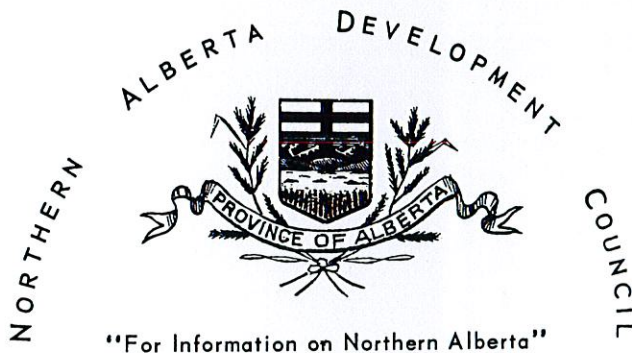


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Annual Report, 1970

**NORTHERN ALBERTA
DEVELOPMENT COUNCIL**





324 Legislative Building
Edmonton 6, Alberta

January 27, 1971

To His Honour,
J. W. Grant MacEwan,
Lieutenant-Governor in Council
Legislative Building,
Edmonton 6, Alberta

May It Please Your Honour:

The undersigned has the honour
to transmit herewith the eighth Annual Report
of The Northern Alberta Development Council.

Respectfully submitted,

The Honorable A. O. Fimrite,
Minister Without Portfolio
Chairman

NORTHERN ALBERTA DEVELOPMENT COUNCIL

1970-1971

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Council members pause during a project inspection tour to study a map of the area. From left to right: Mr. McLaughlin, Mr. Barton, Mr. Brese, Hon. A. O. Fimrite, Mr. Duncan, Mr. Stromstedt.

CHAIRMAN'S STATEMENT

A review of the activities of the Northern Alberta Development Council since its inception in 1963 engenders mixed emotions. The satisfaction of realizing that a great deal has been accomplished in this relatively short time is tempered by the sure knowledge that so much remains to be done.

The existence of the Council and its responsibility to draw attention to the problems of northern Alberta have resulted in roads and airstrips to provide access to formerly isolated communities and eased travel between these communities and their centres of supply. A number of studies have isolated the problems and potential of northern development in agriculture, industry and resources. Rural electrification in the region has been simplified and accelerated; water supplies have been improved; health and educational services have been increased.

Most gratifying is the contribution the Council has been able to make toward the improvement of living conditions for the residents of the region with which it is concerned. From the recommendation for the establishment of a Community Development program which was put forward in 1963 to the completion of the Chipewyan Lakes garden project in 1970, the activities of the Council have been focused most sharply on assistance to people. In this aspect, the cooperation and help of the Human Resources Development Authority has been most appreciated.

Over the years, the office of the Northern Alberta Development Council has become a clearing house for information about the region. Queries have been received, and are being

received daily, from all across Canada and from many other countries, asking about resources, opportunities for development, details for feasibility studies, living conditions and vacation attractions. The variety is almost boundless. Even as this is being written, my office is busy packaging information concerning the province's gypsum potential for a leading Japanese industrial concern, as well as material on living conditions for an Ontario family considering a move to the Peace River region. The provision of this type of information has been instrumental in attracting both capital and people to northern Alberta.

In the years to come, development of the region's natural resources will result in population increases, creating a new market area and new problems of housing, health, education and communication. The solutions which may have been effective in other areas of the province are not necessarily those which will be best for the north. Because of its size, widely-scattered population and climatic difficulties, this part of Alberta requires special attention and consideration.

This is where the future lies. Intensive effort is demanded to discipline its development into those channels which will result in the greatest benefit to the province as a whole and in particular to the north and its people.



Hon. A. O. Fimrite,
Chairman,
Northern Alberta
Development Council

FUNCTIONS OF THE N. A. D. C.

