that perhaps and we stated it would be quite simply to handle and to earmark Crown land if we have a system of land classification that followed the CLI capability and in some cases even beyond that. Because as was stated, some of the gray-wooded areas have a capability which really is not even recognized under the Canada Land Inventory classification. I guess the colors you see there are generally in a block, as to the area where agriculture is basically deeded and has taken place. I would agree the green does not denote that there is not land within its bounds that has an agricultural capability. That is one of our problems in that we need a classification system that would indicate the productive capability of each parcel of Crown land. Then, of course, those colors would be different. But the blocks that are shown are blocks that have been set aside over the period of years. I suppose if it hadn't have been for some of the green classification we may not have had an eastern slopes to do some basic zoning and some planning. Because it has had in effect the sort of semi-preservation of a very large block. And even within those bounds, there are parcels of reasonably sound agricultural land that has still and are still within the Eastern Slopes, although we tried to juggle the east boundary to try to meet those demands. But it is impossible because mother nature scattered the land in sort of a pattern that doesn't follow a straight line.

MR. TAYLOR: But those colors pertain also to deeded land do they not?

MR. SCHMIDT: That's true.

MR. TAYLOR: That's the part that I think is . . .

MR. PAQUIN: Basically, when the green zone was set up in 1947 or 1948, it was to control leapfrogging settlement that was getting further and further away from services and roads and was causing a lot of headaches in so far as the servicing and schools. So it was a general zoning and it is not cast in stone in any way, shape or form. It's subject to review, especially in the fringe areas adjoining the settlement (inaudible).

MR. CHAIRMAN: Dr. Walker.

DR. WALKER: I have two questions, Mr. Chairman, the first in my area of my constituents is the control of leased land by the farmer on right of entry. I understand that hunters and tourists and the like have the right to go on leased lands anywhere in the province. A lot of the ranchers in the area that have leased land are very concerned in that hunters may come on there without permission and often disturb the cattle and animals that they have in the area. Can anything be done that the farmer could have more control over his leased property?

MR. SCHMIDT: The Petty Trespass Act states all the areas of trespass, but it excludes grazing leases and grazing permits. So that is the problem we are dealing with, grazing Crown land and trespass. Trespass is governed really by two basic acts, one is the Criminal Code and the other is The Petty Trespass Act. I agree, it is a problem both not only for the lessee but for the Crown as well. It was one of the items that we spent some time last year in asking the views of not only those individuals who are using Crown land as lessees but also various organizations from local governments down to fish and game associations. Naturally it depends on whose eyes you're looking through just how flexible you would like it. So really what we were trying to come up with was an overall view that would give us some flexibility that we could meet perhaps most of the demands. It's not as simple to just change because of course The Petty Trespass Act would have to be amended to meet those requirements. To date we haven't received or agreed upon a consensus that would meet the majority of the views of individuals that both use Crown land and those who would like to use it from a different point of view, in other words those hunters.

There are many ways that you could make it a lot easier: tying hunting seasons more closely related to grazing seasons -- much more easier done in the north and centre than it is in the south, because a lot of people use grazing leases, some on a 12 month basis, winter graze. Some split their grazing so they have a bit of both on a 12 month basis. Far north, quite simple: grazing season about three months, it would be very easy to adjust it to tie very closely with the hunting season.

I think the major thing that we discovered in viewing the total picture and trying to assess the general thoughts are two things. Those that are making use of Crown land, in other words the lessees on a grazing point of view have absolutely no great worry about an individual hunting or so-called trespass or making use of Crown land that they have under lease if they are aware. In other words, they would like someone to stop and say well we would like to go in. They could offer their two bits worth as to the best place to hunt or tell them where the livestock is. With that slight provision, they have no objections. There are many of course who are not holding a lease but like to use Crown land for those various uses and are willing to go part way. So it's not an impossibility, but to achieve what we're after would take a change in amendment to The Petty Trespass Act. The northern part would be quite simple, and of course that is one of the beauties of the grazing

reserve policy and program is because it is Crown land we can reach that multiuse base because we have that type of control.

The other aspect I was going to mention was those individuals who have cattle on Crown leases don't seem to have any great fear of having cattle and hunting going on at the same time, as long as there's some basic control and they know who is in and have some control of the hunters. This came to the fore when we went through Wainwright. They feel that the cattle would be safer in Wainwright during the hunting season because it is controlled than removal of their cattle and take them home to the deeded land, because they still have the same number of hunters. Because it is on the deeded land, which are fairly extensive holdings, are difficult to control because then they are the only ones who are there time-wise to control them. So there seems to be a change in the basic philosophy between the ranchers themselves and the hunters, and I think it is just a matter of getting closer together and bringing forth whatever changes in legislation are necessary to achieve it.

DR. WALKER: You are looking at some changes in that?

MR. SCHMIDT: Well we are looking at some of the problems. The legislation itself doesn't come under the purview of Public Lands, but we are taking the information we have with some recommendations and sending it to the areas of responsibility to see if we can't come up with something that is working.

DR. WALKER: The other problem in my area is nothing to do with lease land, but it has to do with the Eastern Slopes policy where snowmobilers are disallowed snowmobiling over 8,000 feet because of the so-called critical wildlife area. It is my understanding that wildlife come down into the valleys and so on in the wintertime and that really there is very little critical wildlife above the 8,000 foot mark. I am getting a lot of flack over the limitation to take snowmobiles over, I believe, 8,000 feet.

MR. SCHMIDT: Well, that reverts back to the original problem that started Off-highway Vehicle Act and of course snowmobilers are part and parcel of that at the present time, as the only legislation that deals with that classification within the Eastern Slopes. You know we could argue that snowmobilers themselves do no harm to the basic ground they travel on, whether it be at one foot or 8,000 feet. As to what they do to wildlife, you know, that is another argument. The only thing in the Eastern Slopes, as was stated, they were all governed and designed under one basic piece of legislation, The Off-highway Vehicle Act. Of course if snowmobilers come up with an act of their own, why then certainly we are going to have to take a look at that piece of legislation and how snowmobiles then affect the rest of the zoning, and we could have some changes in the basic zoning concept in regards to snowmobile use.

