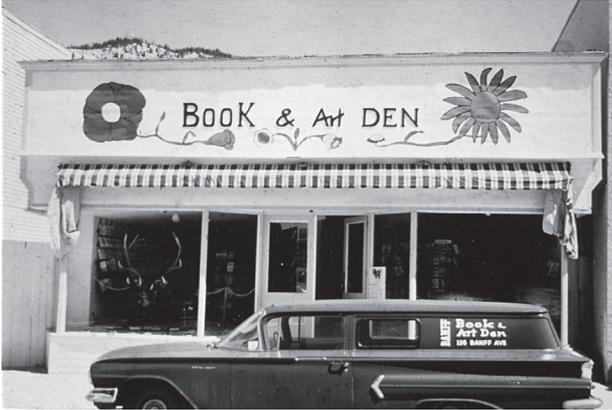


## Chapter X



## The Great Divide

After the debate over inviolability in the lead-up to the passage of the National Parks Act of 1930, the issue of development versus protection of Banff's park lands largely faded into the background. However, in the postwar tourism resurgence, the controversy would re-emerge and become a dominant theme in Banff National Park life. But this time, attention would not be focused on concerns regarding industrial development on park lands but on worries about the over commercialization spurred by local and Calgary skiers who saw Banff as a perfect location for the Winter Olympic Games and associated resort-style ski development. Canadians who believed that as a national park, Banff was not an appropriate location for such activities countered this movement, and the discussion would coalesce with residents' concern about the security of their leases and deepening housing issues as the town's population continued to grow. At the same time, changes in the character and makeup of national parks administration resulted in planning activities and new policies that attempted to rationalize the competing forces at work. These matters and a host of others that were arising as park usage continued to accelerate would make the 1960s and early 1970s one of the most contentious periods in Banff's history.

The spark igniting the controversy was alluded to in remarks at the Lake Louise sedan lift opening ceremony in 1959. Calgary South MP Art Smith stated that "the new lift may have given Canada a great boost in its attempts to secure the 1968 Winter Olympics." The idea of Banff hosting the Olympics had been around for some time, and much of Encil's efforts to gain Fédération Internationale de Ski (FIS) sanction for Norquay and its various national and international competitions were carried out with this in mind. With the impending opening of Lake Louise, the idea became more feasible; Smith himself was part of a group of prominent Calgarians who in 1958 had created the Calgary Olympic Development Association (CODA) with the goal of attracting the 1968 winter games to the Calgary region.

In fact, he had recently accompanied a delegation of its members to Munich to introduce the idea to the International Olympic Committee (IOC) and received a positive reception. The next step for the association would be proving itself capable by hosting the 1960 North American Nordic Ski Championships at Mount Norquay, an event that received enthusiastic local support and, more importantly, moved the federal government to pledge assistance to a proposed Banff community arena housing a curling rink and a 5,000-seat Olympic ice-skating rink. Building on growing local enthusiasm, CODA invited Claude Brewster and later Jack Hayes, the new president of Brewster Transport, to become directors, and in October 1960, it abandoned the idea of splitting the game venues between Banff and Calgary in favour of holding all events in the Banff–Lake Louise area: jumping and slalom on Mount Norquay, bobsleighbing on Sulphur Mountain, speed skating and hockey at the proposed Banff arena, cross-country skiing at Lake Louise, and downhill and giant slalom on Mount Whitehorn.

Once conceived, the idea of hosting the Olympics in the park would dominate discussion in Banff and Calgary. First up on the agenda was receiving Canadian Olympic Association (COA) sanction as five other Canadian venues had been put forward. This would require CODA to strongly lobby the federal and provincial governments. On the local front, good publicity was generated by Banff skiing interests, who invited former Olympic champions to test out their hills. Based on a consultant's report recommending Banff over Garibaldi, at its April 1961 meeting the COA approved the CODA bid, and attention then turned to the IOC's international selection meeting scheduled for two years hence, during which Canada would compete against four other countries. Federal financial support for the bid at first proved tepid when CODA announced a proposed budget of \$20 million for the games, leading Calgary oil interests to step in and pledge capital for whatever commercial facilities were needed. Continued

strong lobbying of the federal government eventually succeeded in bringing influential Trade and Commerce minister George Hees onside, and thereafter he became the key cabinet voice urging the federal government to throw its full weight behind the bid. The first indication of support came in April 1962 when Resources minister Walter Dinsdale spoke at the official opening of the curling rink portion of the new Banff arena, for which the federal government had provided a \$225,000 loan. He proclaimed that Ottawa was prepared to put up more than \$5 million for the necessary Olympic facilities.

