

## Legislative Assembly of Alberta

Title: **Wednesday, April 29, 1992**

2:30 p.m.

Date: 92/04/29

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

O Lord, grant us a daily awareness of the precious gift of life which You have given us.

As Members of this Legislative Assembly we dedicate our lives anew to the service of our province and our country.

Amen.

head: **Reading and Receiving Petitions**

MR. GESELL: Mr. Speaker, under Standing Order 83 I would ask that the petition presented yesterday with respect to Bill 204 be now read.

CLERK:

We, the undersigned, would like to go on record as being opposed to Bill 204, the Dangerous Dogs Amendment Act, in its presented form. We do not feel that particular breeds or cross-breeds should be specified in the Act, but that a "dangerous dog" should be determined by behaviour.

head: **Introduction of Bills**

### **Bill 22 Health Statutes Amendment Act, 1992**

MR. THURBER: I request leave to introduce a Bill being the Health Statutes Amendment Act, 1992.

This amends the Hospitals Act and the Alberta Health Care Insurance Act to expand the third-party liability program for recovery of hospital inpatient and outpatient operating costs to include certain additional costs incurred directly or indirectly by the Minister of Health on behalf of an injured person and to create an independent Crown right to recover the Crown's claim.

[Leave granted; Bill 22 read a first time]

MR. ANDERSON: Mr. Speaker, I move that Bill 22, the Health Statutes Amendment Act, be moved to Government Bills and Orders.

[Motion carried]

head: **Tabling Returns and Reports**

MR. SPEAKER: The Minister of Labour, followed by the Minister of Consumer and Corporate Affairs.

MS McCOY: Thank you, Mr. Speaker. I'm pleased to file the annual report for the Alberta Advisory Council on Women's Issues for the year ended March 31, 1991. Once again they have printed it on the back of a painting which is by an Alberta artist whose name is Sonja Billard, and I hope everyone will take advantage of displaying this in an appropriate spot.

Thank you.

MR. ANDERSON: Mr. Speaker, I'm pleased to table two copies of news packages in accordance with National Consumer Week. The first is by the Consumers' Association of Canada declaring a

plain language sticker program to encourage understandable contracts, and the second is by the Alberta Real Estate Association announcing Canada's first plain language listing agreement on housing sales.

MR. GOGO: Mr. Speaker, I'm pleased to file the 1990-91 annual report for the Alberta Council on Admissions and Transfer.

head: **Introduction of Special Guests**

MR. GOGO: Mr. Speaker, Fairview College in its 40th anniversary this year is one of our success stories. We have in the members' gallery today the volunteer chairman of the board, Mr. Ian Macdonald, and the president of Fairview College, Mr. Fred Trotter. I would ask that they rise and receive the warm welcome of the members.

MR. SPEAKER: Banff-Cochrane, followed by Edmonton-Avonmore.

MR. EVANS: Thank you, Mr. Speaker. For the third year in a row it gives me great pleasure today to introduce to you and through you to the members of the Assembly students from Chinook Winds Adventist Academy, which is located on the east side of the beautiful Banff-Cochrane constituency. This year's contingent consists of teacher Mr. Loren Agrey and nine grade 10 students. They're located in the public gallery. I would ask that they rise now and receive the warm welcome of the Assembly.

MR. SPEAKER: Edmonton-Avonmore, followed by Edmonton-Jasper Place.

MS M. LAING: Thank you, Mr. Speaker. It gives me great pleasure today to introduce to you and through you to members of this Assembly 31 students from J.H. Picard school, which is located in the constituency of Edmonton-Avonmore. They are accompanied by their teachers Miss Chartrand and Mrs. Robinson. I would ask that they arise now and receive the warm welcome of the Assembly.

MR. McINNIS: Mr. Speaker, we have today in the gallery some special guests all the way from India: Mr. K.T. Idiculla and his wife, Mariamma Idiculla. They are accompanied by Mr. Skariah Zachariah, who is a past president of the Malayalee society, and his wife, Mariamma Zachariah, is with him as well. I wonder if they would rise and receive the warm welcome of the Assembly.

MR. SPEAKER: Edmonton-Strathcona, followed by St. Paul.

MR. CHIVERS: Thank you, Mr. Speaker. On behalf of the Member for Edmonton-Highlands it's my pleasure to introduce to you and to the Assembly a group of students from Sacred Heart school. They are 25 in number and are in the public gallery. They are accompanied by their teacher Mrs. Jane Burghardt. Would they rise now and receive the warm welcome of the House.

MR. DROBOT: Mr. Speaker, it's a pleasure today to introduce to you and members of this Assembly students from the F.G. Miller high school in Elk Point. They are accompanied by teacher Miss Angela Friesen and parent Mrs. Hollie Myshaniuk. They are seated in the members' gallery. I would now like them to rise and receive the warm welcome of this Assembly.

MR. SPEAKER: Dunvegan and then Edmonton-Mill Woods.

MR. CLEGG: Thank you, Mr. Speaker. It's always a pleasure when I have students from the constituency of Dunvegan, and today we have from Fairview College 12 transitional vocational students taking that program at the college. They are accompanied by teachers/group leaders Mr. Ken Freier and Ms Sue Fox. They are seated in the members' gallery. I ask them to rise and receive the warm welcome of the Assembly.

MR. GIBEAULT: Mr. Speaker, I'm pleased to introduce to you and the members of the Assembly this afternoon a dynamic group of young students from the Pollard Meadows school in Edmonton-Mill Woods constituency. They're accompanied today by their teacher Mr. Don Geake and parent Mrs. Lorna Clark. I'd ask them to please rise now and receive our very warm welcome.

head: **Oral Question Period**

MR. SPEAKER: On behalf of the Leader of the Opposition, the Member for Vegreville.

### Legislative Assembly Media Guidelines

MR. FOX: Thank you, Mr. Speaker. I'm sure that as elected representatives of the people of the province of Alberta we're all concerned about access to them, being available to them, hearing their concerns, and communicating effectively with them about what we're doing here in this Legislative Assembly. An important part of that access is provided by the media, the women and men who work here covering the proceedings of the Legislature, who not only need access to MLAs, but they need to know that their concerns can be addressed when they feel that access has been impeded. Now, currently there's no real opportunity for that to occur, an opportunity for issues of concern to be resolved between the media and MLAs. I'd like to ask the Acting Premier what his government intends to do about that.

2:40

MR. JOHNSTON: Well, Mr. Speaker, of course this is one occasion when the socialist opposition and the government are of one accord. We agree that the extension of communication and information to the public should be an important priority of all governments, and government responsibility is clear on this side. What we have said is that through precedent and I guess through understanding and to some extent through our own local examples here in Alberta, we have established certain guidelines and, I would be prepared to submit, rules which allow us to deal with such things as the press: access to the press and where in fact the press have exclusive access to this building.

It is clearly understood that the Speaker - I think, Mr. Speaker, without putting words in your mouth, sir - has control over the Legislative Assembly, and to some extent it is shared with the Minister of Public Works, Supply and Services. What I might suggest at this point is that if in fact this is a general question, it may well be reasonable to have it clarified either by a committee of this Legislative Assembly or by a joint communication from yourself and perhaps all those others who are affected. It may well be time to have that clarified, and I think reasonable people, as I'm sure members of this Assembly are together with the press, can find reasonable solutions.

MR. FOX: Well, I appreciate that, Mr. Speaker. To illustrate the potential for disagreement, today a Liberal member of the Public Accounts Committee moved and then apparently voted against a motion that would restrict to some degree access of the media to the Public Accounts Committee, a decision made by MLAs with

no opportunity for appeal or redress for the media. I'd like to ask the Acting Premier if the government is prepared to put some process in place to deal with concerns exactly like that one.

MR. JOHNSTON: Well, again, Mr. Speaker, I've already indicated that most committees of the Assembly set their own guidelines and have their own rules by which they operate. I think this is one item that needs to be considered and discussed, and it may well be swept into this general list of items which may need some clarification. I think the government side would be willing to consider it but not make a commitment at this point until it's well considered and understood and a broad discussion emerges between all those affected parties.

MR. FOX: I'm pleased that the Acting Premier recognizes that there are legitimate concerns and a need to provide some avenue of redress.

I'd like to ask him if he would consider appointing a joint committee comprised of members of all parties of the Legislative Assembly with members representing the parliamentary press gallery to address issues of this sort.

MR. JOHNSTON: I think I've already indicated that may well be one of the processes which emerges. Whether or not we formalize it, as the member has suggested, I would listen to the arguments and the government would clearly consider those. I'm sure the process here already is established whereby members of all parties have an opportunity to move motions forward, to have a wide range of discussions on these questions, and I don't think we're inhibited by the process as much as we are inhibited by our objective to achieve a reasonable conclusion to this problem.

MR. SPEAKER: Second main question, Vegreville.

MR. FOX: Thank you, Mr. Speaker. I'd like to designate the question to the Member for Edmonton-Belmont.

MR. SPEAKER: Edmonton-Belmont.

### Edmonton Remand Centre

MR. SIGURDSON: Thank you, Mr. Speaker. My question today is for the Solicitor General. The Solicitor General has told the Legislative Assembly that he is very much concerned about public and staff safety at the Edmonton Remand Centre. On Monday the guards at the Remand Centre locked down the inmates because the staff complement at the centre was not sufficient to look after the 580 inmates that were housed at the centre on that day. The guards are very much concerned that with an actual staff reduction of 200 full-time positions from 1979 figures to 193 today, they are not going to be able to adequately supervise the inmates, many of whom require maximum security. There's an additional concern that the population of the Remand Centre is about to increase given that a number of new beds for this facility have been ordered. Will the minister confirm that the Edmonton Remand Centre's population is about to increase substantially?

DR. WEST: Mr. Speaker, that's a very long introduction to that question, but let me do some corrections before we go any further. There was no lock-down at the Edmonton Remand Centre the other day. I just wanted to clarify that. The component of full-time equivalents that worked there in 1979 was 277, not 200, as you just said. There are 268 working there today, not 193, as you just alluded to. The new bed components are asked for through

Public Works, Supply and Services – and when those estimates come up, you can certainly discuss it – to look at ongoing demands that will be at the Edmonton Remand Centre.

The other day you had said that the Edmonton Remand Centre was designed to hold a population of 200 inmates. On opening day, in the fall of 1979, the capacity was 376, not 200, and it was quickly increased at that time to 428 in 1980-81 in the annual report.

I do not mind the questions because I am concerned about the demand that is put on these centres because of the increasing charges that are going on out there in the criminal justice system, but I wish, I sincerely wish – and I ask that in front of the media and give it to the people of Alberta – that you would get the facts straight so that the general public out there doesn't have to guess what's going on in this fine province.

MR. SIGURDSON: Mr. Speaker, if we're going to debate the purchase of beds in public accounts, I'm wondering what 96 beds are doing in the basement of the Edmonton Remand Centre. I wish, I sincerely wish, that the Solicitor General would get his act together because he doesn't know what's going on in his department. On Monday morning, at 11 . . .

#### Speaker's Ruling Brevity in Oral Question Period

MR. SPEAKER: Order. [interjection] Order. The member already asked a question in the first sentence of this section of what's supposed to be a succinct supplementary. Now to get on to the next part, you might want to throw that as a question, your final supplementary, but as far as I'm concerned, you've already asked a question.

MR. SIGURDSON: Well, if Tinkerbelle wants to come forward . . .

MR. SPEAKER: Thank you, hon. member. Sit down. [interjection] Order please.

Would the Solicitor General like to respond to the question that was in that, please.

#### Edmonton Remand Centre (continued)

DR. WEST: I want to say that we are concerned with the levels that are being introduced into the Remand Centre every day by the charges that are going on in this province. Let me just say that the Edmonton Remand Centre is not a luxury hotel. People go there because they are charged under our justice system, and the average length of stay in our Remand Centre is one day. There are people that spend one to two days waiting for a permanent bed, but they get them, and we do have a few in there that spend a long period of time there because of their offence. Let me repeat this: this is not a luxury hotel. It is full. The average length of stay before they go to court and then go to one of our other institutions or are released is one day. Some spend one to two days before they get a permanent bed.

MR. SIGURDSON: Maybe we should change the name to the Edmonton Westin.

Mr. Speaker, on Monday at 11 a.m. the assistant deputy minister, Mr. Hank O'Handley, the director of correctional services, advised representatives of the Alberta Union of Provincial Employees that an additional 96 beds were to be added to the following units: 4C and D, 4A and B, double bunking all inmates.

I'm surprised that the minister is unaware about what has gone on in this facility given the severity of the matter. I would ask the Solicitor General if he would personally commit to sit down and meet with the representatives of the Union of Provincial Employees to find out what's going on in his department but more appropriately to find out what's going on at the Edmonton Remand Centre and make sure that the appropriate level of staff is in place to protect the safety of the staff, the safety of the inmates, and the safety of the general public.

DR. WEST: Mr. Speaker, I will say that I absolutely do know what's going on at the Edmonton Remand Centre, and if I have to go back through and repeat what this hon. member does not know is going on there, I will.

Let's just correct one more statement that you've made in this House today. You said that there were 96 or 98 beds that were asked to be installed. The department's request for installation of 48 double bunks and toilets in the fourth floor living units at the Edmonton Remand Centre is going to be brought forward as a request to Public Works, Supplies and Services, not 96.

MR. SPEAKER: Edmonton-Glenarry.

#### Advanced Education Access

MR. DECORE: Thank you. Mr. Speaker, Alberta students cannot get access to postsecondary institutions in our province. Last year there were 26,000 applications that were rejected because there simply was not enough space. The year before that, the same problem existed. I'd like to know from the minister responsible when he's going to solve this most serious problem.

2:50

MR. GOGO: Mr. Speaker, it's well known, I believe, that Alberta has the highest participation rate in the nation when it comes to the postsecondary system. That's a mark, I think, of not only the quality of our education but the very great interest of Albertans. The leader of the Liberal Party has raised previously the figure of 25,000. I purposely asked the University of Calgary and the University of Lethbridge to do a follow-up study about qualified students who did not gain access. Having received their reports after, I think, a four- to five-month study, indications to me in the advice I have received are that fully 98 percent of our 50,000 students who wanted to access university education had that opportunity in the past year.

MR. DECORE: Mr. Speaker, I don't know who the minister is talking to, but the University of Calgary's statistics say that of the 1,195 applications that were rejected, 50 percent never went on to any kind of postsecondary institution because they couldn't get in. Based on these facts, will the minister find moneys to correct this problem of access?