DR. WALKER: I gather they feel that the basic zoning, that to classify this as a critical wildlife area is just unrealistic during the winter. It may be during the summer when they're not interested in it, but certainly it isn't a critical area during the wintertime and this could be . . .

MR. SCHMIDT: Well, that's part of the argument and, agreed, we're not disagreeing with the argument or the philosophy that they've brought forth. But all I'm saying is that under legislation as it exists to date, they are included in The Off-Highway Vehicle Act and that's basically how the zoning was set up, whether that's rightfully or wrongfully. But as soon as legislation -- if it were changed then we would have to look at it and

certainly look at all of the aspects that they presented to us, and they have presented many good arguments.

MR. CHAIRMAN: Mr. Kidd.

MR. KIDD: Thank you. First of all an accolade to the Social Credit government in 1948 which set up the green zone, the yellow zone, and the white zone. (Inaudible) living in British Columbia right now and looking at the horrendous picture they have with all the freehold land, so that our land use problems are really minimal in respect to most other provinces because of those zones that have been set up. I think that we are arguing about things that are really minimal concern compared to many other provinces.

The second thing if I may, Mr. Chairman, is the snowmobilers. I think that it is proper that we take a look at being more flexible in the snowmobilers use. But we must remember a few things: that when you go to the environment at over 8,000 feet and the vegetation is there, I would like people to recognize what happens when you build a snow bridge. When you build a snow bridge across the river what you do is just run across the snow. When you run across snow you pack it down and it freezes right to the bottom, and that's what happens. In one foot of snow, if you go to the tender environment -- if that's a good word -- the unusual vegetation in the high mountain areas, that you indeed do freeze it to the bottom. You do destroy some of that tender environment. So it isn't true by any means that there will be no harm done if you have real concern for some of the plants and vegetation that grows in that area, because you do freeze the bottom. Maybe even in three or four feet you'll freeze to the bottom if you run over it enough, and you'll destroy that environment. Thank you, Mr. Chairman.

MR. SCHMIDT: Mr. Chairman I'd just like to point out that over the last six months it certainly isn't for the lack of information that's being provided to us -- we have heard from not only the snowmobilers but we have heard from every other organization that have placed before us their views, and it goes from deep snow to the vegetation, from zero to 10 feet. We have a lot of material and a lot of good suggestions, so when we review it, it isn't that we are going to be short of material to look at.

MR. CHAIRMAN: Mr. Notley.

MR. NOTLEY: I should preface what I'm saying, Mr. Minister, by saying that whenever I have contacted the lands branch I've found they've been very co-operative and helpful, so in terms of any personal contacts I've had it has always been good. But I think there have been a number of criticisms about the time that it takes for the whole process to work and I see in our breakdown that essentially we are standing still in terms of personnel. My question really to you, Mr. Minister, is: do we have sufficient personnel to really make this public lands process work efficiently, because it does take a long time. One of the reasons it takes a long time it strikes me is that we simply don't have the personnel. It is a fairly big job to do the inspection and you can't be hither and thither and all over the place. It does take a fair amount of time. What do we have in mind to sort of speed up the system? Are we looking at any increase -- obviously there is no increase this year -- but are we looking . . .

MR. SCHMIDT: We had an increase of three permanent positions for this year.

MR. NOTLEY: I see, okay.

MR. SCHMIDT: Certainly we can use a lot. We could stand more people in the field, more qualified people. First of all they are difficult to recruit, secondly . . .

MR. GOGO: Because of pay?

MR. SCHMIDT: Not so much because of pay. I think we require specific people with specific qualifications and of course they're in reasonably good demand. I suppose industry do pluck a large portion from us because of dollars and cents. We agree, if we were to speed up the service we need more people, because dispositions of land require inspections. That's on-site inspections and that is time-consuming, and of course they are scattered all over the province. So there are areas that we would like to open some offices if we are going to increase the type of service to the general public in the way of public lands.

Secondly, the interest in Crown land has just, well it almost exploded from the point of view that at the present time we average about 1,600 dispositions, that's dispositions of land that require an inspection one way or another. In the month of February we had 4,050 inspections for surface disposition and reclamation type thing, tied with both seismic, oil well surface rental and this type of thing. That requires a lot of inspection and takes up a lot of the time of the people in the field. Agricultural dispositions of course are difficult to do in the winter. So the wintertime gives us an opportunity to catch up on some of the backlog, because we can't do physical inspections of the ground when it is snow-covered. It gives us an opportunity to catch up on some of the surface reclamation projects we have and surface dispositions to mineral dispositions. Like everybody else, I suppose, we could stand all kinds of people. It depends on the degree of service you would like to provide, but there is a point whereby I don't think you could increase timewise by having more people.

There is a certain cycle that it takes an application to go through and if you can reach the number of people it isn't a matter of lack of time because you're short of people. There is a certain cycle that it would take anyway for an application, a disposition from the posting point of view to give everyone a fair chance. So there is a time element that is built in. We've tried, and I think we've been very successful in catching up on some of the backlog we've had. You know, you think you've caught up and the next month you are behind again. But it's seasonal, where fortunately we have a fair number of people on a straight hourly base that we use during the summer. We utilize the youngsters from university and they certainly help us in the field. Without them we would be far behind. But it is our hope that we can add a few permanent positions to provide field offices in those areas where now we don't have any at all. It makes it difficult and slows down the process for applications in that particular case.

MR. NOTLEY: Could I just pursue that with one supplementary question, Mr. Chairman, to the Minister. What is the average time of that cycle now? Do we have any figures on that, Mr. Paquin, from the time it is posted through to the final disposition? Are we looking at a year?

