

NORTHERN ALBERTA DEVELOPMENT COUNCIL

PROVINCE



OF ALBERTA



*Annual Report 1966*

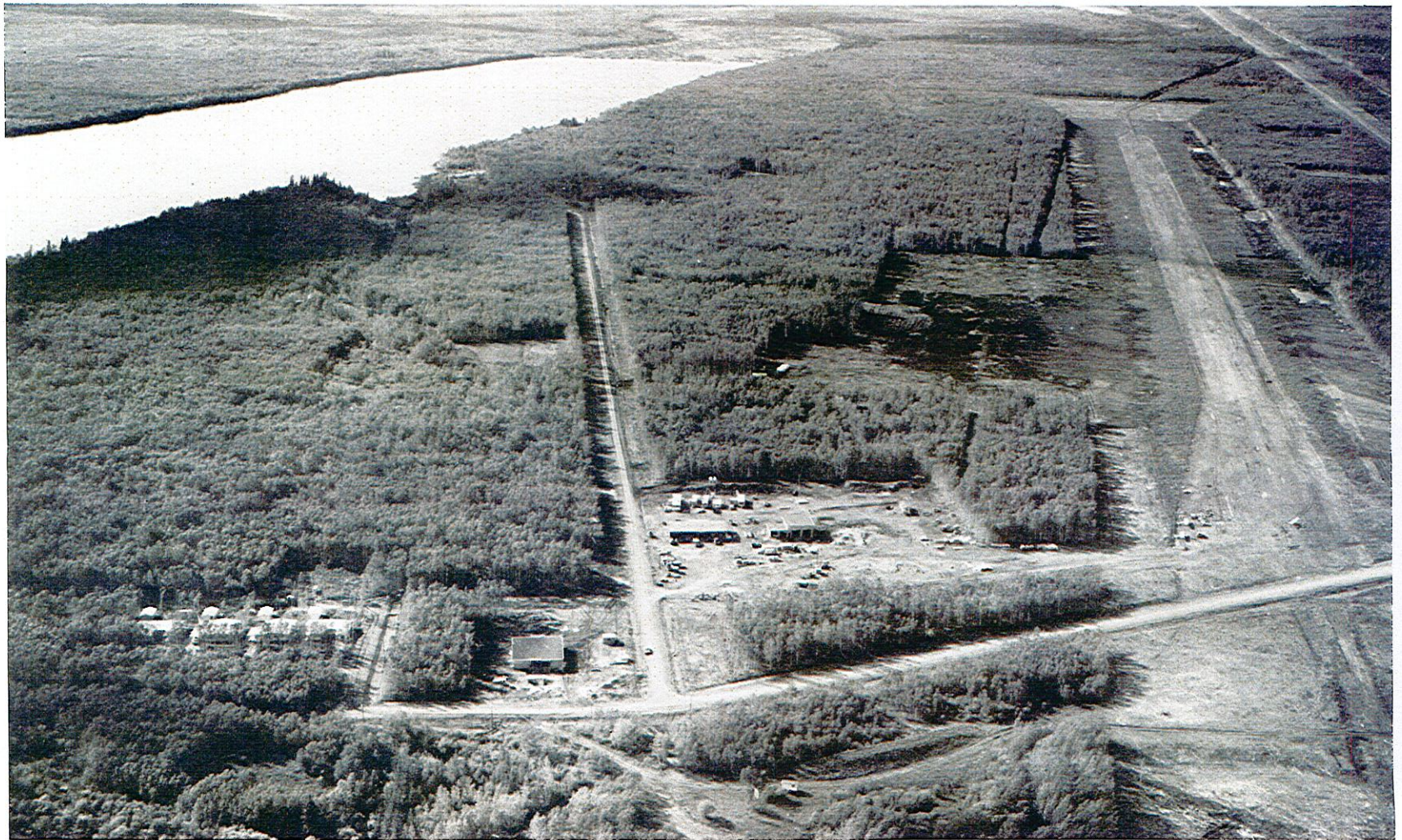
To His Honour,  
J. W. Grant MacEwan,  
Lieutenant-Governor in Council,  
Legislative Building,  
Edmonton, Alberta.