The economic and social development of northern Alberta, because of its geographic location, sparse population and communication difficulties, presents problems which are unique to the area. To provide the special attention required by this situation, the Northern Alberta Development Council was created by Act of Legislature in 1963. Its function: to advise the provincial government on projects and programs which would aid the development of that section of the province north of the 55th parallel.

To learn the problems of the north, the Council toured the region, held public meetings, attended conferences and accepted briefs from organizations and individuals. The groups which had strongly supported the formation of the N.A.D.C., such as boards of trade, chambers of commerce and community organizations, continued to be most co-operative. From them came valuable information on requirements for northern development, along with evaluations of existing programs. Submissions from all groups were carefully considered before the council made its initial recommendations to the Executive Council.

Since the N.A.D.C. is an advisory body, without operating staff, it makes use of the facilities provided by various departments of government in the actual implementation of the programs. Council projects are in addition to the

normal responsibility each department has to the region as a part of the province as a whole.

Recognizing the need for special financing to implement the recommended projects, the Alberta legislature in 1965 assigned a budget to the council. This was initially \$5 million. Later it was increased to \$8 million and eventually the \$21 million maximum was assigned. The final expenditure of the N.A.D.C. budget took place in 1970. Approved appropriations for each fiscal year of the term were:

<u>YEARS</u>	<u>AMOUNT</u>
1965-1966 -----	\$2,500,000
1966-1967 -----	5,000,000
1967-1968 -----	5,500,000
1968-1969 -----	4,000,000
1969-1970 -----	3,000,000
1970-1971 -----	1,000,000

Financing of major projects during the past six years were distributed as follows:

<u>PROJECT</u>	<u>AMOUNT</u>
Airstrips and Airports -----	\$ 1,844,774
Roads and Bridges -----	18,129,395
Drainage and Flood Control ----	670,000
Domestic Water and Health Improvements -----	500,000
Parks -----	369,000
Fish and Wildlife -----	77,000
Surveys and Research -----	135,000
Human Resources Projects ----	54,416
TOTAL -----	<u>\$21,779,585</u>

(Amounts over the total appropriation were obtained through special warrants approved by the Executive Council.)

N. A. D. C. PROGRAMS

1970 - 1971

For the year, a total of \$1 million, the remaining balance of the original \$21 million, was allocated for use by the Council. The amount was divided as follows:

<u>PROJECT</u>	<u>APPROPRIATION</u>	<u>EXECUTIVE DEPARTMENT</u>
Domestic Water Projects -----	\$ 100,000 -----	Municipal Affairs
Drainage and Flood Control -----	150,000 -----	Municipal Affairs
Roads -----	175,000 -----	Highways and Transport
Airstrips -----	66,200 -----	Lands and Forests
Roads to Resources -----	341,350 -----	Lands and Forests
Parks -----	50,000 -----	Lands and Forests
Geologic Mapping -----	28,500 -----	Research Council of Alberta
Human Resources Community Projects -----	88,950 -----	Various—Through H.R.D.A.
 Total -----	 <u>\$1,000,000</u>	



Domestic Water Projects

The provision of pure water, on a continuous basis, is necessary to the health of any community. In many northern settlements, neither the resources nor the organization is available to provide this essential commodity. In these cases, to assist in alleviating the possibility of health hazards, the Council assigns funds to be used for improvement in water supplies. During 1970, the Department of Municipal Affairs utilized the funds available for the following projects:

<u>COM- MUNITY</u>	<u>PROJECT</u>	<u>FUNDS PROVIDED</u>
Fort Chipewyan	Installation of filtration plant -----	\$31,752.20
Faust	Continuation of water system started in 1969. Distribution system installed and water treatment plant added -----	34,647.28
La Crete	Test well drilled ----	6,277.25
Grouard	Additional water points installed, requiring extension to present lines -----	12,043.45
	Total -----	<u>\$84,720.18</u>

(Balance of \$15,279.82 expended on completion of additional work at Faust and Grouard.)