Meanwhile, there had been no such hesitation on the part of Banff ski interests as increasing pressure from Calgary skiers and the belief in the inevitability of Banff's hosting the Olympics led to an amazing burst of on-hill development. Fisher extended lift service at Norquay up the Forty Mile Creek watershed, beginning by installing a Poma lift capable of carrying 1,180 skiers per hour to the Mystic Lake trail in February 1961 and following it a year later with a new lift on the Lone Pine run. Cliff White Jr., who had cut his teeth helping his father with early development at Skoki, had acquired Sunshine from Encil in 1960 and with his wife Bev began upgrading its facilities. They installed a T-bar on Wawa Ridge in 1961, added to the lodge with food services in 1962, and began constructing several 10-room chalets for accommodation in 1963. McDowall followed suit at Lake Louise; he added a Poma lift in 1961 to link the upper terminal of the sedan lift with a shoulder of Eagle Mountain and thereby opened a huge new piece of Whitehorn ski terrain. He also added a new lift on Larch Hill in 1962 and cut two new runs, designed by FIS technical experts and cleverly named the Men's and Ladies' (Olympic) Downhills, on Whitehorn's steeper slopes.

At the end of 1962, CODA announced that the IOC was postponing site selection for the 1968 games until after the Winter Olympics at Innsbruck, Austria, in the spring of 1964. This gave

other countries more time to prepare bids and gave the voices of opposition to Banff being an Olympic venue an opportunity to rise. These voices, mostly in the form of letters to the minister subsequently published in newspapers, were not particularly strong but did require those supporting the games to refute them. However, on the very eve of the Innsbruck games, a much more damaging letter was sent to the IOC. Purporting to have been written by the Banff Citizen's Committee, it claimed that the people of Banff opposed the games and that they were being promoted by Calgarians only interested in making some fast money. At the selection meeting, Grenoble, France, won the vote over Banff, 27 to 24. Although the decision was likely mainly political (Mexico City had been chosen over Lyon for the 1968 Summer Olympics), a CODA official later claimed "a derogatory letter from a Banff citizen to the IOC did not help." Although the letter was disavowed, Banff's population was shocked and was therefore pleased when CODA quickly decided to reconstitute itself as Olympics '72 and use the expertise it had gained to bid for the 1972 Winter Olympics. Four Banff citizens were asked to join a newly enlarged 11-member CODA board, with current Banff members Claude Brewster and Jack Hayes being joined by locals Don Becker and Tony Marston, and it was strengthened by several new and influential members from Calgary. One was a young lawyer whose family roots went far back into Banff's history—Peter Lougheed, grandson of Sir James Lougheed, who had created the Banff Advisory Council in 1921.

The period between Olympic bids was to prove tumultuous. In September 1964 recently elected Liberal minister of Northern Affairs and Natural Resources Arthur Laing announced a long-awaited new national parks policy, one that would have major consequences for all aspects of both the town and the park. In March 1965 he put forward an associated statement on winter development in Banff National Park that foresaw the expansion of existing ski operations in areas zoned for intensive development but

with the need for a comprehensive plan, approved by the National Parks Branch, for each area. One positive was that all areas were to be treated equally, resulting in greater cooperation with the first organized multi-area “ski weeks” in 1965 and three-area ski passes for Norquay, Sunshine, and Lake Louise soon afterwards. With respect to the Olympics, Laing’s policy was somewhat ambiguous, stating in one breath that the development of facilities in a park to accommodate international events such as the Olympics was not in accordance with the purposes of national parks and in the next, stating that if a particular area of a park was well suited for such an event it was in Canada’s best interests to allow it. This caveat allowed the 1972 bid to proceed, but it also offered an opening for the National and Provincial Parks Association of Canada (NPPAC), a recently formed nongovernmental organization that had as one of its goals “protecting the integrity” of Canada’s national and provincial parks, to get its feet wet on a high-profile environmental issue.