May It Please Your Honour:

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

Respectfully submitted,  
Honourable A. O. Fimrite,  
CHAIRMAN

Date: February 1st, 1967.



**Footner Lake Forest Division Headquarters and Airstrip under construction**

# NORTHERN ALBERTA DEVELOPMENT COUNCIL

January 1 — December 31, 1966

## MEMBERS

Hon. A. O. Fimrite	Chairman and Minister without Portfolio
Mr. Ira McLaughlin	Deputy Chairman and MLA for Grande Prairie Constituency
Mr. J. E. Oberholtzer	Member and Deputy Minister, Department of Industry and Development
Mr. R. E. Duncan	Member and Utility Company Manager
Mr. J. Stromstedt	Member and Farmer

## OFFICES

### Chairman

Hon. A. O. Fimrite,  
Legislative Building,  
Edmonton, Alberta.

Phone: 229-3951

### Deputy Chairman

Mr. I. McLaughlin,  
Provincial Building,  
Grande Prairie, Alberta.

Phone: 532-2281

### Executive Officer

K. H. Easson,  
206 Royal Trust Building,  
10039 Jasper Avenue,  
Edmonton, Alberta.

Phones: 422-0870

422-0718

## THE COUNCIL

The year 1966 has been most significant for the Province of Alberta and for the Northern Alberta Development Council who have the responsibility of fostering increasing economic and social development in the 129,000 square mile area of the Province north of the 55th Parallel.

It saw the allotment of funds by the Government of the Province of Alberta to the Northern Alberta Development Council increased from two and a half million dollars granted in 1965 to five million dollars provided in 1966. The majority of these funds were spent in the development of airstrips, roads, health facilities, water control, water distribution, research, and economic studies.

It saw the Towns of Peace River and Fort McMurray play hosts to senior executives of Federal Government and industry when the Economic Council of Canada, the Honourable Arthur Laing, Minister of Northern and Indian Affairs, and other senior personnel visited these areas and toured the Great Canadian Oil Sands Development. The visit by these gentlemen was a direct result of the Changing Frontier Conference held in the Town of Peace River in October of 1965.

It saw the continued co-ordination and co-operation of Chambers of Commerce, Boards of Trade, municipal and civic governments, and departments of the Provincial Government with the Council in efforts to develop our northern areas.

