

Legislative Assembly of Alberta

Title: **Wednesday, March 16, 1994**

8:00 p.m.

Date: 94/03/16

head: **Committee of Supply**

[Mr. Tannas in the Chair]

MR. CHAIRMAN: Good evening. I'll call the committee to order. We are in Committee of Supply, and for those who are in the gallery, for your benefit so that you can understand the peculiar antics of the House, this is the informal part of the Legislative Assembly. People are free to remove their jackets, to have coffee and juice at their desk, and indeed to move around and not be in their place. The only two caveats that we have are: one, they whisper if they decide to communicate with one another; and secondly, they must rise in their place in order to be recognized.

Before we begin on the estimates this evening, I'd like to call on the Acting Opposition House Leader, the Member for Redwater, to propose a motion.

MR. N. TAYLOR: Thank you, Mr. Chairman. I'd like to propose the following motion to the Assembly.

Designated Supply Subcommittees

Moved by Mr. N. Taylor:

Be it resolved that Mr. Bracko and Ms Carlson be appointed to the designated supply subcommittee dealing with the estimates of the Department of Education to replace Mr. N. Taylor and Mr. Van Binsbergen.

MR. N. TAYLOR: I believe you have that circulating around.

I believe just a few days ago the government had found it necessary to substitute some members too. Now we find the same thing. I'd like to think it's housekeeping, but the two House leaders over there might have something to say.

MR. CHAIRMAN: If there are no further comments, amendments, or questions, we would entertain the motion.

[Motion carried]

head: **Main Estimates 1994-95**

Agriculture, Food and Rural Development

MR. CHAIRMAN: I'll call upon the Minister of Agriculture, Food and Rural Development to make his comments to start off the evening.

MR. PASZKOWSKI: Thank you, Mr. Chairman. I'll try and give a bit of an overview of our department, and then I'll ask the chairman of the Agricultural Research Institute to speak briefly as well just to give a bit of an overview.

First of all, I want to pay a special thanks to the staff who've been so diligent in their efforts to make agriculture our future and not our past, to make agriculture the number one industry in not only Alberta, but we're going to be the number one agricultural province in Canada this coming year if net realized income projections come true. It's a team effort. It's an effort of all the staff and all the people working with the department: the primary producers, the processors, and the whole agricultural community.

I also want to take a moment to thank my critic, who's been so constructive with his questioning, and I appreciate that. I think in

fairness that's how we build, by working together, and certainly we look forward to working on that basis continuously.

I want to again take a moment to give a brief overview of what our department's activities have been and what our plans are and indeed how we've achieved our desired destiny. Alberta's agricultural ministry continues to remain committed to Premier Klein's plan to reduce the provincial deficit within the next three years, and the 1994-95 budget will reflect that.

As the Provincial Treasurer noted in his budget speech, the government of Alberta has listened to Albertans and then acted based on their input. Mr. Chairman, at the agricultural ministry we're proud to say that we have solicited extensive public input over the past two years, first through the provincewide Creating Tomorrow process and later through the consultations this past year that helped develop our strategy in our final budget process. In 1994-95 as we begin the first year of our three-year business plan and as we prepare to change the way we serve the agriculture and food industry in Alberta, we're confident that those changes are in harmony with the priorities and goals of the entire industry.

The 1994-95 budget and indeed our entire three-year business plan is consistent with the direction provided by consultation with the participants over the past two years. We're proud of our plan. The focus is to serve the leading edge of the industry, and we're refocusing our resources to provide better information, programs, and services to meet the industry's emerging needs.

Mr. Chairman, I'd like to outline some of those changes that we'll be implementing in the coming year, 1994-95. First, the farm income support program. The agricultural ministry is committed to working with the federal government and the agricultural and food industry to increase efforts to facilitate self-reliance and risk management within the industry. In response to a strong direction from the consultative participants the ministry will continue towards shifting farm income support from commodity specific programs to a whole farm approach combined with a strong crop insurance program.

Point of Order Decorum

MR. GERMAIN: Excuse me, Mr. Chairman. It's impossible to hear the minister of agriculture, and we do want to hear him.

MR. CHAIRMAN: Thank you. The hon. Member for Fort McMurray has risen on a good point of order. I was beginning to lose contact with the minister of agriculture. For those hon. members who wish to carry on discussions, would they please do so outside this Assembly. It is impossible for some of us to hear the Minister of Agriculture, Food and Rural Development, although heaven knows he has pretty good lungs and can speak loudly but not so as to overcome your conversations.

MR. PASZKOWSKI: Mr. Chairman, I apologize for speaking so lowly and so quietly. I'll try and speak a little louder, and that way it'll accommodate the needs of both sides of the House.

Debate Continued

MR. PASZKOWSKI: Our business plan calls for the introduction of a whole farm stabilization program by the year 1995-96 and with the new approach to include all commodities in '96-97. Appropriate funding has been reserved to do this, up to \$90 million in the year '96-97 to accommodate the revised programming.

As federal and provincial governments and industry negotiate this whole farm approach, it will need to be consistent with Canada's obligations under trade agreements like GATT. For

instance, in light of GATT it is expected that the federal government will be required to change the way that it pays our Crow benefit and our method of payment. Knowing that change is inevitable, the Alberta Crow benefit offset program will end March 31 of '94, and thereby it'll also save the Alberta taxpayer \$36 million in the coming year. In addition, the tripartite stabilization programs, starting with the programs for cattle and lambs, will be terminated this coming year. By moving away from such commodity specific programs to whole farm income support programs, we'll eliminate the trade distortions and bolster competitiveness and self-reliance within the industry itself.

We're making these changes in response to the direction from the industry. We've already terminated the tripartite program for beef cattle and lambs because the producers told us to. In 1994-95 we'll implement transition options for these commodities pending the implementation of a whole farm income stabilization support program.

In 1994-95 we'll also suspend the crop insurance hail endorsement and phase out the gross revenue insurance plan, GRIP, offset adjustment portion. As a result of doing so, we'll save \$800,000 a year for the hail portion and \$6 million for the offset portion.

The Alberta farm fuel distribution allowance, or AFFDA as the acronym is. In conjunction with the move toward a whole farm approach, the ministry will reduce farm input subsidies from the Alberta farm distribution allowance. The consultation with the participants indicated that indeed they felt there could be a lowering, but not to have it removed completely, and therefore we've removed 2 cents from the gas and 2 cents from the diesel. This move will ultimately save Alberta taxpayers approximately \$28.1 million in the year '94-95.

8:10

Restructuring of field services. Mr. Chairman, in keeping with the strong direction provided by the consultative participants, the agricultural ministry will restructure its field offices to provide its customers with a greater specialized information service and to introduce one-stop service to the agricultural community. Office locations are being consolidated in strategic locations throughout the province to improve one-stop service to its clients.

In addition, the duties of staff located at these offices will indeed be changing. All district generalist extension positions will be reorganized to move toward providing producers with a more specialized extension service. An increase in the number of types of specialist services will provide more detailed knowledge in areas such as agronomy, beef, farm management, and rural development.

These changes will improve the ministry's service provided to our clients, and they will also save Alberta taxpayers \$5.5 million.

In the area of information and technology transfer, the minister is committed to working with the industry to establish an electronic communication network to improve delivery of information and technology to the agricultural and food industry. In 1994-95 a total of \$800,000 has been provided to the development of such a network. Over the next three years the ministry will spend \$2.6 million to implement such an electronic network for the partnerships within the industry.

The ministry will also charge clients for new information and specialized knowledge that directly benefits them. New or increased charges beginning in 1994-95 will include charges for publications, videos, and *Agri-news* for nonmedia subscribers. The ministry will also introduce fees for specific technology and specialized services in '95-96. The ministry will encourage partnerships within the private sector to deliver information and technology to the industry. Implementing such charges will

facilitate the shift to private-sector delivery of many of these services that government has provided in the past.

Preserving the natural resource base. In 1994-95 we will continue to provide services and programs to help the industry manage its natural resource base. We'll reduce the dependency of irrigation rehabilitation and expansion in public investment in favour of greater user contributions towards such projects. In '94-95 grant assistance to the 13 irrigation districts to rehabilitate irrigation systems will be reduced from \$19 million to \$18 million.

In addition, while irrigation districts formerly contributed 14 percent of the cost-sharing formula with the ministry for irrigation projects, they will now contribute 20 percent of the necessary funding beginning in 1994-95. In 1995-96 that ratio will change again with irrigation districts contributing 25 percent and the ministry contributing 75 percent to the irrigation projects.

The ministry will also end its contributions from the Alberta heritage trust fund to the irrigation district endowment fund. Alberta private irrigation development assistance funding will also be reduced from \$414,000 in 1992-93 to \$250,000 in '94-95, and program criteria will be revised to require a larger contribution from the water users.

The ministry is committed to developing a longer term approach to irrigation funding to replace the existing programs funded in the past by the Alberta heritage trust fund. A subcommittee of the standing policy committee on agriculture and rural development was recently formed to consult with the industry to develop the guidelines for a long-term approach to the irrigation matters.

In 1994-95 we'll also begin moving toward making the provincial grazing reserves program operate on a full cost recovery basis in '96-97. Multiple-use principles will be applied to the management of public lands that are the responsibility of the ministry.

As far as legislative requirements, Mr. Chairman, the agricultural ministry is committed to improving the efficiency of the regulatory service that we provide to the agriculture and food industry. We'll improve this service by removing unnecessary regulation, implementing user fees, and increasing private-sector participation. As a result of the current regulatory review, we're proposing that a number of Acts will be repealed. We'll continue our review to see whether or not these and other Acts can be consolidated, amended, or clarified.