For CODA, matters became complicated when the IOC decided to speed up the selection process by two years and thereby greatly compressed preparation timelines. At the same moment the NPPAC swung into action organizing a “letter to the editor” campaign against the Olympics that was so effective that Jack McDowell was moved to publicly complain about “conservationist propaganda in eastern Canada.” In May 1965 the *Calgary Herald* reported that the NPPAC had prepared literature opposing tourist development in the park and had succeeded in being allowed to hand it out to visitors at the east park gate along with a self-addressed, stamped envelope containing a blank cheque and information on how to become a member. By early 1966 CODA was being forced to respond to a growing number of anti-Olympic voices. Its spokesman Lougheed, who had just announced his intention to run for the leadership of the Alberta Progressive Conservative Party, issued a statement that “the national parks branch working with Olympics ’72 has established

a program so there will be no developments at odds with national parks policy.” However, what Olympic supporters failed to realize was that the NPPAC was also seeking support behind the scenes from influential individuals and organizations around the world to oppose Banff’s bid. At the April 1966 IOC meeting in Rome, Sapporo, Japan, easily won the nod; on his return, Olympic ’72 president Ed Davis attributed the failure to a weak performance by the only Canadian IOC delegate and to “the wildlife issue,” stating, “[Olympic] President Avery Brundage preferred to take the protest seriously rather than accept government statements of reassurance.” Later he expanded on his assessment, noting that “the Sierra Club, the universities, the Audubon Society, fish and game people all lobbied the IOC delegates ... We were completely overwhelmed ... The first appearance of environmentalists.” Henceforth, that environmental point of view would become a major factor in all decisions affecting Banff National Park.

Despite the failure of the Olympic initiatives, interest in skiing and new ski development fostered by expectation of the games had let the winter tourism genie out of the bottle in Banff, and it would never be put back in. For the region to become a four-season destination, changes were required in three areas—transportation, marketing, and accommodation—and major transformations in each were about to occur. With respect to transportation, the development of jet engines and wide-bodied aircraft carrying increased passenger loads made the park accessible to a huge new corps of visitors, in particular international ones, travelling through Calgary. In May 1958 the first group of European and British travel agents visited the park as guests of Canadian Pacific Airlines, the railway’s aviation arm, on the pre-inaugural flight of its Bristol Britannica service, and in May 1961 the *Crag and Canyon* reported that “evidence that skiing is coming into its own here is to hand in the form of two planeloads of skiers from Eastern Canada set to come to the Banff–Lake Louise area next week.” As time went on and ski facilities were better developed, local tourism

interests created the Canadian Rockies Tourist Council and in 1965 it received a \$36,000 ski promotion grant from the Alberta government. The same year Bruno Engler, who had eschewed guiding for a budding photographic career, produced a ski film for the five-year-old Banff Chamber of Commerce to promote skiing; and in 1967, Hans Gmoser, who likewise had begun a new career as a ski-movie producer and lecturer, made the movie *Ski Lake Louise* for Lake Louise Lifts. These films were made available to several local “ski ambassadors,” including Mike Wiegele, Glen Tooke, Ted Clark, and Jim Santa Lucia, who, supported by the Alberta Government Travel Bureau, attended trade shows in major North American cities.

Success in attracting new winter visitors throughout the 1960s led to a meeting of Banff ski operators and hotelmen in 1969 to discuss packaging Brewster Transport’s ground transportation and accommodation facilities with Quebecair’s charter services. As a result of this marketing initiative, in February 1970, the first of six groups of 64 skiers from eastern Canada arrived for a week of skiing encompassing each of the three ski areas followed by evenings of entertainment that included swimming in the Upper Hot Springs, a dinner and dance at Sunshine, and a “donut tent” barbeque hosted by Bud and Annette Brewster. By 1971 Air Canada and the ski operators had agreed to discount their prices by 30 percent to offer an attractive new package called Skifari for skiers flying from Toronto, and by the 1973–74 season some 12,000 of its participants were annually pouring their dollars into local business coffers. The secret to the success of Skifari and other group ski tours was a major change in the winter accommodation scene in Banff, with Canadian Pacific Hotels showing the way. Its hotels had been left to languish in the postwar period, but in 1968 the first renovations to the Banff Springs were undertaken and were followed the next year by a half-million-dollar expenditure to winterize 250 rooms and associated support services. On December 5, 1969, the hotel opened for its first

winter of operation, marking the final achievement of the four-season appeal that local businessmen had been striving for since initiating the Banff Winter Carnival in 1917. Although the first few years proved difficult, in 1971 CP Hotels appointed a new manager, Czechoslovakian-born Ivor Petrak, who had experience running winter hotel operations in Vermont and Switzerland, and he would revolutionize operations by convincing the company to undertake a series of renovations and expansions that would ultimately take some 30 years to complete. In 1973, Petrak was promoted to vice president of the Mountain and Pacific Region, and his first executive step was opening the Chateau Lake Louise for winter operation. He followed this up with an initiative to attract a huge new market of Japanese skiers through masterful promotion of the Canadian Rockies in Japan.