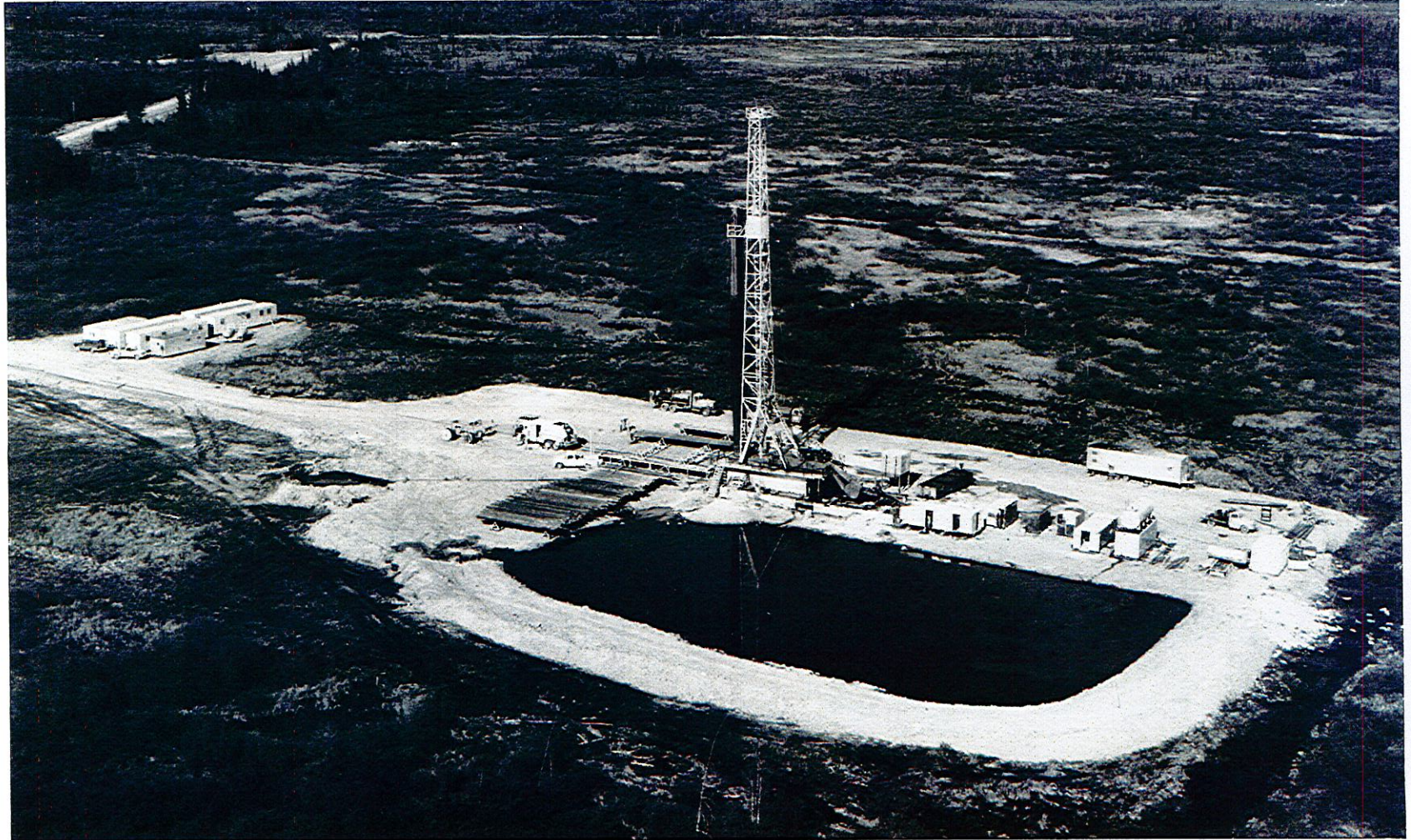
It saw the discovery and development of new major oil fields, the construction of new sawmills, the increasing interest in agriculture, and additional industrial minerals, and what is possibly the most important, the awareness that northern Alberta is a land of opportunity.

The year 1966 has seen development of our northern regions advance with great strides, and it is anticipated that 1967 will continue in this manner.

The transfer of our Executive Officer to Edmonton and the opening of an office in that city has been of major importance to the work of the Northern Alberta Development Council. Enquiries in our Edmonton Office for information on northern Alberta are being received from all parts of Canada, the United States, and Europe at an ever increasing rate. Our Grande Prairie office which is being maintained and staffed is now located in the Provincial Building in that city.

Representatives of the Council participated in meetings or conferences of the Alberta Coal Research Board, the Northern Development Committee of the Edmonton Chamber of Commerce, the Alberta Resources Railroad, the Provincial Committee on Urban Research, the Provincial Committee on Soil Surveys, the Provincial Industrial Development Board, the Provincial Committee on Water Use and Conservation, the Alberta Woods Product Seminar, the Alberta Aviation Council Annual Meeting, the Edmonton Chapter of the Petroleum and Landmen's Association, the Pacific Northwest Trade Association Conferences at Vancouver, B.C. and Sun Valley, Idaho. Council members were key speakers at meetings in Grande Prairie, Fairview, Peace River, Fort McMurray, Slave Lake, Edmonton, Calgary, and other points.

PHOTO COURTESY BANFF OIL COMPANY LTD.