We'll also implement new and increased fees for the following services: livestock marketing licences, meat inspection at provincially inspected facilities, and milk testing. In addition, a lifetime fee will be introduced to brand ownership at a cost of \$200 per brand. This lifetime fee will replace the requirement that the producers must presently renew their brand registrations every four years. Central milk testing will also be transferred to the private sector over a three-year period beginning '96-97. Plans are also under way to implement partial cost recovery for the Alberta Agricultural Products Marketing Council, charges to come out of the organizations established under the Marketing of Agricultural Products Act to move council towards 75 percent cost recovery.

In research, Mr. Chairman, the majority of the consultative participants called for the ministry to increase the development of new information and the evaluation of technology suitable to Alberta conditions. In response the ministry will increase research activity and focus in areas with the greatest potential for growth, and my hon. colleague will address this a little later on.

Department research funding will be increased from \$17.5 million in '92-93 to \$19.6 million in '96-97, an increase of just under 12 percent. We've also increased provincial funding for the Alberta Agricultural Research Institute, and we've directed \$4.1 million to continue the Farming for the Future program. A greater proportion of the Alberta Agricultural Research Institute

research support will be on a matching basis. In '96-97 70 percent of the AARI support will be provided on a matching basis compared to 26 percent now. We'll also emphasize increasing industry involvement in the directing and funding of research for the agriculture and food industry. We have shifted a greater proportion of research funding to a matching grant format.

Last fall Bill 21 was passed to create the Agricultural Financial Services Corporation, which merges the Alberta Agricultural Development Corporation and the Alberta Hail and Crop Insurance Corporation. Subsequently the Alberta Financial Services Act was proclaimed on March 31. The estimates for the new corporation are reduced by almost \$27 million, or 15 percent, from the total previous estimates of the separate corporations. Further reductions will occur in the next two years as we realize the savings of this merger.

All of these savings have been achieved without significant impact in the core programs. We'll be contributing \$25 million to crop insurance premiums and \$81 million to revenue insurance premiums. The corporation will be working with the Department of Agriculture, Food and Rural Development to provide convenient one-stop service to our common clients.

In conclusion, Mr. Chairman, the agriculture ministry has listened to the agriculture and food industry in Alberta. We are changing the way we do business to meet the changing needs of the industry. Consultation with the industry will not cease now that the ministry's three-year plan is in place. We are committed to continued consultation to ensure that the ministry best meets the clients' needs. This budget reflects those changes, and at the same time I believe that the agriculture ministry has prepared a financially responsible budget that also meets the provincial government's financial plan.

I'll be pleased to answer questions as they come forward, and if indeed we aren't able to answer them all, we'll see to it that they are responded to in written form. So I'll be looking forward to the questions.

I would like to ask my colleague the chairman of the Agricultural Research Institute to make a few comments.

MR. CHAIRMAN: The hon. Member for Vegreville-Viking.

8:20

MR. STELMACH: Thank you, Mr. Chairman. I would like to start by complimenting the minister for producing a remarkable three-year business plan. In this thoughtful document he has carefully but eloquently articulated a bold new vision and direction for our agriculture and food industry. I'd also like to take this opportunity to thank my board and the executive director, Dr. Ralph Christian, for conducting the business of the AARI with the highest degree of integrity.

It is of special significance to me as chairman of the Alberta Agriculture Research Institute and to all Albertans that the plan emphasizes research, technology development, and application as its key components. It is through the proper application of our intellectual capabilities and scientific advances that we can remain competitive in the global market.

The budget that we have in front of us this evening is the estimates for the first year of the ministry's three-year business plan. It therefore should be viewed in the broader context of the plan.

My presentation will focus on the activities of the Agricultural Research Institute. It is indeed a pleasure to work with the institute and a department that are committed to keeping Alberta a leader in agricultural research. The institute's 1994-95 budget reflects the direction of the Agriculture, Food and Rural Develop-

ment ministry's three-year business plan. The plan was developed in close consultation with the agriculture and food industry. During the public consultation process strong support was expressed for increasing the resources directed to agriculture and food research. Through careful planning and redirection of resources, the institute's budget from the general revenue fund will increase from \$860,000 in 1993-94 to \$1,800,000 in 1994-95 while the ministry as a whole will more than meet its reduction target.

Allow me, Mr. Chairman, to emphatically state at this point that the minister has shown foresight and exemplary leadership by developing a business plan that reduces the overall ministry budget by 26.05 percent over three years while redirecting resources to high-priority areas like research. The increase in the institute budget will offset the 20 percent reduction over three years and the Alberta heritage trust fund allocations directed to agricultural research through the institute.

I want to emphasize as well, Mr. Chairman, that the majority of institute funds will be used in more innovative ways rather than in the traditional approach of supporting research largely through provincial government funds alone. We will still retain funds for research that properly belong in the public domain. However, a substantial portion of institute funds will be used to support research through matching outside contributions. This move will allow us to maintain or expand overall resources directed to agriculture and food research in the province. It is projected in the business plan that the institute's expenditure and matching support will increase from \$1.5 million in the current fiscal year to over \$3.4 million in '96-97. The shift will occur gradually to minimize disruption in current research projects.

This redirection of resources to matching support offers four distinct advantages over the alternative approach of funding research independently from other partners. One, it will foster greater partnerships and alliances between the institute and the agriculture and food industry. Two, it will allow Alberta to maintain or expand the overall level of resources directed annually to agriculture and food research. Three, it will help ensure that research resources are targeted at areas of greatest potential gain as jointly determined by industry and government. Four, the practical application of research results by industry to gain competitive advantage will be accelerated if industry is initially involved in the targeting of research areas and a joint funding of research projects.

Mr. Chairman, over 300 of Canada's leading agricultural researchers work in Alberta. They are employed by private-sector organizations, federal research stations, universities and colleges, and provincial government research centres. They rigorously apply their intellectual talents and scientific knowledge to making Alberta's agriculture and food industry one of the most productive on the globe. The majority of agriculture and food research conducted in Alberta is performed by organizations that are outside the government of Alberta. Until the Alberta Agricultural Research Institute was formed in 1987, there was no umbrella organization that provided a forum for co-ordinating agriculture and food research in the province.

The institute's mandate is to co-ordinate and support agriculture and food research. Its efforts are aimed at mobilizing, co-ordinating, and supporting agriculture and food research in the private sector, the universities, federal government research stations, and provincial government research centres. Its central goal is to focus research and technology development on those areas that offer the greatest promise to make the agriculture and food industry globally competitive, financially profitable, and environmentally sustainable.

The institute is governed by a board of directors. The directors consist of individuals drawn from the private sector, universities, and public-sector research organizations. The board and its various committees were structured so as to include the key players in agriculture and food research in the province. Thus the organizational setup of the institute itself was deliberately designed to enhance and promote co-ordination.

To foster greater co-ordination among individual researchers in the various organizations, the institute created a research co-ordination program. Under the program, financial assistance is provided to research for joint planning of projects, for visiting each other's laboratories, and for exchanging data. To allow for the sharing of information on research priorities, insights into leading-edge research, as well as future vision and direction, the institute created a program called focus on research opportunities. Under this program a commodity-by-commodity examination of research opportunities is conducted on a cyclical basis. Research in all commodities, resources, and disciplines important to agriculture and food are covered in sequence.

The institute invites key individuals from industry, university, and government research organizations to discuss industry goals, priorities, and leading-edge research that help advance Alberta's comparative advantage. The discussions take place in workshop-style meetings, and resulting documents are widely distributed. The program promotes greater exchange of information, enhanced co-ordination, informed assessment of priorities, and awareness of opportunities for future action in each commodity area examined.

Another important responsibility of the industry is to fund research projects both directly and through its matching grants program. The projects are conducted in private-sector facilities, university laboratories, federal research stations, and provincial research centres. The projects supported relate to the following broad areas: marketplace opportunities and constraints, agriculture and food processing opportunities and challenges, resource conservation and environmental sustainability issues, and agricultural production opportunities and problems.

Substantial benefits have resulted from the research projects supported by the institute. These include improved methods for the proper management of water and soil resources, new high-yielding and disease-resistant crop varieties, improved livestock husbandry, and new food-processing techniques. The application of these technologies will enable Alberta to continue to have one of the most productive agriculture and food industries in the world.

Mr. Chairman, Albertans are the envy of the world in the wide choice they have when they shop for food and the high-quality products they enjoy. By applying the results of scientific research, Alberta producers and processors have made available to consumers both at home and abroad high-protein wheat, tender lean beef, choice pork, nutritionally acclaimed canola oil, and a wide range of other products. I would like to conclude by saying that I am proud to be associated with an industry that has turned Alberta into a land of abundance.

Thank you, Mr. Chairman.

DR. NICOL: I'd like to take this opportunity to begin our comments on the agriculture budget process for this fiscal year. I'd like to start by just discussing in brief some of the aspects that the program is showing and by saying to the minister that I really appreciate that he is working within the constraints that all of us were elected on in terms of getting the budget balanced, trying to pull together some kind of organization to the framework that the department of agriculture works in. It's nice to see that the budget is being reduced and brought in line with that goal.

8:30

In the budget document and the materials that were put out with it, the focus of the department is to support sustainable growth and the development of a market-driven agriculture and food industry. It's within that context that I want to discuss some of the aspects that I see in the direction that the budget has taken and how these may contribute to that kind of a focus within the understanding that I have of the ag sector, which in some ways disagrees or takes exception to the direction that the minister has indicated that they're deciding to go in the context of their budget.