Drainage and Flood Control

These programs were implemented this year by the Department of Municipal Affairs under the supervision of the Water Resources Branch of the Department of Agriculture. Essential to agriculture in the area is the speeding up of spring run-off flood waters from low-lying arable land. The program to facilitate this was continued with the following projects which were financed 60 per cent by the N.A.D.C. and 40 per cent by the Improvement District concerned.

<u>AREA</u>	<u>PROJECT</u>	<u>FUNDS PROVIDED</u>
ID 16	Little Smoky -----	\$ 17,900
ID 17	Sucker Creek, Kushner, Krawchuk, Marie Reine	26,100
ID 21	Jack Creek -----	22,300
ID 22	East Manning -----	33,700
ID 23	La Crete -----	50,000
	Total -----	<u>\$150,000</u>

Roads

The Department of Highways and Transport continued construction of the Clear River Road Project which was initiated in 1965 and to which the Council has contributed \$2.5 million to date. This year, a total of \$175,000 was assigned to the project, of which \$120,000 was used to complete the grading of the west approach to the Clear River Crossing, while the balance went to gravelling 25 miles of road, including the crossing. The Clear River Road when completed will run west from Highway 2 at Fairview to link with the B.C. highway system.

Airstrips

New airstrips, constructed by the Department of Lands and Forests and financed by the N.A.D.C. make possible an essential service for the residents of isolated areas. The program continued in 1970 with three major projects.

The surface of the Fort Chipewyan Airport was regraded and gravelled; the Footner Lake Terminal Building was completed; and an engine house was constructed at Slave Lake Airport. In addition, \$35,000 was used to purchase a gravel crusher for use on Northern Development Airports.

Roads to Resources

This program was established by the Northern Alberta Development Council to assist resource development and to provide extra job opportunities for people in isolated communities in central northern Alberta. Although weather seriously hampered road construction this year, N.A.D.C. financing permitted the Department of Lands and Forests to complete the Beaver River Bridge and to continue with the construction of two roads: one from Fort Vermilion to Wadlin Lake and one from Peerless Lake to Graham Lake.





Parks

To enable the Department of Lands and Forests to continue with its program of developing provincial parks in the area, the N.A.D.C. in 1970 provided a sum of \$50,000. Half of this was specifically allocated to the development of Gregoire Lake Provincial Park and was used for the construction of roads and parking areas, camping circles and beach improvement. The remaining \$25,000 went for improvements in seven other parks in the region: Lac Cardinal, Lesser Slave Lake, Moonshine Lake, O'Brien, Saskatoon Island, Williamson and Winagami Provincial Parks.

Geologic Mapping

The geologic mapping of the Precambrian Shield by the Research Council of Alberta, financed by the N.A.D.C., was initiated in 1969. This year the second phase of the project, involving mapping and mineral evaluation of a six

hundred square mile area adjacent to Fort Chipewyan, is being conducted. The N.A.D.C. provided \$15,000 for this purpose, plus \$13,500 for mapping of surficial (glacial) deposits. The results of this survey are expected to serve as a guide to exploration programs undertaken by mining companies and prospectors. A similar survey was carried out by the Research Council in the Precambrian area south of Lake Athabasca last year. Maps and reports describing the results have been published.