Drilling in Rainbow Lake Region

## AGRICULTURE

Agriculture and agricultural by-products are and will continue to be the greatest economic factor in the Peace River District in the foreseeable future.

Concern was expressed during the early part of the growing season for what appeared to be a lack of moisture throughout the entire Peace River region. The end results, however, produced what possibly could be called an average crop, although somewhat spotty. Lack of moisture, second growth, and early freezing resulted in almost complete failures of crop in the Fort Vermilion regions, whereas the crops in the Manning area, 200 miles southwest, were above average.

During 1965, seed crops were above average with the financial returns being excellent. However, during the past summer, seed crops had a gross yield of only about 80% of average, mainly due to an exceedingly dry spring and wet weather during the harvest season. The financial returns, although not exceptionally high, were steady. The first cut of forage crops produced a substantial yield, although of poor quality. The second cut produced a high grade and excellent yield.

Normal production of honey from the Peace River Country is approximately 1/3 of the entire Provincial total. During 1966, however, production was below average, producing between 4 and 5 million pounds of honey, with a gross value of \$600,000 to \$750,000 from the approximately 40,000 colonies in northern Alberta. The total investment in beekeeping equipment at the present time in the Peace River Country is about \$1,200,000.

The interest in homesteading in the northern area continues to be appealing to the public. The following tables indicate the interest in homesteading for the entire Province, with approximately 75% of the totals shown being in northern Alberta.

### APPLICATIONS FOR HOMESTEAD SALES AND LEASES TO DECEMBER 31st, 1966

1963	1964	1965	1966
2314	1893	1146	1352

### HOMESTEAD SALES AND LEASES IN EFFECT TO DECEMBER 31st, 1966

1963	1964	1965	1966
6029	7039	6911	6547

### GROSS AREA OF HOMESTEAD SALES AND LEASES IN EFFECT TO DECEMBER 31st, 1966

1963	1964	1965	1966
1,541,751 acres	1,807,130 acres	1,809,089 acres	2,338,440 acres

During the year, in conjunction with the Department of Municipal Affairs and the Department of Agriculture, Water Resources Branch, a program was implemented to control drainage and flooding problems prevalent throughout areas of the Peace River Country. Drainage programs were started in I.D.'s 125, 131, 132, 134, 138, 139, and 146 as part of this three year program.

## INDUSTRIAL DEVELOPMENT

Results were felt during the whole year from the Changing Frontier Conference on the industrial future of northern Alberta, jointly sponsored by the Northern Alberta Development Council and the Peace River Chamber of Commerce held in the Town of Peace River in October of 1965.

The impact of this conference has spread the opportunity of the Peace River Country far and wide across Canada. There has been a great increase in the number of enquiries received by our offices for information on our northland.

It appears evident that the Council offices are becoming focal points for information. Representatives of businesses both large and small are contacting these offices either when they have interests or intend to have in the north. We have no way of knowing exactly how many businesses have been attracted to our northern climes through the information provided, but it is known that without the information, several small businesses which have opened in northern Alberta this past year would not have considered that region of our Province.

Underway is an Economic Survey of an area encompassed approximately by the 23rd Baseline on the south to the 60th Parallel on the north, east to Range 7, west of the 5th Meridian and west to the British Columbia boundary. This survey, being conducted by Mr. R. N. Harvey, Business Consultant of Edmonton, should be available for distribution sometime during the summer of 1967.

A joint Federal-Provincial Rural Development Agreement was signed during the early part of the year for a fishery survey of waters north of the 25th Baseline in the Province of Alberta. The purpose of the project is to determine whether there are opportunities to establish additional inland commercial fisheries and to obtain possible locations for sport fishing lodges, etc. The estimated cost for the three year project is \$62,000 of which the Federal Government shall pay half. Several progress reports so far have been received, and although they indicate little opportunity for commercial fishing, they have indicated northern Alberta has the opportunity for the sportsmen.