The minister began by talking about the process of consultation. He talked about the issue that came out when they did the *Creating Tomorrow* document and the government's response associated with *Breaking New Ground*. As I commented when we reviewed the budget last fall, these were great consultation processes, and I think probably among the best that were done within any of the departments in the government.

He also then mentioned the consultation that went on in November, which now has been published in the *Getting Down to Business* response. I guess this is where I begin to take exception with what I hear the minister talking about. In this document they talk about meeting with 900 individuals across the province. They did cross the province; they got a fairly good geographic distribution on it. But they take 900 single observations, and they start preparing little graphs that show the number of people that asked for reductions in particular areas, and then they discuss this as though it has some kind of statistical relevance to reflect the views of all the farmers across the province. That kind of inference can only be made if there is a statistical basis for the 900 people who showed up at these voluntary meetings. They weren't selected on a stratified sample basis. They weren't selected with any kind of a method, so to make inference that these 900 people can create any kind of statistical validity to the results that they got I find unacceptable. I would hope that the minister, when he took that information and put it into his business plan and his changes in the budget for the year, looked at it very strongly in terms of the statistical significance of it and used a lot of other information and made this just a very small part of his information that was the background for his decision process.

I guess what I would just say in getting started is that if the material collected through this document formed the basis for most of the decisions made in adjusting the budget – doing things like implementing different user fees, cutting funds in farm-income areas, transferring money from sections of the field staff to other sections of the field staff – if that was the basis for those kinds of decisions, I think we all should be questioning whether or not it was the right decision to make. The minister may be able in his discussions later, in his answers, to provide us with a better indication of how this was used in the process and how much reliability was placed on it. It would help us to understand the basis for the changes.

The second thing that I wanted to discuss a little bit was the minister's focus on getting the budget reduced. As I had said at the start, this document and this budget show a good initial step. We see basically a 19 percent or so reduction in the reported numbers in the budget from last year to this year, which is a significant one. But then if we go back to the information that's provided in the three-year business plan, it jumps up again by 10 percent almost next year. Then it drops down again by 10 percent the following year to end up just about where it is right now in the '94-95 projection. What we end up then with is a lot of ups and downs. We need to have some kind of an explanation, a little bit in terms of why this up and down movement instead of a

process that could be put in place to give us some kind of an even change in the agriculture sector.

The minister then went on to speak about the new focus that they're going to have on the farm income support programs. He mentioned the reductions in the Crow offset, the reduction in tripartite. I guess the question that comes up here is: the reduction in these programs really provided the ministry with a good method to cut in their budget, but he did this and explained it in the context of trying to work the agriculture sector into a whole farm income support program, and he mentioned that in the coming years of his budget he'll be setting aside money to implement this program as he phases out of some of the others. What he's done is he's left an interim process where he's cut off a significant number of the tripartite, the Crow offset, and hasn't put in place a program to compensate. I must say that, you know, given the condition of the meat sector, the condition of the grain sector in terms of the transportation, the Crow offset, the impact that it had on the meat sector, it looks like it's a fortuitous time to be making these decisions without an opportune replacement. So we can just hope that within the sector's structure we don't see any kind of a significant downturn in the red meat sector in the next year or two that it takes to get the whole farm income support process put in place.

The minister made some comments about the whole farm income program, how they're trying to work with the federal government. I think this is an area where we can look at some really innovative opportunities for dealing with whole farm income. The GRIP program that we had in place, the tripartite stabilization programs that were in place, the Crow offset, all of these other programs that were in place to support farm incomes in essence created their own little bureaucracy to keep them going. I would like to suggest that maybe our ministry here in our province can play a very innovative role in going to the federal government and suggesting that some of this needs to be tied into and worked closely with our income tax, change the way we do our income tax averaging a little bit and create almost like an RRSP fund attached to the income tax. As farmers designate some of their current year's income into that, they add it on to their income tax cheque. It goes in here; the government can match it. Then we don't have the bureaucracies that are created to administer these new programs.

I commend the minister for being so up front in getting started in looking at these new options. I just hope that some of these new ideas are being looked at because most of our expenses associated with government intervention end up being used up in bureaucracy and administration. If we can work with programs that are already in place, I think this is a very good way to further the minister's objective and to possibly reduce this \$90 million that he's talking about having to go into supporting the whole farm income approach as it gets implemented in the third and fourth years of his plan. So these are some of the other options we can look at.

I guess the one question that I would have to the minister in terms of the changes that he did make and some of them that he didn't make: why didn't he choose to get out of GRIP right now? When you go out and talk to the farm sector, you very seldom hear a farmer say, "I think GRIP is good." They talk about the money they're making through it, but they don't talk about its equity. They don't talk about its effectiveness in achieving the programs they want. They talk about the expensiveness of the premiums. They like it when they get a payment, but to most of them they're farming GRIP as opposed to using GRIP as a tool to support their risk management, which is the way it should be used.

The minister spoke about how he's changing the relationship between some of the special premiums associated with GRIP and how this is working in with changes in the crop insurance program. I guess the issue that comes up here is: as the minister has moved so far toward commercialization or getting the government out of the agriculture sector, have they looked into the opportunities that exist for crop insurance? I know a lot of the private crop insurance companies have some flexible programs that are available that could easily be adapted to cover some of the risks that are associated with the special provisions provided under the Alberta hail and crop insurance program. It seems to me that some of these could be implemented and operated under the private insurance sector, specifically some of the issues that come up looking at some of the special crops that are grown, say, on irrigation. There are ways you could tie in the performance of these specialty crops on a dollar-for-acre basis with the crops that we do have good amortization data on and we do have good risk data on and just pay on a prorated basis based on crops that we do have good information to support the risk, especially when we're dealing here with natural hazards for these crops like drought or hail insurance components. These, in essence, if it hits a wheat crop and you have a bean crop or a carrot crop right next to it, as long as you can assess the percentage damage, the payoff on a dollar-per-acre basis can be adjusted in an equivalent manner.

8:40

Some of these structures can be built into the private sector if the incentives and the initiatives are there, mostly in terms of helping the private sector recognize the need for this as much as anything. I know some of the specialty farmers in southern Alberta that I've spoken with have approached their private insurance companies that are dealing with their, quote, common crops, and they're willing to discuss this kind of an issue. I think this would be a good approach that we could take in terms of dealing with some of these insurance problems for farmers without having to increase the exposure of the government.

The minister then went on to speak about his reorganization of the field services under program 4 in the budget, and here I'd like to just discuss a little bit about and ask the minister to explain the implication of cutting back one regional office and a number of the district offices. What is the administrative relationship between the regional and district offices? You know, the focus of the government and the recommendations for the new management strategies are always downloading or off-loading the responsibility to the lowest level of practical application. I see that if we have the district offices in our small towns around Alberta where they're right at the farm level serving the farmers on an immediate basis, they should be able to take the initiative and report directly to the central office in Edmonton without having regional offices as an intermediate, expensive bureaucracy that keeps these second-level administrative units in a position of need so that we have to deal with them in terms of our management decision-making and of course in terms of our budget. So there's a possibility, and I'd like to see the minister look at the real need for the regional office as opposed to letting the district offices work on their own level.

[Mr. Clegg in the Chair]

The other thing that has been brought to our attention quite a bit is the location of some of the specialists that are being put into this system, and I was wondering if the minister would mind giving us a little bit of an idea of how the decision process was put in place and some of the criteria that they used to decide where such specialists would be located. We hear references to

the pulse crop specialists. The farthest south one is in Olds. The irrigated district in southern Alberta grows quite a number of pulses, yet Olds is the closest pulse crop specialist. The other three are further north from there. What was the decision that didn't allow for a pulse specialist in the south?

We've also had some inquiries. I guess we might say maybe, Mr. Chairman, that they might be from what we would call cynics. They're saying, "Well, as the generalists were replaced by specialists, all this is is a hidden way to give the people in the field a raise without saying they're getting a raise, because they get a change in classification." Are we really just making generalists into specialists so that we can give them an increase in pay? When we start looking at the information in the budget, we see that in a lot of cases there was really not that much of a change in the way the budget allocations come out. There are fewer people out there, but we end up with the same budget, and you question where that extra budget went.

I guess the next issue that I'd like to address – and the minister also spoke about it in his presentation – is the focus on the information networks. I agree with the minister here. This is an integral part of creating a dynamic agriculture sector. If we want our agriculture sector to be really able to adjust, able to respond, able to be aware of opportunity, information is critical. But as I look around the agriculture sector and I speak with people who are at the forefront of their respective commodity groups or their respective associations within the industry, most of them tell me that they deal with the commercial providers of information as they get a lot of their decision-making material, the information they need to make their decisions. This is especially true in terms of the marketing and product planting choice type of information.

This may not be quite so much of an issue in terms of some of the other information, in terms of, say, management strategies. I think that's only because right now a lot of our management information has been provided through the government, and there has been no real opportunity for good management advisers and consultants to break into the industry, because they could always go to the government and get this kind of information without relying on the private sector.

We see a lot of information on seed variety, a lot of information on fertilizers, on chemicals. The farmers that are at the frontier of their industry are using their specialty crops. They're going directly to the research scientists. They're going directly to the people, say, in the ag research institute for the very latest in information. So I guess the question comes up: why are we as a ministry putting so much money into the development of a network which has a questionable degree of usefulness in terms of the information that will be provided through that network? Also, when we look at the expansion of computer networks now – you know, CompuServe is out there. I can name a half dozen of them. We're getting now into a really expanding aspect of the freenet, the Internet networks, where people get in there and pass information along on a basis of from one to the other. These are the kinds of things that I guess the minister should think about providing access to for the agriculture sector as opposed to duplicating information services. The aspect that information is critical is good to recognize, but I think we need to spend a little bit of time really questioning the kind of information that it's the responsibility of a government or the need of a government to provide to the agriculture sector.