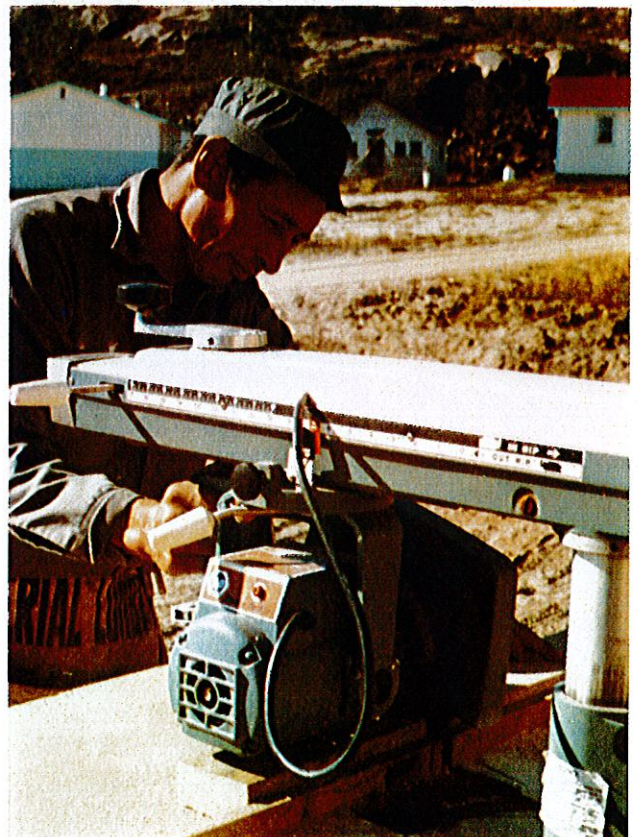
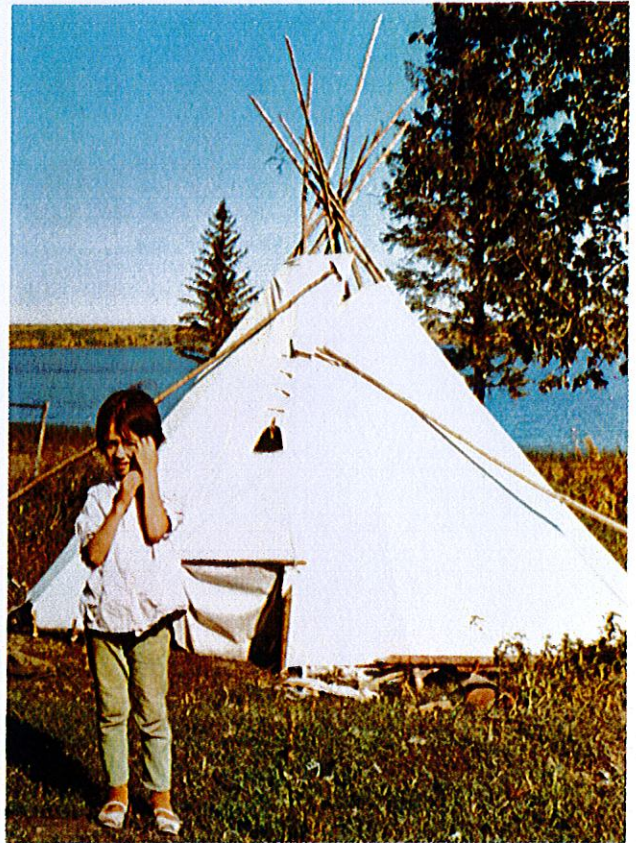


Human Resources Community Projects

The Northern Alberta Development Council maintains a contingency fund which is used mainly to support the Human Resources Development Authority in its programs of benefit to residents of the north, particularly the native people. This year, a number of projects were initiated and completed, at a total cost of approximately \$88,950.

At Loon Lake, \$1,485 was allocated to the upgrading and gravelling of approaches to a bridge constructed last year with Council funds. This completes the road within the settlement. An additional \$3,000 was provided for the construction of a community hall to serve as a centre for recreational and social activities, health and development services and other needs.

The Backwoods Colony Association of Sandy Lake is utilizing a grant of \$3,000 to complete their community hall. The council also provided \$2,529 for clearing and brushing the existing airstrip and \$2,000 for road and bridge



construction. The road from the airstrip to the settlement has been improved and a bridge has replaced the ford on the road from the settlement to the trading post.

At Chipewyan Lakes, \$5,000 was granted to continue the garden project started in 1969 which enables each family to have a cleared and fenced area for a garden. \$4,000 was provided for road clearing within the settlement and a student exchange trip to Edmonton was financed for \$400.