While these developments were occurring, major changes were also taking place in the administration of Canada's national parks. In the 1950s, the engineering service's "front-country" and warden service's "backcountry" approach to park management had begun to expand to include a variety of professional services such as architects, engineers, and interpretive specialists. Perhaps most important, though, was the addition of professional park planners after a headquarters-based planning section was created in 1957. By the 1960s, there was a view becoming prevalent within its ranks—major parks, and in particular Banff, were suffering from "Coney Island type" projects. It believed park lands were being developed for tourism purposes rather than to deliver a more parklike experience. Consequently, in addition to the specific ski-development aspects of Laing's policy, parks planners proposed developments that focused on improving visitor facilities such as campgrounds and picnic areas. Zoning, a popular tool in American parks, was to be used to achieve this. Each zone would allow for a different level or type of development. Specific developments would therefore be assigned to the most appropriate zone, and everything would be incorporated in a park master plan. Banff's

first provisional master plan was approved in 1968, and it included five management zones: two different types of wilderness zones that could be accessed only on foot or by horseback, one transition zone that would allow for only limited development but be accessible by road, one for recreational development, including ski hills, and one for intensive development, including townsites.

While calling for further research on visitor use of the park, Banff's new provisional master plan nonetheless recommended that over-snow vehicles be allowed on designated trails and new roads be built or existing fire roads be enlarged to afford more public access. Like the concurrent Olympic proposals, these ideas were viewed with a jaundiced eye by the NPPAC and those with a growing environmental consciousness. Some of the most vocal critics were in Canadian universities, and two such institutions, the University of British Columbia and the University of Calgary, were beginning to offer courses that would evolve into environmental studies programs. Leading the Calgary effort was Dr. Gordon Nelson, who in 1968 was the catalyst for a conference organized by the U of C and the NPPAC entitled "Canadian National Parks: Today and Tomorrow (Parks for Tomorrow)," at which several papers were presented that would greatly affect Banff. Foremost was Nelson's own offering, which criticized, among other things, park planning and its favouring of automobile tourism over wilderness preservation and the lack of public participation in preparing the provisional master plan. He concluded with the observation that "recreational erosion is gaining momentum" and "many people are beginning to look on facilities recreation as the same kind of threat to the landscape of Banff and other national parks as lumbering, mining and similar enterprises in the past." Seconding his criticisms was Dr. Ian McTaggart-Cowan who, building on the research he had carried out in the national parks in the 1940s, had become dean of graduate studies at UBC and recognized as Canada's foremost ecologist. In his paper he noted the lack of any scientific basis to support planning proposals and

pointed out the fallacy of planning for intensive use of front-country zones without due regard to the fact that they contained montane habitat favoured by wildlife. He also made several interesting observations on the effects of forest fire-fighting and increased public use of grazing areas on the environmental health of park grasslands.

Another part of Laing's national park policy that Nelson criticized in his presentation related to the idea of "visitor service centres," new terminology that grew out of the earlier concept of "satellite areas" encompassing all tourist services being hived in Banff and Lake Louise townsites. This criticism was reiterated, but for different reasons, by Banff Advisory Council chairman George Leroy in his remarks at the conference regarding complaints about leases and Banff's lack of municipal status. The background for Leroy's concerns had its origins in 1946, when the Alberta government passed a number of municipal responsibilities to the Banff School District, No. 102, the town's only democratically elected body. These responsibilities revolved around "people" services, such as recreation, social, and seniors' services. Park authorities retained control over "hard" services such as roads, water and sewer, and street cleaning, including the right to levy fees for their provision. With new but somewhat limited powers at their disposal, ideas about fuller powers for municipal governance began to percolate in a few key Banff individuals' minds. Juxtaposed against this were some park administrators' considerations about the role of leaseholders and townsites in the park. These had first surfaced in the 1956 remarks of Resources minister Jean Lesage concerning the creation of the new planning section and the need for it to address park townsites, which he referred to as "an impairment of the natural state of the park [that] can be permitted under the parks act only because they are required to meet the needs of visitors." While the desire for more local governance was more apparent in Jasper than in Banff, where the potential cost was a primary concern, the federal government

decided in June 1959 to appoint Kenneth G. Crawford, director of the Institute of Local Government at Queen's University, to conduct a study on the matter. Crawford's findings and those of subsequent reports would set in motion a series of events that would become the focal point of political life in the park for decades.