MR. PAQUIN: Mr. Notley, we strive for minimum of a six-month turnaround time. The reason for that, first of all you've got to remember that the land is posted for 30 days. Then following the posting, our field staff will either inspect or at least contact all of the applicants to evaluate their application. Then following that evaluation, an interim decision is made to award the land to one of the applicants. Following that advice, the unsuccessful applicants are given an appeal opportunity, which is another 30 days. Then

the local agricultural development committee meets to assess the applications. So, as the Minister explained, there is a natural time involved in here which is very difficult if we are going to allow the time sufficient for each of these things to take place without rushing them. So we're striving for a six-month turnaround time.

MR. NOTLEY: Just if I can, I don't think there is any question about that. I realize that there has to be a certain amount of time and when you go through the various steps that you've mentioned, six months is reasonable. What figures do we have though on how, in fact, we are doing. I mean six months would be the objective, but from the cases that have been brought to my attention I think that it would be fair to say would it not, Mr. Paquin, that six months a hopeful objective but not always met? What would be the average turnaround time?

MR. PAQUIN: Well I would be guessing, Mr. Notley, but I suppose that there are more that fall in between the six months to one year category. One of the difficulties of course is if we get an application say in November or December which requires a soil inspection, we're immediately faced with some difficulty there because we can't get at the soil inspection before the following spring. That kind of an application often finds itself taking almost up to a year. If we'd had a complete inventory of Crown land and it were classified, if that were the policy to be in real estate business, we could run it through just like a cash register. About all that would be required then is the notice period and the period for appeal. It is as simple as that, because the piece of land would already be earmarked and the inspection would no longer be necessary. We haven't got to that and at the rate we are going, you know, they're plucking it faster than you can come up with even a semblance of an inventory. So I don't know what would be realistic. Hopefully we can catch up on the fringe areas. Blocks become much simpler. The block at La Crete of course makes it much easier, because in that case 55 parcels for a community come on stream at one time and it's all done at one time. So from an individual's point of view you satisfy a whole community with one basic application really.

MR. CHAIRMAN: Mr. Clark.

MR. CLARK: Just two questions that flow out of the last. But before I get to the other question, I wanted to ask: of the three people you are taking on this year, are they going to end up in central office or are they going to be out across the province?

MR. SCHMIDT: No, one will be in the field and two will be in the clerical staff in the office here.

MR. CLARK: You indicated you're opening up a new office. Where will that be?

MR. SCHMIDT: It's already open. We've got one at . . .

MR. PAQUIN: We're proposing to open three new offices this summer.

MR. COOKE: But we have a new one that we opened this last year.

MR. PAQUIN: Oh yes. We opened three this past year and we're opening three new offices this coming season: one at Valleyview, one at Bonnyville, and one at Drayton Valley.

MR. CLARK: Those three new people are going to look after these three offices?

MR. PAQUIN: No. At the present time the Drayton Valley area is worked out of Edmonton, and we will place that particular inspector in Drayton Valley to give better local service, and likewise at Bonnyville and Valleyview. Last year, we opened one at Athabasca, at Barrhead and at . . .

MR. CHAIRMAN: Did you have another question?

MR. CLARK: Just one other question before I get to the one I was going to ask, Mr. Chairman. Whatever happened to the Canada Land Inventory? I recall under the ARDA program there was, my gosh, how many million dollars spent of federal money on Canada Land Inventory and now, if I understand what the minister is saying, we still don't have a land inventory of much significance. What happened? That was started by the former government, so they can take the blame for that. But, really, what happened to it?

MR. COOKE: (Inaudible) was within the limits it was designed to do and was completed in about 1970 or 1971. It was originally intended to be done only for the settled portion of the province, really what would appear on the map as the yellow and white zone, some small areas in the green zone. It was expanded shortly after that in some sectors to include the remainder of the province.

The Canada Land Inventory is being used in planning. The difficulty with it is that it's a very general form of inventory, not very applicable in many cases to doing things in a very specific way, such as determining whether a particular parcel of land should be used for a particular purpose. It clearly was designed more with a broad brush or regional type of planning in mind. It has been used and is still being used quite extensively in that fashion, but it is not very applicable on a site by site or quarter section by quarter section basis.

MR. CLARK: Mr. Chairman, what I really wanted to raise was the question of the dislocation of cattle as a result of the decision in the Kananaskis Country Park. What are you doing as far as the grazing leases are involved there? How many cattle will be shunted out of that area over a period of time?

MR. SCHMIDT: We met with the ranchers that graze that area and I don't think there will be any disruption at all really. It wasn't the intent really of the Eastern Slopes to dispose of any particular land use that had been ongoing until the expiry, in some cases, of leases. As they expired, if there were any part of that lease that infringed on some of the basic zoning, it would be at that time that we would work out some system of withdrawing a portion of that lease and hopefully trying to replace it from a carrying capacity point of view so the individual didn't lose the total carrying capacity which he had.

Now that's the objective and of course we can't meet it in every case. At the present time I don't know of anyone who will lose his grazing. He may be grazing in different places.

But the areas that you're speaking of that are right in Kananaskis Country, to my knowledge, will not be disrupted at all.

MR. CLARK: Then could I just go a bit further south to an area where it is my understanding that people received grazing rights in the forestry a number of years ago -- I guess it's the Waldron Co-op Ranch -- and information I've received anyway is basically that unless things change the families involved there are going to have to look at some other kind of grazing potential. What is the policy change that's forced even the

consideration of that kind of thing in that particular area, Mr. Minister? And secondly, if I could ask you, what are you going to do about it?

MR. SCHMIDT: How do you mean?

MR. CLARK: Well, are you going to oust them?

MR. SCHMIDT: No. I think in the group you're talking about, they had a carrying capacity -- I don't know what the number is, but we'll say that they pastured a 1,000 head under a grazing lease. Some of that, since the Eastern Slopes, has now gone into the forestry aspect. So part of the land they have grazed under lease under the public lands policy is now part of forestry. They will continue to graze it. The only basic difference is: rather than having a long-term lease with the public lands end, will be grazing on a permit system through the forestry. So if they had grazed 1,000 head before, they'll be grazing 1,000 head now. The only basic difference -- and that's not in total; some of it is still leased and some is under forestry. Some of it will be by permit on an annual basis and some of it, of course, will continue on the public land grazing. They won't lose any. It's just a different system under which they'll be operating.