The Ka Pas Tin Nok Association of Peerless Lake requested assistance for the construction of a community hall and lake docks. \$3,000 was provided for the former project and \$2,000 for the latter. The docks have been completed and provide great benefit to the fishing industry from which a majority of the residents derive a livelihood.

Funds from the N.A.D.C. made possible the opening of a winter road from Wabasca to Peerless and Graham Lakes settlements. This new route shortens the trip by four hours, making travel to work and to the services of such centres as Wabasca and Slave Lake much easier.

Financial assistance was provided by the Council for the building of recreation facilities for the Big Prairie Metis Colony and to complete a community well at Atikameg. The Spruce Point Park Association of Kinuso and Faust received funds which were used to level and grass ball diamonds, improve the race track, add fencing and otherwise complete this facility.

Almost \$4,000 was granted to grade improvement, gravelling and bridges for the road to Cadotte Lake and Little Buffalo Lake which will provide year 'round access to both settlements.

Research into new markets and uses for fresh water fish was established with a grant of \$5,000 to the Food Sciences Division of the University of Alberta.

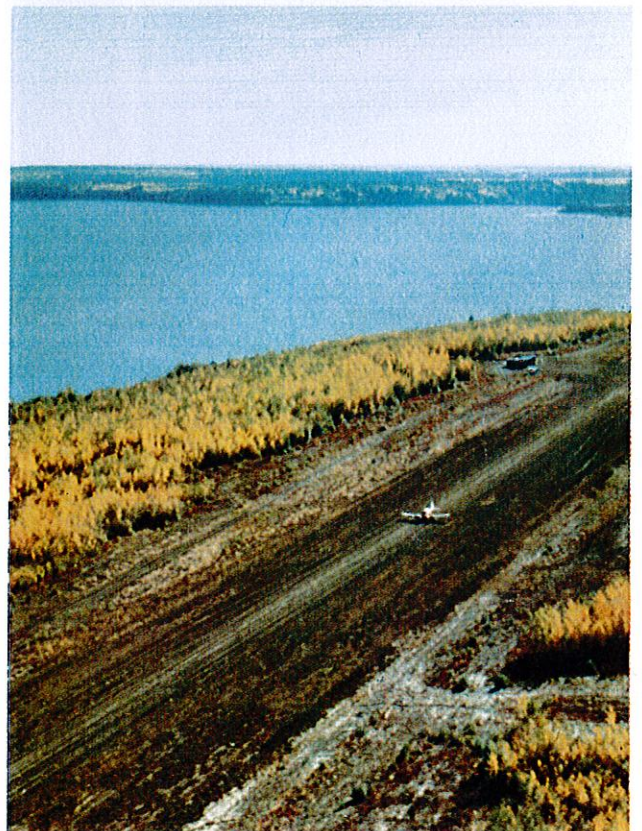
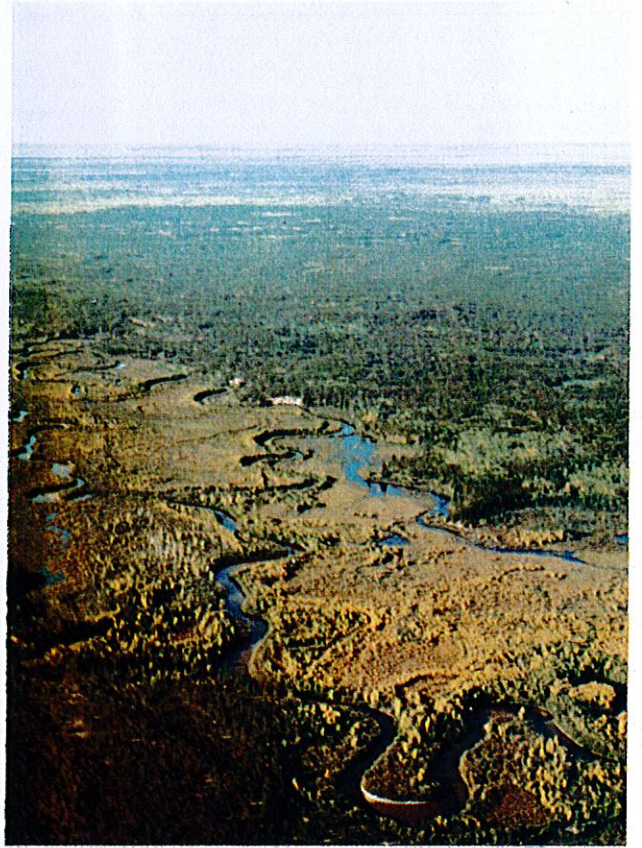
All these community projects were financially assisted by the N.A.D.C. over the year. They are the results of requests from community organizations which received the support and encouragement of the Human Resources Development Authority. Participation of the people is a requirement in all projects which, in most cases, have been partnership ventures between the government and the community.