MR. GOGO: Mr. Speaker, it's not my wish to argue with the hon. leader. Again, however, the information that I have from the University of Calgary is that 750 qualified students did not have access to the institution, and at the University of Lethbridge, the other organization carrying out the study, the figure was 250 to 260. In total that equals about 1,000 students, which is 2 percent of the 50,000 students who wished to access university education.

MR. DECORE: Mr. Speaker, of the students that attempted to access the U of C, the U of C states that 35 percent of the rejected applicants went back to high schools to do upgrading and most of

those stayed for only one semester. I'd like to ask the minister responsible: as the double-count system penalizes school boards under these circumstances, will the minister get rid of that ridiculous policy of his?

MR. DINNING: Mr. Speaker, here he is. He waves his wallet to all Albertans and talks about fiscal responsibility, and then he has the audacity to suggest in this Assembly, thinking that people aren't watching television, that we're going to fund phantom students, that taxpayers ought to fund an education for students who aren't there. What kind of fiscal responsibility is that?

MR. SPEAKER: Redwater-Andrew.

### Farm Income

MR. ZARUSKY: Thank you, Mr. Speaker. Since rural Alberta and agriculture are priorities of this government, this government has participated in and initiated a lot of rural and agricultural programs. One in particular is the gross revenue insurance program. My question today is to the Associate Minister of Agriculture. Since the GRIP program has been in for pretty near a year, can the minister indicate the response in sign-up to the GRIP program for 1992?

MRS. McCLELLAN: Mr. Speaker, the cancellation deadline for the gross revenue insurance program actually falls on April 30, which is tomorrow. However, I would indicate to all members that based on the contracts that we do have and the elections for contracts that we do have from farmers in Alberta, we would expect an increase in numbers in the gross revenue insurance program this year.

MR. SPEAKER: Supplementary.

MR. ZARUSKY: Thank you, Mr. Speaker. A supplementary to the minister. In view of the changes in other provinces, is the minister looking at similar changes in this province?

MRS. McCLELLAN: Well, Mr. Speaker, certainly there have been some significant changes made in other provinces, and they are causing, I understand, some consternation among the producers there. As I had indicated earlier, there are no significant changes in the gross revenue insurance program in Alberta this year. However, we have made some changes to ease the administration of this program and to make it certainly more accessible to our producers.

I should also say, Mr. Speaker, that we have an ongoing national GRIP committee that works throughout the year looking at the program as a whole and looking at any opportunities for improvements to it. I should also indicate that . . .

### Speaker's Ruling Anticipation

MR. SPEAKER: Excuse me, hon. minister. Take your place, please. The Chair has been somewhat inundated by notes. I have forgotten that estimates this afternoon do indeed deal with the Department of Education. I should have called it out of . . .

AN HON. MEMBER: Agriculture.

MR. SPEAKER: Agriculture, thank you. Thank you for educating me that it's Agriculture. That's what I was attempting to say. Really the line of questions is out of order on the rule of anticipation. I apologize to the House. Thank you.

Edmonton-Kingsway.

### Economic Development Strategy

MR. McEACHERN: Thank you, Mr. Speaker. The New Democrats have obtained a copy of a confidential strategy paper from the minister's department – and I'd like to file three copies of that – indicating that the department plans to largely replace the present ad hoc system of support for Alberta companies with a major new initiative called the risk sharing fund. Even the minister's department officials now see the folly of the cabinet ministers trying to pick economic winners and losers. To the Treasurer, who picks up the losses on behalf of the taxpayers: given the fact that the government's current ad hoc approach has resulted in a \$1.6 billion taxpayers' loss and six failures for every success, what steps will the Treasurer promise to take to ensure that this proposed risk sharing fund does not simply repeat past government mistakes?

MR. JOHNSTON: First of all, Mr. Speaker, let me make it very clear that the minister of economic development and the government clearly refute and deny the numbers used by the member and by the Member for Edmonton-Norwood over the course of the past two days with respect to the losses. I think the minister of economic development is on record and has clarified clearly that the numbers used in the socialist opposition position paper are in fact wrong and should not be accepted.

Secondly, Mr. Speaker, because of the dynamic nature of the way in which this government responds to establish and expand the diversification of our economy here in Alberta, Albertans realize that through the number of jobs that have been generated over the course of the last six years in fact that diversification strategy is working. We always continue to update and review the ways in which we can address some of the needs expressed to us to ensure that the Alberta industry remains as competitive as any in the global world and in fact in North America. By way of note, our budget for example outlined a fairly precise way in which we want to ensure that competitiveness will exist, including some marginal adjustments to such things as manufacturing and processing taxation.

To talk only to this paper, it is in fact a recommendation, not a position.

MR. McEACHERN: Mr. Speaker, I challenge the Treasurer to show one mistake in the background paper we put out.

On page 6 of the confidential strategy document the paper says, and I quote:

Ad hoc financial support may continue to be necessary to attract outside investment to Alberta in the case of particularly desirable projects.

To the minister: will he admit that the reason this glaring loophole is in the strategy paper is so that this government can continue to announce high-profile projects like MagCan and Al-Pac at election time?

MR. JOHNSTON: Mr. Speaker, I don't want to bore the Legislative Assembly by referring to *Beauchesne*, but I think it is instructive in this case. *Beauchesne* is very specific. I haven't got the section in front of me right now, but I could get it in a second. In a general way it says the following: working papers which are recommended to a minister for policy considerations are not in fact a subject of the Legislative Assembly because they have to be handled in the most candid way so that policies can be accepted or rejected in the free flow of ideas. Obviously, papers of this order must be just that: ideas, opportunities for input to the minister. To say that this is the policy position of the government is in fact wrong.

What we can say, Mr. Speaker, is the following: that over the course of the last five years the province of Alberta has in fact diversified the economy to an amazing extent. Just look at the work of my colleague the minister of lands and forests with respect to expansion in the case of the forest industry. Right now forestry exports have increased by over 200 percent in this province as a result of private-sector activity here. Now, this socialist opposition continues to say that we're not generating enough jobs. When we respond in a very positive way, all you get is the negative doom and gloom across the way. Other forms of diversification are working in this province, Mr. Speaker, just as surely as our economy is among the strongest in Canada as well. We intend to ensure and to maintain that priority for Albertans.

MR. SPEAKER: Calgary-North West.

### 3:00 Smoky River Coal Limited

MR. BRUSEKER: Thank you, Mr. Speaker. My question today is to the Provincial Treasurer. Smoky River Coal is a company that is experiencing substantial difficulty right now because of depressed coal prices yet has accessed \$13.7 million of loan guarantees from the Provincial Treasurer. My question to the Treasurer is: what assurances can he give Albertans that you're not going to lose this \$13.7 million like all the other millions you've lost?

MR. JOHNSTON: Well, first of all, Mr. Speaker, the member is 99 percent wrong in his position. Let me make it very clear that his numbers are not at all agreed to. What we do say, though, is that we have assisted Smoky River Coal. As you may expect, this is a matter of detail, and I would not have the full information before me as to how we have participated, except to say that it is one of the clear economic strategies of this government to ensure that one of our natural resources – in this case, coal, which is suffering fairly severe competition from other hydrocarbon sources, including oil, natural gas, and heavy oil – has an even opportunity to be marketed into many of the markets for coal.

To that end the minister of economic development and the Minister of Energy, in particular, have attempted to work with Ontario to make some natural sense of our economic union here in Canada, to ensure that our Alberta coal accesses the Ontario market for their demand as opposed to and to back out American coal. That simply makes economic sense. It's an initiative taken on by our Premiers; it's an initiative followed through by the ministers. I'm sure that Smoky River Coal, in terms of exploiting this resource, in terms of expanding job opportunities and market share for our natural resource market, is in fact an important objective and part of the diversification strategy of this province.

MR. BRUSEKER: In other words, no assurances. The figures that I quoted are the minister's own figures, so if they're wrong, he's the one to blame.

Mr. Speaker, Smoky River Coal has said that they may need another \$60 million in capital financing to open up further mines. Is the minister telling us today that he's prepared to put forward that other \$60 million that they're going to be coming for?

MR. JOHNSTON: This member, Mr. Speaker, is absolutely making a mockery of question period. He knows that these kinds of questions which anticipate answers, which put hypothetical questions are, as he is, just out of whack.

### Students Finance

MR. MUSGROVE: Mr. Speaker, I have a question for the Minister of Advanced Education. I've been receiving phone calls from my constituents about the reduction in student financing. In vote 3 of the estimates I notice that there is a reduction of 5.6 percent. Now, the minister is saying that education is a top priority in this province, so would he explain why the reduction?

MR. GOGO: Mr. Speaker, one of the constraints, I believe, that a minister of the Crown must operate under is either the Financial Administration Act or the way certain people think budget books should be laid out. It's true that vote 3 in the estimates discussed last week indicates a 5.6 percent decrease. However, it should be very clear that there is in this year's budget \$8.8 million more available in loans to students in Alberta than there was for the last year. I think that is very important.

Secondly, Mr. Speaker, we put in place a program of auditing; i.e., checking the student applications as to the need for student loans, because they're a needs-based program. As a result of that audit process, we're able to reduce the obligation by the taxpayers this year by some \$4 million. So on balance, there has been an increase of almost \$9 million in availability of student loans, plus, I think, a more effective system of checking the veracity of the student loan program.

MR. MUSGROVE: Well, I find this a little bit confusing because there's a reduction and then an increase. Will this money be available to the Students Finance Board this year?

MR. GOGO: Mr. Speaker, those loans really were increased primarily because in listening to the institutions implementing our new tuition fee policies, there's been a modest increase in tuition, and as a result student loans have been increased by \$250 to enable the students to access those loans. That program would be effective, in my view, as of tomorrow morning.

MR. SPEAKER: Stony Plain.

### Spruceland Millworks Inc.

MR. WOLOSHYN: Thank you, Mr. Speaker. My questions today are to the Minister of Labour again. With regard to the Spruceland Millworks' fire, the minister stated on Monday that the fire commissioner's primary concern was repair of the inoperative fire hydrants. Had the fire commissioner allowed the county to enforce the order, the offending party could have been fined \$100 for every day they did not comply with the order, a rather significant incentive to fix the hydrants. Further, the commissioner is obligated under section 17 of the Fire Prevention Act to either direct the county to immediately fix the hydrants or to have them repaired and then follow up by charging for the cost of the repairs. Can the minister tell the Assembly why the commissioner abrogated his responsibility by knowingly permitting the hydrants to remain inoperative?

MS McCOY: Mr. Speaker, the county had that similar authority, as I understand it, under one of the statutes that gives them power to deal with safety issues as well and similarly to pass the cost on to the person who is causing the risk. The fire commissioner at no time prevented that action from happening. Once again, with a fine, the money goes actually into the General Revenue Fund of the province. It does not go to refurbishing and fixing the hydrants. However, I'm pleased to say, as we did say the other day, that the hydrants have now been fixed.

MR. WOLOSZYN: Mr. Speaker, the fire commissioner did in fact prevent the action from happening. The first county order was issued on May 30 of 1990. Then for nine months they tried to get action. Then the fire commissioner refused the county of Parkland's request to enforce the order on January 31, 1991. The hydrants were finally repaired only after the March 12, 1992, fire. Will the minister tell the Assembly why it took 413 days for the fire commissioner to recognize that the hydrants were not being fixed and he only had them repaired after the minister's direction to do so?

MS McCOY: Mr. Speaker, once again let me say that the primary objective in this case was to fix the hydrants. There was a delay. Nobody is saying that there was not a delay. I'm pleased to say that the county and the fire commissioner finally got together, and they both saw to it that those hydrants were fixed.

MR. SPEAKER: West Yellowhead, followed by Edmonton-Whitemud.

### Highway 40

MR. DOYLE: Thank you, Mr. Speaker. Every day hundreds of people have to drive more than 40 kilometres on the worst road in the province of Alberta to work in the coal mines near Cadomin. For many years they've been asking this government to put their safety ahead of the payouts to their friends. I'd like to ask the minister of transport: when will the upgrading and paving of Highway 40 south of Hinton to Cadomin be completed?

MR. ADAIR: Mr. Speaker, anticipating a question but not anticipating the fact that that was the worst road in the province. I thought I had it, and it would be from Rainbow Lake to Zama City. I'd be happy as the devil to take you on it.

Mr. Speaker, in relation to Highway 40 both north and south, there's some realignment work being done on Highway 40 south, and there's also some work done at this particular point in time. Roughly 13.5 kilometres of that particular road are done. There is still some to do this year dealing with the area south. I'm not sure just exactly when we'll get the tenders ready for it. There's also the question of what I do with the road north through your constituency.

MR. SPEAKER: Supplementary.

MR. DOYLE: Thank you, Mr. Speaker. It's unacceptable that since 1989 this government has been ignoring this road that has needed the work. It's not simply a resource road. It is a primary highway, and it supports significant economic development including tourism, as well as increasing local use from the people of Cadomin and Hinton and for schoolchildren. Will the minister admit that the only reason this work was promised during the last election and has only started now is to buy votes in the upcoming election? It didn't work last time.

3:10

MR. ADAIR: I didn't get the last comment. Would you repeat it?

AN HON. MEMBER: It didn't work last time.

MR. ADAIR: Oh, it didn't work last time. Okay.

Well, two things come into it. I am prepared to admit that there are something like 15 primary highways in the province that

are still gravel, some of them for as long as 25 years. So there is a great deal of effort that goes into making sure that the balance of the province, as it relates to primary highways, as it relates to the priorities of the counties, MDs, and others on the secondary highways and of course in some cases working with them as to a cost sharing for a resource that may be tourism related, coal related, or whatever the case may be - we have had some difficulties. We have had some efforts put into trying to find a realignment, and I think the hon. member knows that, Mr. Speaker. As I said just a moment ago, there is some work. By the looks of what we planned, it may be a late call in 1992.

MR. SPEAKER: Edmonton-Whitemud.

### Consumer Protection

MR. WICKMAN: Thank you, Mr. Speaker. Consumer concern and consumer protection must be more than one designated week of awareness. Consumers can get burnt any day of the year when it comes to major purchases such as motor vehicles and motor homes. To the minister responsible for consumer affairs: is the minister prepared to enact lemon legislation to provide for consumer recourse and protection on major purchases?