MR. CLARK: Mr. Minister, if they won't lose any and it's basically not going to change the situation, why can't you leave it all under a lease? Because as I understand the situation, and many members here will appreciate the situation, it's one thing for a person in cattle operation to have a long-term lease. The real place when they get scared is when you get in these one year bloody permits. It's great for planning -- it might be for the forestry people -- but it really causes havoc for people who are used to having had a long-term lease and kind of have to live from hand to mouth from one year to the next when you get to the permit situation.

So if it's not going to change the situation, Mr. Minister, why are we going from leases to permits in some cases?

MR. SCHMIDT: Well, I'll ask Fred because it involves the forestry end, but I might add that a lot of it is psychological and I would agree. It certainly isn't the first time I've heard from ranchers the longevity they would like on long-term leases. Leases really, if you read them, have a 30-day cancellation clause. So, you know, whether you've got a 100-year lease or whether you have it for two years, it can be cancelled on 30 days.

MR. CLARK: How many have you cancelled in 30 days, Mr. Minister?

MR. SCHMIDT: None.

MR. CLARK: That's the difference.

MR. SCHMIDT: But I would ask Fred to give you forestry end of it in that particular case.

MR. CLARK: Sorry, we're having a little caucus down here. We just added two, threw one out. Excuse me, Mr. McDougall.

MR. McDOUGALL: Well, I think Mr. Schmidt wants me to explain the reason in that case and it was simply to open the land to other uses more freely than would have been the case under lease. The other point that is relevant is that there are many people who have been grazing under allotments in the Eastern Slopes for 20 years without disruption and I think

the tenure in real terms is as good as a lease. The allotments are planned on a long-term basis and many, many people down there who are grazing under allotment and have done so for many, many years -- the same allotment.

MR. CLARK: So I take it it's going to move then, Mr. Minister, a number of these cases, to a yearly permit.

MR. SCHMIDT: In this particular case, because it gives us the freedom of the multiuse concept which didn't exist, because it falls within the Slopes for one thing.

MR. CLARK: But there is a basic change then from the long-term lease to the yearly permit?

MR. SCHMIDT: On that part that's under the forestry end will be a yearly permit. Yes.

MR. CLARK: And that would affect the Waldron Co-op Ranch to quite a degree?

MR. SCHMIDT: They're the ones -- yes. It's about a third of their holding.

MR. CHAIRMAN: Mr. Thompson.

MR. THOMPSON: My question has been answered.

MR. CHAIRMAN: Mr. Ghitter.

MR. GHITTER: Mr. Chairman, I'd like to ask firstly which vote would deal with the creation of the infrastructure needed in Kananaskis Country. How would you relate that with the moneys from the heritage fund voted?

MR. SCHMIDT: That would be under Recreation, Parks and Wildlife and doesn't come under a vote here. The responsibility of Kananaskis Country which is the overlay of the Eastern Slopes from a financial point of view -- we administer the Eastern Slopes from a physical land disposition point of view. The expenditures that are tied with Kananaskis Park and Kananaskis Country are done under Recreation, Parks and Wildlife.

MR. GHITTER: But the approval process relative to the use of public lands is through your department, is it not?

MR. SCHMIDT: In Kananaskis Country it's a joint operation because there are even greater restrictions within Kananaskis Country than exist in the Eastern Slopes policy per se.

MR. GHITTER: In the structuring of the approval process though, how is that then set up for someone? I'm a little confused as to the application process that, say, we've been dealing with already.

MR. SCHMIDT: The application process is identical to the Eastern Slopes. An individual, say, within Kananaskis Country makes an application to the Eastern Slopes and it goes through that route. The Kananaskis Country, of course, the committee that provide those type of restrictions that are greater than the Eastern Slopes at that time have their input.

Really, I guess the only difference between the two is that in Kananaskis Country the development that goes on will be, hopefully, collectively of the same type of appearance.

And I'm talking now about the physical aspects of what you see as an individual when you drive through it. You're talking about recreational complexes, physical buildings, capital type of expenditure, will have an exterior that blends with that type of community. Other than that there should be no basic difference.

But you must remember that Kananaskis Country is reasonably new and we're in the process of drawing up what we feel the actual physical buildings should appear from the outside. Hopefully the others will follow suit. At the present time I see no delay in going through. The one that you're talking about, of course, is in two basic areas. One, from the capital expenditure of an improvement from a capital point of view, in other words providing buildings and accommodation. The other one, of course, is an extension to an already existing scheme facility, and those applications are handled as any other Eastern Slope development.

MR. GHITTER: Are there any provisions anywhere where front-end servicing type of costs, where assistance can be obtained for a recreational development within your budget or any other department of government?

MR. SCHMIDT: Not through my department at all. We just handle the actual transaction, see that it follows the policy of the Eastern Slopes, and look after the disposition of the land and issue the leases.

MR. GHITTER: What then is the time frame before this information will be put together, as to these guidelines or parameters as far as recreational development within Kananaskis Country?

MR. SCHMIDT: It's my understanding that they're close to coming up with a written document as to what is expected from an exterior point of view and to the degree.

MR. GHITTER: And what about from a servicing point of view, disposition of wastes, things of that nature?

MR. SCHMIDT: Well, those are part and parcel of the basic application and fall to the developer in meeting the criteria with the planning committee which we have established, in other words so they meet a certain basic standard of both the health and environment point of view.

MR. GHITTER: Would they have an opportunity of making representations verbally to this planning committee or is this something that is done in camera?

MR. SCHMIDT: No, I don't see where there's any objection to them making that type of representation. We have had the opportunity to discuss with some of the groups on a verbal basis to establish the direction so that they're aware of the direction that they have to go. It also makes us aware really of the extent of the development that they want so that we can kind of streamline and speed up the process for them.

MR. GHITTER: Thank you, Mr. Chairman.

MR. CHAIRMAN: Mr. Taylor.