Another issue that came up – and the minister also touched on that as he was going through his introduction – is the focus that they're now going to have on cost recovery in some of the areas, the idea of net budgeting or dedicated revenues that are coming up in the new budget this year in all of our departments. In the

current budget the minister reviewed some of the fees, but when you look further beyond that into the business plans, you end up with 22 new or increased fees that have been designated as potential areas for cost recovery or profit centres within the ministry. I was just interested in having the minister comment on whether or not he's willing to guarantee to the people of Alberta that these will stop at a cost recovery level and not become profit/revenue generators for the ministry. If they end up as cost recovery on their own functional purpose, that's great.

Mr. Chairman, I've got a few more, but I'll sit down right now and let some of the other members have a chance as well.

MR. DEPUTY CHAIRMAN: The hon. Member for Leduc.

MR. KIRKLAND: Okay, Mr. Chairman. The minister is looking to respond. I would certainly . . .

MR. DEPUTY CHAIRMAN: Hon. Member for Leduc.

8:50

MR. KIRKLAND: Thank you, Mr. Deputy Chairman. I appreciate the opportunity to proceed with my questions in regard to the agriculture budget for '94. It's also generally a very receptive and pleasant experience. The minister has been very forthright, as the hon. Member for Lethbridge-East indicated, in providing us with information and I think certainly carries a very statesmanlike attitude to the job. So I appreciate the opportunity to attempt to be constructive and offer some suggestion there as well.

I spoke at length last time about my perception of the departments, and I felt that there was a fair bit of duplication. In program 3 in particular, if I recall, there were many administrative sectors that I felt looked like they could be amalgamated. Now, the minister responded very kindly in writing and indicated that that had been reviewed at length some time ago and it was felt that the expenditures for that area were appropriate. I leave the minister with the thought that I'm still not comfortable that we can't go a little thinner in that particular area.

One of the areas that I touched on briefly last time was an internal audit. Again, the minister indicated in his response to me that the purpose of the internal audit is to provide, and I quote, independent and comprehensive reviews and appraisals of the department's activities and operations. The auditor assists department management by reviewing, evaluating and reporting on the adequacy of internal controls. As well, the internal auditor examines the potential of duplication of programs and services.

Now, certainly I think that's what an internal audit should do. I would ask the hon. minister, as I have been involved in a few internal audits – generally, I would suggest that the tendency to get very cutting in those areas was somewhat influencing of my decisions – if he'd be bold enough to take on an external audit. Maybe it is a duplication at this point, but I don't think we should be afraid to look for those efficiencies. I would think that if that's not in the plans or can't be achieved, I would ask the minister if he would provide to me some sort of examples of efficiencies that the internal audit has uncovered, whether there's any indication that there's duplication within the department, and whether that can actually come forth in written form one more time to provide me with some assurance that that's the case. When we look at the one-window approach that was implemented or introduced to the seniors' benefit recently and we look at the radical reduction in Municipal Affairs, I'm still of the opinion that we can make some more progress there, Mr. Deputy Chairman.

I'll bounce around a bit here, but I want to move back to the Farmer's Advocate, because I had asked last time exactly where

we were with that and whether we were considering fee implementation for services offered by this particular department. At the time, the ministry indicated they weren't considering it. I may not have been paying close enough attention here, and maybe it was addressed in your speech or the hon. Member for Vegreville-Viking may have touched on it. If he did, I missed it. I would ask the minister how many employees we deal with in this department and how many actions or cases or mediations we generally average per year by the department. Is there a final report that's put out? If not, would the minister give me a basic synopsis pertaining to the questions that I asked in this area?

Another area that I had expressed some concern on last year was the information services. I want to refer to the business plans at this point, because when we look at information services, one of the overall direction statements is:

Attaching market value to information and services will facilitate a shift in information delivery from government to private sector businesses.

I certainly think that's the area to move, and I think in today's technology we should be able to move there in leaps and bounds. We have undertaken a serious review in the last two years to determine whether in fact we are competing against private enterprise in some of these areas and whether we can hand it off.

I would think back to my stop at the barley growers' conference. I visited a couple of booths there where they actually sold information pertaining to the agriculture world, and I wonder if we couldn't expand and move into that area. I looked at the revenue of \$176,000 that's shown in the budget as well, and that convinced me that in fact we can make some good solid moves in this area. I would ask the minister if he could identify what services we sold or what we intend to sell for the \$176,000.

Just before I leave that particular area of the budget, the human resource transition of \$4.1 million caught my attention, and I would ask the minister if he would expound somewhat on that particular figure. How many employees are affected? Are we looking at some, if I could use the term, "golden handshakes" in this situation, or does this pertain to some work force adjustments?

I will move over to program 3. I'll spend a little time here with an area and a topic that's fairly close to me. It's called the Food Processing Development Centre in Leduc. Now, I sat on a board in Leduc, the Leduc/Nisku Economic Development Authority board. We spent some considerable time with the staff and the managers at that particular facility, and we felt there was an unclear mandate as far as the marketing of it, so we attempted to involve ourselves there. Not to our surprise, we did not make a lot of progress. I say not to our surprise because we brought several bodies within the agriculture department together to find out exactly who was responsible and how far they would go. It became obvious, to me anyway, that there was an unclear mandate here as to how one should intervene. I have visited the facility several times since those meetings. I felt that that unclear mandate and that lack of initiative to market that lovely facility in Leduc could be addressed. I didn't and wasn't able to extract it from the business plan, so I'd ask the minister very pointedly if there's an intention to pursue it more vigorously as far as marketing is concerned. I'll speak a little more at length about why I think it has to be marketed.

It was very obvious to me as I visited that centre that it was underutilized. It was very unfortunate. I can recall a very expensive computer there, a Hewlett Packard computer, that generally was turned on only to accommodate the tours. It has great capabilities, but the personnel have never been trained to use it and the expertise is not there. I find that a little disconcerting. I would suggest also – and it may have changed in the last 18

months – that there was equipment yet to be uncrated in that facility. I want to use the facility itself as a bit of a benchmark to evaluate some of the business plan, because it strikes me that it would be a good litmus test. I think if we look at it closely, we can see that there's room for improvement there.

When we look at the mission – there are a couple of missions in here, but I'll look more specifically at the mission under the food and development aspect here. Just bear with me while I find it. If we look in this area here, the department mission statement is

to ensure the existence of policies and services which support the sustainable growth and the development of a market-driven agricultural and food industry.

We go down further to look at one of the goals, and goal 2 in particular:

to increase the industry's ability to diversify and add value to the commodities it produces and the products it [markets].

I think "add value" is something that's dear to the hon. minister's heart. This facility really was intended to develop products so we could take them to that state. It is not happening, in my estimation.

To refer back to the business plan one more time if I might. We look again at Information, Technology Transfer and Skill Development, and on the same page we have the Research heading as well. The research item states: "Increase the development of new information and the evaluation of technology suitable to Alberta conditions." That facility, I would suggest, has a long way to go to achieve that, and I would like to see some specific thoughts and ideas on how we're going to get there. Hand in hand with that – and this will become a little clearer when I speak to why I don't think we have arrived at this state – is the refocus that again is one of the policies stated: we have to "re-focus resources to increase the availability of specialists to serve the industry."

9:00

Following that particular comment, overall I see there are some large cuts in the department, and generally speaking, they appear to be, to me, in the technology transfer while administration costs go up. I would suggest that is an incorrect focus. If we are to focus on making a facility such as the Leduc facility really earn its way, we have to work more along that line of refocusing to equip that facility.

In that facility, in chatting with the staff, and certainly not to implicate anyone, because I'm just a nosey individual when I'm around there, there was the thought passed that there's a lack of scientists in that facility. Most of the staff there are technicians, and with all due respect to the technicians, they can't capture a lot of what the facility really should do. They really don't have the tools to do such. The tools in this case are very qualified individuals that are considered to be scientists, and I would ask the minister if he would make a move to staff the facility to ensure that we can capture it.

When we look at some of the other statements in the business plan here, and again staying on that same page that I was referring to, which I just lost and will recover shortly here, we were referring to the information, the technology transfer, and the skill development. There's a clause there that states that in fact we should be charging clients for use of such a facility and we should be developing partnerships. I'm paraphrasing there. But to just clarify it, it's one of the policies again under the information, technology transfer, and skill development area. It suggests that we should charge clients for information and specialized knowledge that has direct benefit to them. Following that, we

have the clause I referred to: increase partnerships to the private sector in the delivery of information, technology.

Now, the minister has a large department, and certainly I don't expect him to know this, but in chatting recently with the group, there's a charge out there – and I could stand corrected by \$25 here – of \$225 or \$250 for each four hours' use of the facility. There's no charge if the time spent in the facility is less than four hours. I'll give the example here, because there are really three clients presently using the facility. One is Van's Sausage. The other is Gainers, and the other is a Dutch company. I believe it's called Fibrimex. Now, Van's utilizes the staff, and they utilize the facility, and as long as Van's staff are not there for longer than four hours, there's no charge. They're astute business individuals, and they don't exceed that four hours. Thereby, what we have happening is that the centre technicians really, in essence, become free labour for big business. The Gainers scenario is very similar. It may be changing as a result of changing hands, and I haven't had a chance to get close to it recently.