N. A. D. C. ACTIVITIES 1970

The entire Council made a tour of northern Alberta projects in September. Although the weather hampered their efforts to some extent, they were still able to examine and evaluate a number of programs which were in progress at that time and to determine further requirements. Two of the projects inspected were the construction of the Sandy Lake community hall and the Graham Lake-Peerless Lake road. In addition to inspecting council-financed programs in the area, the Council also had the opportunity to study other developments, such as the new saw-mill which was being constructed at Wabasca by the Indian band under Chief Sam Young. It was also taken on a tour of the Wabasca-Desmarais School.

At Cadotte Lake, the Council met with Father Baratto and reviewed with him some of the needs of that community. It was this meeting which subsequently resulted in funds being approved for the road improvement programs at Cadotte Lake and Little Buffalo Lake.





Weather prevented the group from visiting the Mitsue Lake Industrial site but they were briefed on the progress of the Alberta Hardwoods project. Approval was given for airstrip clearing and brushing and road improvements at Sandy Lake during the tour as well.

To facilitate construction of road systems in the north, in which the Council has been very active, the Surveys Branch of the Department of Highways was commissioned to undertake a comprehensive route study of the area. This was designed to determine the appropriate right-of-way for all connecting roads so that all future work will follow an approved alignment. The report was completed late in the year and should prove of great benefit to any agency of government working on road construction in the area.

Northern Alberta was represented by members of Council at a number of conferences and conventions during the year. Among these were: the Regional Planning Conference at Grande Prairie; "Outlook '70", the Tourism Conference in Edmonton; the Agricultural Policy Conference for Leaders of Farm Organizations in Banff; the Fort Vermilion Area Board of Trade Annual

Supper; the Down North Good Roads Association meeting in Uranium City; the Annual Convention of the Canadian Tourist Association; the Fifth Annual Northern Development Conference and the Alberta Indian Association Conference.

Among the other activities of the Council during the year, in addition to those funded projects already mentioned were: a study on the feasibility of a floatplane base to service the Fort Chipewyan area; the investigation into the extension of electrical service into the Wabasca-Desmarais area; and the establishment of a committee to determine regulations regarding construction of fishing lodges in the region.

As the final \$1 million of the original budget of \$21 million assigned to the Northern Alberta Development Council was expended during the year, it became necessary to re-examine the present and future role of the organization. To facilitate this, a Northern Development Study Committee was formed, with representatives from the N.A.D.C., the Human Resources Development Authority and other branches of government. The committee expects to present its observations and conclusions to the Executive Council early in 1971.

NATURAL RESOURCES DEVELOPMENT

Forestry

The forest products industry is beginning to emerge as one of the chief contributors to the economy of the region. The announcement was made in December of the establishment of a new pulp mill by Procter and Gamble Company of Canada Ltd. Construction is expected to begin in the spring of 1971 at a site eight miles south of Grande Prairie on the north side of the Wapiti River. The target date for pulp production from the \$80 million bleached kraft mill is 1973.