MR. TAYLOR: Mr. Schmidt, in connection with the grazing leases, it seems to me there's a very rigid formula where a person has held a lease for a number of years and then wants to

buy it. I believe under the legislation that once he gives that up it must then be put up for tender and there's no discretion on the part of the department at all. It seems to me in many cases this is very unfair.

Let me quote one case where a family held a grazing lease of an area for 30 or 40 years in the family -- father, sons, and so on. During that time they drained the area so that the water that once made it useless was moved out and it became quite a valuable piece of land. They still hold the grazing lease on it. They would like to acquire it, but now since they've done all this work if they give up their lease it must then be put up for tender. So a dozen people may be able to pay a larger amount even though they've done all the work during the years they held the land.

Should there not be some provision in a case like that, where a person has really acquired some interest in the land because of the fact that they've worked to improve it, where the department couldn't have some discretion to sell to him at market price or the going price?.

MR. SCHMIDT: Well, first of all, I guess there are two basic philosophies that are involved. Firstly, I suppose, the policy in Public Lands at the present time is that land that is suitable for grazing of course its best use in the disposition will be done by lease. The individual you're speaking of, or the family, are covered from the point of view that they have the option to renew the lease. We've never turned down a renewal for those people who are involved in the agricultural industry. If the family at that stage, we'll say the seniors, decide that they're going to leave and their family are going to continue, they have the right to assign and have a priority to assign from family, from father to son, as long as the end result is that it stays in a viable agricultural economy. That is the basic philosophy and the policy.

Crown land that becomes, if it is suitable and available for sale, becomes rather difficult to provide to an individual that type of protection that he or she alone are the ones that will bid. Personally, tendering to me is not the answer, because I don't think the disposition of Crown land should be tied with the monetary aspect. I think government have a responsibility to see that it maintains and stays in production, and in doing that it isn't always the person who can pay the most that will give you the best production. So I think there are many aspects in an area where a parcel of land, the disposition of it would create a hardship on an individual. In other words, the use of the deeded and Crown to the extent that it is an economic unit and the disposition of that piece of Crown to someone else would make both parcels really uneconomic. In those cases, and if it were to be disposed of, then I think we should be looking at that type of classification that would give some priority, I suppose, to the individual. That's one perhaps of the easiest in the areas in grazing where it's perhaps in better use if we keep it in straight lease form.

As long as the leases can be renewed and as long as the individual wishes to make that use of it, he should have the availability because it's basically his livelihood and is a unit. When he is finished with it, either he or she, and there is no longer anyone in the family, in other words they're going to leave that agricultural aspect and they dispose of their deeded land, then of course it should be available to those in the community that, added to their holding, would also make them an economic unit.

And it becomes very tricky when you start dealing with Crown land where you place a basic restriction so that one segment of one particular spot in the province has the availability of that land and it's not available to the rest of Alberta. It becomes very, very tricky. Not only a political football, it's just a difficult position. We recognize the fact, and of course in this case if you tie it to the agricultural industry you do then in some cases give a preferred use, and of course that has to have a priority from an

agricultural point of view. I think that's one of our priorities in Public Lands -- our number one.

That's perhaps the reason that basic policy extends to the use of land that's available for grazing be done by lease. Only those parcels of land that can meet the criteria of cultivation to the truest extent -- in other words cultivation, whether it be coarse grain or to the extent of wheat coarse grain; and in cases where an economic block would enhance a community, a block should be disposed of -- then I think that that block should be limited to that community that you're trying to enhance. Otherwise you lose the intent.

There are scattered parcels of Crown land, mainly through the southern part of the province, and they are scattered, surrounded by deeded land, that perhaps would be better off in the hands of an individual and it become deeded, both from the opportunity of trying to maintain it because it's a scattered parcel -- perhaps would fit better in the total community if it were deeded. They are few and far between, and I suppose that really is the only areas we're looking at for sale at the present time.

MR. TAYLOR: I agree that it's not an easy problem. The simplest way is to put it up for tender and give everybody a chance at it. But in some cases I think it's very unfair when you do that, particularly where it may well create two uneconomic areas. The answer of course is that the man just continues to carry on the lease and they probably carry it on for another 20 or 30 years in the family. But if there is some discretion where that one aspect, where it becomes uneconomical to put it up for tender, if there is some discretion even there for the department then I can see at least some (inaudible) coming about it. But a blanket policy always has unfair features.

MR. CHAIRMAN: Mr. Minister, for the information of the committee we have a half hour left to go. I have sent word to Mr. Russell that we probably won't reach him tonight, because we haven't finished one section yet and we have another one to go in your department.

HON. MEMBERS: Agreed.

MR. SCHMIDT: To get back to that point, Mr. Taylor, blanket policies: our blankets are getting much smaller.

Secondly, I think there is an aspect in the disposition of Crown land where we can in some small way make a contribution to the beginning farmer by making reasonably subsidized land, I suppose, available to those youngsters that are still of age but are living with their parents and could break out on their own with the use of Crown land and utilize the father's machinery and eventually build themselves into a unit. That also exists in parts of the south, in those areas in which there will be extended irrigation. That's one of the areas that, well, we have achieved in one block and are looking at others whereby we can perhaps make some effort towards the beginning farmer. Of course in that case the applications would be limited.

Tendering, I would think, from that point of view is out because it isn't a matter of dollars and cents. We feel -- I suppose the old adage, it's the needy and not the greedy that we are really trying to achieve and help.

MR. PAQUIN: Mr. Minister, if I may just add something to this. Mr. Taylor, we don't use the tendering nor the public auction system for the disposition of agricultural land any longer. In a case like you suggest there -- we'll just use it as an example. If the grazing lessee were willing to relinquish his grazing lease and provided that the land was suitable for agriculture, classified as such, on the understanding that he could apply along with anybody else, the land would be posted. The applications would be reviewed and

a selection would be made of potentially the most appropriate applicant. The applications would be reviewed by the local agricultural development committee who would make the final recommendation to the minister. But no tender nor public auction.