MR. ANDERSON: Mr. Speaker, I share with the hon. member the belief that Consumer Week itself is only a point at which we draw to the public's attention and to our own attention the needs that are there in our marketplace today.

With respect to the specific question, I do believe that we need to upgrade the general assessment of our automobile marketplace and the way in which some of the transactions take place in that area. It was for that reason that sometime ago we established the Automotive Working Committee, which reported with a number of suggestions. Unfortunately, those suggestions were not clear enough for all Albertans to accept, and we have agreed to go back to the drawing board and look at what Albertans from all walks of life and all perspectives would want in a set of self-regulating and other rules governing the automotive marketplace.

MR. WICKMAN: Mr. Speaker, to the minister. I'm speaking specifically about lemon legislation for protection on major purchases. Is the minister prepared to commit to this House that he will undertake a review of this matter to determine the need for such legislation and when such a report may be filed?

MR. ANDERSON: Mr. Speaker, I assume that when the member speaks of major purchases, he's still speaking of the automotive industry. In that respect, we have a lot of the base of that information from the study and the public hearings that have been held over the past year and a half. It would be my hope that if this Assembly adjourns this summer, I would then have an opportunity to talk in more depth with those groups who were not pleased with the initial recommendations of the committee and to look at what changes might be acceptable to a broad cross section of Albertans in the not too distant future.

MR. SPEAKER: The Chair is interested in the comment: if the House adjourns this summer.

Grande Prairie.

### Highway 40

(continued)

DR. ELLIOTT: Mr. Speaker, all of the comments relative to important highways in this province notwithstanding, I'm com-

pelled to again make reference to an important commercial highway link in my constituency called Highway 40. This is not new to the Minister of Transportation and Utilities. I'm directing the question to him again to see if he has put any new pressure on his department or other planning to get Highway 40 hard-surfaced.

MR. ADAIR: Mr. Speaker, I can appreciate the hon. member's concern, whether it's Highway 40 south or Highway 40 north. Highway 40 north is paved to Grande Cache, and it's from Grande Cache to the area just south of Grande Prairie that still has to be done. One of the issues, I would believe, is the time frame under which we can do that, and dollars certainly have a major part to play in that.

In light of the fact, Mr. Speaker, that this year is the 50th anniversary of the Alaska Highway, we entered into an agreement with the federal government to do dust control on that section from Grande Cache to Grande Prairie. There were 31 kilometres done last year, and there will be about 125 kilometres done this year to assist with dust control. That's not pavement, but that is dust control, and it is dollars.

DR. ELLIOTT: Mr. Speaker, I again push for a time frame or a time line on when we can get that highway hard-surfaced.

MR. ADAIR: Mr. Speaker, I appreciate that the Member for Grande Prairie has been in my office many, many times, and he is getting the same pressure, because I get copies of the letters that he does. I think it's fair for me to say that this year there will be two paving projects involved in that section where the heavy traffic is. That's the log haul from about Gold Creek north, and I'll use that. There is one that has been issued to Ledcor for 15.4 kilometres from the junction of the Canfor road to the Grovedale road, and 13.9 kilometres from the Grovedale road to the junction of highway 666. That went to Wapiti sand and gravel. So there are roughly \$3 million in this year's budget for some work being done on that section that is very heavily trafficked with log trucks primarily.

#### **Landlord and Tenant Legislation**

MR. EWASIUK: Mr. Speaker, the Minister of Consumer and Corporate Affairs in this House on March 31 said that he was nearing the conclusion of the consultation process relative to the residential tenancies Act. However, the Alberta Real Estate Association says differently in their recent newsletter, and I quote: the Minister of Consumer and Corporate Affairs has accepted our request to delay proclamation of the Landlord and Tenant Act, thus allowing our input. To the minister: why is the minister continuing to delay proclamation of this essential protection for tenants when all the parties have in fact had ample opportunity for input since the minister established the MacLachlan commission some three years ago?

MR. ANDERSON: Mr. Speaker, the member is correct on both counts. We did indicate that we were nearing the end of the consultation process, and that's in fact true. It is our first and foremost commitment to make sure that all ideas and all concepts are considered. I was asked by the Edmonton Real Estate Board, in particular, to wait for two weeks for input into some aspect of the regulation that they had further thoughts on, and I agreed to that. I was asked by three tenants in Calgary for a similar delay over a three-week period. Nonetheless, I've now received that information, and we're proceeding through the drafting. Then we will proceed through the process of government that's required to

enact the regulations as quickly as that is possible, recognizing that our first goal is to make sure we have regulations which meet the needs of Albertans and which are the best we can possibly get.

MR. EWASIUK: Mr. Speaker, what troubles me is that the association has said that the outstanding items they're apparently lobbying the minister on are the increasing rents and inspection reports. We know what the real estate agents want. It'll be quite different from what the tenants need.

The tenants and their advocates are eagerly awaiting the proclamation of this Act and hope that it is done very soon. However, the minister asserts that the regulations will provide a fair balance between the rights of landlords and tenants, when he delayed the proclamation specifically at the request of the landlords.

MR. SPEAKER: The question, hon. member.

MR. EWASIUK: My second question. If the minister has made no such agreement with the association, will he agree to provide two vital pieces of information to this Assembly: first, table in this Assembly a list of the people and groups that he has consulted with . . .

#### **Speaker's Ruling Brevity in Question Period**

MR. SPEAKER: Thank you, hon. member. A little less preamble, a little more question.

The Minister of Consumer and Corporate Affairs, from what you picked up from that.

MR. EWASIUK: That wasn't my question.

MR. SPEAKER: Thank you, hon. member.

The Minister of Consumer and Corporate Affairs.

#### **3:20 Landlord and Tenant Legislation (continued)**

MR. ANDERSON: Mr. Speaker, I'm not exactly sure what point the hon. member was trying to make in his supplementary question. What he read from the preamble did not take into account the previous answer: that I have in fact delayed the proclamation on several occasions for landlords and for tenants because we are committed to getting the best information possible from the widest number of Albertans and making sure that there is precision in this particular Act.

I have to say, in terms of the Edmonton Real Estate Board and the Alberta Real Estate Association, that they've provided some helpful technical points with regards to the regulations. As with all Albertans, I expect not all of what they want will be in those regulations, but I believe that they will be fair to both the landlords and the tenants in this province.

MR. SPEAKER: Calgary-McKnight.

#### **Students Finance (continued)**

MRS. GAGNON: Thank you, Mr. Speaker. A significant factor in student aid is inflation, something the minister did not mention earlier in response to a very good question from the Member for Bow Valley. When inflation is factored in, the budget for Financial Assistance to Students has been cut by 36 percent, or \$51 million since 1986, when this government came to power.

My question to the minister is this: how can the minister and this government claim that students are a priority when his own budget shows otherwise?

MR. GOGO: Well, Mr. Speaker, I thought I had dealt with that. In this year's estimates the availability of student loans to Alberta students has increased from \$228 million to \$237 million, an increase of almost \$9 million. This minister is as aware as most, or more aware, of the increased cost of living for students and others, and that's why this government and this minister have made strong representation to the Canada student loan people – namely, Mr. de Cotret, the minister of state for Canada – to increase their portion to keep up with Alberta in terms of providing student assistance.

MR. SPEAKER: Supplementary.

MRS. GAGNON: Thank you, Mr. Speaker. During budget debate the minister finally admitted that student aid available has not kept up with the cost of living. Will the minister index student aid to inflation to stop this rapid drop in student assistance?

MR. GOGO: Mr. Speaker, in this year's budget the taxpayers of Alberta, who pay the interest on all the student loans, are paying some \$16 million on behalf of those students, and furthermore student loan defaults in this year's budget are about \$9 million. This is in addition to the approximately \$30 million we provide by way of grants to disadvantaged students. I'm as mindful as anyone that costs continue to go up. I'm also extremely mindful that the commitment of the government of Alberta to the postsecondary system, including student assistance, is as strong as any province in Canada, if not stronger.

MR. SPEAKER: The Member for Innisfail.

#### **Crow Benefit**

MR. SEVERTSON: Thank you, Mr. Speaker. My question is to the Minister of Agriculture. It's not on the budget. On April 13 this Assembly passed a private members' motion recommending that the Alberta government urge the federal government to adopt the buy-out of the Crow benefit along the lines of Alberta's Freedom to Choose proposal. [interjections]

MR. SPEAKER: Excuse me, hon. members. May I listen to what the preamble is without interference? Thank you very much.

MR. SEVERTSON: I understand that the minister is having a meeting with his counterparts, the federal and provincial ministers from across the country, in Leduc on May 3 and 4. My question to the minister is this: will the possibility of the change in the method of payment of the Crow benefit be a topic on the agenda of this meeting, and if so, will the minister urge the federal government to adopt the buy-out?

MR. ISLEY: Mr. Speaker, the results of the resolution as debated and passed in this House have been circulated to the federal minister and all the provincial ministers. The item will certainly be discussed at Leduc this weekend, and we will certainly be making representation for a buy-out.

MR. SPEAKER: Supplementary.

MR. SEVERTSON: Thank you, Mr. Speaker. My supplementary refers to Transportation Talks, a series of 138 meetings held

across Canada to discuss transportation issues. Will the findings of these talks be discussed at the upcoming meetings?

MR. ISLEY: Mr. Speaker, one of the items on the agenda this weekend will be the final report from the third-party facilitator who conducted the transportation talks across the prairies. We in Alberta will certainly be pushing to set up a decision-making process to occur between the May 3 and 4 meetings and the July meeting in Halifax, at which time we would hope some final decisions would be made with respect to the Western Grain Transportation Act.

MR. SPEAKER: Might we revert briefly to Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.  
Vegreville.

head: **Introduction of Special Guests**  
(*reversion*)

MR. FOX: Mr. Speaker, I'm pleased to introduce to you and to members of the Assembly 39 visitors from Mundare school in the Vegreville constituency. They're seated in the public gallery and accompanied by their teachers Mrs. Vicki Moroziuk and Mrs. Rita Paquette along with Mrs. Marie Lysyk, Mr. Jason Blondin, and Mrs. Dolores Warawa. I'd like them to stand and be welcomed by members of the Assembly.

head: **Orders of the Day**

head: **Committee of Supply**

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: Will the Committee of Supply please come to order.

head: **Main Estimates 1992-93**

#### **Agriculture**

MR. CHAIRMAN: The Chair will first invite the ministers of Agriculture to make their introductory comments.

The hon. Minister of Agriculture.

MR. ISLEY: Thank you, Mr. Chairman. The associate minister and I look forward to commenting on our proposed expenditures for 1992-93 and to responding to the questions and comments of members. Alberta Agriculture's budget shows a slight increase for 1992-93, evidence of the province's ongoing commitment to Alberta's agrifood industry. We have dedicated those funds to helping Alberta's agrifood industry meet the challenges of a globalized and an increasingly competitive marketplace.

In response to events happening both within and outside of this province, the government continues to shift its focus from input support to income support. The distinction is important. While we maintain our support by sharing in premium costs with producers and the federal government, we empower producers to make critical production choices on the basis of market demand. The safety net programs are less distorting and, as they evolve, become less antagonistic to our trading partners. Only when the international marketplace is rid of subsidies and protectionism in all of their forms can Alberta's agrifood industry truly achieve its



potential. For example, Mr. Chairman, we have transferred resources from the Alberta farm fertilizer price protection plan to help meet our obligations to the new safety net programs such as the gross revenue insurance plan, which the associate minister will be discussing in greater detail, the net income stabilization account, and the national tripartite stabilization plan. I might add that the fertilizer program exceeded its original term by many years and over that period reduced fertilizer costs by \$136 million for 43,000 farmers.

The estimates also show an increased commitment of \$13 million to the Alberta Crow benefit offset program. The Crow benefit offset program was designed as a temporary measure to offset distortions caused by paying the federal transportation subsidy to the railways instead of the producers. It has been extended in light of the ongoing national debate on grain handling and transportation policy and the impending decisions regarding the future of the Crow benefit and its method of payment.

### 3:30

This year's budget also provides funding for some new initiatives, some of which I'd like to draw to members' attention. The government of Alberta is joining with the Alberta Food Processors Association to expand Alberta's market share – or TEAMS program. The Alberta government will dedicate \$900,000 to assist Alberta food and beverage processors to promote and market Alberta-made products. Alberta's food and beverage sector, valued at \$5 billion, is the province's largest manufacturing industry. It directly employs 17,000 people and generates many more jobs in supply and distribution.

Relative to other provinces Alberta has made great strides in diversifying agriculture. We have ventured into an impressive array of crops and livestock which have made us more resilient against price losses and which have affected more traditional crops. To encourage further diversification, the government of Alberta has allocated \$200,000 to developing Alberta's sheep industry. The funding will support sheep breeding, commercial production, feedlot development, and lamb processing enterprises. Canadian supply meets only 30 percent of domestic demand for lamb, providing a significant opportunity for Alberta producers and processors.

As well, a new initiative within Alberta Agriculture's plant industry division will focus on improving the productivity, quality, and marketability of forages, the research and technology development. Not only does this broadly based resource serve Alberta's growing livestock industry but also a growing export market for quality forages and processed hay products.

Alberta agriculture and food products are renowned for their quality due to high standards imposed by our regulatory environment. This year we have enhanced funding for meat inspection to maintain Alberta's reputation for excellent quality and to protect public health. As well, changes to brand inspection will reduce the necessity to rebrand at the feedlot, thus adding to the value of the hide and returning more money to the producer.

A dynamic global marketplace challenges the industry to become as efficient as possible. Alberta Agriculture is committed to helping operators develop the necessary management skills to take advantage of new opportunities and to strengthen the viability of family farms, upon which this industry is based. To that end the government of Alberta is providing \$596,000 in new support, which together with ongoing expenditures will generate as much as \$1.7 million in matching federal funds under the Canada/Alberta farm business management program.

Moreover, the government has sought to transfer to the private sector responsibilities for certain services and publicly owned

assets, both to provide new opportunities for the private sector and to reduce provincial expenditures. Such a move is the recent announcement of intent to sell the Alberta Swine Artificial Insemination Centre at Leduc. As a condition of sale Alberta will request of the new owners that they commit to the long-term operation of the centre so that Alberta producers continue to have access to the services of this excellent facility.

