

settlements have been made that were satisfactory to the veterans and how many settlements are still undecided?

Mr. Pawley: In order to answer this question as precisely as you have asked it, I will turn it over to Mr. McCracken who has had two years' experience working in British Columbia and who, I am sure, has the answers down pat for you.

Mr. A. D. McCracken (Director (Budget Administration) Veterans Land Administration): Mr. Chairman, as of today 17 veterans who were under the Veterans' Land Act and who had an active agreement—they had not yet taken title to their property—have settled with the British Columbia Hydro and Power Authority. Two of the veterans who, I believe, have settled had taken title to their property beforehand. These are the ones we happen to know of. There are four veterans who are still under VLA who have not yet settled with the British Columbia Hydro and Power Authority.

• (12:15 p.m.)

The Chairman: Does that answer your question, Mr. Herridge?

Mr. Herridge: So far. Would the witness mind informing the Committee of the method of appraisal of veterans' property by the Department—the value of veterans' property.

Mr. Pawley: I want to make sure that I understand this question, Mr. Chairman. Are you asking what method of appraisal we use to establish the amount of compensation on behalf of the veterans?

Mr. Herridge: Yes; how you proceed to value the land, its location, the buildings and the disturbance occasioned by the veteran's having to sell his property?

Mr. Pawley: I recall, I think it was two years ago, that the same question was asked, and I think possibly the same answer holds. I would like to indicate, however, that we think the veteran has a big responsibility in the ultimate settlement of any amount of compensation. Because he has all the benefits to the property and so on we like to see him enter into initial negotiations. Whether these negotiations are successful or otherwise, we will make an estimate of the value of the property to ensure that he is getting at least a fair compensation.

If the veteran and the British Columbia Hydro are miles apart, on occasion we might act as an intermediary. Generally speaking

our value is based on market—what the market pays. I can understand and appreciate, however, that in many parts of the Columbia River area it has been impossible to establish market values. On this basis, as a rule, compensation would be based on what it would cost to replace this unit in another location.

Mr. Herridge: Relocation value.

Mr. Pawley: Well, being an appraiser, I really do not know what relocation value is, Mr. Herridge, but it is just the cost of replacing the amenities offered by that unit in as comparable a location as possible to that which he has to give up. Considerable leeway has to be given here because as a rule you cannot find too comparable a location.

Mr. Herridge: No, Mr. Chairman. I realize the sort of intangibles that surround a problem like this, but can I take it for granted that wherever the veteran and the British Columbia Hydro and Power Authority have not been able to come to a satisfactory arrangement, the officials of the Department place a value on the property that would make it possible for this veteran to purchase a similar property and so be satisfactorily relocated without loss?

Mr. Pawley: We will go to the extent of placing an estimated value on the property itself. We think this is as far as we are entitled to go. If we go beyond this it is really none of our business. However, we fully appreciate that it costs money for some person to move from A to B. As a rule, the veteran himself will know how much this cost will be. He knows better than we do and we like to leave this up to him. I do not doubt that on the odd occasion probably we have suggested to him, if he is not too sure, that possibly Joe Doakes down the road got 'X' number of dollars and that maybe this is about the same amount that should apply to him. I think probably this has happened, although we like to put this responsibility on the veteran himself.

Mr. Herridge: Have you had any occasions where the veteran was unwilling to accept the offer of British Columbia Hydro and then your Department exercised its authority as a federal department of government to refuse the British Columbia Hydro expropriation?

Mr. Pawley: We have not had a single case go to expropriation. This means that of those that have been settled, both the veteran and the British Columbia Hydro have been sat-