The Council is participating in a joint research program with the Research Council of Alberta, utility companies, and a railway company in the search for coal in an area approximately 40 miles south of Grande Prairie. Although wet weather hampered the exploration program during the summer months of the year, the results to date indicate it is more than worthwhile to continue this search.

Viewed with interest have been the various developments of oil and gas, timber, agriculture, and industry during the past year in northern Alberta. There is evidence that Alberta's north is in the early stages of an industrial boom and the next decade will see further major industrial development.

The Council maintained its close liaison with other industrial groups during 1966. Two Provincial Industrial Development Board meetings were attended. Other gatherings attended were the Northwest Trade Fair, a



Seminar on Industrial Wood Use, a business conference, and two meetings of the Pacific Northwest Trade Association. Our Executive Officer has been appointed a member of the Resources and Northern Development Committee of the Edmonton Chamber of Commerce, a member of the Board of the Alberta Coal Research Program, a member of the Board of the Water Utilization Committee.

## CONSTRUCTION

Although the value of building permits issued throughout northern Alberta during 1966 reached major proportions, a lack of residential housing is still of concern in several communities.

A comparison of the following table will indicate the value of building permits issued for select centres for the years 1962 to 1966. No attempt has been made to evaluate major construction projects such as the Great Canadian Oil Sands Ltd. extraction plant near Fort McMurray, or the Provincial Jail near the Town of Peace River. The inclusion of these totals would present an unrealistic figure of the average construction in northern Alberta during the course of the year.

### BUILDING PERMITS ISSUED 1962 - 1966 (Millions of Dollars)

	1962	1963	1964	1965	1966
Grande Prairie .....	4.40	3.90	2.90	3.10	3.20
Peace River .....	1.10	1.50	2.10	1.50	2.20
Fort McMurray .....	.20	.20	2.00	2.50	2.37
High Level .....		.30	1.20	.80	1.55
High Prairie .....	1.00	.30	.65	.20	.85
Valleyview .....	.40	.80	.80	1.10	.12
Fairview .....	.30	.30	.70	.40	.60
Slave Lake .....			.60	1.50	.45
Manning .....		.50	.65	.25	.50
Spirit River .....	.15	.22	.36	.30	.18

## POPULATION

In this day and age, new towns and other settlements of substantial size are established very quickly in connection with such major industries as oil and natural gas, mining, pulp and paper. This is shown most dramatically in northern Alberta when one examines Fort McMurray, Slave Lake and High Level.

In considering the potential growth of an area, with reference to local commercial and industrial enterprises in the various localities and districts, it should be recognized that these businesses are a direct function of the natural and human resources available, and of prevailing economic conditions. There are many important factors which may tend to encourage or discourage investment by either local or outside businessmen. However, in the last analysis, the market for an enterprise is provided by the people who live in the place or the area, that is,—the local population.

PHOTO COURTESY BANFF OIL COMPANY LTD.



**Rainbow Lake Pipeline under construction**

PHOTO COURTESY BANFF OIL COMPANY LTD.



**Rainbow Lake Pipeline under construction**

A preliminary report by Mr. R. N. Harvey for the Northern Council indicates that by the year 1981 northwestern Alberta shall see a population of approximately 130,000 persons or an increase of approximately 52,000 souls during the next 15 years. This compares with an increase of only 14,000 persons in the decade from 1956 to 1966.

Mr. Harvey states that there is a continual decrease in population in most of the Municipal and Improvement Districts as well as in the smaller points. "On the other hand, nearly all of the larger centers whose population approaches 1,000 or more are growing. Apart from natural increases, this appears to reflect the general movement of rural population to urban areas which ultimately has the effect of providing a sufficient concentration of consumers to enable the profitable establishment of trade centers catering specifically to these new larger local markets."

Final population figures have not as yet been received from the Dominion Bureau of Statistics or the Department of Municipal Affairs, however, it is estimated the population of northern Alberta well exceeds 100,000 persons.