This budget targets resources to initiatives that will provide optimal benefits for our producers and processors and help the industry to become more self-reliant, more market responsive, more competitive, more responsible in terms of managing its resources, and ultimately more prosperous. Our department is continually reviewing its programs to ensure that they are still relevant, that they are meeting the needs of their intended beneficiaries, and that they are delivered as cost effectively as possible.

Mr. Chairman, I'd like to make a few comments on vote 8, the purpose of which is to fund interest assistance provided to ADC clients and to provide for the operating expenses of the corporation. The Ag Development Corporation's mission is to ensure that financial services are available to promote a competitive agriculture and food industry in Alberta. This year's budget for \$65,567,000 is a reduction of 6 percent from last year. The annual cost to the province of running ADC has decreased from \$94.6 million in 1990 to \$65.6 million this year, a total decrease of 30 percent. These reductions can be attributed to several factors: number one, the cyclical drop in interest rates in Canada, which reduces ADC's borrowing costs; secondly, ADC's improved loan portfolio, which has been brought about through loan application review criteria designed to enhance client success, prompt and consistent collection activity, and judicious use of the workout options; and thirdly, improved efficiencies resulting from long-range planning, decentralization and delegation of authority to frontline lending staff, and continually upgrading data processing capability.

Last year the Ag Development Corporation compared itself with other farm lending agencies in Canada using dollars or assets administered per employee. This is the ratio through which banks measure their relative efficiencies. At \$5.6 million per employee ADC was handling the largest million-dollar portfolio per employee of any major farm lending agency. This ratio improved in 1991 to \$5.8 million per employee. During the past year, with assistance from both district agriculturists and hail and crop staff, the corporation delivered the western and the southeastern disaster programs. About 5,000 farmers received help from these programs, and this represents about five times as many new loans as the corporation normally handles each year. These programs are funded through Public Safety Services and administered by ADC.

Other highlights of the past year include: through its commercial lending program the corporation continued to provide funding for diversification opportunities; with the completion of decentralization, head office staff numbers are down by 24, field staff numbers are up by 11, for a net reduction since 1988 of 13 positions. This excludes temporary staff hired for the disaster programs.

Despite the very difficult year experienced by farmers, arrears over one year decreased from 5.3 percent to 4.8 percent. Four years ago the corporation had 638 quarters of land on hand, net of pending offers. After recent land auctions the corporation's portfolio was down to 54 quarter sections of land available for sale.

ADC's beginning farmer loans and vendor mortgage guarantees are designed to provide long-term, fixed rate, predictable financing for Alberta's new farmers. As these new farmers progress, ADC loan officers are available to provide ongoing financial counsel-

ling. In addition, for those few who experience financial problems, the corporation has a number of workout options to help them deal with their difficulties. Although the past few years have been difficult for our farmers, I am pleased to report that the programs are working as evidenced by a 10 percent drop in security actions, from 202 in 1990-91 to 180 in '91-92.

In 1992-93 the corporation is expected to provide \$70 million in direct loans and vendor mortgages to beginning and developing farmers. Agribusinesses are expected to receive \$14 million in new loans from ADC. The \$20 million Canada/Alberta partnership on agrifood to be delivered through ADC is expected to stimulate \$90 million from private-sector investment in value-adding processing.

In addition, ADC will participate in over a hundred million dollars of private-sector lending through its guaranteed programs, the majority of which will be through the very successful Alberta farm development loan program. I am pleased with the innovation and flexibility ADC is using to better serve this business of agriculture in Alberta, and I look forward to the challenges of the coming year.

Mr. Chairman, in closing, let me welcome a number of staff from Alberta Agriculture and its various agencies in the members' gallery. I congratulate them on the work they have done over the past year, and I ask them to convey on behalf of us our appreciation for the dedication of their colleagues back in their various institutions.

With that I'll turn it over to the associate minister for comment.

**3:40**

MRS. McCLELLAN: Thank you, minister. Mr. Chairman, again I'm pleased to explain our proposed expenditures to hon. members and to answer any questions that they might have. I would certainly add my thanks along with the minister to our Alberta Agriculture staff that we have here today and certainly to the many Alberta Agriculture staff that we have working throughout this province.

I also would like to echo the minister's comments regarding the importance that we place on meaningful programs and services and using our fiscal and human resources as effectively as possible.

Mr. Chairman, the minister has mentioned our significant contributions to the safety net programs and the need to restructure expenditures to meet those obligations. Growing subscription to the revenue protection program has meant a doubling of the provincial share of contributions to that component of the gross revenue insurance program. Overall the Alberta Hail and Crop Insurance Corporation budget, comprised of crop insurance and revenue protection premiums together with administrative costs, will increase almost 26 percent in 1992-93. I think useful for the members' information of that very significant commitment is the knowledge that in the past year of the program, to this date, interim payments have been over \$340 million and, taking the premiums off, have put cash in Alberta farmers' hands of over \$265 million to this point in that program. I mention that only to highlight the significance of the program and the importance that it has been to our producers in this province and our continued commitment to it.

Mr. Chairman, agriculture's future productivity rests on how well we protect our natural resources today. Under the auspices of the Canada/Alberta soil conservation initiative, or what I will call CASCI throughout the rest of my remarks, and the Canada/Alberta Agreement on Soil, Water and Cropping Research and Technology Transfer, or CARTT as I will refer to it, Alberta has reclaimed depleted soil, halted soil degradation, and raised awareness of environmentally sustainable practices. We are proud

of our achievements in this area but realize there is still a great deal to accomplish. This budget provides \$3.2 million to conclude the activities begun under CARTT and CASCI. After a careful review of past experience our department is developing a new, long-term strategy with the federal government and in consultation with conservation farming groups and producers around the province to ensure that the soil remains productive and that agriculture remains an integral part of our economy.

Agriculture successes and diversification referred to by the minister have been certainly added to by the province's vast irrigation system. It has enabled producers to expand into crops otherwise unsuitable for the dry southern climate. But irrigation does have applications throughout the province including perhaps the northeastern part of this province, which suffered drought very recently. As well, new water management projects such as the Oldman dam will permit more irrigation in this province.

The Alberta private irrigators' development assistance program, funded by the Alberta Heritage Savings Trust Fund, is providing \$2.6 million in capital and engineering assistance for three additional years. Administrative changes which provide one-time grants instead of instalments should also make the irrigation possibilities more attractive to producers facing high start-up costs. Furthermore, the heritage fund will contribute \$30 million to the continued expansion and rehabilitation of Alberta's irrigation network, \$10 million of which will go into trust to fund the future rehabilitation of this system. Bill 17, Mr. Chairman, the Irrigation District Rehabilitation Endowment Fund Act, has already been introduced in the House for this purpose.

As well as providing infrastructure and income support, an important role of government is to enable research and education, areas to which I am personally very committed. The budget again provides funding to the Alberta Agricultural Research Institute, which administers the funding for the Farming for the Future program, co-ordinates research, and disseminates research information. The chairman of the Alberta Agricultural Research Institute, the hon. Member for Taber-Warner, will be pleased, I know, to discuss that area with members today.

I should also mention, Mr. Chairman, that we are again offering the green certificate program, an apprenticeship-style training program for persons interested in production-related careers on Alberta farm operations. We acknowledge the transfer of funds from Career Development and Employment for the on-farm training component of this program. Delivering this and other programs are staff in our head office in Edmonton and six regional offices and 66 district offices throughout the province. While we're looking at innovative ways to deliver information inexpensively, people are still our primary extension vehicle. Our excellent staff are helping the industry to solve production, financial, marketing, and processing problems, and to realize emerging opportunities.

[Mr. Jonson in the Chair]

However, in light of the financial obligations we have discussed, we have needed to reduce some field staff numbers. For example, some areas previously staffed by two district agriculturists will now be served by one. Five district home economists and five regional dairy specialist positions have been removed, and three of the seven regional 4-H positions have been given up. As well, several vacant support positions have been lost. However, we will maintain a high level of service in all areas of our province. The services of this department will remain accessible to Albertans.

Mr. Chairman, we have tried to meet the present needs of the farming and processing community while maintaining an eye on

the future. As well as developing effective safety nets, we have championed several causes such as backing the GATT negotiations, which offer the prospect of new markets through our industry. We have listened to the farmers and have tried to address their concerns, hopes, and desires within the context of a fiscally responsible budget.

The minister and I will be happy to entertain comments and questions from the members.

Thank you.

MR. DEPUTY CHAIRMAN: The Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Chairman. I appreciate the short and to the point speeches by both ministers. If they were always so short and to the point, it almost makes me think that I should withdraw the motion I'm going to make later on where there should only be one minister.

Also, I'd like to welcome their staff. I'm in a very dangerous position here right close underneath. If I make some comments, as I sometimes do, about the staff, they could hit me with their glasses or their false teeth or whatever it is. It's pretty handy right underneath the parapet here. I congratulate them for coming out, to be interested enough to see what's going on. I'm sure they weren't on any orders whatsoever to do so.

Let's take it vote by vote. Vote 3.1 is bothering me a bit. There's a 40 percent increase in program support for production, processing, and marketing. A 40 percent increase is a big increase. I'd like to see one of the ministers, when they answer my talk, be a little more specific. It seems in these hard times a lot of money, a sudden big jump in the budget. Is there something special we don't know about? Or is it once more an increase in the money that we're pouring into Gainers? I called it a rat hole the other day, much to the chagrin of their PR man, who phoned me up quite annoyed. We agreed not to speak to each other ever again, which may be a blessing for him, but the fact is that it is a rat hole or a badger hole or whatever it is; it's a hemorrhage that a great deal of the government's funds are disappearing in just to keep Gainers alive. I'd like to know if that 40 percent increase in support has anything to do with trying to keep Gainers alive and well when it should be allowed to get out into the private sector, maybe even give a chance for you to say when it will be going to the private sector.

We come to vote 6, the agricultural research – I notice the hon. chairman is here – \$860,000. Well, they had unexpended funds in 1991. I would think in these hard times that would be one issue you could just dry up. I don't see that it's ongoing. I think it's quite possible that we could cut that to zero. Through the years I think they've had some worthwhile programs, no doubt, but when you have hard times, that's one of the things you could put to bed or put out of its misery, much like you would do with the Member for Taber-Warner.

### 3:50

We go to another area, crop insurance, up by 25.8 percent. That's vote 7, Madam Minister. In this case I'm not being critical. I just really don't know. Under the crop insurance, is that the increased contribution to GRIP by us?

While I'm touching on that a bit, I've had a number of calls. A number of young farmers, some middle-aged ones too, think they've been hosed by the government hail insurance board last year by buying insurance premiums. Then they find when they apply under GRIP that any hail premiums have to be deducted before they get GRIP payments, leading to the idea that: why

bother taking out hail insurance if you're going to get it deducted from your GRIP payments? When you apply for GRIP, any hail insurance you accept, even though you paid for it, is deducted from what they will pay for GRIP. What it really boils down to is it means that hail insurance is only good for a very good crop till it brings you down to the GRIP level. You're shaking your head, but this is very interesting. This isn't something off the top of my head, because I've investigated it for three farmers now. Quite clearly on the application form for GRIP aid it says that you have to make it net of anything you received for crop damage by deer, elk, or whatever it is, or by hail. So what kind of hail insurance policy were you selling in the first place?

AN HON. MEMBER: You were half right.

MR. TAYLOR: Well, if I'm half right, I'm still a hundred percent better than most members in this area. Maybe Madam Minister could explain that one.

An increase of \$12 million in guaranteed loans. That's a lot of shekels in anybody's language. There again, you take on for support – we're back at 3.1. It's 3.1 tied to page 40 of the Budget Address. That's what is kind of concerning me. They mentioned the increase of \$12 million in loans under the Agricultural Societies Act. Maybe it's got nothing to do with processing. It says: increase of \$12 million in loans under the Agricultural Societies Act. That was on page 40 of the Budget Address. I'm intrigued as to what that could mean.

MRS. McCLELLAN: Do you have the vote number?

MR. TAYLOR: No, this is in the Budget Address. I'm sorry. No, I've jumped from vote numbers now to just very general. I'm wandering around. I felt very much like a mosquito in a nudist colony. I had so many targets I didn't know where to settle down, Madam Minister, so I'm just taking a little bite here and there where I see some flesh.

I mentioned vote 7, crop insurance, but you've already answered that by nodding your head over there.

Page 40, Budget Address, \$12 million in loans.

Back to the Budget Address, page 50. You did mention it in your speech today. Private irrigation development assistance increased to \$1 million. That's four times what you did last year. There again I'm intrigued. Private irrigation to me usually means the pumps and aquifers and small streams. Just what caused the department to suddenly expand this by four times?

I go on again in the Budget Address. They mentioned the Crow benefit. They expect that GATT will "require changes to the Crow Benefit." Here again I'd like to be a little critical of both the ministers. In particular, Clyde of the Bonnie and Clyde team over there is always suggesting that either supply management or the Crow benefit will have to go. Yet then he turns around and says: oh, no; I really don't mean that; it's just that GATT is going to make us do it. Well, I don't think the ministers are correct. If they talk at all to their American counterparts – and I spend quite a little time back and forth across the border – the Yankees aren't about to give up their protection of cotton, peanuts: the two major ones. Yet we seem to be frightened to death because our supply-managed sector makes maybe 1 or 2 percent of the European and North American markets as far as dairy and feather industries are concerned. I don't think the Americans or the Europeans are slaving at the mouth at the huge market they can penetrate in Canada in case supply management gives way. There's no real penetration by our feather and dairy industries into their market, so I think the minister is dedicated to a philosophy that died about

the 1890s or early 1910 where he wants to get rid of any form of protection for agriculture. It's one of the areas of the agriculture sector that is working.

By the way, I'm having a motion distributed around. It will be with you very shortly. I would like to see the minister a little bit more temperate – both of them – particularly Clyde when he goes to criticize supply management and the dire things that are going to happen in supply management. I'd much more see a dedication to fight than starting to make excuses for the Americans and for GATT.

Now, let's roll into 4-H for a bit. Madam Minister – Madam Bonnie – is in charge of this area. I have the strong impression that 4-H wasn't consulted when they cut the district agriculturists and particularly the counseling for 4-H and that the 4-H people feel that that \$435,000 or whatever it is that we think we've saved could have been cut in other areas. I would make a plea there for 4-H executives to be consulted more in the future on things that touch them. I know that Madam Minister said, "Don't worry about it. We're still committed to it, and we will be in there just as solid as ever," but it's a little hard to convince anyone when you see the district agriculturists and the consultants to 4-H being laid off.