MR. CHAIRMAN: Mr. Wolstenholme.

MR. WOLSTENHOLME: On the area out there where it's I presume a critical wildlife area, a chap claims that he's found a considerable amount of virbidium, gold, and silver. (Inaudible) the assay on it. Do you check out this assay? How do you work it on . . .

MR. COOKE: In this particular case it's the situation where the activity being proposed does not conform to the Eastern Slopes policy. We have a procedure established for any person who comes across a case like this to make an application in actual fact for rezoning. We have laid out a series of information requirements that the applicant is expected to fulfill. One of them certainly is to satisfy the government that he has in fact or suggests he has.

So I think the answer to your question is yes, we would normally expect the applicant to demonstrate that, in this case, the mineral resource, or whatever the activity happens to be, is in fact viable in that particular location.

MR. WOLSTENHOLME: But you don't check his assay?

MR. COOKE: In a physical sense?

MR. WOLSTENHOLME: Yes.

MR. COOKE: No.

MR. WOLSTENHOLME: You take his word that the assay that he produces is correct?

MR. COOKE: Yes.

MR. WOLSTENHOLME: Where does the balance have to come that shows that there's enough assay there to be worth while going into, as you say it's (inaudible) this type of . . . Is there a point where it could come to where that would be allowed in there because of the richness of the assay?

MR. COOKE: Well, it's a two-part thing. We assume that by virtue of the fact that the applicant is prepared to invest the capital to develop the resource that he has demonstrated to his own satisfaction that the resource is there. The onus in the application for reclassification is clearly on the proponent to demonstrate to the government as to why the change in zonation is to the benefit of the province. Obviously one of the factors that we expect to see in that analysis is an economic analysis as to just what potential economic benefits it might have for the province.

MR. WOLSTENHOLME: Have you shown much potential for the richness of mineral that this chap claims?

MR. COOKE: It's an interesting case that you've picked because there is some contention as to the so-called richness. But at the same time the question at hand is really one that perhaps is a bit more comprehensive in the sense that it involves a land use question

really which is at hand here. It's mining I think in the sense as how it relates to critical wildlife, to the (inaudible) of growing protection zones, watershed protection. So the actual assay and the actual specific aspects of the mineral really haven't come into play at this point. They certainly would if the thing went any further.

MR. KIDD: First of all, I think we have exhausted this question.

HON. MEMBERS: Agreed.

MR. CLARK: Not quite.

MR. KIDD: Just one follow-up to confirm Mr. Clark's comments on grazing in Kananaskis Park. The confirmation is this: first of all you confirmed that there would be no change in the grazing allotment to people. I would like you to confirm my understanding that in fact the grazing will be better and simpler for those people that are grazing there because of two factors: one, restrictions on the use of all-terrain vehicles; two, the specific locations of camping for people so there that won't be people camping all though the grazing leases. Is my understanding correct?

MR. SCHMIDT: I think there are benefits that will accrue to those people that are using grazing land within those areas that are now greater controlled than they have been in the past.

MR. CHAIRMAN: Mr. Clark.

MR. CLARK: Mr. Chairman, to the minister. Just going back to the question that Mr. Wolstenholme raised. What's the procedure, Mr. Minister, for this change in classification? We'll use the specific example of the individual who's done the exploratory work, maintains he's got a deposit that is viable. My understanding is that he now has to go to someplace in the government and look at this question of a changing designation.

Now I use that example because I understand it's the first one that's come up where there's really been a specific request to change the designation. My question is: what are the steps?

MR. SCHMIDT: First of all, the Eastern Slopes has the flexibility to handle a zone change if it is, first of all, legitimate and feasible. The individual makes the application for a zoning change. He makes it to our department. He brings also with that request a documented reason for the request to change the zone and also the area that he wishes to change. That goes before the Eastern Slopes interdepartmental planning committee who review it and do that fine tuning, on-site type of thing to see whether it is feasible. It then takes into consideration every aspect that really was considered in the basic zoning concept to start with. Their recommendations then come back to the cabinet committee of economic planning who handle the request or the recommendation for a change. After their review, their recommendation then goes to cabinet. It's then either accepted as a zoning change or that the zone remains as is.

MR. CLARK: Mr. Minister, could I ask you what are the kinds of factors that the interdepartmental committee will look at?

MR. SCHMIDT: Well, first of all we would have to realize that the zones as laid out on the map are very broad and of course would have to follow up with that fine tuning which would move boundaries. The line on the map could be half a mile wide.

The individual who makes that application may be down to specifics that it be changed to the north bank of a certain particular stream. He lays it out in a particular point of view. They then look at the total aspect of which the Eastern Slope zoning came into being. In other words if it doesn't interfere with the watershed, which is of prime importance, number one priority. Secondly, that it meets any of the environmental aspects: it meets the wildlife aspect, it meets the recreational aspects, that there is no conflict of basic land use itself. Then they look at the document use of the land to see whether that's compatible with the surrounding land and the zones that it fits in. Then you get into the aspect of access: what he wants to use it for, the other problems that would exist, how he's going to get in there, what's going to happen if a road has to be built, where it is to be built, how it's going to affect the balance of it. It's on that basis really that it's looked at, on the same terms that the Eastern Slopes were designed, only it's done on a very specific area and it's really closely finetuned.

MR. CLARK: And I think the factors you're looking at are good. My question then, Mr. Minister, is: in the future when the department gets requests for exploratory work like this, as much as possible isn't it desirable to, if you don't think that's an area where that kind of development should take place, not give the permit. I don't know the circumstances in this case, but I understand it's in a very sensitive area. There are watershed problems and so on. The kind of criteria you're looking at I think is right on. But the point I want to make: now that the Eastern Slopes policy is in position, these kind of permit requests come along. Isn't the best way to deal with the thing to have them look at it before the person gets the permit to go do the exploratory work, rather than have the person find what he thinks he's found and having invested quite a bit of money in the thing and then get himself in a situation where it doesn't go ahead.