In his 1960 report, Crawford did not detail great support for local government but made sweeping recommendations regarding development controls. In particular, he recommended limiting the size of townsites and restricting development and activities to those essential to the purpose of the parks. He also examined leases and, finding that there were a great many different types all generating very low rents, recommended that they be put on what he described as "a more equitable basis" by establishing an annual rental of 6 percent of the assessed value of the land with adjustments at 10-year intervals (decennial review). In a supplementary report, he addressed the length of the leases, recommending that current 42-year townsite leases be maintained but restricted to one 21-year renewal, which he felt would allow lessees to recover their initial investments. Crawford's report was immediately followed in late 1961 by a second study, carried out by Vancouver planning consultant Dr. Peter Oberlander. His purpose was to prepare "a comprehensive development program for the long-term improvement of the townsite as a National Park Administrative and Visitor Service Centre." He confirmed Crawford's recommendation that Banff be limited to the population and facilities necessary to serve the visiting public, and he also made recommendations regarding leases, stating that "leasehold ought to involve the termination of a given use of land after a specified period of time and the possibility of change of use for social, economic or technical reasons." He also recommended access to and circulation around the Banff townsite—specifically, that tourists arriving by car be encouraged to park and enjoy it on foot. He suggested that to allow for this, a compact commercial pedestrian area on Banff Avenue be

created, and his concept was soon dubbed “Banff Avenue Mall” by bemused locals.

If the revolutionary thinking of these two reports wasn't enough to shock Banffites, the ominous tone of the Glassco Royal Commission on Government Operations that followed in 1962 certainly caught their attention. In analyzing Canada's park system, it pointed out the inconsistencies that were apparent due to the increase in roads and trails and in tourism development in the face of the 1930 act's dedication clause, which called for parks to be left unimpaired for future generations. Accordingly, the commission recommended a new park policy to address development as well as one which put parks on “a pay as you go basis,” on which residents would be charged the “true costs” of receiving municipal services such as garbage collection and utilities.

These reports provided the background for the municipal aspects of Laing's new parks policy, announced in 1964. At its core was his belief that windfall profits were being made on the sale of leases, often to individuals not required to live in the park. Essentially downgrading the status of townsites by identifying them as visitor service centres, the policy held that an urban area was an intrusion in a park and should be permitted to develop “only if, by reason of the services it provides, the visitor is better able to enjoy the park for what it is.” Furthermore, according to the policy, only persons engaged in administering the park or supplying necessary visitor services and their dependents should be permitted permanent residence in the park. This was the first mention of what would become the controversial “need to reside” policy. These requirements should “introduce conditions that [make] the ordinary task of municipal self-government impossible for the townsites,” thereby negating further local powers. A shocked Banff Advisory Council immediately fired off a demand to the prime minister that Laing be relieved of his duties, and the minister responded with an accusation that the council was “motivated by a desire to

keep out competition in Banff,” an exchange that set off a long and acrimonious period in relations between the minister and locals.

The focus of the disagreement quickly shifted to the matter of leases and lease renewals, beginning with the effect of the new parks policy on ski-area leases. When Cliff White applied for a lease on his planned new accommodation at Sunshine, he was offered a 21-year lease with a rental review every five years, and at its end he would retain no residual interest in the land or the improvements, which would be offered for rent by public tender. News of this spread like wildfire and blew the lid off the political situation in Banff and Jasper. The *Crag and Canyon* railed against Laing’s duplicity in his new winter recreation policy and the lease policy: “On the one hand he openly encourages development and in the process makes a good fellow of himself in the eyes of the winter conscious Canadian. On the other he sets out a restrictive leasing arrangement which discourages smart money from the park and in a clandestine manner saves face with the conservationists.” The controversy gave rise to an August 1965 mass meeting of Banff and Lake Louise business interests who formed the Banff Park Citizens’ Association, the goals of which were to raise funds to coordinate a legal challenge, to petition the prime minister to create a royal commission to look into park policy, and to examine “the desirability or otherwise of the parks being placed under provincial jurisdiction.” This last idea bore immediate fruit. Alberta premier Ernest Manning met with the association that October and promised his full support. He wrote a letter to Prime Minister Pearson in which he claimed that the federal government was taking advantage of renewal clauses in existing leases to impose a new standard lease form that excluded rights of renewal. His action was followed up in 1966, when Loughheed, the leader of the Opposition, tabled a motion supporting municipal status for Banff upon proper application by a majority of its residents, and it passed unanimously. These steps, signifying the first direct provincial involvement in the town’s relationship with the federal

government, would pave the way for Alberta to play an increasingly important role in Banff's affairs as the dispute evolved.