I'll move on a bit to ADC. Well, there's no use going over that. Poor old ADC has been stomped on by me so many times that if I give them any praise, they would probably faint. I do want to thank the minister. In spite of the fact that I raised it, I think twice, in the House, Mr. Greene in Carmangay was being held up to a form of – oh, the word wouldn't be as strong as extortion – but a form of leverage. Mr. Greene is now very happy. The ADC branch has been out to talk to him. I'm sure it's been at the request of the minister. All they had to say after they settled up everything with him was that maybe the next time a farmer is in trouble down there, they shouldn't call Nick Taylor. I think whether or not they call Nick Taylor will be how efficiently the Lethbridge office and the minister work in the future. Nevertheless, they did a good job, even if I had to threaten to maybe take off their clothes, one at a time.

That leads to another point though. Why is the ADC sort of an order unto itself? You know, they lend the money. They set up the terms. They do the adjusting afterwards. I don't think that any organization, no matter who they are – even a Liberal ADC wouldn't be that smart – should be allowed to operate without an appeal mechanism. I'd like to recommend to the two ministers that they set up some sort of an appeal mechanism outside of government. I know you say you can go over and consult with the farm credit people, the federal people, the debt adjustment boards, but quite often there are administrative disputes, particularly when the ADC, besides foreclosing and lending, are also administering the drought assistance program. They've got their fingers in nearly everything this government is doing agriculturally. A lot of those decisions can be bureaucratic, and an appeal board would probably save both the government and ADC quite a lot of problems or, let's say, heartache in the future.

**4:00**

The last point I want to make is on leasebacks. I don't know why ADC has been so slow in going ahead on this, why they fight it so strongly. I noticed that Saskatchewan has gone ahead with six-year leasebacks. All I've ever suggested here was five-year leasebacks. I know we have leasebacks here: one, two years. I think the minister said that he had a three-year one somewhere, but he could never tell me where it was when I asked. They do one- and two-year leasebacks, but those aren't good enough. That doesn't get the problem done. I think that with a five-year

leaseback with the person that's been foreclosed on having a chance to purchase it, we don't lose anything. We have a good chance to keep the family in the community, to keep the community alive and well. Everything from school buses through to the poolroom can continue to function. There should be no hurry to take possession of the land. I doubt like the dickens that the farmland will be worth any less five years from now. Sure, maybe the ADC person is right that that person, even given a leaseback, still is not going to be successful, but let's try it. It's better to have that go ahead than have ADC saying no, turning the old thumbs down, like ancient Nero did to the fellow that was going to get fed to the lions – out they go.

Mr. Chairman, that closes it out, but I'd like to move a motion.

Be it resolved that the Committee of Supply recommend in its report to the Assembly that the Department of Agriculture be placed under the administration of one Minister of Agriculture.

O-n-e, uno.

Thank you.

**MR. DEPUTY CHAIRMAN:** Just an intervention here by the Chair.

**MR. TAYLOR:** May I speak to that?

**MR. DEPUTY CHAIRMAN:** Certainly, but if you would just consider a request from the Chair, hon. member, please, and that is that in the course of the opening remarks being given, the Member for Taber-Warner should have been called upon to give brief remarks with respect to the Agriculture trust entity. I would offer to the Member for Westlock-Sturgeon that if we could just hear his remarks on the chance that we might spend some time on his amendment in debate – if he could just make a few remarks, then I will call upon you again to speak to your amendment.

**MR. BOGLE:** Thanks very much, Mr. Chairman. I intended to rise on the motion put forward by the hon. Member for Westlock-Sturgeon and speak opposed to the motion. As we are not yet dealing with that matter, I won't do so, but with the Chair's indulgence, I would like to put a question back to the hon. member because I want to be sure I clearly understood the intent of the points made by the hon. member. Is the hon. member suggesting seriously that we cut out all agricultural research? Is the hon. member suggesting . . . [interjection]

**MR. DEPUTY CHAIRMAN:** Order please. The Chair by intervening was endeavouring to facilitate getting in the hon. Member for Taber-Warner's report. Therefore, I would request that we not get into anything dealing with the amendment because it is not yet accepted on the floor.

**MR. BOGLE:** I appreciate that, Mr. Chairman. I'll rephrase my comments by relating to the budget this year which calls for an investment of approximately \$7.7 million, taking into account that \$5 million flows through the Heritage Savings Trust Fund for the Farming for the Future portion of the Alberta Agricultural Research Institute. The General Revenue Fund is called upon for \$860,000. It's important to note that the \$860,000 is down from the \$900,000 of one year ago, and the \$900,000 of one year ago is down from the \$1 million of the year prior to that.

So the obvious question that hon. members may be asking themselves: has that resulted in a cut, in a reduction of dollars provided for research across this province? Obviously it's \$140,000 of reductions in grants from the General Revenue Fund, but it's important to recognize that as the Agricultural Research

Institute is a Crown corporation, unexpended funds are carried over. Interest earned on unexpended funds is retained by the institute, and the institute has been very prudent in its dealings. Through the institute we have built up a surplus, and we have through that surplus been able to ensure that no reduction in the grants that we provide has come about.

If I were just to use a couple of examples of some of the research activities that we've used, I thought it might be helpful for the hon. Member for Westlock-Sturgeon. I'm just using these at random, Mr. Chairman. I look at the on-farm demonstration projects in the northwest region, and I see that we've provided to the Pembina Forage Association based in Westlock approximately \$15,160. It's associated with some work done on collecting of information for the cost of pasturing cows and calves under various management regimes within that region. I look at phosphorus fertility on field peas, a project by Mr. Harold Pfeiffer out of Westlock. I look at the north branch of the Pulse Growers Commission from Westlock: agronomics of field peas and fababeans in north central Alberta. These are but three examples of some of the excellent work being done by constituents of the hon. member in terms of on-farm demonstration projects. That, along with some of the very exciting research which is taking place at the University of Alberta, the University of Calgary, through the veterinary medical college at the University of Saskatoon, some of the federal research stations, our own provincial centres, and other private-sector involvements, is really exciting.

I cannot anticipate the hon. member's thoughts. As you indicated, Mr. Chairman, my remarks should have come prior to his remarks, but the question is begged as to whether or not the member is really serious about his comments on agricultural research.

MR. DEPUTY CHAIRMAN: The Member for Westlock-Sturgeon, back to you, sir.

MR. TAYLOR: I will try to speak to the motion. I'll take a minute.

Yes, I'm quite serious about cutting a measly \$860,000 or a million dollars out of the research budget. We have to do some pretty serious cutting, Mr. Chairman. When this Premier took over in 1986, we had total assets, net of liabilities, in this province of 8 and a half billion dollars. In 1991-92 we have \$1.3 billion in the hole, using even their figures, and at the forecast of the Treasurer, by 1994 we'll be \$12 billion in the hole. We go from \$8 billion surplus in assets in 1986 to \$8 billion deficit in 1994. Well, when you look at figures like that, whether you're private or anything, maybe [inaudible]. I'm sure that my constituents do better research maybe than any other researchers, but the idea that there is a munificent grandpa or godfather handing out grants here and there where it'll stop the political wheel from squeaking is foolish. We have to get our debt under control. The Treasurer certainly has put a very dismal picture indeed, because even using his figures of a 2 and a half percent cut in expenditures plus the 6 percent decrease in revenues, there's no way we can continue to fund as we have.

I'm sorry; it's going to hurt. Maybe it'll hurt my constituency. On the other hand, it may well hurt the hon. member's constituency or even the chairman's constituency, but I think agricultural research is something we can slow down. I didn't talk about stopping it. I'm talking about cutting it down so that the Agricultural Research Institute can't continue to function. [interjection]

No, I'm interested in talking to the organ-grinder, not the monkey right now. I'll get to you later. That's a canola monkey, too, by the way.

#### 4:10 Agriculture Ministers

Moved by Mr. Taylor:

Be it resolved that the Committee of Supply recommend in its report to the Assembly that the Department of Agriculture be placed under the administration of one Minister of Agriculture.

MR. TAYLOR: I'd like to go a little bit farther now and speak to the motion on the question of the two ministers. We're again cutting. It's not the money we save by cutting one's salary. One thing I've learned here in government: a cabinet minister's salary and the space they occupy is really fairly small. It's their wild dreams of grandeur and their Napoleonic ambitions and the amount of space they take up, the rugs that they buy, the help that they hire, the researchers that they employ, the programs that they fund, the traveling that they do: that's what costs the taxpayers money. You put that all together, and the average cabinet minister runs into the multimillions. So if we can cut out one cabinet minister here, and there seems no real reason - if I had my choice I'd tell you very quickly which one I'd want to cut out, but I don't want to get on to that and get either one bothered now. But having two cabinet ministers because one's male and one's female or one's in northern Alberta and one's in southern Alberta is foolish. Hospitals could qualify for a couple. Mr. and Mrs. and a gay: we'd have three cabinet ministers maybe, whatever we want. The fact of the matter is that one is enough, and one does a very competent job.

As I mentioned before, why does Agriculture suddenly have to have two cabinet ministers? I think it was nothing more than a political ploy, and as I mentioned before, a cabinet minister's cost to society is not just their salary and not just their assistant; it's the huge Napoleonic ambitions and dreams that they have that they go on charging the taxpayers. Hence my move, Mr. Chairman, that this House recommend that we reduce to one cabinet minister.

MR. DEPUTY CHAIRMAN: Any speakers on the amendment which is before the Assembly?

HON. MEMBERS: Question.

[Motion lost]

#### Agriculture (continued)

MR. DEPUTY CHAIRMAN: The Minister of Agriculture to respond.

MR. ISLEY: Now that we have the amendment out of the way, Mr. Chairman, I'd like to respond to some of the ramblings of the Member for Westlock-Sturgeon. I know he first of all brought up his favourite topic of Gainers. I must congratulate him on the fact that he didn't refer to it in the derogatory terms that he did in the House the other day, which led to some very strong concerns coming out of some pretty hardworking people over there. I think I would like to someday take the hon. member on a tour of Gainers and let him see just what goes on over there as far as slaughtering pork is concerned, as far as processing is concerned. I'd like to see him view and rub shoulders with the hundreds of people that work over there in slaughtering, in cutting, in processing, in packaging, in distribution. Maybe he should listen, when he's out in the country, to the many producers in the northern part

of the province that are very thankful that Gainers is still operating as an outlet for their pork and their beef. In due course I'm sure we will be able to move it back into the private sector.

[Mr. Moore in the Chair]

The hon. member did a fair amount of rambling trying to tie GATT and the Alberta position on the Crow rate in together. I think a little research should show him that Alberta has taken the position for some 10 to 15 years now that we should be paying the Crow benefit to the producer as opposed to the railway to take the distortion out of the price of grain on the prairies and allow for true value-adding and diversification to occur and new jobs in rural Alberta, to allow for a rationalization and modernization of our grain handling and distribution system. That position has been in no way dictated by GATT. We have pointed out that if the Dunkel text does indeed flow through to become a GATT agreement, the Western Grain Transportation Act, which puts that \$720 million per year into the pockets of the railways to do nothing but put grain in an export position, would be viewed as an export enhancement subsidy and subject to reduction. We're still pressing very hard to make the change in the method of payment so that that money flows to the producer regardless of whether there is a GATT agreement or whether there isn't. The supply managed sector is certainly more related to the GATT agreement, and I only submit to the hon. member and others that we will continue to share openly and honestly our truest assessment of what GATT may bring and what a post-GATT agricultural world may look like to our producers even if at times some of them find it difficult to accept.

Let me assure the hon. Member for Westlock-Sturgeon that the Ag Development Corporation doesn't feel very stomped on by his activities; it's probably something like a mosquito attacking an elephant. Let me also share with the Assembly - he keeps bringing up a Mr. Greene of Carmangay. We have talked to Mr. Greene of Carmangay, and when we first talked to him, he was quite satisfied with the way his deal was unfolding. We asked him for permission to share with the Assembly the problems he had with ADC. He in no way wanted them shared with the Assembly. He regretted the fact that he had ever spoken to the Member for Westlock-Sturgeon, stated that he was totally embarrassed with the way the member had dealt with that information, that he felt that if the member was going to help him, he would have been communicating again with ADC as opposed to running off at the mouth in the Assembly. As I say, he in no way gave me any authority to come back and openly lay his problems in front of this Assembly. So I would advise the hon. member: the next time he starts throwing farmers' names around to clear it with them first.

He talks about no appeals in ADC. He should know that there are ADC appeal committees located in every constituency in this province including his that farmers can turn to.

#### **Point of Order Imputing Motives**

MR. TAYLOR: A point of order, Mr. Chairman. I would like to challenge the minister to get on the telephone with me to Mr. Greene.

MR. ACTING DEPUTY CHAIRMAN: Order.

SOME HON. MEMBERS: Citation.

MR. ACTING DEPUTY CHAIRMAN: Order, Mr. Minister. [interjection] Order, hon. Member for Westlock-Sturgeon. If you have a legitimate point of order, you will be recognized now.

The Member for Westlock-Sturgeon.

MR. TAYLOR: My point of order, Mr. Chairman, under 23(i), my legal counsel says, is that the minister, the Clyde, made an absolute prevarication. I would like to challenge him to get on a long-distance phone with an extension with anybody he selects in the House, because you all are honourable people, and talk to Mr. Greene with me. ADC might have told him what he's doing now, but that's not what Greene told me.

MR. ACTING DEPUTY CHAIRMAN: Order, hon. member. You have no point of order.

Hon. minister.

MR. ISLEY: Mr. Chairman, I welcome the hon. member down to my office. At an appropriate time we'll set it up on my speaker phone.

#### **Debate Continued**

MR. ISLEY: He talked about no right to appeal ADC decisions, and I would remind him that every constituency in this province has an appeal board where farmers can be judged by their peers if they feel they're unfairly dealt with by the Ag Development Corporation. There is an appeal committee of the ADC board of directors, and Alberta is served with the Farm Debt Review Board. I'm not sure how many more levels of appeal we need.

[Mr. Jonson in the Chair]

He asked why we're not receptive to leasebacks, and I think the answer is very simple. ADC was set up as a lending institution, not a land managing institution, and we are not really interested in getting in the business of managing land on an ongoing basis and hiring additional resources to do so. As I pointed out in my opening remarks, we are now down to the point where we have a land inventory of roughly 50 quarters, and it has been moving down dramatically.