As I indicated, the minister may not know this, but there was by administration a suggestion that some fees should be introduced on a more reasonable basis. His predecessor intervened at that point and squashed this idea, so the situation today is where we are really not capturing full utilization or full revenue from that particular facility. So I'd ask the minister if he would capture that policy statement of charging for clients in a more reasonable and realistic sense and also work hard at improving the partnerships that exist between those that use it. I do believe the companies presently are really misusing the government employees by having them provide free labour to their cause. So I would ask the minister to outline some steps that he might take to correct that problem.

The third client out there is the type of client, I would suggest, and with all due respect to Van's and Gainers – the third client is a Dutch company. I indicated that I think it was called Fibrimex. They extract fibrinogen from beef blood, and it's used as a bonding agent. Now, this is new technology to the province of Alberta, and it's leading edge, as you indicated. If we are to accept them at their word, they intend to open a plant in the province of Alberta, so in fact we provided the seed area to make that happen. That's positive.

I had alluded to the lack of scientists at the centre earlier. If we had those scientists on board that became involved, I see that as a way of developing that interactive partnership, and I see that as being a way of Alberta profiting from somebody bringing technology to this province, perhaps to expand or in turn maybe sell at a later date. So I leave that thought with the minister, asking that he look very closely at a plan to make sure we have adequate scientists at that facility to utilize it to its maximum aspect.

Along the lines of breaking into new areas or attempting to lead into new areas, the minister indicated last year on my questions on the estimates that there was \$50,000 set aside for a cereal scientist, and that scientist was to work with cereal fractionization and see what potential there was in that area. For a period that scientist was in Leduc. He never remained. I would have to ask why in fact he was only there for a short time and moved along. I would suggest it's because the tools and the other support staff were not there to make it worth while, so he had to go back probably to Brooks. It's an opportunity, I think – and the hon. minister had tied that to the Westcan plant at that particular point. I would ask also, while we're on that topic, if the hon. minister has reviewed the work of the cereal scientist, because he indicated there was an intention to see how we progressed in that year and whether we would continue. I would like to know if there's been any progress or any thought along that aspect.

When I chatted about the food processing plant a little earlier, I said that I wanted to use it as a benchmark for some of the goals and the objectives. When we look at the goals and the objectives again – I'll just take you back to points 3 and 4 under the minister's goals, and they are:

3. To develop information and technology that improves industry competitiveness.
4. To ensure the industry has access to needed technology, knowledge and skills.

I suggested that the centre does not have the tools to do that. I think it's unfortunate. It's a great facility. It has great potential. It fits well with all the stated goals and the objectives of the mission statements, and I would ask the minister if he would undertake some serious action to maximize the use of it.

When I say that, the discussion in this Chamber in the last couple of days has included some chat about the Alberta research centre. I can recall one project that the hon. Member for Cypress-Medicine Hat indicated, that they were into some new technology as far as eradicating or eliminating or overcoming hamburger disease. I wondered at that time if that's not a more appropriate sort of technology and research for the food science centre out there in Leduc and whether we could look more at a partnership between that centre and Leduc and tie it in. I think that we have better opportunity at that point to tap some of the expertise at the marketing end of the Alberta Research Council.

On the point of Westcan the minister indicated that that firm down there in Alix, I believe it was, was on the verge of opening up and was close to completion. I would ask just a couple of questions because I haven't heard recently. Is the Westcan plant in full production? Do we have some government dollars invested in that particular facility?

I'd just return to program 3, if I might. There's an area – again when we look at turning aspects or turning sectors or segments of our present government operations, which the hon. Minister of Municipal Affairs so likes, over to private enterprise. I'm not sure exactly which vote it falls under here, but it would be under the processing services, I suspect. I think we're talking about standardization. That may not be the right area, but if I can recall correctly, it would be concerning labeling of products and probably determining content of products and correlating it to the labeling aspect. I may be a little wrong there. It ties very nicely into one of the key strategies that was listed on page 22. Again that was to "increase private sector delivery of information, technology, and services." Now, all other provinces provide that particular service, and I would ask the minister to review that. I didn't state it as clearly as I should have, but certainly I think that you can hone it down, as I stumbled around in looking for the exact lab service it's provided that could go to private enterprise.

Thank you.

9:10

MR. DEPUTY CHAIRMAN: The hon. Member for Wainwright.

MR. FISCHER: Thank you, Mr. Chairman. I would like to compliment the minister and his staff for the good work they've done this past year. I know there's been an awful lot of hard work that's gone into their three-year business plans. They did a lot of late nights, burned the candle late at night a few times, and I know that sometimes it's not often appreciated. Tonight I just want to say that to both your department and your office. Sometimes your executive assistant even stayed quite late, so I want to compliment him too.

I do want to say that our agriculture reduction of 23 and a half percent that we've taken off in our three-year business plans is a

pretty healthy cut for that department. I was around in the years previous to our three-year business plan, when our former minister used to come in and say: well, we've got to cut 18 percent off our budget this year. Another year 12 percent had to be cut off. So we did some major trimming some years before we started into this. Now we've taken another 23 and a half percent off. I agree that it has to be done, and I want to see us become more efficient. Certainly we are transferring a lot more costs back onto the industry, and that, I believe, in the long term is going to make us stronger.

Mr. Chairman, I did want to just kind of demonstrate a little bit of what's happening in the farm industry by this little story about the farmer and his three sons. They had a lot of debt on the farm, and money was pretty tight. They were scrambling hard, working hard to make a living. The 16-year-old came back to Dad one night, and he said: "Dad, I'm 16 now, and I want to go to town once in a while. It would be nice if you could buy us an old truck or something like that." Of course, his dad had to look at the bank statement a little bit and said, "Well, we're not going to be able to buy anything like that until we get some of this machinery paid for and that kind of thing." So a little bit later along came the 14-year-old, and he wanted a motor bike. His dad couldn't very well give him a motor bike, because he'd already said no to the other kid, and he said "We're not going to buy anything around here until we get the combine paid for." A little bit later the 8-year-old came along, and he only wanted a little bike. He couldn't say that his 8-year-old could have a bike either. So he said: "Son, we're not going to buy anything around here until the combine's paid for. You go on out in the chicken house and gather the eggs and feed the chickens. Let's start making a little bit of money." When he got out there, this rooster was riding a hen. The young fellow gave him a boot against the wall and he said, "There isn't anything around this farm that's going to get a ride until we get the combine paid for."

I do want to relate that back to what our farmers are doing. We don't want that to be a general farm policy around our province, but I do want to say that as much as we're cutting, I want our people to also deregulate. I listened to your remarks about the deregulation a little bit earlier on and what GATT is doing forcing our Western Grain Transportation Act to get money paid away from the railways. We all know that that's been an issue for many, many years. It's cost us millions and millions of dollars. We're not very much further ahead than we were 10 or 15 years ago. If we keep on letting it drag on and on and on, the feds run out of money. They're gradually cutting it down. There won't be any benefit there for the farmers after a while. I would like to see our government do a lot more, maybe be stronger in forcing more freedom for our farmers to be able to market and do their own things. I realize that you can take away on one side, but you've got to open up the system so that you can make a living. I can relate back a number of years myself when we were farming, and one of the reasons that I ever came to government was because I wanted government out of my way so I could make a living. I truly believe that since I've been here probably they're in your way more than they've ever been. It seems to be a trend that we have choked ourselves with regulation.

I think we need to find new and better ways to get the federal government to put in a policy that will be more beneficial to us here in Alberta. I don't say that out of greed from Alberta's standpoint; I say it for the benefit of our industry right across western Canada. I guess it goes right to the Wheat Board, it goes to transportation, it goes to the continental barley markets. Our interprovincial boundaries are costing us millions and millions of dollars. I can't help but say that over the years when we had such

low, low grain prices and we'd been forbidden to get value-added going in this province. It's been discriminating against it because of our export subsidy. I wonder what it would have been like in the '80s, when the grain prices were so low, if we had even the things that we have now. If we'd even had the industries that we have in this province today six or seven or eight years ago, farmers would have been in a much better position. I think we have to find ways of being stronger to make those things happen. I've been part of trying to make that happen for many, many years, and we haven't been very successful.

One suggestion I have is the ethanol industry. I've been trying for many years to get the ethanol industry off the ground. Maybe we shouldn't have that industry here; I don't know. If we can't have it with the natural advantages we've got, I don't know how in the world we can sit back and let other provinces, other states put ethanol into this province and then subsidize them to do it. I truly believe that we should either take our tax exemption off the ethanol that comes in here or else get an industry of our own going some way. When we get right down to why that industry isn't here, a lot of it is regulation and interference that won't allow it to happen. I think we've got to overcome some of those barriers.

I would also like to ask you: since we've had the change in government, how friendly is the western diversification office and support to our agriculture industry? I realize that there have been some fairly major changes in the guidelines to it since the Liberals got into power down there, and I think that it's probably fairly discriminatory against us.

One of the other areas that I'm afraid for with our cutting and reductions is market development. I hope that we don't hurt our market development. We have done a pretty good job of expanding our markets across the world. I know it takes money, and I know it takes government involvement to make that happen. I think it would be a shame if we reduce that even in the smallest of ways. I know we can become a little bit more efficient with that, but I don't think that we should cut everything right off.