## FORESTRY

The present depressed market for timber products is of concern to those utilizing our forest resources, and companies are studying most seriously the economics and feasibility of opening additional manufacturing plants in northern Alberta at this time.

Large sawmills, however, are under construction at Smith and Fort McMurray with plans being laid for the construction of mills at High Level, Fort Vermilion and in the Wadlin Lake region. In addition, several concerns are examining the possibilities of pulp and plywood manufacturing in various areas of northern Alberta.

The present production of saw timber in northern Alberta is well below the gross allowable cut per annum, providing an excellent opportunity for further expansion utilizing our forest resources.

Damage to our forests through fire showed an increase this past season, the most serious fire being on the Wabasca River near Wadlin Lake in the Footner Lake Forest Division.

### FIRES AND AREA BURNED BY DIVISION

Division	Number of Fires					Area Burned—Acres				
	1962	1963	1964	1965	1966	1962	1963	1964	1965	1966
Grande Prairie ..	26	40	13	7	14	85	120	52	601	155
Peace River .....	36	97	38	22	45	463	5463	3124	871	3541
Slave Lake .....	27	94	53	52	90	300	822	963	270	1523
Lac la Biche ....	11	66	42	23	35	1156	9884	3327	48	4538
Athabasca .....			29	24	11			3702	225	6230
Footner Lake ....				44	66				52294	52857
TOTALS .....	100	297	175	172	261	2004	16289	11168	54309	68844

Alberta is well endowed with poplar species, having a large percent of all this type timber between the lakehead and the British Columbia coast.

An Industrial Woods' Product Seminar sponsored by the Alberta Forests Association, the City of Edmonton and the Federal Government, was held early this fall in Edmonton to examine the possibilities of utilizing more of the poplar tree. The Conference was well attended, and it is hoped a greater utilization of this species will be forthcoming.

## TRANSPORTATION FACILITIES

One of the most vital factors in the development of any area is the provision of adequate transportation facilities.

In 1965, a plan was implemented with the Department of Highways to provide market roads into homestead areas. Excellent progress has been made as can be seen by examining the following summary of construction completed to November 30th, 1966, under this program.

I.D.	Miles Graded 1965	Miles Graded 1966	Total Miles Graded	Miles Gravelled 1965	Miles Gravelled 1966	Total Miles Gravelled
110 .....	1.5	8.5	10.0			
111 .....		4.75	4.75			
125 .....	7.5	8.0	15.5			
126 .....	34.5	70.5	105.0			
131 .....	18.0		18.0			
132 .....		5.0	5.0		2.5	2.5
134 .....	49.0	69.0	118.0		18.5	18.5
138 .....	30.5	38.5	69.0			
139 .....	36.0	12.0	48.0	26.0	20.0	46.0
147 .....	34.0	16.5	50.5		7.0	7.0
TOTALS .....	211.0	232.75	443.75	26.0	48.0	74.0

It is hoped the construction program of market roads into homestead areas will continue until such time as all are provided with suitable facilities and the planned program for the coming fiscal year involves the grading of 155.5 miles of road and gravelling 205.5 miles.

In addition to allotting funds for the construction of market roads into homestead areas, the Council financially aided the Department of Highways in the extension of Highway No. 58 towards Wood Buffalo National Park, the connecting road to Fort Vermilion, and the continued construction of the highway west from Fairview to the British Columbia Boundary.

Recognizing the importance and the need of a road into the oil rich area of Rainbow Lake, funds were supplied the Department of Highways for alignment and brushing on this necessary artery. It is hoped to continue the construction during the coming fiscal year.

The Roads to Resources Program commenced during 1966 and being carried out with the co-operation of the Department of Lands and Forests made excellent progress. Under construction and planned to be continued this coming fiscal year, is a road south from Fort Vermilion towards Wadlin Lake, the completion of which will open further large tracts of forested areas for development. Almost completed is a road from Mildred Lake to Fort McKay which will provide access for people of that community.