He did ask one I believe serious question that deserves a response, and that's why a 40 percent increase in vote 3.1, which is made up of three components. The first increase was caused by the transfer of a special adviser and secretary from the animal industry division into the ADM's office as part of the amalgamation of production and marketing under one ADM when they used to be under two. The second increase under 3.1.2 is as a result of increased activity of the marketing council because of the new boards and commissions and plebiscites and activity that has been going on. The last one under the Dairy Control Board simply reflects increased activity of that board. With those comments I'm sure the associate minister may want to respond on a couple of items.

4:20

MRS. McCLELLAN: Mr. Chairman, I would certainly like the opportunity for some clarification. First of all, I should say I'm always happy to educate the Liberal caucus on agriculture, and I'll attempt to do that in a number of areas today.

I'm sure that the chairman of the Alberta Agricultural Research Institute may have some other comments further, but I do have to take strong opposition to the member's comments on the value of research. The reason that Alberta agriculture and Alberta agricultural production are in the forefront in actually the world today is because of the commitment through this government department and others and the private sector and the universities and the colleges to research. That is how you get to the leading edge. I

have very strong support for research and for the very valuable research that has been carried on, whether it be basic or applied, so we are opposed on that viewpoint on the value of research. I will stand in my place and support research to the fullest to the benefit of the agricultural industry as a whole in this province.

The question on vote 7 on the 25 percent increase: it was a two-premium increase with the increased participation through GRIP program. I'm sure that the member noted the numbers, the dollar figures of that contribution of benefits to producers thus far this year through the introduction of that program last year and I would hope concurs with our continued commitment to that program.

On the hail rider, I'm going to have to read the Blues because I found it a bit confusing, but I think I understand the member's confusion which confused me. If a producer elects a hail rider, that is a different matter than if he purchases hail insurance from the Alberta Hail and Crop Insurance Corporation. Now, I was a little unclear in your comments as to whether you were talking about deduction of benefit from the hail or the premium from the person, but I will assure you that under our contract you do have the election of a hail rider. If you take GRIP, that election in the case of a hail loss, you do not get paid out on hail beyond the level of your coverage. If you purchase hail insurance from Alberta hail and crop insurance, that is not deducted, that is a benefit that you purchase, and that is separate. However, your premium may be, because remember we do have to collect premiums. Remember also that we have given Alberta producers a benefit in this province of an interest free period for their premium. A premium is due the day you sign your contract. However, we do not charge any penalty on that until a date specified in your contract, which I believe was about November 1 of last year. So I think that is a benefit to the producers, but I will make sure after reading *Hansard* that we are clear on that one.

Private irrigators assistance was a program that was in place and would have ended this year. We have introduced it again for a number of reasons. I should say that this is a program to provide a benefit to private irrigators to bring water to the edge of their field. It does not cover capital costs on the project on the farmer's field. A couple of reasons that it was reintroduced and at a perhaps higher level than we had paid out of it last year: the Oldman dam is expected to be operational in the '92-93 year - there will be opportunities there - and farmers outside of traditional irrigated areas are expected to perhaps take more advantage of the program as economies improve. So this is a reason that we reintroduced it to the private irrigators.

I would like to take a couple of minutes just to outline actually what is an enhancement, I believe, to delivery of 4-H in this province, albeit it's always difficult when you make changes. Just for your information, I should tell you that there are 457 4-H clubs in this province with about 7,600 members and about 2,570 volunteer leaders. Also for your information, there are about 58 district home economists. I would correct the hon. member on the question of district agriculturists being a loss to the program. District home economists have traditionally supported 4-H. District agriculturists do provide technical support, but it has been in the mandate of the district home economists.

In effect, what we have done is not reduce support directly to any 4-H club in this province - and I think that's important - or to their volunteer leaders. We have combined some regions. Where we had seven 4-H specialists, we now have four. We think that is possible and practical. However, to do that, we have shifted some responsibility. I have to suggest to the member that the enhanced work with some 58 district home economists with more responsibility of direct work with the clubs will be an

enhancement to those clubs. The 4-H regional people we have in place will work more with the regional 4-H councils in the province as well as assisting the district home economists in any area of delivery that they might require.

I know that any change in any program causes some discomfort perhaps. I don't want to leave any member in this House with the inference or the feeling that we have reduced our support or our commitment to the 4-H movement in Alberta. I think it's the finest 4-H association that exists in Canada. This year they are celebrating 75 years of working with young people and the development of very fine young people through that program. We will continue to support that program, but it doesn't always mean that what we have done in the past is best and that there isn't a better way or a way to enhance that. I'll be working with our provincial 4-H council, with our regional 4-H councils, with our members, with our volunteers over the course of the year to ensure that they are not feeling a lack in program support to this very important program.

I should also say that we lend support to 4-H in other ways. They're important to us in the highway cleanup program - I believe the minister of transportation could correct me if I'm wrong, but I believe it's this coming weekend that that will take place - and while 4-H clubs provide a great service to us in keeping our province clean and beautiful, they receive some funding through that program as well. They have participated in the past, and I hope they will participate in the future if we have that program.

4:30

Please do not feel that we have diminished or that this minister has diminished her support to 4-H. In fact, I think we have even a stronger commitment to it, and we certainly wish 4-H every success in their 75th anniversary celebrations. We'll continue to support them in their leadership training weekend that they sponsor each year. I have to just finally mention the tremendous support that we receive from the private sector for 4-H. It's a joint, co-operative effort and one that we intend to continue to support.

Those remarks are perhaps a bit longer than I intended, Mr. Chairman, but they are important areas. I look forward to other comments.

MR. DEPUTY CHAIRMAN: The Member for Vegreville.

MR. FOX: Thank you, Mr. Chairman, and I do appreciate members juggling their speaking times to facilitate my participation in debate. I would like to offer my thanks as I do, and not lightly or frivolously, to both ministers and the staff that work with them in the Department of Agriculture. Though we may disagree, and often do, on matters of policy and procedure, I think we have an open relationship that enables us to question one another freely, challenge one another, and try and find areas that we do agree on and that we can work together on. So I do want to extend that compliment to both ministers before I try and get rid of one of them.

Mr. Chairman, we would all like budget estimates to be a matter of question and answer: we get up and ask and they answer and back and forth. To some extent it does work that way, but there are realities that are imposed on us, such as members' time constraints here, that make it necessary, I think, for the Member for Westlock-Sturgeon and the Member for Vegreville to make as many relevant points on matters of policy and issues of concern to us and the people that we speak to around the province and bring as many of those issues forward as we can during this estimates process. Often there isn't any other opportunity to address the so-

called big issues that require a little more explanation and development than is allowed in question period, for example. There may be a time when we've got some other process for reviewing estimates, but basically what it amounts to now is a chance to raise a number of concerns with the ministers and other members of the Assembly and try and get some sense of where people stand on these issues, and I think that's the way it's going to be.

I do have to say, Mr. Chairman, that I am very, very disappointed in what I see as the government's legislative agenda for 1992 with respect to agriculture. They like to maintain that agriculture is their number one economic priority. They point to the fact that we've got two ministers of agriculture and make all sorts of motherhood speeches around the province about the backbone of our economy and how important agriculture is to all Alberta. Frankly, I don't see that substantiated in terms of the legislative agenda of the government. To put it in perspective, we've got to realize just what sort of times we're living in. We've got a lot of problems in rural Alberta; I think everyone recognizes that. They're widespread to the extent that farmers across this province were moved to organize rallies on a scale and of a size unprecedented in modern history in the province of Alberta: farmers, businesspeople from small communities, friends and neighbours gathering together in large rallies to express their genuine concern about the state of agriculture, about government policy direction, about the futures for their families and the survival of the communities that they support. I think we've got to acknowledge those efforts.

[Mr. Moore in the Chair]

The first meeting, being in the middle of August in Willingdon, was motivated partly by the legitimate concern producers in northeastern Alberta had about the serious drought situation in that part of the province, linked with the overriding concern about the problems in agriculture. I would just like to observe in particular that with respect to that meeting in Willingdon, I was the only provincial or federal elected representative there, and that caused someone in the government caucus to accuse me of organizing the meeting deliberately in such a way that I'd be the only politician there. I hope members recognize that that's an absolutely absurd contention. I had nothing to do with the organization of the meeting; it was organized by the Alberta Cow Calf Association. Members would know that the leadership of that organization represents a broad spectrum of political affiliations. There are even some Conservatives, for Pete's sake, in the leadership of that organization. I had nothing to do with the organization of that meeting, and surprising as it might be to my friend the Minister of Agriculture, I resisted the obvious temptation to put the boots to the government on their agenda and be critical of people for not being there.

I didn't do that, and in fact I felt that it was incumbent on me as a servant of this Legislature to come to the defence of the employees of the Department of Agriculture, who were, I think, unfairly criticized at that meeting, who were being held responsible for government policy decision. They were on the hot seat, and I commend them not only for their commitment but the composure that they demonstrated when they were under fire. I just want that on the record, that I was there, Mr. Minister. Not only was I there not criticizing you, but I was there sticking up for your employees. I know you'd do the same for me when the shoe was on the other foot. [interjection] Oh, I agree. The hon. minister won't be representing a constituency in this Assembly

when the Member for Vegreville is Minister of Agriculture. I agree with that.

Anyway, the drought in northeastern Alberta is something that's near and dear to my heart, Mr. Chairman, and not only because I'm familiar with the conditions in northeastern Alberta. I live right there. I know what kind of problems my neighbours are experiencing and see firsthand the kind of devastation that that drought has caused many of the communities in northeastern Alberta. That prompted me to write an open letter to the minister on October 1 about the drought in northeastern Alberta. It was published in some papers. I think it was a reasonable open letter. I'd have to remind the minister that I didn't get a response to the letter, and I want him to confirm that he did indeed receive the letter. I haven't criticized him for not responding, so if he hasn't received it, I'll send him a copy again.

I did make several suggestions that I think are important with respect to the drought in northeastern Alberta. In fact, at the August 14 meeting I was suggesting that serious consideration be given to reinstating some government programs that have proven helpful in the past when it comes to drought in different regions: dugout construction, well drilling, water line installation programs. I made those suggestions. I acknowledge that the department did come forward with some initiatives to help in that regard over time. I did also ask the minister, with respect to the availability and quality of forage supplies in the northeast and its impact on the livestock industry, what inventory, if any, he was planning to do with respect to the feed supply in northeastern Alberta and what conclusions he drew as a result of that investigation in terms of the adequacy and quality of supply. Well, he did answer the third question I had in that regard, about feed freight assistance. He made it clear that none was forthcoming. I wish that I could be sure that was based on solid information and assessment of the situation, and if he indeed did do that, I would like to have that information as well.

[Mr. Jonson in the Chair]

I made several other recommendations with respect to the cash crunch there. It related to the GRIP that the minister I think has to agree was rushed into action last spring and kind of foisted on a lot of producers who didn't really have a good understanding of what the government was proposing, because many of the government employees trying to explain it didn't have that information either at the time the sign-up was required. I was suggesting, among other things, that the province agree to pay the balance of the producers' share of GRIP for farmers in the drought-affected area. That would free up the cash flow that farmers did have from their crop sales or program payouts to cover expenses other than GRIP premiums. I did advocate and suggest to the minister that failing that, they agree to take the GRIP premiums out of the final rather than the initial payments due producers, again seeing that that would help cope with the cash flow crunch.

4:40

I also suggested that retroactive entry into GRIP be considered for producers in the drought-affected area. If GRIP was going to be the vehicle that puts producers on the so-called level playing field in the minister's view, then retroactive entry into GRIP for producers in the drought-affected area would have been a reasonable, defensible kind of thing, I think. I know the minister will say that these are federal/provincial agreements and the feds make the rules and we just succumb, but I think the minister could



have made it clear that he was prepared to advocate for producers on those issues.

The other, broader issue with respect to GRIP that I wanted to recommend to the minister, not only with respect to the drought-affected area but in general in the province, is that GRIP be improved through direct consultation with producers so that the formula could examine ways of taking into consideration the real cost of production, to look at how the programs work in year one, and to recommend changes supported by producers to the government.

There are a number of outstanding issues from the letter I wrote to the minister regarding the drought situation in northeastern Alberta. I am disappointed that northeastern Alberta was not designated a disaster area and that the interest free loans made available elsewhere in the province were not made available to producers in the northeast. The minister would like to talk about the fact that one year of drought does not a disaster make, but I can tell the minister that the drought has been prolonged in northeastern Alberta and would remind him that his government indeed brought in programs to cope with the drought in northeastern Alberta in 1988. It was extremely dry in 1988. Programs were brought in. Many of them were helpful. There wasn't much more moisture in 1989 or '90, and then 1991, as we know, was a dry year. Frankly, the winter has not been encouraging; northeastern Alberta is still extremely dry in many regions. I'd like to hear the minister's response.

Anyway, that first rally on August 14 in Willingdon, well over a thousand producers, was the first of many in the province. We saw them as well in Stavely, in Sedgewick, in Spirit River, again back in Willingdon, and, later in the fall, Mayerthorpe: a number of spontaneous meetings organized by farmers concerned about their futures. The Concerned Farmers of Alberta, kind of an ad hoc group made up of the leadership of the various meetings, got together, proposed a number of recommendations, submitted those recommendations to government and to members of the opposition and, as far as I am aware, did not have their concerns addressed in a thorough or even barely adequate way by the government. I think that's unfortunate.

There was an initiative that was begun in Saskatchewan, growing out of the rallies that were held in that province as well – Manitoba, Saskatchewan, and Alberta: these rallies were held all across the prairies in the fall – the on to Ottawa initiative organized by Premier Romanow in Saskatchewan. I recognize that this government hasn't really taken an active role in lobbying or trying to challenge the federal government on issues of concern to farmers, but here was an opportunity. This is really an unusual example; members of the government caucus will want to listen to this. The Premier of the province of Saskatchewan extended invitations to the leaders of the opposition parties in the Saskatchewan Legislature, as well as Premiers and leaders of opposition parties in the other two prairie provinces, to join with him and producers in a concerted prairie-wide, nonpartisan "Let's go down to Ottawa, lobby them, and make sure they're living up to their obligations." There was participation from some of the people who were invited but, alas, no participation from the government of the province of Alberta. The Premier didn't even try to participate, and it was up to the government of the province of Saskatchewan to try and help farmers from the province of Alberta attend on behalf of producers from this province. It was up to the Leader of the Official Opposition, the Member for Edmonton-Norwood, the leader of the NDP in the province of Alberta, to go down and speak out on behalf of Alberta farmers. It's a shame.