9:20

One of the things that's been very troublesome to me and probably to an awful lot of the farm people is the grain handlers' strike we went through not long ago. We go through that every three or four years, and that needs to be solved. It needs to be solved so that it never happens again. I can remember back in the '60s when it happened, and it cost the industry millions and millions of dollars. We don't seem to ever do anything about it. I know how hard we've tried, but we haven't been very successful. I would hope that we can make some things happen in that area.

The other area, of course, is yet more value adding. We do have lots of opportunities to value add in this province. As the world markets are opening up now and the Pacific Rim is opening up to the extent that it is, we could value add to a tremendous amount more products and get it out of here and create so many more jobs and not be so dependent on our raw product.

I would like to just hear your remarks on those issues. Thank you very much.

MR. DEPUTY CHAIRMAN: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you very much, Mr. Chairman. I'll rush through this, because I notice the minister has quite a phalanx of advisers. I'm sure they won't miss out there, so I will move quite quickly.

First, I know the minister has health problems in the family. I want the minister to know that everyone on this side is pulling for him, and the prayers of the opposition certainly go with you.

[Mr. Tannas in the Chair]

I wanted to follow up a little bit on the Member for Wainwright. He mentioned the ethanol industry. I strongly support his interest in there, and I still don't see why the government just doesn't mandate it, why the department of agriculture doesn't put the heat on the gentleman from Banff-Cochrane, who is refusing to let ethanol be made unless it pays its way. Well, the point is that if we mandated that all gasoline sold at the pumps had to have 10 percent ethanol, it would solve its own problem. Let free enterprise, then, decide who would make the ethanol and what quantities and so on, but I think it's our right to demand that the oxygenated fuels be at a level that would include 10 percent ethanol. I think that would solve the problem overnight.

He also mentioned the grain strike, and I, like the member over there, have been bothered through the years, but I think we go at it the wrong way. I would like to suggest to the minister, who maybe sometimes doesn't get that many positive suggestions: think about it the other way around. Maybe we should pull a strike ourselves, refuse to deliver anything for two months. See what it feels like for them. Pick a time of year that they like to get some money – maybe it's Christmas – and refuse to do any deliveries for, say, December and January, for two months. See how it's done, instead of crying and whining and complaining all the time that they're shutting it down when we want to ship. After all, farmers are used to having their shipments go off and on, off and on, so why not pull themselves together and decide: next time you pull a strike, fellows, we'll pull one right back on you a couple of months later and let you go without your Christmas turkey?

I also wanted to offer the minister some advice. I have a lot of old writings and articles I put out back in 1984, '85, and '86 on negative income tax for farmers. It sounds like it's recycled and come around now and that they're looking at total farm income. I'll be glad to send it up there and circulate it around. As a matter of fact, some of them might have written it, for all I know, and I've copied it from way back. Negative income tax is an old concept, and it's something that could really be used very well in the agricultural community because it's based on income tax. It takes very little bureaucracy.

I also want to congratulate the minister for selling Northern Lite Canola. I know that must have hurt, because for years and years if I wanted to get the minister's goat, I would bring up Northern Lite Canola and say that I'd sell it for a dollar, and he would go in orbit and float around a little bit and settle down again. Now that he's sold it, I realize that it must be like giving up your left arm. So although I congratulate him for selling Northern Lite, I extend condolences that he had to give it up, and I also regret that I won't be able to tease him about it for years and years and years, although this government has a penchant occasionally for selling things a little bit like an Australian boomerang: they quite often come back again. So I hope that with the type of a deal you made, it is gone and will be gone for good. Last time I looked, it was an option of sorts. Let's hope it's exercised and goes on, although I still think you'd have been better off and you'd have been elected forever if you'd turned the plant over for \$1 to the Peace River farmers. They would have been better served.

Moving on fairly quickly, I notice the allowance that you're saving by cutting off the Crow offset, tripartite, and that is \$66 million, but the government is setting aside \$19 million, roughly one-third of that, to put in the safety net program when it occurs. I think that's commendable, but I think \$20 million is not enough. I think we should have set aside about \$40 million, which would have still been cutting the program by a third. I think you may

be a little niggardly with that, but on the other hand seeing that it has to be done with the federal government . . . [interjections] I hear oohs and aahs there, but I think they're having trouble, Mr. Chairman, with their spelling. [interjection] Yes.

Maybe \$19 million will cover it, but I would hope we'd have a program that would take more than \$19 million because I don't think you can put a total farm income in for only \$19 million a year, and I think it'd be well worth while. It'd be government money well spent.

The minister mentions electronic highways in his business plan: develop "electronic communications network." I live out in the country, and I have gone into some seed business, and I use a computer. I find that the extra line to the farmers out there – AGT is still charging \$500, \$600 a line, even though there may be two lines running into the building already. Most farmhouses have that capacity for two lines. If you go to connect up the second line, they want 500 big simoleons to hook it up. I think you should take AGT out to the woodpile and talk to them, as the old saying goes, like a Dutch uncle, because I think they are gouging the farmers with that second phone line that can access the technology. We already have the modems and stuff. People can buy the modems. I think we can access that through the phone lines and through satellite. So I don't really think it is necessary to develop an electronic communications network. I think private enterprise is doing well enough.

While we're at it – and there's a danger of getting hit in the back of the head with some lead shot here – I still think, Mr. Chairman, that we're spending too much on research. I believe that a combination of the universities, the colleges, and private enterprise can do it. I won't go as far as the state of Iowa and abolish the department of agriculture entirely, but I think we could be thinking on that line. I think that with a lot of the research that's being done there's duplication between the department of agriculture, the universities, private enterprise, and the colleges. I've gone through the whole four of them right now, I think, without repeating myself. If the government really wants to cut next year and the minister wants to make a hero of himself at the risk of alienating some of his department, if he'd semaphore or send a signal early enough that he intends downsizing the research department of his government, the researchers in the department of agriculture will have a chance to get a job in the private sector or set up consulting firms and set up areas like that. So it's not necessarily a job loss.

9:30

Also, to clean up some final things here, in the business plan, A Better Way, page 8:

The Ministry has defined its primary clients as being:

those producers and processors who are interested in and capable . . .

I want you to remember that word "capable."

. . . of contributing to a market-driven and sustainable agriculture and food industry.

Well, it's a very nice sentence till they put "capable" in there. "Capable" has to be the most socialistic, Leninist, communistic, Marxist type of term you could go on, because who's going to sit around and decide who's capable? The market is supposed to decide who's capable. In this plan this is just a little slip-up. I only mention it because if the minister goes to some of these right-wing cheering sessions and they see those words "interested in and capable of contributing," they're going to go ape. So I would suggest that he take the word "capable" – the market determines what's capable, not the government or not the bureaucrats. That's what's wrong with that statement. I've just given it as a little bit of correction in English. I don't like to see

you right-wingers hoisted on your own petard, as they say. You go look up "petard" there, the veterinarian, and come back and tell me all about it.

Now let's roll on. When will a full-time Farmers' Advocate be named? Nice and simple. We've been promised one for a long time.

Alberta Grain Commission, the other end. When will that be abolished? What are we doing with a Grain Commission costing us \$240,000 a year, a quarter of a million dollars? I'm not so sure that we need grain commissions anyhow, but it certainly must duplicate the Canadian Grain Commission, and we're even wondering why we should have that.

DR. WEST: Right on.

MR. N. TAYLOR: Right on. Good. I'm sorry; I'd better take that back. Would you allow me to think it over? The hon. Member for Vermilion-Lloydminster agrees with me. That is enough to startle me.

The vote 2.3, land valuation and reclamation. I think it's in the irrigation area. I was raised down south where you never saw a tree. Water came along. But \$1.8 million? Why couldn't the landowners be paying a lot more of their reclamation? Maybe the Member for Little Bow will understand that.

I read the other day, by the way, where somebody from my own hometown, Mr. Lynn Thacker from Bow Island, was arguing that the government's policies do encourage the misuse of water, the argument being that we're still growing on irrigation a lot of crops that would be better grown on dryland and that we should be going for things like beans, exotic oils, and so on and so forth. I was wondering if the minister has thought of any system that would give an incentive to raise crops that water makes a difference to rather than raising crops that compete with the dryland sector, because it is subsidized a certain amount.

Vote 2.3, environmental sustainable agriculture. I wonder whether the minister would act a little bit more like Napoleon and reach over and take away and out of the control of the department of environment the right to control raising timber on timber lots. I think right now the department of environment, that moves at the normal speed of a glacier in winter, is letting a lot of our land be literally raped and pillaged by timber sales, which start off erosion and cause a great deal of harm on other lands which could be used for agriculture. Also, I think the day is coming when deciduous trees can be raised fast enough so that a timber lot will probably make some money for the farmer. I'm not too sure that agriculture shouldn't be horning in on it rather than leaving it to the boys that sniff the air and test the water. I think environment can . . .

DR. WEST: Did you factor in the forest fires in the summer-time?

MR. N. TAYLOR: That might be an idea, to have agriculture fight forest fires. You shouldn't have to fight forest fires on timber lots. I'm talking about privately owned land. There are not very many forest fires on privately owned land, unless they set fire to the peat bogs.

DR. WEST: What relevance is it?

MR. N. TAYLOR: You'll get your turn. Just take your breath now. You're getting paid more than I am, so you have to listen more.