Funds have been made available for Winter Works Program which will include clearing and gravel hauling to further the progress of road construction in northern parts of our Province.



**Rainbow Lake Pipeline under construction**

PHOTO COURTESY BANFF OIL COMPANY LTD.



Difficult conditions in Northern Alberta

## **AIRSTRIPS**

Excellent progress has been made this past summer by the Department of Lands and Forests in the construction of airstrips capable of serving residents in isolated communities throughout northern Alberta.

At Footner Lake, in addition to a 5600 by 150 foot gravel runway suitable for use by large aircraft, several small service buildings were constructed. A 3600 by 150 foot all-weather airstrip for use of light commercial aircrafts was constructed at Wabasca, which will be indispensable to the welfare of this community. Two smaller non-commercial type airstrips were built at Graham and Chipewyan Lakes.

In addition to the construction of the above mentioned airstrips, an Air Terminal Building was built at Fort Chipewyan, and along with the aforementioned, small finishing projects were carried out at Slave Lake. Both Fort Chipewyan and Slave Lake airstrips were constructed during the summer of 1965.

Discussions are presently underway with the Federal Department of Transport for cost-sharing agreements where practical.

The program of construction of airstrips in isolated communities is now drawing to a close, and it is expected the summer of 1967 shall see only one small non-commercial airstrip under construction. New communities in isolated areas, however, could spring up posing problems of an emergency nature.

Our Executive Officer attended the Annual Meeting of the Alberta Aviation Council in Edmonton, speaking briefly on the work of the Northern Alberta Development Council in the field of aviation.

The following quotation from a speech delivered by Mr. W. R. Harris, Vice-President and General Manager, Pacific Western Airlines Ltd., Vancouver, to the Economic Council of Canada in Peace River in August 1966, will indicate the growing importance of aviation in our northern areas.

“The development of Northern Alberta and of the southern portion of the Northwest Territories adjacent to Alberta, can perhaps be best illustrated by our total passenger traffic to each of the points we serve in this area: —

In 1961 we carried 18,000 passengers; each succeeding year showed increases to these totals: 1962-22,000, then 25,000, 41,000, 62,000—and 1966 we estimate we will be carrying something over 90,000 passengers between these points. This is a growth over the six year period of very nearly 500%. This situation is perhaps as suggested recently by an American friend interested in this North, that for many, many years we kept expecting that someday the North would boom but it seemed relatively far off. Now we're in the middle of the boom without realizing it.

Until very recently Fort Chipewyan, a town of some 1,500 people on the west end of Lake Athabasca, was serviced only by small aircraft making connecting flights with our service at Fort McMurray. The Northern Alberta Development Council together with the Alberta Department of Lands and Forests, undertook to build a suitable airstrip near the town. This summer



the airport was officially opened and our company commenced service with four engined equipment. Already we are somewhat embarrassed by the volume of passenger and freight traffic being generated by Fort Chipewyan and find our earlier estimates of the service required are far too conservative."

Mr. Harris further went on to say that an electronic computer study indicated that passenger traffic carried into the northern areas can be expected to more than double every four years, and this increase will require the installation of modern navigational aids and instrument landing systems at all principal airports.

## **SOCIAL ASPECTS**

The problems encountered in providing health and medical facilities to the residents of widely scattered communities in northern Alberta has been of concern to members of the Council. The construction of all-weather airstrips in isolated communities and the formation of a Northern Health Service will do much to alleviate the health and medical problems.

Funds were supplied for the erection of a medical centre in the Wabasca-Desmarais area with the Department of Public Health and the Improvement District supplying furnishings for the residence and the offices on a 60-40% basis.

Contamination of water supplies in northern areas is prevalent, and the Council is cognizant of this problem. Funds have been supplied the Department of Municipal Affairs to alleviate the contaminated water supplies in several communities throughout the north. Where possible cost sharing agreements have been arranged.