As it transpired, citizens had every reason to be worried about their leases. In March 1967 Laing spoke to the Standing Committee on Northern Affairs, which was looking into the lease situation, and told them that his department had stopped issuing leases with perpetual renewal clauses in 1958 and intended on replacing existing perpetual leases whenever they were assigned to a new owner. New leases would have a 42-year term and one renewal of 21 years, after which the lease and all improvements would revert to the Crown. All leases would be administered by a "national park leasing corporation" with a board mainly drawn from outside the public service. The Parks branch had recently appointed Banff's first townsite manager, Al Weeres, and when the Banff Advisory Council questioned him about the percentage of gross receipts formula for calculating new commercial leases, he indicated it would be based upon "the highest and most economic use" of the land and the type of services being provided on it. This information was followed in September 1967 with word that the government would implement a new system of fixing rents in 1970 using Crawford's idea of six percent of value and a decennial review but with an option for commercial lessees to negotiate a percentage of gross receipts instead. By this time the new citizens' association had hired legal counsel, and at the end of 1967, it combined with similar associations in Jasper and Waterton to present a Petition of Right to the Exchequer Court of Canada challenging the legality of the government's unilaterally changing perpetual leases.

While this action made its tortuous way through the court system, the Citizens' Association began to seriously consider the idea of removing the Banff townsite from the national park and placing it under provincial jurisdiction. At a public meeting of residents, its officers were authorized by a vote of 340 to 7 to begin gathering information on how such a step could be taken.

Meanwhile, Pierre Trudeau's Liberal government was elected in June 1968. The Rocky Mountain constituency was won by Liberal Allan Sulatycky and there was hope that Trudeau's "just society" would extend to the matter of national park leaseholds. Park residents were quickly disabused of this idea when Minister of Indian Affairs and Northern Development Jean Chrétien visited Banff in September and informed them that barring an upset in the Exchequer Court, the new leasing policies would stand. He went on to deliver the same message to Jasper, where at a raucous public meeting he reportedly informed residents, "If you don't like it, there is a road leading east and road leading west and you are welcome to take either one." It was in the midst of this pressure-cooker atmosphere that George Leroy made his presentation at the "Calgary Parks for Tomorrow" conference and laid out the "Banff side" of the battle between residents and park officials.

To the surprise of many, when the Exchequer Court handed down its decision on Christmas Eve, it found in the association's favour, although any jubilation was quickly tempered when Chrétien announced the government would appeal to the Supreme Court of Canada. The appeal was heard in October 1969 but the Court reserved its decision, allowing the work of appraisers to determine the value of Banff properties in preparation for the 1970 land rental review to proceed. Its results were higher numbers than expected, throwing Banffites into a general panic. Following Jasper's example, the Banff School Board hastily organized a plebiscite to determine residents' feelings about exploring becoming an Alberta municipality, the result of which was an overwhelming "Yes" by 757 voters compared to a "No" by 120. Upon learning this result, Sulatycky unexpectedly began criticizing his own government for the handling of the issue, and it began looking for a way to defuse the situation. One was found in its recently instituted anti-inflation policy, and Chrétien announced in February 1970 that in line with it, all rental increases would be delayed. This was

followed by more good news when the Supreme Court rejected the government's appeal on perpetual leases. Immediately the idea of a leasing corporation was dropped, and all perpetual leases were reinstated while the Alberta legislature passed a motion to work with park residents to prepare a brief for the federal government outlining the case for a municipal government in Banff.

In the bigger picture, the escalating struggle over leases and land rentals pried many Banffites out of their complacency with respect to the paternalistic manner in which the federal government had managed the community for 85 years, and it set the stage for an ongoing movement towards more local autonomy. But for the moment, most residents' attention turned to problems associated with increasing summer camping issues in the community and dealing with burgeoning accommodation problems for both summer staff and permanent residents. One particularly troubling example of the problem was apparent in the creation of a colony of campers, known as "Echo Creek," living in makeshift structures along the banks of Forty Mile Creek. It created endless problems for park administration and health officials and gave Banff a black eye in the media. Paradoxically, the struggle with the federal government over leases had actually resulted in some positive effects for accommodation as it too required a way to deal with increasing housing pressures. Concurrent with approval of the new percentage formula for leases, in 1962 the government had rescinded a moratorium it had placed on subdividing new residential lots and placed five government-held lots up for bid. After Laing took office, he came under intense public pressure in a series of newspaper articles that pointed out the lack of staff housing in Banff and the high cost of ordinary residential housing compared to Calgary. Recent surveys on Cougar Street had identified 26 building lots. Two were given to local churches and the other 24, after a failed effort to interest the private sector in building staff housing, were made available for single-family housing.