The next thing is when we move on to page 42 – well, no, I'm not sure it's page 42. I'm sorry. It's vote 3.1.2, marketing council. I'm wondering why the supervisors and the Farmers' Advocate – I'm worrying here, two items. One is the loss of the

Public Utilities Board. The PUB was always a place that the farmer could go to and could count on some support when fighting an increase in costs of energy, both natural gas and electricity, the farmer more than most because most people that fight the cost of electricity are city people. Cities have the money to get out and hire experts, engineers and lawyers, to take on the utility companies, but farmers don't, and I know collectively. Getting rid of the Public Utilities Board I think is a very, very bad omen for farmers, and I'd be interested in the minister's thoughts on that or just what we're going to do if the PUB is dissolved, is gone as part of their Research Council. Or is it the farmers could be thinking of maybe expanding the Farmers' Advocate enough so that they would do some of the intervenor work that normally fell to farmers?

There's also the sugar beet lien Act. The Member for Taber-Warner, I'm sure, would be interested in that and also the member for Red Deer. The Beet Lien Act is rather intriguing. I just wondered if the minister would enlarge upon that a little bit. It seems just a little unjust the way it's put together now.

Let's move on. Vote 3.2.5, predator control. I'd like to roll that one in later on to – I forget where it is. Well, I'll find it somewhere. I'd like to roll predator control in with deer, damage by fowl, and hunting other animals. I think the department of agriculture is listening – now, this is a heck of a thing to accuse this government of, Mr. Chairman. I think the big city lobby and the Fish and Game Association are unnecessarily frightening this government. I think that there's nothing wrong with giving the farmers special hunting permits to get rid of or eat deer. I know that most people in the city don't like the idea of eating Bambi. Nevertheless, that's what the old man does when he disappears in the fall with his four by four and a 30 aught 6. He goes out and shoots papa deer. So there's no reason why the farmers can't live on deer out of season during the year if they are eating the crops. Yet somewhere or another the fish and game lobby – and, boy, I'm waiting to see my mail over the next couple of weeks – get away with frightening this government from giving special farm hunting licences to get rid of predators or to get rid of wildlife that is consuming their crops, wildlife that's in surplus supply. I agree that you can't have a farmer or a hunter go out and shoot the one and only silver fox that's around there or the one and only specimen of moose that's wandering around. I have a pet moose out at my place. I've spent half my time trying to tell my neighbours that it's disappeared, because they're always looking around for something.

Now, let's roll along. I'm trying to do this fast, Mr. Chairman, because I know, with as much help as he has, I'll be able to look forward to letters all this summer from them in answering my questions.

Oh, yes, the gasoline tax. This has always bothered me. In effect by reducing the rebate you've increased the tax, and it's not logical. Years and years – and I've been in a natural resource industry, sometimes with success, sometimes without success. But we don't tax iron ore that goes in to build cars. We don't tax the coal, usually, that goes into electricity. Yet we put a tax on farmers' fuel when it goes into producing foods. One of the most ancient laws since the industrial revolution has been: a government makes much more money out of taxing a profit after the end product is created than trying to tax the input cost, than taxing the iron ore or the coal or the nickel, or the wheat that goes into flour. Try to stay and make your money off the fellow that has turned out the last product. Yet our farmers have a gasoline tax, which is an input cost in producing food, which I think is wrong. I think if you took off the gasoline tax, the farmers would be a little more competitive. They could have a wider range, the raw

product, to put it into food processing. You'd get more people employed in processing and packaging and so on. The government would make much more money out of it than trying to grab that few cents a litre right to begin with. There's no logic to it, except maybe the ancient one – the environmentalists would argue that we are having too much gasoline anyhow and too much carbon in the air and that, so it's like liquor: you should put a sin tax on it. I don't think gasoline needs a sin tax. I think gasoline is a necessary fuel until somebody invents something else.

9:40

Now, I hope the agricultural research has taken place. They're doing a little work in canola oil. It would be kind of nice to drive downtown and just smell everything like french fries rather than gasoline. Nevertheless, if we could get canola oil being used as diesel and burning it in our cars, it would be a great step forward.

The 4-H clubs. Now, I think this is shortsighted thinking to cut back the funding of 4-H. It's where our leaders are. It's not only your leaders that 4-H develops but the development of people knowing how to communicate. For years I've judged 4-H public speaking contests; 4-H is an education to rural families, rural people, that's very hard to get anywhere else. As agriculture develops and more and more of our farmers are going to have to be in world competition, they have to sell their product, sell themselves.

MR. PASZKOWSKI: I wish to thank all of the participants tonight for the interesting questions that were raised. Certainly we'll make an effort to respond to them.

I just met with a 4-H group last Tuesday, and they're quite interested in participating in our restructuring. They were very complimentary, and I was very enthused with the enthusiasm that they were showing regarding the restructuring of 4-H. They shared with me that indeed it's healthy to review the overall structure, because just throwing money at any program isn't a satisfactory way of seeing that the program is successful. They agreed that really it's time to review the whole 4-H program. They were doing that. There were 21 people around the table from all over the entire province. So I'm a little surprised that there is a concern being voiced across the way regarding 4-H funding, because indeed the 4-H people themselves are quite anxious to work with the process that we have developed and put in place.

The gasoline tax. We still have a 15-cent benefit regarding the diesel and a 9 cent regarding the coloured gas, so indeed we do support agriculture in a very dynamic and dramatic way.

Rid of wild animals. Good management is really the key, because you can't go around shooting all the animals. That's not a responsible way of handling the issue. There is a way of managing wild animals and working with fish and game organizations, with the primary producers in managing these, and we're doing that. Hopefully we'll be able to successfully manage to the benefit of both sectors. That's our objective, and that's our intention.

Better usage of water. Our bean acreage is going to double this coming year, and the exciting part of the bean acreage doubling for the coming year is the fact that we're going to be able to have another plant that's going to process these beans. That in itself is exciting. So one adds to the other, and that's the way that we want to operate: utilize the natural advantage. Let private enterprise decide what indeed is the best to produce, and let's not try and have government dictating what primary producers have to produce. That's not our objective. That's not this govern-

ment's direction. We're not going to be doing that. We're going to allow the natural advantage to carry on.

Farmers' Advocate. We hope to have a Farmers' Advocate in place here very shortly. We are going through the process now. We've advertised. I think it was interesting. We placed ads in only Alberta papers, the *Grainews*, and the *Western Producer*. We had 310 applicants. So there's a lot of enthusiasm and an awful lot of interest. Three hundred and ten applicants creates a lot of screening process, and indeed we are in the works of replacing that.

AGT, the electronic field. AGT is a private business, and indeed we're not going to start imposing, because other countries have tried to impose, and we see the successes that they have had. It's a private enterprise, and we feel that private enterprise should continue to operate. It's not a monopoly, because indeed CRTC made a ruling that anyone can come in. There's nothing stopping Unitel or any other group that wants to come in and provide the service. So we can no longer suggest that there's a monopoly here. That opportunity is indeed there, so we want to be able to recognize . . .

Point of Order Clarification

MR. N. TAYLOR: Just a point of order for information.

MR. CHAIRMAN: Point of order, hon. Member for Redwater.

MR. N. TAYLOR: Telephones are a monopoly at the household level. It's only long distance. The minister says that anybody can come in with phones. Nobody can come in with phones; they only can come in with long-distance service.

MR. CHAIRMAN: I don't think the hon. member has a true point of order.

MR. N. TAYLOR: It's a point of information.

MR. CHAIRMAN: We'd ask the Minister of Agriculture, Food and Rural Development to continue, and thank you for that out-of-order point of order.

Debate Continued

MR. PASZKOWSKI: Thank you, Mr. Chairman. Actually we have a long response that's going to be necessary here, so at this stage I think perhaps the best thing for me to do is move that the committee rise and report, and we will obtain the information at a later time.

Mr. Chairman, if I may, I'd like to thank the staff for participating today. I think it's important that we recognize the people who are volunteering their time. They're also here to hear what the questions are. That's the reason they're here. They're interested in knowing exactly. I think that's true dedication, and we want to respect that, not challenge that.

[Motion carried]

[Mr. Deputy Speaker in the Chair]

MR. DEPUTY SPEAKER: Hon. Member for Dunvegan.

MR. CLEGG: Thank you, Mr. Speaker. The Committee of Supply has had under consideration certain resolutions of Agriculture, Food and Rural Development, reports progress thereon, and requests leave to sit again.

Mr. Speaker, I wish to table a copy of the motion agreed to in Committee of Supply pursuant to section 56(2)(a) plus (b) changing the membership on the designated supply subcommittee of the Department of Education.

9:50

MR. DEPUTY SPEAKER: Does the Assembly concur on this report?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.

[On motion, the Assembly resolved itself into Committee of the Whole]

head: **Government Bills and Orders**
head: **Committee of the Whole**

[Mr. Tannas in the Chair]

MR. CHAIRMAN: I call the committee to order.

Bill 9
Appropriation (Alberta Heritage Savings
Trust Fund, Capital Projects Division)
Interim Supply Act, 1994

MR. CHAIRMAN: I'd ask if there are any comments, questions, or amendments to be offered. Are you ready for the question?

Hon. Member for Redwater.

MR. N. TAYLOR: I wanted to ask our peripatetic Treasurer, Mr. Chairman - I know that most of the Deep Six will be looking that up to see if it has sexual connotations. It starts with a P, fellows.

What I'm very interested in hearing is in the Alberta heritage savings trust fund, capital projects development, whether the Treasurer is now doing a little more active work in liquidating the fund, whether there is really any particular need for the fund as it is set up, and whether or not free enterprise couldn't do most of the chores. He's asking for a \$30 million injection.