MR. SCHMIDT: Now that the Eastern Slopes zoning system is in place, it's quite simple. An application for a disposition either meets the criteria of the zoning or it doesn't. If it doesn't, there is no disposition. But you must also appreciate that when the Eastern Slopes policy came into being there were dispositions that were already in place.

MR. CLARK: Agreed.

MR. SCHMIDT: And the question is to what degree of obligation do we owe to those that have, in many cases, expended a fair amount of money and are now in the position where they're holding leases that were in existence when the Slopes policy was brought into being -- do you just put the clamp and say no? In some cases that's what's going to have to be done because it just won't fit into the zoning system. In some cases there may be a give and take. They may decide they want to drill on a particular spot but could be convinced that they could move to another area. If it's drilling, you know, we've got many ways -- webb-stocking, this type of thing. So they might be able to achieve with a little give and take, and achieve what they're really after, and we can still come out with a reasonable assurance that we haven't disrupted anything. Those will be ongoing, because they already exist, and as we go on they'll disappear. But the others are quite simple. There are no dispositions in an area where there is a conflict in the zoning at the present time. So they're easy to control. They just don't exist. We have to live with the others because they did exist.

MR. CLARK: Mr. Chairman, just one more question to the minister. What about the large number of camps, individuals who made applications for camps and so on. Now that the policy is in place, I suspect you're in a position -- and hopefully have in many cases said yes or no. Are there still a number of those up in the air?

MR. SCHMIDT: There are dozens of applications, yes. I wouldn't say "up in the air". We have many applications where the individuals have just asked for a spot, not a particular spot but they'd like a camp somewhere. It's part of the Eastern Slopes policy that to meet some of those demands it may be wise for us to pick some choice spots and have what we call group camps, whereby we could have a centre core from a service point of view and provide maybe six or seven satellites. A lot of the camps are used on a very limited basis during the summer, and a satellite is exclusive enough that they would think they were the only people there. When they were finished with that type of use, perhaps the next group could go in and use the very same camp. That, of course, is one of the concepts that's part and parcel of the policy, and we haven't gone any farther with that. Some camps already exist, and of course they would like to consolidate. Some of them would like to enlarge. Because they already exist, the enlargement of those camps is handled in exactly the same way as anyone else who wishes to enlarge upon a development they already hold within the Slopes.

There is a great demand, and it will continue. Hopefully we can meet some of those demands with the group type of approach. Of course, some of them can be met outside the Slopes. But we won't meet them all overnight. That's for sure. The demand is there, and it's going to increase.

MR. CLARK: Mr. Minister, my question deals primarily, though, with those camps that made application several years ago, while the classification was going on. My question is: have most of those been dealt with, or are a lot of those still in the works now?

MR. SCHMIDT: A lot of them have. They were frozen until the Slopes policy came out, and now they're all back on stream again. There's a backlog, so it takes time. But they go through the committee. They're being handled on a day to day basis.

MR. CLARK: Can I ask you this question then: when do you expect to have got the backlog -- just the ones that sat there the two or three years while the hearings and the policy was being developed?

MR. SCHMIDT: Mr. Cooke might be able to give us a better answer to that.

MR. COOKE: We've actually resurrected all of them. In many cases, however, the proposals were for very major developments and are of course being expected to follow the procedure for a major resource development in the Eastern Slopes. We have corresponded -- I think I'm correct in this -- with all the proponents who were being held in abeyance, informing those who would need to go through a preliminary disclosure process that they would of course have to do that. In some cases the time lag was as much as three or four years, and we at least want an indication of continuing interest. But we have resurrected and put back on stream all the applications that have been held in abeyance while the policy itself was being evolved.

MR. CLARK: And that deals with all the applications in terms of church camps, Boy Scouts, that type of thing? They don't have to go through this preliminary disclosure stuff, and so on, do they? MR. SCHMIDT: Only major developments go through preliminary disclosure.

MR. CLARK: I wasn't referring to them. I'm referring to the other kinds of things, primarily voluntary organizations. None of them are still hung up, then? They've either had yes or no decisions, basically?

MR. COOKE: Well, none of them are hung up because of the Eastern Slopes policy. Of course they have to meet the other requirement, so some of them are still at some stage or another in the process. But they're all active.

HON. MEMBERS: Agreed.

MR. CHAIRMAN: For the information of the committee, I have just asked the minister to try a couple of Don Getty answers, like "yes" or "no", and then you crossed us up, Mr. Clark, with a question.

MR. TAYLOR: Let's start voting before someone else gets on another line.

MR. CHAIRMAN: We're on Vote 7 now, the last one.

MR. NOTLEY: Mr. Chairman, I wonder if the minister could give a rundown on where things now stand. For example, where do things stand on permanent regulations under the foreign ownership act?

MR. SCHMIDT: Well, first of all, Vote 7 shows a decrease. We handled it with three basic people. It was an unknown quantity; we didn't know what to budget. We have now been in operation for just about a year. We can now consolidate what it's going to take to operate, from a financial point of view.

Basically we've been operating under the temporary regulations, and will be doing so. We have a responsibility to have the permanent regulations in force by June 1. Hopefully, we can meet those requirements. It's a long drawn out procedure. Everything has to be done in both languages, and I'm a little slow on one and not too good on the other. But we're operating under the federal legislation. It takes time to get that legislation through. Hopefully, we'll have it ready by June 1.

To date we have handled 17 applications for exemption under the temporary regulations. Of the 17, we're running pretty close to about 15,000 acres.

MR. NOTLEY: If I could just follow that up. Mr. Minister, of the 15,000 acres that have come under the exemptions in the first year, are you in a position to outline the composition of that by country?

MR. SCHMIDT: I don't have it here. But from memory, I would think France, Germany, Italy are in the top group. The next group would be the United States, Great Britain and, I think, Switzerland.