In distributing these lots, the government initiated a process that would dominate efforts to provide affordable housing in Banff for more than a decade. In June 1966, Laing announced that lot applications would be accepted only from those “required to live in Banff National Park by reason of their business or employment”; that leases would be for 42 years, after which they would revert to the Crown; that rentals would be determined on a percentage of appraised value (\$179 to \$246 per annum depending on size); and that they would be distributed for free, apparently in the belief that the government would benefit financially from the reversionary rights. Residents were invited to submit applications, and a draw was then held in the superintendent’s office, where the order of the draw was determined by the application dates. After the Cougar Street project, it was some time before more residential housing was made available as the lease case made its way through the court system, but in 1970, 24 more lots were identified on Cougar, Deer, and Squirrel streets, and Cave Avenue, and were distributed in the same manner, although this time without the reversionary clause in the lease due to the Supreme Court decision. After that, interest in acquiring housing picked up, and when a list of 200 interested parties was compiled and a local lobby group focused on housing called “Situation ’73” was formed, Chrétien relented and in 1973 approved new housing on the south side of the river in the Glen Avenue and Park Avenue areas. In this case, to be eligible in the housing draw, applicants had to meet a two-year residency restriction, but once again the lots were made available free of charge. Meanwhile, attention had also begun to be focused on higher density residential and staff housing projects, the first of which was located in the Cougar-Marmot area and was soon being referred to as “Marmot Marsh.” The construction and distribution of 37 townhouse units by Nu-West Construction in 1972 was followed by 30 units in 1973.

Parks branch officials had understood that implementing the municipal aspects of the new parks policy would be difficult in

the Banff townsite, but they did not foresee much controversy arising over their plans to create a prototype visitor services centre in Lake Louise. The Lake Louise townsite, or lower Lake Louise, had remained largely undeveloped except for the Post Hotel, Temple View Bungalow Camp (later the Lake Louise Motel), and a service station built by Jim Boyce and some partners in the 1940s on 25 hectares (60 acres) of freehold land they had acquired from the CPR. In conjunction with the building of the Trans-Canada Highway, the federal government expropriated these lands, and in 1959, tabled a plan for a centre containing visitor accommodation and a new campground, a staff accommodation area, necessary commercial support services, an interpretive and information facility, and a CPR operations area. In discussion with local residents about this development in the early 1960s, the government made two commitments that would become extremely problematic: firstly, to build a 40-lot residential area on Harry's Hill, north of the new highway, for those involved in the tourist trade and a 40-unit trailer camp for "transient employees" at another location; secondly, to build the infrastructure of sewer and water systems, roadways, and bridges, estimated at \$1 million, prior to implementing the service centre concept. The price tag for these projects prohibited their immediate realization, and by 1967 only a new 180-unit campground and 120-unit trailer park had been completed. The private sector also rejected building a proposed hotel based on the government's call for one 500-room development including a reversionary clause in the lease. Ultimately two smaller hotels, the Mountaineer and the King's Domain, were built in the late 1960s, but by 1969, tourists sleeping in cars and aging service connections forlornly sticking up out of the ground made it apparent that the visitor services centre concept for Lake Louise, which had been announced a decade earlier, was a failure.

The Parks branch therefore called for proposals for private sector development of Lake Louise. Skiing Lake Louise Ltd., a reincorporated Lake Louise Lifts with an expanded base of shareholders

that included several senior Canadian businessmen, approached Imperial Oil, Canada's largest multinational oil company, about becoming involved as a way to diversify into tourism. The two companies jointly indicated to Chrétien that they were prepared to build "a year round centre, encompassing a full range of visitors' services in an aesthetic mountain atmosphere" with an initial budget of \$6.3 million. In January 1970 a new company, Village Lake Louise Ltd., was created as an equal partnership, and an agreement was reached with the Park branch to carry out planning for the development in consultation with the minister. Immediately, a blue-ribbon planning team was put together, headed by well-known Vancouver architect Arthur Erickson and with McTaggart-Cowan as lead environmental consultant. Erickson quickly determined that the valley floor was the wrong place to develop accommodation and instead came up with the concept of a "village" capable of housing 6,000 visitors and 2,500 staff in the location of the parking lot at the foot of the ski lifts on Whitehorn. In a fateful move, park authorities agreed to the proposal, although with a 3,000-visitor cap, and the planning team set to work over the next year fleshing out the design secure in the belief that the government was approving it every step of the way. It was at this point that the idea came up against a huge public outcry.