We have grazing reserve enhancement, for instance: \$2.7 million. That's a little hard to understand when we're talking about the environment back to the past, if you want to call it, plus the fact that we rent out these lands. The cattle industry and the beef industry is probably in better shape than it ever has been. What are we doing in there spending \$2.7 million on grazing reserve enhancement?

Irrigation rehabilitation: \$18 million. I can see that, but as the hon. member for agriculture said a little bit earlier, they're looking at the whole interface between what agriculture should be raised on irrigated land and what they are not doing. I'd be very intrigued to know whether the minister has done anything further or is doing anything at cross-examining his cohorts in agriculture to see whether they can't bring that charge down.

Those are the main things I'd like to get on record: why the Treasurer does not think of just plain liquidating those portions of the heritage trust fund that are not returning funds at a greater rate than the interest rate we're paying on any of the money he's borrowed? I don't know what his average rate of borrowing is. He's probably got it down to about 8 or 9 percent, I would think now, yet a great deal of the heritage trust fund is not making that. We could then pay the debt. I'm not thinking of the deficit. I know the minister wants to take an honourable course and not liquidate assets to meet deficits, but liquidating assets to pay debt

would be a step in the right direction, and I'm just wondering why the minister isn't doing this. This appropriation Bill, Mr Chairman, does nothing more than perpetuate the high-spending, devil-may-care attitude that came about in the 1970s and early '80s because of the huge amount of oil income. It's not the type of thing I think that makes sense in a society that is trying to pay down debt and trying to balance a budget.

MR. DINNING: Mr. Chairman, briefly. I know my colleague the minister of agriculture will want to comment on the grazing reserves query of the truck-driving member across the way.

As for his question about the fund itself, the capital projects division forming just a small portion of the fund today and making up none of the financial assets of the heritage fund, those financial assets appearing on the balance sheet of the fund, he's asked a good question: what is the future of the heritage fund? Clearly what the government has said is that it is the fund that belongs to the people, and it will be the people of Alberta who will ultimately decide and will do that through a public consultation process, which I hope will be launched sometime this year and that certainly would involve my colleague for Lethbridge-West, as the chairman of the heritage savings trust fund select standing committee, and hopefully members on both sides of this Assembly in carrying out that public consultation process.

We benefit in that this past year, Mr. Chairman, while our rate of return on heritage fund investments overall was in the order of about 9.3 percent, the cost of our debt was below that. It's still to our benefit in raising money, in investing dollars that the rate of return is greater on our investments than is the cost of carrying that debt.

My colleague the minister of agriculture may want to respond in more detail to the member's question on grazing reserves.

MR. CHAIRMAN: Hon. Minister of Agriculture, Food and Rural Development.

MR. PASZKOWSKI: Thank you, Mr. Chairman. Yes, I would like to comment on the grazing reserve enhancement program that we have. We have 21 grazing reserves in the province, and we spend \$3.712 million in maintaining them. That's simply a management tool, and it's something that we do on an ongoing basis to make sure that the grazing reserves don't grow with a regrowth of bush so that we can better utilize the material product for our animals. In that way we do, indeed, have value added ultimately. So it's an investment.

Also, if you've read our three-year plan, you'll note that we're going to full cost recovery as well. That's our ultimate objective. That is our process so that within the end of the three-year plan we will be in a full cost recovery, and the grazing reserves will maintain themselves. So we do have a plan for that.

We would be remiss if we didn't maintain the grazing reserves. That would be the worst investment that we could ever do. It would be the worst decision we could ever make, because we've invested a substantive amount of money in developing those grazing reserves and it behooves us to maintain that investment. That's the way we've been doing it. Now we're going to be asking the agricultural community to be doing their own maintenance. The agricultural community told us through the ongoing discussions that we have had that they are prepared to do that, and we're going to allow them to do that.

MR. CHAIRMAN: Hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. Just a couple of questions. One to the Treasurer. Under Community Development I notice there's a figure of \$1.2 million allocated in this particular Bill. I guess I have to admit I have somewhat mixed feelings on that. On one hand, it's certainly nice to have parks in our cities and developed green spaces, but at a time when we're making drastic cuts in education, in health care, in other departments - I know that the Treasurer is likely to say, "Well, this is going to come out of the heritage savings trust fund" - it seems to me that spending \$1.2 million out of the heritage savings trust fund for urban park development is kind of sending mixed messages to the public when the government is trying to work towards a balanced budget. As I said, although parks are certainly pleasant and pleasurable kinds of things to have, I'm not sure that in this day and age it's a very high priority on most people's books. So I'm wondering if the Treasurer might just comment, because I've seen this line frequently in the past, on whether or not this is going to be an ongoing kind of expenditure. It is one we've seen before; I'm wondering if we'll see it again. I'm kind of wondering why we're seeing it this year in particular in light of all the other cuts.

10:00

Just one other question I had. I certainly don't profess to be an expert on the issue of irrigation and such, but I have to again question, you know, an \$18 million expenditure here on irrigation rehabilitation and expansion. I guess my question is probably best answered by the Minister of Agriculture, Food and Rural Development. Do we some way measure increased production? Do we look at the kind of production we're getting now and then the kind of production we get after we expend this kind of money so that we can somehow qualify or quantify or justify this expenditure of \$18 million? I guess what I'm saying is: if we're spending \$18 million and we get \$20 million or \$30 million or \$50 million worth of return on it, I have no problem with that.

Clearly we get a better rate of return or better rate of production when we do have irrigation, but it's getting to the point where - and I hear it in the city a little bit - people are saying: gee, we're spending all this money on irrigation works. This isn't necessarily a shot at the Oldman dam, but people are saying: gee, we've got these canals and we've got these dikes and we've got headworks and so on and so forth. We're spending literally millions and millions of dollars, and we are producing things. You can point to it and say, "That dam cost this much money, and this canal cost this much money," and I guess I'd like to know if there's any kind of clear evaluation or measuring device that tells us that after we expend these millions of dollars, we get that much better return on it.

So I guess just a couple of questions to the respective ministers, Mr. Chairman.

MR. PASZKOWSKI: Well, I really would like to respond because those were good, valid questions, and certainly I feel that it's important that we do respond. Yes, indeed, there is a value placed on the investment in irrigation in that we produce 20 percent of the agricultural product in all of Alberta off 4 percent of the landmass. That's a fairly substantive return on an investment.

Probably the other important element of irrigation is that it allows us to diversify, grow products that we wouldn't be able to grow. We've got good climate in the southern part of the province. We don't have water. This allows us to better utilize the natural resource that we have and good climate and good weather. So there is a tremendous benefit to the irrigation.

Some years ago, I think it was 1986, a study was done as to the benefits of the dams and the infrastructure and the water, and at that time it was deemed that 86 percent of the benefit of that whole infrastructure and the whole component is actually nonagricultural and only 14 percent of the benefit is agricultural. That's how the formula of 86-14 came into being. So I have no difficulty in supporting the use of money for irrigation and will continue to strongly support government involvement in funding of irrigation.

MR. DINNING: Mr. Chairman, to respond to the question by the Member for Calgary-North West, I know that the Minister of Community Development could perhaps elaborate further, but if the hon. member would want to pursue his question about the urban park development program, the expenditure is outlined on page 7 of the three-year business plan of the Department of Community Development. What this expenditure does is fulfill the obligation to complete those projects that are currently under construction so as not to leave them in midstream but to complete their expenditure: some \$3.9 million this year - this is interim supply requirement - \$2.9 million in '95-96, and \$1.9 million in '96-97. So I believe that '96-97 will be the termination of the urban park program, those projects that are currently under construction.

MR. CHAIRMAN: The hon. Member for Lethbridge-East.

DR. NICOL: Yes. Thank you, Mr. Chairman. I'd just like to put a couple of questions to the minister of agriculture concerning Farming for the Future, the first item there, \$1.25 million that's being expended. Basically, my understanding of Farming for the Future is that a lot of that money goes into the applied research part of it, and I was wondering how this is going to tie in with the focus that the ministry is taking now in terms of this expanded effort in research, all in new products and value added. Is Farming for the Future still going to be used in supporting that as a get it out to the farm mechanism? You know, the on-farm plots, demonstration plots, the new technology illustrations that were going on through that program before I think were the major focus of it in the past, and I was just wondering if that's going to be the continuation of this \$1.25 million.

Thank you.

MR. PASZKOWSKI: That's a good, valid question, and I appreciate that. Yes, indeed, we're changing our focus and the direction of the use of the Farming for the Future funding in that we're going more for on-farm demonstration type of expenditures where actually the farmers themselves are involved in the research, rather than giving grants or spending money on researchers to be doing their own little projects. We're actually trying to do it more in an on-farm type of co-operative effort. So, yes, we're spending 12 percent more money in direct research in another area, but the Farming for the Future money will stay in place.

MR. CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 9 agreed to]

MR. DINNING: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

Bill 10
Appropriation (Lottery Fund)
Interim Supply Act, 1994

MR. CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 10 agreed to]

MR. DINNING: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

Bill 8
Appropriation (Interim Supply) Act, 1994

MR. CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 8 agreed to]

MR. DINNING: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

10:10

MR. DAY: Mr. Chairman, I move that the Committee do now rise and report.

[Motion carried]

[Mr. Deputy Speaker in the Chair]

MR. DEPUTY SPEAKER: The hon. Member for Dunvegan.

MR. CLEGG: Thank you, Mr. Deputy Speaker. The Committee of the Whole has under consideration certain Bills. The committee reports the following: Bills 8, 9, and 10.

MR. DEPUTY SPEAKER: Does the Assembly concur in the report of the hon. Member for Dunvegan?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.

[At 10:12 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]