It is proposed funds be supplied during the coming fiscal year in efforts to correct the contaminated water supplies of a number of our northern communities.

The education of our northern citizens took a major step forward during the year with the establishment of the Grande Prairie Junior College. Members of the Council attended the Official Inauguration. Enrolment at this College already exceeds the expectations and gives rise to the thought that possibly another Junior College should be established somewhere in the north. Also viewed with interest was the new Adult Vocational School at Fort McMurray.

Upon the recommendation of the Northern Alberta Development Council, the Government of the Province of Alberta established the Community Development Branch in 1964, aimed primarily at providing a service to people of Indian descent, whereby they can help themselves. This Branch has expanded rapidly, with Community Development Officers now located at Hinton, Wabasca, Fort Chipewyan, Fort McMurray, Slave Lake, Lac la Biche, and Edmonton.

Construction during 1966 of new or enlarged hospital facilities were started or completed in the communities of Fort McMurray, Beaverlodge, Fairview, and Grande Prairie.

## OIL AND GAS INDUSTRY

The surge in oil and gas exploration in northern Alberta which commenced during the year 1964 grew rapidly during 1965, reached major proportions during the year 1966.

In 1966 as in the previous year, it is estimated that almost one half of the two hundred and thirty odd drilling rigs in the entire Province of Alberta are actively engaged in the search for oil and gas in the northern parts of our Province.

Interesting discoveries in the Rainbow-Zama and Bistcho Lake regions of northwestern Alberta have focused the eyes of the oil industry on the northern areas of Alberta. Encouraging further exploration, was the completion of the twenty inch, 132,000 barrel per day Rainbow Pipeline which is now delivering oil to Edmonton.

Northern Alberta with its recent new discoveries is now under-going intense evaluation by the oil and gas industry, and we are confident that many oil and gas fields remain undiscovered.

The following tables indicate the changing role of northern Alberta in the provincial oil and gas industry.

### OIL AND GAS WELLS DRILLED NORTH OF THE 55th PARALLEL

Year	WILDCAT WELLS				Development	Total
	Oil	Gas	Dry	Total	Wells Completed	Wells Completed
1959 .....	1	3	68	72	44	116
1960 .....	1	4	71	76	31	107
1961 .....		7	54	61	29	90
1962 .....	1	4	71	76	22	98
1963 .....	8	8	69	85	68	153
1964 .....	20	6	97	123	176	299
1965 .....	41	9	157	207	261	468
1966 .....	40	7	170	217	260	477

### ESTIMATED RESERVES OF CRUDE OIL AND GAS NORTH OF THE 55th PARALLEL

Thousands of Barrels and Billions of Cu. Ft.

Year	Virgin	% of	Virgin	% of
	Recoverable Reserves-Oil	Total Province	Marketable Reserves-Gas	Total Province
1959 .....	126,236	3.0	1576.0	5.4
1960 .....	139,580	3.1	1673.0	5.0
1961 .....	152,663	3.2	1783.0	5.3
1962 .....	173,828	3.4	1638.0	4.6
1963 .....	211,910	3.9	1655.0	4.5
1964 .....	342,603	4.5	2275.0	5.7
1965 .....	564,012	6.9	2275.0	5.4
1966 .....	1,000,000	11.5	2477.0	5.7

Near Fort McMurray, the construction of the multi-million dollar Great Canadian Oil Sands Ltd. synthetic crude plant for the recovery of oil from the Athabasca Tar Sands is proceeding on schedule. It is anticipated

PHOTO COURTESY GREAT CANADIAN OIL SANDS LTD.



Great Canadian Oil Sands Ltd. Bucketwheel Excavator No. 1 under construction

this plant will be in partial operation during the summer of 1967, and on full production by October of the same year.

The Athabasca Tar Sands and the recent discoveries through conventional exploration methods in northern Alberta must be counted as major factors in Canada's oil development and will greatly enhance our position as a supplier of the world's energy needs in the years to come.