The mill and associated woodlot operations are expected to employ about 700 people with an annual payroll approaching \$7 million. The stringent air and water quality standards which have been established by the Alberta government will be met or exceeded when the plant is in operation. The reforestation program of the company will replace each four acres harvested in a given year with five acres and the land will continue to be available for public recreation.

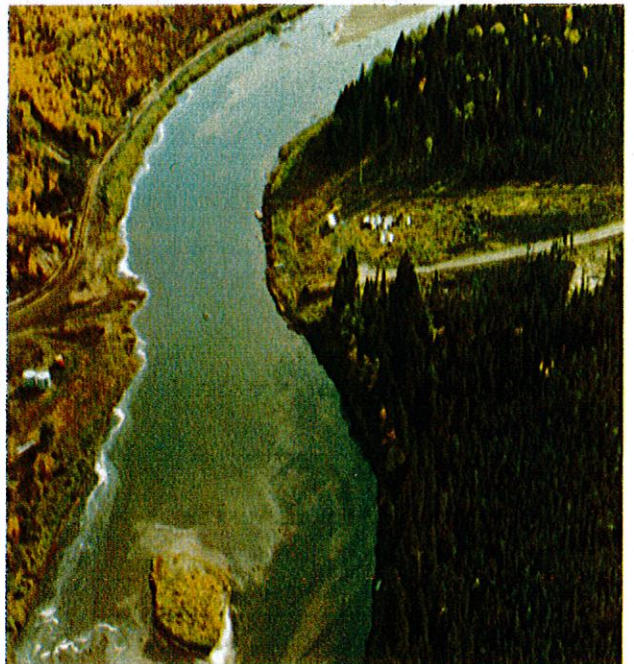
With the Slave Lake region declared an incentive area by both federal and provincial governments, a number of producers have announced their intentions of establishing in the region. Alberta Hardwood Co. Ltd. began construction of their \$3 million mill late in 1970. When completed, the facility will provide full time employment for some 95 people in the mill with seasonal employment in the woods for another 300. The plant is situated on a 40-acre site at Mitsue, just east of the town of Slave Lake. The company has purchased the rights to 9,490 acres of deciduous timber annually, yielding some 60 million board feet. This will be the first major operation to utilize poplar as a raw material.

Two mills are being considered by another firm, one at Red Earth and one at Slave Lake, which would represent a \$1.5 million investment and employ 75 full-time and 200 seasonal workers. Other firms have applied to Ottawa to

build mills which will create a total of 160 year 'round jobs and 265 seasonal jobs, with a total investment of \$4 million, if approved.

At Smith, Federated Co-operatives Ltd. invested \$350,000 in converting to a dry kiln operation, with three units capable of processing 300 million board feet annually. In addition, the company added a \$150,000 fire protection system to its operation and invested \$125,000 in a chipping system.

Imperial Lumber Co. Ltd. converted its operation at High Prairie to dry kiln as well, at a cost of \$80,000. This will permit the mill to operate ten months of the year and produce up to 20 million board feet annually.



Mining

The most active conventional mining area in the province during the year was at Grande Cache, where McIntyre Porcupine Mines is in its second year of a 15-year contract to supply 30 million tons of high-grade metallurgical type coal to the Japanese. The value of the produc-



tion is expected to total \$330 million over the full term. An additional export contract is currently under negotiation and it is possible this will equal the existing volume.

Of the total revenue of \$22 million which the coal will bring yearly, about \$7 million is returned directly to the Alberta economy through wages and salaries, with \$7.7 million being spent on maintenance, repairs and supplies and coal preparation. About two-thirds of the revenue, therefore, finds its way back into the provincial economy.

It is estimated that the population of the Town of Grande Cache, at the end of 1970, was 3,000. Estimated total expenditure to that time on land, clearing, grading, water, sewer, storm sewer, sidewalks, curbs and gutters, paving and underground power was close to \$5 million.