AN HON. MEMBER: Tell us what they gained.

AN HON. MEMBER: What did they accomplish?

MR. DEPUTY CHAIRMAN: Order please.

MR. FOX: Well, the government members are saying: what was accomplished? What did they gain? It's as if they're gloating, as if they're happy that nothing was accomplished on the on-to-Ottawa trek. I think that's unfortunate. We have to be prepared to tackle the federal government, take them on, stick up for Alberta. Don't be such a weak-kneed bunch of politicians. Anyway, the on-to-Ottawa trek: whether more comes out of that or not remains to be seen. It certainly would have been a more effective joint, concerted lobbying effort if the government of the province of Alberta had decided to participate. I'm disappointed they didn't.

Anyway, we have these rallies all across the province, farmers in unprecedented numbers demonstrating concern. And what do we get? Throne speech 1992. The government's got a chance to show rural Albertans that they're still committed to agriculture, to show the people that many members in this Assembly represent that they're going to be there listening to their concerns, are going to act on those concerns, bring forward some bold new initiatives, and deal with the problems of concern. What do we get in the Throne speech? Nothing. Well, they mention agriculture. They spell it correctly. Madam Associate Minister can look in the Throne speech and see what there is in the Throne speech with respect to agriculture; a vague reference to marketing initiatives, perhaps. Resolution of the issues at GATT according to the Dunkel formula and changing the Western Grain Transportation Act or the method of payment: those are the two, and the only two it seems, pillars of Conservative agriculture policy in the province of Alberta in the 1990s.

I'd like to examine them briefly, if I could, Mr. Chairman. I guess we've got a bet riding on this, about how the Dunkel proposal will be handled in the next few months at GATT, and I hope to remind the minister of that bet as we go along. I'd have to say I'm extremely disappointed in the lack of understanding displayed by the Minister of Agriculture and his colleagues in the Legislature on the Conservative side about the importance of the issues at GATT. They're obviously prepared to parlay different sectors of agriculture, play off one sector against another in the hopes that some benefit will be realized. The minister was quoted in a paper in his constituency as saying that he hopes that federal ministers Wilson and Mayer fail in their attempts to protect article XI at the GATT negotiations because he believes that that stands in the way of resolving the export subsidy related issues with respect to grain and oilseeds. Apparently, according to that article – and the minister confirmed it in a subsequent article – he went on to say that consumers have been ripped off to the tune of \$2.6 billion by supply management in Canada, that they have paid that much more on an annual basis for eggs, dairy products, chicken, and turkey than they would have paid otherwise had these products traded freely. Well, read between the lines, hon. members. That means that if farmers had been paid \$2.6 billion less, consumers would supposedly have been better off because they would pay less for their groceries. I think that's . . .

MR. TAYLOR: We'd have no farmers at all.

MR. FOX: We'd have no farmers at all. That's exactly right.

I think it's important to recognize the role that orderly marketing has played in agriculture in Canada and, indeed, in western Canada. The minister likes to refer to the small number of producers that are involved in supply management. Well, there

were over 300 of them that wanted his hide on a post at the meeting at the Edmonton Inn here this winter, representatives of the turkey growers, the chicken growers, the egg producers, and the dairy producers in Alberta really upset with the minister and his government for not only their poor understanding of the important role that orderly marketing has played in the agriculture sector but their poor understanding of the overall economic benefit to agriculture and to Alberta of supply management in this province. They're a significant employer. We talk about value added; that's value added to agricultural products. They're a significant customer for grain and oilseed producers in the province of Alberta, not to be taken lightly. The minister will tell us that tariffication proposals made by Art Dunkel are going to be the salvation of agriculture. He likes to paint the advocates of orderly marketing, the people involved in these industries day in and day out, that they're fear mongering, that tariffication is not going to be a problem, but I think the minister's out to lunch on this one.

4:50

It's absolutely true that tariffication is going to lead to a significant reduction in the number of producers in the supply management sectors in Alberta. It's going to result in lower prices for farmers, limited economic opportunities for them and their families, and reduced prosperity in rural Alberta communities. We cannot parlay one sector of agriculture off against another. We cannot submit to arguments that pit one group against another and try and make those kinds of compromises and sacrifices. We have to be prepared to advocate for agriculture collectively, for the whole ball of wax. We need a Minister of Agriculture that's prepared to stand up on his feet day in and day out and tell consumers that farmers deserve a greater share of our food dollar, that farmers need to be paid fairly for what they produce. You know, if the current Minister of Agriculture's not prepared to do that, certainly the Member for Vegreville is. I think we have to be prepared to advocate in GATT. Yes, we need to resolve the export subsidy issues. We need to end the ruinous export subsidies the Americans use to steal our customers and undermine our markets every day.

But that has very little to do with supply management in Canada. We have to defend the right of countries to determine their own domestic food policy and deal with export related issues as something separate from that. I think even the minister has to acknowledge that substantial organizations like the Alberta Wheat Pool recognize that if we're going to, on the one hand, sacrifice supply management and cross our fingers and hope that resolving export related issues for grains and oilseeds at GATT is going to result in increased prosperity, it's false hope indeed. There's no assurance the resolution of those issues is going to increase the price of grain to the point where farmers can make money growing it, no assurance whatsoever. Members ought not to pin their hopes on that mythical notion. But we do know if that tariffication comes in, if article XI is not strengthened and clarified, if indeed it's eliminated, we're going to sacrifice the futures of a lot of producers in this country, and it's a darn shame.

I'd like to note that the Member for Westlock-Sturgeon, I guess because it's an odd-numbered day of the month, is in favour of supply management and orderly marketing. I've heard him express opinions contrary, but I've got to get it on the record that the Liberal Party passed overwhelmingly at their convention, apparently, in favour of the North American free trade agreement. The Alberta party were advocates of the free trade agreement with the United States. Both are initiatives working hand in hand to undermine the decision-making ability of producers in Canada;

both are designed to subvert, undermine, and destroy orderly marketing. The Liberals are going to have to get their act together.

MR. WICKMAN: It makes you want to join the party, doesn't it, Derek?

MR. FOX: It doesn't make me want to join the Liberal Party, Member for Edmonton-Whitemud. It makes me want to tell the truth about the Liberal Party, and people are going to hear it more and more.

Mr. Chairman, I want to talk at length, but as usual I'm running out of time because the clock seems to tick very quickly.

I have two motions to propose while we're debating estimates of the department. They've been notarized, and I'm going to ask that they be distributed. We'll deal with them one at a time when the Chairman gives me permission to do so.

I would just like to draw members' attention to a motion proposed by the Member for Vegreville with respect to supply management. If members of the government caucus want to see what could be done to strengthen and clarify article XI, all they need to do is look at Motion 224 on the Order Paper in my name moving

that the Legislative Assembly recognize the benefits to consumers and producers of paying farmers fairly for what they produce [and that we] support the efforts of Alberta's dairy, egg, and poultry producers to maintain their supply management marketing systems by clarifying and strengthening article XI of the General Agreement on Tariffs and Trade.

That's a valuable motion, and I encourage members to read it. I think they would understand and support it as well.

Mr. Chairman will notify me when I can proceed with the motion?

Another issue that I would like to bring to the attention of the minister: I'm disappointed that I don't see any concerted strategy - long-term efforts, short-term programs - to deal with the financial crisis on the farm. Nothing in the Throne speech, nothing in the budget that mentions programs that the government's going to bring in to deal with the debt burden, the crushing burden of debt experienced by so many producers in the province. No indication that they're prepared to deal with the problem of exits from agriculture, be they through bankruptcy, foreclosures, quitclaims. No acknowledgement of the problems, and it's a serious problem. Members recognize that. Rural members recognize that there are problems out in the country and no effort on the part of the government to deal with those issues.

I'd like to point out again a government that's willing to consult with the people they represent, open and accountable. The government of Saskatchewan negotiated a voluntary moratorium on farm foreclosures with all lenders in the province for three months. Now, that's not the salvation of agriculture, that's not going to solve the problems, but they did get lenders to agree to a temporary halt on foreclosures while a committee was formed and deliberated on different possibilities, different opportunities to try and address the debt crisis long-term, deal with the finances in . . .

MR. DEPUTY CHAIRMAN: Excuse me, hon. member. Order please. If you wish to introduce your amendments, they are in order. The Chair would appreciate knowing which one you wish to introduce at this time.

MR. FOX: Thank you, Mr. Chairman.

### Associate Minister of Agriculture

Moved by Mr. Fox:

Be it resolved that vote 1.0.2, Associate Minister of Agriculture, be reduced by \$278,095.

MR. FOX: But just to finish the thought, Mr. Chairman, because it all relates, I wanted to point out that the government of the province of Saskatchewan had a committee. The committee worked hard. They negotiated a leaseback system. They got even the private-sector lenders to agree. At least they're doing something. The government in Alberta doesn't appear to be concerned.

With respect to the motion that I've put before the House, it deals specifically with eliminating all of the dollars provided to the office of the Associate Minister of Agriculture, and I know the hon. Associate Minister doesn't take that personally. It's just my long-standing contention that we have twice as many ministers of Agriculture as we need. We've got a bloated cabinet. The purpose of cabinet positions is not to provide job or income enhancement opportunities for Conservative MLAs. It's to deal in an effective, efficient way with the administrative concerns of the people of the province of Alberta. We only need one Minister of Agriculture; we don't need two. As I said to the Premier the other day, surely you can find someone better than the Member for Bonnyville to be the Minister of Agriculture. I know he doesn't take it personally either, because we like to rub each other. Anyway, we only need one Minister of Agriculture, and if we cut this amount from the Department of Agriculture's budget, we could save the money that the government needs to keep the district agriculturists, dairy specialists, forage specialists, and regional 4-H specialists that have been cut from this budget. We can keep those front-line, direct-to-people service employees of the Department of Agriculture on staff, keep them earning money, keep them contributing to the provincial economy. We don't have to spend more; we just have to spend more prudently, Mr. Chairman.

If I could move both motions at the same time, would that be permissible? Just to get them both on the record before I run out of time.

That one's moved.

MR. DEPUTY CHAIRMAN: The Chair would rule that they would be dealt with separately. We're dealing now, if there are any speakers, with that one dealing with vote 1.0.2. Are you ready for the question?

HON. MEMBERS: Question.

[Motion lost]

MR. DEPUTY CHAIRMAN: Now, I assume, moving to the second amendment.

### Grain Commission

Moved by Mr. Fox:

Be it resolved that vote 2.1.4, Alberta Grain Commission, be reduced by \$196,587.

MR. FOX: The Alberta Grain Commission is a useless, redundant, expensive reservoir for Tory patronage appointees. I submit to members of the Assembly that they seem to have a few missions in life. One is to provide job opportunities for Conservatives. The other is to advocate against the development of an ethanol industry at any opportunity they have. Another seems to be doing

everything they can on behalf of the government to undermine the operation of the Canadian Wheat Board. The hon. Minister of Agriculture might like to share with members of the Assembly the report apparently done by the Alberta Grain Commission with respect to removing barley from the jurisdiction of the Canadian Wheat Board. I'd be interested in seeing it, and I'm sure other members would. The Alberta Grain Commission: let's save that almost \$200,000. Let's make sure that we don't spend more money for the people of the province of Alberta but we spend what we've got efficiently, prudently, using common sense. Get our priorities lined up and get rid of the Alberta Grain Commission; I so move.

5:00

MR. DEPUTY CHAIRMAN: Any speakers on the proposed amendment to the budget dealing with vote 2.1.4?

The hon. Minister of Agriculture.

MR. ISLEY: I just want to speak on this briefly. I can understand the hon. Member for Vegreville putting this forward because he, like all socialists, is threatened by any organization that is leading free enterprise, progressive thinking in the industry of agriculture. I would suggest that the Alberta Grain Commission is made up of some of the more progressive grain producers in this province when it comes to not only their production techniques but their marketing techniques. Many grain clubs around this province are using their services to sharpen their marketing abilities and increase their bottom line. Just because that runs in conflict at times with some of the sacred cows that the socialists wish to perpetuate is unfortunate. I would suggest to hon. members that we defeat this amendment very quickly.

MR. DEPUTY CHAIRMAN: Ready for the question?

HON. MEMBERS: Question.

[Motion lost]

### Agriculture (continued)

MR. DEPUTY CHAIRMAN: The member . . . [interjections] Order please. Order. Hon. member, the time has elapsed for your remarks.

MR. FOX: How about the 10 minutes that he spoke . . . [interjection]

MR. DEPUTY CHAIRMAN: Well, the Minister of Agriculture was recognized to speak, and the Chair will then move on with the speakers list.

I would now call upon the Member for Smoky River.

MR. PASZKOWSKI: Thank you very much, Mr. Chairman. It's certainly a pleasure for me to stand here today when the important topic of agriculture is being discussed. This is certainly something that's a very critical industry to all of us in Alberta. I want to express my sincerest appreciation to the minister, to the associate minister, and to all their staff for the excellent workmanship that they have portrayed during what are no doubt difficult times in agriculture throughout the world, not just in Alberta. They have carried agriculture to be one of the highlights within all of Canada as far as the industry is concerned, and I think they have to be complimented, contrary to the poorly thought out discussion that had taken place earlier in the afternoon. It's unfortunate that the

Liberal member who is responsible for Agriculture isn't present here. I see only one Liberal member present here while we're discussing this very topical item of agriculture.

It's also important, Mr. Chairman, that we recognize the work that has been done, the efforts that have taken place, because agriculture is in a changing period in changing times. It isn't easy to keep up to the changes that are necessary. The staff and particularly our ministers have provided the guidance and the leadership in a very capable and a very commendable manner, and for that it's the responsibility of myself on behalf of the constituents of Smoky River, on behalf of all the agricultural community of Alberta, to say thank you; keep up the good work. I have several items that I want to discuss. I'd like to deal with them one at a time, whether we have time today to answer those or not. I really don't mind if you supply the answers later on.