MR. NOTLEY: I see. And could I ask you, Mr. Minister, whether there's been any assessment of the impact on foreign investment in land, or applications for exemption, I should say. I realize they have to go through a process, but are the people who are looking after this giving any consideration to whether foreign ownership of land will become more attractive as a consequence of the rather serious decline not only in Canadian currency but in North American currency, compared to the harder currency of western Europe. Because it now makes it much easier for German money or money from Europe, other countries, to go further

in buying land in Canada as a consequence not only of our dollar declining, but the American dollar vis-a-vis other currencies as well. Is there any assessment of that?

MR. SCHMIDT: We have looked at it. You must remember that the major change in the acreage turnover in this last year were those ongoing types of deals because there was no retroactivity to the act itself. From here on in, you either qualify or you don't qualify. So I really don't see where there will be much change, although, on the subject you brought forward, I think you may see some activity in those areas where they're exempt; in other words, less than the 20-acre, the two parcels.

Of late, there have been a few indications of individuals who are interested in that type of property. It's interesting to note that those who made application for exemption, because the deals had been ongoing at the time the legislation was brought down, all but one -- well, he should have, on April 1 -- they would all have qualified had they waited until April 1 this year to have made the purchase as a landed immigrant. So in this case I guess we've accumulated some reasonably wealthy landed immigrants and some new Albertans who are now permanent residents here, but at the time they made the application were under the foreign ownership but, because of no retroactivity, qualified. They numbered 17 in total.

MR. NOTLEY: Mr. Minister, has there been any assessment as to whether or not three people are able to sort of keep an ongoing track of the rather ingenious methods people can come up with to circumvent the regulations, and has there been any assessment of whether there need to be changes between the temporary and permanent regulations to avoid some of the obvious methods that are going to be developed to get by them?

MR. SCHMIDT: First of all, the three people we have involved to date: I would say yes, no problem at all. The reason I say that is the three people are doing an exceptionally fine job but, you know, they're not supermen. The temporary regulations place the onus on the individual and the transferee of a signed declaration, and I think the declaration in itself has placed the individuals in the position that they're not willing to sign it if there's any skulduggery. We've had very few individuals that have studied the temporary regulations that, you know, they've come up with a few angles you might be able to get around and of course have presented those to us. We've looked at those and tried to incorporate them in the new legislation and the regulations that will be ongoing.

The monitoring is quite easy. We still monitor for our own information the transactions that are going on in the urban section just for our own information, and we are doing a monitoring under the land titles system on the transfer of the other land, whether it pertains to foreign ownership or not. And I would have to say we're very pleased with the outcome and, I shouldn't say how simple it's been but, how fast it's fallen into place to those in the province that are dealing with land continually have fallen in with us and if they have felt that there has been an area that you could get around it in one way or another have been fast pointed out, not after some deals have been made but prior to any changes. So we're quite happy with the way it's going, and I think we're achieving, or have achieved really, what we've been after.

MR. NOTLEY: Just one final question, Mr. Minister. What is the result of the monitoring of urban land? Do you have any figures you can give the committee?

MR. SCHMIDT: I don't tonight, but I could. We bring forth a report and as soon as the next report is out, if you wish, I could draw up a basic report for everyone. It's quite informative, the information that's available. Only one other concept that there are

companies that under the temporary regulations are 1 or 2 per cent out of being what we call Canadian owned. We feel the regulations -- so-called Canadian companies have operated and operate only in Canada and have for years and years and have been recognized as such, and I think in the regulations that will be more permanent they will recognize that type of change percentagewise because the shares fluctuate back and forth. But it wasn't the intent of the regulations to kill those that have been known as Canadian companies and have always operated here.

MR. NOTLEY: Fair ball.

MR. CHAIRMAN: Mr. Clark.

MR. CLARK: Mr. Chairman, my question is just a technical question with regard to Vote 5. Mr. Minister, under code 430 and the objectives of expenditure, professional, technical, and labor services have gone up from \$55,000 to \$325,000. Perhaps you don't have the details here. If you could bring them to the House when we do the estimates.

Also I notice that in all the . . . No, in Vote 5 under the objectives of expenditure, really it's code 430 which is professional, technical, and labor services. That's the vote that you generally hire consultants under.

MR. NOTLEY: Always look at that one.

MR. PAQUIN: (Inaudible) proposing using \$270,000.

MR. SCHMIDT: Two hundred and seventy thousand dollar figure for the survey that will be carried out at La Crete for the parks of four basic townships.

MR. CLARK: Who's doing it?

MR. PAQUIN: I'm not too sure if they have awarded the contract yet, but it would appear that the successful applicant was a company known as Gilmour surveys.

MR. CLARK: Very good.

MR. PAQUIN: But I'm not too sure if it has been awarded yet.

MR. CLARK: The other question, Mr. Minister, I notice in all Vote 5 wages have gone up about, oh, about 55 per cent. That's I guess where you hire part-time people. When you talked earlier about hiring a number of students, are you taking on an additional number of students this year?

MR. SCHMIDT: All we can get out hands on I would imagine.

MR. CLARK: You can get your hands on one-third more than you could last year? I notice the estimates have gone up from \$427,000 last year to \$665,000 this year, which is about a 55 per cent increase.

MR. SCHMIDT: I think our total increase in manpower is about \$440,000, is it not?

MR. PAQUIN: Yes.

MR. SCHMIDT: We use a lot of help in that aspect, in that direction, agreed.

MR. CLARK: My question is just what addition are you going to do this year for another almost \$.25 million in wages in Vote 5?

MR. SCHMIDT: It's actually I think some \$400,000. Well we've got, first of all, in all of our reserve areas we are now going into pasture managers, who were part-time before. They'll be part-time now but for a much longer portion rather than the grazing season.

Secondly, we use the services during a summer of all the employees we have from the university -- 422,000 I think in total in the whole department, an increase in our man-years of labor. So from the permanent positions we're providing some of the type of service on an ongoing basis in that way, rather than providing -- other than the three permanent people that we've had listed on the change in our permanent full-time positions.

HON. MEMBERS: Agreed.

MR. CLARK: We'll explore that a little further in the House.

MR. CHAIRMAN: We have a motion for adjournment. Thank you, John.

(The meeting adjourned at 10 p.m.)