A sixteen-room school has been constructed at a cost of approximately \$500,000 and a twelve-classroom elementary school and an addi-

tion to the sixteen-classroom Junior-Senior High School are presently being constructed at a total cost of approximately \$1.25 million. A thirty-four-bed hospital and ten-bed nurses' residence, costing approximately \$875,000 was completed.

Currently under construction is the \$28 million, 150 megawatt power installation of Canadian Utilities. Power from this plant will serve the needs of the town and the mine, with surplus power being fed into the provincial power transmission grid. The plant, fueled by a by-product of the mine, is expected to go into operation in the fall of 1972.

Production of crude oil from the Athabasca Oil Sands by Syncrude Canada Ltd. is scheduled for 1976, although active development is being delayed pending a final decision on the federal white paper on taxation. Production is expected to reach the approved capacity of 80,000 barrels a day in 1977. Production will be divided into 50,000 b.p.d. of synthetic crude, 25,000 b.p.d. of specialty fuel oils and 5,000 b.p.d. of naphtha.

Natural Gas

The processing of natural gas continued its rapid expansion during 1970 in northern Alberta.

A number of new plants were completed, several operations were expanded and extensive investments were made in the construction of new facilities.

<u>OPERATING COMPANY</u>	<u>LOCATION</u>	<u>COST</u>
New Plants		
Atlantic Richfield Pan American Sinclair Canada Scurry Rainbow	Gold Creek Field	\$ 7,000,000
Canadian Fina Oil Ltd.	Greencourt	2,000,000
Hudson's Bay Oil and Gas Union Oil of Canada Chevron Standard	Kaybob South	25,000,000
Voyager Petroleums	Plain	324,000
Pan American Petroleums Mobil Oil	Waskahigan	1,000,000
Expansions		
Hudson's Bay Oil and Gas	Sturgeon Lake South	(one 110 hp compressor)
Tenneco Oil and Minerals	Flat Lake	1,000,000
Amoco Canada Petroleums	Marten Hills	2,000,000
Imperial Oil	Judy Creek	3,000,000
Shell Oil	Hope Creek	10,000,000
Under Construction		
Shell Oil	Hope Creek	1,000,000
Imperial Oil	Redwater	1,000,000
Chevron Standard	Kaybob South	70,000,000



Agriculture

In spite of the development of natural resources, agriculture continues to remain the greatest contributor to the economic growth of the Peace River region of northern Alberta. In 1970 yields of nearly all crops were above the 1965-1969 average. Wheat acreage was diminished under the federal recommendations but there was an increase in areas of oats, ryes, rapeseed and tame hay.

Yields per acre were, in all cases, over the 1969 figure and, in everything but rye, higher than the average for the preceding five years.

There was increased activity in livestock production during the year, with substantial additions in the number of hogs, sheep and lambs and hens and chickens. Calf production rose by a small percentage while cattle and horses decreased very slightly.

Homestead sales, applications and leases showed a slight decline during 1970 throughout the entire province. About 80 percent of the following figures are for northern Alberta.

	<u>No.</u>	<u>Acreage</u>
Civilian and Veterans Homestead Sales at December 31, 1970 -----	4,236	1,157,575.84
Sale Applications Received -----	278	
Leases at December 31, 1970 -----	1,283	335,534.14

Human Resources

No resource is more important to the growth of a region than the people who live there. The future of Northern Alberta rests with its residents and population increase provides a reliable barometer of the increased interest in the area.

So great is the change and so quickly are new towns and settlements being established and expanded that it is difficult to provide accurate population figures. Making the problem even more complex is the transient nature of the population attracted to the area by resource development and construction.

However, some indication of the growth of the area can be gained by a comparison of the population change between 1966 and 1970. D.B.S. figures showed 92,500 persons residing north of the 55th parallel in 1966. In 1970, the total resident population of the area is estimated at over 115,000.