The first item I want to talk a little bit about is the item of GRIP. The hon. Member for Vegreville alluded to the inappropriateness of GRIP, how poorly it's handling the agricultural community in Alberta. I want to just quote from *Grainews* here, the last issue of *Grainews*, as a matter of fact: The Saskatchewan government has used nail clippers to cut 68 cents an acre off our GRIP premium, while it slashed \$50 an acre off our coverage. This, Mr. Chairman, is the Agriculture critic for the NDP who is advocating that we should be doing what they are doing in Saskatchewan. Do we really believe that our agricultural community would even consider this type of treatment? It's hardly what I would consider fair. It's embarrassing to suggest that our agricultural community should accept this type of treatment.

The hon. Member for Vegreville alluded several times to these massive demonstrations that were taking place. Yes, I had one in my constituency too. There were 400 farmers who came out to this demonstration, organized by the NDP candidate, by the way. Unfortunately, the end result of this demonstration was that I've had a countless number of disillusioned farmers calling me and suggesting that it's very unfortunate that we allow such a fiasco to take place, because it degraded agriculture and certainly didn't enhance what the agricultural community feels has to be done to improve the status of agriculture. I don't think that's something to be proud of, these massive demonstrations that are orchestrated and organized in a manner that is more of a political demonstration than an agricultural demonstration. I consider it an abuse of our agricultural community to be using them in this political manner.

We want to talk a little bit about GATT because that is also part of the process of our changing times. It's interesting to note that we hear the critic for Agriculture from the NDP suggest that we're going to be a bastion of our own in this world and we're going to stand alone and the rest of the world can go whatever way they want. It doesn't matter. Why are we going to worry about the rest of the world? We only export 80 percent of our product. Why do we care what the rest of the world does? The NDP critic stands there and advises us to stay out of the rest of the world, when we're actually going to be putting 80 percent of our product into this area. It bothers me to see this type of indoctrination in our agricultural community because the farmers become disillusioned. They don't know who to believe; they don't know who to trust. It's certainly unfortunate that we have people trying to lead our farming community down the wrong track. I feel very badly about that.

We had some criticism of our agricultural ministers not hearing the needs of the marketing boards, and that's very unfortunate because I consider our agricultural ministers very, very open. They're involved with agriculture, every component of agriculture and every aspect of agriculture. I've never seen a group work

harder with every component of agriculture, and I think it's very unfair and a gross injustice to those people and to their staff who have worked so nobly on their behalf.

As far as marketing boards are concerned, they do play an essential role in our area, and I feel certain that our agricultural minister is working on their behalf, just as he is on the behalf of every other sector of agriculture.

Of the issues that are of concern in our area and are fast becoming increasingly of concern throughout the province, the first one is the honeybee issue, which our minister has worked so hard on and unfortunately hasn't been able to achieve what we in Alberta have been working towards, and that is an adequate supply of queen bees for the honey industry. Our honey industry is floundering, our honey industry is in trouble, not because of actions that have been undertaken in Alberta alone but because of actions that have happened outside the provincial borders. I note that the minister is going to be meeting with the other ministers of the other provinces as well as the federal minister this weekend, and I would encourage it, certainly, if there's any way that the minister could address this issue with the federal minister, because this is a federal issue. It's of vital importance. Our industry is so supportive of our forage industry. It's so supportive of our fruit industry. It's an industry that we cannot allow to go down. At one time we provided 40 percent of the honey production in Canada. Now we're down to about half of that; we're floundering. The bee people have been on my phone regularly of late suggesting that they cannot obtain a supply of queen bees, counter to what we are told, that they are available. Apparently, New Zealand is cutting all the orders in half. Australia has no bees at all.

#### 5:10

I would appreciate it if the hon. Agriculture critic would give me my minimal notes so that I could carry on with my presentation. He has had his opportunity, and I certainly respect his views. Unfortunately, my constituents don't, and I have been told by many of my constituents that really they wish he would stay out of the Smoky River constituency because we have need of the industries that he is putting down.

He spoke very strongly that he wants to see Gainers removed from the meat picture. My constituents tell me that for every animal they market, there is \$25 additional in their pockets as long as Gainers operates, and that's something that my people recognize. They recognize also that our Liberal critic would put this \$25 down. He's a strong advocate of closing Northern Lite Canola, one of the few value-added plants we have in northern Alberta. Northern Lite Canola is in the process of doing some wonderful local research that will enhance the opportunities for the entire industry and for the entire province. It bothers me to see someone strolling throughout the province trying to put down the virtues of this province and some of the strengths that we could be developing rather than trying to make it a more vigorous industry.

My constituents have some concerns with the opportunities that the ethanol industry is presenting. They feel that this is a once-in-a-lifetime opportunity, one that we should be building and dwelling on, one that we should be continuing to work with. I'd encourage the ministers and their staff to place a high emphasis on the opportunities that ethanol does present. We have an opportunity that will come only once, and if we allow it to bypass us, we will not be able to recover that one opportunity.

The soil conservation efforts are certainly something that's very, very critical to us all in Alberta. Again, we are looking for a change in our operations. We're looking at changes in the programs of Agriculture. I'm certainly encouraged by the work that the associate minister is doing through CASCI. I would like

to know when the minister anticipates that the agreement will be signed with the federal government, because there are a lot of groups that are structured, in place, to work with and develop the research potential of zero till and soil conservation and many other areas that we are working to develop. Though there are many groups who are involved now and who are already in place, there are a countless number who want to become involved and, unfortunately, due to the lack of funding don't have that opportunity at the present time. I would encourage that we try and conclude our negotiations regarding the CASCI agreement as early as possible and as quickly as possible because it is certainly something that the agricultural community is in need of.

The community bond issue hasn't been mentioned today, and I think that's something that's of a great deal of interest in the rural community. Certainly, agriculture and rural communities are one, and we have to address the needs of both. I'd be interested in some further information on the community bonds as to how they're developing, and I would like to encourage the ministers to progress on this because this is an issue that the rural communities are working towards and really feel there is a need for.

I've been a bit distressed because of particularly the opposition members who are suggesting . . . [interjections]

MR. DEPUTY CHAIRMAN: Order please, hon. members.  
Please proceed.

MR. PASZKOWSKI: I'm particularly concerned about the opposition members who are continuously suggesting that we do not need rural hospitals; we don't need rural roads. Rural hospitals and rural roads are part of agriculture. They're part of the community. To suggest that . . .

AN HON. MEMBER: He's over pleading with the minister now.

MR. PASZKOWSKI: Yes. I'm sure he's pleading for an additional rural road, very likely, the ones that he doesn't want expenditures on.

I wanted to be very clear that when we talk down rural hospitals and we talk down investment in rural roads, secondary roads, indeed what we are talking down is agriculture in Alberta. It's an integral part, and certainly anyone who's traveled to a country such as the U.S.S.R., where they're able to produce extravagant amounts of product but don't have the transportation network which rural roads contribute to – the product rots out in the fields because they don't have the rural transportation method. To talk that down is directly talking down agriculture and rural Alberta. I think that's an embarrassment to us as Albertans.

Again, I want to mention a little bit about the alfalfa processing industry and a new industry that's developing; that is, the timothy compaction process. I think it's another opportunity for diversification. We're in the process now of developing particularly the export of timothy products, which has a lot of potential because timothy can be grown in a lot of different parts of Alberta with a great deal of success. There's a large market there because of the length of fibre of the product. We have a good opportunity of developing another product that we can market from Alberta with a great deal of success.

The associate minister has addressed the 4-H to some degree. I'm pleased to hear that indeed there has not been a downsizing of the 4-H commitment, because there has been some concern launched in parts of the province where indeed that may be the case. I'm so pleased to hear that that is not the case. I would like to commend the ministers for the manner that that particular element has been handled.

Again, my constituents have some concerns with the issue of crop insurance. I think we have to work very hard to maintain the changes that have to be coming forward to make the associated programs such as GRIP and NISA more effective. Certainly things like soil zones, from my perspective at least, are not necessary. If we get on individual coverage, it should become exclusively individual coverage. We don't require additional items to deal with, such as soil zones, such as risk zones. I think I'd like to see risk zones removed because I can see no useful function for them. Indeed, we properly should have a good look at the usefulness of summer fallow in light of the conservation programs that we have in place.

Perhaps now I'll sit down and allow the ministers to finish off the afternoon. Thank you.

MR. ISLEY: Mr. Chairman, after listening to the ramblings of the Member for Westlock-Sturgeon and the rantings of the Member for Vegreville, it's certainly a pleasure to listen to a speech from someone who understands, appreciates, and promotes the industry of agriculture.

I simply have to get a few things on the record in the next few minutes in response to the hon. Member for Vegreville, who took great pride in describing his involvements in the so-called large rallies around the province earlier this fall that many of us participated in. I will acknowledge one thing that he said at the onset and commend him for it, and that is that he did act honourably, according to all my reports, at the first meeting in Willingdon, where only staff from the department were able to attend because of commitments of everyone else elsewhere. I would agree with him that there was a drought in northeast Alberta this year. I happen to live and farm in northeast Alberta, and I happen to drive every weekend through much more of it than the hon. member does because he lives about halfway to the northeast and I live twice as far.

5:20

I would disagree with some of the things he suggested in his open letter, which, by the way, I did not respond to. I do not respond to open letters. If you want a response, you send a letter direct to me, and you will get a direct response. If you want to communicate openly, I will respond openly.

The thing that I cannot agree with: one year – or more correctly put, half a year – of severe drought can hardly constitute a disaster. We did respond in the areas where programs were unable to respond. We have responded with the emergency water program, where we assisted producers in hauling and pumping water. We responded with a supplemental water program where we're still assisting producers in drilling wells and preparing dugouts for water supply. The hail and crop corporation responded very quickly with the assessments last fall and ensured that the payouts in northeast Alberta were triggered, were quick, and were responsive.

We did work successfully with the federal government to get an extension and an expansion of the area where livestock sales brought on by drought conditions could be deferred for income tax purposes, and that was certainly a benefit to many of our producers. We did make the announcement and have followed through to make the Ag Development Corporation respond as flexibly as possible with respect to stressed accounts brought about by drought.

For the hon. member to suggest that retroactively you should allow people to enter the GRIP is like running to your insurance agent and trying to buy insurance after your house burned down. For the hon. member to suggest that GRIP was forced on

producers, that there was too short a time, is utter nonsense. Unlike the changes that were imposed by his colleagues in Saskatchewan just recently, which are bringing about tremendously strong rallies during spring seeding virtually, in Alberta there was a long consultative process, there were numerous meetings around the province. Many farmers that chose not to go into GRIP chose that not because they didn't understand that, but because in the northeast region they had not too often suffered crop loss. I think you will see a significantly higher sign-up in the northeast this year, and I share the concerns of the hon. members and of those who live out there that the water conditions are still low and it could be another tight year. If it is another tough year, my best advice to producers is that you better have crop insurance; you better have gross revenue insurance; you better have pasture insurance; you better have forage insurance. The management tools are there. It's up to you as a manager to pick and choose those that you think your operation needs.

I was amused by the hon. Member for Vegreville taking such pride in the so-called Ottawa trek and bragging up the activities of his counterparts. I would remind the hon. member that there were no leaders from farm organizations in Alberta that went and participated in that rally. I would also remind the hon. member that on October 18 the leaders from all farm groups in this province were sitting down in a very rational meeting in Government House with the Premier, with the ministers, and with Ag caucus, determining what type of assistance our industry needed to get through these tough times. I would also remind the hon. member that we responded very quickly, I believe on November 14, with a \$110 million, year and a half initiative for our industry. So while his friends' and his style is to run to Ottawa hand in hand, we sat down with very rational farm leaders and modified programs and extended programs to respond to the needs of the industry.

The hon. member says the Throne speech ignores agriculture. I draw his attention to page 2, and I read:

My government also recognizes that co-operation between provinces and the federal government is important to our economic future. By dismantling interprovincial trade barriers and strengthening economic co-operation, my government will encourage the development of a more efficient economic union in Canada to create new business and employment opportunities for Albertans.

My government will listen to and work with Alberta's processors and manufacturers, our farmers, our small businesses and entrepreneurs, and our investors and exporters in order to improve competitiveness. Through new market development initiatives for our agricultural and manufacturing sectors – new manufacturing assistance, looking for more opportunities to privatize government activities, and introducing entrepreneurial educational programs – my government will continue to assist business in becoming more productive and diversified.

It goes on to talk about GATT. It goes on to talk about the free trade agreement. Unfortunately, unless you put farming or agriculture in capital letters, my hon. critic probably misses that it's even being referred to.

The hon. member gets up and suggests that this minister hopes that Mayer and McKnight fail in their efforts to strengthen and clarify article XI. I would remind the hon. member, as I have before in public, that he shouldn't be relying totally for his information on press clippings. I have openly stated that supply management is a government regulated, consumer subsidized management tool which is a fact of life, but I have never said it

was an undesirable tool or a tool that we had to do away with. I stand here as convinced as I was the day over in the Edmonton Inn when he thought there were 300 people wanting to take my hide and hang it on a post, and I felt I had a number of friends in the hall. It just shows how different people perceive different things. [interjections]

MR. DEPUTY CHAIRMAN: Order.

MR. ISLEY: I stand here confident that there will be a future for the dairy and feather industry in this province, and we continue to work with those sectors to ensure that regardless of what comes out of GATT, we will have a future post GATT.

With those comments, I think I would beg leave to adjourn debate.

MR. DEPUTY CHAIRMAN: Having heard the motion by the hon. Minister of Agriculture to adjourn debate, all those in favour, please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY CHAIRMAN: Those opposed, please say no. Carried. [interjection]

Hon. Deputy Government House Leader, and order please, Westlock-Sturgeon.

MR. ANDERSON: Mr. Chairman, I move we rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Jonson in the Chair]

MR. MOORE: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions of the Department of Agriculture, reports progress thereon, and requests leave to sit again.

Also, Mr. Speaker, I wish to table copies of all amendments considered by the Committee of Supply on this date for the official records of the Assembly.

MR. ACTING DEPUTY SPEAKER: Having heard the report by the Member for Lacombe, all those in favour, please say aye.

HON. MEMBERS: Aye.

MR. ACTING DEPUTY SPEAKER: Those opposed, please say no. Carried.

Deputy Government House Leader.

MR. ANDERSON: Mr. Speaker, tomorrow it's intended that we will once again be in Committee of Supply in the evening to discuss the estimates of Occupational Health and Safety and the Workers' Compensation Board. Tomorrow afternoon we would sit, of course, in private members' business.

[At 5:29 p.m. the Assembly adjourned to Thursday at 2:30 p.m.]