Building on its success in helping to defeat the Olympics and in holding the "Parks for Tomorrow" conference, the NPPAC had been able to raise sufficient private donations to keep an executive director on staff, to circulate a newsletter, *Parks News*, and to change its structure by implementing regional branches to extend its support across the country. One of these branches, the Calgary-Banff chapter, was composed largely of Nelson's 1969 graduate students at the U of C and was headed by Dr. Stephen Herrero, an environmental design faculty member who was beginning to establish a reputation studying bears in the park. The Calgary-Banff chapter took part in the 1971 public

hearings—which Nelson had been able to shame the government into holding—concerning the final approval of the Banff master plan. It was during these hearings that the first mention of Village Lake Louise leaked out, and Herrero was able to wring a promise from the deputy minister that the plans would be “open to the full force of public debate [and] public discussion before decisions [were] taken.” While the directors of Village Lake Louise were flabbergasted, the idea of public participation was an important part of Trudeau’s commitment to more open government; they could therefore do little but hope the project would be approved before such hearings took place. A now wary government did not provide final approval, and the hearings were held in Calgary almost a year later, a period of time during which NPPAC’s initial concern about the project became outright opposition when its details became fully clear.

On the eve of the scheduled two days of hearings in early March 1972, at a Calgary hotel, the NPPAC, already gaining a firm grasp on timing announcements for maximum effect, held a press conference pillorying Village Lake Louise and the federal government for supporting the development and even new Alberta premier Peter Lougheed for not opposing it. The hearings turned into a three-ring circus, with over 800 in attendance and catcalls and heckling greeting several speakers, capped by a shoving match between an opponent and a Village Lake Louise director. Extended to three days, the panel heard oral briefs from 190 individuals and organizations, and these were supported by 2,100 written briefs and numerous petitions, bringing the number of those expressing an opinion to an astounding 10,000, with 75 percent opposed. Undoubtedly caught off guard by the strength of the opposition, Trudeau consulted with Lougheed and, according to Intergovernmental Affairs minister Don Getty, informed him that “the Alberta government’s response to the Village Lake Louise proposal would be a major factor in the federal government’s decision whether or not to proceed with this controversial

project.” Privately, Chrétien let it be known to Getty that if the Alberta government approved, so too would the federal government, but after consideration, Getty responded that there were too many deficiencies and that until they were resolved, the Alberta government could not provide its support. Consequently, on July 12, 1972, Chrétien held a news conference in Calgary to announce that Village Lake Louise would not be approved. He stated, “It is our judgement that the project as planned is too large and could result in an undue concentration of visitors and residents in the area. At present no reliable objective measurement has been developed which will predict with certainty the impact of human use.” With this announcement, the NPPAC’s tune changed completely—from strongly criticizing Chrétien to applauding “his strong affirmation of federal responsibility and stewardship where the National Parks are concerned”—and within a year the association made him the first recipient of its new J. B. Harkin Medal, awarded to those who served the cause of national parks with distinction.

The Village Lake Louise decision marked a declaration of war between development and conservation interests in Banff National Park and changed the way parties dealt with their interests. Parks Canada, as park administration would become known in 1973, would seek to find a new mandate and new tools with which to re-establish control of the park agenda. Its officials took to looking over their shoulders and not being too definitive in their responses for fear of getting side-swiped, creating long delays in decision making. They also began to steer away from public hearings towards open houses and written briefs so as to receive input in a more diffused way. The Alberta government, while continuing to support increased powers of governance for Banff residents, heard the message delivered in public hearings about the need to focus on areas outside the park boundaries for tourism. Turning its attention to the development of the eastern slopes, by 1977 it had created what is now Lougheed Provincial Park and Kananaskis

Country. Conservationists, basking in the glow of their twin victories—the Olympics and Village Lake Louise—became more strident in their approach to what they saw as issues impairing the park, including the rampant development of Banff townsite, the building of new roads, growth in outlying commercial accommodation, and the ski areas' persistent efforts to expand. Business interests, accustomed to working solely with parks administration to gain approvals, recognized that conservation interests were a force to be reckoned with and began hiring their own specialists and consultants to promote their positions. When a particularly difficult project had to be dealt with, they turned to what became known as the “\$139 solution.” For \$139 they could fly to Ottawa, where they could often gain the ear of a sympathetic minister and do an end run around park management. These elements made the latter part of the 1970s in Banff a period fraught with suspicion and ill will and left a bad taste in the mouth of the many involved.

## The Great Divide

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